

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INNOSCIENCE AMERICA, INC.,
Petitioner,

v.

INFINEON TECHNOLOGIES AMERICAS CORP.,
Patent Owner.

Case No. IPR2025-00010
Patent No. 9,070,755

**PATENT OWNER'S AUTHORIZED¹
SUPPLEMENTAL PRELIMINARY RESPONSE**

¹ EX-2011.

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	LEGAL STANDARDS	3
III.	THE BOARD SHOULD EXERCISE ITS DISCRETION UNDER §314(A) TO DENY INSTITUTION IN VIEW OF THE PARALLEL ITC LITIGATION BETWEEN THE SAME PARTIES	4
	A. Factor 1: the ITC case is not and will not be stayed	4
	B. Factor 2: proximity of a trial date to the Board’s projected FWD	5
	C. Factor 3: investment in the parallel proceeding	6
	D. Factor 4: overlapping issues	7
	E. Factor 5: same parties	9
	F. Factor 6: other circumstances, including the merits.....	9
IV.	CONCLUSION.....	10

TABLE OF AUTHORITIES

CASES

<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020).....	passim
<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019, Paper 15 (PTAB May 13, 2020).....	6
<i>Canadian Solar Inc. et al. v. Solaria Corp.</i> , IPR2021-00095, Paper 12 (PTAB May 26, 2021).....	9
<i>Canadian Solar Inc. et al. v. Solaria Corp.</i> , IPR2021-00659, Paper 14 (PTAB Sept. 30, 2021)	9
<i>Cuozzo Speed Techs., LLC v. Lee</i> , 579 U.S. 261 (2016)	3
<i>Fitbit, Inc. et al. v. Koninklijke Philips N.V.</i> , IPR2020-00771, Paper 14 (PTAB Oct. 19, 2020).....	4
<i>Garmin Int’l, Inc. et al. v. Koninklijke Philips N.V.</i> , IPR2020-00754, Paper 11 (PTAB Oct. 27, 2020).....	4, 8
<i>Google LLC v. EcoFactor Inc.</i> , IPR2021-00982, Paper 12 (PTAB Nov. 9, 2021)	9
<i>Harmonic Inc. v. Avid Tech., Inc.</i> , 815 F.3d 1356 (Fed. Cir. 2016)	3
<i>In re Princo Corp.</i> , 478 F.3d 1345 (Fed. Cir. 2007)	5
<i>Intel Corp. v. Koninklijke Philips N.V.</i> , IPR2021-00328, Paper 16 (PTAB March 29, 2022).....	4, 5
<i>Intel Corp. v. Koninklijke Philips N.V.</i> , IPR2021-00328, Paper 9 (PTAB July 16, 2021).....	4, 5, 7, 10
<i>NHK Spring Co. v. Intri-Plex Techs.</i> , IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018)	1, 3

<i>Philip Morris Prods. v. RAI Strategic Holdings</i> , IPR2020-00919, Paper 9 (PTAB Nov. 16, 2020)	3, 6, 8
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<i>SK Innovation Co. v. LG Chem.</i> , IPR2020-01036, Paper 13 (PTAB Nov. 30, 2020)	3, 5, 7, 8
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STATUTES

