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 16 AMERICA, LLC, SAMSUNG TECHWIN CO., LTD., and SAMSUNG OPTO-ELECTRONICS
 AMERICA, INC.

17 UNITED STATES DISTRICT COURT
 18 NORTHERN DISTRICT OF CALIFORNIA

19
 20 ADVANCED MICRO DEVICES, INC., et al.,
 21 Plaintiffs and Counterdefendants,
 22 v.
 23 SAMSUNG ELECTRONICS CO., LTD., et al.,
 24 Defendants and Counterclaimants.
 25
 26
 27
 28

Case No. 3:08-CV-0986-SI

**SAMSUNG’S NOTICE OF MOTION
 AND MOTION FOR LEAVE TO
 AMEND ITS PRELIMINARY
 INVALIDITY CONTENTIONS**

DATE: April 3, 2009
 TIME: 9:00 a.m.
 COURTROOM: 10, 19th Floor
 JUDGE: The Honorable Susan Illston

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1 **NOTICE OF MOTION**

2 TO PLAINTIFF AND COUNTERDEFENDANTS ADVANCED MICRO DEVICES, INC.
3 AND ATI TECHNOLOGIES, ULC (COLLECTIVELY “AMD”) AND ITS ATTORNEYS OF
4 RECORD:

5 PLEASE TAKE NOTICE THAT Samsung Electronics Co., Ltd., Samsung Semiconductor,
6 Inc., Samsung Austin Semiconductor, LLC, Samsung Electronics America, Inc., Samsung
7 Telecommunications America, LLC, Samsung Techwin Co., Ltd., and Samsung Opto-Electronics
8 America, Inc. (collectively “Samsung”) hereby move for leave to amend their Preliminary
9 Invalidation Contentions, pursuant to Local Rule 3-7. Samsung requests that the Court grant it
10 permission to serve on AMD the Second Amended Preliminary Invalidation Contentions attached as
11 Exhibit 1 to the Declaration of Christine Saunders Haskett in Support of Samsung’s Motion for
12 Leave to Amend its Preliminary Infringement Contentions (“Haskett Decl.”).

13 This motion is based on this Notice of Motion, on the following Memorandum of Points and
14 Authorities, on the Declaration of Christine Saunders Haskett, and on such other materials or oral
15 argument as the Court may permit.

16
17 **MEMORANDUM OF POINTS AND AUTHORITIES**

18 **I. INTRODUCTION**

19 AMD has asserted seven patents against Samsung in this case. By the time its Preliminary
20 Invalidation Contentions were due, Samsung had identified 225 invalidating prior art references and
21 had drafted detailed invalidity claim charts. Although Samsung’s initial efforts were substantial,
22 and the results robust, on-going investigation and discovery have revealed several additional prior
23 art references that render certain of AMD’s asserted patent claims invalid. Specifically, Samsung
24 has identified one new prior art article, one new patent, and testimony from the named inventor that
25 go to the invalidity of U.S. Patent No. 5,545,592 (the “592 Patent”), one new prior art article
26 relating to the invalidity of U.S. Patent No. 5,248,893 (the “893 Patent”), and five new U.S.
27 Patents that relate to the invalidity of U.S. Patent No. 5,559,990 (the “990 Patent”). Including
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1 these additional prior art references and associated invalidity claim charts in Samsung's Invalidity
2 Contentions would ensure that this case is decided on a full and fair record.

3 Furthermore, all of the factors this Court evaluates when considering a motion to amend
4 invalidity contentions under Patent Local Rule 3-7 favor granting Samsung's motion. First, all of
5 the proposed amendments are relevant to the issue of invalidity in that each of the proposed pieces
6 of prior art, considered either alone or in combination with others, renders at least one asserted
7 patent claim invalid.

8 Second, because Samsung has moved diligently to find this additional prior art and has
9 sought to make these amendments early in the case, there is no suggestion that it is doing so out of
10 improper gamesmanship. To the contrary, the proposed amendments are the result of ongoing and
11 diligent discovery and investigation efforts.

12 Third, the short delay in finding and analyzing the new prior art is excused by the difficulty
13 Samsung has faced in combing through the vast amount of prior art that exists with respect to
14 AMD's '592, '893, and '990 Patents. And in the case of the '592 inventor testimony, the relevant
15 material only became available when the inventor was deposed, which was several days after the
16 deadline for Preliminary Invalidity Contentions.

