

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTEL CORPORATION,
Petitioner,

v.

VLSI TECHNOLOGY, LLC,
Patent Owner.

Case IPR2019-01196
Patent No. 7,246,027

**PATENT OWNER'S SUR-REPLY IN SUPPORT OF PATENT OWNER'S
PRELIMINARY RESPONSE**

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EXHIBIT LIST

Ex. 2001	Declaration of Professor Engin Ipek in Support of Patent Owner's Preliminary Response
Ex. 2002	Declaration of Dr. Thomas M. Conte in Support of Patent Owner's Opening Claim Construction Brief in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC (D. Del., May 31, 2019), filed as Document No. 229-2, pp. 216-256 on Aug. 19, 2019
Ex. 2003	Declaration of Dr. Thomas M. Conte in Support of Patent Owner's Reply Claim Construction Brief in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC (D. Del., July 19, 2019), filed as Document No. 229-2, pp. 258-294 on Aug. 19, 2019
Ex. 2004	Excerpt of Joint Claim Construction Brief in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC (D. Del., August 19, 2019), filed as Document No. 228
Ex. 2005	Complaint in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC (D. Del., June 28, 2018)
Ex. 2006	Scheduling Order in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC (D. Del., November 1, 2018), filed as Document 40
Ex. 2007	Petitioner Intel Corporation's Amended Identification of Prior Art Combinations in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC, served on June 24, 2019
Ex. 2008	Excerpt of Merriam-Webster's Collegiate Dictionary, 10 th Ed. (1999), p. 997
Ex. 2009	Excerpt of Cambridge International Dictionary of English by Cambridge University Press (1996), p. 1211

Ex. 2010	Excerpt of Cassell's English Dictionary by Cassell & Co. (1998), pp. 1063-64.
Ex. 2011	Excerpt of The New Oxford American Dictionary by Oxford University Press (2001), p. 1451
Ex. 2012	Excerpt of Operation and Modeling of The MOS Transistor by Yannis Tsividis by WCB/McGraw-Hill, 2 nd Ed. (1999)
Ex. 2013	Excerpt of Markman hearing transcript dated November 5, 2019 in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC
Ex. 2014	Oral order dated November 5, 2019 concerning Markman hearing in <i>VLSI Technology LLC v. Intel Corp.</i> , No. 1:18-cv-00966-CFC

In its request for a reply, Petitioner never informed the Board that it foresaw that 35 U.S.C § 314(a) would be an issue but chose not to present any relevant facts or distinguish any precedential case law. Pet. 3. Having gained an unfair advantage by withholding this information until the reply, Petitioner now resorts to further sleight-of-hand in its reply. For example, Petitioner attempts to excuse its late filing by implying that the filing depended on how Patent Owner narrowed its asserted claims in the district court. Yet, the Petition challenged all originally asserted claims, underscoring the fact that Petitioner could have filed the same arguments earlier. As the Board has noted, "an objective of the AIA [is] to provide an effective and efficient *alternative* to district court litigation." *NHK Spring*, IPR2018-00752, Paper 8 at 20. Having delayed the filing until the last minute and thus allowing the district court trial to conclude before the FWD, Petitioner has elected to have the district court address the validity issue.

I. The Petition Should Be Denied Under Precedent

The updated trial practice guide ("TPG"), first issued in August 2018 and reaffirmed in July 2019, provides that "events in other proceedings related to the same patent, either at the Office, in district courts, or the ITC" could []"favor denying a petition even though some claims meet the threshold standards for institution under 35 U.S.C. §[] 314(a)" 2018 TPG at 10-11; 2019 TPG at 25-

26. Both versions cite the 2017 *NetApp, Inc. v. Realtime Data LLC* to explain that the Board may deny institution under §314(a) "where, due to petitioner's delay, the Board likely would not have been able to rule on patentability until after the district court trial date." *Id.* The TPG advises the parties to "address in their submissions whether any other such reasons exist in their case that . . . may bear on the Board's discretionary decision to institute or not institute, and whether and how such factors should be considered" *Id.*

Petitioner was plainly aware of the need to address these factors, including the alleged "uncertainty whether a trial in the district court would conclude before or after the trial of this Petition." Pet. 3. Petitioner, however, does not even attempt to explain why it contends the district court trial will not conclude before the trial of this proceeding given the scheduling order.¹ Pet. 3; Reply at 2; Ex. 1020 at 1, 9. The Reply also makes clear that Petitioner understood that it needed to address the overlap between the prior art in the district court and those in the Petition but elected not to do so in the Petition. Pet. 3 (Petitioner arguing that because it may have "a limited amount of time during [district court] trial to mount an invalidity defense," it decided to file the IPRs). Petitioner bears the burden to

¹If Petitioner contends that it did address the issue in the Petition, then it should not have asked to take a second stab at the same issue.

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