



May 19, 2020

VIA E-FILING

The Honorable Jennifer L. Hall
J. Caleb Boggs Federal Building
844 N. King Street
Unit 17, Room 3124
Wilmington, DE 19801-3555

FILED UNDER SEAL

**RE: *Elm 3DS Innovations, LLC v. Samsung Electronics Co., Ltd., et al.,*
(C.A. No. 14-cv-1430-LPS)**

Dear Judge Hall:

Last week, Samsung made the stunning revelation that it had discovered hundreds of relevant products never previously disclosed to Elm in this now five-year-old case. *See* Knobloch Declaration (“Decl.”) ¶¶ 48-49 & Ex. 28. Samsung’s latest revelation is merely the most recent example of Samsung’s pattern of delay in disclosing the information necessary for the parties to reach a representative products agreement. Elm requests that the Court intervene to send Samsung the clear message that its delay must end now, and that it must immediately provide all the information needed for the parties to reach a representative products agreement.

The Importance of a Representative Products Agreement

Early in this case, the Court ordered the parties to work towards a representative products agreement. *See* D.I. 35, ¶ 6. The parties’ negotiations over that agreement were halted when this case was stayed pending the Defendants’ ultimately unsuccessful IPR challenges. *See* July 11, 2016 Docket Text. Both parties agree that a representative products agreement would help streamline this case. *See* Decl. ¶ 46 & Ex. 27. But the stay was lifted more than two years ago, *see* D.I. 170, and the parties are nowhere close to finalizing that agreement.

Samsung has leveraged its delays to postpone discovery on numerous issues by insisting that discovery on those issues waits until after the parties finalize a representative products agreement. *See* Decl. ¶ 40 & Ex. 24 (Samsung refusing to complete production of documents responsive to more than 40 RFPs until after the parties reach a representative products agreement); *see also* Decl. ¶ 35 & Ex. 20. But, of course, the parties cannot finalize such an agreement when Samsung has failed to identify the relevant products, let alone provide other information needed to finalize a representative products agreement.¹

Samsung Repeatedly Failed to Disclose Relevant Products

Almost four years ago, Elm issued an interrogatory asking Samsung to list “all Stacked Integrated Circuit Products” that Samsung sells, or that Samsung “incorporate[s] in products that you subsequently sell.” Decl. ¶ 2 & Ex. 1. Since serving that interrogatory, Elm has

¹ In a classic Catch 22, Samsung agreed to produce documents sufficient to show data needed to reach a representative products agreement only “once the parties agree on a set of representative products.” *See* Ex. 24, RFP 87 (process node); RFP 91 (number of die); RFP 80 (packaging).

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communicated with Samsung about this or related issues in over a hundred emails and on tens of calls. Decl. ¶ 6. Not only did Samsung fail to identify these products in response to Elm’s requests, but time and again, Samsung falsely assured Elm that it had identified all of its relevant products. *Id.* ¶¶ 13, 15, 17-20, 22-25 & Exs. 8, 10, 12.

For example, Samsung and Elm discussed the identification of Samsung’s relevant products following the Federal Circuit’s decision affirming the denial of the IPR challenges to the patents in suit. In that decision, the Federal Circuit held that the “substantially flexible” claim terms require at least one die that has been thinned to 50 microns or less. *See Samsung Elecs. Co., Ltd. v. Elm 3DS Innovations, LLC*, 925 F.3d 1373, 1380 (Fed. Cir. 2019). In discovery, Elm had sought the identification of all stacked semiconductor products where “at least one silicon die is less than 150 microns in thickness.” Decl. ¶ 2 & Ex. 1. The Federal Circuit’s construction thus narrowed the relevant scope of Elm’s request.

Eight days after the Federal Circuit’s decision, Elm emailed Samsung and asked whether Samsung had already “identified all products sold between 2008 and 2018” that contain vertically stacked circuit layers “where at least one of the layers has a thickness of 50 microns or less.” Decl. ¶ 17 & Ex. 10 at 6.² Elm followed up with an email reiterating its request and attaching a spreadsheet identifying the 50 Samsung products that Elm had determined—based on Samsung’s productions—met the above criteria. Ex. 10 at 4-5. Samsung’s counsel responded that “Samsung has identified all products that you have asked about based on a reasonable search.” *Id.* at 4. Samsung subsequently reiterated that “Samsung has already identified all such products, and you have given us no basis to suspect that Samsung has not done so.” *Id.* at 2.

Elm persisted in raising questions about Samsung’s identification of relevant products, *see, e.g.* Decl. ¶ 23 & Ex. 10 at 1, and eventually that persistence paid off. Samsung tacitly acknowledged that it had not yet identified all the relevant products and committed to produce “a final list of the remaining stacked memory products” by September 20, 2019. Decl. ¶ 24 & Ex. 12 at 2. On that date, Samsung supplemented its response to Interrogatory No. 4 and informed Elm that Samsung had “produced an updated *complete* list of stacked memory products.” Decl. ¶¶ 25-26 & Exs. 13-14 (emphasis added). Notably, the spreadsheet Samsung produced that day identified 274 stacked memory products with a minimum die thickness of 50 microns—more than five times the number that Samsung had indicated just a few months earlier comprised the complete list of relevant products. Decl. ¶ 27.

