	Case 3:19-cv-00802-JCS Document 1	Filed 02/14/19	Page 1 of 29
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10	CertainTeed Gypsum, Inc.		
11			
12	UNITED STATE	S DISTRICT COU	JRT
13	FOR THE NORTHERN I	DISTRICT OF CA	LIFORNIA
14	SAN JOSE DIVISIO	N JUDICIAL DIS	TRICT
15	CERTAINTEED GYPSUM, INC.,	CASENO	
16	Plaintiff,	CASE NO	
17	v.		S COMPLAINT FOR DRY JUDGMENT
18	PACIFIC COAST BUILDING PRODUCTS,		
19	INC. AND PABCO BUILDING PRODUCTS, LLC,		
20			
21	Defendants.		
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LATHAM&WATKINS	•		Plaintiff's Complaint for Declarat

Plaintiff CertainTeed Gypsum, Inc. ("CertainTeed") brings this action against Pacific
 Coast Building Products, Inc. ("Pacific Coast") and Pabco Building Products, LLC ("Pabco")
 (collectively, "Defendants") for a declaratory judgment that the patents at issue are
 unenforceable and that the claims of the patents at issue are not infringed.

# **INTRODUCTION**

6 1. This action concerns Pacific Coast's inequitable conduct when seeking and 7 obtaining issuance of U.S. Patent Nos. 10,125,492 and 10,132,076 ("the '492 patent" and "the 8 '076 patent," respectively) (collectively the "patents-in-suit"). The '492 and '076 patents issued 9 from applications that purport to be a continuation and divisional, respectively, of the application 10 that issued as U.S. Patent No. 9,388,568 ("the '568 patent"), which has been the subject of prior 11 suits in this District. See generally Compl., Pac. Coast Bldg. Prods., Inc. v. CertainTeed Corp., 12 No. 5:17-cv-0116-LHK (N.D. Cal. Mar. 3, 2017) ("2017 N.D. Cal. Action"), Dkt. 1; Compl., 13 Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal. 14 Jan. 16, 2018) ("2018 N.D. Cal. Action"), Dkt. 1.

- 15 2. Pacific Coast twice sued CertainTeed in this District for infringement of the '568 16 patent. CertainTeed provided Pacific Coast with extensive information demonstrating the 17 invalidity of '568 patent claims based on, among other things, the indefiniteness of "scored 18 flexural strength" claim terms and prior art references such as Unexamined Japanese Patent 19 Application Publication No. 2004-42557 (A) ("Hirata"). For example, CertainTeed provided a 20 44-page declaration of Dr. D. Paul Miller supported by testing and explaining multiple reasons 21 why the claim terms are indefinite. On November 29, 2018, this Court determined that the 22 "scored flexural strength" claim terms are indefinite, relying significantly on Dr. Miller's 23 declaration. Pacific Coast then stipulated to judgment of invalidity on the basis of the Court's 24 ruling.
- 3. Pacific Coast then fled this forum and filed a third lawsuit in the Western District
  of Arkansas ("Arkansas Action") against CertainTeed Gypsum Manufacturing, Inc. for alleged
  infringement of the '492 and '076 patents. Pacific Coast added Pabco as a co-plaintiff to the
  Arkansas Action, which Pacific Coast had tried to do in the prior action in this District in order

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to assert a lost profits damages theory. This Court denied Pacific Coast's prior request, stating
 "Two years, the litigation, and you still don't have the right party for your lost profits theory.
 Undue delay. It's not coming in." Hr'g Tr. 49:9-52:5, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Nov. 30, 2018), Dkt. 105.

4. Pacific Coast and Pabco have no apparent or alleged connection to the Western
District of Arkansas. In contrast, they both have places of business in California, Pabco's
gypsum wallboard manufacturing facility is within this District, in Newark, California, and, as
noted above, Pacific Coast previously sued CertainTeed in this District, alleging the same
SilentFX QuickCut product infringes the parent patent of the patents-in-suit.

5. 10 The '492 and '076 patents are children of the '568 patent, have substantially the same specifications, and have claims that are very similar to the '568 patent, including claims 11 12 with "scored flexural strength" terms. These patents, whose applications were originally filed on 13 March 1, 2013, issued on November 13, 2018 and November 20, 2018, respectively. Thus, 14 Pacific Coast prosecuted these patents concurrently with the prior litigation in this 15 District. Indeed, the same outside counsel represented Pacific Coast in the litigation and prosecution-e.g., Jason Mueller and Galyn Gafford of the law firm Sheppard, Mullin, Richter & 16 17 Hampton LLP.

18 6. The '492 and '076 patents are unenforceable due to inequitable conduct. In 19 prosecuting the '492 and '076 patents before the Patent Office, Pacific Coast (through its outside 20 counsel) withheld information and made misrepresentations that were material to the 21 patentability of claims in these patents. For example, Pacific Coast failed to disclose to the 22 Patent Office the existence of the litigation in this District, information that this Court relied on in holding that the "scored flexural strength" terms are indefinite (such as Dr. Miller's 23 24 declaration), the Hirata prior art reference, CertainTeed's invalidity contentions, and other 25 material information. In addition, on May 22, 2018, Pacific Coast, and specifically Galyn 26 Gafford, represented to the Patent Trial and Appeal Board that removal of the paper from the 27 inner surfaces of the gypsum boards is "what distinguishes [the then-pending claims in the applications that issued as the '492 and '076 patents] from the prior art and I don't think, and I 28

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1 still haven't seen any prior art that shows these laminated panels made without the interior 2 paper." See Record of Oral Hr'g at 6, Ex parte Brandon D. Tinianov, Appeal Nos. 2016-03810, 3 2016-03995 (PTAB May 22, 2018). But, prior to this statement to the Patent Office, on April 12, 4 2018, Pacific Coast represented that "Hirata only discloses gluing two of boards together to 5 increase the strength of the board without face paper because otherwise the strength would be 6 inadequate to be used in a traditional manner and discloses that the boards could be glued in 7 other configurations (paper-to-paper or paper-to-exposed) to achieve same results" in its 8 Responses to CertainTeed's Interrogatories served in the prior litigation in this District, which 9 were signed by Galyn Gafford. 10 7. Further, the SilentFX QuickCut product does not infringe these patents for one of the same reasons that it does not infringe the '568 patent—as a result of the manufacturing 11 12 process used to create SilentFX QuickCut products, there is paper cladding on the inner surface 13 of the gypsum cores. 8. 14 Pacific Coast's inequitable conduct and CertainTeed's non-infringement arguments are inextricably intertwined with the litigation in this District and renders the '492 and 15 16 '076 patents unenforceable and not infringed. 17 NATURE OF THE ACTION 18 9. This action arises under the patent laws of the United States, 35 U.S.C. § 100 et 19 seq., and the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202. 20 THE PARTIES 21 10. Plaintiff CertainTeed is a corporation organized and existing under the laws of 22 Delaware with its corporate headquarters at 20 Moores Road, Malvern, PA 19355. 23 11. On information and belief, Defendant Pacific Coast is a corporation organized 24 under the laws of California with a principal place of business at 10600 White Rock Road, 25 Building B, Suite 100, Rancho Cordova, CA 95670. 26 On information and belief, Defendant Pabco is a limited liability company 12. 27 organized under the laws of Nevada with a principal place of business at 10600 White Rock 28 Road, Building A, Suite 150, Rancho Cordova, CA 95670. Plaintiff's Complaint for Declaratory Judgment

