PUBLIC VERSION

[redacted]

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SEMICONDUCTOR COMPONENTS INDUSTRIES, LLC,
Petitioner

v.

GREENTHREAD, LLC,
Patent Owner

Case: IPR2023-01242
U.S. Patent No. 11,121,222

PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW

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EXHIBIT LIST

Exhibit No.	Description	Submitted Previously?
Ex. 2001	*Greenthread, LLC v. Intel Corp.*, No. 6:22-cv-00105-ADA, Dkt. 7 (summons returned executed) (W.D. Tex. Feb. 7, 2022)	X
Ex. 2002	Email communication from Petitioner's counsel to Patent Owner's counsel October 16, 2023	X
Ex. 2003	Presentation entitled "Accelerating the Journey Towards a Sustainable Ecosystem" (2023) available at Petitioner's website at https://www.onsemi.com/site/pdf/2023_Analyst_Day_Presentation.pdf	X
Ex. 2004	"Clock Devices for Servers" (Aug. 2020) available at https://cdrdv2-public.intel.com/620306/620306_Clock_Devices_For_Server_Rv1p3.pdf	X
Ex. 2005	On Semiconductor Corporation Form 10-K filing with U.S. Securities and Exchange Commission for the fiscal year ended December 31, 2016	X
Ex. 2006	ON Semiconductor data sheet entitled "NCP81248 Three-Rail Controller with Intel Proprietary Interface for IMVP8 CPU Applications" (Feb. 2018) available at https://www.onsemi.com/pdf/datasheet/ncp81248-d.pdf	X
Ex. 2007	onsemi data sheet entitled "+ 1 Phase Output Controller with SVID Interface for Computer CPU Applications" (May 2023) available at https://www.onsemi.com/download/data-sheet/pdf/ncp81566-d.pdf	X
Ex. 2008	Onsemi data sheet entitled "+ 2 Phase Output Controller with SVID Interface for Computer CPU Applications (May	X

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Exhibit No.	Description	Submitted Previously?
	2023) available at https://www.onsemi.com/download/data-sheet/pdf/ncp81567-d.pdf	
Ex. 2009	Article entitled "If You Invested $1000 in ON Semiconductor Corp. a Decade Ago, This is How Much It'd Be Worth Now," May 8, 2023 available at https://finance.yahoo.com/news/invested-1000-semiconductor-corp-decade-123012312.html	X
Ex. 2010	Onsemi Standard Terms and Conditions of Sale, Rev.08102021 available at https://www.onsemi.com/site/pdf/ONSEMI_T&C.pdf	X
Ex. 2011	Plaintiff's First Set of Common Interrogatories to Defendants ON Semiconductor Corporation and Monolithic Power Services, Inc., et al., *Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA (D. Del.) (served Sept. 27, 2023)	X
Ex. 2012	Plaintiff's First Set of Common Requests for the Production of Documents to Defendants ON Semiconductor Corporation and Monolithic Power Services, Inc., Et Al., *Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA (D. Del.) (served Sept. 27, 2023)	X
Ex. 2013	Definition of "privity" in Black's Law Dictionary (11th ed. 2019) available from Westlaw at westlaw.com	X
Ex. 2014	Email communication from Petitioner's counsel to Patent Owner's counsel October 11, 2023	X
Ex. 2015	Plaintiff's Identification of Accused Products and Asserted Patents, *Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA (D. Del.) (served Oct. 12, 2023)	X
Ex. 2016	Petition (Paper 2) in *Sony Group Corp. v. Greenthread, LLC*, IPR2023-00324	X