35 U.S.C. § 314(a)	2, 3
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LISTING OF EXHIBITS

Exhibit	Description
2001	Excerpts of Merriam-Webster’s Collegiate Dictionary, 11th Ed. (2012)
2002	Excerpts of The American Heritage College Dictionary, 4th Ed. (2007)
2003	U.S. Patent No. 6,534,829 (“Sogo”)
2004	<i>In the Matter of Certain Semiconductor Devices and Products Containing the Same</i> , Inv. No. 337-TA-1414, Joint Proposed Claim Construction Chart (ITC Jan. 17, 2025)
2005	Memorandum, Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (USPTO June 21, 2022)
2006	Joint Stipulation to Stay Pending ITC Proceeding; [Proposed] Order, <i>Infineon Technologies Austria AG v. Innoscience (Suzhou) Technology Company, Ltd. et al.</i> , Civ. No. 4:24-cv-01553 (N.D. Cal. Aug. 30, 2024)
2007	Order Staying and Conditionally Closing Case for Statistical Purposes, <i>Infineon Technologies Austria AG v. Innoscience (Suzhou) Technology Company, Ltd. et al.</i> , Civ. No. 4:24-cv-01553 (N.D. Cal. Aug. 30, 2024)
2008	<i>In the matter of Certain Semiconductor Devices and Products Containing the Same</i> , Inv. No. 337-TA-1414, Initial Determination Setting 18-Month Target Date and Order Setting Preliminary Conference (ITC Sept. 18, 2024)
2009	<i>In the matter of Certain Semiconductor Devices and Products Containing the Same</i> , Inv. No. 337-TA-1414, Order Setting the Procedural Schedule (ITC Sept. 27, 2024)
2010	<i>In the matter of Certain Semiconductor Devices and Products Containing the Same</i> , Inv. No. 337-TA-1414, Order Amending the Procedural Schedule (ITC Feb. 27, 2025)
2011	Email from Trials@uspto.gov, dated March 6, 2025, RE: IPR2025-00010 Innoscience America, Inc. v. Infineon Technologies Austria AG PO’s Request for Additional Briefing After Rescinded Interim Procedure
2012	USPTO Announcement Rescinding Memorandum Addressing Discretionary Denial Procedures, https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures (retrieved March 17, 2025)

I. INTRODUCTION

The Board should discretionarily deny institution because a parallel ITC proceeding, considering substantially the same prior art and arguments, will be resolved months before the Board would issue a final written decision (“FWD”). When there is a district court proceeding that “will analyze the same issues and will be resolved before any trial of the Petition concludes,” institution of an IPR trial “would not be consistent with ‘an objective of the AIA... to provide an effective and efficient alternative to district court litigation.’” *NHK Spring Co. v. Intri-Plex Techs.*, IPR2018-00752, Paper 8 at 20 (Sept. 12, 2018) (precedential) (citations omitted). The same rationale applies to a parallel ITC proceeding. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 8 (PTAB Mar. 20, 2020) (precedential) (“[A]n earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to decide the same or substantially similar issues to those presented in the petition.”). The Board routinely denies institution where, as here, there is a parallel ITC proceeding in which the ITC trial will be concluded, and final findings on validity will be rendered, months before the Board would issue its FWD. *See infra* § II (collecting cases).

On February 28, 2025, the USPTO rescinded² its June 21, 2022 “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” (“Interim Procedure”). During the pendency of that Interim Procedure, the Board would “not discretionarily deny petitions based on applying *Fintiv* to a parallel ITC proceeding.” EX-2005, 2-3, 5-7. The rescinded Interim Procedure was the Petition’s sole basis for arguing that discretionary denial would be “[i]mproper” based on parallel ITC Investigation No. 337-TA-1414. Petition (Paper 1), 93. Patent Owner did not address *Fintiv*’s application to the ITC case in Paper 6 (“POPR”) because the Interim Procedure was in effect when the POPR was filed and foreclosed discretionary denial on that basis.

With the Interim Procedure now rescinded, *Fintiv* is explicit that the parallel ITC investigation may serve as a basis for discretionary denial under §314(a). *Fintiv*, IPR2020-00019, Paper 11 at 8. As detailed below, the *Fintiv* factors favor denial in view of parallel ITC Investigation No. 337-TA-1414. Thus, the Board should exercise its discretion to deny institution under §314(a).

² United States Patent Office, “USPTO rescinds memorandum addressing discretionary denial procedures” (Feb. 28, 2025) *available at* <https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures>. EX-2012.

II. LEGAL STANDARDS

Instituting or denying a petition under §314(a) “is a matter committed to the Patent Office’s discretion.” *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 273 (2016); *see also Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (under §314(a) “the PTO is permitted, but never compelled, to institute an IPR proceeding”). In *NHK*, the Board used its discretion to deny institution under §314(a) because the parallel district court proceeding was scheduled to end before the FWD deadline and “Petitioner assert[ed] the same prior art and arguments” in that parallel proceeding. *NHK*, IPR2018-00752, Paper 8 at 19-20.

