

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,
Petitioner

v.

NETLIST, INC.,
Patent Owner

Case IPR2025-01431
U.S. Patent No. 10,025,731

**PATENT OWNER NETLIST, INC.’S BRIEF ON
DISCRETIONARY DENIAL**

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Patent Trial and Appeal Board
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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Joint Development and License Agreement, November 12, 2015
2002	Stock Purchase Warrant, November 18, 2015
2003	Senior Secured Convertible Promissory Note, November 18, 2015
2004	Security Agreement by and between Netlist, Inc. and SVIC No. 28 New Technology Business Investment L.L.P., November 18, 2025
2005	Samsung Venture Investment Corporation website, available at https://www.samsungventure.co.kr/english/jsp/company/company.jsp (last accessed October 12, 2025)
2006	Recorded Assignment and IP Security Agreement, Reel No. 037150, Frame No. 0897, November 20, 2015
2007	Release of Assignment, Reel No. 065629, Frame No. 0330, November 20, 2023
2008	Redacted First Amended Complaint for Breach of Contract and Declaratory Relief, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 8:20-cv-00993-JAK (C.D. Cal.), August 31, 2020
2009	Judgment, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 8:20-cv-00993-JAK (C.D. Cal.), April 7, 2025
2010	Median time to trial statistics for the International Trade Commission, Docket Navigator report generated October 6, 2025)
2011	Consolidation Order, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 2:25-cv-00557 (E.D. Tex.), June 26, 2025
2012	Docket Control Order, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 2:25-cv-00557 (E.D. Tex.), July 25, 2025
2013	First Amended Complaint, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 2:25-cv-00557 (E.D. Tex.), July 8, 2025

Exhibit No.	Description
2014	Verdict Form, <i>Netlist, Inc. v. Samsung Electronics Co. et al.</i> , Case No. 2:21-cv-00463-JRG (E.D. Tex.), April 21, 2023
2015	Complaint, <i>In the Matter of Certain Dynamic Random Access Memory (DRAM) Devices, Products Containing the Same, and Components Thereof</i> , Investigation No. 337-TA-3854 (I.T.C.), September 29, 2025
2016	Samsung Defendants' P.R. 3-3 Invalidity Contentions, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 2:25-cv-00557 (E.D. Tex.), September 24, 2025
2017	Verdict Form, <i>Netlist, Inc. v. Samsung Electronics Co. et al.</i> , Case No. 2:22-cv-00293-JRG (E.D. Tex.), November 22, 20234
2018	List of Patent Trial and Appeal Board proceedings filed by Samsung Electronics Co., Ltd. against Netlist, Inc.'s Patents, Docket Navigator, generated November 3, 2025
2019	Notice of Proposed Rulemaking, 90 Fed. Reg. 48,335 (Oct. 17, 2025)
2020	Excerpts from PTAB 2025 Intelligence Report, Patexia, Inc.
2021	Ramkumar, A., "Trump Takes Aim at Chip Makers With New Plan to Throttle Imports," <i>The Wall Street Journal</i> , September 26, 2025, accessible at https://www.wsj.com/economy/trade/trump-chip-tariffs-exemptions-90fa2ab3 (last accessed September 26, 2025)
2022	Netlist, Inc. Form 8-K, United States Securities and Exchange Commission, November 12, 2015
2023	"Netlist and SK hynix Enter into Strategic Agreements for Patents, Technology and Product Supply," Netlist Press Release, April 5, 2021

I. INTRODUCTION

Discretionary considerations overwhelmingly favor denial of this IPR petition for the following reasons:

