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Filed on behalf of Intel Corporation

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UNITED STATES PATENT AND TRADEMARK OFFICE

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**BEFORE THE PATENT TRIAL AND APPEAL BOARD**

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Intel Corporation  
Petitioner

v.

VLSI Technology LLC  
Patent Owner

Case IPR2020-00526

**PETITIONER'S NOTICE OF APPEAL**

Pursuant to 35 U.S.C. §§ 141-144 and 319, 5 U.S.C. §§ 701-706, 28 U.S.C. § 1295(a)(4)(A), and 28 U.S.C. § 1651, and 37 C.F.R. § 90.2-90.3, notice is hereby given that Petitioner Intel Corporation appeals to the U.S. Court of Appeals for the Federal Circuit from the Decision Denying Institution of *Inter Partes* Review entered August 18, 2020 (Paper 16) in IPR2020-00526, attached as Exhibit A, and the Decision Denying Petitioner’s Request on Rehearing of the Decision Denying Institution of *Inter Partes* Review entered February 19, 2021 (Paper 21) in IPR2020-00526, attached as Exhibit B, and all prior and interlocutory rulings related thereto or subsumed therein.

In accordance with 37 C.F.R. § 90.2(a)(3)(ii), Petitioner indicates that the issues for appeal include, but are not limited to:

(1) whether the U.S. Patent and Trademark Office (“PTO”) exceeded its statutory authority and violated the text, structure, and purpose of the Leahy-Smith America Invents Act, 35 U.S.C. §§ 311-319 (AIA), and Administrative Procedure Act, 5 U.S.C. §§ 701-706 (“APA”), by adopting a rule—and applying that rule to deny institution here—that purports to authorize the Patent Trial and Appeal Board (the “Board”) to deny institution of *inter partes* review (“IPR”) based on nonstatutory, discretionary factors related to the pendency of parallel patent infringement litigation;

(2) whether the PTO exceeded its statutory authority and violated the APA

by adopting a rule governing institution decisions—and applying the rule to deny institution here—that incorporates non-statutory, discretionary factors that are arbitrary and capricious;

(3) whether the PTO exceeded its statutory authority and violated the AIA and the APA by adopting a rule to govern all institution decisions—and applying that rule to deny institution here—without following the procedures for notice-and comment rulemaking; and

(4) whether the court of appeals has jurisdiction over this appeal, notwithstanding 35 U.S.C. § 314(d), because the PTO acted in excess of its statutory authority and outside its statutory limits or because the grounds for attacking the decision to deny institution depend on statutes, including the APA, that are less closely tied to the application and interpretation of statutes related to the decision to initiate IPR.

This Notice of Appeal is timely, having been duly filed within 63 days after the date of the Decision Denying Petitioner’s Request on Rehearing of the Decision Denying Institution of *Inter Partes* Review. A copy of this Notice of Appeal is being filed simultaneously with the Patent Trial and Appeal Board, the Clerk’s Office for the United States Court of Appeals for the Federal Circuit, and the Director of the U.S. Patent and Trademark Office.

Respectfully Submitted,

/John V. Hobgood/

John V. Hobgood  
Registration No. 61,540

**CERTIFICATE OF SERVICE**

Pursuant to 37 C.F.R. §§ 90.2(a)(1) and 104.2(a), I hereby certify that, in addition to being filed electronically through the Patent Trial and Appeal Board's End to End (PTAB E2E) system, a true and correct original version of the foregoing PETITIONER'S NOTICE OF APPEAL is being filed by Express Mail on this 11th day of March, 2021, with the Director of the United States Patent and Trademark Office, at the following address:

Office of the General Counsel  
United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Pursuant to 37 C.F.R. § 90.2(a)(2) and Federal Circuit Rule 15(a)(1), and Rule 52(a),(e), I hereby certify that a true and correct copy of the foregoing PETITIONER'S NOTICE OF APPEAL is being filed in the United States Court of Appeals for the Federal Circuit using the Court's CM/ECF filing system on this 11th day of March, 2021, and the filing fee is being paid electronically using pay.gov.

I hereby certify that on March 11, 2021, I caused a true and correct copy of the PETITIONER'S NOTICE OF APPEAL to be served via electronic mail, as

previously agreed by the parties, on the following service addresses for Patent

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## **EXHIBIT A**

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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INTEL CORPORATION,  
Petitioner,

v.

