

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

OCEAN SEMICONDUCTOR LLC,

Plaintiff,

v.

SILICON LABORATORIES INC.

Defendant.

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CIVIL ACTION NO. 6:20-cv-1214

**DEFENDANT SILICON LABORATORIES INC.' S REPLY IN SUPPORT OF ITS
MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM**

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Ocean Semiconductor LLC’s (“Ocean”) Response (Dkt. 16, “Response”) to Silicon Laboratories Inc.’s (“Silicon Labs”) Motion to Dismiss (Dkt. 14, “Motion”) repeats the errors of its Complaint, advocates a pleading standard that falls short of what *Iqbol* and *Twombly* mandate, misleadingly quotes authority, and ignores Federal Circuit precedent on the proper assertion of infringement under 35 U.S.C. § 271(g).

Drawing on inapplicable case law, Ocean ignores the absence of key details required to properly plead infringement under Section 271(g). Compounding this, Ocean overstates the factual allegations actually in its Complaint. Pleading *possible* infringement is not sufficient; Ocean must state a case that is *plausible*. Yet, Ocean still provides no plausible support for its Complaint’s overreach—*i.e.*, Ocean’s contention that *every single one* of the vast assortment of Silicon Labs’ products is manufactured (by third parties) using the methods of the Asserted Claims.

Ocean’s Response repeatedly touts the length of its Complaint and the inclusion of claim charts directed to third party equipment—equipment that is *never linked* to the Accused Products. But, Ocean’s repetitious pleadings cannot compensate in volume for lack of substance. The Complaint should be dismissed in its entirety, or at least as to fab companies and tools not particularly identified.

Further, by alleging Section 271(g) infringement claims that are not cognizable, Ocean invites error and an unnecessary waste of this Court’s and Silicon Labs’ time and resources. Federal Circuit precedent restricts the scope of claims assertable under Section 271(g) to methods that create or give new properties to an accused product, not claims that merely generate information, as Ocean asserts here.

For these, and other reasons detailed below and in Silicon Labs’ Motion, respectfully, Ocean’s Complaint should be dismissed.

A. Ocean’s Complaint Should be Dismissed as Not Plausibly Pled

1. *Ocean stretches inconsistent legal conclusions that, at most, demonstrate infringement is possible, not plausible*

Ocean’s Response doubles down on the very same logical leaps of its Complaint—leaps that fail for the reasons detailed in Silicon Labs’ Motion. Motion at 4-5, 7-9. Ocean’s Response highlights websites cited in its Complaint, the contents of which indicate that (a) certain TSMC facilities may have the enumerated tools at its disposal, and (b) TSMC manufactures certain products for Silicon Labs. *Id.* at 7. But, none of Ocean’s evidence supplies the missing link of *any* tool used to manufacture a Silicon Labs product—much less *all* such products.

For example, Ocean’s Response attaches “Process Change Notice #1011021,” a webpage identified in the Complaint. Dkt. 16-2. That website indicates TSMC’s “Fab 10” site—in addition to its “Fab 3” site—is approved to manufacture Silicon Labs’ MCU products. *Id.* at 1, 2. But, the document never indicates the tools at either location used to manufacture such products.

Indeed, Process Change Notice #1011021 underscores Ocean’s pleading deficiency. This Notice indicates Silicon Labs’ MCU products are manufactured in TSMC Fabs 3 and 10, but Ocean’s purported support regarding TSMC’s use of the PDF Solutions tool states the tool “will be deployed in TSMC’s 300-mm Fab 12.” Ex. 1.¹ There is nothing plausible about a pleading that contends Silicon Labs’ products manufactured at TSMC Fabs 3 and 10 use a tool expressly deployed at Fab 12.²

At root, as to TSMC, Ocean’s Complaint indicates at most a *possibility* of infringement—namely that TSMC allegedly has access to certain tools, and TSMC manufactures products for

¹ Citations to Exhibits in this brief refer to Exhibits to the co-filed Declaration of Eric Green.

² Websites cited in the Complaint indicate TSMC has numerous facilities with differing capabilities and tools, underscoring the implausibility of Ocean’s allegation that all Silicon Labs products are manufactured using the tools identified in the Complaint. *See* Ex. 1 (Fab 12); Ex. 2 (Fab 6); Ex. 3 (Fabs 12, 14, 15); and Dkt. 16-2 (Fabs 3 and 10).

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