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1	1 13. On information and belief, Defendant Pacific Coast	is the owner of the following		
2	United States patents: U.S. Patent No. 10,125,492 ("the '492 patent," a true and correct copy of			
3	3 which is attached as Exhibit A); and U.S. Patent No. 10,132,076 (	"the '076 patent," a true and		
4	4 correct copy of which is attached as Exhibit B); (collectively, the "P	Pacific Coast Patents").		
5	5 14. On information and belief based on Pacific Coast's	s allegations in the Arkansas		
6	6 Action, Defendant Pabco is the exclusive licensee of the '492 and '0	)76 patents.		
7	7 SUBJECT MATTER JURISDICTION AND	<u>VENUE</u>		
8	8 15. This Court has subject matter jurisdiction under 28	U.S.C. §§ 1331, 1338(a), and		
9	9 2201(a).			
10	10 16. Venue is proper in this judicial district under 28 U.S.	C. § 1391.		
11	11 PERSONAL JURISDICTION			
12	12 17. The Court has personal jurisdiction over Pacific Coast	st and Pabco.		
13	13 18. On information and belief, Pacific Coast is organized	l under the laws of California		
14	14 and is registered with the California Secretary of State as a co	prporation that may conduct		
15	<sup>15</sup> business in the State of California.			
16	16 19. On information and belief, Pabco is registered with	h the California Secretary of		
17	<sup>17</sup> State as a foreign limited liability company that may conduct busine	ess in the State of California.		
18	18 20. On information and belief, Pabco has a gypsum wal	lboard manufacturing facility		
19	<sup>19</sup> at 37851 Cherry St., Newark, CA 94560, which is within the jurisdi	ction of the Northern District		
20	<sup>20</sup> of California.			
21	21 21. On information and belief, Pacific Coast and Paber	o regularly and continuously		
22	22 transact business within the State of California, and both have a p	principal place of business in		
23	<sup>23</sup> California at 10600 White Rock Road, Rancho Cordova, CA 95670.			
24	24 22. On information and belief, Pacific Coast and Pabeo	b have availed themselves of		
25	25 the privilege of conducting business within the State of California, i	ncluding by marketing and/or		
26	26 selling products throughout the United States, including in th	e State of California. On		
27	27 information and belief based on allegations by Pacific Coast, Pac	cific Coast and Pabco derive		
28	28 substantial revenue from such sales in California.			
		Plaintiff's Complaint for Declaratory Judgment		

1	23. On information and belief, Pabco's products are purchased by customers in the			
2	State of California.			
3	24. Pacific Coast has twice sued CertainTeed in this District, alleging infringement of			
4	its related patents. See Compl., Pac. Coast Bldg. Prods., Inc. v. CertainTeed Corp., No. 5:17-cv-			
5	0116-LHK (N.D. Cal. Mar. 3, 2017), Dkt. 1; Compl., Pac. Coast Bldg. Prods., Inc. v.			
6	CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 16, 2018), Dkt. 1.			
7	<b>INTRADISTRICT ASSIGNMENT</b>			
8	25. This action involves Intellectual Property Rights and thus is excluded from the			
9	division-specific venue rule in Civil L.R. 3-2(c).			
10	FACTUAL BACKGROUND			
11	Inequitable Conduct by Pacific Coast relating to concurrent litigation in the Northern			
12	District of California			
13	26. As detailed in Paragraphs 1-8 above and 27-115 below, throughout 2017 and			
14	2018 as part of the patent infringement suits it filed against CertainTeed, Pacific Coast and its			
15	outside counsel, including at least Jason Mueller and Galyn Gafford, were aware of			
16	CertainTeed's contention that the "scored flexural strength" terms are indefinite and that the			
17	Hirata prior art reference anticipates or renders obvious claim 21 of the '568 patent. This Court			
18	ultimately agreed that the "scored flexural strength" terms are indefinite, and entered judgment in			
19	favor of CertainTeed based on invalidity.			
20	27. Pacific Coast and its outside counsel, Jason Mueller and Galyn Gafford, received			
21	numerous filings, contentions, and fact discovery regarding the indefiniteness of the "scored			
22	flexural strength" claim terms and the Hirata prior art reference.			
23	28. At the same time that Pacific Coast and its outside counsel, Jason Mueller and			
24	Galyn Gafford, were litigating indefiniteness of the "scored flexural strength" claim terms and			
25	invalidity in light of Hirata before this Court, they also were asking the Patent Office to issue the			
26	'492 and '076 patents. As explained below, Jason Mueller and Galyn Gafford are both listed as			
27	"Attorney[s]/Agent[s]" who were and are authorized to communicate with the Patent Office on			
28	Pacific Coast's behalf regarding the applications that issued as the '492 and '076 patents. As			
INC	1			

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such, both Jason Mueller and Galyn Gafford had a duty to disclose information that is material to the patentability of the claims that they were requesting that the Patent Office issue. *See* 37 C.F.R. § 1.56; Manual of Patent Examining Procedure § 2001.06(c).

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29. As explained further below, Pacific Coast and its outside counsel, Jason Mueller and Galyn Gafford, did not disclose to the Patent Office the numerous filings, contentions, and fact discovery from the prior actions in this District, which contained information regarding the indefiniteness of the "scored flexural strength" claim terms and the Hirata prior art reference that was and is material to the patentability of the claims in the '492 and '076 patents.

