UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO. LTD.,
SAMSUNG ELECTRONICS AMERICA, INC.,
SAMSUNG SEMICONDUCTOR, INC., and
SAMSUNG AUSTIN SEMICONDUCTOR, LLC,

Petitioners

v.

CHIEN-MIN SUNG,

Patent Owner

IPR2024-00534
U.S. Patent No. 9,138,862

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

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
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Alexandria, VA 22313-1450

Submitted Electronically via PTACTS

TABLE OF EXHIBITS

Exhibit	Description
2001	Declaration of Dr. Ming-Yi Tsai
2002	M. Y. Tsai & Y. S. Liao (2009) Dressing Characteristics of Oriented Single Diamond on CMP Polyurethane Pad, Machining Science and Technology, 13:1, 92-105
2003	M. Y. Tsai et al., Novel Diamond Conditioner Dressing Characteristics of CMP Polishing Pad, International Journal of Machine Tools & Manufacture 49 (2009) 722–729
2004	Kuen-Ren Chen & Hong-Tsu Young, Estimation of Dressing Effects in Chemical Mechanical Polishing with Sorts of Diamond Dressers, Advanced Materials Research Online: 2009-06-24 ISSN: 1662-8985, Vols. 76-78, pp 175-180
2005	Hsiu-Ming Yeh & Kuo-Shen Chen, Development of a pad conditioning simulation module with a diamond dresser for CMP applications, Int J Adv Manuf Technol (2010) 50:1–12
2006	Statistics on stay motions relating to Inter Partes review proceedings in the Eastern District of Texas compiled from Docket Navigator

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Cases **Page(s)**

Apple Inc. v. Fintiv, Inc.,
IPR2020-00019 (P.T.A.B. Mar. 20, 2020).....1
Cellport Systems, Inc. et al. v. Harman International Industries, Inc. et al.,
Case No. 4-22-cv-00808 (E.D. Tex. Sept. 21, 2022).....3
Vantage Micro LLC v. Texas Instruments Incorporated,
No. 4:19-cv-00733 (E.D. Tex. Oct. 7, 2019).....3

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On July 25, 2024, the Board authorized Petitioner Samsung to file a five-page Preliminary Reply to Patent Owner's Preliminary Response ("POPR") and Patent Owner to file a five-page Sur-Reply thereto. *See* Paper 11.

I. THE CURRENT STAY IS BRIEF AND IRRELEVANT

Petitioner alleges that the parallel litigation has "no trial date in place" because a brief stay concerning a motion to transfer was granted in the parallel litigation, and therefore "the facts strongly weigh against discretionary denial under *Fintiv* Factors 1 and 2." (Reply at 1.) This is incorrect.

Petitioner ignores that the current stay is ***unrelated to the Petition*** and instead concerns a Motion for Inter-District Transfer to the Northern District of California. (Ex. 1021.) But *Fintiv* Factor 1 considers stays ***related to the substance of the Petition***, not ***completely unrelated*** stays. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 6-9 (P.T.A.B. Mar. 20, 2020) (precedential) ("*Fintiv I*"). Regardless, the Court indicated that its previously-scheduled pretrial dates will remain and could change only as "***may be*** necessary": "Following the Court's ruling on the motion to transfer, and ***as may be necessary***, the Court shall enter a separate order providing a new trial date and any necessary pretrial deadlines." (Ex. 1021 (emphasis added).) Petitioner thus took a giant leap without any assurance from the Court that this stay would impact the existing trial schedule. *Fintiv* Factor 2, concerning the trial date

being "at or around the same time as the projected statutory deadline" for the Board's Final Written Decision ("FWD"), thus still favors discretionary denial (or is neutral at worst), with the remaining factors in favor of denial as indicated in the POPR. (*Fintiv I*, IPR2020-00019, Paper 11, at 9; *see also* POPR at § II.B.)

Petitioner argues that the parties had purportedly agreed to a stay pending resolution of a Motion for Summary Judgment of Invalidity ("the MSJ") in co-pending case *Sung v. Texas Instruments Inc*., Case No. 4:23-cv-00523 ("TI Litigation"). As stated during the conference, no such agreement was reached and Petitioner incorrectly interpreted a proposal, which Petitioner rejected, as an agreement. Specifically, Petitioner approached Patent Owner and proposed to stay the underlying proceeding, but Patent Owner countered with a proposal that the proceeding be stayed after the parties had completed their *Markman* briefing (*see* Ex. 1031 at 8) but Petitioner ***rejected*** that proposal and moved to stay in an attempt to obtain a ruling from the Court before Petitioner's deadline for filing its responsive claim construction brief. Petitioner took that gamble but it did not pay off—as of today, the Court still has not ruled on that stay motion. (*See* Exs. 1028-1031).