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Exhibit No.	Description	Submitted Previously?
Ex. 2017	Petition (Paper 1) in *Sony Group Corp. v. Greenthread, LLC*, IPR2023-00376	X
Ex. 2018	*Greenthread, LLC v. Intel Corp.*, No. 6:22-cv-00105-ADA, Dkt. 1 (Complaint) (W.D. Tex. Jan. 27, 2022)	X
Ex. 2019	*Greenthread, LLC v. Dell Inc.*, No. 6:22-cv-105-ADA, Dkt. 120 (Second Amended Complaint)	X
Ex. 2020	*Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA, Dkt. 1 (Complaint with accompanying exhibits) (D. Del. Apr. 21, 2023)	X
Ex. 2021	*Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA, Dkt. 24 (Scheduling Order) (D. Del. Sept. 11, 2023)	X
Ex. 2022	Confidential agreement	X
Ex. 2023	Petition (Paper 1) in *Intel Corp. v. Greenthread LLC*, IPR2023-00308	X
Ex. 2024	Petition (Paper 1) in *Intel Corp. v. Greenthread LLC*, IPR2023-00420	X
Ex. 2025	Petition (Paper 1) in *Intel Corp. v. Greenthread LLC*, IPR2023-00552	X
Ex. 2026	Petition (Paper 1) in *Dell Techs. Inc. v. Greenthread LLC*, IPR2023-00506	X
Ex. 2027	Petition (Paper 1) in *Dell Techs. Inc. v. Greenthread LLC*, IPR2023-00509	X
Ex. 2028	Confidential declaration	X

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Exhibit No.	Description	Submitted Previously?
Ex. 2029	Email communication from Patent Owner's counsel to Petitioner's counsel between May 26 to June 1, 2023	X
Ex. 2030	Web pages from websites of Onsemi (www.onsemi.com), Mouser Electronics, Inc. (www.mouser.com), Rochester Electronics (www.rocelec.com), and DigiKey Corporation (www.digikey.com) (URLs for web pages are indicated on respective pages)	X
Ex. 2031	*Greenthread, LLC v. Intel Corp.*, No. 6:22-cv-00105-ADA, Dkt. 113 (Redacted Memorandum Opinion and Order) (W.D. Tex. Dec. 27, 2022)	X
Ex. 2032	*Greenthread, LLC v. Intel Corp.*, 6:22-cv-00105-ADA, Dkt. 38 (First Amended Complaint for Patent Infringement) (W.D. Tex., filed Apr. 29, 2022)	X
Ex. 2033	*Greenthread, LLC v. Intel Corp.*, 6:22-cv-00105-ADA, Dkt. 38-8 (Greenthread's Amended Preliminary Infringement Contentions) (W.D. Tex., filed Apr. 29, 2022)	X
Ex. 2034	*Greenthread, LLC v. Intel Corp.*, 6:22-cv-00105-ADA, Dkt. 38-12 (Exs. D-1, D-2, D-3, D-6 to Greenthread's Preliminary Infringement Contentions) (W.D. Tex., filed Apr. 29, 2022)	X
Ex. 2035	Plaintiff's Supplemental Identification of Asserted Patents and Accused Products in *Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA (served to Petitioner's counsel on Nov. 10, 2023)	X
Ex. 2036	Webpage regarding iFixIt, PlayStation 5 Teardown (https://www.ifixit.com/Teardown/PlayStation+5+Teardown/138280)	X
Ex. 2037	Webpage from Mouser Electronics, Inc. for NCP252160 (https://www.mouser.com/ProductDetail/onsemi/NCP252160MNTWG?qs=sPbYRqrBIVkc9klNZ2pXbg%3D%3D)	X

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Ex. 2038	Webpage from DigiKey for NCP252160 (https://www.digikey.com/en/products/detail/onsemi/NCP252160MNTWG/15859992)	X
Ex. 2039	Webpage from Mouser Electronics, Inc. for NB3L202K (https://www.mouser.com/ProductDetail/onsemi/NB3L202KMNTXG?qs=z6PAvqrnkvR8PcLN2EnUzg%3D%3D)	X
Ex. 2040	Webpage from DigiKey for NB3L202K (https://www.digikey.com/en/products/detail/onsemi/NB3L202KMNTXG/7220446)	X
Ex. 2041	Definition of "agent" in Black's Law Dictionary (11th ed. 2019) available from Westlaw at westlaw.com	X
Ex. 2042	*Greenthread, LLC v. Intel Corp.*, 6:22-cv-00105-ADA, Dkt. 135 (Motion for Admission Pro Hac Vice of L. Popovski on Behalf of Sony) (W.D. Tex., filed January 30, 2023)	X
Ex. 2043	[RESERVED]	
Ex. 2044	Email communication from Patent Owner to Petitioner's litigation counsel dated September 13, 2023	X
Ex. 2045	*Greenthread, LLC v. Intel Corp.*, 6:22-cv-00105-ADA, Dkt. 49 (Notice of Appearance of Additional Counsel) (W.D. Tex., filed June 9, 2022)	X
Ex. 2046	[RESERVED]	
Ex. 2047	[RESERVED]	