9 30. Pacific Coast sued CertainTeed Corporation on March 3, 2017 in the Northern
10 District of California, alleging that the same product at issue in the current litigation, the
11 SilentFX QuickCut product, infringes the '568 patent. *See* Compl., *Pac. Coast Bldg. Prods., Inc.*12 *v. CertainTeed Corp.*, No. 5:17-cv-0116-LHK (N.D. Cal. Mar. 3, 2017), Dkt. 1.

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13 31. The '568 patent, at issue in the 2017 N.D. Cal. Action, is the parent patent of the 14 two patents that that are at issue in this action and that Pacific Coast is asserting in the Arkansas 15 Action—i.e., the '492 and '076 patents. The application that issued as the '492 patent purports 16 to be a continuation of the application that issued as the '568 patent, and the application that 17 issued as the '076 patent purports to be a divisional of the application that issued as the '568 18 patent.

32. On April 21, 2017, Pacific Coast filed an Amended Complaint in the 2017 N.D.
 Cal. Action. See First Am. Compl., Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.,
 No. 5:17-cv-0116-LHK (N.D. Cal. Apr. 21, 2017), Dkt. 24. Pacific Coast's Amended Complaint
 changed the CertainTeed entity accused of infringement, replacing CertainTeed Corporation with
 CertainTeed Gypsum, Inc. ("CertainTeed"), the plaintiff in this action.

33. On May 5, 2017, CertainTeed answered, asserting affirmative defenses and
counterclaims that the '568 patent claims are invalid because, among other things, the "scored
flexural strength" terms in those claims are indefinite. *See* Defs.' Answer, Defenses, &
Countercls., *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:17-cv-0116-LHK
(N.D. Cal. May 5, 2017), Dkt. 34.

34. Claims from each of the patents-in-suit in the current action—i.e., the '492 and
 '076 patents—include limitations reciting "scored flexural strength." *See* '492 patent, cls. 7 & 8;
 '076 patent, cls. 7 & 8.

35. On July 28, 2017, CertainTeed wrote to Pacific Coast, explaining why the claims
of the '568 patent were invalid because the "scored flexural strength" terms of the '568 patent
are indefinite. *See* Ex. A to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal.
Jan. 23, 2019), Dkt. 121-1, 121-2.

9 36. On August 18, 2017, CertainTeed filed a First Amended Answer, Defenses, and
10 Counterclaims in the 2017 N.D. Cal. Action. *See generally* Defs.' First Am. Answer, Defenses,
11 & Countercls., *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:17-cv-011612 LHK (N.D. Cal. Aug. 18, 2017), Dkt. 56. CertainTeed again pled that the '568 patent claims are
13 invalid because the "scored flexural strength" terms in those claims are indefinite. CertainTeed
14 also pled, on a limitation-by-limitation basis, that at least claim 21 of the '568 patent is invalid
15 for anticipation and/or obviousness based on Hirata. *See id.*

- 37. On August 30, 2017, CertainTeed served invalidity contentions on Pacific Coast,
  which again explained how the "scored flexural strength" terms are indefinite. *See generally*Ex. C to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, *Pac. Coast Bldg. Prods.*, *Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019) Dkt. 121-1,
  121-4. These invalidity contentions also explained, on a limitation-by-limitation basis, that
  claim 21 of the '568 patent is invalid for anticipation and/or obviousness based on Hirata.
- 38. On September 12, 2017, Pacific Coast and CertainTeed met—at a meeting
  attended by business representatives, senior in-house counsel, and outside litigation counsel.
  Pacific Coast's outside litigation counsel present at this meeting was Jason Mueller, who also is
  outside counsel for Pacific Coast in the current litigation and was an attorney of record with the
  Patent Office for prosecution of the applications that issued as the '492 and '076 patents.

27 39. During the September 12, 2017 meeting, CertainTeed again explained why the
28 "scored flexural strength" terms in claim 21 of the '568 patent are indefinite. *See generally*

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Ex. D to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, *Pac. Coast Bldg. Prods.*,
 *Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121 1, 121-5.

4 40. Less than one month after this meeting, on October 3, 2017, Pacific Coast
5 dismissed its claims and CertainTeed, in turn, dismissed its counterclaims without prejudice in
6 the 2017 N.D. Cal. Action. *See* Stip. & Order of Dismissal, *Pac. Coast Bldg. Prods., Inc. v.*7 *CertainTeed Corp.*, No. 5:17-cv-0116-LHK (N.D. Cal. Oct. 3, 2017), Dkt. 59.

8 41. On January 16, 2018, Pacific Coast refiled its case against CertainTeed in the
9 Northern District of California, again asserting claim 21 of the '568 patent against the same
10 SilentFX QuickCut product that is at issue in this case. *See* Compl., *Pac. Coast Bldg. Prods.,*11 *Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 16, 2018), Dkt. 1.

42. On February 13, 2018, CertainTeed answered the complaint in the 2018 N.D. Cal.
Action, raising the same affirmative defenses and counterclaims of invalidity, including that the
"scored flexural strength" terms are indefinite and that claim 21 of the '568 patent is anticipated
by and/or would have been obvious over Hirata. *See* Defs.' Ans., Defenses, & Countercls., *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal.
Feb. 13, 2018), Dkt. 32.

43. On March 1, 2018, CertainTeed served two interrogatories directed to Pacific
Coast's understanding of the "scored flexural strength" terms. *See* Ex. E (Interrog. Nos. 17 &
18) to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121-1,
121-6. Another interrogatory requested the basis for Pacific Coast's contentions, if any, that
claim 21 of the '568 patent is not invalid in light of the prior art, including Hirata.

44. On April 12, 2018, Pacific Coast responded to the interrogatory regarding
invalidity in light of the prior art stating, in part, that "Hirata only discloses gluing two of boards
together to increase the strength of the board without face paper because otherwise the strength
would be inadequate to be used in a traditional manner and discloses that the boards could be

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1 glued in other configurations (paper-to-paper or paper-to-exposed) to achieve same results." 2 Galyn Gafford signed these interrogatory responses on Pacific Coast's behalf.

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45. Pacific Coast's responses to the interrogatories on "scored flexural strength" were 4 deficient, and CertainTeed sent Pacific Coast several letters requesting supplementation. See 5 Exs. F-H to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, Pac. Coast Bldg. 6 Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019), 7 Dkt. 121-1, 121-7 - 121-9.

