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Filed on behalf of Intel Corporation

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Intel Corporation
Petitioner

v.

VLSI Technology LLC
Patent Owner

Case IPR2020-00142

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 June 4, 2020 (Paper 17) in IPR2020-00142, attached as Exhibit A, and the Decision Denying Petitioner’s Request on Rehearing of the Decision Denying Institution of *Inter Partes* Review entered January 20, 2021 (Paper 21) in IPR2020-00142, 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 18th day of February, 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 18th day of February, 2021, and the filing fee is being paid electronically using pay.gov.

I hereby certify that on February 18, 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

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTEL CORPORATION,
Petitioner,

v.

VLSI TECHNOLOGY LLC,
Patent Owner.

IPR2020-00142
Patent US 6,633,187 C1

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

I. INTRODUCTION

Intel Corporation (“Petitioner”) filed a Petition for *inter partes* review of claims 13, 17, and 18 of U.S. Patent No. 6,633,187 C1 (Ex. 1101, “the ’187 patent”). Paper 4 (“Pet.”). VLSI Technology LLC (“Patent Owner”) filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). Pursuant to our authorization (Paper 10), Petitioner filed a Reply to Patent Owner’s Preliminary Response (Paper 11 (“Pet. Prelim. Reply”)) and Patent Owner filed a Sur-reply (Paper 13, “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. 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 this case 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 7 (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 challenges claims 1 and 12 of the '187 patent in IPR2020-00141. *See* Pet. 1; Paper 7, 1.

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. 1001, code (22), (45), (54). A Reexamination Certificate confirming the patentability of, *inter alia*, claims 1 and 12 issued on November 2, 2010. *Id.*, *Inter Partes* Reexamination Certificate (0202nd), 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.

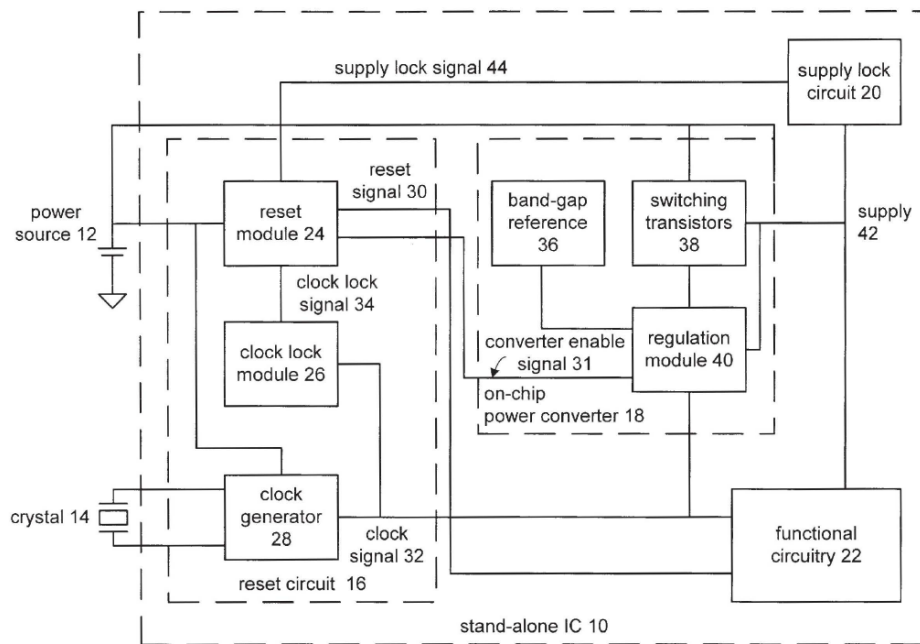


FIG. 1

Figure 1 illustrates a schematic block diagram of a stand-alone integrated circuit in accordance with the invention of the '187 patent. *See Ex. 1001, 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 Claim

Claim 1, the only independent claim challenged in this proceeding, is 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.