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Exhibit No.	Description	Submitted Previously?
Ex. 2048	*Greenthread, LLC v. Intel Corp.*, 6:22-cv-00105-ADA, Dkt. 120-8 (Greenthread's Amended Preliminary Infringement Contentions) (W.D. Tex., filed Jan. 23, 2023)	X
Ex. 2049	Email communications between Petitioner's counsel and Patent Owner's counsel, dated Oct. 31, 2023 - Nov. 1, 2023	X
Ex. 2050	Email communications between Petitioner's counsel and Patent Owner's counsel, dated Nov. 2-7, 2023	X
Ex. 2051	Email communications between Petitioner's counsel and Patent Owner's counsel, dated Nov. 14-15, 2023	X
Ex. 2052	Email communications between Petitioner's counsel and Patent Owner's counsel, dated Dec. 12-13, 2023	X
Ex. 2053	Web page from website of Onsemi (https://www.onsemi.com/products/custom-assp/soc-sip-custom-products)	X
Ex. 2054	Greenthread, LLC v. ON Semiconductor Corp., No. 23-443-RGA, Dkt. 36 (Second Amended Complaint) (D. Del. Nov. 22, 2023)	X
Ex. 2055	*Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA, Dkt. 42 (Defendants' Answer, Affirmative Defenses, and Counterclaims to Plaintiff's Second Amended Complaint) (D. Del. Dec. 20, 2023)	X
Ex. 2056	Email communications between the Board, Petitioner's counsel and Patent Owner's counsel dated November 27, 2023	X

This case cleanly presents an important and recurring legal question: what happens when a patent owner proffers evidence that the petitioner is in privity with a time-barred party and the petitioner fails to offer any evidence whatsoever to dispute privity.

The parties and the panel below agree on at least three things:

(1) Intel Corporation ("Intel") is time-barred from bringing these proceedings.

(2) OnSemi (the petitioner)[1] and Intel have a pre-existing substantive relationship relating to products accused in district court. Among other things, OnSemi manufactures some of those products for Intel.

(3) OnSemi produced *zero* evidence regarding the communications or legal obligations between itself and Intel.

On these undisputed facts, the petition should have been dismissed as untimely under § 315(b). Under *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1243–44 (Fed. Cir. 2018), the petitioner has the burden of persuasion regarding § 315(b) and under *Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375, 1378–79 (Fed. Cir. 2015), the party with the burden of proof "loses" when there is no evidence to support a finding in its favor. Since OnSemi offered *no evidence* regarding the

[1] Semiconductor Components Industries, LLC d.b.a. "OnSemi."

timeliness of its petition, OnSemi should "lose[]." *Id.* The panel below did not follow *Worlds* and did not even cite *Dynamic Drinkware*.

Patent Owner Greenthread LLC ("Greenthread") finds itself in a *Catch-22*: the panel refused to order OnSemi to produce its agreements with Intel, because they were not "useful" in the privity analysis, but then rejected Greenthread's privity arguments because the agreements were not in the record. Instead of dismissing the petition under *Dynamic Drinkware*, the panel assumed that OnSemi contracts with Intel would support OnSemi. But the panel never saw those contracts, because Onsemi never put them in the record. The panel then discounted the undisputed record reflecting the relationship between OnSemi and Intel and faulted *Greenthread* for failing to provide *further* evidence that OnSemi and Intel are in privity. That was error, because OnSemi bore the burden of proof regarding its relationship with Intel. Moreover, Greenthread sought—and *the panel denied*—discovery of the very contracts and communications that the panel faulted Greenthread for not putting in the record. Only OnSemi has those documents and its failure to put them in the record should count against OnSemi, not Greenthread.