8 46. Although Pacific Coast supplemented its responses to these interrogatories on 9 "scored flexural strength" twice, Pacific Coast failed to address many deficiencies and ultimately 10 stopped responding to CertainTeed's deficiency letters. See Exs. F-H, J to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, 11 12 Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121-1, 121-7 - 121-9, 121-11. 13 Pacific Coast took the position that it "had fully complied with its discovery obligation" 14 regarding Interrogatory No. 17, and Pacific Coast stood on its objections to Interrogatory No. 18, deferring its response until "expert opinions" and "the Court's schedule for claim construction." 15 16 See Ex. J to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, Pac. Coast Bldg. 17 Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121-1, 121-11. 18

19 47. On May 22, 2018, before the Patent Trial and Appeal Board, Galyn Gafford 20 argued an appeal of the examiner's rejection of then-pending claims in the applications that 21 issued as the '492 and '076 patents. Galyn Gafford did not inform the Board during the May 22, 22 2018 hearing that there was pending litigation involving allegations that the "scored flexural strength" terms in the '568 patent are indefinite or that Hirata anticipated and/or rendered 23 obvious claim 21 of the '568 patent. 24

25 48. In fact, Galyn Gafford argued to the Board on May 22, 2018 that removal of the 26 paper from the inner surfaces of the gypsum boards is "what distinguishes [the then-pending 27 claims in the application that issued as the '492 and '076 patents] from the prior art and I don't think, and I still haven't seen any prior art that shows these laminated panels made without the 28

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interior paper." See Record of Oral Hr'g at 6, Ex parte Brandon D. Tinianov, Appeal Nos. 2016 03810, 2016-03995 (PTAB May 22, 2018).

49. On May 22, 2018, when Galyn Gafford argued to the Board regarding the
patentability of the then-pending claims in the applications that later issued as the '492 and '076
patents, Pacific Coast, Jason Mueller, and Galyn Gafford owed a duty to disclose material
information to the Patent Office regarding the patentability of those pending claims.

50. On June 18, 2018, CertainTeed provided invalidity contentions to Pacific Coast
that again detailed how the "scored flexural strength" terms are indefinite. *See* Ex. K to Rives
Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121-1, 12111 12. These invalidity contentions also explained, on a limitation-by-limitation basis, that claim 21
of the '568 patent is invalid for anticipation and/or obviousness based on Hirata.

13 51. On July 19, 2018, Pacific Coast, in a submission signed by Galyn Gafford, filed 14 Requests for Continued Examination of the applications that issued as the '492 and '076 patents 15 with the Patent Office. The Requests for Continued Examination referred to the decision from the Patent Trial and Appeal Board, made after the May 22, 2018 appeal hearing, and requested 16 17 that claims, including those reciting "scored flexural strength" limitations, be allowed. The 18 Requests for Continued Examination did not mention that there was pending litigation involving 19 allegations that the "scored flexural strength" terms in the '568 patent are indefinite or that 20 Hirata anticipated and/or rendered obvious claim 21 of the '568 patent.

- 52. On July 19, 2018, when Galyn Gafford requested that the Patent Office issue the
  then-pending claims in the applications that later issued as the '492 and '076 patents, Pacific
  Coast, Jason Mueller, and Galyn Gafford owed a duty to disclose material information to the
  Patent Office regarding the patentability of those pending claims.
- 53. On July 23, 2018, pursuant to the Northern District of California Patent L.R. 4-2,
  CertainTeed served claim construction disclosures on Pacific Coast, detailing again why the
  "scored flexural strength" terms are indefinite. CertainTeed disclosed that its expert, Dr. D. Paul
  Miller, would testify that the '568 patent does not provide guidance on how to determine the

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claimed "scored flexural strength." *See* Ex. L to Rives Decl. in Supp. of CertainTeed's Mot. for
 Att'ys' Fees, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346 LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121-1, 121-13. CertainTeed notified Pacific Coast that
 Dr. Miller would testify that the '568 patent did not provide guidance on at least four specific
 issues regarding testing for "scored flexural strength." *See id.*

54. On August 17, 2018, Pacific Coast and CertainTeed filed a joint claim
construction statement pursuant to N.D. Cal. Patent L.R. 4-3. *See* Joint Claim Constr. & PreHr'g Statement, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346LHK (N.D. Cal. Aug. 17, 2018), Dkt. 75. CertainTeed submitted a 44-page declaration of
Dr. Miller detailing why the "scored flexural strength" terms are indefinite. *See id.*, Dkt. 75-2.
Dr. Miller's declaration included test results showing that the measured "scored flexural
strength" varied depending on which of several test methods was used. *See id.*

13 55. Pacific Coast also submitted an expert declaration with the joint claim
14 construction statement. This 4-page report, by Mr. Matthew Risinger, contained only four
15 substantive paragraphs and did not address CertainTeed's four specific criticisms of the "scored
16 flexural strength" terms. *See id.*, Dkt. 75-1.

17 56. Jason Mueller knew of Dr. Miller's 44-page declaration regarding the
18 indefiniteness of claims including the "scored flexural strength" terms at least as early as August
19 24, 2018.

20 57. Galyn Gafford knew of Dr. Miller's 44-page declaration regarding the
21 indefiniteness of claims including the "scored flexural strength" terms at least as early as August
22 24, 2018.

58. On August 29, 2018, Pacific Coast, in a submission signed by Galyn Gafford,
filed an Amendment and Response in the application that issued as the '492 patent with the
Patent Office. The Amendment and Response provided a complete listing of all pending claims,
and requested that claims, including those reciting "scored flexural strength" limitations, be
allowed. The Amendment and Response did not mention that there was pending litigation

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1	involving allegations that the "scored flexural strength" terms in the '568 patent are indefinite or
2	that Hirata anticipated and/or rendered obvious claim 21 of the '568 patent.
3	59. On August 29, 2018, when Galyn Gafford requested that the Patent Office issue
4	the then-pending claims in the application that later issued as the '492 patent, Pacific Coast,
5	Jason Mueller, and Galyn Gafford owed a duty to disclose material information to the Patent
6	Office regarding the patentability of those pending claims.
7	60. On September 12, 2018 the Patent Office issued a notice of allowance for the
8	'076 patent.
9	61. On September 13, 2018 the Patent Office issued a notice of allowance for the
10	'492 patent.
11	62. On September 17, 2018, outside counsel for Pacific Coast, specifically Galyn
12	Gafford, deposed Dr. Miller regarding his 44-page declaration on the "scored flexural strength"
13	terms.
14	63. On September 24, 2018, CertainTeed wrote to Pacific Coast, noting, among other
15	things, the undeniable evidence in Dr. Miller's declaration that the "scored flexural strength"
16	terms are indefinite. See Ex. M to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees,
17	Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal.
18	Jan. 23, 2019), Dkt. 121-1, 121-14.
19	64. On September 28, 2018, Pacific Coast submitted its Opening Claim Construction
20	Brief, signed by Jason Mueller, in the 2018 N.D. Cal. Action. Galyn Gafford submitted a
21	declaration in support of this brief. Pacific Coast's opening claim construction brief argued that
22	the "scored flexural strength" terms were definite. Throughout its argument, Pacific Coast cited
23	Dr. Miller's deposition transcript and the Miller Declaration, and addressed the test results
24	disclosed in the Miller Declaration. See Opening Claim Constr. Br., Pac. Coast Bldg. Prods.,
25	Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Sept. 28, 2018), Dkt. 80,
26	80-1.
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65. Jason Mueller knew of Dr. Miller's 44-page declaration regarding the
 indefiniteness of claims including the "scored flexural strength" terms at least as early as
 September 30, 2018.