E. Prior Art and Asserted Grounds of Unpatentability

Relying on the Declaration of David Choi, Ph.D. (Ex. 1002), Petitioner challenges the patentability of claims 13, 17, and 18 of the '187 patent on the following grounds (Pet. 4–5):

Claims Challenged	35 U.S.C. §	References
13, 17	103 ¹	Page, ² Yamamoto, ³ Stratakos, ⁴
18	103	Page, Yamamoto, Stratakos, Bujanos ⁵
13	103	Yasuda, ⁶ Page, and Yamamoto
17	103	Yasuda, Page, Yamamoto, and Stratakos
18	103	Yasuda, Page, Yamamoto, Stratakos, and Bujanos

III. ANALYSIS – 35 U.S.C. § 314(a)

Petitioner asserts that we should not exercise our discretion to deny institution pursuant to § 314(a) “because *inter partes* review would be a more effective and efficient alternative to litigation under the present circumstances, because Petitioner has been diligent in pursuing this relief, and in light of the substantive grounds” challenging the ’187 patent. *See*

¹ 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. 1001, code (22).

² US 6,980,037 B1, filed Sept. 16, 1998, issued Dec. 27, 2005 (Ex. 1106, “Page”).

³ US 5,778,237, filed Dec. 14, 1995, issued July 7, 1998 (Ex. 1113, “Yamamoto”).

⁴ Anthony John Stratakos, *High-Efficiency Low-Voltage DC-DC Conversion for Portable Applications*, Ph.D. Thesis 1998 (Ex. 1008, “Stratakos”).

⁵ US 5,949,227, issued Sept. 7, 1999 (Ex. 1115, “Bujanos”).

⁶ US 5,936,443, filed July 3, 1996, issued Aug. 10, 1999 (Ex. 1107, “Yasuda”).

Pet. 5–6. Patent Owner responds we should exercise our discretion to deny this proceeding because the facts presented here are the same as those presented in *NHK Spring Co. v. Intri-Plex Technologies, Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential), where the Board denied institution pursuant to 35 U.S.C. § 314(a). *See* Prelim. Resp. 3–4.

In determining whether to exercise our discretion, we are guided by the Board’s precedential decision in *NHK*. There, the Board found that the “advanced state of the district court proceeding,” in which the “same prior art and arguments” were presented by Petitioner, expert discovery was scheduled to end in less than two months, and a jury trial was scheduled to begin in six months, was a “factor that weighs in favor of denying” the petition under § 314(a). *NHK*, IPR2018-00752, 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*, IPR2016-01357, Paper 19 at 16–17 (PTAB Sept. 6, 2017) (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) (designated precedential). When applying *NHK*, the Board has balanced the following non-exclusive factors (“*Fintiv* factors”):

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.

Id. at 5–6. We discuss the parties' arguments in the context of considering the above factors.

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

Petitioner contends that “[a]lthough the district court has not entered a stay, the parties could stipulate to a stay, so as not to use the court’s resources to litigate validity issues—just as the parties did in the California litigation.”⁷ Pet. Prelim. Reply 6. Patent Owner responds by noting that neither party has requested a stay in the Western District of Texas litigation, which is where the ’187 patent currently is asserted, and Patent Owner will not stipulate to a stay. PO Prelim. Sur-reply 1–2. Additionally, Patent Owner argues that the Western District of Texas rarely grants stays pending outcomes of *inter partes* review proceedings. *Id.* at 2 (citations omitted).

On the present record, neither party has produced evidence that a stay has been requested or that the Western District of Texas has considered a

⁷ See Pet. Prelim. Reply 3 (referring to *VLSI Tech. LLC v. Intel Corp.*, No. 5:17-cv-05671 (N.D. Cal.)).

stay in this case. A judge determines whether to grant a stay based on the facts of each specific case as presented in the briefs by the parties. We decline to infer, based on actions taken in different cases with different facts, how the District Court would rule should a stay be requested by the parties in the copending litigation. Thus, this factor does not weigh for or against discretionary denial in this case.