I. BACKGROUND

Dr. Mohan Rao is Greenthread's founder and inventor on the challenged patents. After earning a Ph.D. in India where he was raised, Dr. Rao immigrated to the United States in the 1970s and earned a *second* Ph.D., studying under Nobel

Prize winner Jack Kilby. Ex 2018, ¶39. Dr. Rao then spent several decades at Texas Instruments ("TI"), rising to become one of 12 Senior Fellows out of TI's 20,000 engineers. *Id.* ¶40. Some of Dr. Rao's work at TI is featured in the Smithsonian and he is a named inventor on over 100 U.S. patents. *Id.* ¶42. After leaving TI, Dr. Rao continued his inventive work at several companies he founded, including Greenthread. Greenthread owns a family of patents titled "Semiconductor Devices with Graded Dopant Regions," for which Dr. Rao is the sole inventor and which Greenthread has licensed to seven different companies, including two without litigation. *See, e.g.*, Exs. 2054, ¶¶ 19-33; 2022; 2028; 2029; 2052, 1.

Relevant here, on February 3, 2022 Greenthread served Intel with a complaint alleging infringement of the challenged patents. Ex. 2001, Ex. 2018. Greenthread and Intel settled their dispute and Greenthread granted Intel a license to the challenged patents, by way of sublicense through RPX Corp. Ex. 2022. Among other things, Greenthread granted Intel the right to "have made" by others licensed products. Greenthread also granted a limited sublicense to Intel's "have made" vendors. Ex. 2022, 2-3.

A. Evidence of OnSemi's relationship with Intel.

The undisputed record shows that OnSemi has a pre-existing substantive relationship with Intel. OnSemi admitted that "Intel, [redacted] and [redacted] are customers of Petitioner." Paper 11 (Petitioner's Opposition to Patent Owner's Motion for

Additional Discovery), 10. Intel documents also confirm that OnSemi products are components of Intel products. Ex. 2004. Some of these Onsemi products are accused in the co-pending district court proceedings. Ex. 2015.

Record evidence further indicates that Intel does more than purchase off-the-shelf products from OnSemi. OnSemi advertises that it makes products specific to Intel's "proprietary interface"—i.e. these products have no purpose except integration with Intel products. Ex. 2006. More generally, OnSemi advertises that it makes "Custom Product[s]" for its customers. Ex. 2053. Furthermore, OnSemi indemnifies its customers for claims of patent infringement. Ex. 2010, 3. Finally, it is undisputed that OnSemi acts as Intel's "have made" vendor and sublicensee under Greenthread's license to Intel. Ex. 2022, 2-3.

B. Proceedings Below

On July 27, 2023, OnSemi filed the instant Petitions which did not substantively address their timeliness or OnSemi's relationship with any time-barred party. Shortly thereafter, Greenthread notified OnSemi that its relationship with Intel (and others) created a time bar under § 315(b). Ex. 2014, 3-4. OnSemi refused to provide any discovery or withdraw its petition. *Id.* at 1. On October 17, 2023 Greenthread filed a motion seeking discovery of OnSemi's contracts with Intel and its communications with Intel regarding the design of the apparently custom products it makes for Intel. Paper 8. Greenthread also requested an extension on its

POPR pending a ruling on the discovery motion. The panel denied Greenthread's request. Email from trials@uspto.gov to Parties' counsel of record on Greenthread's request, October 13, 2023. Accordingly, Greenthread filed its POPR on November 14, 2023 without the benefit of discovery or a ruling on its discovery motion.

After seeing Greenthread's POPR, OnSemi requested a preliminary reply and the opportunity to present additional evidence on the timeliness of its petition. Ex. 2056, 1-2. The Board authorized OnSemi to file "a preliminary reply *and supporting evidence*." Ex. 2056, 1 (emphasis added). OnSemi filed its preliminary reply, but did not submit any evidence on the timeliness of its petition. *See* Paper 22 (Petitioner's Reply to Patent Owner's Preliminary Response). Throughout these proceedings, OnSemi's contention that it is not in privity with Intel has been supported only by attorney argument.