Fintiv articulated six factors (*infra* § III) to consider in determining whether to exercise discretion to deny institution based on a parallel district court or ITC proceeding. *Fintiv*, IPR2020-00019, Paper 11 at 5-6. The factors are evaluated by taking “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* In view of the rescission of the Interim Procedure (*see* footnote 2), *Fintiv* once again applies to ITC investigations. The Board has routinely denied institution under *Fintiv* based on a parallel ITC proceeding. *E.g.*, *SK Innovation Co. v. LG Chem.*, IPR2020-01036, Paper 13 at 5-17 (Nov. 30, 2020) (discretionarily denying institution due to advanced stage of parallel ITC proceeding); *Philip Morris Prods. v. RAI Strategic Holdings*, IPR2020-00919, Paper 9 at 6-13 (Nov. 16, 2020) (same); *Garmin Int’l, Inc. et al. v.*

Koninklijke Philips N.V., IPR2020-00754, Paper 11 at 6-19 (Oct. 27, 2020) (same); *Fitbit, Inc. et al. v. Koninklijke Philips N.V.*, IPR2020-00771, Paper 14 at 13-25 (Oct. 19, 2020) (same); *Intel Corp. v. Koninklijke Philips N.V.*, IPR2021-00328, Paper 9 at 6-15 (July 16, 2021) (same) & Paper 16 at 8-9 (March 29, 2022) (confirming *Fintiv* factors were properly applied to “a parallel proceeding before the ITC” instead of a “stayed district court action”).

III. THE BOARD SHOULD EXERCISE ITS DISCRETION UNDER §314(A) TO DENY INSTITUTION IN VIEW OF THE PARALLEL ITC LITIGATION BETWEEN THE SAME PARTIES

The Board balances six factors when determining whether institution of IPR should be discretionarily denied in view of a parallel proceeding: (1) whether the court granted a stay or evidence exists that one may be granted if an IPR proceeding is instituted; (2) proximity of the court’s trial date to the Board’s projected statutory deadline for a FWD; (3) investment in the parallel proceeding by the court and the parties; (4) overlap between issues raised in the petition and in the parallel proceeding; (5) whether the petitioner and the defendant in the parallel proceeding are the same party; and (6) other circumstances... including the merits. *Fintiv*, IPR2020-00019, Paper 11 at 5-6. The *Fintiv* factors favor denial here.

A. Factor 1: the ITC case is not and will not be stayed

The parties are involved in two parallel proceedings concerning the ’755 Patent. *See* Petition, 94-95 (listing N. D. Cal. Case No. 3:24-cv-01553 and ITC

Investigation No. 337-TA-1414). The parties’ joint request for a “mandatory” 28 U.S.C. §1659 stay of the N. D. Cal. district court case pending the ITC investigation was granted. EX-2006; EX-2007. The purpose of a §1659 stay is to “avoid[] litigation in two forums at once.” *In re Princo Corp.*, 478 F.3d 1345, 1355 (Fed. Cir. 2007). In such circumstances—where district court litigation is stayed pending an ITC investigation —“the ITC investigation is... the relevant parallel proceeding” the Board “must evaluate under the *Fintiv* factors.” *See Intel*, IPR2021-00328, Paper 9 at 9; *see also id.*, Paper 16 at 4, 6-8.

Petitioner has not requested a stay in ITC Investigation No. 337-TA-1414. Stays in ITC investigations are rarely granted, and a stay based on an instituted IPR is especially unlikely here because the due date for the Board’s Institution Decision is May 20—*after* the ITC’s five-day evidentiary hearing is scheduled to begin (May 19). EX-2008; *see SK Innovation*, IPR2020-01036, Paper 13 at 9 (“[W]e agree with Patent Owner that a stay of the ITC investigation is unlikely given that the hearing in the ITC investigation is scheduled to begin on [the IPR institution decision due date].”). *Fintiv* Factor 1 strongly favors denial.