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

The parties agree that the trial in the Western District of Texas currently is scheduled to start in approximately five months, on October 5, 2020. *See* Prelim. Resp. 6 (citing Ex. 2003 (Agreed Scheduling Order)), 3); Pet. Prelim. Reply 6; PO Prelim. Sur-reply 4. Papers submitted in related proceeding IPR2020-00498, however, indicate that the trial date for the Western District of Texas litigation is now set for November 16, 2020. *See Intel Corp. v. VLSI Tech. LLC*, IPR2020-00498, Ex. 2042 (“Second Amended Agreed Scheduling Order”), 3. If a proceeding were instituted, a final written decision in this matter likely would not issue until early June 2021, approximately seven months after the scheduled trial date.

The parties also agree that there is some uncertainty as to whether trial actually will occur on the scheduled trial date. *See* Pet. Prelim. Reply 6–7; PO Prelim. Sur-reply 4–6. In particular, there are two variables contributing to that uncertainty. First, as the parties agree, there are three actions between the parties pending in the Western District of Texas, each scheduled for trial on the same date, yet the three actions are scheduled for separate

trials.⁸ Pet. Prelim. Reply 6–7; PO Prelim. Sur-reply 4–5; *see also* Ex. 2030 (January 15, 2020 Telephonic Discovery Hearing in *VLSI Tech. LLC v. Intel Corp.*, AU-19-cv-977 (W.D. Tex.)), 4:18–21 (noting that cases 6:19-cv-00254, -255, and -256 are consolidated except for trial). Thus, as of today, the evidence supports a finding that at least two of the trials likely will not occur on November 16, 2020, including the action involving the '187 patent.⁹

Patent Owner explains that Patent Owner's proposed trial schedule requested that the case involving the '187 patent be tried second. *See* PO Sur-reply 5 (citing Ex. 2031 (Proposed Scheduling Order), 4). Patent Owner further explains that while Petitioner sought a single trial date for all three actions (*id.* at 4–5 (citing Ex. 2030, 10:11–15)), Patent Owner proposed December 14, 2020 for the case involving the '187 patent, two months after the first trial originally scheduled for October 5, 2020 (Ex. 2031, 4). PO Sur-reply 4–5. Should trial occur December 2020 in the action involving the '187 patent, it likely would still be almost six months before any written decision would likely issue in this proceeding, were we to institute.

Second, there is uncertainty about what effect the coronavirus disease 2019 (“COVID-19”) pandemic will have with respect to the trial date. *See* Pet. Prelim. Reply 8; PO Prelim. Sur-reply 5–6. The situation is evolving

⁸ In addition to the action involving the '187 patent (i.e., 6:19-cv-00255), the other two cases pending in the Western District of Texas are Nos. 6:19-cv-00254 and -00256.

⁹ It is possible that the parties may agree to hold one trial addressing all three actions. At this point, however, that is not the plan. *See* Pet. Prelim. Reply 6–7; PO Prelim. Sur-reply 4–5; Ex. 2030, 4:18–21.

daily. Although trials currently are suspended in the Western District of Texas through June 30, 2020 (*see* Ex. 3001 (Western District of Texas Supplemental Order Regarding Court Operations Under the Exigent Circumstances Created by the COVID-19 Pandemic, filed May 8, 2020)), it is unclear what impact that suspension or any further suspension would have on trial dates scheduled later this year and early next year. Given the substantial gap between the currently scheduled November 16, 2020 trial date (and the even later trial dates proposed by Patent Owner) and June 2021 (the likely deadline for any final written decision in this proceeding, if trial were instituted) it is unclear, even if the trial date were moved back, whether that date would be after a final written decision in this proceeding.

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 6–7. The Western District of Texas issued a claim construction order on January 3, 2020, over four months ago, although the court did not construe any claim terms from the ’187 patent. *See* PO Prelim. Sur-Reply 7 (noting Petitioner stated no terms of the ’187 patent required construction); Pet. Prelim. Reply 8; *see* Ex. 2010 (Claim Construction Order). 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)).

In *Fintiv*, the Board explained that potential delay by a Petitioner “may impose unfair costs to a patent owner if the petitioner, faced with the prospect of a looming trial date, waits until the district court trial has

progressed significantly before filing a petition at the Office.” *Fintiv*, IPR2020-00019, Paper 11 at 11. Here, Petitioner contends that Patent Owner first asserted the challenged claims in its July 22, 2019 Preliminary Infringement Contentions and Petitioner promptly filed the Petition three months later. Pet. Prelim. Reply 5.