On January 26, 2024, three months after Greenthread had filed its discovery motion, the Panel denied Greenthread's motion *in toto*. Paper 30. The panel said that "sales agreements, design agreements, and communications about product design," would not "be useful in determining whether Petitioner has a close relationship with Intel." Paper 30, 9.

On February 12, 2024, the panel issued decisions instituting IPR of the challenged patents. Paper 32. Regarding the timeliness of the petition, the panel faulted Greenthread for not identifying "any particular product Petitioner sells to

Intel [that] is custom-made for Intel." Paper 32, 22. The panel did not reconcile this statement with its earlier statement that "design agreements, and communications about product design," would not "be useful in" the privity analysis. Paper 30, 9. The panel also said that "Patent Owner does not direct us to any" contract terms that would apply between OnSemi and Intel. Paper 32, 18. The panel did not reconcile this statement with its prior statement that "sales agreements" would not be "useful" in the privity analysis. Paper 30, 9.

II. LEGAL STANDARD

A party may seek Director Review of a panel's institution decision for "(a) an abuse of discretion or (b) important issues of law or policy." Revised Interim Director Review Process 2.B. "An abuse of discretion may be established by showing that the [panel] made a clear error of judgment in weighing relevant factors or exercised its discretion based upon an error of law or clearly erroneous factual findings." *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1350 (Fed. Cir. 2001),

III. ARGUMENT

Director review is appropriate. The panel below abused its discretion by placing the burden of proof regarding the timeliness of the petition on Greenthread and by applying the incorrect legal standard in its privity analysis. Director review is also appropriate because the question of whether petitioners may satisfy their

burden under § 315(b) without any evidence presents an important question of law and policy that is not generally addressed by the Federal Circuit.

A. The Panel Misallocated the § 315(b) Burden of Proof

Customer-supplier relationships *can* and *do* create privity under § 315(b). *E.g.*, *Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.,* IPR2017-00789, Paper 148 at 14, (PTAB Jan. 24, 2019) (precedential)*; Volkswagen Grp. of Am. Inc. v. Argina Tech. Ltd.*, IPR2021-01263 Paper 16 (PTAB Jan. 21, 2022). Whether a particular relationship creates privity "is a 'highly fact-dependent question.'" *Apps. in Internet Time, LLC v. RPX Corp.*, IPR2015-01750, Paper 128 at 7 (PTAB Oct. 2, 2020) (precedential) ("*AIT*"). Here, it is undisputed that (1) OnSemi and Intel have an established customer supplier relationship (*see* Ex. 2004, 1, 3, 10), and (2) OnSemi "bears the ultimate burden of persuasion to show that its petitions are not time-barred under § 315(b)." *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1242 (Fed. Cir. 2018). Therefore, in the absence of any evidence showing that its specific customer-manufacturer relationship did not create privity, OnSemi "loses" and the petitions should be dismissed. *Dynamic Drinkware,* 800 F.3d at 1378–79.

The panel erred by assuming—*without any evidence*—that the specific customer-manufacturer relationship between OnSemi and Intel did not create privity. The panel further erred by placing the burden on Greenthread to produce evidence regarding the precise nature of OnSemi's and Intel's relationship. The

panel then compounded these errors by, on the one hand, denying Greenthread discovery of OnSemi's agreements and contracts with Intel, because (according to the panel) they are "not useful" in the privity analysis and, on the other hand, citing to *the absence* of those documents in the record as the reason to accept OnSemi's unsupported assertion that its petition was not time barred. The panel repeated these errors throughout its § 315(b) analysis.

First, to show that OnSemi generally indemnifies its customers, Greenthread pointed to OnSemi's "Standard Terms and Conditions of Sale," which include an indemnity clause. Ex. 2010. Greenthread did not argue that OnSemi and Intel used OnSemi's "standard" terms, but that OnSemi should have produced its actual agreements with Intel so that Greenthread and the panel could evaluate whether those specific agreements contained indemnity provisions that would establish privity. Paper 18 (Patent Owner's Preliminary Response), 18.

