

Filed on behalf of:

Patent Owner

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Paper No. ____

Date: March 13, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,
Petitioner,

v.

SIONYX, LLC,
Patent Owner.

Case IPR2024-01430
Patent 11,069,737 B2

**PATENT OWNER'S SUPPLEMENTAL SUBMISSION IN SUPPORT OF
DISCRETIONARY DENIAL OF PETITIONS**

LIST OF PATENT OWNER'S EXHIBITS

PO Exhibit Number	Description
	Filed and Served on October 24, 2024 with Patent Owner's Motion for <i>Pro Hac Vice</i> Admission of Andrew P. Zappia Under 37 C.F.R. § 42.10
2001	Declaration of Andrew P. Zappia in Support of Patent Owner's Motion for <i>Pro Hac Vice</i> Admission
	Filed and Served on January 22, 2025 with Patent Owner's Preliminary Response
2002	Disclaimer in a Patent under 37 C.F.R. § 1.321(a), dated January 22, 2025
2003	Electronic Acknowledgment Receipt for Disclaimer dated January 22, 2025
	Filed and Served on March 13, 2025 with Patent Owner's Supplemental Submission in Support of Discretionary Denial of Petitions
2004	Order No. 26: Amending The Procedural Schedule dated October 9, 2024 in <i>In the Matter of CERTAIN SENSORS WITH PIXELS AND PRODUCTS CONTAINING THE SAME</i> , Inv. No. 337-TA-1403 (ITC) ("ITC Scheduling Order")
2005	Excerpt of Respondents Samsung Electronics Co., Ltd.; Samsung Electronics America, Inc.; and Samsung Semiconductor, Inc.'s Invalidity Contentions in <i>In the Matter of CERTAIN SENSORS WITH PIXELS AND PRODUCTS CONTAINING THE SAME</i> , Inv. No. 337-TA-1403 (ITC) ("Excerpt of ITC Invalidity Contentions")
2006	Excerpt of Opening Expert Report of Dr. Adam Fontecchio Regarding United States Patent No. 11,069,737 dated January 31, 2025 in <i>In the Matter of CERTAIN SENSORS WITH PIXELS AND PRODUCTS CONTAINING THE SAME</i> , Inv. No. 337-TA-1403 (ITC) ("Excerpt of Expert Report of Fontecchio")

I. INTRODUCTION

Patent Owner files this supplemental submission based on leave granted by the Board by email dated March 6, 2025 (EX3001). On February 28, 2025, the Patent Office rescinded former Director Kathi Vidal's 2022 memorandum, titled "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation." ("Memorandum"). The Patent Office now directs parties in post-grant proceedings to "refer to [PTAB] precedent for guidance, including *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential)" ("*Fintiv*"). See USPTO Bulletin Feb. 28, 2025 ("Guidance"). The Guidance adds that "[t]o the extent any other PTAB or Director Review decisions rely on the Memorandum, the portions of those decisions relying on the Memorandum shall not be binding or persuasive on the PTAB." *Id.* In view of *Fintiv* and the revocation of the Memorandum, Patent Owner urges the Board to deny institution of this Petition because it would cause the parties and the Board to incur significant inefficiencies and risks inconsistent outcomes, which are cautioned against in *Fintiv* and *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019) ("*NHK Spring*").

Nearly one year ago, on April 30, 2024, Patent Owner filed a complaint before the International Trade Commission ("ITC") against Petitioner asserting infringement of the '737 Patent. Five months later, Petitioner filed the Petition relying on the same

prior art that is being considered by the ITC. The ITC Investigation is now in its final stages, with expert discovery already closed and the hearing weeks away, scheduled for May 5, 2025. EX2004. An initial determination is due by September 5, 2025, well before the Board's deadline to issue a Final Written Decision in this IPR proceeding (if instituted), which would be around June 2026. Also, the ITC Investigation involves the same claim construction standard, invalidity theories, and prior art as the Petition. Under the Board's precedential orders in *Fintiv* and *NHK Spring*, and the new Guidance, the Board should exercise its discretion to deny institution under 35 U.S.C. § 314(a).

