UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CANADIAN SOLAR INC.,
Petitioner

v.

MAXEON SOLAR PTE. LTD.,
Patent Owner

Case IPR2024-01040
U.S. Patent No. 8,878,053

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

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Pursuant to the Board's authorization, Patent Owner submits this Sur-Reply regarding the *Fintiv* analysis. Patent Owner maintains that, weighing the *Fintiv* factors as a whole—which all either favor denial or are neutral, the Board should exercise its discretion to deny institution under § 314(a).

A. *Fintiv* Factor 1: Likelihood of Stay – Neutral

Despite Petitioner's purely speculative assertion that Judge Gilstrap is "likely to grant a stay," if this IPR is instituted, Reply, 1-2, the fact remains neither party has filed a motion to stay. Where IPRs are instituted for less than all asserted patents, Judge Gilstrap regularly denies a stay, increasing the speculative nature of Petitioner's assertion. *See, e.g.*, *RFCyber Corp. v. Google LLC*, No. 2-20-cv-00274, Dkt. 201, at 3 (E.D. Tex. Jan. 4, 2022) ("Here, the PTAB has declined to institute regarding two of the four remaining Asserted Patents. Thus, *a stay will not simplify the case* with respect to the non-instituted … Patents." (emphasis added)); *VARTA Microbattery GmbH v. Guangdong Mic-Power New Energy Co., Ltd.*, No. 2-21-cv-00036, Dkt. 75, at 3 (E.D. Tex. Jan. 7, 2022) (similar); *cf. Portsmouth Network Corp. v. Cisco Sys., Inc.*, No. 2:23-cv-00441, Dkt. 77 (E.D. Tex. Oct. 21, 2024) (denying stay as premature, even when PTAB had instituted IPR as to 3 of 4 asserted patents). The Board should "decline to infer … how the District Court would rule should a stay be requested by the parties." *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (informative).

Petitioner argues that "Judge Gilstrap grants stays even when he had first denied such motions without prejudice pre-institution." Reply, 2. Even so, the Board has found factor one neutral in proceedings where Judge Gilstrap had *expressly* given the petitioner leave to refile its motion after the institution decision. *See, e.g.*, *Ericsson Inc. v. Active Wireless Techs. LLC*, IPR2024-00886, Paper 8 at 8 (PTAB Nov. 12, 2024) ("We decline to speculate on how the court may rule on a future motion for a stay should one be filed. Accordingly, this factor is neutral."). Consequently, this factor remains neutral. *See* POPR, 30-33.

B. *Fintiv* Factor 2: Proximity of Trial to Board Decision – Neutral

Here, the Board's statutory deadline for the FWD is mere days before the scheduled trial date (and the median time from filing to trial in EDTX is consistent with the scheduled trial date). POPR, 33-35. Petitioner argues that factor two "weighs 'against exercising discretion to deny institution under *Fintiv*'" because the Guidance Memo directs "that a district court trial either 'around the same time or after' the projected [FWD] favors institution." Reply, 3. But Petitioner's argument mischaracterizes the intent of the Guidance Memo's instruction, which is included in the "Conclusion" section but not in the "Trial Date" discussion itself.

In the full "Trial Date" discussion, the Guidance Memo instructs that, "when analyzing the proximity of the court's trial date under factor two of *Fintiv*, when other relevant factors weigh against exercising discretion to deny institution or are

neutral, the *proximity to trial should not alone outweigh* all of those other factors." Guidance Memo, 8 (emphasis added). The clear intent of the Guidance Memo's instructions on factor two is that trial date *alone* should not dictate denial. However, this does not mean that a trial date at "around the same time" as the FWD date necessarily tips the scale in favor of institution, as Petitioner suggests.

The *Fintiv* and *Sotera* decisions are still precedential. Indeed, even after the Guidance Memo, panels have determined factor two is neutral when the expected trial date is "at or around the same time" as the projected statutory deadline for a FWD. *See, e.g.*, *Cisco Sys., Inc. v. Video Sols. Pte. Ltd.*, IPR2024-00194, Paper 7 at 9-10 (PTAB Mar. 28, 2024); *Micron Tech., Inc. v. BeSang Inc.*, IPR2023-00900, Paper 9 at 29-30 (PTAB Nov. 17, 2023); *see also Fintiv*, Paper 11 at 9 (PTAB Mar. 20, 2020) (noting that "[i]f the court's trial date is at or around the same time as the projected statutory deadline … , the decision whether to institute will likely implicate other factors discussed herein"). Thus, factor two is neutral here.

