UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CANADIAN SOLAR INC.,
Petitioner,

v.

MAXEON SOLAR PTE. LTD.
Patent Owner

Inter Partes Review No. IPR2024-01039
Patent No. 8,222,516

PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

Pursuant to the Board's authorization, Petitioner ("CSI") submits this Reply to Patent Owner Maxeons's Preliminary Response regarding the *Fintiv* analysis.

A. *Fintiv* Factor 1: Likelihood of Stay

This factor favors CSI. If the IPR is instituted, Judge Gilstrap in the parallel district court case ("Texas Action") is likely to grant a stay because the timing of institution is months before a *Markman* hearing and the IPR will simplify the issues in the Texas Action.[1] Here, CSI's petitions challenged all asserted claims of the '516 Patent, as well as all other asserted claims of the other patents in the Texas Action. Paper No. 1 at 3; EX1049 at 1-2; IPR2024-01038, -01040, and -01194. The institution decision here is expected by January 15, 2025, five months before

[1] *See, e.g.*, *Resonant Sys., Inc. v. Samsung Elecs. Co., Ltd.*, No. 2:22-CV-00423-JRG, 2024 WL 1021023, *3-4 (E.D. Tex. Mar. 8, 2024) (staying case "[g]iven that *[IPR]* had been instituted on all Asserted Claims" there is a "material likelihood of simplification," and "this case has not yet had a *Markman* hearing"); *Foras Techs. Ltd., v. Aptiv PLC*, Case No. 2:23-CV-00314-JRG, DI 92 (E.D. Tex. July 25, 2024) (same); *Commc'n Techs., Inc. v. Samsung Elecs. Am., Inc.*, No. 2:21-CV-00444-JRG, 2023 WL 1478447, *3-5 (E.D. Tex. Feb. 2, 2023) ("several weeks" before *Markman*); *Vill. Green Techs., LLC v. Samsung Elecs. Co. Ltd.*, No. 2:22-CV-00099-JRG, DI 48 (E.D. Tex. Jan. 25, 2023) ("seven months" before *Markman*).

Markman briefing in the Texas Action begins on June 17, 2025 and over six months before the *Markman* hearing on July 29, 2025. EX2008 at 4. Fact and expert discovery do not close in Texas until August and October 2025, and trial does not start until January 26, 2026, *after* the final written decision. *Id*. at 1, 3. And a stay of patentee's infringement claims due to an IPR proceeding "on its own is not enough to show ***undue*** prejudice" to the patentee. *Resonant,* 2024 WL 1021023, *1, *4. Thus, a stay is favored once the IPR is instituted, and CSI intends to file a motion to stay once the IPR is instituted. *Id*.

In its preliminary response, Maxeon relies on data regarding stay motions denied *without prejudice*. The Board should disregard this data because it is not meaningful. Judge Gilstrap "has a consistent practice of denying motions to stay" before institution "without prejudice" to refiling after institution.[2] Once instituted, however, Judge Gilstrap grants stays even when he had first denied such motions without prejudice pre-institution. *Resonant,* 2024 WL 1021023, *1, *4. For this reason, CSI is prudently awaiting institution before moving for a stay.

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[2] *Secure Wi-Fi LLC v. Samsung Elecs. Co. Ltd.*, No. 2:24-CV-00047-JRG, DI 39 (E.D. Tex. Oct. 16, 2024); *Active Wireless Techs. v. T-Mobile USA, Inc*., No. 2:23-CV-00261-JRG, DI 68 (E.D. Tex. July 24, 2024).

B. ***Fintiv* Factor 2: Proximity of Trial To Board Decision**

The Board should reject Maxeon's argument that "[g]iven the close proximity between the district court's trial date and the projected deadline for the PTAB's Final Written Decision," this factor is neutral. Paper No. 9 at 56. Per the USPTO Director's directive, factor 2 weighs "against exercising discretion to deny institution under *Fintiv*" because the projected date for the Final Written Decision (January 15, 2026) is before the scheduled trial date (January 26, 2026). Paper No. 9 at 54-55; Director's Memorandum, Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022) ("Guidance Memo") at 9. Maxeon's reliance on *Sotera* for factor 2 is misplaced because it conflicts with the Guidance Memo's more-recent directive that a district court trial either "around the same time or after" the projected final written decision favors institution. Guidance Memo at 9.

