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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

SAMSUNG ELECTRONICS CO., LTD.
AND SAMSUNG ELECTRONICS
AMERICA, INC.,

Plaintiffs,

vs.

CM HK, LTD.,

Defendant.

CASE NO. 4:24-CV-06567-JST

**PLAINTIFFS SAMSUNG
ELECTRONICS CO., LTD. AND
SAMSUNG ELECTRONICS AMERICA,
INC.'S OPPOSITION TO DEFENDANT
CM HK, LTD.'S RULE 11 MOTION FOR
SANCTIONS**

Date: October 2, 2025
Time: 2:00 p.m.
Ct rm: Courtroom 6, 2nd Floor
Judge: Hon. Jon S. Tigar

DEMAND FOR JURY TRIAL

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1 **I. INTRODUCTION**

2 CM HK Ltd.’s Rule 11 motion should be denied because it is meritless. *See* Dkt. 93
3 (“Mot.”). The conduct CM HK complains about is not sanctionable under Rule 11, but instead
4 reflects positions well-founded in both patent law and civil procedure.

5 CM HK complains that Samsung’s claim construction of the phrase “predicted axial
6 acceleration” is frivolous. Mot. at 6–8. But Samsung merely has proposed that this term be
7 construed to have its plain and ordinary meaning, a position supported by *Phillips v. AWH Corp.*,
8 415 F.3d 1303 (Fed. Cir. 2005).

9 CM HK then accuses Samsung of filing legally and factually insufficient claims regarding
10 alter ego theories of jurisdiction. Mot. at 8–11. This argument is belied by the Court’s order granting
11 jurisdictional discovery, which stated that “Samsung has made a ‘colorable’ showing of
12 jurisdiction” Dkt. 73 at 19.

13 Finally, and incredibly, CM HK argues that Samsung filed this case to “harass, delay, and
14 increase CM HK’s costs.” Mot. at 11–12. But the Court has rejected CM HK’s argument that
15 Samsung’s lawsuit is “an example of bad faith, anticipatory suit, and forum shopping” “filed to
16 preempt CM HK’s subsequent suit in the Eastern District of Texas.” Dkt. 73 at 9 (citation omitted).
17 Instead, the Court agreed with Samsung that its suit was rightfully filed after a number of equivocal
18 statements and actions by CM HK. *Id.* at 9–11. Indeed, the Eastern District of Texas recently agreed
19 with Samsung that CM HK’s case there should be stayed pending resolution of this matter,
20 effectively rejecting CM HK’s effort to multiply the proceedings between the parties. *See* Dkt. 100.
21 Samsung has also legitimately sought IPRs and a stay pending those IPRs, and CM HK provides
22 no authority providing that such actions are sanctionable under Rule 11. These actions are not
23 harassment; instead, they are a legitimate effort to resolve the dispute between the parties.

24 CM HK’s Rule 11 accusations are not only baseless, but they also reveal that CM HK is the
25 one seeking to “harass, delay, and increase” Samsung’s costs in an apparent attempt to pressure
26 and intimidate Samsung and its attorneys into dismissing this case. This is an inappropriate use of
27 Rule 11 sanctions, and CM HK’s gambit should be rejected.

II. RELEVANT FACTS

A prior defendant in this case, CyWee Group Ltd. (“CyWee”), previously filed a lawsuit against Samsung in February 2017 regarding different patents. *See* Dkt. 24 ¶ 21. In that case, CyWee alleged infringement of U.S. Patent Nos. 8,441,438 and 8,552,978 by Samsung’s alleged use of motion sensing technology. *Id.* The patents from the CyWee litigation are related to the patents in this case. In the CyWee litigation, Samsung submitted an expert report by Dr. M. Ray Mercer. *See* Dkt. 103-4. Ultimately, the PTAB invalidated all of the asserted claims, and the Federal Circuit affirmed those decisions. *See* Dkt. 24 ¶ 22.