Since receiving Samsung’s “complete” list of stacked memory products last fall, Elm has worked diligently to obtain the information needed to reach a representative products agreement. *See, e.g., id.* ¶¶ 29-30 & Exs. 16-17. Like so many of the discovery issues in this case, that process has been plagued by delays. *See, e.g.* Decl. ¶¶ 36-45. In the midst of negotiations over those issues, Samsung suddenly revealed, last week, that “Samsung just discovered that there are additional stacked memory products with a minimum die thickness of 50 microns or less that have been inadvertently overlooked.” Decl. ¶¶ 48-49 & Ex. 28. Samsung has provided, to date, very little additional information about those products, except its statement that “[f]rom what we can tell so far, there are a few hundred new products, all made by Samsung.” *Id.*

² Elm has also served interrogatories seeking sales data for products containing “a semiconductor layer that is 50 microns or less.” Decl. ¶ 21 & Ex. 11 at 3.

Samsung's recent disclosure leads to the troubling conclusion that Samsung made false representations to this Court in its February 18, 2020 response to Elm's prior motion to compel. D.I. 254. In that response, Samsung represented to the Court that it had produced, among other things, "*all worldwide sales* for accused memory and image sensor components" and "*US Sales* for . . . accused memory components..." *Id.* Last week's revelation of hundreds of previously undisclosed stacked memory products means those representations were untrue.³

While last week's revelation of hundreds of previously undisclosed products is especially egregious, it is not the first time this year that Samsung has surprised Elm with the late revelation of previously undisclosed products. Elm recently discovered that—despite repeated requests—Samsung failed for years to disclose 34 of the 40 stacked memory components it incorporates into Samsung consumer electronics shipped to the United States. *See* Decl. ¶¶ 2, 7-9, 33. Samsung has been importing some of those products into the U.S. since at least 2011, and has generated significant revenue from those sales. Decl. ¶¶ 33, 47. Nonetheless, Samsung waited until February 2020—more than *three and a half* years after receiving Interrogatory No. 4 and more than a *year and a half* after receiving Elm's request for an updated list of relevant products—to disclose 34 of the 40 relevant stacked memory components to Elm. *Id.* ¶ 33.

Data Necessary for a Representative Products Agreement

Identifying the relevant products is just the first step in reaching a representative products agreement. That agreement must also take into account basic technical and sales data about those products. *See* Decl. ¶ 37 & Ex. 22 at 1-2. To date, Samsung has not even identified all the relevant products to Elm, much less produce all the data necessary for the parties to reach a representative products agreement. To be fair, Samsung has generally agreed to provide this data to Elm. *See* Decl. ¶ 50 & Ex. 29. But Samsung's history of incremental delays—and its prior misstatements regarding the identification of the relevant products—leaves Elm with no confidence in Samsung's assurances. *See generally* Decl. ¶¶ 5-50. Without an order mandating Samsung's timely production of this data, discovery in this case will likely proceed in fits and starts for years to come.

Accordingly, Elm respectfully requests that the Court order Samsung to identify the data necessary for the parties to reach a representative products agreement. To aid in this process, and to enable efficient monitoring of Samsung's compliance with the Court's order, Elm has attached a chart for Samsung to complete in accordance with the requested Order. *See* Decl. ¶ 51 & Ex. 30. This chart provides a list of relevant products and identifies the categories of data that will enable the parties to negotiate a representative products agreement. Where Elm has been able to determine relevant data from Samsung's productions, it has endeavored to input the data into the chart. Elm respectfully requests that the Court order Samsung to complete this chart, within the next two weeks, by doing the following: (a) confirming the accuracy of the data Elm has already compiled and correcting any errors; (b) updating the chart to add all relevant products not already listed; and (c) filling-in all the technical and sales data that is missing from this chart.

³ Samsung has also acknowledged other discrepancies with statements it made to the Court. For example, Samsung's response stated that it "had already" produced "worldwide sales" for the accused "memory/image sensor components." D.I. 254. Samsung subsequently acknowledged that "the data used to prepare the" relevant spreadsheet "was incomplete." Decl. ¶ 42 & Ex. 25.

Respectfully submitted,

/s/ Brian E. Farnan

Brian E. Farnan

cc: Counsel of Record (via E-Mail)

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

ELM 3DS INNOVATIONS, LLC,
Plaintiff,
v.
SAMSUNG ELECTRONICS CO., LTD., et
al.,
Defendants.

C.A. No. 14-cv-1430-LPS

JURY TRIAL DEMANDED

[PROPOSED] ORDER

On this _____ of May, 2020, having considered Plaintiff Elm 3DS Innovations, LLC's ("Elm") motion to compel Defendant Samsung's production of data relevant to the parties' negotiation of a representative products agreement, and any response thereto, the Court hereby ORDERS that Samsung complete the chart attached as Exhibit 30 to Elm's motion within two weeks of this Order.

The Honorable Jennifer L. Hall