VLSI TECHNOLOGY LLC,  
Patent Owner.

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IPR2020-00526  
IPR20202-00527  
Patent 6,633,187 C1<sup>1</sup>

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Before THU A. DANG, BART A. GERSTENBLITH, and  
KIMBERLY MCGRAW, *Administrative Patent Judges*.

McGRAW, *Administrative Patent Judge*.

DECISION  
Denying Institution of *Inter Partes* Review  
35 U.S.C. § 314(a)

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<sup>1</sup> This decision addresses issues common to each of the above proceedings and will be entered in each proceeding listed in the caption. The parties may use this style caption only if the paper includes a statement certifying that the identical paper is being filed in each proceeding listed in the caption.



## I. INTRODUCTION

Intel Corporation (“Petitioner”) filed a Petition for *inter partes* review of claims 2–8, 10, and 11 of U.S. Patent No. 6,633,187 C1 (Ex. 1201, “the ’187 patent”) in IPR2020-00526. IPR2020-00526, Paper 3<sup>2</sup> (“Pet.”). Petitioner filed another Petition for *inter partes* review of claims 14–16, 19, and 20 of the ’187 patent in IPR2020-00527. IPR2020-00527, Paper 3. VLSI Technology LLC (“Patent Owner”) filed a Preliminary Response to each Petition. Paper 10 (“Prelim. Resp.”). In each proceeding, pursuant to our authorization (Paper 12), Petitioner filed a Reply to Patent Owner’s Preliminary Response (Paper 13 (“Pet. Prelim. Reply”)) and Patent Owner filed a Sur-reply (Paper 15, “PO Prelim. Sur-reply”), each directed to whether we should exercise our discretion to deny institution pursuant to 35 U.S.C. § 314(a).

An *inter partes* review may not be instituted “unless . . . the information presented in the petition . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a) (2018). The Board, however, has discretion to deny a petition even when a petitioner meets that threshold. *Id.*; see, e.g., *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i) (recognizing the same); *NHK Spring Co. v.*

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<sup>2</sup> Unless otherwise indicated, citations to papers and exhibits refer to those filed in IPR2020-00526. Similar papers and exhibits were filed in IPR2020-00527.

*Intri-Plex Technologies, Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential) (same); *see also* Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019) (“Consolidated TPG”), 55–63, available at <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf> (identifying considerations that may warrant exercise of this discretion).

Having considered the parties’ submissions, we determine that it is appropriate in these proceedings to exercise our discretion to deny institution of *inter partes* review pursuant to 35 U.S.C. § 314(a).

## II. BACKGROUND

### *A. Real Parties in Interest*

Petitioner identifies Intel Corporation as the real party in interest. Pet. 1. Patent Owner identifies “VLSI Technology LLC and CF VLSI Holdings LLC” as the real parties in interest. Paper 9 (Patent Owner’s Mandatory Notices), 1.

### *B. Related Matters*

The parties identify the following pending matter related to the ’187 patent: *VLSI Tech. LLC v. Intel Corp.*, No. 6:19-cv-00255 (W.D. Tex.) (“Western District of Texas litigation”). Pet. 1; Paper 7, 1. According to Petitioner, the ’187 patent is one of the patents asserted by Patent Owner in *VLSI Tech. LLC v. Intel Corp.*, No. 6:19-cv-00255 (W.D. Tex.).

Petitioner also filed earlier two petitions for *inter partes* review of the ’187 patent. *See* IPR2020-00141, IPR2020-00142. The decisions denying institution under 35 U.S.C. § 314(a) are currently pending Precedential Opinion Panel review. *See Intel Corp. v. VLSI Tech. LLC*, IPR2020-00141,

Paper 18 (PTAB. Aug. 17, 2020); *Intel Corp. v. VLSI Tech. LLC*, IPR2020-00142, Paper 19 (PTAB. Aug. 17, 2020).

*C. The '187 Patent*

The '187 patent, titled “Method and Apparatus for Enabling a Stand Alone Integrated Circuit,” originally issued on October 14, 2003, from an application filed November 20, 2000. Ex. 1201, code (22), (45), (54). A Reexamination Certificate confirming the patentability of claims 1–5, 12, 13, and 15–18 issued on November 2, 2010. *Id.*, *Inter Partes* Reexamination Certificate (0202<sup>nd</sup>), at (45).