17 Finally, because Samsung has acted quickly and because the case is still at a relatively early
18 stage of the proceedings, AMD will not be prejudiced by the proposed amendments.

19 For these reasons, Samsung respectfully requests that the Court grant it leave to serve AMD
20 with the Second Amended Preliminary Invalidity Contentions that are attached as Exhibit 1 to the
21 Haskett Declaration.¹

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25 ¹ Exhibit 1 to the Haskett Declaration is Samsung's complete proposed Second Amended
26 Preliminary Invalidity Contentions, including appended charts, shown in redline form to indicate
27 the new material proposed to be added to the pleading and to the existing charts. Five of the charts
28 accompanying the proposed Second Amended Preliminary Contentions are entirely new, however,
and thus are not shown in redline form. These charts are Appendices A9, C6, D15, D16 and D17 to
the Second Amended Preliminary Invalidity Contentions. References in this brief to Appendices
are to those charts appended to Exhibit 1.

1 **II. STATEMENT OF FACTS**

2 *Procedural Background.*

3 This lawsuit was initiated by AMD on February 19, 2008. After the Initial Case
4 Management Conference, held on May 30, 2008, the case was stayed for several months so that the
5 parties could pursue mediation. Those mediation efforts were unsuccessful, and the stay was lifted
6 on August 31, 2008.

7 On November 14, 2008, approximately three months before the filing of this motion,
8 Samsung served its Preliminary Invalidity Contentions, which consisted of lists of 255 prior art
9 references and 29 invalidity claim charts. At AMD's request, on December 10, 2008, Samsung
10 served Amended Preliminary Invalidity Contentions to correct a typographical error and an
11 omission in the cover pleading. *See* Haskett Decl., Ex. 2 (Letter from Lesli Rawles dated
12 December 10, 2008). On November 24, 2008, AMD complained that Samsung's Preliminary
13 Invalidity Contentions were insufficient in part because they did not include specific identifications
14 of the motivation to combine certain references. *See* Haskett Decl., Ex. 3 (Letter from William
15 Manning dated November 24, 2008). Samsung attempted to accommodate AMD's concern by
16 offering a stipulation whereby Samsung would amend its motivation-to-combine contentions and,
17 in return, AMD would not object to Samsung including some additional prior art references as part
18 of the amendment. *See* Haskett Decl., Ex. 4 (Letter from Sam Ernst, dated December 8, 2008).
19 AMD refused Samsung's offer, necessitating this motion. *See* Haskett Decl., Ex. 5 (Letter from
20 Samuel Walling dated December 12, 2008).

21 *'592 Patent Supplemental Prior Art References.*

22 The first group of references Samsung seeks to add pertain to the invalidity of U.S. Patent
23 No. 5,545,592 (the "'592 Patent"). The '592 Patent—the asserted claims of which are directed
24 towards forming an electrical contact on a semiconductor—implicates an enormous body of prior
25 art, dating back as far as 1986. Indeed, Samsung's Preliminary Invalidity Contentions for the '592
26 Patent, which were necessarily compiled before Samsung had the benefit of any significant
27 discovery of AMD, cited no fewer than 54 prior art references. Given the volume of relevant prior
28

1 art, it has taken significant time and effort to analyze that art, and it is an effort that Samsung has
2 continued to pursue in several respects after filing its Preliminary Invalidity Contentions.

