

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,
Petitioner

v.

NETLIST, INC.,
Patent Owner

Case IPR2026-00017
U.S. Patent No. 9,824,035

**PATENT OWNER NETLIST, INC.’S BRIEF ON
DISCRETIONARY DENIAL**

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Patent Trial and Appeal Board
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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Joint Development and License Agreement, November 12, 2015
2002	Stock Purchase Warrant, November 18, 2015
2003	Senior Secured Convertible Promissory Note, November 18, 2015
2004	Security Agreement by and between Netlist, Inc. and SVIC No. 28 New Technology Business Investment L.L.P., November 18, 2025
2005	Samsung Venture Investment Corporation website, available at https://www.samsungventure.co.kr/english/jsp/company/company.jsp (last accessed October 12, 2025)
2006	Recorded Assignment and IP Security Agreement, Reel No. 037150, Frame No. 0897, November 20, 2015
2007	Release of Assignment, Reel No. 065629, Frame No. 0330, November 20, 2023
2008	Redacted First Amended Complaint for Breach of Contract and Declaratory Relief, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 8:20-cv-00993-JAK (C.D. Cal.), August 31, 2020
2009	Judgment, <i>Netlist Inc. v. Samsung Electronics Co., Ltd.</i> , Case No. 8:20-cv-00993-JAK (C.D. Cal.), April 7, 2025
2010	Median time to trial statistics for the International Trade Commission, Docket Navigator report generated October 6, 2025
2011-2013	<i>Intentionally Left Blank</i>
2014	Verdict Form, <i>Netlist, Inc. v. Samsung Electronics Co. et al.</i> , Case No. 2:21-cv-00463-JRG (E.D. Tex.), April 21, 2023
2015	Complaint, <i>In the Matter of Certain Dynamic Random Access Memory (DRAM) Devices, Products Containing the Same, and Components Thereof</i> , Investigation No. 337-TA-3854 (I.T.C.), September 29, 2025

Exhibit No.	Description
2016	<i>Intentionally Left Blank</i>
2017	Verdict Form, <i>Netlist, Inc. v. Samsung Electronics Co. et al.</i> , Case No. 2:22-cv-00293-JRG (E.D. Tex.), November 22, 2024
2018	List of Patent Trial and Appeal Board proceedings filed by Samsung Electronics Co., Ltd. against Netlist, Inc.’s Patents, Docket Navigator, generated November 10, 2025
2019	Notice of Proposed Rulemaking, 90 Fed. Reg. 48,335 (Oct. 17, 2025)
2020	Excerpts from PTAB 2025 Intelligence Report, Patexia, Inc.
2021	Ramkumar, A., “Trump Takes Aim at Chip Makers With New Plan to Throttle Imports,” <i>The Wall Street Journal</i> , September 26, 2025, accessible at https://www.wsj.com/economy/trade/trump-chip-tariffs-exemptions-90fa2ab3 (last accessed September 26, 2025)
2022	<i>Intentionally Left Blank</i>
2023	“Netlist and SK hynix Enter into Strategic Agreements for Patents, Technology and Product Supply,” Netlist Press Release, April 5, 2021
2024	“Precedential designation of <i>Corning Optical Communications RF, LLC v. PPC Broadband Inc.</i> , IPR2024-00440, Paper 68 (PTAB Aug. 18, 2015) (except for § II.E.1),” Memorandum from Under Secretary of Commerce for Intellectual Property and Acting Director of the United States Patent Trademark Office John A. Squires, October 28, 2025
2025-2026	<i>Intentionally Left Blank</i>
2027	Plaintiff’s Corporate Disclosure Statement, <i>Samsung Electronics Co., Ltd. et al. v. Netlist, Inc.</i> , Case No. 1:25-cv-00626-JLH (D. Del.), May 20, 2025