The '187 patent explains that, to ensure that the digital circuitry on an integrated circuit (IC) functions appropriately, “it is important to delay activation of the digital circuit until the power supply [to the integrated circuit] is producing a stable supply voltage and the clock is operating properly.” *Id.* at 1:27–30. Then, “[o]nce these operating parameters are ensured, the digital circuitry may be activated.” *Id.* at 1:31–32. Figure 1 illustrates a schematic block diagram of stand-alone IC, and is reproduced below.

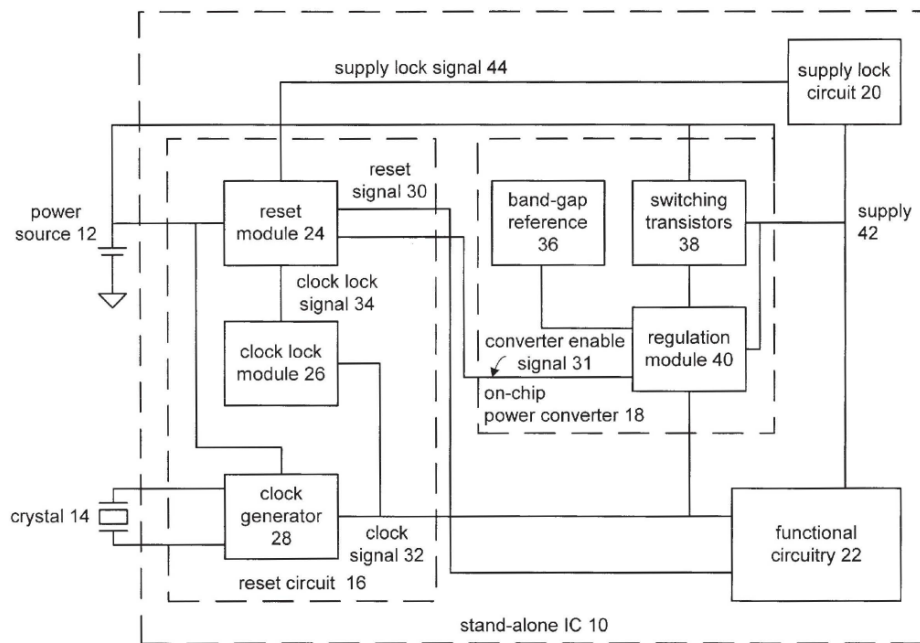


FIG. 1

Figure 1 illustrates a schematic block diagram of a stand-alone integrated circuit in accordance with the invention of the '187 patent. *See* Ex. 1201, 1:45–47.

As shown in Figure 1, stand-alone integrated circuit 10 includes reset circuit 16, on-chip power converter 18, functional circuitry 22, and supply lock circuit 20. *Id.* at 2:17–20. Reset circuit 16 includes reset module 24, clock module 26, and clock generator 28, which can produce clock signal 32. *Id.* at 2:29–33.

A logic diagram of a method for enabling a stand-alone integrated circuit is set forth in Figure 3. *Id.* at 3:51–52. The process begins by establishing an “idle state” that holds at least a portion of the stand-alone IC in a reset condition when a power source is operably coupled to the stand-alone IC. *Id.* at 3:52–56, Fig. 3. In response to a “power enable signal” (step 62), an on-chip power converter of the stand-alone IC is enabled to generate at least one supply, e.g., a voltage supply, or a current supply for

powering functional circuitry from the power source. *Id.* at 3:58–63, Fig. 3 (step 64). During step 64, a clock signal is generated when the clock has substantially reached a steady state condition, power converter regulation signals are generated based on the clock signal, and then a band-gap reference is enabled. *Id.* at 4:4–12, Fig. 3 (Steps 64-1 through 66-3). The band gap reference is used to generate the power converter regulation signals. *Id.* at 4:12–14. The functional circuitry of the stand-alone circuit is enabled when at least one supply has substantially reached a steady state condition. *Id.* at 3:66–4:3.

#### *D. Illustrative Claims*

Petitioner challenges dependent claims 2–8 and 11 of the '187 patent in IPR2020-00526 and dependent claims 14–16, 19, and 20 of the '187 patent in IPR2020-00527. Claim 2, and claim 1 from which it depends, are representative and are reproduced below.

