

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

Ocean Semiconductor LLC,

Plaintiff,

v.

STMicroelectronics, Inc.,

Defendant.

Civil Action No.: 6:20-cv-1215-ADA

JURY TRIAL DEMANDED

PATENT CASE

**PLAINTIFF OCEAN SEMICONDUCTOR LLC'S SUR-REPLY
IN SUPPORT OF ITS OPPOSITION TO STMICROELECTRONICS, INC.'S
PARTIAL MOTION TO DISMISS**

DATED: April 9, 2021

/s/ Alex Chan

Timothy Devlin

tdevlin@devlinlawfirm.com

Henrik D. Parker

hparker@devlinlawfirm.com

Alex Chan (State Bar No. 24108051)

achan@devlinlawfirm.com

DEVLIN LAW FIRM LLC

1526 Gilpin Avenue

Wilmington, Delaware 19806

Telephone: (302) 449-9010

Facsimile: (302) 353-4251

Attorneys for Plaintiff,

Ocean Semiconductor LLC

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I. INTRODUCTION

STMicro's Reply continues either to mischaracterize or ignore relevant precedent while attempting to blur the early threshold requirements to survive a motion to dismiss. The cases, from this Court, the Federal Circuit, and the Supreme Court, all support denial of STMicro's Motion to Dismiss.

When properly analyzed both factually and legally, it is clear that the methods of the asserted patents fall squarely within the coverage of § 271(g). Moreover, fact issues relating to their commercial viability would preclude dismissal of the § 271(g) causes of action. Ocean's pleading allegations more than sufficiently present a plausible case of indirect and willful infringement, and fact issues preclude their dismissal as well.

II. ARGUMENT

A. STMicro Mischaracterizes Federal Circuit Authority on Section 271(g)

Contrary to STMicro's characterization (Dkt. 20 at 2), Ocean has not "fashion[ed]" a legal standard to suit its position, nor has Ocean asserted that each of the patents is covered by § 271(g) solely because their claimed processes "relate" to the production of semiconductors. Rather, in accordance with *Bayer* and other precedent, Ocean has looked to the claims and specification of the patents themselves and has identified aspects of each process demonstrating that the claimed processes result in the making of physical products.

That Congress chose not to include "directly" in the statute in the context of a debate over a provision not at issue here is of no moment. What matters is that *there is no requirement that a product be made "directly" from a patented process in order for there to be infringement.* (See Dkt. 19 at 4.) *Bayer* and the other authorities cited in Ocean's Opposition simply confirm and further illustrate this legal tenet. (*Id.* at 4.) Accordingly, while processes that produce information, such as those at issue in *Bayer*, lie beyond the scope of § 271(g), there is no reason

why processes used in the creation of semiconductors should not be protected—and the case law does *not* preclude such protection,.

STMicro’s continued reliance on *Momenta* (Dkt. 20 at 2, 3, 6) is also misplaced. That case involved a testing process that was performed on a sampling of intermediate products that destroyed the products on which the tests were performed. *Momenta Pharms., Inc. v. Teva Pharms. USA Inc.*, 809 F.3d 610, 616-17 (Fed. Cir. 2015). As a result, there could never be any subsequent sale of any product on which the claimed method had been performed—only products on which the claimed method had *not* been performed survived to be later imported and sold.

Here, on the other hand, the patented methods recited in the ’538, ’402, ’305 and ’248 patents are performed *during* manufacturing and *on all wafers*. Moreover, there is no indication that any wafers are destroyed nor that the claimed methods involve testing, much less the testing of a finished product. Certainly, STMicro has pointed to none. This alone distinguishes *Momenta*.

B. The ’538, ’402, ’305, and ’248 Patents Are Directed to the Manufacture of Products and Are Subject to Section 271(g)

1. The ’538 Process Is Used in the Making of Semiconductors

STMicro’s contention that the claims of the ’538 patent “do not create a physical product” is contradicted by the unequivocal statement in the ’538 patent that its fault detection method is “related to processing of a subsequent workpiece” (Dkt 1-8 at 13:38), as well as by numerous other passages cited in Ocean’s Opposition. (*See* Dkt. 19 at 4-5.) These disclosures cannot simply be ignored as STMicro would like this Court to do.

Moreover, STMicro’s recitation of applicable law continues to be incomplete. The full quotation from *Bayer* cited by STMicro (Dkt. 20 at 4) reads: “Thus, the process must be used directly in the manufacture of the product, *and not merely as a predicate process to identify the*

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