Exhibit No.	Description
2028	List of Patent Trial and Appeal Board proceedings listing Samsung Electronics America, Inc. as Petitioner, Docket Navigator, generated December 3, 2025
2029-2039	<i>Intentionally Left Blank</i>
2040	Judgment under Federal Circuit Rule 36, <i>Samsung Elecs. Co., Ltd. v. Netlist, Inc.</i> , Appeal No. 23-2133 (Fed. Cir.), March 5, 2025
2041	Judgment under Federal Circuit Rule 36, <i>Samsung Elecs. Co., Ltd. v. Netlist, Inc.</i> , Appeal No. 25-1378 (Fed. Cir.), December 9, 2025
2042-2043	<i>Intentionally Left Blank</i>
2044	Complaint, <i>Samsung Elecs. Co., Ltd. et al. v. Netlist, Inc.</i> , Case No. 1:25-cv-01371-JLH (D. Del.), November 11, 2025
2045-2048	<i>Intentionally Left Blank</i>
2049	Final Written Decision, <i>Micron Technology, Inc. v. Netlist, Inc.</i> , IPR2022-00236 (P.T.A.B. June 20, 2023)
2050	Decision Granting Petitioner’s Request on Rehearing of Final Written Decision, <i>Micron Technology, Inc. v. Netlist, Inc.</i> , IPR2022-00236 (P.T.A.B. Aug. 16, 2023)
2051	Record of Oral Hearing, <i>Samsung Elecs. Co., Ltd.</i> , IPR2023-00847 (P.T.A.B. Nov. 21, 2024)
2052	Appellant’s Principal Brief, <i>Samsung Elecs. Co., Ltd. v. Netlist, Inc.</i> , Appeal No. 25-1378 (Fed. Cir.), April 18, 2025
2053	Order Initiating <i>Sua Sponte</i> Director Review and Staying Proceeding, IPR2025-00145 (P.T.A.B. Dec. 22, 2025)
2054	Notice of Institution of Investigation, Inv. No. 337-TA-1472 (I.T.C. Dec. 29, 2025)

I. INTRODUCTION

Discretionary considerations overwhelmingly favor denial of this IPR petition for the following reasons:

1. Netlist has strong settled expectations in the '035 patent. *First*, the patent issued in November 2017, has been in force for more than eight years, and was licensed to SK hynix in 2021. *Second*, Netlist and Samsung executed an agreement in November 2015 that granted Samsung a license to and a security interest in Netlist's portfolio (including the '035 patent), as well as an ownership stake in Netlist itself. The agreement required Netlist to maintain and defend the validity of its patents. After Samsung breached their agreement, Samsung has repeatedly used the PTAB to attack the very patents it once (i) licensed, (ii) accepted as collateral for a loan (thus implicitly recognizing the patents as valid), and (iii) required Netlist to maintain for its benefit. The parties' prior technology partnership enhances Netlist's settled expectations in the '035 patent. *Third*, the '035 patent was the subject of a prior FWD in which the PTAB upheld the validity of certain claims that Samsung now challenges using the same art and arguments.

2. Samsung has no settled expectations with respect to the '035 patent. Rather, it was on notice that it infringes claims having similar scope.

3. Netlist asserted the '035 patent against Samsung at the ITC. Because the ITC matter involves other DRAM memory patents that Samsung cannot

challenge at the PTAB, the ITC is a better forum to resolve the parties' dispute.

4. The ITC is projected to conduct its hearing (trial) and reach an initial determination before the Board's projected deadline for issuing a FWD. Samsung has *not* stipulated not to pursue duplicative obviousness arguments before the ITC and in this IPR. Litigating the same issues in both fora would waste resources and risk inconsistent results.

5. Samsung violated the rules governing IPRs by failing to name in the Petition Samsung Electronics America, Inc., as a real party in interest ("RPI").

6. Denying institution would further the Administration's goal of promoting a strong domestic chip manufacturing industry.

II. BACKGROUND

A. Netlist and Samsung were technology partners under a 2015 Joint Development and License Agreement ("JDLA").

Netlist is a small company based in Irvine, California that has made a name for itself as a market disrupter with its cutting-edge computer memory solutions. Over the past 25 years, Netlist has developed and sold high-performance memory products to some of the world's largest computing companies. A key component of Netlist's success has been its significant investment in R&D and patent protection.

On November 12, 2015, Netlist and Samsung entered into a JDLA under which Netlist granted Samsung a license to its intellectual property, including patents, continuations, and pending patent applications. EX2001, 1-2, 8. All agree

the license included the '035 patent. EX2044, 2 ¶2. The JDLA enabled Samsung to use Netlist's technology to develop DRAM memory products that are critical to current high-performance computing and AI applications, such as double data rate, 5th generation (DDR5) memory and high bandwidth memory (HBM). EX2015, 7.