1. A method for enabling a stand-alone integrated circuit (IC), the method comprises the steps of:
  - a) establishing an idle state that holds at least a portion of the stand-alone IC in a reset condition when a power source is operably coupled to the stand-alone IC;
  - b) receiving a power enable signal;
  - c) enabling, in response to the power enable signal, an on-chip power converter of the stand-alone IC to generate at least one supply from the power source,  
wherein the enabling includes:  
generating a clock signal;  
generating power converter regulation signals based on the clock signal;  
enabling a band-gap reference that is used in generating the power converter regulation signals; and

- d) when the at least one supply has substantially reached a steady state condition, enabling functionality of the stand-alone IC.
2. The method of claim 1, wherein the establishing the idle state further comprises enabling a reset signal for the at least a portion of the stand-alone IC.

*E. Prior Art and Asserted Grounds of Unpatentability*

Petitioner challenges the patentability of claims 2–8 and 11 of the '187 patent in IPR2020-00526 on the following grounds (Pet. 4–5):

<b>Claims Challenged</b>	<b>35 U.S.C. §</b>	<b>References/Basis</b>
2–5, 7, 8	103 <sup>3</sup>	Page, <sup>4</sup> Stratakos, <sup>5</sup> Bujanos, <sup>6</sup> LeWalter <sup>7</sup>
8	103	Page, Stratakos, Bujanos, LeWalter, Yasuda <sup>8</sup>
11	103	Page, LeWalter
11	103	Page, Stratakos, LeWalter
11	103	Page, Yasuda, LeWalter
11	103	Page, Stratakos, Yasuda, LeWalter

<sup>3</sup> The Leahy-Smith America Invents Act, Pub. L. No. 112–29, 125 Stat. 284 (2011) (“AIA”), amended 35 U.S.C. § 103. Because the '187 patent has a filing date of November 20, 2000, which is prior to the effective date of the applicable AIA amendments, we refer to the pre-AIA version of § 103. See Ex. 1201, code (22).

<sup>4</sup> US 6,980,037 B1, filed Sept. 16, 1998, issued Dec. 27, 2005 (Ex. 1206, “Page”).

<sup>5</sup> Anthony John Stratakos, *High-Efficiency Low-Voltage DC-DC Conversion for Portable Applications*, Ph.D. Thesis 1998 (Ex. 1208, “Stratakos”).

<sup>6</sup> US 5,949,227, issued Sept. 7, 1999 (Ex. 1215, “Bujanos”).

<sup>7</sup> US 5,739,708, issued Sept. 19, 1996 (Ex. 1216, “LeWalter”).

<sup>8</sup> US 5,936,443, issued Aug. 10, 1999 (Ex. 1207, “Yasuda”).

<b>Claims Challenged</b>	<b>35 U.S.C. §</b>	<b>References/Basis</b>
6	103	Page, Stratakos, Bujanos, Goder <sup>9</sup>
10	103	Page, Goder
10	103	Page, Yasuda, Goder
10	103	Page, Stratakos, Yasuda, Goder

Petitioner challenges the patentability of claims 14–16, 19, and 20 of the '187 patent on the following grounds (IPR2020-00527, Pet. 4):

<b>Claims Challenged</b>	<b>35 U.S.C. §</b>	<b>References/Basis</b>
15, 16, 19	103	Page, Yamamoto <sup>10</sup> , LeWalter
15, 16, 19	103	Yamamoto, Stratakos, LeWalter
20	103	Page, Yamamoto, LeWalter
20	103	Page, Yamamoto, Yasuda, LeWalter
20	103	Page, Yamamoto, Stratakos, LeWalter
20	103	Page, Yamamoto, Stratakos, Yasuda, LeWalter
14	103	Page, Yamamoto, Goder
14	103	Page, Yamamoto, Stratakos, Goder

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<sup>9</sup> US 5,617,015, issued Apr. 1, 1997 (Ex. 1217, “Goder”).

<sup>10</sup> US 5,778,237, issued July 7, 1998 (Ex. 1313, “Yamamoto”).

### III. ANALYSIS – 35 U.S.C. § 314(a)

Under 35 U.S.C. § 314(a), the Director has discretion to deny institution. In determining whether to exercise that discretion on behalf of the Director, we are guided by the Board’s precedential decision in *NHK Spring Co. v. Intri-Plex Technologies, Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018).

