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February 28, 2022

VIA ECF FILING

The Honorable Liam O'Grady
United States District Judge
Albert V. Bryan U.S. Courthouse
401 Courthouse Square
Alexandria, VA 22314

Re: *RAI Strategic Holdings, Inc. et al. v. Altria Client Services LLC, et al.*, No. 1:20-cv-393-LO-TCB (E.D. Va.)

Dear Judge O'Grady:

We write on behalf of Plaintiffs Altria Client Services LLC, Philip Morris USA Inc., and Philip Morris Products S.A. ("PMI/Altria") to respectfully request the Court's assistance in resolving a dispute between the parties that the Court anticipated in its February 7, 2022 Order (Dkt. 947).

On February 7, 2022, the Court issued an Order denying PMI/Altria's motion for summary judgment of no invalidity regarding U.S. Patent No. 10,420,374 ("'374 patent"). *Id.* In denying the motion, the Court recognized a dispute between the parties as to whether the inventor of the '374 patent is the same inventor of the Chinese utility patent that Reynolds alleges is prior art. *Id.* at 5, n. 2. This is important because a reference that is not "by another" does not qualify as prior art as a matter of law under pre-AIA 35 U.S.C. § 102(a). As the Court stated in its Order, Reynolds concedes that the sole inventor of the '374 patent is also the same sole inventor of the Chinese utility patent at issue, but contends that PMI/Altria should be barred from relying on that fact because it was allegedly not properly disclosed during discovery. *Id.* Although the Court found it "unnecessary to resolve this dispute in the current Order," the Court stated that "the Parties are encouraged to confer with each other to see what action (if any) would be necessary to resolve this issue." *Id.*

In light of Reynolds' concession that the Chinese utility patent shares the same sole inventor as the '374 patent—and therefore is barred by statute from being considered prior art under § 102(a) as a matter of law—PMI/Altria provided Reynolds with a proposed stipulation that Reynolds will not present the Chinese utility patent at trial as prior art under § 102(a). Ex. A. In response, Reynolds again conceded that it "does not dispute that [the Chinese utility patent] has

the same inventor as the '374 patent," but objected to the stipulation "for the reasons discussed in our summary judgment briefing." Ex. B. As explained in PMI/Altria's summary judgment briefing, Reynolds' assertions, including its assertion of an alleged discovery failure, lacks merit. Dkt. 751 at 12-15.

The parties further met-and-conferred on February 25, 2022. PMI/Altria told Reynolds that they believed the dispute should be resolved prior to trial and that they intended to raise the issue with the Court at the upcoming March 4, 2022 hearing on the parties' *in limine* and *Daubert* motions. Reynolds disagreed that the issue needed to be resolved prior to trial, but stated that they had no objections to PMI/Altria raising the issue at the upcoming hearing. Accordingly, PMI/Altria respectfully requests that the issue be heard on March 4, along with the parties' *in limine* and *Daubert* motions.

Sincerely,

/s/ Maximilian A. Grant

Maximilian A. Grant
of LATHAM & WATKINS LLP