UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD. AND SAMSUNG ELECTRONICS AMERICA, INC.
Petitioners v.

MANUFACTURING RESOURCES INTERNATIONAL, INC.
Patent Owner

Case IPR2023-00220
Patent 9,173,322

PATENT OWNER'S UNOPPOSED RENEWED MOTION TO SEAL

I. INTRODUCTION

Patent Owner Manufacturing Resources International, Inc. ("Patent Owner") hereby renews its motion to seal its Patent Owner Response and certain exhibits submitted with its Patent Owner Response as described herein. Patent Owner additionally moves to seal certain portions of Petitioners' Reply and certain portions of two exhibits thereto. Petitioners Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. ("Samsung" or "Petitioners") do not oppose this motion to seal.

After institution of this proceeding, Patent Owner and Petitioners agreed to "additional discovery" pursuant to 37 C.F.R. § 42.51(b)(2)(i). Specifically, Patent Owner and Petitioners each agreed to produce in this proceeding certain confidential documents and testimony that were produced previously in co-pending ITC Investigation No. 337-TA-1331 concerning the patent at issue. These materials are subject to a protective order (the "ITC Protective Order") entered by the ALJ presiding over the co-pending investigation and are designated as "Confidential Business Information Subject to Protective Order" under the terms of the ITC Protective Order. The ITC Protective Order protects the confidentiality of the materials produced under the terms of that protective order and contains prohibitions on public disclosure of that information.

To maintain confidentiality of the materials exchanged under the ITC

Protective Order, the parties jointly moved for entry of a Stipulated Protective Order in this proceeding on September 11, 2023. Paper No. 19. On December 11, 2023, the Board denied without prejudice the parties' joint motion and permitted the parties to file a renewed motion for entry of a protective order. Paper No. 30. The parties jointly filed a renewed motion for entry of a Stipulated Protective Order on December 27, 2023. Paper No. 36. That motion remains pending.

The Board additionally denied without prejudice Patent Owner's motion to seal Patent Owner Response and certain confidential and competitively-sensitive documents designated as "CONFIDENTIAL BUSINESS INFORMATION SUBJECT TO PROTECTIVE ORDER" by Patent Owner and Petitioners in accordance with the Stipulated Protective Order and the ITC Protective Order. Paper No. 30. The Board explained that certain of the exhibits contained Petitioners' confidential information, and thus Petitioners—not Patent Owner—are responsible for moving to seal those documents. *Id.* at 11. The Board further explained that Patent Owner had failed to meet its burden to provide a meaningful balancing of the public's interest in having a complete file history and the parties' need to have all the information sealed, and that the sealing was excessive. *Id.* at 2-3.

Afterwards, Petitioners filed their Reply in this Proceeding, and submitted certain additional confidential and competitively sensitive documents designated as "CONFIDENTIAL BUSINESS INFORMATION SUBJECT TO PROTECTIVE

ORDER" by Patent Owner and Petitioners in accordance with the ITC Protective Order. Paper No. 30.

Patent Owner now submits the renewed motion to seal portions of its Patent Owner Response, Petitioner Reply, and certain confidential and competitively sensitive documents designated as "CONFIDENTIAL BUSINESS INFORMATION SUBJECT TO PROTECTIVE ORDER" in accordance with the Renewed Stipulated Protective Order and the ITC Protective Order. Pursuant to 37 C.F.R. § 42.54, Patent Owner submits that its Patent Owner Response, certain portions of Petitioners' Reply, and these confidential and competitively sensitive supporting exhibits are properly sealed to protect highly confidential business information from disclosure to its current and prospective competitors. On balance, the interests in maintaining confidentiality of this limited set of information outweighs the public's interest in accessing the information, because disclosure would cause harm to Patent Owner, and even with the requested sealing, the public can understand the basis underlying Patent Owner's arguments supporting validity of its patents.

II. MOTION TO SEAL

A. Materials Subject to Motion to Seal

Patent Owner moves to seal certain portions of its Patent Owner Response submitted concurrently with this motion. Patent Owner further moves to seal the

following exhibits submitted in support of its Response:

- Exhibit 2044
- Exhibit 2045
- Exhibit 2046
- Exhibit 2048
- Exhibit 2049
- Exhibit 2050
- Exhibit 2051
- Exhibit 2052

Patent Owner has concurrently filed an updated redacted version of its Patent Owner Response. Exhibits 2044-2046 and 2048-2052 have been filed as "Parties and Board Only." Patent Owner has served Petitioners with both confidential and redacted versions of the Patent Owner Response and supporting exhibits.