1. Netlist has strong settled expectations in the '731 patent. The patent issued in July 2018, has been in force for more than seven years, and Samsung has known about it since at least November 2015. And SK hynix took a license in 2021.
2. In November 2015, Netlist and Samsung executed an agreement that granted Samsung a license to and a security interest in Netlist's portfolio (including the '731 patent), as well as an ownership stake in Netlist itself. The agreement required Netlist to maintain and defend the validity of the '731 patent and other Netlist patents. After Samsung breached their agreement, it has repeatedly used the PTAB to attack the very patents it once (i) licensed, (ii) accepted as collateral for a loan (thus implicitly recognizing the patents as valid), and (iii) required Netlist to maintain for its benefit. The parties' prior technology partnership enhances Netlist's settled expectations in the '731 patent.
3. The '731 patent is before both U.S. district courts and the U.S. ITC in litigation between the parties. Because the ITC matter involves other patents related to DRAM memory that Samsung cannot challenge at the PTAB, the ITC is a better forum to resolve the parties' dispute.
4. The ITC is projected to conduct its hearing (trial) and reach an initial

determination well before the Board's projected deadline for issuing a FWD.

Samsung has *not* stipulated not to pursue duplicative obviousness arguments at district court, before the ITC, and in this IPR. Litigating the same issues in all three fora would waste resources and risk inconsistent results.

5. The Office did not commit any material errors during prosecution. Nor has the validity of any of the other patents in the '731 patent family been challenged.

6. Denying institution would further the Administration's goal of promoting a strong domestic chip manufacturing industry.

II. BACKGROUND

A. Netlist and Samsung were technology partners under a 2015 Joint Development and License Agreement ("JDLA").

Netlist is a small company based in Irvine, California that has made a name for itself as a market disrupter with its cutting-edge computer memory solutions. Over the past 25 years, Netlist has developed and sold high-performance memory products to some of the world's largest computing companies. A key component of Netlist's success has been its significant investment in R&D and patent protection.

On November 12, 2015, Netlist and Samsung entered into a JDLA under which Netlist granted Samsung a license to its intellectual property, including patents (such as the parent patents of the '731 patent) and pending patent applications (such as Appl. No. 14/715,491, which issued as the '731 patent).

EX2001, 1-2, 8. The JDLA enabled Samsung to use Netlist's technology to

develop DRAM memory products that are critical to current high-performance computing and AI applications, such as double data rate, 5th generation (DDR5) memory and high bandwidth memory (HBM). EX2015, 7.

As the JDLA indicates, Netlist and Samsung concurrently entered into an agreement for convertible note financing (“Purchase Agreement”), EX2001, 1, which was executed by Samsung’s “venture investment arm”: Samsung Venture Investment Corporation (SVIC). EX2005. The Purchase Agreement included a number of sub-agreements, including: (1) a Stock Purchase Warrant (“Stock Warrant”); (2) a Senior Secured Convertible Promissory Note (“Promissory Note”); (3) a Security Agreement; and (4) an “Intellectual Property Security Agreement.” EX2002; EX2003; EX2004; EX2006, 5-16.

Under the Stock Warrant, Samsung purchased 2 million shares of Netlist at 30 cents per share, representing a 3.25% ownership interest of the 61.5 million shares issued at the time of the agreement. EX2002. The Promissory Note further provided Samsung an additional option to convert a \$15 million collateralized loan to shares of Netlist’s Common Stock— translating to 12 million shares, which represented an approximate 19.5% ownership interest in Netlist. EX2003, 2. Thus, Samsung had the ability to acquire a significant equity stake in Netlist.

Under the Intellectual Property Security Agreement, Netlist also granted Samsung a security interest in Netlist’s patents and patent applications, including

divisions, continuations, and continuations-in-part. EX2006, 5. Thus, Samsung recognized the importance and value of Netlist’s patents (and relied on their validity) by requiring them as loan collateral. EX2004. The identified assets included application 14/715,491—the application that issued as the ’731 patent. EX2006, 15. The agreement required that Netlist “[p]rotect, defend, and maintain the validity and enforceability” of the ’731 patent. EX2004, 8.

In short, as a result of the November 2015 technology partnership, Samsung acquired a license to and a security interest in Netlist’s IP portfolio (including the ’731 patent that it now challenges), as well as an ownership interest in Netlist itself.

B. Samsung breached the JDLA.

Under the JDLA, Samsung was obligated to supply Netlist certain memory products at competitive prices. However, in 2018, Samsung began to deliberately restrict Netlist’s access to products and repeatedly failed to fulfill Netlist’s orders, forcing Netlist to forgo business opportunities. EX2008, 4. Accordingly, Netlist terminated the JDLA on July 15, 2020, and filed suit in the Central District of California (“CDCA”). EX2008; EX2015, 7. Samsung did not record its release of the security interest to the ’731 patent until October 27, 2023. EX2007.