66. Galyn Gafford knew of Dr. Miller's 44-page declaration regarding the
indefiniteness of claims including the "scored flexural strength" terms at least as early as
September 30, 2018.

7 67. On October 10, 2018, Pacific Coast paid the issue fees for the '492 and '076
8 patents.

9 68. On October 10, 2018, when Pacific Coast paid the issue fees for the then-pending
10 claims in the applications that later issued as the '492 and '076 patents, Pacific Coast, Jason
11 Mueller, and Galyn Gafford owed a duty to disclose material information to the Patent Office
12 regarding the patentability of those pending claims.

69. On October 12, 2018, Pacific Coast and its outside counsel, including at least
Galyn Gafford and Jason Mueller, received copies of CertainTeed Gypsum, Inc.'s Responsive
Claim Construction Brief and supporting declaration and exhibits that was filed in the 2018 N.D.
Cal. Action. CertainTeed Gypsum, Inc.'s brief argued that the "scored flexural strength" terms
were definite, citing and quoted from the Miller Declaration. *See* Resp. Claim Constr. Br., *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal. Oct.
12, 2018), Dkt. 82, 82-1.

20 70. On October 19, 2018, Pacific Coast submitted its Reply Claim Construction Brief,
21 signed by Jason Mueller, in the 2018 N.D. Cal. Action. Pacific Coast's reply claim construction
22 brief argued that the "scored flexural strength" terms were definite and again addressed
23 Dr. Miller's test results, declaration, and deposition testimony. *See* Reply Claim Constr. Br.,
24 *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK (N.D. Cal.
25 Oct. 19, 2018), Dkt. 83.

26 71. On October 24, 2018, Pacific Coast responded to CertainTeed's letter, failing to
27 address or even attempt to rebut the evidence in Dr. Miller's declaration on "scored flexural
28 strength." *See* Ex. N to Rives Decl. in Supp. of CertainTeed's Mot. for Att'ys' Fees, *Pac. Coast*

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Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Jan. 23, 1 2 2019), Dkt. 121-1, 121-15.

3 72. On November 12, 2018, prior to the issuance of the '492 patent, Pacific Coast, 4 Jason Mueller, and Galyn Gafford owed a duty to disclose material information to the Patent 5 Office regarding the patentability of the then-pending claims in the application that later issued 6 as the '492 patent.

7

73. The Patent Office issued the '492 patent on November 13, 2018.

8 74. On November 19, 2018, prior to the issuance of the '076 patent, Pacific Coast, 9 Jason Mueller, and Galyn Gafford owed a duty to disclose material information to the Patent 10 Office regarding the patentability of the then-pending claims in the application that later issued as the '076 patent. 11

12

75. The Patent Office issued the '076 patent on November 20, 2018.

13 76. Following briefing by the parties, on November 29, 2018, this Court held a claim 14 construction hearing in which it addressed indefiniteness of the "scored flexural strength" terms 15 in the '568 patent. See generally Hr'g Tr., Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, 16 Inc., No. 5:18-cv-00346-LHK (N.D. Cal. Nov. 29, 2018), Dkt. 105. Both Jason Mueller and 17 Galyn Gafford appeared, and Jason Mueller argued, on behalf of Pacific Coast at this hearing.

77. 18 Hours after the claim construction hearing, this Court issued its claim construction 19 order, holding that the "scored flexural strength" terms in the '568 patent are indefinite. See 20 Order, Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-LHK 21 (N.D. Cal. Nov. 29, 2018), Dkt. 100.

22

78. This Court concluded that the '568 patent claims and specification do not explain how to measure "scored flexural strength," relying on Dr. Miller's declaration, which 23 24 "confirm[ed] that there is no common understanding in the art of how to measure scored flexural 25 strength." Id. at 16.

79. 26 On December 11, 2018, Pacific Coast filed an action in the Western District of 27 Arkansas ("Arkansas Action") against a new CertainTeed entity, accusing the same SilentFX QuickCut product at issue in both the 2017 and 2018 N.D. Cal. Actions of infringing the '492 28

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and '076 patents. Both Jason Mueller and Galyn Gafford are identified as attorneys for Pacific
 Coast on the Complaint.

80. On January 9, 2019, this Court entered a stipulated judgment that claim 21 of the
'568 patent is invalid as indefinite based on this Court's claim construction order. *See* Stip. &
Judgment, *Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc.*, No. 5:18-cv-00346-LHK
(N.D. Cal. Jan. 9, 2019), Dkt. 119.

7 81. On January 23, 2019, CertainTeed moved for a determination that the California 8 cases were exceptional and an award of attorneys' fees based on Pacific Coast's filing and 9 continued pursuit of a claim for alleged infringement of the '568 patent-including specifically 10 Pacific Coast's meritless and nonresponsive positions regarding indefiniteness of the "scored flexural strength" claim terms. See generally Def. CertainTeed's Notice of Mot. & Mot. for 11 12 Att'ys' Fees, Pac. Coast Bldg. Prods., Inc. v. CertainTeed Gypsum, Inc., No. 5:18-cv-00346-13 LHK (N.D. Cal. Jan. 23, 2019), Dkt. 121. Pacific Coast responded on February 6, 2019, and 14 CertainTeed Gypsum, Inc. will file its reply on February 20, 2019. A hearing on the motion for attorneys' fees is scheduled before this Court on May 30, 2019. 15

16 82. On February 6, 2019, Pacific Coast filed a Notice of Appeal in the 2018 N.D. Cal.
17 Action.

# **Materiality of the Miller Declaration and Litigation Documents that address "scored** <u>flexural strength"</u>

20 83. CertainTeed's disclosures and filings demonstrate that the "scored flexural
21 strength" claim terms are indefinite and are material to the patentability of at least claims 7 and 8
22 of the '492 and '076 patents, as each claim includes "scored flexural strength" terms.

