UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TEXAS INSTRUMENTS INCORPORATED,
Petitioner,

v.

GREENTHREAD LLC,
Patent Owner.

Case IPR2024-00672
Patent 10,510,842

PETITIONER'S REPLY TO

PATENT OWNER'S PRELIMINARY RESPONSE

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I. INTRODUCTION

The present Petition is a substantive copy of the Petition in IPR2023-01243 and was filed with a motion for joinder to that proceeding. IPR2024-00672, Paper 2. If joined, the time bar does not apply to TI's Petition. 35 U.S.C. § 315(b) ("The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c)."). Thus, Patent Owner's assertion in its Preliminary Patent Owner's Response (Paper 13, "POPR") that "The Petition is Untimely under 35 U.S.C. § 315(b)" is mistaken. POPR at 18.

Nonetheless, TI correctly identified the real parties-in-interest and privies in the instant Petition. This initial identification should be accepted unless Patent Owner provides "evidence that reasonably brings into question the accuracy of a [TI's] identification." *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1242 (Fed. Cir. 2018). "A mere assertion that a third party is an unnamed [privy], without any support for that assertion, is insufficient to put the issue into dispute." *Id*. at 1243-1244. Patent Owner's arguments amount to an unsupported assertion that Intel[redacted] are privies. Patent Owner has not produced evidence that reasonably brings TI's initial identification into question, much less shown that TI is in privity with Intel[redacted].

II. TI'S INITIAL IDENTIFICATION OF PRIVIES SHOULD STAND

Patent Owner has not come forward with sufficient evidence to meet its "practical" burden that TI's initial designation of real parties in interest and privies is inaccurate. TI's initial designation should be accepted. Even ignoring the fact that, if joined, the time bar does not apply to TI's Petition, TI's Petition is timely. 35 U.S.C. § 315(b).

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 in question that the other party raised in an earlier filed litigation." *WesternGeco LLC v. ION Geophysics Corp.*, 889 F.3d 1308, 1319 (Fed. Cir. 2018). Patent Owner's arguments are focused on the latter theory of privity.

To be clear, Patent Owner has not identified, and cannot identify, any TI product that was accused or otherwise implicated in the prior suits. These prior suits are relevant only to support Patent Owner's assertion that Intel[redacted] are time barred. Patent Owner does not assert TI's petition is untimely because TI "had a full and fair opportunity to litigate the validity of the patent in [the Intel[redacted]] lawsuit[s]." *WesternGeco,* 889 F.3d at 1319.

Customer Supplier Relationships

Patent Owner asserts it has met its "practical" burden under *Worlds*, because "it is well-established that customer-supplier relationships can create privity and there is no dispute that Petitioner and the Licensees have such a relationship." POPR at 27. Yet, Patent Owner's evidence is nothing more than evidence that TI's products have been incorporated into Intel [redacted] products. It is unsurprising that TI, one of the largest, multinational semiconductor manufacturers, would have chips incorporated into products sold by other multinational, industry giants such as Intel, [redacted]. It is TI's business to sell chips. Intel [redacted] are some of the largest consumers of chips. Patent Owner has put forward no evidence that TI's relationship with these former defendants is anything more than a standard customer-manufacturer relationship, much less that it is sufficiently close to be considered in privity. "[T]he mere existence of some relationship between a petitioner and another entity is not sufficient" to place that petitioner in privity with that entity. *Google LLC v. DDC Tech., LLC*, IPR2023-00707, Paper 27 at 37 (PTAB Oct. 25, 2023); *see also*, *WesternGeco*, 889 F.3d at 1319–22 (a "standard customer manufacturer relationship" regarding a product "does not necessarily suggest that the relationship is sufficiently close that both" parties should be considered to be in privity); *Wi-Fi One, LLC v. Broadcom Corp.*, 887 F.3d 1329, 1340–41 (Fed. Cir. 2018) (same); *Semiconductor Components Industries, LLC v. Greenthread, LLC*,

IPR2023-01243, Paper 34 at 13 (PTAB February 21, 2024) (same); *Cirrus Logic, Inc. et al. v. Greenthread, LLC*, IPR2023-00018, Paper 30 at 20 (PTAB May 1, 2024) (same). Patent Owner has failed even to meet its "practical" burden.

Patent Owner asserts TI has done nothing to satisfy its burden under § 315(b). POPR at 29. Yet, TI need do nothing because Patent Owner has not met its "practical" burden. Nonetheless, as is detailed below, TI investigated Patent Owner's evidence asserted as showing a closer than a standard customer-manufacturer relationship – TI's TPS65084x PMIC being "designed specifically" for an Intel SOC chip. POPR at 23. The quotation of "designed specifically" is a reference to TI's User's Guide explaining that the chip is a "power-management IC designed specifically for the Intel Braswell SoC." Ex. 2017 at 1. TI investigated the sales of the TPS65084x PMIC and can confirm that Intel is not identified in the customer field for any sales records for this chip. Moreover, that the chip was "specifically designed" for the Intel Braswell SoC is simply an indication that the chip is compatible with the Intel Braswell SoC, not that the product was jointly designed by TI and Intel. There is an entire industry around making products compatible with Intel's ubiquitous PC processors. TI's TPS65084x PMIC is just an example of such a product, as are the products identified in Patent Owner's further exhibit (Ex. 2020). In other words, the TPS65084x PMIC and other examples cited by Patent Owner are not examples of custom products designed with or for Intel, nor

are they evidence of sufficiently close customer-manufacturer relationship that might give rise to privity.

