

Filed on behalf of:

Patent Owner

By: Alison L. McCarthy (Lead Counsel)

Alison.McCarthy@Troutman.com

Dustin N. Ferzacca (Back-up Counsel)

Dustin.Ferzacca@Troutman.com

Andrew P. Zappia (Back-up Counsel)

Andrew.Zappia@Troutman.com

Paper No. _____

Date: March 26, 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 IPR2024-01431
Patent 11,069,737 B2

**PATENT OWNER'S SUR REPLY 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”)

PO Exhibit Number	Description
	Filed and Served on March 26, 2025 with Patent Owner's Surreply in Support of Discretionary Denial of Petitions
2007	USPTO Guidance Memorandum concerning Guidance on USPTO's rescission of "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District court Litigation", dated March 24, 2025 ("Guidance Memo")
2008	U.S. Patent Application Serial No. 13/164,630 to Carey et al., filed June 20, 2011

Petitioner's limited '737 IPR Stipulation ("Stipulation") (EX1033) does nothing to tip the scales in favor of institution. The Stipulation is insufficient, first because Petitioner has already presented and will continue to present to the ITC the very arguments Petitioner asks the Board to consider. Second, unlike in *Sotera*, the Stipulation is limited only to the references in Grounds A-1 and B-1 and does not cover other grounds that were or could have been raised here. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, at 18-19 (PTAB Dec. 1, 2020) (precedential); *see also* EX2007 (Guidance Memo dated March 24, 2025) at 2-3. Petitioner's tactical ploy does not avoid the duplication of effort and risk of inconsistent outcomes created by its overlapping positions here and in the ITC. The Stipulation does nothing to address the *Fintiv* "considerations of efficiency [and] fairness," and Patent Owner respectfully requests that the Board exercise its discretion to deny institution. *See Illumina, Inc. v. Natera, Inc.*, IPR2019-01201, Paper 19 at 6 (PTAB Dec. 18, 2019).

All the grounds in the Petition have already been presented to the ITC in detail. On the day before Petitioner proposed its limited Stipulation, Petitioner served its expert opening witness statements at the ITC, which *de facto* commence the hearing. *See, e.g.*, EX2006. That testimony highlights that the invalidity arguments in Grounds A-1 and B-1 (the remaining Grounds here), as well as the invalidity Grounds Petitioner has indicated that it intends to withdraw (along with other

grounds that could have been raised in this proceeding), are squarely still in play at the ITC. The Stipulation merely proposes that, *if* the Board institutes IPR review on Grounds A-1 and B-1, *then* Petitioner will not pursue invalidity arguments at the ITC based on the references in those grounds. *See* EX1033. However, Petitioner *has already* pursued these and many other invalidity defenses at the ITC relying on those very references. For example, Patent Owner is obligated to serve rebuttal hearing evidence directed to the references in Grounds A-1 and B-1, including witness statements from Patent Owner's experts, on April 2, 2025, before the Board would issue its decision on institution. The ITC hearing itself will be completed by May 9. The Stipulation will therefore do nothing to limit duplication of effort at the ITC, because the bulk of the effort will already have been completed. Instituting this proceeding would itself be a duplication of effort.

Further, by voluntarily withdrawing its first-ranked Petition against the '737 Patent (*see* Paper 17 at 2) and offering the appearance of a *Sotera* stipulation, Petitioner is attempting to downgrade its first ranked petition in favor of a modified version of this second-ranked Petition, when it has already fully presented all the invalidity grounds from both Petitions at the ITC. Patent Owner and the ITC have already invested significant resources in addressing these invalidity positions: Patent: claim construction, invalidity contentions, expert reports, depositions have all been completed for weeks, and in some instances, months. *See, e.g., Canadian Solar Inc.*

v. Solaria Corp., IPR2021-00659, Paper 14 at 13 (PTAB Sept. 30, 2021); *Regeneron Pharms., Inc. v. Novartis Pharma AG, et al.*, IPR2020-01317, Paper 15 at 17 (PTAB Jan. 15, 2021). Thus the proposed Stipulation simplifies nothing.

