

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY, LTD.
and GLOBALFOUNDRIES U.S. INC.,
Petitioners,

v.

GODO KAISHA IP BRIDGE 1,
Patent Owner.

Case IPR2016-01246¹
Patent 7,126,174 B2

Before JUSTIN T. ARBES, MICHAEL J. FITZPATRICK, and
JENNIFER MEYER CHAGNON, *Administrative Patent Judges*.

ARBES, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

¹ Case IPR2016-01247 has been consolidated with this proceeding.
GlobalFoundries U.S. Inc.'s motions for joinder in Cases IPR2017-00925
and IPR2017-00926 were granted.

A conference call in the above proceeding was held on June 20, 2017, among respective counsel for Petitioner Taiwan Semiconductor Manufacturing Company, Ltd. and Patent Owner Godo Kaisha IP Bridge 1, and Judges Arbes, Fitzpatrick, and Chagnon. The purpose of the call was to discuss Patent Owner's request for authorization to file a motion to strike Petitioner's Reply (Paper 21) and exhibits filed with the Reply, including the reply declaration of Sanjay Kumar Banerjee, Ph.D. (Exhibit 1057). A court reporter was present on the call, and Patent Owner filed a transcript of the call as Exhibit 2057.

During the call, Patent Owner argued that Petitioner's Reply and its citations to newly-filed exhibits constitute improper new argument. *See* 37 C.F.R. § 42.23(b) ("A reply may only respond to arguments raised in the corresponding . . . patent owner response."); Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,763–48,767 (Aug. 14, 2012) ("The petition lays out the petitioner's grounds for review and supporting evidence, on a claim-by-claim basis, for instituting the requested proceeding. . . . While replies can help crystalize issues for decision, a reply that . . . belatedly presents evidence will not be considered and may be returned. . . . Examples of indications that a new issue has been raised in a reply include new evidence necessary to make out a *prima facie* case for the patentability or unpatentability of an original or proposed substitute claim, and new evidence that could have been presented in a prior filing."). Patent Owner argued that Petitioner changed "[t]he entire thrust of [its] argument" by arguing in its Petitions that the challenged claims were unpatentable based on a combination of two references, then proposing in its Reply that the second reference be modified based on a third reference before combining with the

first reference and explaining for the first time exactly how the cited references are to be combined. *See* Ex. 2057, 8:14–11:18 (characterizing Petitioner’s arguments as “A in view of B” versus “either A in view of B as modified by C, or just simply A in view of C”). Petitioner argued that its Reply arguments are proper because they respond to Patent Owner’s arguments regarding the combinability of the various references. *See id.* at 19:12–21:6. We took the matter under advisement.

After further consideration and review of the parties’ papers, we are not persuaded that a motion to strike the Reply and exhibits would be appropriate under the circumstances. A motion to strike is not, ordinarily, a proper mechanism for raising the issue of whether a reply or reply evidence is beyond the proper scope permitted under the rules. In the absence of special circumstance, we determine whether a reply and supporting evidence contain material exceeding the proper scope when we review all of the pertinent papers and prepare the final written decision. We may exclude all or portions of Petitioner’s Reply and newly submitted evidence, or decline to consider any improper argument and related evidence, at that time. We are not persuaded that the propriety of the Reply arguments and exhibits should be resolved prior to the final written decision and/or via formal briefing of a motion to strike, opposition, and reply. Should either party request a hearing (by DUE DATE 4 in the Scheduling Order (Paper 9)), however, the parties may address the issue further during oral argument.

Finally, we note that Patent Owner inquired during the call as to whether it would be permitted to file a sur-reply. Petitioner stated that it would not oppose such a request. As the parties had not discussed the issue prior to the call, we deferred the matter until after deciding whether to grant

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Patent Owner's request for authorization to file a motion to strike. To the extent any further relief is requested, the parties may request another conference call. The parties should confer with each other regarding the details of the requested relief (e.g., page limit, timing, and scope of a sur-reply) prior to doing so.

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner is not authorized to file a motion to strike Petitioner's Reply and exhibits filed with the Reply.

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