As detailed in Samsung’s Opposition to CM HK’s Motion to Dismiss, during the five to six months before Samsung filed this suit, both CyWee and CM HK, through their counsel, threatened to assert patents against Samsung. This included CyWee threatening to file an infringement action on behalf of CM HK and add the patents to the prior CyWee lawsuit in the Eastern District of Texas. *See* Dkt. 24 ¶ 20; Dkt. 59-3 at 2–4; Dkt. 60 at 2, 3; Dkt. 58-6; Dkt. 58-8; Dkt. 58-9; Dkt. 58-10; Dkt. 58-11.

Therefore, on September 18, 2024, Samsung filed this lawsuit seeking a declaratory judgment of noninfringement of U.S. Patent Nos. 10,852,846 (“the ’846 Patent”), 11,698,687 (“the ’687 Patent”), 10,275,038 (“the ’038 Patent”), and 10,817,072 (“the ’072 Patent”) (“collectively the “Patents-in-Suit”) against CM HK and CyWee. *See* Dkt. 24 ¶ 1. CM HK served infringement contentions for the ’846 and ’687 Patents but has not served contentions for the ’038 and ’072 Patents (collectively, “the Non-Overlapping Patents”). Ex. 1. On October 31, 2024, CM HK filed a lawsuit accusing Samsung of infringing the ’846 and ’687 Patents (collectively, “the Overlapping Patents”) in the Eastern District of Texas.

In January 2025, CyWee and CM HK moved to dismiss Samsung’s complaint. Dkt. 51; Dkt. 52. CM HK moved to dismiss based on a lack of subject matter jurisdiction and personal jurisdiction, as an anticipatory lawsuit under the first-to-file rule, and for failing to plausibly plead a claim of non-infringement. Dkt. 51. In May 2025, the Court found that it had subject matter jurisdiction over this case, that this case was the first-filed case, and that Samsung had alleged facts sufficient to plead a claim for declaratory judgment of non-infringement, but granted CM HK’s

1 motion to dismiss for lack of personal jurisdiction. Dkt. 73. The Court also found, however, that
 2 there was a “‘colorable basis’ to believe there may be a commingling or manipulation of asserts
 3 between CM HK and CyWee that would render CM HK the alter ego of CyWee,” concluding that
 4 jurisdictional discovery was warranted. *Id.* at 19–20. That jurisdictional discovery is in progress.

5 Since the issuance of the Court’s order on its motion to dismiss, CM HK has twice
 6 threatened Samsung’s counsel with Rule 11 sanctions if Samsung did not dismiss this case,
 7 including sending two separate Rule 11 “Safe Harbor” letters. Exs. 2–3. Samsung has responded to
 8 both letters. Declaration of Elizabeth Brann ¶ 8. CM HK never filed the threatened motion attached
 9 to its June 6 letter but filed this motion the day after receiving Samsung’s response to its July 22
 10 letter. Notably, CM HK’s motion is not identical to the motion attached to its July 22 letter. Ex. 4.

11 **III. LEGAL STANDARD**

12 Rule 11 provides that attorneys signing a “pleading, written motion, or other paper”
 13 presented to the court are certifying, in relevant part, that:

- 14 (1) it is not being presented for any improper purpose, such as to
 15 harass, cause unnecessary delay, or needlessly increase the cost of
 litigation;
- 16 (2) the claims, defenses, and other legal contentions are warranted
 by existing law or by a nonfrivolous argument for extending,
 17 modifying, or reversing existing law or for establishing new law;
- 18 (3) the factual contentions have evidentiary support or, if
 specifically so identified, will likely have evidentiary support after
 a reasonable opportunity for further investigation or discovery

19 Fed. R. Civ. P. 11(b). Rule 11 sanctions are discretionary. Fed. R. Civ. P. 11(c)(1).

20 CM HK misstates the rule for determining whether filing a complaint violated Rule 11. Mot.
 21 at 6. “A district court must conduct a two-prong inquiry to determine (1) whether the complaint is
 22 legally or factually ‘baseless’ from an objective perspective, *and* (2) if the attorney has conducted
 23 ‘a reasonable and competent inquiry’ before signing and filing it.” *Christian v. Mattel, Inc.*, 286
 24 F.3d 1118, 1127 (9th Cir. 2002) (emphasis added) (citing *Buster v. Greisen*, 104 F.3d 1186, 1190
 25 (9th Cir. 1997)) (vacating award of sanctions under Rule 11 where district court considered conduct
 26 unrelated to the filing of the complaint).