The panel acknowledged that an indemnification obligation between a customer and manufacturer "can give rise to a privity relationship." Paper 32, 18. However, instead of faulting OnSemi for failing to produce the applicable contracts, the panel shifted the burden to Greenthread. The panel analyzed OnSemi's "standard" terms (which no party said applied to the Intel-OnSemi relationship), found that those terms did not "give rise to privity between Petitioner and Intel" and then concluded that Greenthread had failed "direct[] us to any evidence that an

indemnification obligation creates a privity relationship between Petitioner and Intel." *Id.* at 19. Of course, Greenthread had no way to direct the panel to such evidence, because Greenthread did not have the documents—only OnSemi did. Moreover, the panel had previously said those documents would not be "useful" in the privity analysis. Paper 30, 9. Regardless, it was not Greenthread's burden to produce such evidence—OnSemi possesses the documents and bore the burden to produce them. The Board has often said that "lack of evidence" regarding privity that would presumably be in a petitioner's possession affirmatively "cuts against the party bearing the burden of proof on these issues." *Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.*, IPR2017-00789, Paper 148 at 14 (PTAB Jan. 24, 2019) (precedential). Here, the panel found the exact opposite and held that the absence of documents only Onsemi has "cuts against" Greenthread.

Second, the panel acknowledged (as Greenthread argued) that "entities who are 'preceding and succeeding owners of property' can be in privity with one another." Paper 32, 15 (citing *Taylor v. Sturgell*, 553 U.S. 880, 894 (2008)). It is undisputed that OnSemi and Intel are preceding and succeeding owners of infringing (or now licensed) articles, by virtue of their customer-manufacturer relationship. The panel correctly said that not "all manufactures of allegedly infringing goods" are in privity with their customers. Paper 32, 15. However, the panel ignored the

fact that in *all* post-*Worlds* cases it cited, *the record included the applicable contracts*. *See* Paper 32.

In *WesternGeco LLC v. ION Geophysical Corp*., "the Board reviewed the purchase agreements as well as relevant business correspondence." 889 F.3d 1308, 1321 (Fed. Cir. 2018). In *Samsung Electronics Co. Ltd. v. Netlist Inc.*, the Board likewise examined "indemnification correspondence" and the actual contracts. IPR2022-00615, Paper 64 at 14-15 (PTAB Jun. 30, 2023). The panel cited *Wi-Fi One, LLC v. Broadcom Corp.* 887 F.3d 1329, 1340 (Fed. Cir. 2018), but that case is irrelevant, as it was decided before *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1244 (Fed. Cir. 2018) and the Director's decision in *Samsung v. Netlist*, IPR2022-00615, Paper 40 (Dir. Vidal Feb. 3, 2023), emphasizing the importance of actual evidence in § 315(b) analysis. Even in *Wi-Fi One*, the Federal Circuit held that the "Board's decision was supported by *substantial evidence*." *Wi-Fi One*, F.3d at 1340 (emphasis added).

Here, panel simply assumed (without any evidence) that OnSemi's and Intel's specific relationship was the type of customer-manufacturer relationship that did not create privity, rather than the kind of customer-manufacturer relationship that does. OnSemi bore the burden of proving the nature of its relationship with Intel and its failure to produce the relevant contracts should have counted against OnSemi, not Greenthread.

Third, Greenthread argued that OnSemi and Intel were in privity, because OnSemi makes custom products for Intel. It is undisputed that OnSemi makes products compatible with Intel's "proprietary" technology and holds itself out as a "leading supplier of . . . custom solutions" for its customers. Ex. 2010, 5; Ex. 2053. The panel said that Greenthread did "not allege that *any particular product* Petitioner sells to Intel is custom-made for Intel." Paper 32, 22 (emphasis added). That was incorrect, as Greenthread had pointed to products OnSemi designs specifically for Intel. Paper 28, 3 (citing Ex. 2006). More importantly, it is not Greenthread's burden to identify a "particular" product OnSemi makes for Intel. It is OnSemi's burden to show that it is not in privity with Intel. Moreover, the panel's insistence that Greenthread identify a "particular product" custom made for Intel is flatly inconsistent with the panel's prior holding that "design agreements, and communications about product design" are not "useful" in the privity analysis. Paper 30, 9.