As the JDLA indicates, Netlist and Samsung concurrently entered into an agreement for convertible note financing ("Purchase Agreement"), EX2001, 1, which was executed by Samsung's "venture investment arm": Samsung Venture Investment Corporation (SVIC). EX2005. The Purchase Agreement included sub-agreements, including: (1) a Stock Purchase Warrant ("Stock Warrant"); (2) a Senior Secured Convertible Promissory Note ("Promissory Note"); (3) a Security Agreement; and (4) an "Intellectual Property Security Agreement." EX2002; EX2003; EX2004; EX2006, 5-16.

Under the Stock Warrant, Samsung purchased 2 million shares of Netlist at 30 cents per share, representing a 3.25% ownership interest of the 61.5 million shares issued at the time of the agreement. EX2002. The Promissory Note further provided Samsung an additional option to convert a \$15 million collateralized loan to shares of Netlist's Common Stock— translating to 12 million shares, which represented an approximate 19.5% ownership interest in Netlist. EX2003, 2. Thus, Samsung had the ability to acquire a significant equity stake in Netlist.

Under the Intellectual Property Security Agreement, Netlist also granted

Samsung a security interest in Netlist's patent assets. EX2006, 5. Thus, Samsung recognized the importance and value of Netlist's patents (and relied on their validity) by requiring them as loan collateral. EX2004. The agreement required that Netlist "[p]rotect, defend, and maintain the validity and enforceability" of the assets (including the '035 patent). EX2004, 8.

In short, via the November 2015 technology partnership, Samsung acquired a license to and a security interest in Netlist's IP portfolio (including the '035 patent that it now challenges), as well as an ownership interest in Netlist itself.

B. Samsung breached the JDLA.

Under the JDLA, Samsung was obligated to supply Netlist certain memory products at competitive prices. However, in 2018, Samsung began to deliberately restrict Netlist's access to products and repeatedly failed to fulfill Netlist's orders, forcing Netlist to forgo business opportunities. EX2008, 4. Accordingly, Netlist terminated the JDLA on July 15, 2020, and filed suit in the Central District of California ("CDCA"). EX2008; EX2015, 7. Samsung did not record its release of the security interest to Netlist's patent assets until October 27, 2023. EX2007.

Following trial in the CDCA, a jury agreed with Netlist that Samsung breached the JDLA and that Netlist's termination was valid. On April 7, 2025, the district court entered judgement against Samsung pursuant to the jury verdict. EX2009. That decision is on appeal to the Ninth Circuit (case number 25-5531).

The district court ruling is res judicata unless and until overturned on appeal.

C. Juries have found Samsung liable for willful infringement of Netlist patents and awarded Netlist hundreds of millions of dollars in damages.

Netlist has secured multiple jury verdicts confirming the commercial success of its inventions, including two against Samsung. In 2023, a jury in the Eastern District of Texas (EDTX) found that Samsung willfully infringed five Netlist patents and that the patents were not invalid and awarded Netlist \$303.15 million in damages. EX2014. In 2024, a jury found that Samsung willfully infringed three Netlist patents and that the patents were not invalid and awarded Netlist \$118 million in damages. EX2017. Yet Samsung has continued its infringing conduct, enabled by the ability to repeatedly challenge Netlist’s patents—patents it once licensed and required Netlist to defend the validity of—before the PTAB.

D. Samsung has repeatedly attacked the validity of Netlist patents it once licensed in IPR proceedings.

In the past five years, 21 of Netlist’s patents have been attacked at the Patent Office, with 15 of those patents subject to multiple attacks. Samsung has filed 19 IPRs and two PGRs against Netlist patents, many of which Samsung previously licensed and had a security interest in. EX2018. This Petition continues a pattern of serial IPR filings by Samsung. Indeed, Samsung is, by far, the most frequent petitioner in IPR proceedings, having filed over 600 IPR petitions in the last five years. EX2020, 48; *see* EX2019, 48,337 (“By far, the most frequent users of IPR

proceedings are large technology companies.”).

