IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CIRRUS LOGIC, INC.;
OMNIVISION TECHNOLOGIES, INC.; AND
AMS SENSORS USA INC.,
Petitioner,

v.

GREENTHREAD, LLC,
Patent Owner.

Case No. IPR2024-00021
Patent No. 11,121,222

PETITIONERS' REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

[redacted]

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Patent Owner Greenthread, LLC argues that the identification of real parties in interest in the petition does not meet Petitioners' burden under 35 U.S.C. § 315(b) to show they are not time barred because Greenthread alleges that (1) Petitioners offer no evidence to meet their burden, other than identifying the real parties in interest, and (2) one or more Petitioners are in privity with time-barred companies that Greenthread previously sued for patent infringement and that are now licensed: (the "Greenthread Licensees").[1] First, Greenthread ignores the statute—a petition need only identify the real parties in interest and need not offer evidence of the same. *See* 35 U.S.C. § 312(a)(2); *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1243 (Fed. Cir. 2018). Second, Greenthread only speculates that Petitioners are in privity with the Greenthread Licensees and Greenthread offers nothing to suggest either that (1) Petitioners had a full and fair opportunity to litigate the validity of the Challenged Patent in the previous IPRs or district court cases, or (2) Petitioners are serving as proxies or agents for the Greenthread Licensees.

I. THE PETITION IS NOT TIME-BARRED

The "statute and regulations [covering real parties in interest and privies] do

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not require evidentiary proof of . . . basic facts," only an identification in a petition. *Worlds Inc. v. Bungie, Inc*., 903 F.3d 1237, 1243 (Fed. Cir. 2018) (interpreting 35 U.S.C. § 312(a)(2) and 37 C.F.R. § 42.8(b)(1) & § 42.104(a)). Thus, "an IPR petitioner's initial identification of the real parties in interest [and privies] should be accepted unless and until disputed by a patent owner." *Id*. To raise a dispute about a real party in interest or privy, "a patent owner must produce *some* evidence that tends to show that a particular [time-barred] third party should be named a real party in interest [or privy]." *Id*. at 1244 (emphasis in original). An unsupported assertion "is insufficient to put the issue into dispute." *Id.* Here, Petitioners have correctly identified the real parties in interest in the petition and Greenthread has failed to adequately support its position that the petition is time-barred.

Patent Owner does not distinguish between a real party in interest and a privy in its Preliminary Response and cites case law as if they are interchangeable. They are not—the Federal Circuit and Board use different tests to determine the two related concepts. Nonetheless, the Greenthread Licensees are neither real parties in interest nor are they in privity with any Petitioner and thus, the petition is timely.

1. Petitioners Are Not Time-Barred

Petitioners are not time-barred under 35 U.S.C. § 315(b). As identified in the petition, Cirrus Logic was sued on March 31, 2023, OmniVision was sued on May 10, 2023, and ams OSRAM was sued on April 19, 2023. Paper No. 1 § II(A). The

petition was filed in October 2023, within one year of the lawsuits. Further, the two ams OSRAM real parties in interest were sued at the same time as the ams OSRAM Petitioner. GlobalFoundries U.S., Inc. has not been sued by Greenthread.

2. The Greenthread Licensees Are Not Real Parties in Interest

"Determining whether a non-party is a 'real party in interest' demands a flexible approach that takes into account both equitable and practical considerations, with an eye toward determining whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner." *Applications in Internet Time, LLC v. RPX Corp*., 897 F.3d 1336, 1351 (Fed. Cir. 2018). Following *AIT*, the Board has set forth a nine-factor test to determine whether an unnamed party is a real party in interest. *See RPX Corp. v. Applications in Internet Time, LLC*, IPR2015-01750, Paper No. 128 at 10–11 (PTAB Oct. 2, 2020) (precedential).

Greenthread does not substantively address any of these factors and only mentions the last one, communications with the unnamed party, arguing that because Petitioners have failed to produce evidence of communications or contracts with the Greenthread Licensees, the Board must reject the petition. Under even a cursory review of the factors, the Greenthread Licensees are not real parties in interest.

Regarding the last factor, Petitioners offered to provide declarations in previous motion briefing attesting that Petitioners have not communicated with the Greenthread Licensees regarding (1) the prior litigations, (2) or (3) indemnity demands for any accused products. Paper No. 11 at 4-5 n.2. Greenthread does not refute these facts. Instead, citing *Bungie Inc. v. Worlds Inc.*, IPR2015-01264, Paper No. 64 at 44 (PTAB Jan. 14, 2020), Greenthread argues that the lack of communications is not determinative and Petitioners' proffer should be ignored. While the last *AIT* factor is not outcome determinative, *none* of the *AIT* factors show the Greenthread Licensees are real parties in interest, and thus, the petition is timely. Further, it's unclear why Greenthread cites to *Worlds*, which analyzed whether an unnamed party was a real party in interest, not a privy.

3. Petitioners Are Not in Privity with the Greenthread Licensees

But even assuming they have, "the mere existence of some relationship between a petitioner and another entity is not sufficient" to show privity.