1 IV. ARGUMENT

2 CM HK has fallen far short of the standard required to show a Rule 11 violation. As an
 3 initial matter, CM HK's motion should be denied because it is different from the one served with
 4 CM HK's most recent "Safe Harbor" letter (Ex. 4), which is a violation of the safe harbor
 5 requirement. *Uptown Grill, L.L.C. v. Camellia Grill Holdings, Inc.*, 46 F.4th 374, 389 (5th Cir.
 6 2022) (requiring that motion served to comply with safe harbor requirement be identical with the
 7 motion filed with the court); *Gidding v. Anderson*, No. C-07-4755, 2009 WL 1631625 (N.D. Cal.
 8 June 9, 2009); *see also Truesdell v. S. Cal. Permanente Med. Grp.*, 293 F.3d 1146 (9th Cir. 2002).
 9 Putting that aside, CM HK contorts the record and ignores rulings by this Court that have already
 10 resolved many of these issues. The baseless nature of CM HK's motion underscores CM HK's true
 11 intent in threatening and filing this motion for sanctions: an improper attempt to coerce Samsung
 12 into dismissing its case.

13 A. Samsung's Claim Construction Positions Are Not Frivolous

14 CM HK already unsuccessfully moved to dismiss Samsung's non-infringement declaratory
 15 judgment claims under Fed. R. Civ. P. 12(b)(6). In opposition to that motion, Samsung explained
 16 why it stated a claim despite CM HK's protestations to the contrary. Dkt. 57-3 at 20. The Court
 17 denied CM HK's motion on that basis. Dkt. 73. But CM HK continues to attack the basis for
 18 Samsung's non-infringement positions, now addressing Samsung's claim construction of
 19 "predicted axial acceleration" set forth in the joint claim construction statement. Samsung has
 20 argued that this term should have its plain and ordinary meaning and set forth the evidence
 21 supporting its construction. *See* Dkt. 72 at 3. CM HK cites no case finding that a "plain and ordinary
 22 meaning" construction was a basis for an award of Rule 11 sanctions. Indeed, claim terms generally
 23 have the ordinary meaning that a person of ordinary skill in the art would ascribe to them. *See*
 24 *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005); *Honeywell Int'l, Inc. v. Universal*
 25 *Avionics Sys. Corp.*, 493 F.3d 1358, 1361 (Fed. Cir. 2007). Therefore, Samsung's claim
 26 construction position, which is set forth in the Joint Claim Construction Statement, is justified.

27 Faced with this commonplace position and the lack of any authority finding such a
 28 construction unjustified, CM HK makes a string of inaccurate assumptions to attribute an alleged

1 claim construction to Samsung and its attorneys. Most notably, CM HK argues that Samsung
2 “indirectly disclosed its construction” through a response to an interrogatory. Mot. at 7.
3 Importantly, Samsung’s interrogatory responses cannot be the basis for an award of Rule 11
4 sanctions. Fed. R. Civ. P. 11(d) (“Inapplicability to Discovery. This rule does not apply to
5 disclosures and discovery requests, responses, objections, and motions under Rules 26 through
6 37.”); *see also Christian*, 286 F.3d at 1130 (“While Rule 11 permits the district court to sanction
7 an attorney for conduct regarding ‘pleadings, written motions, and other papers’ that have been
8 signed and filed in a given case, Fed. R. Civ. P. 11(a), it does not authorize sanctions for, among
9 other things, discovery abuses or misstatements made to the court during an oral presentation.”).