84. Based at least in part on the Miller Declaration, this Court determined, by clear
and convincing evidence, in the 2018 N.D. Cal. Action that the "scored flexural strength" terms
in the '568 patent are indefinite.

26 85. The clear and convincing evidence standard used by this Court in the 2018 N.D.
27 Cal. Action is a higher standard than the standard used by the Patent Office when rejecting or
28 issuing patent claims.

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1	86. The Miller Declaration contained material information relevant to the pending		
2	claims of the application that issued as the '492 and '076 patents, as certain claims include terms		
3	reciting "scored flexural strength."		
4	87. Additional filings and correspondence in the 2017 and 2018 N.D. Cal Actions		
5	contained material information relevant to the pending claims of the applications that issued as		
6	the '492 and '076 patents. As explained above, these filings and correspondence addressed the		
7	indefiniteness of the "scored flexural strength" terms.		
8	88. On information and belief, the Patent Office would not have allowed the claims		
9	in the '492 and '076 patents that include the "scored flexural strength" terms had it been aware		
10	of the Miller Declaration and/or the additional filings and correspondence in the 2017 and 2018		
11	N.D. Cal. Actions.		
12	Materiality of Hirata and Litigation Documents that address Hirata		
13	89. Hirata and CertainTeed Gypsum Inc.'s disclosures and filings that explain, on a		
14	limitation-by-limitation basis, that claim 21 of the '568 patent is invalid for anticipation and/or		
15	obviousness based on Hirata are material to at least claim 1 of the '492 and '076 patents, as each		
16	claim is very similar to claim 21 of the '568 patent.		
17	90. The below chart reproduces claim 21 of the '568 patent, claim 1 of the '492		
18	patent, and claim 1 of the '076 patents side-by-side:		
19			
20			
21			
22			
23			
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27			
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1	'568 patent claim 21	'492 patent claim 1	'076 patent claim 1				
2	21. A laminated, sound-	1. A laminated building	1. A method of foil ling [sic] a				
3	attenuating structure which comprises:	structure, comprising:	laminated, sound-attenuating structure, comprising:				
4	a first supsum board baying	a first gypsum board	forming a first gypsum board				
5	a first gypsum board having two surfaces, the first of said	having two surfaces,	having two surfaces, said two				
6	two surfaces comprising an outer, paper-clad surface and	said two surfaces including a first outer	surfaces including a first outer clad surface and a first inner				
7	the second of said two	clad surface and a first	unclad surface, wherein the				
8	surfaces comprising an inner surface, wherein the entire	inner unclad surface, wherein the entire inner	entire inner surface of the first gypsum board is unclad;				
9	inner surface of the first	surface of the first					
	gypsum board is unclad;	gypsum board is unclad;					
10	a layer of viscoelastic glue on the second of two surfaces;	a first layer of viscoelastic glue placed directly on	placing a first layer of viscoelastic glue directly on				
11	and	the first inner unclad	the first inner unclad surface;				
12		surface; and	and				
13	a second gypsum board over said	a second gypsum board located proximate to said	placing a second gypsum board proximate to said first layer of				
14	viscoelastic glue, said second gypsum board having two	first layer of viscoelastic	viscoelastic glue, said second				
15	surfaces, the first of said two surfaces of said second	glue, said second gypsum board having	gypsum board having two surfaces, said two surfaces				
16	gypsum board comprising an	two surfaces, said two	including a second outer clad				
17	outer, paper-clad surface and the second of said two	surfaces including a second outer clad	surface and a second inner unclad surface, wherein the				
18	surfaces of said second	surface and a second	entire inner surface of the second gypsum board is				
19	gypsum board comprising an inner surface, wherein the	inner unclad surface, wherein the entire inner	unclad.				
	entire inner surface of the	surface of the second gypsum board is unclad.					
20	second gypsum board is unclad;	57 Pour obara io unorad.					
21	a scored flexural strength of the						
22	laminated structure is about 22						
23	pounds per $\frac{1}{2}$ inch thickness of the structure;						
24	the scored flexural strength						
25	being the flexural strength of						
26	the laminated structure after the outer, paper-clad surface						
27	of one of the first and second gypsum boards has been						
28	scored.						

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91. As evident from a comparison of the claim language in the chart in Paragraph 90 above, references that anticipate and/or render obvious claim 21 of the '568 patent were and are material to the patentability of at least claim 1 of the '492 and '076 patents.

3

92. Galyn Gafford's statement to the Patent Trial and Appeal Board that removal of 4 5 the paper from the inner surfaces of the gypsum boards is "what distinguishes [the then-pending 6 claims in the applications that issued as the '492 and '076 patents] from the prior art" 7 demonstrates that references that disclose laminated panels without interior paper are material to 8 the patentability of those claims. See Record of Oral Hr'g at 6, Ex parte Brandon D. Tinianov, 9 Appeal Nos. 2016-03810, 2016-03995 (PTAB May 22, 2018).

10

93. As explained above, the filings, contentions, and correspondence in the 2017 and 2018 N.D. Cal Actions allege, on a limitation-by-limitation basis, that Hirata anticipates and/or 11 12 renders obvious claim 21 of the '568 patent.

94. 13 Given the similarity of at least claim 1 of the '492 and '076 patents and claim 21 14 of the '568 patent, the Hirata reference and the filings, contentions, and correspondence in the 2017 and 2018 N.D. Cal Actions contained information material to patentability of the pending 15 claims of the applications that issued as the '492 and '076 patents. As explained above, Hirata 16 17 discloses, and these filings, contentions, and correspondence explain that Hirata discloses, under Pacific Coast's construction of the claims, a laminated gypsum wallboard structure where the 18 19 inner surfaces of the gypsum boards are exposed.

20 95. On information and belief, the Patent Office would not have allowed the claims 21 in the '492 and '076 patents had it been aware of Hirata, and/or the filings, contentions, and 22 correspondence in the 2017 and 2018 N.D. Cal. Actions that explain Hirata's disclosures.

23

# Individuals with a duty to disclose material information to the Patent Office

24 96. Each individual associated with the filing and prosecution of a patent application 25 has a duty of candor and good faith in dealing with the Patent Office, which includes a duty to disclose to the Patent Office all information known to that individual to be material to the 26 27 patentability of the pending claims. See 37 C.F.R. § 1.56(a).