B. The Panel Applied the Wrong Legal Standard for Privity

The panel further erred by applying the incorrect legal standard at other points of its analysis. It is well established that "agents and principals are in privity for res judicata purposes 'if the prior action concerned a matter within the agency.'"

Herrion v. Children's Hosp. Nat. Med. Ctr., 448 F. App'x 71, 73 (D.C. Cir. 2011).[2] For example, in *John St. Leasehold, LLC v. Cap. Mgmt. Res., L.P.*, 283 F.3d 73, 75 (2d Cir. 2002), the FDIC contracted with asset managers to exercise its rights as receiver for a failed bank. The Second Circuit held that the asset managers were the FDIC's agents, acting within "the scope of their agency," and thus "in privity with the" FDIC. *Id.* at 75. Likewise in, *Fiumara v. Fireman's Fund Ins. Companies*, 746 F.2d 87, 87 (1st Cir. 1984), a motel operator sued his fire insurer for denying his claim in bad faith. The motel operator lost and then sued the *contractors* the insurer used to investigate his claim. *Id.* The First Circuit affirmed summary judgment for the contractors, holding that the contractors were "acting as agents of the" insurer and therefore "clearly qualify as persons in privity." *Id.* at 92. Finally, in *In re Google LLC*, 949 F.3d 1338, 1346 (Fed. Cir. 2020) the Federal Circuit said that contracts between Google and an internet service provider to "[a]ssembl[e] equipment based on information and instructions provided by" Google were "suggestive of an agency relationship."

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[2] The D.C. Circuit is "hardly alone in this approach to privity between principals and their agents." *Herrion v. Children's Hosp. Nat. Med. Ctr.*, 786 F. Supp. 2d 359, 371 n.9 (D.D.C.), *aff'd*, 448 F. App'x 71 (D.C. Cir. 2011) (citing cases from the Supreme Court and eight other Circuits).

Below, Greenthread argued that OnSemi is in the same position as the (1) contract asset managers in *John St.* (2) the contract investigators in *Fiumara*, and (3) the ISPs in *Google* who ""[a]ssembl[e] equipment" for Google. OnSemi operates as Intel's a "have made" vendor (and under Intel's license from Greenthread), and just like the parties in the prior cases, OnSemi is exercising the contractual rights of, and performing tasks at the direction of, another party.

Here, Intel could have exercised its license rights by making the accused products itself, but choose to "have [the accused products] made" by OnSemi instead. The FDIC, the insurer, or Google could have exercised their rights directly, but chose to employ an agent. For privity, what matters is not the scope or nature of the agency, but whether "the prior action concerned a matter within the agency." *Herrion*, 448 F. App'x at 73. Here, the manufacture of licensed or accused goods is obviously relevant to these proceedings and indistinguishable from the "assembl[ing] equipment" in *Google*.

The panel rejected Greenthread's arguments based on a series of legal errors. First, the panel said that "the relevant question is 'whether the petitioner is simply serving as a proxy'" for Intel. Paper 32, 19 (citing *WesternGeco*, 889 F.3d at 1319). To be sure, "serving as a proxy" for another party, is <u>*sufficient*</u> to establish privity, but it is not <u>*necessary*</u> to establish privity. Privity "is a highly fact-dependent" issue, *AIT*, IPR2015-01750, Paper 128 at 7, and can be found based on "*a variety* of pre-

existing substantive legal relationship[s]"—including agency. *Taylor v. Sturgell*, 553 U.S. 880, 894 (2008) (emphasis added). In the *Worlds* remand decision, the Board rejected the argument that the petitioner was not in privity when it "was not placed on notice of the infringement" previously and could not "control the [prior] District Court litigation." *Bungie Inc. v. Worlds Inc.*, IPR2015-01264, Paper 64 at 44 (PTAB Jan. 14, 2020). Moreover, to the extent that control of the prior litigation is relevant, "the lack of evidence" regarding control should have counted against OnSemi, not Greenthread. *Id*. at 35.