In *NHK*, the Board found that the “advanced state of the district court proceeding” was a “factor that weighs in favor of denying” the petition under § 314(a). *NHK*, Paper 8 at 20. The Board determined that “[i]nstitution of an *inter partes* review under these circumstances would not be consistent with ‘an objective of the AIA . . . to provide an effective and efficient alternative to district court litigation.’” *Id.* (citing *Gen. Plastic*, Paper 19 at 16–17 (precedential in relevant part)).

“[T]he Board’s cases addressing earlier trial dates as a basis for denial under *NHK* have sought to balance considerations such as system efficiency, fairness, and patent quality.” *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 at 5 (PTAB Mar. 20, 2020) (precedential) (collecting cases). *Fintiv* sets forth six non-exclusive factors for determining “whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.” *Id.* at 6. These factors consider:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
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 that impact the Board's exercise of discretion, including the merits.

We discuss the parties' arguments in the context of considering the above factors. In evaluating the factors, we take a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review. *Fintiv* at 6.

1. *whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted*

On the present record, neither party has produced evidence that a stay has been requested or argues that a stay may be requested. *See generally* Pet.; Pet. Prelim. Reply; *see also* Prelim. Resp. 8 (noting that Petitioner does not say it will move for a stay and that Patent Owner will not agree to a stay). As such, this factor does not weigh in favor of or against exercising our discretion to deny institution pursuant to § 314(a).

2. *proximity of the court's trial date to the Board's projected statutory deadline for a final written decision*

According to the most recent scheduling order in the record, trial in the Western District of Texas involving the '187 patent currently is scheduled to start on November 26, 2020. *See* Prelim. Resp. 11 (citing Ex. 2042 (Second Amended Agreed Scheduling Order), 3); Pet. Prelim. Reply 6; PO Prelim. Sur-reply 10. If a proceeding were instituted, a final written decision in this matter likely would not issue until August 2021, approximately nine months after the scheduled trial date.

Patent Owner states that it requested the trial involving the '187 patent to begin later, on December 14, 2020. *See* Prelim. Resp. 13–14 (citing Ex. 2031 (Proposed Scheduling Order), 4); *see also* Pet. 6–7 (stating that the three infringement actions were not consolidated for purposes of trial and that is unclear which of the three trials would proceed first). Even if Patent Owner's request were granted, a final written decision would still not likely issue until approximately eight months after the scheduled trial date.

Accordingly, on the record before us, this factor weighs in favor of exercising our discretion to deny institution pursuant to § 314(a).

3. *investment in the parallel proceeding by the court and the parties*

Patent Owner contends there has been “immense” investment in the parallel proceeding. *See* PO Prelim. Sur-Reply 17. The Western District of Texas issued a claim construction order on January 3, 2020, over seven months ago, although the court did not construe any claim terms from the '187 patent. *See* PO Prelim. Sur-reply 17–18 (noting Petitioner stated no terms of the '187 patent required construction). Additionally, the parties' final infringement and invalidity contentions were served in January 2020. PO Prelim. Sur-reply 7 (citing Ex. 2036 (First Amended Scheduling Order)).

Petitioner does not directly address this factor. *See generally* Pet.; Pet. Prelim. Reply.

In light of the present posture of the district court action, we find that the parties' investment in that action weighs in favor of exercising our discretion to deny institution pursuant to § 314(a).

4. *overlap between issues raised in the petition and in the parallel proceeding*

Patent Owner contends that there is a “complete” overlap between the issues raised in the Petition and those in the Western District of Texas litigation as Petitioner relies upon the same combination of references. *See* Prelim. Resp. 18.

Petitioner does not dispute that the present Petition relies on the same references, in the same combinations, for the same disclosures. *See generally* Pet. Prelim. Reply. Rather, Petitioner argues that Patent Owner “will ultimately be required to drop claims in district court.” Pet Prelim. Rep. 10; *see also id.* at 9–10 (stating Patent Owner has asserted “133 claims of eight patents against Intel products across three cases” and that there “is no to reason to believe that [Patent Owner] will advance each of the challenged claims at trial”).

Petitioner, however, has not provided sufficient evidentiary support that any of the claims asserted in the present proceeding will not be at issue in the upcoming trial. Therefore, based on the present record, we agree with Patent Owner that there is a substantial overlap between the issues raised in the Petition and in the Western District of Texas litigation.