E. Netlist continues to try to prevent Samsung’s ongoing infringement.

In September 2025, Netlist filed an ITC complaint against Samsung and certain of its customers asserting six patents, including the ’035 patent. EX2015. Of the six asserted patents, the PTAB has confirmed the validity of three of the patents (including the ’035 patent); Samsung was the petitioner in two of those proceedings. EX2015, 5-6. *Samsung Elecs. Co. v. Netlist, Inc.*, IPR2022-00063, Paper 53 at 58 (PTAB May 3, 2023) (confirming the validity of all claims of the ’523 patent), *aff’d*, No. 23-2133, Dkt. No. 44 (Fed. Cir. Mar. 5, 2025); *Samsung Elecs. Co. v. Netlist, Inc.*, IPR2023-00847, Paper 42 at 73 (PTAB Dec. 10, 2024) (confirming the validity of claims 1–5 of the ’608 patent), *aff’d*, No. 25-1378 (Fed. Cir. Dec. 9, 2025). The ITC investigation was instituted December 29, 2025. EX2054.

F. SK hynix licensed Netlist’s portfolio in 2021.

In 2021, SK hynix licensed Netlist’s patent portfolio (including the ’035 patent), further demonstrating the industry’s desire for access to Netlist’s superior technology. EX2023. SK hynix is a leading provider of next generation DIMMs and HBM. In the first three months of FY2025, SK hynix reported \$9.1 billion in revenue in the United States. EX2015, 28. A significant portion of this revenue is attributable to products that include Netlist’s patented technology. *Id.*

III. MULTIPLE INDEPENDENT REASONS WARRANT DENIAL.

A. Netlist has strong settled expectations in the '035 patent.

1. The patent issued over eight years ago and is licensed.

Patents that have been in force for over six years create strong settled expectations for patent owners. *iRhythm Tech., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 (PTAB June 6, 2025); *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 (PTAB June 18, 2025); *Samsung Elecs. Co., Ltd. v. Headwater Rsch. LLC*, IPR2025-00932, Paper 8 (PTAB Sept. 26, 2025). Evidence of licensing may further strengthen those settled expectations. *Alliance Laundry Sys., LLC v. PayRange LLC*, IPR2025-00950, Paper 11 at 3 (PTAB Sept. 19, 2025) (evidence that challenged patent is licensed creates settled expectations).

The '035 patent was filed February 7, 2017, and issued November 21, 2017. It has been in force for over eight years. And third-party SK hynix took a license in 2021. EX2023. These facts establish strong settled expectations for Netlist.

What is more, because of the 2015 JDLA and Samsung's license, Samsung itself had notice of the '035 patent for many years. Despite such notice, Samsung waited to seek review until Netlist asserted its rights against Samsung. Samsung's delay in seeking review is an additional consideration that favors denial of this IPR. *See L'Oreal USA, Inc. v. Brightex-Bio-Photonics, LLC*, IPR2025-00971, Paper 13 at 2 (PTAB Sept. 26, 2025) (evidence that patent owner provided notice of filing of application to petitioner when the parties were "technology partners"

avored discretionary denial); *Aquestive Therapeutics, Inc. v. Iono Pharma, LLC*, IPR2025-00874, Paper 11 (PTAB Oct. 3, 2025) (petitioner’s notice of patent from its attempted purchase in 2022 favored denial).

2. Samsung’s technology partnership with Netlist enhances Netlist’s settled expectations and should foreclose IPR.

Prior technology partnerships, licenses, and ownership interests in a challenged patent enhance a patent owner’s settled expectations and weigh heavily in favor of denying an IPR petition, particularly when the petition is filed by a party who previously had an interest in the patent. *See L’Oreal*, IPR2025-00971, Paper 13 at 2 (that parties were “technology partners” for many years and developed products together favored denial); *Microsoft Corp. v. TS-Optics Corp.*, IPR2025-00767, Paper 13 (PTAB Aug. 14, 2025) (“Absent exceptional circumstances, it is not an efficient use of Board resources where a party licensed the challenged patent, and then, as is the case here, now advocates for the unpatentability of that same patent.”); *RegenX Science, Inc. v. NextGen Biologics, Inc.*, IPR2025-00620, Paper 13 (PTAB July 31, 2025) (same).

Samsung’s prior business relationship with Netlist and its interest in the ’035 patent enhances Netlist’s settled expectations. Again, Samsung and Netlist entered into a JDLA and were “technology partners” for nearly five years. EX2001; EX2008, 1. During this period, Samsung took a license to Netlist’s patents (including the ’035 patent), which, by the terms of their agreement, Netlist was

required to “[p]rotect, defend, and maintain the validity and enforceability” of EX2004, 8. In the event of breach by Netlist, Samsung had the right—without Netlist’s consent—to defend and institute any action with respect to the patent collateral (including the ’035 patent); to grant or issue exclusive or non-exclusive licenses; and to assign or otherwise transfer title in the patent collateral. EX2004, 10. Samsung also acquired a 3.25% stake in Netlist itself, with an option to acquire nearly 20% of Netlist.

