

PUBLIC VERSION

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

SONRAI MEMORY LIMITED,

Plaintiff,

v.

APPLE INC.,

Defendant.

Civil Action No. 6:22-cv-00787-ADA

JURY TRIAL DEMANDED

**DEFENDANT APPLE INC.'S OPPOSITION TO PLAINTIFF'S MOTION TO
SEVER PATENTS INTO SEPARATE ACTIONS**



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I. INTRODUCTION

Sonrai's proposal to sever the present two-patent case into two separate actions is an unnecessary and inefficient reaction to a third-party discovery issue that can almost surely be rectified with a modest extension to the current case schedule. Moreover, the underlying issue here – the timing of certain third-party discovery anticipated but not yet received from SK Hynix – is a direct result of Sonrai's lack of diligence in the first instance. So, rather than burdening the Court, the witnesses and a second Waco jury with multiple trials, Apple proposes a modest extension of existing deadlines (likely in the range of three months) so that any required discovery can be obtained from third-party SK Hynix.

Sonrai also cannot claim any real prejudice from a modest extension when both of the asserted patents already have expired. In contrast, severing this two-patent case into separate cases is an extreme and unnecessary solution that will cause unnecessary burden and expense in violation of Rule 1 of the Federal Rules of Civil Procedure.

II. FACTUAL BACKGROUND

It should have come as no surprise to Sonrai that third-party discovery was going to be required in this case because this is not the first time Sonrai has sued Apple on U.S. Patent No. 6,724,241 ("the '241 patent"), the same patent that Sonrai seeks to sever from the instant action in order to pursue third-party discovery. Indeed, Sonrai first sued Apple on the '241 patent in this Court in 2021. *Sonrai Memory Ltd. v. Apple Inc.*, No. 21-cv-00401-ADA, ECF 1 (W.D. Tex. Apr. 23, 2021) ("Sonrai I"). In that case, Apple demonstrated that the charge pump circuit technology at issue was provided by third-party manufacturers (there Kioxia and Western Digital). Recognizing the efficiencies of proceeding against those manufacturers, the Court granted Apple's motion to stay that prior case under the customer suit exception and it was ultimately resolved. *Sonrai I*, ECF 47 (Feb. 23, 2022).

Shortly before the Sonrai I case was dismissed, on July 15, 2022, Sonrai filed the present action against Apple and again asserted infringement of the '241 patent along with U.S. Patent No. 6,874,014 ("the '014 patent")¹. Now, Sonrai alleges that Apple products containing SK Hynix supplied (instead of Kioxia or Western Digital supplied) NAND flash chips infringe the '241 patent and that Apple products containing Apple's A-series, S-series, M-series, and T-series processors infringe the '014 patent. Ex. A, First Amended Infringement Contentions at 2-4. While the components accused of infringement are not directly linked, the products accused of infringement are nearly identical. *Compare id.* at 2-3 (accusing iPhone 6 series and newer and various generations of iPad, Watch, Mac, and iMac products of infringing the '014 patent) *with id.* at 3-4 (also accusing iPhone 6 series and newer and various generations of iPad, Mac, and iMac products of infringing the '241 patent).

Despite this prior history, in the present case, Sonrai waited over five months to seek third-party discovery from SK Hynix regarding its charge-pump circuit technology when it was clear from the Complaint that SK Hynix's technology was the target of Sonrai's claim against Apple on the '241 patent. Since receiving Sonrai's discovery requests, Hynix has been engaged and cooperating with the third-party discovery process. There is no reason to believe that SK Hynix will be unable to provide the requested discovery within the modest extension Apple has proposed.

III. ARGUMENT

A. Splitting this Case Into Two One-Patent Cases Will Cause Unnecessary Waste and Duplication.

Splitting the present case into two separate actions on separate schedules will prejudice

¹ While Sonrai did not previously sue Apple for infringement of the '014 patent, months before Sonrai filed the *Sonrai I* action against Apple, Sonrai filed suit against Google, LG, and Samsung alleging infringement of the '014 patent. See Case Nos. 6:21-cv-167-ADA, 6:21-cv-168-ADA, and 6:21-cv-169-ADA (W.D. Tex. Feb .23, 2021).

Apple and will result in a waste of the parties' and this Court's resources, in addition to unnecessarily burdening multiple jury pools with two trials. Simply put, two separate-track cases results in a multiplication of effort for all involved. As just some representative examples, two cases would mean separate written discovery, depositions, expert reports, summary judgment and Daubert proceedings, pretrial conferences and trials.²

Furthermore, Sonrai's speculation that the '241 and '014 patents are "sufficiently distinct" and that "there is no overlap in technical sources of proof and it is unlikely that there will be overlapping Apple technical witnesses at trial" (Mot. at 2) is just not true. While some of the underlying technology may be distinct between the two patents, the actual Apple accused products almost wholly overlap. *See infra* Section II. And Sonrai ignores that any non-technical Apple witnesses such as [REDACTED] (marketing) and [REDACTED] (licensing)—both of whom are based in Cupertino, CA—would be additionally burdened by traveling to Waco for trial twice and by being deposed twice. *See* ECF 25 at 4 (Apple's Motion to Transfer). None of Sonrai's cited cases hold otherwise or present a factually similar situation to the present one where Sonrai's conscious choices in filing serial litigations against Apple involving the same patent has resulted in third-party discovery delays. Mot. at 5-6, 8-9. Instead, those cases uniformly involve severing separate co-defendants into separate cases or severing separate counterclaims from the case. *See, e.g., Reid v. Gen. Motors Corp.*, 240 F.R.D. 260 (E.D. Tex. 2007) (granting joint motion of plaintiff and primary defendant to sever case from remaining

