**PUBLIC VERSION**

# UNITED STATES PATENT AND TRADEMARK OFFICE

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## BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SEMICONDUCTOR COMPONENTS INDUSTRIES, LLC,
Petitioner,

v.

GREENTHREAD, LLC,
Patent Owner.

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IPR2023-01243
U.S. Patent No. 10,510,842

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# PATENT OWNER'S REPLY IN SUPPORT OF MOTION FOR ADDITIONAL DISCOVERY

# TABLE OF AUTHORITIES

**Page(s)**

**CASES**

*Applications in Internet Time, LLC v. RPX Corp.*,
897 F.3d 1336 (Fed. Cir. 2018) .....2

*Taylor v. Sturgell*,
553 U.S. 880 (2008).....2, 4



Greenthread Ex. 2907, p. 2
Semiconductor v. Greenthread

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## EXHIBIT LIST

| Exhibit No. | Description |
|---|---|
| Ex. 2001 | *Greenthread, LLC v. Intel Corp.*, No. 6:22-cv-00105-ADA, Dkt. 7 (summons returned executed) (W.D. Tex. Feb. 7, 2022) (previously submitted) |
| Ex. 2002 | Email communication from Petitioner's counsel to Patent Owner's counsel October 16, 2023 (previously submitted) |
| 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 (previously submitted) |
| Ex. 2004 | "Clock Devices for Servers" (Aug. 2020) available at https://cdrdv2-public.intel.com/620306/620306_Clock_Devices_For_Server_Rv1p3.pdf (previously submitted) |
| Ex. 2005 | ON Semiconductor Corporation Form 10-K filing with U.S. Securities and Exchange Commission for the fiscal year ended December 31, 2016 (previously submitted) |
| 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 (previously submitted) |
| 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 (previously submitted) |
| Ex. 2008 | Onsemi data sheet entitled "+ 2 Phase Output Controller with SVID Interface for Computer CPU Applications (May 2023) available at https://www.onsemi.com/download/data-sheet/pdf/ncp81567-d.pdf (previously submitted) |

[redacted]

| Exhibit No. | Description |
|---|---|
| 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 (previously submitted) |
| Ex. 2010 | Onsemi Standard Terms and Conditions of Sale, Rev.08102021 available at https://www.onsemi.com/site/pdf/ONSEMI_T&C.pdf (previously submitted) |
| 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) (previously submitted) |
| 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) (previously submitted) |
| Ex. 2013 | Definition of "privity" in Black's Law Dictionary (11th ed. 2019) available from Westlaw at westlaw.com (previously submitted) |
| Ex. 2014 | Email communication from Petitioner's counsel to Patent Owner's counsel October 11, 2023 (previously submitted) |
| 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) (previously submitted) |
| Ex. 2016 | Petition (Paper 2) in *Sony Group Corp. v. Greenthread, LLC*, IPR2023-00324 (previously submitted) |
| Ex. 2017 | Petition (Paper 1) in *Sony Group Corp. v. Greenthread, LLC*, IPR2023-00376 (previously submitted) |
| Ex. 2018 | *Greenthread, LLC v. Intel Corp.*, No. 6:22-cv-00105-ADA, Dkt. 1 (Complaint) (W.D. Tex. Jan. 27, 2022) (previously submitted) |

[redacted]

| Exhibit No. | Description |
|---|---|
| Ex. 2019 | *Greenthread, LLC v. Dell Inc.*, No. 6:22-cv-105-ADA, Dkt. 120 (Second Amended Complaint) (previously submitted) |
| Ex. 2020 | *Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA, Dkt. 1 (Complaint with accompanying exhibits) (D. Del. Jul. 6, 2023) (previously submitted) |
| Ex. 2021 | *Greenthread, LLC v. ON Semiconductor Corp.*, No. 23-443-RGA, Dkt. 24 (Scheduling Order) (D. Del. Sept. 11, 2023) (previously submitted) |
| Ex. 2022 | Confidential agreement (previously submitted) |
| Ex. 2023 | Petition (Paper 1) in *Intel Corp. v. Greenthread LLC*, IPR2023-00308 (previously submitted) |
| Ex. 2024 | Petition (Paper 1) in *Intel Corp. v. Greenthread LLC*, IPR2023-00420 (previously submitted) |
| Ex. 2025 | Petition (Paper 1) in *Intel Corp. v. Greenthread LLC*, IPR2023-00552 (previously submitted) |
| Ex. 2026 | Petition (Paper 1) in *Dell Techs. Inc. v. Greenthread LLC*, IPR2023-00506 (previously submitted) |
| Ex. 2027 | Petition (Paper 1) in *Dell Techs. Inc. v. Greenthread LLC*, IPR2023-00509 (previously submitted) |
| Ex. 2028 | Confidential declaration |
| Ex. 2029 | Email communication from Patent Owner's counsel to Petitioner's counsel between May 26 to June 1, 2023 |
| 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) |