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97. The duty to disclose information exists with respect to each pending claim until
 the claim is cancelled or withdrawn from consideration, or the patent application becomes
 abandoned. See 37 C.F.R. § 1.56(a).

98. Where the subject matter for which a patent is or has been involved in litigation
and/or a trial proceeding, or the litigation and/or trial proceeding yields information material to
the currently pending applications, the existence of such litigation and any other material
information arising therefrom must be brought to the attention of the examiner or other
appropriate official at the U.S. Patent and Trademark Office. *See* Manual of Patent Examining
Procedure § 2001.06(c).

10 99. Individuals associated with the filing or prosecution of a patent application that
11 owe a duty to disclose information material to patentability to the U.S. Patent and Trademark
12 Office during patent prosecution include each attorney or agent who prepares or prosecutes the
13 application. *See* 37 C.F.R. § 1.56(c)(2).

14 100. Jason Mueller is a registered Patent Attorney with the U.S. Patent and Trademark
15 Office (Reg. No. 64,647).

16 101. Jason Mueller is listed as an "Attorney/Agent" for the patent applications that
17 issued as the '492 patent (i.e., App. No. 13/783,165) and the '076 patent (i.e., App. No.
18 13/783,179).

19 102. Jason Mueller has been listed as an "Attorney/Agent" for the patent applications
20 that issued as the '492 patent (i.e., App. No. 13/783,165) and the '076 patent (i.e., App. No.
21 13/783,179) since at least June 8, 2018.

103. Jason Mueller was counsel for Pacific Coast in the 2017 N.D. Cal. Action, and he
was and is counsel for Pacific Coast in the 2018 N.D. Cal. Action.

24 104. Galyn Gafford is a registered Patent Attorney with the U.S. Patent and Trademark
25 Office (Reg. No. 52,929).

26 105. Galyn Gafford is listed as an "Attorney/Agent" for the patent applications that
27 issued as the '492 patent (i.e., App. No. 13/783,165) and the '076 patent (i.e., App. No.
28 13/783,179).

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- 1 106. Galyn Gafford began signing responses to office actions and other documents in
   2 the prosecution history for the application that issued as the '492 patent (i.e., App. No.
   3 13/783,165) at least as early as October 1, 2013, and for the application that issued as the '076
   4 patent (i.e., App. No. 13/783,179) at least as early as October 2, 2013.
- Galyn Gafford has been prosecuting the application that issued as the '492 patent
  (i.e., App. No. 13/783,165) since at least October 1, 2013, and for the application that issued as
  the '076 patent (i.e., App. No. 13/783,179) since at least October 2, 2013.
- 8 108. Galyn Gafford was counsel for Pacific Coast in the 2017 N.D. Cal. Action, and he
  9 was and is counsel for Pacific Coast in the 2018 N.D. Cal. Action.
- 10 Pacific Coast's failure to disclose material information and deception of the Patent Office
- 11 109. During prosecution of the '492 and '076 patents, Pacific Coast committed 12 inequitable conduct by failing to disclose information material to patentability of the '492 and 13 '076 patents with specific intent to deceive the Patent Office. Such inequitable conduct is 14 inextricably tied to the 2017 and 2018 N.D. Cal. Actions and renders the '492 and '076 patents 15 unenforceable.
- 16 110. Pacific Coast, and its outside counsel Jason Mueller and Galyn Gafford, received
  17 copies and were aware of the Miller Declaration and CertainTeed's additional filings and
  18 correspondence in the 2017 and 2018 N.D. Cal Actions regarding the indefiniteness of the
  19 "scored flexural strength" claim terms.
- 20 111. On information and belief, Pacific Coast and its outside counsel, including Jason
  21 Mueller and Galyn Gafford, aware that such documents contained information material to the
  22 patentability of pending claims in the applications that issued as the '492 and '076 patents,
  23 withheld the Miller Declaration and CertainTeed's additional filings and correspondence in the
  24 2017 and 2018 N.D. Cal Actions regarding the indefiniteness of the "scored flexural strength"
  25 claim terms from the Patent Office.
- 26 112. Pacific Coast and its outside counsel, including Galyn Gafford and Jason Mueller,
  27 had copies and were aware of Hirata and the filings, contentions, and correspondence in the 2017
- 28

1 and 2018 N.D. Cal Actions that allege, on a limitation-by-limitation basis, that Hirata anticipates 2 and/or renders obvious claim 21 of the '568 patent.

3

113. On information and belief, Pacific Coast and its outside counsel, including Jason 4 Mueller and Galyn Gafford, aware that the documents contained information material to the 5 patentability of pending claims in the applications that issued as the '492 and '076 patents, withheld Hirata and the filings, contentions, and correspondence in the 2017 and 2018 N.D. Cal 6 7 Actions that allege, on a limitation-by-limitation basis, that Hirata anticipates and/or renders 8 obvious claim 21 of the '568 patent from the Patent Office.

9 114. On information and belief, Pacific Coast and its outside counsel, including Jason Mueller and Galyn Gafford, withheld material information regarding the "scored flexural 10 strength" claim terms and/or Hirata from prosecution of the applications that issued as the '492 11 12 and '076 patents with specific intent to deceive the Patent Office. Pacific Coast and its outside 13 counsel, including Jason Mueller and Galyn Gafford, were aware of CertainTeed's allegations 14 regarding the "scored flexural strength" terms and Hirata for over a year prior to the issuance of 15 the '492 and '076 patents. During that time, Pacific Coast, in filings signed by Galyn Gafford, 16 continued to prosecute the applications that issued as the '492 and '076 patents. Galyn Gafford 17 even argued to the Patent Trial and Appeal Board that he still had not seen prior art that 18 described laminated panels made without interior paper, despite having previously signed Pacific 19 Coast's interrogatory responses admitting that Hirata discloses a panel made of two boards that 20 have surfaces lacking face paper that are glued together. Moreover, Galyn Gafford deposed 21 CertainTeed's expert, Dr. Miller, regarding the Miller Declaration and the indefiniteness of the 22 "scored flexural strength" claim terms. Yet at no time during the prosecution of the applications 23 that issued as the '492 and '076 patents did Pacific Coast, Jason Mueller, or Galyn Gafford 24 inform the Patent Office of the existence of the litigation regarding invalidity based on 25 indefiniteness of the "scored flexural strength" terms or on anticipation and/or obviousness in light of Hirata, or any of the multiple filings in the 2017 and 2018 N.D. Cal. Actions that 26 27 addressed these invalidity contentions.