3 For example, in preparing for the recent deposition of named inventor John Iacoponi, which
4 was scheduled by mutual agreement for November 18, 2008, four days after the deadline for
5 Preliminary Invalidity Contentions, Samsung discovered that Mr. Iacoponi had been a regular
6 attendee in the 1990's at the annual VMIC conference, which was a prominent conference for those
7 involved in the field to which the '592 patent relates. Although the VMIC conference and the
8 papers presented there are highly relevant to the subject matter of the '592 Patent, AMD did not
9 disclose any VMIC materials to the U.S. PTO during the prosecution of the '592 Patent. AMD's
10 failure to disclose the VMIC conferences or any of the papers presented means that that prior art
11 does not appear anywhere on the face of the '592 Patent. Instead, Samsung had to search out the
12 relevant materials, which did not happen until shortly before the deadline for Preliminary Invalidity
13 Contentions. Even once the VMIC materials were located, consisting of six large volumes each
14 containing over a hundred technical papers, there was substantial work involved in reviewing and
15 analyzing the materials. And the inventor, John Iacoponi, obviously could not be questioned about
16 the materials until his deposition, which took place after the deadline for Preliminary Invalidity
17 Contentions. One of the articles presented at the 1992 VMIC conference, authored by Kazuyoshi
18 Kamoshida and entitled "Self-Aligned TiN Formation by N₂ Plasma Bias Treatment of TiSi_x", is
19 particularly relevant to the asserted claims of the '592 Patent and, combined with certain art already
20 disclosed by Samsung in its Preliminary Invalidity Contentions, renders those claims invalid. *See*
21 Haskett Decl., Ex. 6 (Kamoshida Reference). Attached to Samsung's proposed Second Amended
22 Preliminary Invalidity Contentions as Appendices A1-A9 are nine invalidity claim charts that
23 incorporate the Kamoshida reference into Samsung's Preliminary Invalidity Contentions.² *See*
24 Haskett Decl., Ex. 1.

25 ² Appendices A1-A8 are charts that were appended to Samsung's Preliminary Invalidity
26 Contentions, redlined to show the new material proposed to be added by this motion. Appendix A9
27 is a new chart that Samsung proposes to add by this motion. Only Appendices A4 and A9 reference
28 the Kamoshida article explicitly; the other charts incorporate the article by reference as included in
the group designated in Appendix A4 as "Nitrogen Plasma Treatment of Metal Silicide
References."

1 The second additional reference Samsung proposes to add to its Preliminary Invalidity
2 Contentions regarding the ‘592 Patent is U.S. Patent No. 5,175,126 to Huei-Min Ho and Yi Ching
3 Lin (the “Ho ‘126 Patent”). *See* Haskett Decl., Ex. 7 (Ho ‘126 Patent). The Ho ‘126 Patent is
4 incorporated into Exhibit 1 at Appendices A1-A8 to this motion.³ The Ho ‘126 Patent is another
5 reference that is part of the immense body of prior art relevant to the ‘592 Patent that has taken
6 Samsung substantial time to review and analyze.

7 Finally, Samsung proposes to amend its ‘592 Patent invalidity contentions by adding a
8 number of references to the deposition testimony of Mr. Iaconi himself. In his deposition, which
9 took place several days after Samsung’s Preliminary Invalidity Contentions were due, Mr. Iaconi
10 provided testimony regarding the state of the prior art at the time of the inventions of the ‘592
11 Patent, as well as testimony on the motivation to combine the various prior art references identified
12 by Samsung, all of which supports Samsung’s contention that the asserted claims of the ‘592 Patent
13 are invalid. Exhibit 1 at Appendices A1-A9 to this motion includes the references to the testimony
14 of John Iaconi that Samsung seeks to add by this motion.

15 ***‘990 Patent Supplemental Prior Art References.***

16 Like the ‘592 Patent, the breadth and subject matter of U.S. Patent No. 5,559,990 (the “‘990
17 Patent”)—pertaining to the organization of and access to computer memory—implicates a vast
18 body of potentially invalidating prior art. Identifying the most relevant references is painstaking
19 work. Because there are relatively few standard terms or ways of describing the manner in which
20 memories are arranged or accessed, keyword searching of prior art references is of limited value,
21 and instead, searching requires a detailed examination of the structures shown in a large number of
22 patents.

23 In its Preliminary Invalidity Contentions, Samsung identified 32 references that invalidate
24 the asserted claims of the ‘990 Patent and drafted 14 invalidity claim charts detailing those
25 contentions. Continued searching in the field has yielded additional results. In particular, Samsung

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27 ³ Only Exhibit 1 at Appendix A4 references the Ho ‘126 Patent explicitly; the other charts
28 incorporate the patent by reference as included in the group designated in Appendix A4 as
“Nitrogen Plasma Treatment of Metal Silicide References.”

1 recently identified U.S. Patent Nos. 5,222,047 (“the ‘047 Reference”), 4,788,667 (“the ‘667
2 Reference”), 5,276,649 (“the ‘649 Reference”), 5,210,723 (“the ‘723 Reference”) and 5,287,324
3 (“the ‘324 Reference”). *See* Haskett Decl., Exs. 8-12. The ‘047, ‘667 and ‘649 References are
4 particularly relevant to claim 8 of the ‘990 patent. That claim includes a limitation for “selectively
5 enabling said sense amplifier circuits . . .” The Examiner emphasized the importance of that
6 limitation in allowing the ‘990 patent.⁴ But the ‘047, ‘667 and ‘649 References plainly teach this
7 limitation and thus show that claim 8 should not have been allowed.