Although we do not find that Petitioner unreasonably delayed filing the Petition, we do find that the parties have invested significantly in the Western District of Texas litigation. As noted above, the district court claim construction order issued in January 2020, final infringement and invalidity contentions were served in January 2020. *See* PO Prelim. Sur-reply 7 (citing Ex. 2036). 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. PO Prelim. Sur-reply 7; *see* Prelim. Resp. 7–10 (contending that Petitioner relies upon the same references, in the same combinations, and for the same disclosures). Patent Owner contends “Petitioner even relies on the same disclosures in the prior art references in both its petitions and in court, as tabulated in Tables 1-3 in Exhibit 2012.” Prelim. Resp. 8 (citing Ex. 2012).

Petitioner does not dispute that the present Petitioner relies on the same references, in the same combinations, for the same disclosures, contending instead that “[t]he [P]etition advances only a few grounds in

Intel’s contentions” and that the limited duration of trial will inhibit Petitioner from presenting each invalidity ground to the jury. *See* Pet. Prelim. Reply 9 (citing Ex. 2005 (Defendant Intel Corporation’s Final Invalidity Contentions (U.S. Patent No. 6,633,187)), 2–4, 9–10). Accordingly, we find that the issues raised in the Petition largely overlap with those currently raised in the Western District of Texas litigation. Although Petitioner’s Final Invalidity Contentions include numerous other combinations of references challenging overlapping claims (*see id.* at 11–60), that difference alone does not negate that the same combinations of references asserted in the Petition are also asserted in Petitioner’s Final Invalidity Contentions. Thus, 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. Pet. Prelim. Reply 10 n.7; PO Prelim. Sur-reply 8 (citing Pet. Prelim. Reply 10 n.7). 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, including the merits*

Petitioner spends nearly half of its Preliminary Reply explaining what it refers to as Patent Owner’s tactics to “evade” review of its patents. *See*

Pet. Prelim. Reply 2–5 (asserting Patent Owner’s request for discretionary denial is “part of a series of carefully orchestrated tactics aimed at avoiding adjudication of [Petitioner’s] invalidity defenses”). Petitioner’s contentions include that: (a) Patent Owner is a holding company created by Fortress Investment Group (“Fortress”) to acquire and assert patents against Petitioner for the purpose of investment returns (*id.* at 2); (b) affiliates of Fortress have filed over 150 patent lawsuits supported by “a \$400M patent assertion fund” (*id.* (citing Ex. 1016; Ex. 1017)); (c) Patent Owner has asserted twenty-one patents with over 430 claims against Petitioner in three different U.S. jurisdictions and two different jurisdictions in China (*id.* at 2 & n.4); and (d) Patent Owner’s filing of lawsuits in combination with voluntary dismissals and refiling of other suits reflects a pattern to evade effective judicial review of its patents (*id.* at 2–5).

Patent Owner responds that Petitioner’s arguments are irrelevant and an improper attempt to re-litigate positions that Petitioner already raised in an antitrust suit against, *inter alia*, Patent Owner in the Northern District of California. *See* PO Prelim. Sur-reply 10 (citing, e.g., Ex. 2037 (Defendants’ Joint Notice of Motion and Motion to Dismiss and to Strike Plaintiffs’ Complaint)).

Even if Petitioner’s contentions are true, Petitioner has not shown these contentions will “avoid[] adjudication of Intel’s invalidity defenses.” *See* Pet. Prelim. Reply 2. 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, Petitioner’s arguments do not weigh against exercising our discretion to deny institution pursuant to § 314(a).

Thus, the balance of the *Fintiv* factors discussed above weighs in favor of exercising our discretion to deny institution under § 314(a).