Following trial in the CDCA, a jury agreed with Netlist that Samsung breached the JDLA and that Netlist’s termination was valid. On April 7, 2025, the

district court entered judgement against Samsung pursuant to the jury verdict.

EX2009. That decision is on appeal to the Ninth Circuit (case number 25-5531).

The district court ruling is res judicata unless and until overturned on appeal.

C. Juries have found Samsung liable for willful infringement of Netlist patents and awarded Netlist hundreds of millions of dollars in damages.

Netlist has secured multiple jury verdicts confirming the commercial success of its inventions, including two against Samsung. In 2023, a jury in the Eastern District of Texas (EDTX) found that Samsung willfully infringed five Netlist patents and that the patents were not invalid and awarded Netlist \$303.15 million in damages. *See* EX2014. In 2024, a jury found that Samsung willfully infringed three Netlist patents and that the patents were not invalid and awarded Netlist \$118 million in damages. *See* EX2017. Yet Samsung has continued its infringing conduct, enabled by the ability to repeatedly challenge Netlist's patents—patents it once licensed and required Netlist to defend the validity of—before the PTAB.

D. Samsung has repeatedly attacked the validity of Netlist patents it once licensed in IPR proceedings.

In the past five years, 19 of Netlist's patents have been attacked at the Patent Office, with 14 of those patents subject to multiple attacks. Samsung has filed 19 IPRs and two PGRs against Netlist patents, many of which Samsung previously licensed and had a security interest in. EX2018. This Petition continues a pattern of serial IPR filings by Samsung. Indeed, Samsung is, by far, the most frequent

petitioner in IPR proceedings, having filed over 600 IPR petitions in the last five years. EX2020, 48; *see* EX2019, 48,337 (“By far, the most frequent users of IPR proceedings are large technology companies.”).

E. Netlist continues to try to prevent Samsung’s ongoing infringement.

In May 2025, Netlist filed suits against Samsung (25-cv-00557) and Micron (25-cv-00558) in EDTX, and amended its complaint in July 2025, to prevent ongoing infringement of the ’731 patent (and others). EX2013. The cases were consolidated for pretrial purposes. EX2011. Trial is set for March 15, 2027. EX2012, 1.

In September 2025, Netlist filed an ITC complaint against Samsung and certain of its customers asserting six patents, including the ’731 patent. EX2015. Of the six asserted patents, the PTAB has confirmed the validity of three of the patents; Samsung was the petitioner in two of those proceedings. EX2015, 5-6. *Samsung Elecs. Co. v. Netlist, Inc.*, IPR2022-00063, Paper 53 at 58 (PTAB May 3, 2023) (confirming the validity of all claims of the ’523 patent), *aff’d*, No. 23-2133, Dkt. No. 44 (Fed. Cir. Mar. 5, 2025); *Samsung Elecs. Co. v. Netlist, Inc.*, IPR2023-00847, Paper 42 at 73 (PTAB Dec. 10, 2024) (confirming the validity of claims 1–5 of the ’608 patent), appeal docketed, No. 25-1378 (Fed. Cir. Jan. 21, 2025). Due to the lapse in Federal appropriations, the ITC investigation has not yet been instituted but Netlist expects that institution will occur promptly once the

Government shutdown ends. Netlist will update the PTAB upon institution.

F. SK hynix licensed Netlist's portfolio in 2021.

In 2021, SK hynix licensed Netlist's patent portfolio (including the '731 patent), further demonstrating the industry's desire for access to Netlist's superior technology. EX2023. SK hynix is a leading provider of next generation DIMMs and HBM. In the first three months of FY2025, SK hynix reported \$9.1 billion in revenue in the United States. EX2015, 28. A significant portion of this revenue is attributable to products that include Netlist's patented technology. *Id.*

III. MULTIPLE INDEPENDENT REASONS WARRANT DENIAL.

A. Netlist has strong settled expectations in the '731 patent because the patent has been in force for over seven years and is licensed.