8 The ‘723 and ‘324 References relate to accessing memory locations in different rows. The
9 examiner relied on this limitation too as a reason for allowance: she explained that the cited prior
10 art could “only access one row at a time” whereas the claimed invention involves “accessing at
11 least two locations in different rows.” *See* Haskett Decl., Ex. 13 (excerpts of Notice of
12 Allowability, p. 7). The ‘723 and ‘324 References explicitly teach accessing memory locations in
13 multiple rows and thus contradict this basis for allowance.

14 ***‘893 Patent Supplemental Prior Art References.***

15 Samsung also proposes to add one additional reference, and an accompanying invalidity
16 claim chart, pertaining to U.S. Patent No. 5,248,893 (the “‘893 Patent”). The reference—“Grooved
17 Gate MOSFET,” authored by Nishimatsu, et. al. and appearing in *Proceedings of the 8th*
18 *Conference (1976 International) on Solid State Devices, Japanese Journal of Applied Physics*, Vol.
19 16 (1977) Supplement 16-1—discloses each element of claims 1-7 and claim 11 of the ‘893 Patent.
20 *See* Haskett Decl., Ex. 14.

21 As with the other references Samsung proposes to add, the Nishimatsu article was part of an
22 immense body of prior art. The relevant field of the Nishimatsu reference and the ‘893 Patent,
23 namely the design of integrated circuit devices, stretches back decades. Indeed, the Nishimatsu
24 article was published in 1977, over 15 years prior to the filing date of the ‘893 Patent. The
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26 ⁴ For example, the Patent Examiner explained, in her Notice of Allowability, that “Claims 7
27 and 16 [issued claims 8 and 19] include the features of selectively enabling and disabling sense
28 amplifier circuits which is taught by neither Pinkham, Rao or Young, et. al.” *See* Haskett Decl., Ex.
13 (excerpts of Notice of Allowability, p. 7).

1 accumulation of prior art in the crowded field of semiconductor design during this time period
2 necessarily made finding and analyzing the relevant material a time consuming process; one that
3 Samsung, even with diligent effort, was not able to complete before its Preliminary Invalidity
4 Contentions were due.

5 **III. ARGUMENT**

6 **A. Samsung Has Good Cause to Amend Its Preliminary Invalidity Contentions.**

7 Because AMD filed this case before the current Patent Local Rules became effective, this
8 motion is governed by the former Local Rule 3-7, which provides that “[a]mendment or
9 modification of...the Preliminary or Final Invalidity Contentions...may be made only by order of
10 the Court, which shall be entered only upon a showing of good cause.” Patent L.R. 3-7.⁵ To
11 determine whether there is good cause for amendment, this Court has, in the past, looked at four
12 factors:

- 13 1) Relevance of the newly-discovered prior art
- 14 2) Whether the request to amend is motivated by gamesmanship
- 15 3) The difficulty of locating the prior art
- 16 4) Risk of prejudice to the opposing party

17 *Acco Brands, Inc. v. PC Guardian Anti-Theft Prods., Inc.*, No. C04-03526 SI, 2008 WL 2168379,
18 *1 (N.D. Cal. May 22, 2008) (citing *Yodlee, Inc. v. CashEdge, Inc.*, No. C05-01550 SI, 2007 WL
19 1454259, *2-3 (N.D. Cal. May 17, 2007)); *see also The Board of Trustees of the Leland Stanford*
20 *Junior Univ. v. Roche Molecular Sys., Inc.*, No. C05-04158 MHP, 2008 WL 624771 (N.D. Cal.
21 March 4, 2008) (focusing inquiry on moving parties’ diligence and potential for prejudice to
22 resisting party).

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26 ⁵ The new Patent Local Rules state that they apply only to patent cases filed on or after
27 March 1, 2008. “For actions pending prior to March 1, 2008, the provisions of the Patent Local
28 Rules that were in effect on February 29, 2008, shall apply.” Patent L.R. 1-4. AMD filed this
action on February 19, 2008.

1 Here, in large part because this case is still in its relatively early stages, all four factors favor
2 granting Samsung leave to make its modest proposed amendments to its Preliminary Invalidity
3 Contentions.