10 Samsung’s response was made in good faith and has a solid basis in law and fact. The
11 relevant interrogatory quoted Samsung’s complaint in this matter and asked for the basis for certain
12 paragraphs, including the claim construction used for “predicted axial acceleration” in the
13 complaint. *See* Dkt. 103-3 at 17–18. Samsung specifically stated that it had applied the plain and
14 ordinary meaning of the term. *Id.* Its response also refers to Samsung’s good faith belief that the
15 Qualcomm motion sensing algorithm does not infringe and the basis for that belief, including a
16 general referral to the expert report of Dr. Mercer from the prior CyWee litigation supporting
17 Samsung’s understanding of the operation of that algorithm. *Id.*

18 CM HK does not attack the non-infringement position set forth in the interrogatory response
19 but instead claims that Samsung should be sanctioned under Rule 11 due to an alleged proposed
20 construction buried in Dr. Mercer’s report. Any reliance on Dr. Mercer, a professor emeritus at
21 Texas A&M University (Dkt. 103-4 at 4–5) and a technical expert, also cannot form the basis of a
22 Rule 11 motion because CM HK cannot and does not show that Samsung’s reliance on Dr. Mercer
23 for the operation of the Qualcomm algorithm was unreasonable, and the history from the prior
24 CyWee litigation contradicts CM HK’s position. Specifically, CyWee did not move to exclude Dr.
25 Mercer’s report under *Daubert v. Merrell Dow Pharmaceuticals, Inc.*, 509 U.S. 579 (1993), and
26 CM HK’s present motion identifies nothing that should have made Samsung question whether his
27 opinions regarding the Qualcomm algorithm were reliable. Dkt. 103-4. “As long as reliance is
28 reasonable under the circumstances, the court must allow parties and their attorneys to rely on their

experts without fear of punishment for any errors in judgment made by the expert.” *Coffey v. Healthtrust, Inc.*, 1 F.3d 1101, 1104 (10th Cir. 1993); *see also Dubois v. U.S. Dep’t of Agric.*, 270 F.3d 77 (1st Cir. 2001) (allowing counsel to rely on expert in preparing complaint); *Slovak v. Golf Course Villas Homeowners’ Ass’n*, No. 3:13-cv-00569, 2020 WL 929515, at *6 (D. Nev. Feb. 26, 2020) (declining to sanction party or counsel under Rule 11 where there was no evidence that they relied on their retained experts in bad faith); *see also* “Rule 11,” Karen L. Stevenson & James E. Fitzgerald, *Fed. Civ. Pro. Before Trial* Ch. 17-B § 17:245 (Nat’l Ed. 2025) (“Relying exclusively on expert opinion: Asserting a position in reliance on an expert’s opinion does not violate FRCP 11 if such reliance is reasonable under the circumstances”). Accordingly, reliance on Dr. Mercer’s opinion cannot justify Rule 11 sanctions.

Given this reality, CM HK challenges Dr. Mercer’s opinions referencing his alleged understanding of “predicted axial acceleration.” But a simple examination of Samsung’s interrogatory response shows that Samsung did not cite Dr. Mercer’s report for his understanding of this term. Samsung cited Dr. Mercer’s report for his understanding of the operation of the Qualcomm algorithm, which opinions CM HK does not dispute. *See* Dkt. 103-3 at 18. Moreover, Samsung did not cite Dr. Mercer’s report as extrinsic evidence for its construction of “predicted axial acceleration” in the joint claim construction statement. Dkt. 72-1 at 5–6. Regardless, like Samsung’s joint claim construction statement, Dr. Mercer’s report provides that he applied the plain and ordinary meaning of a larger term that includes the “predicted axial acceleration” limitation; his report also explains his understanding of the term and why he disagrees with CyWee’s expert about its application to the accused products in that case. Dkt. 103-4 at 11 (noting agreed plain and ordinary meaning construction of “calculating predicted axial accelerations . . .”), 69–70. Of course, that report addressed different claims from those at issue here. Therefore, each specific non-infringement position within his 98-page report may or may not apply in this case. That said, the report does describe the operation of the third-party Qualcomm algorithm. It is one of few sources of information about that operation because third party discovery in this case is in its earliest stages, and Qualcomm has not yet produced its source code for inspection by the parties. CM HK ignores

1 these basic facts and realities and improperly turns a reasonable claim construction and non-
2 infringement dispute into the basis for a Rule 11 motion.