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Petitioner's opposition is based on a shocking lack of candor with the Board regarding what it knows of PO's licenses to [redacted] and Intel ("Licensees"). *First*, Petitioner was, until recently, an RPX member and knows how RPX licenses work. As RPX explains in the attached declaration, "[b]y operation of their membership agreements with RPX, Intel and [redacted] acquired the full scope of sublicensable rights Greenthread granted to RPX at the time the RPX-Greenthread Agreement was executed." Ex. 2028. Petitioner—not PO—has seen RPX's membership agreement. Therefore, the RPX agreement (Ex. 2022) *is* the license. Petitioner knows that, *and* knows its suggestion to the contrary is false.

*Second*, Petitioner's claim that its IPR "counsel was only provided with a copy of EX2022 last month" is literally true only because ***Petitioner's IPR counsel ignored PO's explicit offers to give it to him.*** PO offered to produce the licenses to Petitioner's IPR counsel during a "call from Monday of this week," i.e., May 22—more than two months before Petitioner filed its petitions. Ex. 2029, 1-2. IPR counsel said seeing the licenses would only be "meaningful" if in-house counsel could see the licenses too. *Id.*, 2. PO did not object and requested RPX's permission for in house counsel to see them (as required by the license). RPX said "no." On May 31, PO wrote to Petitioner's IPR counsel: "We received the following response from RPX: '… Please do not share the RPX Licenses with OnSemi's in-house counsel.'" *Id.*, 1. IPR counsel did not respond. PO then followed up and asked IPR

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counsel "if it would be helpful to produce the license agreements on an 'Outside Attorney Eyes Only' basis." *Id.*, 1. Again, Petitioner's IPR counsel did not respond.

Even if Petitioner had some need for in house counsel to see an opposing party's licenses—which does not ordinarily occur in litigation—Petitioner has its own relationship with RPX and could equally have contacted RPX. Nevertheless, *PO* produced the licenses, in spite of Petitioner's apparent lack of interest, *and* contacted RPX again. With RPX's permission, PO has now provided a redacted version of the agreement for Petitioner's in house counsel.

* * * * * *

Petitioner's misrepresentations distract from the core issue in PO's motion and the gating issue for this proceeding: Whether Petitioner may limit its infringement liability by cloaking itself in Intel's and [redacted] ("Licensees'") rights to "have made" products under their licenses. Ex. 2022, 2-3, 5. Whichever way one looks at it, Petitioner has a "pre-existing substantive legal relationship" giving rise to privity. Mot., 9 (citing *AIT, LLC v. RPX Corp.*, 897 F.3d 1336, 1360 (Fed. Cir. 2018)). *First,* Petitioner and Licensees are "preceding and succeeding owners of" licensed (or infringing) articles. *Taylor v. Sturgell*, 553 U.S. 880, 894 (2008). Petitioner's use and sale of those articles is what gives rise to liability. *Second,* Petitioner is acting as a manufacturing "***agent for***" Licensees by exercising Licensees' "have made" rights under the license. *Id.* at 895 (emphasis added).

Black's Law dictionary tracks *Taylor* when it refers to a common "interest in the same … *transaction* [i.e., sale of accused products]… or piece of property [i.e., the accused products themselves]." Ex. 2013; *see id*. (defining "vertical privity" as "[t]he legal relationship between parties in a product's chain of distribution."). Petitioner dismisses Black's Law Dictionary with "all due respect," but ignores the fact that *Taylor* makes the very same point. Opposition ("Opp."), 6.