4 **1. The New Prior Art Is Highly Relevant to the Ultimate Determination of
5 Invalidity.**

6 This Court has expressed a preference for deciding cases, and, more particularly, invalidity
7 disputes, “on the merits.” *See Acco Brands*, 2008 WL 2168379 at *2. Allowing Samsung to
8 introduce its newly-discovered prior art references, all of which are material to the invalidity of
9 AMD’s asserted claims, will achieve the just result of helping ensure that Samsung’s defenses have
10 a full and fair hearing. *See Golden Hour Data Sys., Inc. v. Health Svc. Integration, Inc.*, No. C06-
11 7477 SI, 2008 WL 2622794 at *4 (N.D. Cal. July 1, 2008) (when prior art is relevant to the merits,
12 “it would be unjust for such information ‘to be avoided on the basis of...mere technicalities’”
(quoting *Foman v. Davis*, 371 U.S. 178, 181-182 (1962))).

13 **a. ‘592 Patent Invalidity References.**

14 As reflected in Samsung’s proposed amended invalidity charts, all of the prior art references
15 Samsung seeks to add regarding the ‘592 Patent bear directly on the invalidity of the asserted
16 claims. The Kamoshida reference (the only new ‘592 reference for which Samsung seeks to add an
17 entirely new chart) discloses the fundamental first two steps of the method of claim 1, namely
18 forming a metal silicide layer and then converting a portion of that layer to a metal nitride by
19 exposing it to a nitrogen plasma. *See Haskett Decl., Ex. 1* (Appendix A9 at 1). And when
20 combined with either of two other references previously identified by Samsung, Kamoshida renders
21 both claim 1 and the dependent claim 4 invalid as obvious. *See Haskett Decl., Ex. 1* (Appendix A9
22 at 1). Although Samsung has already identified other combinations of prior art that invalidate the
23 claims under 35 U.S.C. § 103(a), the Kamoshida reference is the foundation of an additional, strong
24 obviousness argument and should, in fairness to Samsung, be considered.

25 The Ho ‘126 Patent, which Samsung seeks to add to the previously-served invalidity chart
26 attached as Appendix A4 to Exhibit 1, also discloses the key step of using a plasma to form a metal
27 nitride from a metal silicide layer as claimed by the ‘592 Patent.

1 Finally, deposition testimony from a named inventor of the at-issue patent is highly relevant
2 to an invalidity analysis of the patent. Indeed, Mr. Iacononi's own testimony regarding both the
3 state of the relevant prior art and the motivation to combine aspects of that art shows that his patent
4 is, in fact, invalid. Allowing Samsung leave to amend its invalidity contentions to include that
5 relevant testimony is the fair result. *See Golden Hour Data*, 2008 WL 2622794 at *4.

6 **b. '990 Patent Invalidity References.**

7 Three of Samsung's new prior art references for the '990 patent teach a key limitation of
8 independent claim 8 upon which the examiner relied in allowing the claim. Namely, they show
9 that it was known in the art to selectively enable and disable sense amplifiers in a computer
10 memory, in order to conserve power and speed up operation. The examiner concluded that this
11 limitation was not shown in the prior art of record: "Claims 7 and 16 [issued claims 8 and 19]
12 include the features of selectively enabling and disabling sense amplifier circuits which is taught by
13 neither Pinkham, Rao or Young, et. al." *See Haskett Decl.*, Ex. 13 (Notice of Allowability, p. 7).

14 In reality, the '047 Reference—which was filed three and a half years before the '990
15 patent—clearly does teach the selective enabling of sense amplifiers in a computer memory:
16 specifically, the '047 Reference discloses "timing for activating the sense amplifiers ... so that the
17 number of sense amplifiers which are activated at one time is reduced" *See Haskett Decl.*, Ex. 1
18 (Appendix D16 at 10, 23, 26, 30).

19 The '667 and '649 References also teach selectively enabling the sense amplifier circuits.
20 For example, the Abstract of the '667 patent teaches a switching circuit for "switching between
21 sense amplifiers belonging to the first cell block and sense amplifiers belonging to the second cell
22 block." *See Haskett Decl.*, Ex. 9 ('667 Reference, Abstract). Similarly, the '649 patent Abstract
23 teaches "a control circuit (20) for activating the sense amplifiers for the first column group and the
24 sense amplifiers for the second column group at different timings." *See Haskett Decl.*, Ex. 10 ('649
25 Reference, Abstract). The '667 and '649 References both teach the selective enabling limitation
26 relied on by the examiner in allowing the claims.