3 CM HK cites no authority sanctioning a party or an attorney for engaging in a reasonable
4 dispute. Instead, CM HK's sole case awarding Rule 11 sanctions based on a frivolous claim
5 construction is easily distinguishable. *See* Mot. at 8. In *Raylon, LLC v. Complus Data Innovations,*
6 *Inc.*, 700 F.3d 1361 (Fed. Cir. 2012), the plaintiff applied the term "pivotally mounted" to include
7 devices with a "fixed display." "Raylon, throughout the litigation, argued that ["display pivotally
8 mounted on said housing"] should be construed as requiring a 'display being capable of being
9 moved or pivoted relative to the viewer's perspective.'" *Id.* at 1361 (citation omitted). In other
10 words, Raylon stretched the meaning of its terms so that "display being pivotally mounted" covered
11 a "fixed-mounted screen." *Id.* at 1365. The concurrence noted that, in support of that broad
12 application, Raylon did not advance arguments "based on the plain language of its asserted claims"
13 but instead stated that its proposals were premised on "rather unusual interpretations that are
14 sometimes put on claim terms by the Federal Circuit and practitioners." *Id.* at 1371 (Reyna, J.,
15 concurring) (citation omitted). The court found that it was objectively unreasonable to interpret the
16 claim limitation so broadly when there was no support in the specification. *Id.* at 1365. Raylon's
17 position, that the plain meaning of "pivotally mounted" did not apply, is the exact opposite of
18 Samsung's position—that "predicted axial acceleration" should be understood to have its plain and
19 ordinary meaning. That common practice cannot be the basis for Rule 11 sanctions.

20 **B. Samsung's Alter Ego Allegations Are Legally and Factually Sufficient**

21 CM HK's alter ego argument in its Rule 11 motion is nothing more than a second attempt
22 to challenge Samsung's alter ego allegations after its motion to dismiss failed. CM HK made
23 arguments similar to those here when it challenged Samsung's alter ego allegations in its motion to
24 dismiss Samsung's complaint. *See* Dkt. 51 at 8–10. That challenge resulted in the Court ordering
25 jurisdictional discovery and noting that "the Court finds that Samsung has made a 'colorable'
26 showing of jurisdiction [under its alter ego theory] and that it is entitled to jurisdictional discovery,"
27 and that the Court was "particularly concerned by the possible manipulation of assets between
28 CyWee and CM HK." Dkt. 73 at 19–20 (citing evidence supporting Samsung's "colorable" claims).

1 As an initial matter, filing a Rule 11 motion after the Court decided CM HK's motion to
2 dismiss does not serve Rule 11's "purpose of judicial economy." *See Islamic Shura Council of S.*
3 *Cal. v. F.B.I.*, 757 F.3d 870, 873 (9th Cir. 2014) (reversing an order granting a motion for Rule 11
4 sanctions and vacating an order awarding fees where Rule 11 motion filed after the court had
5 decided the underlying dispute). CM HK's alter ego arguments should be rejected on this basis
6 alone.

7 Moreover, as outlined in more detail in Samsung's briefing on CM HK's motion to dismiss
8 (Dkt. 57-3), Samsung's alter ego allegations were supported by a number of facts, including that
9 CyWee claimed to have the power to obtain and assert patents purportedly owned by CM HK, and
10 vice versa. Dkt. 59-3 at 15; Dkt. 60-4; Dkt. 60-6; Dkt. 60-8; Dkt. 60-5 ("Whether . . . CyWee obtains
11 more patents from CM HK, Ltd. to add to the present case is under consideration . . ."). In other
12 words, it is clear that the CyWee entities have transferred the patents between various holding
13 companies with little to no consideration. *See* Dkt. 51 at 10:9–16 (discussing CyWee transferring
14 rights to CyWeeMotion HK Ltd.); *see also* Dkt. 57-3 at 5 (discussing CM HK paying \$10, split
15 between CyWee and CyWeeMotion HK Ltd., for patents allegedly worth \$200 million).