B. Factor 2: proximity of a trial date to the Board’s projected FWD

The five-day ITC evidentiary hearing is scheduled to begin May 19, 2025. That is a day before the due date for an Institution Decision in this proceeding, and *over a year* before the projected date of the Board’s Final Written Decision. EX-

2008. The ITC’s Administrative Law Judge (“ALJ”) will issue a Final Initial Determination by Oct. 30, 2025 (nearly seven months before the Board’s projected FWD), and the ITC is targeting completion of its investigation by March 2, 2026 (nearly three months before the FWD). EX-2008.

The nearly 3-month gap between the **conclusion** of the parallel proceeding (here, the ITC investigation) and the Board’s projected FWD date is larger than in *Fintiv*, where this factor was found to weigh in favor of denial. *Fintiv*, IPR2020-00019, Paper 15 at 13 (the district court trial was scheduled two months before a projected FWD). The nearly 3-month gap is also larger than the gap between the conclusion of an ITC investigation and the Board’s FWD in an IPR where the Board found that this factor favored denial. *Philip Morris*, IPR2020-00919, Paper 9 at 9 (considering a 2-month gap). *Fintiv* Factor 2 strongly favors denial.

C. Factor 3: investment in the parallel proceeding

The parties have already completed *Markman* briefing before the ITC. EX-2009. By the time the Board issues an institution decision (due May 20), the parties will have exchanged contentions and expert reports on validity, filed summary determination motions and pre-hearing briefs (including on validity), conducted the final pre-hearing conference before the ALJ, prepared and exchanged witness statements, prepared witnesses for the evidentiary hearing, and **started** the ITC’s five-day evidentiary hearing on May 19. *Id.*; *see also* EX-2010. Thus, this factor

favors denial because of the “extensive” investment in the ITC proceeding where “contentions and expert reports on validity” “have already been exchanged.” *SK Innovation*, IPR2020-01036, Paper 13 at 12. Where, as here, a Petitioner filed its Petition two months after the ITC investigation was instituted, the Board found that Factor 3 “weighs in favor of exercising our discretion to deny institution” “because of the significant investment in the ITC investigation.” *Intel*, IPR2021-00328, Paper 9 at 8, 11. *Fintiv* Factor 3 thus favors denial.

D. Factor 4: overlapping issues

There is significant overlap in the validity issues raised in the Petition and in the parallel ITC investigation. The Petition challenges the patent’s independent claims (claims 1 and 10) as anticipated or obvious over Fujishima and as anticipated or obvious over Asano. Petition, 3. The *same* prior art (Fujishima and Asano) and arguments are *also* advanced in Petitioner’s ITC invalidity contentions against all the claims (claims 1-4 and 8-9) asserted in the ITC investigation.

The fact that the Petition challenges some claims not asserted in the ITC litigation, so there “is not complete overlap,” does not preclude Factor 4 from weighing in favor of discretionary denial. *SK Innovation*, IPR2020-01036, Paper 13 at 14. The disputed issues in this proceeding are whether Petitioner established that Fujishima discloses a transistor with interdigitated electrodes and a drain finger electrode with a non-coplanar end (POPR, 8-46), and whether Petitioner

established that Asano’s transistor meets the non-coplanar limitation under Petitioner’s own construction (POPR, 47-65). Those claim limitations are in *every* claim at issue in the ITC proceeding, where Petitioner also relies on Fujishima and Asano. Thus, as in *SK Innovation*, “the ITC investigation will necessarily address validity issues relating to base claim 1, and therefore the ‘foundational validity issues [in the IPR] will be addressed at the ITC.’” *SK Innovation*, IPR2020-01036, Paper 13 at 14. Thus, *Fintiv* Factor 4 favors denial.