Accordingly, this factor weighs in favor of exercising our discretion to deny institution pursuant to § 314(a).

5. *whether the petitioner and the defendant in the parallel proceeding are the same party*

Petitioner and Patent Owner are the defendant and plaintiff, respectively, in the Western District of Texas litigation. *See* Pet. Prelim. Reply 10 n.7; PO Prelim. Sur-reply 22 (stating Petitioner is both the defendant in the District Court Action and the petitioner here). Therefore,

we find that this factor weighs in favor of exercising our discretion to deny institution pursuant to § 314(a).

6. *other circumstances that impact the Board's exercise of discretion*

Petitioner argues the Board should not apply the *NHK/Fintiv* framework in the present proceeding because the framework is inconsistent with the AIA's purpose, is inconsistent with Congress' decision to allow petitioners up to one year to challenge a patent after receiving a complaint, encourages gamesmanship, will allow unpatentable claims to survive in greater numbers, and creates significant practical problems. *See* Pet. Prelim. Reply 4–5. Although, Petitioner's arguments may be appropriate for review in another forum, we are constrained to follow the guidance provided in *NHK Spring* and the *Fintiv* Order.

Petitioner also contends Patent Owner's litigation conduct involving the patent at issue, and other patents asserted against Petitioner, supports the Board declining to exercise its discretion to deny institution. *See* Pet. Prelim. Reply 8–9. Petitioner contends Patent Owner is a non-practicing entity whose business model is centered around filing an unreasonably large number of patent suits against Intel in a fast-moving jurisdiction, with numerous asserted claims—all to encourage a quick settlement or long-shot jury verdict and avoid IPR review. *Id.* at 9.

Even if Petitioner's contentions are true, Petitioner has not shown these contentions will avoid adjudication of Intel's invalidity defenses. The validity of the '187 patent is at issue in the co-pending litigation, which is currently scheduled to go to trial well before the deadline for a final written

decision in this proceeding. Accordingly, this argument does not weigh against exercising our discretion to deny institution pursuant to § 314(a).

Petitioner also asserts that if Patent Owner drops some its claims before trial, and the Board denies institution, the unasserted claims will be insulated from further challenge, as Intel will be barred from challenging those claims in future petitions. *Id.* (citing 35 U.S.C. § 315(b)). Petitioner asserts that those claims, which the petitions show to be unpatentable, will instead survive for assertion against Intel or another defendant. *Id.* This argument is too speculative as there is insufficient evidence in the record to show that the claims challenged in the present petitions will not be adjudicated at trial.

Patent Owner also argues that the fact Petitioner has brought four petitions against the '187 patent favors discretionary denial. Prelim. Resp. 22. We are not persuaded by this argument. When Petitioner filed its two earlier petitions challenging certain claims of the '187 patent (i.e., IPR2020-00141, IPR2020-00142), Patent Owner had not yet asserted infringement of the claims challenged in the present proceedings. *See* Paper 2 (Explanation for Multiple Petitions), 1. We agree with Petitioner that the staggered assertion of claims in the district court proceeding is a reason for the staggered filing of Petitions. *See id.* at 1 (Petitioner asserting that it was only after Patent Owner asserted additional claims in the copending litigation and Petitioner sought *inter partes* review of those claims). Thus, the staggered filing of the second set of petitions does not

weigh in favor of exercising our discretion to deny institution of at least one of the petitions of that second set.<sup>11</sup>

For the above reasons, the circumstances identified by the parties do not weigh in favor of or against exercising our discretion to deny institution pursuant to § 314(a).

7. *Weighing the factors*

There is no dispute that the related district court litigation involves the same parties and issues as this proceeding. At this juncture, the related litigation is fairly advanced and trial is scheduled for November. The district court will likely resolve the issues in this proceeding before the Board does, and instituting an *inter partes* review would likely duplicate the district court's efforts, as well as create the potential for inconsistent results, both of which undercut the efficiency and integrity of the patent system. After weighing all of the factors and taking a holistic view of the relevant circumstances of this proceeding, we determine instituting an *inter partes* review would be an inefficient use of the Board's resources, and we exercise discretion to deny institution under 35 U.S.C. § 314(a).