Netlist thus granted Samsung important interests in its company and in the ’035 patent—interests that, in turn, gave Samsung strong incentives to have Netlist maintain the validity of the ’035 patent. This IPR should be denied because it is not an appropriate or efficient use of PTAB resources to review a patent challenge brought by a party that previously had acquired rights in the patent through an agreement that it subsequently breached.

3. The PTAB previously reviewed the ’035 patent and issued a final written decision in IPR2022-00236.

The PTAB’s final written decision in IPR2022-00236 (brought by Micron) further enhances Netlist’s settled expectations and should foreclose review here. *See UPI Semiconductor Corp. v. Force MOS Tech. Co. Ltd.*, IPR2025-00920, Paper 12 (PTAB Sept. 12, 2025) (repeated prior challenges weigh against institution); *Intel Corp. v. Advanced Cluster Sys., Inc.*, IPR2025-00794, Paper 13 at 2-3 (PTAB Aug. 14, 2025) (same); EX2019, 48,338. In the Micron IPR, the PTAB evaluated

whether independent claim 1 and dependent claims 2, 6, 10-13, 21, and 22 of the '035 patent were obvious over Osanai and Tokurhiro and upheld the validity of claims 2 and 6. EX2049, 7, 63; EX2050, 6. Claims 3-8 depend on claim 2.

Here, Samsung challenges dependent claims 2-9 and 14-20 in three obviousness grounds, each of which relies on the combination of Osanai and Tokuhiro with one or more subsidiary references. Pet., 1. Samsung's challenge to claim 2 is based on the same art and arguments that the PTAB evaluated and upheld in Micron's IPR. Specifically, the Petition relies only on Osanai and Tokuhiro; Butt, Ellsberry, and Kim are mentioned only in passing and not when addressing any element of claim 2. Pet, 60-85. The PTAB has already decided this issue and Netlist relied on that decision in asserting claims 2 and 6 at the ITC. EX2015, 3. There is no reason to disturb the PTAB's prior decision and Netlist's settled expectations.

Had Samsung wanted to challenge the claims of the '035 patent based on the same art and arguments as Micron, Samsung could have sought to join Micron's IPR. Due to Samsung's breach of the JDLA, Netlist terminated Samsung's license to the '035 patent on July 15, 2020. EX2008; EX2015, 7. Micron did not file its IPR until December 2021, and past PTAB leadership liberally allowed party joinder. Samsung thus could have—but chose not to—participate in Micron's IPR.

Compounding the case for denial, Samsung's Petition does not pass muster

under Section 325(d). Both parts of the *Advanced Bionics* framework are met. *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7-8 (PTAB Feb. 13, 2020) (precedential). Under part 1, Samsung presents the same combination of Osanai and Tokuhiro that the PTAB considered in the Micron IPR, with only superficial reference to Butt, Ellsberry, and Kim. *See* Pet., 60-106. And when cited, these references are relied on for the same teachings as—and are thus cumulative with—Osanai and Tokuhiro. *See, e.g.*, Pet., 89 (alleging both Osanai and Ellsberry teach memory devices with a data width of 1 byte); Pet., 98 (alleging both Osanai and Kim teach a metastability detection circuit).

Under *Advanced Bionics* part 2, Samsung has not alleged—and cannot allege—material error by the PTAB in upholding the validity of claims 2 and 6 over Osanai and Tokuhiro. The decision stands as the final determination of the agency and should not be disturbed simply because Samsung disagrees with the outcome.

While the Petition challenges claims that were not at issue in the Micron IPR, Samsung's clear attempt at an end-run around § 325(d) should not be permitted. The challenges to claims 3-8 (depending from claim 2) should be denied because the Board cannot review these claims without also improperly reconsidering claim 2 over the same art/arguments. *See* EX2019, 48,338 (extending proposed rule to limit IPR proceedings where claims found valid in prior proceedings to dependent claims because each dependent claim necessarily also satisfies §§ 102 and

103). And Samsung's challenges to claims 9 and 14-20 should be denied under *Chevron. Chevron Oronite Co. LLC v. Infineum USA L.P.*, IPR2018-00923, Paper 9 (PTAB Nov. 7, 2018) (informative) (denying institution because the petition did not present a sufficient number of grounds/challenges that warranted institution).

