

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.
Petitioner,

v.

MAXELL, LTD.,
Patent Owner

Case: IPR2020-00597

U.S. Patent No. 8,339,493

PATENT OWNER'S AUTHORIZED PRELIMINARY SUR-REPLY

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
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PATENT OWNER'S UPDATED EXHIBIT LIST

Description	Exhibit #
5/31/19 Scheduling Order from District Court Action	2001
Apple's Invalidity Contentions from District Court Action	2002
Apple's Supplemental Invalidity Contentions from District Court Action	2003
Apple's Motion for Leave to Supplement	2004
Maxell's Opposition to Motion for Leave to Supplement	2005
Court Order on Motion for Leave to Supplement	2006
Apple's Final Election of Prior Art	2007
Excerpts from Bovik Report	2008
Sony Chart from Apple's Invalidity Contentions	2009
Casio Chart from Apple's Invalidity Contentions	2010
1/8/20 Minute Order	2011
8/28/19 Minute Order	2012
9/18/19 Minute Order	2013
<i>Markman</i> Decision from District Court Action	2014
4/20/20 Scheduling Order from District Court Action	2015
Declaration of Tiffany A. Miller	2016
Notices of Compliance	2017
COVID Standing Order	2018
Docket from District Court Action	2019
Decision denying Apple's Motion to Stay	2020
'236 IPR Preliminary Response	2021
'236 IPR Institution Decision	2022
'904 IPR Preliminary Response	2023
10/9/18 Letter from Maxell to Apple	2024
U.S. Patent No. 5,828,406 to Parulski	2025
Mansoorian Declaration from '236 IPR	2026
5/17/18 Letter from Maxell to Apple	2027
Casio Subpoena	2028

Casio Objections and Response to Subpoena	2029
Casio Fiscal Year Schedule	2030
Optis v. Apple Order on Motion to Continue Trial	2031
Docket from District Court Action as of July 30, 2020	2032

I. INTRODUCTION

Every *Fintiv* factor favors denial of Apple’s Petition. Apple waited 364 days after being served with the complaint in the District Court Action to file its petition. Trial is set to begin October 26, 2020. Ex. 2001. A FWD is expected September 25, 2021—eleven months after trial. These were the facts when Apple filed its Petition; these are the facts now. Apple’s speculation on whether a trial date may be continued does not change these facts, nor should it persuade the Board to ignore sound precedent. *See Apple v. Maxell*, IPR2020-00203, Paper 12 at 9 (PTAB July 6, 2020) (“the ’203 IPR”).

But Apple’s late filing and the approaching trial date are not the only reasons Apple’s petition should be denied under *Fintiv*. There is no material difference between the facts presented in this case and those presented in the related IPR2020-00203 matter, where the Board denied institution based on §314. For example, the facts related to Factors 1-3, 5 and 6 are identical. Regarding Factor 4, the issues addressed here, like in IPR2020-00203, substantially overlap with those in the District Court and thus favor denial. The *NHK* and *Fintiv* line of cases recognize discretionary denial is appropriate for precisely the situation present here, where one of the largest companies in the world uses the IPR process, not as a less-expensive alternative to litigation, but as an overall gambit to litigate without

end. Apple purposefully chose to delay filing its Petition, and elected to litigate in the District Court rather than focus on preparation of its Petition. *See* Paper 6 at 15-19. These facts remain unrebutted.

II. THE *FINTIV* FACTORS OVERWHELMINGLY FAVOR DENIAL

Here, the *Fintiv* factors overwhelmingly favor denial of institution. In this regard, there is no material difference between the facts presented here and those presented in the '203 IPR where the Board denied institution.

A. Factors 1-3 Favor Denial

As the Board found in the '203 IPR, the first three *Fintiv* factors in this case are interrelated based on the factual circumstances of the underlying litigation. '203 IPR, Paper 12 at 9. With respect to Factor 1, the Court denied Apple's motion to stay. *Id.* at 10-11. Though the Court denied the motion without prejudice, it presaged that "[t]he late stage of the proceedings will certainly weigh against granting a stay." Ex. 2020 at 6. Apple has not renewed its motion to stay even in light of institution of certain IPR proceedings between the parties. This *Fintiv* factor favors denial or at least is neutral.

With respect to Factor 2, the Board found this factor favored denial where trial would be completed eight months before a FWD. '203 IPR, Paper 12 at 10. In this proceeding, trial will be completed *eleven* months before a FWD. Apple does

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