16 Indeed, jurisdictional discovery to date has shown the links between CM HK and CyWee
17 Group. For example, CM HK produced CyWee's damages expert report from the prior litigation.
18 In that case, CyWee's expert stated that [REDACTED]

19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED] Ex. 5. CyweeMotion Group Ltd. has
23 five employees (including Dr. Shun-Nan Liou) and seven board members, including Dr. Liou. Ex.
24 6 at 14–15. CyWee Motion Group Ltd. has a 100% ownership stake in CyWeeMotion Ltd., and Dr.
25 Liou as its sole director. *Id* at 11, 12, 15. CyWeeMotion Ltd. in turn has 100% ownership of CM
26 Investment Inc. which also has no employees and Dr. Liou as its sole director. *Id* at 11, 12, 15. And
27 CM Investment Inc. is the sole owner of Defendant CM HK, which also has no employees and Dr.
28 Liou as its sole director. *Id* at 11, 12, 15. All of CM HK, CM Investment Inc., CyweeMotion Ltd.,

1 and CyweeMotion Group Ltd. identify a single physical address for themselves. *Id* at 15.
2 Accordingly, Samsung's allegations were meritorious.

3 CM HK also incorrectly claims that Samsung failed to plead facts regarding inequitable
4 consequences. Mot. at 9. But Samsung plainly did so (Dkt. 24 ¶¶ 47–59) and outlined in its briefing
5 on CM HK's motion to dismiss multiple arguments supporting inequitable consequences (Dkt. 57-
6 3 at 12–15). Among other things, CM HK is attempting to dodge jurisdiction through the use of
7 foreign entities to assert its patents. *See also Google Inc. v. Rockstar Consortium U.S. LP*, No. 13-
8 5933 CW, 2014 WL 1571807, at *4 (N.D. Cal. Apr. 17, 2014) (a “patent holding subsidiary is a
9 legitimate creature [but] it cannot fairly be used to insulate patent owners from defending
10 declaratory judgment actions in those fora where its parent company operates under the patent and
11 engages in activities sufficient to create personal jurisdiction and declaratory judgment
12 jurisdiction.” (citation omitted)). Therefore, Samsung's alter ego allegations are legally and
13 factually supported.

14 CM HK also claims that if Samsung believed that its alter ego theory had merit, Samsung
15 should have raised it in the action that CM HK filed in the Eastern District of Texas. Mot. at 11.
16 This is nonsensical. Jurisdiction is not in question in the co-pending CM HK case because Samsung,
17 the defendant in that case, has not asserted such a defense there, and it would not make sense to
18 dispute a court's jurisdiction over a patent plaintiff. Therefore, there has been no reason to raise an
19 alter ego allegation in the Eastern District of Texas case.

20 CM HK further complains about Samsung's jurisdictional discovery requests, stating that
21 Samsung is investigating alter ego relationships of related entities for unclear purposes. Mot. at 10.
22 The purpose is clear, though. The entities are all part of the chain between CyWee and CM HK and
23 are material to the alter ego analysis as described above. And CM HK cites no authority using the
24 issuance of discovery requests to support a Rule 11 motion.

25 Indeed, CM HK has provided no legal authority supporting the relief it seeks. It has cited
26 no cases sanctioning a party based on personal jurisdiction allegations in a complaint where the
27 Court previously found a colorable basis for those allegations and ordered jurisdictional discovery.
28 CM HK's motion therefore should be denied.

C. CM HK Accuses Samsung of Harassment, While Engaging in Harassment Itself

CM HK accuses Samsung of filing this case to harass, delay, and increase CM HK's cost. To the contrary, Samsung rightfully filed a declaratory judgment action due to CM HK's threats of litigation. Despite CM HK's claims that Samsung "has chosen to vexatiously multiply the proceedings" (Mot. at 11–12), Samsung's conduct reflects nothing more than attempts to efficiently and appropriately assert its rights. In fact, Samsung successfully moved to stay the EDTX action pending resolution of this case, over CM HK's opposition. Dkt. 100. Successfully moving to stay a case is the *opposite* of multiplying proceedings.

The other actions CM HK complains about are similarly consistent with a party justifiably using available avenues to assert its rights. For example, CM HK complains that Samsung was forum shopping when it filed this case (Mot. at 11–12). CM HK has already made this accusation, and the Court has already rejected it. In moving to dismiss this case CM HK claimed, as it does here, that Samsung's lawsuit is "an example of 'bad faith, anticipatory suit, and forum shopping.'" Dkt. 51 at 21, 7 (citation omitted). Considering CM HK's arguments, the Court rejected CM HK's request to depart from the first-to-file rule. Dkt. 73 at 9–11. CM HK also faults Samsung for filing IPR petitions. Mot. at 12. Samsung is entitled to file IPR petitions, and CM HK cites no authority stating that such conduct is sanctionable under Rule 11.