Patent Owner additionally moves to seal certain portions of Petitioners' Reply, submitted by Petitioners concurrently with this motion. Patent Owner further moves to seal the following exhibits submitted in support of Petitioners' Reply:

- Ex. 1048

B. Explanation of Confidentiality in Support of Motion to Seal

Patent Owner's Response and supporting exhibits include competitively sensitive business information of both Patent Owner and Petitioner. Per the Board's

instruction in its denial of the initial Motion to Seal, this Motion addresses only Patent Owner's confidential business information. *See* Paper 30, at 11. Patent Owner's highly confidential business information includes non-public technical information regarding the parties' product development. This highly confidential business information further includes financial sales and marketing materials of the respective parties. These materials have been made available to the opposing party only under the same "Confidential Business Information Subject to Protective Order" terms in the related ITC investigation. The ITC Protective Order requires that these materials remain sealed in this proceeding. If Petitioners and Patent Owner were to submit this material as publicly available information in this Proceeding, the Petitioners and Patent Owner may be violating applicable obligations under the ITC Protective Order.

1. <u>Exhibits 2044-2046, 2048, and 2049-2052</u> to the Patent Owner Response– Documents containing MRI and third party financial confidential business information

<u>Exhibits 2044 and 2046</u> are spreadsheets containing MRI's confidential and non-public sales information. ***All*** sales information in these spreadsheets is confidential, and there is no information that has been disclosed to persons outside of MRI other than Petitioners' outside counsel pursuant to the ITC Protective Order. The information in Exhibits 2044 and 2046 supports Patent Owner's claim that its products which practice the Challenged Claims were commercially successful, and

that its commercial success began after adopting the cooling technology claimed in the Challenged Claims. Disclosing this information to the public, including competitors, would allow competitors unfair access into how MRI prices its produces and undercut MRI in sales proposals. Disclosure also would provide competitors insight into MRI's sales volumes, share of the market, and total revenue. The public interest in access to a complete file history does not outweigh the need to seal these documents because the public can ascertain the evidence of non-obviousness from its description in the briefing and does not need access to the underlying confidential sales data to understand MRI's commercial success.

Exhibit 2045 is a declaration of MRI's chief financial officer, Alan Brand, discussing MRI's confidential and non-public sales information. Like Exhibits 2044 and 2046, this document contains financial information that has never been disclosed to the public. Additionally, this exhibit contains descriptions and photographs of MRI's equipment and facilities that are not disclosed to outside entities absent a confidentiality agreement. This Exhibit has always been presented under seal, including in the ITC Complaint, subsequent motions, and ITC briefing. The information in Exhibit 2045 supports Patent Owner's claim that its products which practice the Challenged Claims were commercially successful. Disclosing the financial information to the public, including competitors, would allow competitors an unfair eye into how MRI prices its produces and undercut MRI in sales proposals.

Disclosing the additional facility and investment information would allow MRI's competitors to see how MRI manufactures its products, and adopt aspects of its methods to manufacture competing products. The public interest in access to a complete file history does not outweigh the need to seal this document because the public can ascertain the evidence of non-obviousness from its description in the briefing and does not require access to the underlying confidential financial data, and facility and investment information.

Exhibit 2048 is correspondence from a third party to MRI regarding confidential and non-public business arrangements. This letter was sent under an executed non-disclosure agreement between MRI and the third-party and has not been disclosed to the public. The statements made in Exhibit 2048 are those of a third-party regarding the business methods, competitive advantages, and proprietary technology of that company and MRI. Disclosure of the contents of this document would cause disclosure of materials for which MRI has contractual obligations to the third-party under the non-disclosure agreement. MRI relies on this letter to show evidence of competitor praise of the technology claimed in the Challenged Patent. The public interest in knowing the exact content of the letter is does not outweigh MRI's legal obligation of keep this letter confidential as the public can surmise the relevant praise based on its summary in the pleadings of this Proceeding without seeing the entire contents of the confidential business communication.

Exhibits 2049, 2050, 2051, and 2052 are contractual agreements between MRI and third parties that include confidential and non-public financial terms, including regarding patent licensing. Exhibit 2050, Exhibit 2051, and Exhibit 2052 contain confidentiality clauses prohibiting the disclosure of information regarding these licenses. Each of these license agreements reveals the confidential business methods regarding how MRI has structured its licensing agreements, whom MRI selects to license its patents, the scope of MRI's licenses, and the royalties paid for such licenses. Disclosure of this information would significantly harm MRI's ability to compete in the industry as it would allow competitors to undercut MRI's ability to negotiate licenses for its intellectual property and exercise its right to freely exclude others from practicing its proprietary technology. Any public interest in knowing the exact terms of these license agreements does not outweigh MRI's need to keep the licenses confidential as the relevant information to a secondary considerations analysis—the existence and identity of all but one licensee—has been unredacted from the Patent Owner Response.

The disclosure of the foregoing information would likely cause significant harm to Petitioners or Patent Owner because it would grant competitors access to such sensitive and non-public information and could result in competitive harm to the disclosing party. Disclosure of these documents would provide third parties with an opportunity to access Samsung's or MRI's proprietary financial or technical

information and would provide insight into Samsung's or MRI's competitive analysis and strategy. Disclosure of MRI's existing license terms and conditions could confer competitive advantages to third parties during future licensing negotiations to MRI's detriment.