27 The '723 and '324 References relate to the second aspect of the invention identified by the
28 examiner in her Notice of Allowance—accessing at least two locations in different rows. *See*

1 Haskett Decl., Ex. 11 ('723 Reference); Ex. 12 ('324 Reference). Samsung identified in its
2 preliminary invalidity contentions prior art that taught this key limitation. However, the '723 and
3 '324 References disclose an additional prior art technique for accessing memory locations in
4 different rows.

5 The '047, '667, '649, '723 and '324 References are highly relevant. They squarely address
6 limitations upon which the examiner relied in allowing the '990 patent. Because they are prior art,
7 they show the patent is invalid. Fairness requires that Samsung be able to allowed to use them, and
8 at this early stage of the litigation there is no countervailing unfair prejudice to AMD.

9 **c. '893 Patent Invalidity Reference.**

10 Samsung's new prior art reference for the '893 Patent (the Nishimatsu reference) is likewise
11 potentially dispositive of the issue of invalidity and thus highly relevant to this lawsuit. Insulated
12 gate field effect devices, such as MOSFET devices, are building blocks of integrated circuits, and
13 increased miniaturization of integrated circuits demands increased density of the devices on a chip.
14 Both the '893 Patent and the Nishimatsu Reference attempt to increase device density by achieving
15 a longer effective channel length in a MOSFET without increasing the occupying area for the
16 semiconductor device. *See* Haskett Decl., Ex. 15 ('893 Patent at 1:18-22); Ex. 1 (Appendix C6 at
17 6-8, 13-18). And both the '893 patent and the Nishimatsu Reference propose the same solution to
18 achieve this longer channel length: creating a concavity on the ordinarily flat semiconductor
19 substrate. *See* Haskett Decl., Ex. 15 ('893 Patent at 3:46-49); Ex. 1 (Appendix C6 at 6-8, 13-18).

20 **2. Samsung's Motion Is Timely and Not Motivated by Gamesmanship.**

21 Reflecting on the 'gamesmanship' factor, this Court has observed that one purpose of this
22 Local Rule is to "prevent the parties from shifting their theories in reaction to adverse substantive
23 rulings,...or late in discovery, leaving the opposing party with little time to conduct discovery on a
24 new theory...." *Yodlee*, 2007 WL 1454259, *2 (citing *LG Electronics Inc. v. Q-Lity Computer,*
25 *Inc.*, 211 F.R.D. 360, 367 (N.D. Cal. 2002) and *O2 Micro Int'l. Ltd. v. Monolithic Power Sys., Inc.*,
26 467 F.3d 1355, 1366 n. 12 (Fed. Cir. 2006)). There are no indications that any such gamesmanship
27 is present here.
28

1 First, there have been no substantive rulings by the Court between the time Samsung's
2 original Preliminary Invalidity Contentions were served and the time Samsung notified AMD of its
3 intention to supplement (and then filed this motion). So Samsung's proposed amendments plainly
4 are not an attempt to respond to an adverse ruling by shifting its theory of the case. Accordingly,
5 the Local Rules' policy of preventing "shifting sands" litigation is not imperiled. *See id.*

6 Second, because discovery in this case is not scheduled to close for another nine months,
7 there is no concern that Samsung's proposed amendments will serve to sandbag AMD. *See id.*
8 (where there is "ample time" left for discovery, "concern with parties sandbagging opponents late
9 in discovery period is...not an issue"). Indeed, although the Rule requires leave of the Court no
10 matter when in the proceedings a party seeks to make an amendment,⁶ it appears that this Court
11 contemplates that, once the parties have taken some discovery, they will routinely need to amend
12 their preliminary contentions. *See Golden Hour*, 2008 WL 2622794, *2; *Stanford v. Roche*, 2008
13 WL 624771, *4-5. Patent Local Rule 3-7 is not designed to thwart the purpose of discovery, which
14 is to learn information vital to developing one's case. Rather, the Rules merely "seek to balance the
15 right to develop new information in discovery with the need for certainty as to the legal theories."
16 *See Golden Hour*, 2008 WL 2622794, *2 (quoting *O2 Micro*, 467 F.3d at 1366). And far from
17 cutting off a party's right to refine its case, Patent Local Rule 3-7 merely circumscribes it by
18 requiring that parties "proceed with diligence in amending [their] contentions *when new*
19 *information comes to light in the course of discovery.*" *Id.* (emphasis added). The parties are now
20 in the thick of discovery—including depositions of the various patents' inventors—and it is neither
21 surprising nor inappropriate for Samsung to incorporate the product of that discovery into its
22 invalidity contentions.