² Sonrai claims that having "two smaller trials" will not be prejudicial or inefficient (Mot. at 9), yet Sonrai ignores this Court's precedent for similar trial time allotments of between 10-12 hours per side, regardless of the number of patents at issue. *Compare Touchstream Techs., Inc. v. Google LLC*, No. 6:21-cv-569-ADA, ECF 229 (W.D. Tex. July 13, 2023) (12 hours per side for three patent case) with *Ecofactor, Inc. v. Ecobee, Inc.*, No. 6:21-cv-428-ADA, ECF 217 (W.D. Tex. June 12, 2023) (10 hours per side for two patent case) with *Global eTicket Exchange Ltd. v. Ticketmaster LLC*, No. 21-cv-399-ADA, ECF 187 (W.D. Tex. April 24, 2023) (11 hours per side for one patent case). Therefore, severing and conducting two trials will likely double the number of total trial hours.

defendants); *Jones v. Dematic Corp.*, No. 3:13-CV-1334-O, 2013 WL 12129709 (N.D. Tex. Nov. 8, 2013) (severing plaintiff’s retaliatory discharge and wrongful termination claims against one defendant group from plaintiff’s negligence and products liability claims against a separate defendant group); *Adv. Neuromodulation Sys., Inc. v. Adv. Bionics Corp.*, No. 4:04-CV-131, 2005 WL 8158168 (E.D. Tex. May 18, 2005) (severing counterclaims that “seek[] to inject two new patents . . . into this litigation . . . [which] at this stage of the litigation would case delay and would prejudice [plaintiff]”); *CVI/Beta Ventures, Inc. v. Custom Optical Frames, Inc.*, 896 F. Supp. 505 (D. Md. 1995) (severing intervening defendant’s counterclaim for patent infringement against plaintiff).

B. Any Delay In Obtaining Third-Party Discovery Is Of Sonrai’s Own Making.

Both Apple and Apple’s NAND supplier, SK Hynix, have been cooperative with Sonrai regarding the requested third-party discovery and it is anticipated that the discovery will soon be made available to both Sonrai and Apple. But setting that aside, Sonrai has been dilatory in obtaining this discovery and its claim that it did not know it needed to seek this discovery from SK Hynix until “Apple’s representations [in Apple’s November 14, 2022 transfer motion] regarding its lack of knowledge or discovery concerning the accused functionality of the ’241 Patent” (Mot. at 3) is simply not credible. Notably, Sonrai had the experience of an entire previous round of litigation against Apple and its NAND suppliers on this very patent and learned that Apple did not have the information relating to the accused charge-pump circuit within the supplied NAND components—the manufacturers did. Indeed, Apple stated as much in its *Sonrai I* Motion to Transfer. *Sonrai I*, ECF 30 at 3 (“No Apple employees have any information regarding the research, design, development or operation of the accused charge pump circuitry within the Accused Kioxia and WD Chips that are supplied to Apple nor do Kioxia and WD share with Apple details regarding the design, development or operation of the

charge pump circuitry.”).

In addition, Sonrai was well-aware that this Court granted Apple’s motion to stay pursuant to the customer-suit exception precisely because Apple’s NAND suppliers were best positioned to develop the factual record on these components. *Sonrai I*, ECF 47. It is—or should have been—evident that the same is true for Apple’s SK Hynix supplied NAND before Sonrai even filed the present action, and Sonrai should have sought that discovery immediately upon filing this case in order to avoid this very problem. But Sonrai did not, and this Court should not reward its lack of diligence by multiplying the number of litigations against Apple.

C. A Short Extension Will Not Prejudice Sonrai

In contrast to the prejudice that Apple would incur should this case be severed, Sonrai can claim no credible prejudice from a short overall extension to the case schedule. Indeed, Sonrai’s claim that the extraordinary act of severing this case into two actions is warranted because “Sonrai is entitled to its day in Court” (Mot. at 8) is belied by the fact that prior to filing the *Sonrai I* suit, Sonrai had already sued others (including Google, LG, and Samsung) on the ’014 patent and Sonrai previously sued Apple on the same ’241 patent in 2021 relating to Apple products incorporating Kioxia and Western Digital NAND chips. Yet Sonrai inexplicably included neither claim in the first case. Had Sonrai been so eager to receive its day in Court, it should have included these claims in the first suit. Moreover, Sonrai cannot seek injunctive relief and is only seeking monetary damages in this action because **both the ’241 and the ’014 patents are expired**. The damages period is therefore closed and a short extension has no impact on Sonrai’s potential recovery.

IV. CONCLUSION

Because severing this two-patent action into two separate cases will unnecessarily waste resources of this Court, the parties, and will tax the jury pool in this District, the Court should

deny Sonrai's motion to sever and instead grant a three-month extension to all case deadlines to allow timely completion of fact discovery.

Dated: August 22, 2023

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CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served on August 22, 2023 with a copy of this document via electronic mail.

/s/ John M. Guaragna

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