CM HK claims that Samsung is further harassing it because Samsung threatened to file two more IPRs on the Non-Overlapping Patents, for which CM HK has not yet filed a claim of infringement. Mot. at 12. That is not an accurate recitation of the facts. Instead, in an effort to streamline proceedings, Samsung asked whether CM HK would agree not to assert the Non-Overlapping Patents against Samsung if Samsung agreed not to pursue IPRs against them. Dkt. 102-1 at 361–363. CM HK twisted this good faith compromise offer into "extortion." To the contrary, this offer does not reflect an effort to multiply issues, but instead to resolve them and avoid burdening the Court with additional disputes.

CM HK makes further mischaracterizations to create the image that Samsung filed this case without merit and solely to harass CM HK. For example, CM HK claims that prior to the filing of

1 this case Samsung cancelled a meeting with CM HK. Mot. ¶¶ 15–16. CM HK implies that Samsung
 2 cancelled the meeting before filing this action because it was unprepared to discuss its non-
 3 infringement and invalidity positions. *Id.* CM HK would like the Court to draw the conclusion that
 4 Samsung filed this case improperly and without adequate pre-suit investigation. Critically, the
 5 alleged meeting cancellation occurred months after this case was filed. It was cancelled as a result
 6 of demands made by CM HK, which Samsung felt would make any meeting unproductive. *See* Dkt.
 7 102-1 at 836–844. CM HK’s attempt to paint Samsung and its attorneys as bad actors should
 8 therefore be rejected.

9 **D. CM HK’s Rule 11 Filing Is Improper, Not Samsung’s Conduct**

10 It is clear why CM HK actually filed its Rule 11 Motion: it wants to pressure Samsung to
 11 dismiss this case. CM HK sent two Rule 11 Safe Harbor letters to Samsung along with other threats
 12 of sanctions if Samsung did not dismiss its case. But Rule 11 sanctions are not meant to be a
 13 litigation tactic to harass opposing counsel into dismissing their case. *Gaiardo v. Ethyl Corp.*, 835
 14 F.2d 479, 484 (3d Cir. 1987) (“Rule [11] is being perverted when used as a tool for harassment
 15 rather than as an instrument to prevent abuse.”). Therefore, if the Court denies CM HK’s motion,
 16 Samsung requests that the Court award it, as the prevailing party, its reasonable expenses, including
 17 attorney’s fees, incurred for the motion. Fed. R. Civ. P. 11(c)(2). *Patelco Credit Union v. Sahni*,
 18 262 F.3d 897, 913 (9th Cir. 2001) (“[T]he filing of a motion for sanctions is itself subject to the
 19 requirements of the rule and can lead to sanctions . . . the court may award to the person who
 20 prevails on a motion under Rule 11—whether the movant or the target of the motion—reasonable
 21 expenses, including attorney’s fees, incurred in presenting or opposing the motion.” (quoting Fed.
 22 R. Civ. P. 11 advisory committee’s note to 1993 amend.)).

23 **V. CONCLUSION**

24 CM HK’s allegations lack merit and factual support and have no legal basis. Samsung
 25 performed a good faith investigation and brought objectively meritorious claims. Samsung
 26 therefore respectfully requests that the Court deny CM HK’s motion for sanctions and award
 27 Samsung its reasonable expenses, including attorney’s fees, incurred for defending against the
 28 motion.

1 DATED: August 27, 2025

Respectfully submitted,

2 By: /s/ Elizabeth L. Brann

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the above and foregoing document has been served on August 27, 2025, to all counsel of record who are deemed to have consented to electronic service via the Court's CM/ECF system per Civil Local Rule 5-1. Any documents filed under seal will be served by electronic mail, first class mail, facsimile and/or overnight delivery.

/s/ Elizabeth L. Brann
Elizabeth L. Brann