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

Petitioner's assertion that factor three "strongly" favors institution does not comport with the Board's application of this factor. Reply, 3. Indeed, the investment in the district court remains similar to that in *Sand Revolution II, LLC v. Continental Intermodal Group — Trucking LLC*, where *Fintiv* factor three did not weigh against exercising discretion to deny institution despite that "fact

discovery [was] still ongoing, expert reports [were] not yet due, and substantive motion practice [was] yet to come." IPR2019-01393, Paper 24 at 10-11 (PTAB June 16, 2020) (informative). And the parties will continue to invest resources in the district court case through the time of the Board's institution decisions, including continuing discovery related to the merits of Petitioner's invalidity positions. Accordingly, *Fintiv* factor three likewise here weighs in favor of the PTAB exercising its discretion to deny institution, or is at least neutral. *See Sand Revolution*, IPR2019-01393, Paper 24 at 11; *see also* POPR, 35-36.

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

Despite having the opportunity to do so in its Reply, Petitioner does not present a full *Sotera* stipulation. Rather, Petitioner maintains its narrower stipulation limited to "claim[s] at issue in this IPR." Pet., 19. Petitioner cites *Uber Techs., Inc. v. LBT IP II LLC* as support that a narrow stipulation as to less than all claims is sufficient to defeat institution under the Guidance Memo. Reply, 5. But in *Uber Techs.*, the stipulation presented was not a *Sotera* stipulation, even as to the asserted claims. IPR2022-00880, Paper 8 at 12 (PTAB Dec. 7, 2022) ("Petitioner 'stipulates that it will not pursue invalidity against the asserted claims in the District Court [Case] using any obviousness ground that includes the primary reference, Hashimoto, in this petition.'" (modification in original)). Because of this, the panel there did not consider whether the petitioner's stipulation as to less

than all the claims was sufficient to defeat institution under the Guidance Memo. Rather, the Board simply weighed the petitioner's stipulation as to less than all of the claims along with all of the other *Fintiv* factors. *See Uber Techs.*, Paper 8 at 12-14. Thus, *Uber Techs.* is irrelevant here. Similarly, in *Duplo U.S.A. Corp. v. MGI Digital Tech. S.A.*, the lack of stipulation as to *all* claims counseled *against* applying the Guidance Memo's prohibition from exercising discretion due to a *Sotera* stipulation. IPR2023-00936, Paper 8 (PTAB Dec. 5, 2023).

E. *Fintiv* Factor 5: Identity of the Parties – Favors Denial

It is undisputed that CSI is the defendant in the parallel district court action. This factor thus favors denial. POPR, 40-42; *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A); *see also Samsung Display Co., Ltd. v. Pictiva Displays Int'l Ltd.*, IPR2024-00855, Paper 12 at 11 (PTAB Nov. 19, 2024). Petitioner's assertion that this factor is "at worst neutral," Reply, 5—which backtracks from the Petition's untenable position that this factor "weigh[s] against denial," Pet., 19—is still wrong.

F. *Fintiv* Factor 6: No Compelling Merits – Favors Denial

Petitioner ignores factor six, presenting no argument as to how the higher "compelling merits" standard is met. *See* Pet., 18; Reply. The POPR, however, demonstrates multiple flaws in Petitioner's grounds. POPR, 10-22. Petitioner cannot meet the "compelling merits" standard here. *Id.*, 42-43.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX PLLC

/Jason A. Fitzsimmons/

Jason A. Fitzsimmons
Registration No. 65,367
Attorney for Patent Owner

Date: November 26, 2024

1101 K Street, NW, 10th Floor
Washington, DC 20005
(202) 371-2600

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **PATENT OWNER'S SUR-REPLY TO PETITIONER'S REPLY TO PRELIMINARY RESPONSE** was served in its entirety on November 26, 2024, upon the following parties via electronic mail:

Samuel N. Tiu (Lead Counsel)
Joseph A. Micallef (Back-Up Counsel)
Brooke S. Böll (Back-Up Counsel)
SIDLEY AUSTIN LLP
Sidley-CSI-IPR@sidley.com
stiu@sidley.com
jmicallef@sidley.com
brooke.boll@sidley.com

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX PLLC

/Jason A. Fitzsimmons/

Jason A. Fitzsimmons
Registration No. 65,367
Attorney for Patent Owner

Date: November 26, 2024

1101 K Street, NW, 10th Floor
Washington, DC 20005
(202) 371-2600