

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZHUHAI COSMX BATTERY CO., LTD.,
Petitioner

v.

NINGDE AMPEREX TECHNOLOGY LTD.,
Patent Owner

IPR2023-00587
Patent 10,964,987

**PATENT OWNER'S SUR-REPLY TO PETITIONER'S REPLY TO
PATENT OWNER'S PRELIMINARY RESPONSE**

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Cases	Page(s)
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Petitioner's Reply confirms that its Petition fails to make a *prima facie* case for unpatentability and should be denied, and that the *Fintiv* factors also favor denial.

Factor 2 weighs strongly against institution. Petitioner does not dispute that jury selection will occur nearly eight months *before* the anticipated September 29, 2024 statutory deadline in this proceeding. Petitioner's Reply (Paper 9 ("Reply")) at 1; *see, e.g., Samsung Elecs. Co., Ltd. v. California Inst. of Tech.*, IPR2023-00130, Paper 10 at 16 (P.T.A.B. May 4, 2023).

Factor 3 weighs against institution in view of the significant expenditures in the litigation by the institution decision date. Petitioner ignores that the Board analyzes Factor 3 in terms of the *institution decision date*. *Apple v. Fintiv, Inc.*, No. IPR2020-0019, Paper 11 at 9-10 (P.T.A.B. Mar. 20, 2020) (precedential).

Petitioner does not dispute that at least claim construction, fact discovery, and initial expert reports will be *complete* by the anticipated institution date. Instead, Petitioner tries to create a controversy where none exists by arguing that Patent Owner has taken conflicting positions between Patent Owner's Preliminary Response (Paper 9 ("POPR")) in this proceeding and in the district court regarding the stage of the litigation. Reply at 1. Petitioner mischaracterizes Patent Owner's statements. Any statements in the district court motion explain that Petitioner would suffer minimal prejudice if the court granted its motion to amend contentions because claim construction and discovery had not been completed *at the time the*

motion was filed in June 2023. Ex. 1025 at 5, 14-15. In contrast, the statements in the POPR relate to the substantial work and time that will be invested *by the institution date*, per *Fintiv* factor 3. POPR at 59-60. As explained in the POPR and as is clear in the scheduling order (Ex. 1022 at 3-5), the Parties and the district court will make substantial investment by September 29, 2023. POPR at 59-60. Petitioner never addresses the investment of resources *by the time of institution*.

Petitioner also argues that certain developments do not relate to validity. Reply at 2. This is not true because at the very least, and as Petitioner failed to mention, both parties presented expert testimony about claim construction and indefiniteness of the term “Dv90.” Moreover, the Board has credited extensive discovery, as here, when weighing Factor 3. *See Roku, Inc. v. IOENGINE, LLC*, IPR2022-01553, Paper 11 at 11-12 (P.T.A.B. May 5, 2023); *Qualcomm Inc. v. UNM Rainforest Innovations*, IPR2021-00377, Paper 13 at 8-10 (P.T.A.B. July 19, 2021). Petitioner also asserts that the only “substantive order” that could be issued before institution is a claim construction decision, but the Board looks beyond orders. *See Samsung*, Paper 10 at 17-18; *Roku*, Paper 11 at 11-12. Indeed, as in *Samsung*, this case will be in “an advanced stage of expert discovery” because Petitioner will have served its opening expert report on invalidity and rebuttal reports will be well underway. *Samsung*, Paper 10 at 17-18.

Finally, any arguments of diligence should be met with skepticism. Petitioner

was served on August 4, 2022 and was aware of the Court's schedule on December 12, 2022. *See* Ex. 1020 at 17; Ex. 1022 at 7. Petitioner had every opportunity to expedite filing and file a *Sotera* stipulation to avoid the *Fintiv* inquiry herein.

Factor 4 only marginally weighs in favor of institution. The narrowness of Petitioner's late stipulation (which would take effect after opening expert reports) diminishes its weight. *Compare* Reply at 3 to *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18-19 (P.T.A.B. Dec. 1, 2020) (precedential). A narrow *Sand Revolution*-style stipulation cannot overcome large gaps between the trial date and the expected final written decision deadline to warrant institution. *LG Elecs., Inc. v. Ancora Techs., Inc.*, No. IPR2021-00581, Paper 16 (P.T.A.B. June 10, 2021). Petitioner's implied argument that their stipulation is *slightly* broader than a *Sand Revolution*-style stipulation is empty because this narrow stipulation does not fully mitigate or allay concerns of duplicative grounds, arguments, evidence, and effort, or conflicting decisions, including because rebuttal validity reports will be well underway by institution. *See Qualcomm*, Paper 13 at 10-12.