B. Samsung has no settled expectations in the '035 patent.

That Netlist asserted the '035 patent against Samsung in the ITC proceeding, but not sooner, does not establish settled expectations for Samsung. Netlist previously asserted U.S. Patent Nos. 10,860,506 and 10,268,608 (both continuations of the '035 patent) against Samsung. Pet., 17-21. And Samsung should have expected Netlist to also assert the '035 patent, especially in view of Samsung's arguments about the '608 patent to the PTAB and the Federal Circuit.

In IPR2023-00847, Samsung challenged the '608 patent (which Samsung was later found to willfully infringe). The FWD in the Micron IPR of the '035 patent issued during Samsung's challenge to the '608 patent. Attempting to seize on that decision, Samsung argued (albeit incorrectly) that the claims of the '608 and '035 patents were so similar that Netlist should be collaterally estopped from defending the '608 claims. EX2051, 17-18 (Samsung's attorney arguing the claims are "materially identical"). Samsung repeated this argument in its appeal of the IPR of the '608 patent to the Federal Circuit, EX2052, 53-61, which it lost, Paper 7.

Samsung's own arguments demonstrate that it knew of the PTAB's decision

upholding certain claims of the '035 patent and that the claims of the '608 and '035 patents have similar (but not the same) scope. There is no reason Samsung should have expected Netlist to permit its ongoing infringement of the '035 patent.

C. The ITC is the best forum to resolve the parties' dispute.

To stop Samsung's rampant, ongoing infringement, Netlist asserted six patents against Samsung at the ITC: 9,824,035; 10,025,731; 10,217,523; 10,268,608; 12,308,087; and 12,373,366. EX2015. The ITC is the best forum for resolving this dispute because Samsung cannot challenge all the asserted patents at the PTAB, and each of Samsung's Petitions against the patents it *can* challenge suffers fatal defects. *See Samsung Elecs. Co. Ltd. v. VB Assets, LLC*, IPR2025-00870, Paper 11 at 3 (PTAB Oct. 10, 2025).

Samsung is estopped under Section 315(e) from challenging the '523 and '608 patents at the PTAB. For each patent, Samsung petitioned for IPR, the PTAB upheld the claims, and the Federal Circuit affirmed. EX2040; EX2041.

Samsung filed a bevy of IPR and PGR petitions against the other four patents: IPR2025-01402 ('087), PGR2025-00071 ('087), IPR2025-01431 ('731), IPR2026-00017 ('035), IPR2026-00018 ('366), and PGR2026-00001 ('366). The PTAB should not consider any of these petitions. The PTAB has already reviewed and upheld the validity of the relevant claims of the '035 patent. Section III.A.3. And all Samsung's petitions suffer the same fatal and incurable defect: they fail to

name all RPIs. *See, e.g.*, Section III.E below; IPR2025-01402, Paper 17 at 2.

Samsung's failure to name all RPIs is fatal to its Petitions against four of the patents. And it cannot challenge the other two at the PTAB. Institution should thus be denied because the PTAB cannot resolve any—much less all—of this dispute. And, as discussed below, the ITC will also be a *faster* forum to determine validity.

D. The *Fintiv* analysis strongly favors discretionary denial.

1. Factor 1 strongly favors denial because the ITC will not grant a stay.

Factor 1 strongly favors denial because the ITC will not defer to the PTAB and is virtually certain not to stay its proceedings pending conclusion of an IPR. *See Milwaukee Elec. Tool Corp. v. Klein Tools, Inc.*, IPR2025-00724, Paper 14 at 2-3 (PTAB Sept. 12, 2025). The ITC has a statutory mandate to complete its investigation “at the earliest practical time” and its standing practice is to deny such requests. *See* 19 U.S.C. § 1337(b)(1); *Certain Automated Storage and Retrieval Systems, Robots, and Components Thereof*, Inv. No. 337-TA-1228, Order No. 6 (ITC Mar. 9, 2021); *see also Klein Tools, Inc. v. Milwaukee Elec. Tool Corp.*, IPR2024-01400, Paper 22 at 2 (Stewart June 9, 2025) (determining on Director Review that “[t]he Board did not give enough weight to the lack of a stay, or the fact that a stay was unlikely, in the parallel [ITC] investigation”). There is no indication that the ITC would depart from its standing practice here. So factor 1 strongly counsels in favor of denial.