Patents that have been in force for over six years create strong settled expectations for patent owners. *iRhythm Tech., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 (PTAB June 6, 2025); *Dabico Airport Solutions Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 (PTAB June 18, 2025); *Samsung Elecs. Co., Ltd. v. Headwater Research LLC*, IPR2025-00932, Paper 8 (PTAB Sept. 26, 2025). Evidence of licensing may further strengthen those settled expectations. *Alliance Laundry Sys., LLC v. PayRange LLC*, IPR2025-00950, Paper 11 at 3 (PTAB Sept. 19, 2025) (evidence that challenged patent is licensed creates settled expectations).

The '731 patent (Appl. 14/715,491) was filed May 18, 2015, and issued July 17, 2018. It has been in force for over seven years. And third-party SK hynix took

a license in 2021. EX2023. These facts establish strong settled expectations for Netlist.

Notably, Samsung had notice of the '491 application that issued as the '731 patent since at least 2015, when it licensed and obtained a security interest in Netlist's IP portfolio. EX2006, 12-16 (listing the '491 application and three of its parent patents). Samsung's license and security interest were still in place when the '731 patent issued in 2018, as Netlist did not terminate the JDLA until 2020 and Samsung did not record its release of its interest until 2023. EX2007. Despite its clear notice of the patent for many years, Samsung waited to seek review until Netlist asserted its rights against Samsung. Samsung's delay in seeking review is an additional consideration that favors denial of this IPR. *See NVIDIA Corp. v. Neural AI, LLC*, IPR2025-00606, Paper 18 (PTAB July 31, 2025) (petitioner's actual notice of a patent from when it had a commercial relationship with patent owner favored denial); *L'Oreal USA, Inc. v. Brightex-Bio-Photonics, LLC*, IPR2025-00971, Paper 13 at 2 (PTAB Sept. 26, 2025) (evidence that patent owner provided notice of filing of application to petitioner when the parties were "technology partners" favored discretionary denial); *Aquestive Therapeutics, Inc. v. Iono Pharma, LLC*, IPR2025-00874, Paper 11 (PTAB Oct. 3, 2025) (petitioner's notice of patent from its attempted purchase in 2022 favored denial).

B. Samsung’s technology partnership with Netlist enhances Netlist’s settled expectations and should foreclose IPR.

Prior technology partnerships, licenses, and ownership interests in a challenged patent enhance a patent owner’s settled expectations and weigh heavily in favor of denying an IPR petition, particularly when the petition is filed by a party who previously had an interest in the patent. *See L’Oreal*, IPR2025-00971, Paper 13 at 2 (that parties were “technology partners” for many years and developed products together favored denial); *Microsoft Corp. v. TS-Optics Corp.*, IPR2025-00767, Paper 13, (PTAB Aug. 14, 2025) (“Absent exceptional circumstances, it is not an efficient use of Board resources where a party licensed the challenged patent, and then, as is the case here, now advocates for the unpatentability of that same patent.”); *RegenX Science, Inc. v. NextGen Biologics, Inc.*, IPR2025-00620, Paper 13 (PTAB July 31, 2025) (same).

Samsung’s prior business relationship with Netlist and its interest in the ’731 patent should foreclose this IPR. Again, Samsung and Netlist entered into a JDLA and were “technology partners,” lasting from November 2015 until July 2020. EX2001; EX2008, 1. During this period, Samsung took a license to Netlist’s patents (including the ’731 patent), which, by the terms of their agreement, Netlist was required to “[p]rotect, defend, and maintain the validity and enforceability” of. EX2004, 8. In the event of breach by Netlist, Samsung had the right—without Netlist’s consent—to defend and institute any action with respect to the patent

collateral (including the '731 patent); to grant or issue exclusive or non-exclusive licenses; and to assign or otherwise transfer title in the patent collateral. EX2004, 10. Samsung also acquired a 3.25% stake in Netlist itself, with an option to acquire nearly 20% of the company.