Second, the panel said that "the case law cited by Patent Owner [i.e. *Herrion, John St. Leasehold, Fiumara*, and *Google*,] does not apply," because in those cases "the alleged privy was the party asserting a defense of res judicata or collateral estoppel, not the party against whom collateral estoppel was asserted." Paper 32, 20. But, the legal standard for privity does not depend on who is making the argument. The panel's suggestion (without explanation) that a different standard of privity applies in a § 315(b) analysis was wrong. The Board and Federal Circuit consistently apply the *general* standard for privity set forth in *Taylor v. Sturgell*. (Consolidated Trial Practice Guide, November 2019), 13.

Third, the panel said that Greenthread's argument "lacks factual support in the record," because Greenthread did not produce evidence that Intel had the right to control OnSemi's actions. Paper 32, 21. The panel's argument misstates the record.

Greenthread argued that OnSemi is a manufacturer of "Custom Product[s]" and "leading supplier of … custom solutions," including Intel "proprietary" products. Paper 28, 8 (citing Ex. 2010, 5; Ex. 2053); *Id.* at 3 (citing Ex. 2006). In short, Intel picks the products OnSemi makes and dictates how they are designed (i.e., "right to direct or control," *Google*, 949 F.3d at 1345). Regardless, OnSemi could have produced its agreements with Intel showing to what extent Intel had the ability to control OnSemi's design and production of accused products. The panel erred by assuming without evidence that the documents OnSemi refused to produce would support OnSemi.

IV. CONCLUSION

For the foregoing reasons, the Director should grant review, instruct the panel that denial of the motion for additional discovery was inappropriate in view of the facts and controlling Federal Circuit precedent, and enter a denial of institution. In the alternative to an entry of denial of institution, the Director should grant the motion for additional discovery, and remand the case for institution consideration consistent with the Director's decision.

Dated: February 26, 2024

Respectfully submitted,

/Alan Whitehurst/

Alan Whitehurst
Reg. No. 43,263
awhitehurst@mckoolsmith.com
Nicholas T. Matich
Reg. No. L1,373
nmatich@mckoolsmith.com
Arvind Jairam
Reg. No. 62,759
ajairam@mckoolsmith.com
Stuart McCommas
Reg. No. 71,834
smccommas@mckoolsmith.com
McKool Smith, P.C.
1999 K St. NW, Suite 600
Washington, DC 20006
Telephone: (202) 370-8300
Facsimile: (202) 370-8344

Archis "Neil" Ozarkar
Reg. No. 71,265
nozarkar@mckoolsmith.com
McKool Smith, P.C.
600 Travis Street, Suite 7000
Houston, TX 77002
Telephone: (713) 485-7300
Facsimile: (713) 485-7344

[redacted]

CERTIFICATION OF SERVICE

The undersigned hereby certifies that a copy of this **PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW** and supporting exhibits have been served on Petitioner via email on the following counsel of record for Petitioner:

Roger Fulghum
Roger.Fulghum@BakerBotts.com
BAKER BOTTS L.L.P.
One Shell Plaza
910 Louisiana Street
Houston, TX 77002
T.: (713) 229-1234

Mark Speegle
Mark.Speegle@BakerBotts.com
Ellyar Y. Barazesh
Ellyar.Barazesh@BakerBotts.com
BAKER BOTTS L.L.P.
401 South First Street, Suite 1300
Austin, TX 78704
T: (512) 322-2536

Daniel Anderson
Daniel.Anderson@andersonpatents.com
1930 S. Alma School Road, Suite A200
Mesa, AZ 85210
T: (602) 516-8265

dlgreenthreadvonsemi@bakerbotts.com

Dated: February 26, 2024

By: */Alan Whitehurst/*
Alan Whitehurst, Reg. No. 43,263