C. ***Fintiv* Factor 3: Investment in the Texas Action**

Factor 3 "strongly" favors the Petitioner when the Petition is filed diligently after the service of infringement contentions, and institution occurs months before the scheduled *Markman* hearing. *See, e.g.*, *Aylo Freesites Ltd. v. Wellcomemat, LLC*, No. IPR2024-00710, Paper 13 at 16 (PTAB Sept. 5, 2024) ("*Aylo*") (petition filed 18 days after contentions, institution four months before *Markman*); *Cisco Sys. Inc. v. Portsmouth Network Corp.*, No. IPR2024-00505, Paper No. 7 at 13

(PTAB Aug. 6, 2024) (petition one month after contentions, institution four months before *Markman*); *Toyota Motor Corp. v. Emerging Auto. LLC*, No. IPR2024-00786, Paper 11 at 46-47 (PTAB Oct. 22, 2024) (institution three months before *Markman*). Here, CSI's petition was filed *before* infringement contentions, and institution will be *six months* before *Markman*, strongly favoring CSI. While the parties have exchanged contentions, documents, and written discovery, there have been no depositions. Fact and expert discovery do not close until August and October 2025 respectively, many months after institution, leaving the bulk of discovery ahead. EX2008 at 3.

D. ***Fintiv* Factor 4: Overlap of Issues**

CSI's *Sotera* stipulation as to all challenged claims should be dispositive of the *Fintiv* analysis in CSI's favor. Paper No. 1 at 19; Guidance Memo at 3 ("the PTAB will not discretionarily deny institution… where a petitioner presents a [*Sotera*] stipulation"), 7. Citing *Duplo U.S.A. Corp. v. MGI Digital Tech. S.A.*, Case No. IPR2023-00936, Paper No. 8 (PTAB Dec. 5, 2023), Maxeon nonetheless argues that CSI's stipulation is deficient because Maxeon could theoretically assert additional *independent* claims in the Texas Action not challenged here. Paper No. 9 at 59-61. But the Guidance Memo does not demand the expansive "*all* claims" stipulation Maxeon urges. And in *Duplo* the Board found the stipulation there "weighs somewhat *against* discretionary denial," even when such theoretical

possibility existed. *Duplo* at 18-19 (emphasis added). The Board's primary concern in *Duplo* was petitioner not challenging claims "which depend[]… from a claim challenged in the Petition," thus raising the possibility that the court and the Board might reach conflicting decisions. *Id.* at 14. Here, no other claims depend from challenged claims 9-12, so *Duplo*'s concern is inapplicable. Stipulation as to all asserted claims is sufficient. *See Uber Techs.*, *Inc. v. LBT IP II LLC*, No. IPR2022-00880, Paper No. 8 at 12-13 (PTAB Dec. 7, 2022).

Moreover, the Texas infringement contentions are "deemed to be [the] final contentions" absent leave and good cause to amend. EX1050. Maxeon's equivocation that it *could* assert additional claims is entirely speculative, and its argument of "significant overlap" between the asserted and unasserted claims demonstrates there is no good reason why any additional claims would not already have been asserted, if Maxeon had a basis for doing so. Paper No. 9 at 59. Tellingly, Maxeon has not sought leave to amend its infringement contentions even after CSI's production of technical documents over two months ago. Thus, the Board should disregard Maxeon's speculation.

E. ***Fintiv* Factor 5: Identity of the Parties**

The fact that the parties are the same in this proceeding and the Texas Action renders this factor at worst neutral. *Aylo*, at 17-18 (in such cases, "it is the weight given to *Fintiv* Factors 1–4 and 6 that matters").

Dated: November 12, 2024

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of November, 2024, a copy of the foregoing and accompanying exhibits, has been served in its entirety by electronic mail on the following counsel of record for patent owner:

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