UNITED STATES PATENT AND TRADEMARK OFFICE

_____

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SYNOPSYS, INC.
Petitioner

v.

Patent of MENTOR GRAPHICS CORPORATION
Patent Owner

_____

Case IPR2012-00042 (SCM)
Patent 6,240,376 B1

Mail Stop *Patent Board, PTAB*
United State Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

PETITIONER'S REPLY IN SUPPORT OF ITS MOTION TO EXCLUDE EVIDENCE UNDER 37 C.F.R. 42.64(c)

TABLE OF CONTENTS

Pursuant to 37 C.F.R. 42.23, Petitioner Synopsys, Inc. submits this Reply to Patent Owner's Opposition to Petitioner's Motion to Exclude Evidence under 37 C.F.R. § 42.64(c) (Paper 47).

I. THE BOARD'S HOLDING IN *REDLINE DETECTION* THAT ASSIGNOR ESTOPPEL IS NOT A DEFENSE IN AN *INTER PARTES* REVIEW WAS A DEFINITIVE STATEMENT OF LAW AND GOVERNS THIS CASE.

The Board has stated definitively that it "does not recognize, and thus, would not apply, assignor estoppel." *Redline Detection,* IPR2013-00106, Paper 40 at 6 (October 1, 2013). Patent Owner casts this statement of Board law as merely an "interlocutory decision," and argues that "the Board in IPR2013-00106 has not issued any final appealable decision on the matter." The Board's unambiguous statement of law controls in this proceeding. Whether the *Redline* decision is appealable is irrelevant.

Patent Owner argues that "the Board has yet to make a decision with respect to assignor estoppel in the present case." *Id*. The Board in *Redline* confronted the question of whether it "has the authority to recognize the equitable defense in ***an*** *inter partes* review." *Redline Detection,* Paper 40 at 3 (emphasis added). The Board left no doubt that its decision applied to *inter partes* reviews generally:

> The question of the Board's ability to apply the doctrine of assignor estoppel to prevent the institution of an *inter partes* review, however, is ***a question of law***, not fact. Consequently, any effort spent

> developing a factual record now would be wasteful, for ***the Board does not recognize, and, thus, would not apply, assignor estoppel***.

Id. at 6 (emphasis added). Furthermore, the very paragraph in which the Board rejected assignor estoppel in *Redline* referenced this proceeding. *Redline Detection,* IPR2013-00106 (paper 31) at 4.

Patent Owner imagines a finding by the Board that assignor estoppel does not apply in this proceeding and warns that, in a hypothetical appeal by Petitioner, the reviewing court would not have access to Patent Owner's purported evidence. Opp. at 3. But Petitioner seeks ***exclusion*** of such evidence from this trial, not ***expungement***. Any argument that the exhibits would vanish is baseless.

Patent Owner also contends that its evidence of assignor estoppel should be admitted because "Patent Owner disagrees with the aforementioned interlocutory decision" in *Redline*. *Id*. Patent Owner's opinion of the Board's statement of law regarding assignor estoppel is of no consequence here. The Board should exclude as irrelevant all evidence on assignor estoppel.

II. THE BOARD'S DETERMINATION THAT 35 U.S.C. § 315(b) REQUIRES PRIVITY IN 2006 IS THE LAW OF THE CASE.

Patent Owner likewise argues that the Board's decision on the relevant legal standard for privity should not bar evidence on this rejected theory because Patent Owner "disagrees with the Board's legal determination." *Id*. at 4. The Board's determination that privity must have been present in 2006 is the law of the case.

Patent Owner also contends that "Director Rea on behalf of the USPTO argued that a §315(b) bar requires privity to have existed at the time the Petition seeking the review was filed . . ." Opp. at 4-5. For this, Patent Owner points to a memorandum filed by the USPTO in Patent Owner's failed attempt to persuade a district court to vacate the Board's decision to institute *inter partes* review. Patent Owner ignores the fact that the USPTO ***endorsed*** the Board's finding that this *inter partes* review was not barred by § 315(b), because EVE and Synopsys were not in privity when Synopsys filed its petition for *inter partes* review. Memorandum of Law in Support of Defendant's Motion to Dismiss, Or in the Alternative, for Summary Judgment and in Opposition to Plaintiff's Motion for Summary Judgment, *Mentor Graphics Corp. v. Rea*, No. 1:13-cv-518 (Dkt. No. 38), at 24-25 (E.D. Va. May 24, 2013). Under USPTO's reading of § 315(b) or the Board's, § 315(b) provides no basis to bar this trial. Therefore, all evidence regarding a § 315(b) bar is irrelevant and should be excluded.

III. THE BOARD SHOULD EXCLUDE MG 2030-31 AND MG 2033

Patent Owner argues that Petitioner waived its objections to MG 2030, MG 2031, and MG 2033 because the objections were served late. Due to an inadvertent error, Petitioner served its objections one business day (and two total days) late. While regrettable, this minimal delay—Petitioner's first in this proceeding—did not affect any subsequent deadlines and Patent Owner suffered no

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.