

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LTD.,
Petitioner,

v.

ADVANCED INTEGRATED CIRCUIT PROCESS LLC,
Patent Owner.

IPR2025-01305
U.S. Patent 8,329,572

**PETITIONER'S SUR-REPLY IN OPPOSITION TO PATENT OWNER'S
DISCRETIONARY DENIAL REQUEST**

Mail Stop PATENT BOARD
Patent Trial and Appeal Board
U.S. Patent & Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

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AICP seeks to lump all 5 IPRs together, hoping the Director will ignore the specific facts justifying institution here. AICP incorrectly asserts that the examiner's flawed search cannot be a material error. AICP also ignores TSMC's expansive stipulation (eliminating all overlap with district court proceeding) and TSMC's offer to withdraw all non-asserted claims if AICP covenants not to sue. A holistic review of all considerations and the Petition's strong merits supports institution.

Examiner Error Weighs Against Discretionary Denial. TSMC showed how examiner committed material error by: (1) limiting the search to the precise words used in the claim (i.e. "oxidation resistant") which excluded from consideration art that used the terms more commonly used by persons skilled in the art to express that well-known concept (i.e. "barrier" and/or "passivation"), and (2) excluding classification codes of prior art likely to contain the very feature that purportedly justified allowability. (Paper 16 at 3-11). The result was allowance of claims without any prior art rejection, based on a feature that was well-known in prior art that the examiner did not consider. *Id.*

AICP has very little to say in defense of the examiner's flawed search. **First**, AICP asserts that "mistakes in search strategy" are not "the standard for assessing examiner error". Reply (Paper 18) at 1. To the contrary, the Acting Chief APJ has stated publicly that "the quality of the search done at the time of examination...could be important in determining exactly how there was a potential

office error during the examination process.” See Squires to Issue Brief ‘Up or Down’ Calls on Patent Reviews”, LAW360, <https://www.law360.com/articles/2404790/squires-to-issue-brief-up-or-down-calls-on-patent-reviews> (Oct. 29, 2025). **Second**, AICP relies on *Apotex Inc. v. Auspex Pharm*, IPR2021-01507. (Paper 18 at 1-2). That case is distinguishable as it involved an argument that the examiner erred by crediting evidence of unexpected results. The PTAB concluded that the petitioner there had not shown the evidence relied upon during prosecution was false or incomplete. Nothing in *Apotex* undermines the principle that an examiner’s failure to conduct an appropriate prior art search can be the source of material error. **Third**, AICP asserts that TSMC’s arguments are based on hindsight. To the contrary, the prior art relied upon by TSMC proves that the terms commonly used by skilled artisans before the time of the alleged “invention” for the concept of oxidation-resistance were “passivation” and/or “barrier.” Paper 16 at 5-7 (citing EX1004 and EX1007). **Finally**, AICP seemingly argues that material error can never be shown when new art is raised as the basis for the error. Paper 18 at 2-3. This fails for the same reasons set forth above, and has no legal support. See *Microsoft Corp. v. Partec Cluster GmbH*, IPR2025-00318, Paper 9 (June 12, 2025) (finding material error based on failure to consider new art); *Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 (May 19, 2025) (precedential) (standard for material error).

AICP’s “Settled Expectations” Arguments Fail. TSMC’s settled expectations (Paper 16 at 11-15) outweigh AICP’s speculative arguments. (Paper-20, 3-4.) AICP has produced no “licenses,” and identifies no other evidence of “commercialization.” (EX1064, 1; Paper 16, 12-13). [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Other *Fintiv* Factors Weigh Against Discretionary Denial. AICP focuses solely on the current trial date. But statistics show that the projected FWD will likely predate trial, so this factor is at least neutral. (Paper-16, 19-20.) AICP’s hypothetical where it obtains antedation evidence from the prior patent owner in district court but not here remains entirely speculative and a problem it should have solved when buying the patent. AICP also ignores TSMC’s stipulation (eliminating district court overlap) and its offered stipulation to withdraw all non-asserted claims.

National Security and the Public Interest Justify Review. TSMC has provided specific examples of products critical to the public interest that contain AICP-targeted chips. (Paper 16, 20-24 (citing 1057, 59; EX1054, 4; EX1078, 2; EX1080, 5) AICP asserts it has “waived injunctive remedies” (Paper 18, 5), but provides no evidence it has done so in District Court. (EX2001, 36).

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CERTIFICATE OF SERVICE

The undersigned hereby certifies, in accordance with 37 C.F.R. § 42.205, that the foregoing Petitioner's Sur-Reply in Opposition to Patent Owner's Discretionary Denial Request was served on November 12, 2025, via e-mail directed to counsel of record for Patent Owner at the following:

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Respectfully submitted,
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