Factor 5 weighs against institution. The Board in *Protect Animals* held that a ***one-month*** gap between the trial date and the final written decision made this factor neutral. *See Protect Animals with Satellites v. OnPoint Sys.*, IPR2021-01483, Paper 11 at 17 (P.T.A.B. Mar. 4, 2022). With larger gaps (e.g., 8 months, as here), the Board weighs this factor against institution. *See Samsung*, Paper 10 at 20.

Factor 6 weighs strongly against institution. Petitioner cannot make its case with regard to Ground 1. Instead of addressing its vast shortcomings regarding its assertion that “Nishikawa defines its D90 with reference to a cumulative weight distribution” (Pet. at 22), Petitioner admits defeat and *now* argues that Nishikawa’s d90, “while weight based, is *derived* from a *volume*-based Dv90.” Reply at 4-5 (citing *Nishikawa* at 12:49-61). Petitioner never cited *Nishikawa* at 12:49-61 in its papers and never referenced a *volume*-based Dv90. As such, this waived argument should be disregarded. Regardless, *Nishikawa* expressly discloses that its d90 value is weight-based (*see, e.g.*, Ex. 1005, 3:52-55, 7:12-15, 27:34-37) unlike the volume-based Dv90 of the claims. In view of the POPR’s demonstrated shortcomings and Petitioner’s contradicting argument, the Petition cannot “plainly lead to a conclusion that one or more claims are unpatentable.” *OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper 102 at 49 (P.T.A.B. Oct. 4, 2022) (precedential).

Petitioner also argues that Patent Owner “offers no legal or factual justification for construing ‘first solvent’” (Reply at 5), but the POPR provides numerous reasons why *Nishikawa*’s “mixed solvent” cannot be the claimed “first solvent,” pointing to, e.g., *Nishikawa*’s disclosure regarding its “mixed solvent” being a 50/50 mixture of polar solvent DMAc and poor solvent TPG, and to the claim language of the ’987 Patent requiring the “first solvent” to be stirred with the mixture of inorganic particles and binder “to obtain a *uniform coating solution*.”

POPR at 39-45; *see also* Ex. 2001, ¶¶ 122-134. Petitioner provides no rebuttal.

Lastly, Petitioner argues that a POSA would have understood Iwai to teach the claimed Dv90, but Petitioner's unsupported testimony does not meet the high burden of anticipation. *Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1369 (Fed. Cir. 2008) (the "four corners" of a single reference must demonstrate all elements); *Motorola, Inc. v. Interdigital Tech. Corp.*, 121 F.3d 1461, 1473 (Fed. Cir. 1997) ("An expert's conclusory testimony . . . cannot supplant the requirement of anticipatory disclosure in the prior art reference itself."). Iwai does not provide sufficient information to allow one to obtain a Dv90 value. POPR at 46-49. In fact, Iwai is not concerned about the actual Dv90 but only the D90-D10 *difference*, which it deems critical for its alleged invention as it explains that its D90-D10 value of 2 μm or less improves "both adhesiveness to the electrode and the handling property." Ex. 1006, [0041]-[0042]. A reference that is silent on Dv90, does not provide information to calculate the Dv90, and does not provide any reason to calculate the Dv90 cannot "plainly lead to a conclusion that one or more claims are unpatentable." *OpenSky*, Paper 102 at 49 (quoting Interim Procedure at 4).

In conclusion, four *Fintiv* factors weigh against institution, one is neutral, and one weighs only marginally for institution, which cannot outweigh the other factors.

Dated: August 14, 2023

Respectfully submitted,
/Christopher TL Douglas/
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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §42.6(e), the undersigned hereby certifies that a copy of the foregoing **PATENT OWNER'S SUR-REPLY TO PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE** was served by filing this document through the P-TACTS system as well as delivering a true and correct copy by electronic mail on Patent Owner's lead and backup counsel at the following email addresses (as agreed by counsel for Patent Owner):

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