Petitioner could have mooted a large portion of PO's motion by answering some straightforward questions, such as whether it plans to claim the benefit of the licenses. Instead, Petitioner says that its license defense "has no bearing on the resolution of this motion." *Id.* But, if Petitioner *really* believed that, then it would simply acknowledge that it plans to assert Licensee's rights. Petitioner doesn't admit its plans to do that, because doing so would jeopardize its Petition. Instead, Petitioner forced PO to file this motion and now opposes it with irrelevant arguments and "false and misleading" statements of fact. Opp., 2.

*Petitioner flips the burden of proof*: Petitioner claims it is "unreasonable for PO to base its discovery demand on an agreement that Petitioner has not seen." Opp., 5. Setting aside the fact that Petitioner *has* seen the licenses, this argument ignores the fact that ***Petitioner has the burden of proof on the time bar.*** Petitioner's vague doubts (and misrepresentations) about RPX licenses do not satisfy Petitioner's

burden on the time bar. They certainly do not justify denying PO discovery.[1] If Petitioner wants documents from RPX to carry its burden, it is *Petitioner's* responsibility to get them. Petitioner cannot use its own failure to obtain relevant information to obstruct PO's attempts to do so.

*Privity is about non-parties*: Petitioner claims there is no privity here, because it is "not a party" PO's licenses. Opp., 2. But that argument is simply a quarrel with the concept of privity itself. "The term 'privity,' … express[es] the conclusion that ***nonparty*** preclusion is appropriate." *Taylor*, 553 U.S. at 894 n.8 (emphasis added).

*Petitioner's sales are not "typical" transactions*: Petitioner's argument that its sales are "typical" commercial transactions begs the question. Opp., 7. PO seeks discovery precisely to determine whether the sales are "typical." Even if the transactions are in some way "typical," they are manifestly *not* "typical" in the relevant sense, *because they are sales made under PO's licenses*. Petitioner does not point to any cases where the Board found no privity on these facts, because parties operating under a license do not usually file IPRs. Opp., 6.

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[1] Petitioner complains that PO's motion says that Petitioner is "likely" licensed. Opp., 11. Based on the available evidence, PO believes that Petitioner's sales to Licensees are licensed, but neither here nor in the district court is it PO's burden to show that any of Petitioner's sales are licensed.

<u>*Petitioner "manufactured" this dispute*</u>: Petitioner complains that PO identified the accused products sold to Licensees "for the first time" on October 12 in order to "manufacture[]" this dispute. Opp., 4. But October 12 was the date Petitioners *agreed to* for the initial identification of accused products. Ex. 2021, 4. PO simply made the disclosure as agreed.

There is nothing improper in accusing products that Petitioner sells to Licensees. Opp., 6. Those products may be—and often are—sold to unlicensed parties as well. *E.g.*, Ex. 2030. Even if a product is sold only to Licensees, Petitioner acknowledges that license is an "affirmative defense," which it must assert and prove. Opp., 12. If it chooses not to assert Licensee's rights (perhaps to try and avoid a privity finding here), PO is entitled to seek damages, even for sales to Licensees.

<u>*Petitioner is responsible for the alleged delay*</u>: PO did not delay this motion. Rather, PO has had virtually no discovery and cannot be expected to instantaneously identify Petitioner's customers and the products they buy from public sources. Petitioner, on the other hand, had all the facts—or stuck its head in the sand—before filing its Petition. Since Petitioner is responsible for any delays, PO reiterates its request for additional time to file its POPR. At minimum, Petitioner should not be able to dispute that it sells accused products to Licensees under a license, since it has the burden of proof and refused to provide relevant discovery.

Dated: November 2, 2023

Respectfully submitted,

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Greenthread Ex. 2907, p. 11
Semiconductor v. Greenthread

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## CERTIFICATION OF SERVICE

The undersigned hereby certifies that a copy of this **PATENT OWNER'S REPLY IN SUPPORT OF MOTION FOR ADDITIONAL DISCOVERY AND SUPPORTING EXHIBITS** have been served on Petitioner via email on the following counsel of record for Petitioner:

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