UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MACRONIX INTERNATIONAL CO., LTD., MACRONIX ASIA LIMITED, MACRONIX (HONG KONG) CO., LTD., and MACRONIX AMERICA, INC.
Petitioner

v.

SPANSION LLC
Patent Owner

Case IPR2014-00898
Patent 7,151,027 B1

Before the Honorable HOWARD B. BLANKENSHIP, DEBRA K. STEPHENS, KRISTEN L. DROESCH, JUSTIN T. ARBES, and RICHARD E. RICE, *Administrative Patent Judges*.

PATENT OWNER SPANSION LLC'S OPPOSITION TO PETITIONERS' MOTION FOR JOINDER

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Pursuant to Paper 4, Spansion LLC ("Patent Owner") opposes Petitioners' Motion for Joinder (Paper 3) ("Motion," or "Mot."). Petitioners bear the burden to establish their entitlement to joinder with IPR2014-00108 (37 C.F.R. §§ 42.20(c), 42.122(b)), and must: (1) set forth the reasons why joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; (3) explain what impact (if any) joinder would have on the trial schedule for the existing review; and (4) address specifically how briefing and discovery may be simplified. *See, e.g.,* IPR2013-00386, Paper 16 at 3-4; Frequently Asked Question ("FAQ") H5, at http://www.uspto.gov/ip/boards/bpai/prps.jsp. As discussed below, however, Petitioners fail to establish that joinder would promote efficient resolution of the new unpatentability and prior art issues first raised in this later proceeding without substantially affecting the schedule for IPR2014-00108, and, on the schedule Petitioners propose, without substantially prejudicing Patent Owner. Thus, Petitioners failed to satisfy their burden to show entitlement to joinder on the schedule Petitioners now urge, and Patent Owner respectfully requests either that joinder be granted only on the schedule and conditions specified below by Patent Owner, including continued coordination of the schedule in the joined matters with IPR2014-00105 to preserve the efficiencies established by the Board's current schedule (*see* Section IV, *infra*), or that Petitioners' request be denied.

I. Statement of Material Facts

As background omitted from Petitioners' motion, Petitioners have known of

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their dispute with Patent Owner over U.S. Pat. No. 7,151,027 (the '027 Patent) and five others[1] since at least November 6, 2012.[2] Between November 8 and 12, 2013, Petitioners filed six petitions for *inter partes* review of these patents (docketed as IPR2014-00103 to -00108). The Board denied institution of trial on two petitions (IPR2014-00106 and -00107), and, for the remaining four on which trial of at least some claims was instituted, established a common schedule. *See* IPR2014-00103, Paper 10; -00104, Paper 11; -00105, Paper 14; and -00108, Paper 17. In IPR2014-00108 and -00105, Petitioners relied upon the same declarant, Dhaval J. Brahmbhatt, who is scheduled to be deposed next week, on July 2-3, for both proceedings.

As to the '027 Patent, in IPR2014-00108 Petitioners asserted three different grounds under 35 U.S.C. § 103, attempting to invalidate claims 7 and 14. All of these were denied by the Board (*see* Paper 16), but Petitioners never raised the possibility of filing an additional petition or seeking joinder until, literally, the eve of the June 5, 2014 initial conference call with the Board in IPR2014-00108 and the three other co-ordinated trials between the parties. Petitioners did not include any reference to a motion for joinder in their list of proposed motions, and did not mention this new

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[1] These copending disputes involve U.S. Patent Nos. 6,369,416, 6,459,625, 6,731,536, 6,900,124 and 7,018,922.

[2] *See, e.g.*, *Spansion LLC v. Macronix International Co., Ltd.*, No. 3:13-cv-03566 (N.D. Cal.), First Amended Complaint (Paper 11), ¶¶ 23-27.

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petition or any such request in a meet and confer with Patent Owner regarding the parties' proposed motions earlier that same day (June 4). Rather than raising any possibility of joinder and appropriate schedule adjustments at the time of institution, Petitioners chose instead to wait and surprise both the Patent Owner and the Board.

II. Petitioners Fail to Establish that Joinder is Appropriate In Light of the New Unpatentability and Prior Art Arguments Asserted Here

The Petition in the instant proceeding raises numerous substantive issues that are not before the Board in the pending IPR2014-00108 trial. Petitioners (1) assert a new ground of unpatentability using two new references not asserted in the earlier proceeding (obviousness under § 103(a) over Yuzuriha, Tsukamoto, and Lin (MX027II-1003, -1004, and -1007); only Yuzuriha was before the Board in IPR2014-00108), and (2) assert five new prior art references overall (Tsukamoto, Lin, Wolf (MX027II-1008), Bergemont (MX027II-1010), and Rogers (MX027II-1011)), none of which are at issue in the existing proceeding. Petitioners' suggestion that, because *one* of its five newly-asserted prior art references (Tsukamoto) was raised in the co-pending ITC investigation, Patent Owner should be assumed to require no further time to defend itself here in this IPR proceeding (Mot. 5), and under a different claim construction standard, is simply untenable. To begin with, this reference is among 100+ prior art documents identified in the co-pending ITC proceeding. The notion that Patent Owner must stand ready to respond urgently to any belated assertion by Petitioners of any reference identified in parallel litigation is nonsensical. It is also be-

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lied by *Petitioners' own delay* in filing their new petition here based on arguments Petitioners now (erroneously) suggest have already been fully aired in the ITC (Mot. 5). In fact, the combination of references in Petitioners' proposed new ground (Yuzuriha, Tsukamato and Lin) has *not* been specified or argued by Petitioners in the ITC, and *four* of the new references relied upon by Petitioners—either as part of the new 103(a) combination (*i.e.*, Lin) or as purported "knowledge of those skilled in the art" (*i.e.*, Bergemont, Rogers and Wolf)[3]—have never been previously identified by Petitioners, and thus could not have been "ampl[y]" considered (Mot. 5) as Petitioners assert.

And while Petitioners included a 36–page declaration from Mr. Brahmbhatt (MX027II-1002) who also testified in IPR2014-00108, they fail to explain how a "single" deposition of this declarant (Mot. 4) could be accomplished, given that he is currently scheduled to be deposed *next week* in one location for both IPR2014-00108 and -00105, whose schedule the Board has synchronized with IPR2014-00108. This may

[3] Petitioners' suggestion that these three other new references add no burden because "to the extent that additional references have been cited in the Second Petition, they are provided to show the knowledge of those skilled in the art" (Mot. 5) is, of course, specious—Petitioners deemed it necessary to rely upon them, and Patent Owner must now assess them like any other reference asserted against the challenged claims. *See, e.g.*, Pet. at 5 (discussing Bergemont), 19 (citing Rogers), 23 (quoting Wolf); MX027II-1002 at ¶ 37 (discussing Bergemont), ¶ 56 (citing Wolf), ¶ 60 (citing Rogers).

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