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<sup>11</sup> Given our decision to exercise our discretion and deny institution under § 314(a), we do not reach the issue of whether two petitions are necessary to challenge all of the claims that are asserted in IPR2020-00526 and IPR2020-00527. We do note, however, that Petitioner does not provide any argument as to why a single petition challenging all of the claims filed in IPR2020-00526 and IPR2020-00527 could not have been filed. *See* Paper 2, 3–4 (stating different claims and references are asserted in each proceeding but not presenting an argument as to why these differences support the filing of two separate petitions).

#### IV. CONCLUSION

For the foregoing reasons, we exercise our discretion pursuant to 35 U.S.C. § 314(a) to deny institution of *inter partes* review.

#### V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition in IPR2020-00526 and the Petition in IPR2020-00527 are *denied* as to all challenged claims of the '187 patent; and

FURTHER ORDERED that no *inter partes* review is instituted.

IPR2020-00526; IPR2020-00527  
Patent 6,633,187 C1

FOR PETITIONER:

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## **EXHIBIT B**

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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INTEL CORPORATION,  
Petitioner,

v.

VLSI TECHNOLOGY LLC,  
Patent Owner.

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IPR2020-00526  
IPR2020-00527  
Patent 6,663,187 C1

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Before THU A. DANG, BART A. GERSTENBLITH, and  
KIMBERLY McGRAW, *Administrative Patent Judges*.

McGRAW, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Requests on Rehearing of the  
Decision Denying Institution of *Inter Partes* Review  
*37 C.F.R. § 42.71(d)*

## I. INTRODUCTION

Intel Corporation (“Petitioner”) filed a Request for Rehearing in IPR2020-00526 (Paper 17, “526-Req. Reh’g”) and in IPR2020-00527 (Paper 19, “527-Req. Reh’g”) (collectively, “Rehearing Requests”) seeking “rehearing and Precedential Opinion Panel review” of our Decision (“Dec. Inst.”) to deny institution (IPR2020-00526, Paper 16; IPR2020-00527, Paper 18<sup>1</sup>) of two separate petitions challenging claims of U.S. Patent No. 6,663,187 C1. Petitioner also requested review by the Board’s Precedential Opinion Panel (“POP”) in each proceeding. *See* IPR2020-00526, Paper 18 (Notification of Receipt of POP Request); IPR2020-00527, Paper 20 (Notification of Receipt of POP Request). POP review was denied. IPR2020-00526, Paper 19 (Order); IPR2020-00527, Paper 21 (Order).

For the reasons provided below, Petitioner’s Requests for Rehearing of our Decision to deny institution in IPR2020-00526 and IPR2020-00527 are *denied*.

## II. ANALYSIS

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). “The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” *Id.* When rehearing a decision on a petition, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c).

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<sup>1</sup> A single Decision denying institution in both IPR2020-00526 and IPR2020-00527 was entered in each proceeding.

Petitioner's Rehearing Requests raise two primary arguments: (1) that the precedential Board decisions in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential), and *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential), were wrongly decided and should be reviewed by the POP; and (2) that, even under the *Fintiv/NHK Spring* framework, the Board erred by failing to place sufficient weight on (a) the identity and prior conduct of VLSI Technology LLC ("Patent Owner") and (b) Petitioner's argument that only a subset of the claims challenged in the Petition will be presented and resolved in the related district court trial. *See, e.g.*, 526-Req. Reh'g 1–3, 6–15.<sup>2</sup>

Petitioner's Requests do not persuade us that our Decision to exercise our discretion to deny institution should be modified.

With respect to Petitioner's first argument, that *Fintiv* and *NHK Spring* were wrongly decided and should be reviewed by the POP, the POP has considered and denied Petitioner's requests. *See* IPR2020-00526, Paper 19; IPR2020-00527, Paper 21.

With respect to Petitioner's second argument, we disagree with Petitioner that we incorrectly weighed either the identity and prior conduct of Patent Owner or the potential difference in claims challenged in the Petition and asserted in the related litigation in deciding whether to exercise our discretion to deny institution pursuant to 35 U.S.C. § 314(a).

Our Decision addressed Petitioner's allegations regarding Patent Owner's identity and conduct under *Fintiv* factor 6 (other circumstances that

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<sup>2</sup> For convenience, citations are to the Rehearing Request filed in IPR2020-00526. Similar arguments were made in the Rehearing Request filed in IPR2020-00527. *See* 527-Req. Reh'g.

impact the Board’s exercise of discretion, including the merits), and we noted that, “[e]ven if Petitioner’s contentions are true, Petitioner has not shown these contentions will avoid adjudication of Intel’s invalidity defenses” in the related Western District of Texas litigation. Dec. Inst. 13. In light of the record at the time, we found that Petitioner’s arguments in connection with *Fintiv* factor 6 did not weigh against exercising our discretion to deny institution. *Id.* at 13–15. Accordingly, we maintain our finding that Petitioner’s argument does not weigh against exercising our discretion to deny institution.