Tellingly, Judge Jordan has only ruled on a single MSJ to date,[1] making Petitioner's statistics unreliable and tenuous at best. Further, as the MSJ, which focuses solely on ***invalidity*** of the ***same*** patent here (i.e., the ***same issue*** being resolved in this IPR), remains pending, the risk of duplicative and superfluous efforts is very high if institution is granted prior to resolution of the MSJ. For example, duplication would ensue if the Court were to grant that MSJ by the likely date for Final Determination (i.e., Sept. 28, 2025)—a date that falls well within Petitioner's suggested average timeline of 266 to 550 days for resolving a MSJ by Judge Jordan. By that point, both the Board and the parties would have already consumed immense resources on this IPR (should institution be granted). Thus, the fact that the Court is already assessing invalidity ***actually favors*** exercising discretionary denial of a proceeding in which the Board would also be assessing the invalidity issue involving the same patent.

[1] To date, only two Motions for Summary Judgment have been filed with Judge Jordan : one in *Vantage Micro LLC v. Texas Instruments Incorporated*, No. 4:19-cv-00733 (E.D. Tex. Oct. 7, 2019), which was mooted, and another in *Cellport Systems, Inc. et al. v. Harman International Industries, Inc. et al.*, Case No. 4-22-cv-00808 (E.D. Tex. Sept. 21, 2022), which was a Motion to Dismiss that the Court converted to a Motion for Summary Judgment under Fed. R. Civ. P. 12(d).

II. BOTH PARTIES HAVE ALREADY INCURRED IMMENSE EXPENSES IN THE DISTRICT COURT LITIGATION

Petitioner's argument that the "parties are no longer 'entrenched' in any discovery due to the stay" in the District Court (Reply at 4) ignores that considerable discovery has already occurred (including no less than twenty (20) subpoenas served on various third parties by Petitioner alone) and some of such parties having produced physical samples for examination and analysis. Petitioner's claim that Patent Owner's expenses "predominantly occurred" in the TI Litigation (Reply at 4-5) is thus unavailing—it ignores its own voluminous subpoenas already served on numerous entities spanning chipset and conditioner manufacturers with Patent Owner also having already served subpoenas on some of these same entities. Petitioner also conveniently omits Patent Owner's discovery requests already propounded on Petitioners since January of 2024, including document requests and interrogatories (as well as Petitioner's own discovery served on Patent Owner that same month) in addition to both parties having deposed their respective expert. These amount to considerable time and expense already invested in the District Court litigation without comparison to what was spent in the TI Litigation.

Thus, immense time and expense have been invested in the District Court litigation, not only with respect to discovery, but also extensive motion practice,

including *Markman* briefing. (*See* POPR at § II.B.3.) *Fintiv* Factor 3 still favors discretionary denial.

III. PETITIONER WILL PRESENT THE SAME THEORIES IN THE DISTRICT COURT

Petitioner maintains its refusal to submit a *Sotera*-type stipulation. (Reply at 5.) This clearly reveals Petitioner's intention to game the system by reserving its ability to make the same invalidity arguments in the District Court litigation as in this IPR. (*See also* POPR at § II.B.4.) Thus, in addition to the District Court already assessing invalidity of the '862 patent as part of the MSJ, the District Court would also be forced to consider the same invalidity arguments currently before the Board. This duplication of effort strongly favors discretionary denial under *Fintiv* Factor 4.

IV. CONCLUSION

Petitioner's arguments regarding the first four *Fintiv* Factors fall well short of tipping the scale toward disfavoring discretionary denial. Indeed, Petitioner all but admits that the Board's efforts will be duplicative should institution be granted. Because at least five of the *Fintiv* factors weigh in favor of discretionary denial, with the sixth being neutral at best, the Board should deny institution under § 314(a).

Dated: August 7, 2024

Respectfully submitted,

/s/Alex Chan
Alex Chan (Reg. No. 52,713)
1526 Gilpin Avenue
Wilmington, DE 19806
Tel: (302) 449-9010
achan@devlinlawfirm.com

Counsel for Patent Owner
Chien-Min Sung

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), the undersigned certifies that on August 7, 2024, the foregoing document is being served via electronic mail upon the following counsel of record for Petitioner:

LEAD COUNSEL	**BACKUP COUNSEL**
Yung-Hoon Ha (Reg. No. 56,368) Desmarais LLP 230 Park Ave New York, NY 10169 Telephone: (212) 351-3400 Email: yha@desmaraisllp.com	Laura Avena (Reg. No. 78,920) Desmarais LLP 230 Park Ave New York, NY 10169 Telephone: (212) 351-3400 Email: lavena@desmaraisllp.com Taeg Sang Cho (Reg. No. 69,618) Desmarais LLP 230 Park Ave New York, NY 10169 Telephone: (212) 351-3400 Email: tcho@desmaraisllp.com
Additional email for service: SamsungSungIPRService@desmaraisllp.com	

/Alex Chan/
Alex Chan
Reg. No. 52,713