Netlist thus granted Samsung important interests in its company and in the '731 patent—interests that, in turn, gave Samsung strong incentives to have Netlist maintain the validity of the '731 patent. This IPR should be denied because it is not an appropriate or efficient use of PTAB resources to review a patent challenge brought by a party that previously had acquired rights in the patent through an agreement and technology partnership that it subsequently breached.

C. The ITC is the best forum to resolve the parties' dispute.

The ITC is the fastest and most efficient forum to resolve the dispute between Netlist and Samsung. *See Samsung Elecs. Co. Ltd. v. VB Assets, LLC*, IPR2025-00870, Paper 11 at 3 (PTAB Oct. 10, 2025) (where there were six patents at issue in district court and PTAB would review, at most, two of the patents, denying institution because the district court would be “fastest and most efficient” forum in which to resolve the overall dispute).

Netlist's ITC complaint asserts six patents related to DRAM memory against Samsung (and others): U.S. Patent Nos. 9,824,035; 10,025,731; 10,217,523; 10,268,608; 12,308,087; and 12,373,366. Samsung is estopped under Section

315(e) from challenging the '608 and '523 patents because it was a petitioner in two prior IPRs where the PTAB confirmed the validity of these patents. EX2015, 5-6. And the schedule for Samsung's recent challenges to the '035 patent (in IPR2026-00017) and the '366 patent (in IPR2026-00018 and PGR2026-00001) will be far behind the ITC schedule. Further, the PTAB should not review the validity of the '035 patent *again* because it was the subject of IPR2022-00236 brought by Micron in which the asserted claims were upheld. *See Intel Corp. v. Advanced Cluster Sys., Inc.*, IPR2025-00794, Paper 13 at 2-3 (PTAB Aug. 14, 2025) (repeated prior challenges weigh against institution); EX2019, 48,338. The PTAB has thus already upheld the validity of three of the asserted patents. And Samsung previously had a license to and/or an ownership interest in the asserted patents or their parents.

Under these circumstances, it is not an efficient use of PTAB resources to review the patents Netlist asserted in the ITC, including the '731 patent. The PTAB cannot fully resolve the parties' dispute because Samsung cannot challenge two of the other patents at the PTAB. So the ITC is plainly the better forum. And, as discussed below, the ITC will also be a *faster* forum to determine validity.

D. The *Fintiv* analysis strongly favors discretionary denial.

All of the *Fintiv* factors favor or strongly favor denying institution.

1. Factor 1 strongly favors denial because the ITC will not grant a stay.

Factor 1 strongly favors denial because the ITC is virtually certain not to stay its proceedings pending conclusion of an IPR. *See Milwaukee Elec. Tool Corp. v. Klein Tools, Inc.*, IPR2025-00724, Paper 14 at 2-3 (PTAB Sept. 12, 2025). The ITC has a statutory mandate to complete its investigation “at the earliest practical time” and its standing practice is to deny such requests. *See* 19 U.S.C. § 1337(b)(1); *Certain Automated Storage and Retrieval Systems, Robots, and Components Thereof*, Inv. No. 337-TA-1228, Order No. 6 (ITC Mar. 9, 2021); *see also Klein Tools, Inc. v. Milwaukee Electric Tool Corp.*, IPR2024-01400, Paper 22 at 2 (Stewart June 9, 2025) (determining on Director Review that “[t]he Board did not give enough weight to the lack of a stay, or the fact that a stay was unlikely, in the parallel [ITC] investigation”). There is no indication that the ITC would depart from its standing practice here. So factor 1 strongly counsels in favor of denial.

2. Factor 2 strongly favors denial because the projected ITC initial determination will occur months before the projected FWD and the ITC trial will occur even sooner; DCT trial is scheduled for the same month as the FWD.

Factor 2 strongly favors denial. The projected statutory deadline for the FWD in this IPR would be March 9, 2027. In the consolidated EDTX cases, trial is scheduled for March 15, 2027. EX2012, 1. Even if Samsung moves for a stay of its case due to the ITC investigation, Micron’s case will proceed (because Micron is

not a party to that investigation). The validity of the '731 patent is thus likely to be adjudicated at trial in EDTX around the same time as the PTAB's deadline for issuing an FWD.