Even if the Board were to find that Factor 4 favored institution because of the lack of *complete* overlap in validity issues, that would not outweigh the other *Fintiv* factors favoring denial, especially given that the ITC will address significant portions of the same validity analysis that the Board’s FWD would address. *E.g.*, *Garmin*, IPR2020-00754, Paper 11 at 14-16, 18-19 (denying institution where “much (but not all) of the analysis and evaluation of the challenged claims may be gained from the analysis and evaluation done by the ITC” despite that “the overlap between the asserted claims is not complete” and Factor 4 favored institution); *Philip Morris*, IPR2020-00919, Paper 9 at 11-13 (discretionarily denying institution because of “the proximity of the anticipated ITC hearing date, combined with an anticipated final determination from the ITC prior to the Board’s final decision on validity of claims in dispute between the same parties” despite a “lack of complete overlap in the prior art asserted” and that Factor 4 favored institution).

Petitioner has not stipulated to withdraw from the ITC investigation any reference or argument used in the IPR should the Board institute review. But even if Petitioner did so stipulate, Factor 4 would at most “weigh[] marginally in favor of not exercising discretion to deny institution,” and would not outweigh the other *Fintiv* factors that favor denial. *Google LLC v. EcoFactor Inc.*, IPR2021-00982, Paper 12, at 12-14 (Nov. 9, 2021) (denying institution even where Petitioner stipulated to drop from the ITC all invalidity arguments used in the IPR petition); *see also Canadian Solar Inc. et al. v. Solaria Corp.*, IPR2021-00659, Paper 14 at 14-16 (Sept. 30, 2021) (same); *Canadian Solar Inc. et al. v. Solaria Corp.*, IPR2021-00095, Paper 12 at 13-15 (May 26, 2021) (same).

E. Factor 5: same parties

The same parties involved in this proceeding are also involved in the ITC proceeding. EX-2004, 6-7. *Fintiv* Factor 5 strongly favors denial.

F. Factor 6: other circumstances, including the merits

As discussed in the POPR (Paper 6), the Petition is fundamentally flawed. For the Fujishima grounds (Grounds 1A-1E), Petitioner conflated different embodiments and failed to establish that Fujishima discloses any transistor meeting both interdigitated electrodes *and* a drain finger electrode with a non-coplanar end as required by every claim challenged in the Petition. POPR, 8-46. For the Asano grounds (Grounds 2A-2B), Petitioner *ignored* disclosures in Asano demonstrating that Asano’s transistor does not meet the non-coplanar limitation under Petitioner’s

own construction. POPR, 47-65. Petitioner offered no fallback obviousness argument to address either shortcoming. Every ground in the Petition is facially deficient. *Fintiv* Factor 6 strongly favors denial.

That an invalidity ruling from the ITC does not bind the Patent Office or district courts provides no basis for Petitioner to avoid discretionary denial. As *Fintiv* noted, “as a practical matter, it is difficult to maintain a district court proceeding on patent claims determined to be invalid at the ITC.” *Fintiv*, IPR2020-00019, Paper 11 at 9. Despite awareness of the well-known non-binding nature of ITC invalidity rulings, the Board has found that a parallel ITC case can be the basis for discretionary denial. *Id.* at 8-9; *see also supra* § II (collecting cases in which discretionary denial was based on a co-pending ITC proceeding); *Intel*, IPR2021-00328, Paper 16 at 6-7 (“non-binding effect of the ITC’s decision” did not “turn[]” *Fintiv* Factor 6 to “*strongly* weighing” in favor of institution) (emphasis original).

IV. CONCLUSION

It would be a highly inefficient waste of the limited resources of the Board and the parties to institute a trial that would not be completed until well after the parallel ITC investigation has ended. Institution should be denied under *Fintiv*.

Date: March 20, 2025

Respectfully submitted,
/Richard Giunta /

Richard F. Giunta, Reg. No. 36,149

CERTIFICATE OF SERVICE UNDER 37 C.F.R. § 42.6 (E)(4)

I certify that on March 20, 2025, I will cause a copy of the foregoing document, including any exhibits filed therewith, to be served via electronic mail, as previously consented to by Petitioner, upon the following:

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Date: March 20, 2025

/MacAulay Rush/
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