Preceding and Succeeding Owners of Property

Patent Owner asserts that TI is in privity with Intel[redacted] as entities who are "preceding and succeeding owners of property." POPR at 31. This rule, however, is applied "in an effort to protect conflicting property interests rather than an effort to implement concepts of participation or representation." 18A C. Wright, A. Miller, & E. Cooper, Federal Practice and Procedure § 4448 (3d. ed. 2023); *see also id*. at § 4462 ("Successive Property Relationships") ("There is no independent reason to treat the defeated litigant as the representative of his transferee. Preclusion is limited to the property involved in the judgment."). As noted above, the relevant analysis is based on the relationships between the parties with respect to the prior proceedings or the Petition (e.g., participation or representation), not on property interests. *See WesternGeco*, 889 F.3d at 1319 (noting that the privity requirement is used "to prevent successive challenges to a patent by those who previously have had the opportunity to make such challenges in prior litigation").

Moreover, the rule related to preceding and succeeding owners of property does not extend to the point where all manufacturers of allegedly infringing goods are in privity with the customers who buy those goods. *See, e.g., id*. at 1319–22 (the parties "had a contractual and fairly standard customer-manufacturer relationship

regarding the accused product," which "does not necessarily suggest that the relationship is sufficiently close that both" parties should be considered to be in privity); *Wi-Fi One, LLC v. Broadcom Corp.*, 887 F.3d 1329, 1340–41 (Fed. Cir. 2018) (same); *Samsung Electronics Co. Ltd. v. Netlist Inc.*, IPR2022-00615, Paper 64 at 22–26 (PTAB June 30, 2023) (same).

Patent Owner's misapplication of the preceding and succeeding owners of property rule does not satisfy its "practical" burden, much less show TI is in privity with the former defendants.

Licenses

Patent Owner argues TI is in privity with Intel [redacted] because it is operating in a "have made" capacity under these former defendant's license to the challenged patent. POPR at 32. Yet, TI is not a party to these licenses, nor was TI specifically the licenses' intended beneficiary. In contract law, a third-party beneficiary is not a privy. *See, e.g., Pac. Gas & Elec. Co. v. United States*, 838 F.3d 1341, 1350–51 (Fed. Cir. 2016); *Prime Finish, LLC v. Cameo, LLC*, 487 F. App'x 956, 959 (6th Cir. 2012). Thus, even if TI were to assert a license defense in the co-pending litigation, TI's relationship to the former defendants would not rise to the level of privity.

Patent Exhaustion

Patent Owner seemingly argues that, by patent exhaustion, TI is giving rights to third parties under the former defendants' licenses and that this gives rise to privity. POPR at 33. Patent Owner's argument has no basis in law. The relevant question is whether the relationship between Petitioner and the former defendants is sufficiently close to justify denying Petitioner its day in court. *See Taylor v. Sturgell*, 553 U.S. 880, 892 (2008). Patent Owner does not explain how patent exhaustion bears on the question of the relationship between TI and the former defendants.

Agency

Patent Owner argues that TI is in privity with Intel[redacted], because it is acting as an agent in exercising their licenses. POPR at 35. Patent Owner's argument is not based in the applicable law. The relevant question is "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*, 889 F.3d at 1319. Whether TI is a beneficiary of the former defendants' licenses is irrelevant to that question. Patent Owner's argument and evidence here does not reasonably bring into question the accuracy of a TI's initial privity identification.

Indemnity

Patent Owner argues TI's potential indemnity agreements with the former defendants support a finding of privity. POPR at 34. Yet, as noted above, TI's products were not at issue in the prior suits. Intel [redacted] have not been sued in the present suit. Thus, indemnity is not relevant. Moreover, an indemnification agreement does not give rise to 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," as opposed to being required "to defend [the indemnitee] from a patent infringement lawsuit, reimburse or pay for a lawsuit, cover any damages liability for any adverse patent infringement verdict against [the indemnitee], or initiate an invalidity challenge in one or more fora." *WesternGeco*, 889 F.3d at 1321. TI's products are sold in accordance with its Terms of Sale, the indemnity of which is of the former type – allowing TI to defend or "replace or modify the Products or Die Products so as to be non-infringing." Exhibit 2027 at 4. This indemnity cannot give rise to privity, and thus does not reasonably bring into question TI's initial identification of privies. *WesternGeco*, 889 F.3d at 1321.

III. THERE IS GOOD CAUSE FOR PETITIONER'S REPLY

Patent Owner previously argued Petitioner should not receive a reply, because Petitioner could have reasonably foreseen timeliness would be at issue

given that Patent Owner had raised timeliness in response to petitions filed by other parties. POPR at 39. Patent Owner subsequently did not oppose Petitioner's request for this reply. To allay any doubt, there is good cause for this reply. The privity inquiry is a "highly fact-dependent question," "handled by the Office on a case-by-case basis.'" *Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.*, IPR2017-00651, Paper 148 at 6 (PTAB Jan. 24, 2019) (precedential). There is no requirement that a petitioner preemptively address a disputed issue of privity in its petition. IPR2024-00018, Paper 30 at 15. "Petitioner is not required to address potential arguments that Patent Owner may raise in its Preliminary Response. [] This is especially true where Patent Owner's assertions of privity. . . are not sufficient to reasonably call into question Petitioner's assertion that the Petition is timely." *Id*.

IV. CONCLUSION

Patent Owner's evidence and argument does not meet its "practical" burden under *Worlds*, and certainly does not show that any former defendant should be identified as a privy to TI.

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR §§ 42.6(e)(4)(i) *et seq.* and 42.105(b), the undersigned certifies that on July 17, 2024, a complete and entire copy of this Petitioner's Reply to Patent Owner's Preliminary Response was provided by email, to the Patent Owner, by serving the correspondence address of record as follows:

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