As for the ITC, Netlist filed its complaint on September 29, 2025. Due to the shutdown, the ITC investigation has yet to be instituted, but Netlist expects institution to occur promptly once federal appropriations resume. The median time from filing for the ITC to issue its initial determination is 14.8 months. EX2010. So the ITC initial determination would likely issue by mid-December 2026 or early 2027—months before any final written decision in this IPR. *See* EX2019, 48,341 (October 17, 2025 proposed rules consider the timing of the ITC's "initial or final determination" in evaluating whether to institute an IPR).

Even more relevant to this inquiry is that the ITC hearing—which is analogous to the district court trial—is highly likely to occur months sooner. *Fintiv* instructs that "an earlier ITC *trial* date may favor exercising authority to deny institution ... if the ITC is going to decide the same or substantially similar issues." *Fintiv*, 8 (emphasis added). And, under the Interim Process, the hearing date alone has been used to evaluate factor two based on a co-pending "ITC trial." *See Taiwan Semiconductor Manufacturing Co. Ltd. v. Marlin Semiconductor Ltd.*, IPR2025-00848, Paper 11 at 2 (PTAB Sept. 3, 2025) (comparing the ITC *hearing* date to the final written decision due date and determining it is unlikely the FWD

would issue “*before the ITC trial occurs.*”) (emphasis added). Institution of an IPR under these circumstances—when the ITC trial is highly probable to occur *at least four months prior* the issuance of a decision by the Board—would not be consistent with the AIA’s objective to provide an effective and efficient alternative to litigation. *Accord NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential).

3. Factor 3 favors denial because ITC discovery will begin promptly upon institution.

Factor 3 favors denial. The relevant consideration is the “amount and type of work already completed in the parallel litigation by the court and the parties *at the time of the institution decision.*” *Fintiv*, 9 (emphasis added). The deadline for issuing a Decision on Institution (DI) in this IPR is March 9, 2026. ITC discovery will begin promptly upon ITC institution. *See* 19 C.F.R. §§ 210.29(b)(1), 210.30(b)(1). Given the ITC’s statutory mandate to complete investigations at the earliest practical time—and because the hearing will occur months before the ITC’s projected initial determination date of December 2026 or early 2027—it is highly likely that, by the time a DI issues in this proceeding, the parties will have already invested enormous resources into discovery at the ITC.

4. Factor 4 strongly favors denial because Samsung has not offered a stipulation.

Factor 4, which considers the overlap between the issues raised in the IPR

petition and in the parallel proceeding(s) in order to evaluate “concerns of inefficiency and the possibility of conflicting decisions,” *Fintiv*, 12, also strongly favors denial. In the parallel district court proceeding, Samsung submitted invalidity contentions that significantly overlap with its IPR challenges. *Compare* EX2016, 184 (asserting the claims of the ’731 patent are obvious over Ellsberry in combination with Dour and/or Abadeer) *with* Pet., 3 (challenging the claims based on Ellsberry, Dour, and Abadeer). Samsung further challenged the claims on numerous additional anticipation and obviousness grounds and asserts the claims are invalid under § 112. EX2016, 180-263, 294-324. These contentions are likely a preview of what Samsung will allege in the ITC investigation as well.

More importantly, Samsung has not submitted *any stipulation* and, therefore, has done nothing to mitigate concerns of inefficiency or duplication of effort such that “th[is] IPR proceeding[] would be a ‘true alternative’ to the district court proceeding” or to the ITC investigation. *See Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025) (on Director Review vacating panel’s institution decision and denying under *Fintiv*); *see also Phison Elecs. Corp., v. Vervain, LLC*, PGR2025-00010, Paper 14 at 3 (PTAB July 10, 2025) (lack of stipulation tips the balance in favor of discretionary denial). The significant overlap in issues and Samsung’s failure to stipulate strongly favors denial. And Samsung should not be permitted to enter a stipulation at this late date.

See Interim Process § I.D (petitioners should file stipulations “as soon as practicable”).

