

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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INNOLUX CORPORATION  
(formerly CHI MEI INNOLUX CORPORATION)

Petitioner

v.

SEMICONDUCTOR ENERGY  
LABORATORY CO., LTD.

Patent OWNER

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Case IPR2013-00038

U.S. Patent 7,956,978

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**PETITIONER'S OPPOSITION TO PATENT OWNER'S MOTION TO  
TAKE ADDITIONAL DISCOVERY UNDER 37 C.F.R. §42.51(B)(2)**

***Mail Stop "PATENT BOARD"***

Patent Trial and Appeal Board  
U.S. Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Patent owner, Semiconductor Energy Laboratory Co., Ltd. ("SEL") seeks to take additional discovery of Petitioner Innolux Corporation ("Petitioner") to support its contention that Innolux has failed to identify all real parties in interest pursuant to 35 U.S.C. § 312(a)(2). The discovery requests include Requests for Production of Documents Nos. 1-2 (Exhibit 2008), Interrogatories Nos. 1-3 (Exhibit 2009), and Requests for Admissions Nos. 1-5 (Exhibit 2010). These requests are purportedly directed at co-defendants CMO USA, Acer America, ViewSonic, and VIZIO's involvement with the Petition. SEL's motion should be denied because the requested discovery is based on speculation and is not necessary in the interest of justice.

SEL offers no evidence other than speculation that multiple defendants *could* have participated in preparing the IPR petition. On the other hand, the record includes clear representations from registered practitioners that the real party-in-interest information is correct, and has not changed. The same practitioners are under a continuing duty of candor in this regard to update any changes in this representation. The PTAB has already rejected the speculative arguments of SEL twice, and SEL now seeks a third bite at the apple on the very same arguments. *See*

Decision on Institution of *Inter Partes* Review, Paper 9 at 6-8 and Decision on Request for Rehearing, Paper 20 at 2-4.

## **I. Additional Discovery is Not Generally Allowed**

In keeping with Congress' intent for *inter partes* review to be a quick and cost effective alternative to litigation, the scope of discovery in an *inter partes* review proceeding is limited compared to what is typically available in district court patent litigation. *See e.g.*, IPR2013-00080, Paper 17 (citing H. Rep. No. 112-98 at 45-48 (2011)). A party moving for additional discovery "must show that such additional discovery is in the interests of justice." 37 C.F.R. § 42.51(b)(2)(i); see 35 U.S.C. § 316(a)(5); *see also Apple Inc, v. Achates Reference Publishing, Inc.*, IPR2013-00080 Paper 17 and *See Garmin Int'l v. Cuozzo Speed Tech.*, IPR 2012-00001 Paper 19.

The legislative history of the American Invents Act makes clear that additional discovery is only appropriate for "particular limited situations, such as minor discovery that PTO finds to be routinely useful, or to discovery that is justified by the special circumstances of the case." *See* IPR2013-00080, Paper 17 (citing 154 Cong. Rec. S9988-89 (daily ed. Sept. 27, 2008)(statement of Sen. Kyl). Given this intent, and the one-year statutory deadline for completion of Inter Partes Review, the Board takes a conservative approach to allowing additional discovery.

*See* IPR2013-00080, Paper 17 and IPR 2012-00001, Paper 19 (describing factors considered in determining whether additional discovery is warranted).

## **II. The Additional Discovery is Speculative and Not “Necessary in the Interest of Justice”**

The additional discovery sought by SEL is not necessary in the interest of justice. One significant factor in determining whether additional discovery is in the interest of justice is whether there exists more than a “mere possibility” or “mere allegation that something useful [to the proceeding] will be found.” *See* IPR2013-00080, Paper 17 at 4; *see also* IPR 2012-00001, Paper 19 at 2. The party requesting discovery must come forward with some factual evidence or support for its request. *See* IPR 2012-00001, Paper 19 at 2 (stating that the requesting party “should already be in the possession of evidence tending to show beyond speculation that in fact something useful will be uncovered.”)

Here, SEL has not met its burden of showing “beyond speculation” that the requested discovery will lead to useful information. In its Preliminary Response, and again in its Request for Rehearing on the Decision, SEL argued that the Petition should be dismissed for failure to designate all real parties-in-interest. Having twice considered SEL’s arguments, the Board determined that “SEL has failed to provide persuasive evidence that the co-defendants in the Innolux Case

exercised control or provided funding for the instant Petition...Accordingly, SEL has not demonstrated that Innolux has failed to list all the real parties-in-interest under 35 U.S.C. § 312(a)(2) and 37 C.F.R. § 42.8(b).” *See* Decision on Request for Rehearing at 3.

In its motion for additional discovery, SEL purports to list evidence that it has provided on this issue, and relies on this purported evidence to show that there is more than a “mere possibility” of discovery relevant evidence that Petitioner failed to identify all real parties in interest. However, as the Board has recognized, SEL’s evidence does not support the proposition for which it is being offered. SEL has not presented any evidence to show control or funding of the Petition by one or more co-defendants, or other facts that would tend to show that they are real parties in interest.

For example, SEL argues that statements made by the Defendants in the District Court litigation constitute admissions that all the Defendants participated in the filing of the Petition (SEL Exhibits 2002, 2003 and 2005). SEL also argues that because Innolux’s backup counsel also represents co-defendants, that this indicates that the co-defendants had an opportunity to exercise control of the Petition through backup counsel. The Board found that this evidence:

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