23 3. Samsung Has Acted Diligently to Locate Hard-to-Find Prior Art.

24 When it has been difficult for a defendant to find the prior art it seeks to add to its invalidity
25 contentions, the Court generally takes a sympathetic view and permits amendment. *See Acco*
26 *Brands*, 2008 WL 2168379, *2; *Yodlee*, 2007 WL 1454259.

27 _____
28 ⁶ Excepting the circumstances provided for in Patent L.R. 3-6(a).

1 With respect to the prior art references Samsung seeks to add, the difficulty in finding the
2 relevant information has been due to the sheer volume of prior art Samsung has had to sift through
3 and analyze. All three of the AMD patents that are the subject of this motion (the '592, the '990,
4 and the '893) come from extremely crowded fields of technology and invention. The large number
5 of prior art reference that Samsung *did* identify and chart for each of those patents in its original
6 Preliminary Invalidity Contentions provides a rough gauge of the mountains of prior art available to
7 review. Although Samsung has been working on its invalidity defenses diligently since the
8 beginning of this case, the amount of time and effort required to identify and analyze the prior art
9 relevant to these patents has made it a virtual certainty that at least some amendment to Samsung's
10 invalidity contentions would be required.

11 **4. AMD Cannot Be Prejudiced by an Amendment at This Stage of the**
12 **Case.**

13 Finally, and for many of the reasons discussed above in connection with the
14 'gamesmanship' factor, there is no risk that AMD will be prejudiced by Samsung's proposed
15 amendments. In a number of decisions on motions to amend invalidity or infringement contentions,
16 this Court has focused on whether there is sufficient time left for the other side to take discovery on
17 the new contentions. *See Yodlee*, 2007 WL 1454259, *3 ("ample time" left for discovery); *Golden*
18 *Hour*, 2008 WL 2622794, *4 (three months remaining for fact discovery; expert discovery not yet
19 started); *Stanford v. Roche*, 2008 WL 624771, *4-5 (allowing amendment of final infringement
20 contentions and indicating that discovery could be reopened regarding the new contention). Here,
21 there is no question that ample time remains for AMD to explore Samsung's new contentions in
22 discovery. Fact discovery is not set to close for nine months. And as in the *Golden Hour* case,
23 expert discovery has not even begun; indeed, opening expert reports are not due until the very end
24 of 2009. *Golden Hour*, 2008 WL 2622794, *4.

25 Nor is there any danger that AMD's litigation strategy will be harmed in a prejudicial way
26 by the amendments. As discussed above, there have been no substantive rulings that would be
27 affected by Samsung's amendments. Furthermore, AMD does not have any substantive motions
28 pending that could be impacted by the proposed amendments. *See Yodlee*, 2007 WL 1454259, *3
(finding no prejudice when opposing party had ample discovery time and no pending motions).

1 Indeed, the only significant motion practice on the near horizon is with respect to claim
2 construction, which, as of the time this motion is filed, is set to begin in approximately one month
3 with the filing of the parties' opening claim construction briefs. And because Samsung and AMD
4 have not included any terms from the '592 Patent in their joint claim construction statement, AMD
5 cannot argue that granting Samsung leave to amend its prior art references and charts related to this
6 particular patent would cause any prejudice in claim construction. To the extent AMD needs to
7 consider Samsung's new, supplemental prior art references as it formulates its *Markman* arguments
8 for the '990 and '893 Patents, it has ample time to do so.

9 In short, this "most important[]" factor in the analysis strongly favors granting leave to
10 Samsung to make its proposed modest amendments to the Preliminary Invalidity Contentions.
11 *Yodlee*, 2007 WL 1454259, *3.

12 **IV. CONCLUSION**

13 For all of the foregoing reasons, Samsung respectfully requests that the Court grant
14 Samsung's Motion for Leave to Amend its Preliminary Invalidity Contentions.

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