If this highly confidential information were disclosed publicly, or to the parties' employees, including in-house counsel, that information likely would cause competitive business harm. In other *inter partes* review proceedings, the Board has held that confidential information such as that submitted here should remain under seal. *See, e.g.*, *Greene's Energy Grp., LLC, Inc. v. Oil States Energy Svcs., LLC*, IPR2014-00216, Paper 27, at 5 (PTAB Sept. 23, 2014). In *Greene's Energy Group*, the Board held that portions of an exhibit containing confidential financial information should remain under seal where the proposed redactions were reasonable and the thrust of the underlying argument or evidence was clearly discernable from the redacted versions. *Greene's Energy Grp.*, IPR2014-00216, Paper 27, at 5.

2. Redacted Portions of the Patent Owner Response

In its Order denying Patent Owner's motion to seal the Patent Owner Response, the Board stated that the "meaningful and specific evidence of nonobviousness is redacted" and "[i]t is also questionable whether all of the material redacted from the Patent Owner Response, if disclosed to the public, would result in

serious harm to either party or a third party." Paper 30 at 12. The Board went on to note that though the identity of certain licensees was redacted in four of the five MRI patents challenged by Samsung, the identity of the licensees was not redacted from the Patent Owner Response filed in IPR2023-0255. To alleviate these concerns, Patent Owner has removed the redactions to certain licensees identities in the Patent Owner Response in the instant Proceeding.

As to the remaining one licensee, the identity of the licensee is not publicly known. Further, the terms of the agreement between MRI and that licensee, the circumstances under which that agreement was negotiated is confidential. Disclosure of the licensee's identity could harm to MRI by requiring public disclosure of information subject to confidentiality obligations to third parties. The public interest in knowing the exact identity of MRI's licensee does not outweigh MRI's need to keep the licensee's identity confidential as the relevant information to a secondary considerations analysis—the existence of licensees and identity of other licensees—has been unredacted from the Patent Owner Response and the thrust of Patent Owner's argument is readily discernible from the remainder of its paragraph challenging MRI's licensing arguments without needing disclosure of the licensee.

3. Redacted Portions of the Petitioner Reply

MRI only redacts three words from the Petitioner Reply. Those three words specifically describe a term in MRI's patent licenses. *See* Part II.B.1. The terms of

MRI's patent licenses, including the term redacted from the Petitioner Reply, reveals MRI's decisions as to what intellectual property MRI will grant a license and what information it chooses to retain as proprietary. Disclosure of this information would significantly harm MRI's ability to compete in the industry as it would allow competitors to undercut MRI's ability to negotiate licenses for its intellectual property and exercise its right to freely exclude others from practicing its proprietary technology. The public interest in knowing the exact terms of these license agreements does not outweigh MRI's need to keep the licenses confidential as the relevant information to a secondary considerations analysis—the existence of licensees—has been unredacted from the Patent Owner Response and the thrust of Petitioners' Reply is readily discernible from the remainder of its paragraph challenging MRI's licensing arguments.

4. Exhibit 1048 to Petitioners' Reply– Documents containing MRI confidential financial information, third party financial confidential business information, and non-public proprietary technical information

Exhibit 1048 is the public copy of the Final Initial Determination filed in the co-pending ITC Investigation No. 337-TA-1331. The information of Patent Owner redacted from the public version of Exhibit 1048 has been sealed by the International Trade Commission because it describes MRI's proprietary technical information, including information regarding how MRI's products are manufactured and function. Disclosure of this information to the public would significantly harm MRI

as it would empower MRI's customers to appropriate and use MRI's proprietary technology. The public interest in a complete copy of this Exhibit does not outweigh the harm caused to MRI because the redactions were kept to minimal portions describing detailed features of MRI's products and the overall description of how the product meets the claim limitations is left unredacted.

The redacted information from Exhibit 1048 additionally includes technical developments undertaken to develop products not at issue in this Proceeding. Finally, the redacted information includes sales offers to third-parties describing MRI's proprietary technology and exchanged under confidentiality agreements. This later category of information relates only to an inventorship claim in the 1331 Investigation and has no relation to any claims in this Proceeding. Thus, there is no public interest in this information to obtain a complete record on these Proceedings.

III. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Board grant this unopposed renewed motion to seal.

Dated: January 12, 2024

Respectfully submitted,

/ John C. Alemanni /

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Counsel for Patent Owner

CERTIFICATE REQUIRED UNDER PAPER 30:

The undersigned hereby certifies that to the extent Patent Owner is aware, the redacted material in the Patent Owner Response and Petitioners' Reply is not in the public domain.

Dated: January 12, 2024

/ John C. Alemanni /
John C. Alemanni
Reg. No. 47,384
Counsel for Patent Owner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the date below a copy of this **PATENT OWNER'S UNOPPOSED RENEWED MOTION TO SEAL** was served on Petitioners by filing through the P-TACTS System and by electronic delivery via email to the following:

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Dated: January 12, 2024

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