2. Factor 2 strongly favors denial because the projected ITC initial determination will occur before the projected FWD and the ITC trial will occur even sooner.

Factor 2 strongly favors denial. The projected statutory deadline for the FWD in this IPR is April 29, 2027. Netlist filed its ITC complaint on September 29, 2025. Although institution at the ITC was delayed due to the shutdown (which Netlist should not be penalized for), institution occurred on December 29, 2025. EX2054. Even if the ITC uses an 18-month schedule (which Samsung has argued for in the related IPRs/PGRs), the ITC initial determination (ID) would likely issue by late February 2027—about two months before any final written decision in this IPR. *See* EX2019, 48,341 (October 17, 2025 proposed rules consider the timing of the ITC’s ID in evaluating whether to institute an IPR); EX2053 (Order initiating Director Review to determine whether IPR should be terminated based on ITC ID).

Even more relevant to this inquiry, the ITC hearing—which is analogous to the district court trial—should occur months before the ID. *Fintiv* instructs that “an earlier ITC *trial* date may favor exercising authority to deny institution ... if the ITC is going to decide the same or substantially similar issues.” *Fintiv*, 8 (emphasis added). And, under the Interim Process, the hearing date alone has been used to evaluate factor two based on a co-pending “ITC trial.” *See Taiwan Semiconductor Mfg. Co. Ltd. v. Marlin Semiconductor Ltd.*, IPR2025-00848, Paper 11 at 2 (PTAB Sept. 3, 2025) (comparing the ITC *hearing* date to the final written decision due

date and determining it is unlikely the FWD would issue “*before the ITC trial occurs.*”) (emphasis added). Institution of an IPR under these circumstances—when the ITC trial is highly likely to occur several *months* before the PTAB issues an FWD—would not be consistent with the AIA’s objective to provide an effective and efficient alternative to litigation. *Accord NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential).

3. Factor 3 favors denial because ITC discovery will begin promptly upon institution.

Factor 3 favors denial. The relevant consideration is the “amount and type of work already completed in the parallel litigation by the court and the parties *at the time of the institution decision.*” *Fintiv*, 9 (emphasis added). The deadline for issuing a Decision on Institution (DI) in this IPR is April 29, 2026. ITC discovery will begin promptly upon ITC institution. *See* 19 C.F.R. §§ 210.29(b)(1), 210.30(b)(1). Given the ITC’s statutory mandate to complete investigations at the earliest practical time—and because the hearing will occur months before the ITC’s projected initial determination date in early 2027—it is highly likely that, by the time a DI issues in this proceeding, the parties will have already invested enormous resources into discovery at the ITC.

4. Factor 4 strongly favors denial because Samsung has not offered a stipulation.

Factor 4 strongly favors denial because Samsung has not submitted *any*

stipulation that it will forgo overlapping validity challenges at the ITC. Therefore, it has done nothing to mitigate concerns of inefficiency or duplication of effort such that “th[is] IPR proceeding[] would be a ‘true alternative’ to” the ITC litigation. *See Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025) (on Director Review vacating panel’s institution decision and denying under *Fintiv*); *see also Phison Elecs. Corp., v. Vervain, LLC*, PGR2025-00010, Paper 14 at 3 (PTAB July 10, 2025) (lack of stipulation tips the balance in favor of discretionary denial).

5. Factors 5 and 6 favor denial because the parties in the IPR overlap with the parties in the ITC litigation and the merits are weak.

Factor 5 favors denial because the parties in the parallel litigation overlap. *See Pet.*, 1. Factor 6 also favors denial because, as will be explained in the POPR, the Petition fails to establish that the challenged claims are invalid over the Grounds asserted therein. Netlist asks the Director to consider the briefing presented in its POPR in addressing Netlist’s arguments for discretionary denial. *See Interim Process*, § II.C.i (patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits).

E. Samsung failed to name Samsung Electronics America, Inc., as a real party in interest (RPI).

Samsung’s Petition suffers a fatal and incurable defect: it fails to name Samsung Electronics America, Inc (“SEA”) as an RPI. This violates its statutory and

regulatory obligations and is an independent reason for denial. 35 U.S.C.

§ 312(a)(2); 37 C.F.R. § 42.8(b)(1); *Corning Optical Commc'ns RF, LLC v. PPC Broadband, Inc.*, IPR2014-00440, Paper 68 (PTAB Aug. 18, 2015) (precedential Oct. 28, 2025, except for § II.E.1).