[redacted]

Google LLC v. DDC Tech., LLC, IPR2023-00707, Paper No. 27 at 37 (PTAB Oct. 25, 2023). Instead, "that relationship must be related to [an earlier] lawsuit and be sufficiently close that it can be fairly said the petitioner had a full and fair opportunity to litigate the validity of the patent in that lawsuit." *Id.* Said another way, privity concerns "whether the petitioner and the prior litigant's relationship—as it relates to the [earlier] lawsuit—is sufficiently close that it can be fairly said that the petitioner had a full and fair opportunity to litigate the validity of the patent in that lawsuit," or "whether the petitioner is simply serving as a proxy to allow another party to litigate the patent validity question that the other party raised in an earlier filed litigation." *WesternGeco, LLC v. ION Geophysical Corp*., 889 F.3d 1308, 1319 (Fed. Cir. 2018). Ultimately, the privity inquiry is a "highly fact-dependent question" that "will be handled by the Office on a case-by-case basis." *Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.*, IPR2017-00651, Paper No. 148 at 6 (PTAB Jan. 24, 2019).

Greenthread makes several arguments that allegedly show privity, as discussed further below. But the arguments that Greenthread does not make are telling. [redacted]

A. Not All Customer-Supplier Relationships Establish Privity

Not every manufacturer of allegedly infringing goods is in privity with customers who buy those goods. *WesternGeco*, 889 F.3d at 1319–22 ("[A] contractual and fairly standard customer-manufacturer relationship regarding the accused product . . . does not necessarily suggest that the relationship is sufficiently close that both should be bound by the trial outcome and related estoppels, nor does it suggest, without more, that the parties were litigating either the district court action or the IPRs as proxies for the other."); *Wi-Fi One, LLC v. Broadcom Corp*., 887 F.3d 1329, 1340–41 (Fed. Cir. 2018) ("But the evidence did not show that Broadcom had the right to control that [prior] litigation or otherwise participated in that litigation to the extent that it should be bound by the results."). Without citing specific evidence, Greenthread argues Petitioners are acting as agents But an "essential element[] of agency" is "the principal's 'right to direct or control the agent's actions.'" *In re Google LLC*, 949 F.3d 1338, 1345 (Fed. Cir. 2022) (quoting

Meyer v. Holley, 537 U.S. 280, 286 (2003)). And the Federal Circuit has explained the same, finding the rationale behind § 315(b)'s time bar is "to prevent successive challenges to a patent by those who previously have had the opportunity to make such challenges in prior litigation." *WesternGeco*, 889 F.3d at 1319.

Further, Greenthread's citation to case law is unrelated to the privity issues under § 315(b)'s time bar and instead deals with a party asserting a defense of res judicata or collateral estoppel. *See Herrion v. Children's Hosp. Nat. Med. Ctr.,* 448 F. App'x 71, 72-73 (D.C. Cir. 2011) (analyzing whether defendants in successive lawsuits brought by the same plaintiff were in privity to apply a res judicata defense based on the first lawsuit); *John St. Leasehold, LLC v. Cap. Mgmt. Res., L.P.*, 283 F.3d 73, 75 (2d Cir. 2002) (same); *Fiumara v. Fireman's Fund Ins. Companies*, 746 F.2d 87, 92 (1st Cir. 1984) (same).

Separate from its agency arguments,

[redacted]

[redacted] Indeed, Greenthread's arguments would suggest that *every* sale of a product from a manufacturer would create privity under § 315(b). The Federal Circuit has already rejected this broad approach and Greenthread offers nothing more than the bare minimum sale of a product to suggest privity. *See WesternGeco*, 889 F.3d at 1319–22. Without more, Greenthread has not shown any evidence to suggest Petitioners are time barred under § 315(b).

C. Third-Party Beneficiary

Greenthread argues that [redacted] citing *Ventex,* IPR2017-00651 Paper No. 148. [redacted] There, Ventex and the unnamed party, Seirus, had entered into an exclusive manufacturing agreement for the allegedly infringing product and "[i]n that sense, Seirus is a clear beneficiary of Ventex's efforts in this *inter partes* review, and it follows readily that

Ventex represents Seirus's interests in this proceeding." *Id.* at 8.

D. Patent Exhaustion

E. Generic Indemnity Obligations Do Not Show a Sufficiently Close Relationship to the Greenthread Licensees

But not all indemnity obligations give rise to privity: there is no privity

where the indemnitor has the option either "to pay for any litigation defense expenses or for any damages related to infringement" or, in the alternative, "to modify or replace the equipment if an infringement claim [is] made." *WesternGeco*, 889 F.3d at 1321. Greenthread points to one indemnity provision from Cirrus Logic in standard terms and conditions, but even if this obligation applied to the Greenthread Licensees, Greenthread does not substantively address *how* that obligation would show privity. For example, the indemnity provision is only triggered if "Cirrus Logic is promptly informed" of the alleged infringement and Greenthread makes no arguments that Cirrus Logic had such notice. *See* Ex. 2026 at 4. Further, the Cirrus Logic provision is substantially similar to the standard terms and conditions the Board previously found did not establish privity in *Semiconductor Components Indus., LLC v. Greenthread, LLC*, IPR2023-01242, Paper No. 32 at 18 (PTAB Feb. 5, 2024)—"Cirrus Logic will use commercially reasonable efforts, at its option and expense, to: (i) procure for Buyer the right to use the Products free of any liability for such infringement, or (ii) replace the Products with a non-infringing substitute otherwise complying substantially with all requirements of the Agreement, or (iii) refund the purchase price of the infringing Products." Ex. 2026 at 4-5.

II. CONCLUSION

Patent Owner has failed to show that any of Petitioners are in privity with the Greenthread Licensees and thus the petition is timely.

Date: March 11, 2024

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this Petitioners' Reply to Patent Owner's Preliminary Response has been served on Patent Owner via email on the following counsel of record for Patent Owner:

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