5. Factors 5 and 6 favor denial because the parties in the IPR overlap with the parties in the district court and ITC litigations and the merits are weak.

Factor 5 favors denial because the parties in the parallel litigation overlap. *See* Pet., 1. Factor 6 also favors denial because, as will be explained in the POPR, the Petition fails to establish that the challenged claims are invalid over the Grounds asserted therein. Netlist asks the Director to consider the briefing presented in its POPR. *See* Interim Process, § II.C.i (patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits).

E. The Office committed no material errors during prosecution and there is no history of invalidity in the '731 patent family.

Samsung cannot credibly allege that the Office committed a material error during prosecution that requires correction via an IPR. Samsung acknowledges that the Examiner conducted an interview and required adding limitations to independent claim 1 before allowance. Pet., 21 (identifying the “dynamically control” limitation that is recited in element 1.f.2). Samsung argues that the Examiner did not consider Ellsberry (the primary reference in Samsung’s combinations). *Id.* But neither Ellsberry nor any other single reference that Samsung presents teaches this limitation. Instead, Samsung relies on the combination of Ellsberry and Dour, presenting an elaborate explanation that also

requires expert testimony and a JEDEC document to allege that element 1.f.2 was obvious. Pet., 74-78. That Samsung has known of the '731 patent since at least 2015 but could not find a reference that teaches this element confirms the high quality of the original examination.

There is also no history of invalidity in the '731 patent family. The '731 patent is the last patent in the series of continuations that includes U.S. Patent Nos. 9,037,809; 8,782,350; and 8,154,901 (Samsung had a license to and security interest in the family, EX2006, 5-16). None of the other patents in the '731 family have been challenged or invalidated. Samsung's argument that claim elements in allegedly "related" Netlist patents have been invalidated using Ellsberry is misleading. Pet., 21-26. None of those patents are in the '731 patent family. Nor should Samsung, as a former licensee, have even been permitted to challenge those patents before the PTAB.

F. Institution of this IPR would be contrary to important national security and economic interests.

Considerations of "[c]ompelling economic ... or national security interests" are highly relevant to the discretionary denial analysis. Memo, 2. These important domestic policy and security interests are a further reason supporting denial.

The current presidential administration has made clear that domestic production of semiconductors is needed for "economic security." EX2021, 2. The administration is appropriately concerned that U.S. technology companies are

overly dependent on semiconductor chips made overseas and vulnerable to crippling disruption to its supply chains. *Id.* Netlist (a U.S. company) and its licensee SK hynix (a company that will manufacture in the U.S.) support these important policy goals by their ongoing significant investment in establishing a domestic semiconductor manufacturing industry based on products that incorporate the '731 patent's claimed technology. *See* EX2015, 26-29. And Netlist's ITC complaint seeks to block memory devices that infringe its patents and are manufactured abroad from being imported into this country. Enforcement of Netlist's IP rights will thus encourage domestic manufacturing of semiconductors, such as through the substantial domestic manufacturing performed by Netlist licensee SK hynix. EX2015, 28-29. Notably, institution of this IPR would risk frustrating that goal.

Indeed, SK hynix announced in 2024 that it will invest *\$3.87 billion* in a chip packaging facility in Indiana. EX2015, 28. Given the importance of the '731 patent technology to supporting a domestic semiconductor industry, it would not be an appropriate use of PTAB resources to institute this proceeding and undermine the critical efforts of this administration to encourage domestic manufacturing of semiconductors in furtherance of national economic and security interests.

IV. CONCLUSION

Settled expectations, the parties' prior business and contractual relationships, the co-pending litigation, the Office's high-quality original examination, and the Administration's goal of incentivizing domestic chip manufacturing overwhelmingly favor discretionary denial. The Director should deny institution, and Samsung should pursue its invalidity arguments in district court and before the ITC.

Respectfully submitted,

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Date: November 10, 2025

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **NETLIST, INC.'S BRIEF ON
DISCRETIONARY DENIAL** and associated Exhibits 2001-2023 were served in
their entirety on November 10, 2025, upon the following parties via electronic
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Respectfully submitted,

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