UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA ALEXANDRIA DIVISION

RAI STRATEGIC HOLDINGS, INC. AND R.J. REYNOLDS VAPOR COMPANY,

Plaintiffs and Counterclaim Defendants,

Case No. 1:20-cv-00393-LO-TCB

v.

ALTRIA CLIENT SERVICES LLC; PHILIP MORRIS USA INC.; and PHILIP MORRIS PRODUCTS S.A.,

Defendants and Counterclaim Plaintiffs.

COUNTERCLAIM PLAINTIFFS' REPLY IN SUPPORT OF THEIR MOTION TO FURTHER AMEND THEIR IDENTIFICATION OF CLAIMS FOR TRIAL



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I. INTRODUCTION

Reynolds' opposition needlessly complicates that PMP/Altria should be allowed to include claim 13 of the '911 Patent for trial while voluntarily withdrawing claim 4 of the '374 Patent. There will be no increase in the number of asserted claims. There is no prejudice or surprise. Claim 13 has been at issue for nearly two years. PMP/Altria inadvertently omitted claim 13 from the list of asserted claims for just twelve days before notifying Reynolds five weeks before trial is set to begin. See Dkts. 1197, 1213-2. Moreover, claim 13 presents unique infringement issues because it is directed to a particular type of cavity shape ("toroidal"). And Reynolds will have the opportunity to identify a reasonable number of prior art references and combinations for claim 13. See Dkt. 1157. Reynolds can even choose from the prior art references and combinations that it purportedly decided to "forego." Dkt. 1228 ("Opp.") at 3. The Court should grant PMP/Altria's Motion.

II. ARGUMENT

Reynolds' unsubstantiated and overwrought assertions of surprise and prejudice fail for four reasons.

First, Reynolds argues that PMP/Altria's request would "*expand* its infringement case." Opp. at 2 (emphasis original). That is incorrect. PMP/Altria will voluntarily withdraw claim 4 of the '374 Patent. The total number of asserted claims is unchanged; it will not increase. There is no "expansion" of the case for trial.

Second, Reynolds argues there is no good cause for adding claim 13. That is incorrect. As Reynolds' cited case confirms, good cause exists when the claim at issue "presents a unique issue with respect to liability or damages." Certusview Techs., LLC v. S & N Locating Servs., LLC, No. 2:13-cv-346, 2014 WL 4930803, at *5 (E.D. Va. Oct. 1, 2014) (emphasis in original). Then "a district court must provide the plaintiff with the opportunity to assert [that] additional, unselected



claim[]." *Id.* at *4. Claim 13 relates to a part of the e-cigarette device that has a "toroidal shape." Reynolds admits that this limitation is "not found in any of the other '911 claims identified" by PMP/Altria. Opp. at 2. The addition of claim 13 implicates "unique issues of infringement . . . for trial." *Id.* There is good cause—especially given that claim 13 has been at issue for nearly two years, was inadvertently omitted for just twelve days, and corrected five weeks before trial. *See* Dkt. 1213-2.

Third, Reynolds argues it supposedly "opted to forego two primary references (Yang and Choi), along with all the prior art combinations based on those primary references" as to the other asserted claims of the '911 Patent. Opp. at 3. Initially, this is a red herring: Reynolds was able to choose whatever references and combinations it wanted. In any event, if the Court grants this Motion, Reynolds will have an opportunity to make a "reasonable" selection of references and combinations for claim 13, including Choi and Yang. See Dkt. 1157. That is because Reynolds' expert relies on the exact same five prior art combinations for claim 13 as for claim 11, which is currently asserted. See Dkt. 1222-1. Reynolds can choose a "reasonable" number of prior art combinations from these five options, just like it did for claim 11.

Finally, Reynolds argues that adding claim 13 "will have deprived Reynolds of crucial time—more than five weeks—to prepare its non-infringement and invalidity cases for trial on claim 13." Opp. at 4. That is inaccurate, at best. Claim 13 has always been part of this case. Reynolds took fact and expert discovery on claim 13 for nearly two years, after PMP/Altria filed their counterclaims in June 2020. See Dkts. 39-40. PMP/Altria inadvertently proposed to drop claim 13 on April 20, 2022 in response to the Court's claim reduction order. See Dkts. 1157, 1197. After just 12 days (on May 2, 2022) and a full five weeks before the start of trial, PMP/Altria proposed to correct that inadvertent mistake and swap claim 4 of the '374 Patent for claim 13 of the '911



Patent. See Dkt. 1213-2. Thus, Reynolds has not had just five weeks to prepare its defenses to claim 13—it has had nearly two years, only twelve days during which claim 13 was inadvertently not included. Moreover, Reynolds' expert relies on the *exact same* five prior art combinations for claim 13 as for asserted claim 11, which is currently asserted. See Dkt. 1222-1. There is no prejudice and there is no surprise.

III. CONCLUSION

The Court should grant this Motion to (i) add claim 13 of the '911 Patent, which has been asserted throughout the case, and (ii) in turn voluntarily remove claim 4 of the '374 Patent (ensuring the total number of claims for trial does not increase).

Dated: May 16, 2022 Respectfully submitted,

By: /s/ Maximilian Grant
Maximilian A. Grant (VSB No. 91792)
(max.grant@lw.com)
Lawrence J. Gotts (VSB No. 25337)
lawrence.gotts@lw.com
Matthew J. Moore (pro hac vice)
matthew.moore@lw.com
Jamie Underwood (pro hac vice)
jamie.underwood@lw.com
LATHAM & WATKINS LLP
555 Eleventh Street, N.W., Suite 1000
Washington, DC 20004
Telephone: (202) 637-2200
Facsimile: (202) 637-2201

Clement J. Naples (pro hac vice) clement.naples@lw.com LATHAM & WATKINS LLP 885 Third Avenue New York, NY 10022-4834

Tel: (212) 906-1200; Fax: (212) 751-4864



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