We also disagree with Petitioner’s assertions that we placed inadequate weight on Petitioner’s argument that not all of the challenged claims might be asserted at trial. *See, e.g.*, 526-Req. Reh’g 2–3, 9–10, 13–15. We considered this argument in addressing *Fintiv* factor 4 (overlap between issues raised in the petition and in the parallel proceeding) and determined that, based on the record as it existed at that time, Petitioner’s contention that the claims challenged in the present proceedings may not be asserted at trial in the related litigation was not persuasive as it was based on speculation and that Petitioner did not provide sufficient evidentiary support that any of the claims asserted in IPR2020-00526 or IPR2020-00527 would not be adjudicated at trial. Dec. Inst. 12. In its Rehearing Requests, Petitioner contends that after the Board issued its discretionary denial decision, Patent Owner has since narrowed its asserted claims in the parallel proceeding, such that only three of the nine claims challenged in IPR2020-00526 and only two of the five claims challenged in IPR2020-00527 remain at issue in the litigation. 526-Req. Reh’g 14; 527-Req. Reh’g 14. Petitioner asserts “[i]f the Board does not revisit its denial of institution decision” the dropped claims “will be insulated from validity challenges, as [Petitioner]

will be barred from challenging them in future petitions.” 526-Req. Reh’g 14; 527-Req. Reh’g 14.

Petitioner has not shown that this change in circumstance warrants modifying (1) the determination that *Fintiv* factor 4 weighs in favor of exercising discretion to deny institution or (2) the determination, after weighing all factors and taking a holistic view of the relevant circumstances, to exercise discretion to deny institution. Several of the claims challenged in each Petition are still at issue in the parallel proceeding, and the combinations of references asserted by Petitioner in the district court largely overlap with the combinations of references asserted in the Petitions. Petitioner has not identified any differences among the claims that have been dropped and the claims that remain as a reason to modify our Decision. *See Fintiv*, Paper 11 at 13 (“if a petition involves the same prior art challenges but challenges claims in addition to those that are challenged in the district court, it may still be inefficient to proceed because the district court may resolve validity of enough overlapping claims to resolve key issues in the petition”).

Nor are we persuaded by Petitioner’s argument that if “the Board does not revisit its denial of institution decision, the [already dropped claims (and any other claims VLSI may drop before trial)] will be insulated from validity challenges, as Intel will be barred from challenging those claims in future petitions.” 526-Req. Reh’g 14–15 (citing 35 U.S.C. § 315(b)); *see also id.* at 14 (stating that “VLSI can assert those shielded claims against others in future cases”). Although Petitioner may be barred from challenging the dropped claims in future petitions, there is no indication that Petitioner would be precluded from challenging those claims in district court litigation if Patent Owner ultimately decides to pursue them against Petitioner or that a

third party would be precluded from challenging those claims via petition if asserted against that party by Patent Owner.

We also note that on February 4, 2021, the district court issued an Order setting a trial date of April 12, 2021 for the '187 patent. Ex. 3002 (Order Setting Jury Trial). This change in circumstances regarding the trial date does not persuade us to change our decision to exercise our discretion to deny institution. Even if we were to institute an *inter partes* review proceeding, the deadline for issuing a final written decision could be no earlier than February 2022. Thus, at this time, it appears likely that trial will occur many months before any final written decision would likely issue in this proceeding.

Accordingly, having considered Petitioner's Rehearing Requests, Petitioner has not persuaded us, for the reasons discussed, that our Decision denying institution of IPR2020-00526 and IPR2020-00527 should be modified.

### III. ORDER

For the foregoing reasons, it is:

ORDERED that Petitioner's Rehearing Request in IPR2020-00526 (Paper 17) is *denied*, and

FURTHER ORDERED that Petitioner's Rehearing Request in IPR2020-00527 (Paper 19) is *denied*.

IPR2020-00526, IPR2020-00527

Patent 6,663,187 C1

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