Petitioner also asserts the “strength of the merits” of the Petition weigh in favor of institution (*see* Pet. Prelim. Reply 9 n.6), while Patent Owner asserts the merits of the Petition weigh in favor of denying institution (*see* PO Prelim. Sur-reply 9). We have reviewed the Petition and the Patent Owner Preliminary Response and determine that the merits of the Petition do not outweigh the other *Fintiv* factors. On balance, based on the facts presented, particularly the advanced stage of the Western District of Texas litigation, a currently scheduled trial date approximately seven months before the would-be deadline for a final written decision, and the overlap between the issues presented there and in the Petition, we find that it would be an inefficient use of Board, party, and judicial resources to institute the present proceeding. *See NHK*, IPR2018-00752, Paper 8 at 20; Consolidated TPG 58 (discussing balancing the relevant circumstances). Accordingly, we exercise our discretion pursuant to § 314(a) to deny institution.

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 (Paper 4) is *denied* as to the challenged claims of the '187 patent; and

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

IPR2020-00142
Patent US 6,633,187 C1

FOR PETITIONER:

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EXHIBIT B

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTEL CORPORATION,
Petitioner,

v.

VLSI TECHNOLOGY LLC,
Patent Owner.

IPR2020-00141
IPR2020-00142
Patent 6,663,187 C1

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
Decisions Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Intel Corporation (“Petitioner”) filed a Request for Rehearing in IPR2020-00141 (Paper 17) and in IPR2020-00142 (Paper 18) (collectively “Rehearing Requests”) seeking “rehearing and Precedential Opinion Panel review” of our Decisions to deny institution (IPR2020-00141, Paper 16; IPR2020-00142, Paper 17, collectively “Decisions”) 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* IPR2020-00141, Paper 18 (Notification of Receipt of POP Request); IPR2020-00142, Paper 19 (Notification of Receipt of POP Request). POP review was denied on October 26, 2020. IPR2020-00141, Paper 19 (Order); IPR2020-00142, Paper 20 (Order).

For the reasons provided below, Petitioner’s Rehearing Requests 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).

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.*, IPR2020-00141, Paper 17 at 1–2, 6–15.¹

Petitioner’s Requests do not persuade us that our Decisions 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* IPR2020-00141, Paper 19; IPR2020-00142, Paper 20.

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 Decisions addressed Petitioner’s allegations regarding Patent Owner’s identity and conduct under *Fintiv* factor 6 (other circumstances that impact the Board’s exercise of discretion, including the merits), and we noted Patent Owner’s position that Petitioner was improperly attempting to re-litigate issues that were the subject of an antitrust suit pending in the Northern District of California. *See, e.g.*, IPR2020-00141, Paper 16 at 14–15. We further noted that, “[e]ven if Petitioner’s contentions are true,

¹ For convenience, citations to the record are for papers filed in IPR2020-00141. Similar papers, however, may also be found in IPR2020-00142.

Petitioner has not shown these contentions will ‘avoid[] adjudication of Intel’s invalidity defenses” in the related Western District of Texas litigation. *Id.* at 15. 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 16.

Additionally, we disagree with Petitioner’s assertions that we placed inadequate weight on Petitioner’s argument that only a portion of the claims challenged in the Petitions might be asserted at trial. *See, e.g.*, Paper 17, 2, 12–15. We considered Petitioner’s arguments, set forth in its Preliminary Replies, that “the limited duration of trial will inhibit Petitioner from presenting each invalidity ground to the jury” in addressing *Fintiv* factor 4 (overlap between issues raised in the petition and in the parallel proceeding). *See, e.g.*, IPR2020-00141, Paper 16 at 13 (citing IPR2020-00141, Paper 11 at 9). 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. We considered the overlap between the claims challenged in each Petition and those asserted in the related litigation on the record presented and determined that “there is a substantial overlap between the issues raised in the Petition and in the Western District of Texas litigation.” *Id.* Petitioner has not identified any differences among the claims that would warrant changing this analysis.

Accordingly, having considered Petitioner’s Rehearing Requests, Petitioner has not persuaded us, for the reasons discussed, that our Decisions should be modified.

III. ORDER

For the foregoing reasons, it is:

ORDERED that Petitioner's Rehearing Request in IPR2020-00141
(Paper 17) is *denied*, and;

FURTHER ORDERED that Petitioner's Rehearing Request in
IPR2020-00142 (Paper 18) is *denied*.

IPR2020-00141, IPR2020-00142
Patent 6,663,187 C1

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