II. INSTITUTION SHOULD BE DENIED UNDER 35 U.S.C. § 314(a)

35 U.S.C. § 314(a) and the Guidance gives the Board discretion to deny institution because of efficiency considerations stemming from parallel proceedings on the same patent. *See NHK Spring*. Patent Owner's ITC Investigation qualifies as a parallel proceeding that justifies discretionary denial. *Fintiv* expressly states that an ITC investigation justifies denial of institution where the ITC is considering the same issues as those presented in the Petition. *See Fintiv*, Paper 11 at 8; *Stanley Black & Decker, Inc. v. Zircon Corp.*, IPR2020-01572, Paper 10 at 10-11 (PTAB Apr. 19, 2021) (disagreeing with Petitioner that the existence of the ITC investigation could effectively be dismissed); *Garmin Int'l, Inc. v. Koninklijke Philips N.V.*, IPR2020-00754, Paper 11 at 9-11 (PTAB

Oct. 27, 2020) (considering ITC proceeding in weighing if exercising discretion is warranted, and finding *Fintiv* factors applicable); *Comcast Cable Commc'ns, LLC v. Rovi Guides, Inc.*, IPR2020-00800, Paper 10 at 10-14 (PTAB Oct. 22, 2020) (considering ITC proceeding in weighing if exercising discretion is warranted); *Philip Morris Prods. S.A. v. RAI Strategic Holdings, Inc.*, IPR2020-00919, Paper 9 (PTAB Nov. 16, 2020) (dismissing IPR when final written decision due after ITC target date). Given the significant resources that the parties have invested in the ITC Investigation litigating the very same issues as presented in this Petition, the ITC Investigation is certainly a parallel proceeding and denial of the Petition is justified.

A. The *Fintiv* Factors Strongly Favor Discretionary Denial

In *Fintiv*, the Board set forth six factors for determining whether discretionary denial is appropriate. *Fintiv*, Paper 11 at 6; *Fintiv*, Paper 15 at 7-8 (PTAB May 13, 2020) (order denying institution). Here, all six *Fintiv* factors weigh against institution and are addressed in turn below.

First, discretionary denial may not be appropriate if the court or other tribunal granted a stay or evidence exists that one may be granted if the IPR proceeding is instituted. Here, the ITC has not granted a stay, and in fact no stay was ever requested by Petitioner. Additionally, the ITC generally does not stay investigations pending the outcome of an IPR proceeding. *See, e.g., Certain Laser-*

Driven Light Sources, Subsystems Containing Laser-Driven Light Sources, & Prods. Containing Same, Order No. 8, Inv. No. 337-TA-983 (Mar. 3, 2016) (denying a stay even where the IPR proceeding would conclude before the ITC target date). This factor therefore favors denial of institution.

Second, the proximity of a hearing date (here, May 5, 2025) to the Board's projected statutory deadline for a Final Written Decision (here, June 2026) is considered. The initial determination in the ITC Investigation is September 5, 2025, with a final target date of January 5, 2026. EX2004. A Final Written Decision would not issue until well after the ITC Investigation is resolved. This factor favors denial of institution. *See Garmin*, IPR2020-00754, Paper 11 at 9-11.

Third, the parties and the ITC have already invested (and will continue to invest) enormous time and resources in the ITC Investigation, favoring discretionary denial. Petitioner and Patent Owner already concluded fact and expert discovery and are preparing for the hearing scheduled to take place in mere weeks. There can be no dispute that the parties have already invested substantial resources in the ITC Investigation, favoring discretionary denial.

Fourth, the overlap between issues raised in the Petition and in the ITC Investigation favor denial of institution. Here, the issues presented as to the validity of the '737 Patent are nearly identical. The '737 Patent has been challenged by two parallel petitions that set forth thirteen (13) Grounds for

invalidity. The invalidity contentions, now completed at the ITC Investigation, assert significantly the same prior art references as those that have been asserted in the Petition. *See* EX2005 and EX2006. This factor therefore favors denial of institution.

Fifth, identity of parties favors denial of institution. Here, the Petitioner is the same party as the named Respondent in the ITC Investigation and Patent Owner is the Complainant in that investigation, weighing in favor of denial.

Finally, Patent Owner notes that additional considerations also favor denial. Sections 314(a) and 325(d) and efficiency considerations favor denial because Petitioner's invalidity arguments are already being considered in a parallel proceeding in its final stages. This, and the significant investment already expended to address the same invalidity positions again before the Board, is antithetical to the preservation of the efficiency and consistency of the patent system, which is a key objective of *Fintiv*.

III. CONCLUSION

For the reasons set forth above, Patent Owner requests that the Board exercise its discretion and deny the Petition.

Date: March 13, 2025

Respectfully submitted,

/Alison L. McCarthy/

Alison L. McCarthy (Lead Counsel)

Registration No. 51,998

Counsel for Patent Owner

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), this is to certify that on this 13th day of March, 2025, I caused to be served a true and correct copy of the foregoing **PATENT OWNER'S SUPPLEMENTAL SUBMISSION IN SUPPORT OF DISCRETIONARY DENIAL OF PETITIONS (with EX2004-2006)** by e-mail (as agreed in the Service Information section of the Petition):

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