Netlist's ITC complaint named as defendants Samsung Electronics Co., Ltd ("SEC"); SEA; and Samsung Semiconductor, Inc ("SSI"). EX2015, 1. In *November 2025*, these Samsung entities (SEC, SEA, SSI) filed a complaint in the District of Delaware for declaratory judgment of non-infringement of the '035. EX2044. There is no excuse for its failure to name SEA as an RPI here when it named SEA in its DJ complaint *after* Corning was designated precedential in *October 2025*.

SEA is an RPI: it is a "clear beneficiary" that has a "preexisting, established relationship with" both Petitioner SEC and RPI SSI, and will benefit from this IPR. *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336, 1351 (Fed. Cir. 2018). According to Samsung, "SSI is a wholly-owned subsidiary of SEA, which itself is a wholly-owned subsidiary of SEC." EX2027. Netlist asserts in the ITC that these entities import and sell products and components that infringe the '035 patent. EX2015, 7. As a defendant in the ITC, SEA has an "interest in" and would "benefit[] from" a favorable outcome in this IPR. And, particularly telling, in the Delaware DJ action, the plaintiffs had control over the parties to name and chose to include SEA. In doing so, Samsung represented to the court that "[a]n immediate,

real, and justiciable controversy exists between Samsung [including SEA] and Netlist as to whether Samsung has infringed the '035 patent.” EX2044, 3.

SEC is representing SEA’s interests in this IPR. SEA would plainly benefit from review of the '035 patent. *See RPX Corp. v. Applications in Internet Time, LLC*, IPR2015-01750, Paper 128 at 10-11 (PTAB Oct. 2, 2020) (precedential) (enumerating factors relevant to the inquiry of determining whether a party is a clear beneficiary that has a pre-existing, established relationship with the petitioner). Moreover, Samsung is the leading petitioner in AIA challenges and has named SEA as an RPI on close to 800 petitions. EX2020, 48; EX2028. Samsung knew or should have known it violated the statute and rules by failing to name SEA as an RPI and has no excuse for failing to do so here. Accordingly, the Petition should be denied. *See* EX2024.

F. Institution of this IPR would be contrary to important national security and economic interests.

The current administration has made clear that domestic production of semiconductors is needed for “economic security.” EX2021, 2. The administration is concerned that U.S. technology companies are overly dependent on semiconductor chips made overseas and vulnerable to disruption to its supply chains. *Id.* Netlist (a publicly traded U.S. company) and its licensee SK hynix support these policy goals by their ongoing significant investment in establishing a domestic semiconductor manufacturing industry based on products that incorporate

the '035 patent's claimed technology. EX2015, 26-29. Netlist's ITC complaint seeks to block memory devices that infringe its patents and are manufactured abroad from being imported into this country. Enforcement of Netlist's IP rights will thus encourage domestic manufacturing of semiconductors, such as through the substantial domestic manufacturing by SK hynix. EX2015, 28-29.

Indeed, SK hynix announced in 2024 that it will invest \$3.87 billion in a chip packaging facility in Indiana. EX2015, 28. Given the importance of the '035 patent technology to supporting a domestic semiconductor industry, it would not be an appropriate use of PTAB resources to institute review and undermine the critical efforts of this administration to encourage domestic manufacturing of semiconductors in furtherance of national economic and security interests.

In the related IPRs/PGRs, Samsung advances the baseless accusation that Netlist is not the RPI and is funded by nefarious sources—an accusation that Netlist has thoroughly refuted. *See, e.g.*, IPR2025-01402: Paper 11, 12-13 (Samsung's accusation), Paper 17, 4 (Netlist's reply). Samsung's accusation is nothing more than a transparent attempt at misdirection to cover for its own failure to list all RPIs in its petitions. IPR2025-01402, Paper 17, 1-3.

IV. CONCLUSION

The Director should deny institution because discretionary considerations overwhelmingly weigh against PTAB review.

Respectfully submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **NETLIST, INC.’S BRIEF ON DISCRETIONARY DENIAL** and associated Exhibits 2001-2010, 2014-2015, 2017-2021, 2023-2024, 2027-2028, 2040-2041, 2044, and 2049-2054 were served in their entireties on December 29, 2025, upon the following parties via electronic mail:

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