Further, as noted, unlike the stipulation in *Sotera*, the proposed Stipulation does not extend to grounds that could have been raised in this proceeding. See *Sotera*, IPR2020-01019, Paper 12 at 18-19; see also *Canadian Solar*, IPR2021-00659, Paper 14 at 14 (addressing grounds that could have reasonably been raised). Thus, Petitioner is reserving its ability to pursue substantially the same grounds that it could have pursued here. See *Regeneron*, IPR2020-01317, Paper 15 at 21. Indeed, that is what Petitioner is currently doing at the ITC. Specifically, Grounds A-1 asserts invalidity based on Haddad138 (EX1012). Haddad138 is asserted and remains a primary reference in the ITC. Also, U.S. Patent Application Serial No. 13/164,630 (“Carey”, EX2008) is another primary reference Petitioner asserts in the ITC. See EX2005. Petitioner has taken the position in the ITC that Haddad138 is incorporated by reference in Carey and therefore argues that Haddad138 is available at the ITC through the Carey reference. EX2008, [0085]. By this tactic, Petitioner is attempting to void its Stipulation. As to Grounds B-1, none of those claims are at issue in the ITC, but the Yap reference (EX1011) was asserted in Petitioner’s infringement contentions and expert reports and has only now been dropped from the witness statements. See EX2005. In other words, Yap has also been carefully considered

throughout the ITC discovery phase, including expert discovery. In view of the above, Petitioner's Stipulation is too narrow to effectively address the reality of current overlapping invalidity assertions. *See Kiss Nail Prods., Inc. v. Lashify, Inc.*, PGR2021-00046, Paper 12 at 14-15 (considering weight of Petitioner's stipulation marginal under *Fintiv* due to its narrow scope); *see also Regeneron*, IPR2020-01317, Paper 15 at 21-22.

Finally, the asserted claims at the ITC overlap entirely with those challenged in the Petition. Most of the remaining claims challenged in the Petition depend from the claims that are asserted at the ITC (*i.e.*, claims 2, 4 and 33). Claims 3, 5 and 6 depend from one of claims 2 and 4. Claims 34-37 depend from claim 33. Claims 26, 28, 29 and 31 are not asserted in the ITC, but they present overlapping issues of validity and have been addressed in detail in contentions. The ultimate decision on validity of claims 2, 4 and 33, which are being considered by the ITC, will determine the fate of the remaining dependent claims at issue in the Petition.

A stipulation is one of many factors considered by the Board in its holistic analysis under *Fintiv*. Petitioner's proposed Stipulation here does not alleviate the clear weight of all factors favoring denial of institution, and Patent Owner respectfully requests that the Board exercise its discretion to deny here.

IPR2025-01431 (Patent 11,069,737)
Patent Owner Surreply

Respectfully submitted,

Date: March 26, 2025

/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 26th day of March, 2025, I caused to be served a true and correct copy of the foregoing **PATENT OWNER'S SURREPLY IN SUPPORT OF DISCRETIONARY DENIAL OF PETITIONS (with EX2007-EX2008)** by e-mail (as agreed in the Service Information section of the Petition):

Scott C. Weidenfeller (Lead Counsel)
Reg. No. 54,531
COVINGTON & BURLING LLP
One CityCenter
850 Tenth Street, NW
Washington, DC 20001
Tel: (202) 662-5923
Fax: (202) 778-5923
Service email:
sweidenfeller@cov.com
Samsung-SiOnyx-IPR-Cov@cov.com

Counsel for Petitioner

David A. Garr (Back-up Counsel)
Reg. No. 74,932
COVINGTON & BURLING LLP
One CityCenter
850 Tenth Street, NW
Washington, DC 20001
Tel: (202) 662-5950
Fax: (202) 778-5250
Service email: dgarr@cov.com

Counsel for Petitioner

Alice J. Ahn (Back-up Counsel)
Reg. No. 79,829
COVINGTON & BURLING LLP
415 Mission Street, Ste. 5400
San Francisco, CA 94150-2533
Tel: (415) 591-7091
Fax: (415) 955-6591
Service email:
aahn@cov.com

Counsel for Petitioner

/Alison L. McCarthy/
Alison L. McCarthy (Lead Counsel)
Registration No. 51,998