1	115. Based on the evidence above, including Jason Mueller's and Galyn Gafford's acts
2	prosecuting the applications that issued as the '492 and '076 patents and litigating the invalidity
3	of the parent patent (the '568 patent) concurrently for more than a year, the single most
4	reasonable inference to be drawn from the evidence is that Pacific Coast and its outside counsel,
5	including Jason Mueller and Galyn Gafford, acted with specific intent to deceive the Patent
6	Office when they withheld the existence of the 2017 and 2018 N.D. Cal. Actions; the Miller
7	Declaration; and/or filings, contentions, and correspondence in the 2017 and 2018 N.D. Cal
8	Actions that 1) allege that the "scored flexural strength" claim terms are indefinite; and/or 2)
9	allege, on a limitation-by-limitation basis, that Hirata anticipates and/or renders obvious claim 21
10	of the '568 patent.
11	COUNT I FOR DECLARATORY JUDGMENT

<u>COUNT I FOR DECLARATORY JUDGMENT</u> (Declaratory Judgment of Unenforceability of the '492 Patent)

13
 14
 116. CertainTeed incorporates by reference and realleges Paragraphs 1-115 above as
 though fully restated herein.

117. This declaratory judgment claim arises under the United States Patent Laws,
35 U.S.C. § 100 et seq., including 35 U.S.C. § 271(a)-(c), and the Declaratory Judgment Act,
28 U.S.C. §§ 2201 and 2202. Subject matter jurisdiction is proper under 28 U.S.C. §§ 1331 and
1338(a).

118. Pacific Coast purports to be the lawful owner by assignment of all rights, title, and
interest in the '492 patent, including the right to sue for patent infringement and damages,
including past damages. Pabco purports to be the exclusive licensee of the '492 patent. Pacific
Coast and Pabco have sued CertainTeed Gypsum Manufacturing, Inc. in the Western District of
Arkansas, alleging that the SilentFX QuickCut product infringes the '492 patent.

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LATHAM&WATKINS

ATTORNEYS AT LAW

MENLO PARK

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119. CertainTeed sells the SilentFX QuickCut product.

120. The '492 patent is unenforceable due to inequitable conduct for the reasons set
forth in Paragraphs 1-115 above, incorporated herein by reference. Pacific Coast's conduct
renders this case exceptional under 35 U.S.C. § 285.

1	121. An actual and justiciable controversy exists between the parties with respect to the				
2	'492 patent-including specifically the unenforceability of the '492 patent. CertainTeed is				
3	entitled to a declaratory judgment that the '492 patent is unenforceable.				
4	COUNT II FOR DECLARATORY JUDGMENT				
5	(Declaratory Judgment of Unenforceability of the '076 Patent)				
6	122. CertainTeed incorporates by reference and realleges Paragraphs 1-121 above as				
7	though fully restated herein.				
8	123. This declaratory judgment claim arises under the United States Patent Laws, 35				
9	U.S.C. § 100 et seq., including 35 U.S.C. § 271(a)-(c), and the Declaratory Judgment Act, 28				
10	U.S.C. §§ 2201 and 2202. Subject matter jurisdiction is proper under 28 U.S.C. §§ 1331 and				
11	1338(a).				
12	124. Pacific Coast purports to be the lawful owner by assignment of all rights, title, and				
13	interest in the '076 patent, including the right to sue for patent infringement and damages,				
14	including past damages. Pabco purports to be the exclusive licensee of the '076 patent. Pacific				
15	Coast and Pabco have sued CertainTeed Gypsum Manufacturing, Inc. in the Western District of				
16	Arkansas, alleging that the SilentFX QuickCut product infringes the '076 patent.				
17	125. CertainTeed sells the SilentFX QuickCut product.				
18	126. The '076 patent is unenforceable due to inequitable conduct for the reasons set				
19	forth in Paragraphs 1-121 above, incorporated herein by reference. Pacific Coast's conduct				
20	renders this case exceptional under 35 U.S.C. § 285.				
21	127. An actual and justiciable controversy exists between the parties with respect to the				
22	'076 patent-including specifically the unenforceability of the '076 patent. CertainTeed is				
23	entitled to a declaratory judgment that the '076 patent is unenforceable.				
24	COUNT III FOR DECLARATORY JUDGMENT				
25	(Noninfringement of the '492 Patent)				
26	128. CertainTeed incorporates by reference and realleges Paragraphs 1-127 above as				
27	though fully restated herein. 129. This declaratory judgment claim arises under the United States Patent Laws,				
28					
TKINS 11.1P T LAW	35 U.S.C. § 100 et seq., including 35 U.S.C. § 271(a)-(c), and the Declaratory Judgment Act, Plaintiff's Complaint for Declaratory Judgment				
RK	23				

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28 U.S.C. §§ 2201 and 2202. Subject matter jurisdiction is proper under 28 U.S.C. §§ 1331 and
 1338(a).

130. Pacific Coast purports to be the lawful owner by assignment of all rights, title, and
interest in the '492 patent, including the right to sue for patent infringement and damages,
including past damages. Pabco purports to be the exclusive licensee of the '492 patent. Pacific
Coast and Pabco have sued CertainTeed Gypsum Manufacturing, Inc. in the Western District of
Arkansas, alleging that the SilentFX QuickCut product infringes the '492 patent.

8

131. CertainTeed sells the SilentFX QuickCut product.

9 132. CertainTeed does not infringe and has not infringed—either directly,
10 contributorily, or by inducement—any valid and enforceable claim of the '492 patent, either
11 literally or under the doctrine of equivalents with respect to the SilentFX QuickCut product.

12 133. CertainTeed does not directly infringe any valid and enforceable claim of the '492 13 patent at least because SilentFX QuickCut products do not embody the limitation that "the entire 14 inner surface of the [first and second] gypsum board is unclad." As a result of the manufacturing 15 process used to create SilentFX QuickCut products, there is paper cladding on the inner surface 16 of the gypsum cores.

17 134. By reason of the proceedings in the U.S. Patent and Trademark Office during 18 prosecution of the '492 patent—including statements, arguments, amendments, assertions, and/or 19 representations made by or on behalf of the applicant(s) for the '492 patent—the scope of the 20 '492 patent's claims are limited. Prosecution history estoppel bars the assertion of infringement 21 under the doctrine of equivalents against, for example, products for which the entire inner 22 surface of the first and second gypsum boards is not unclad at least because otherwise the 23 limitation that the *entire* inner surface of the gypsum board is unclad would be vitiated. Pacific 24 Coast failed to allege in any of its complaints in the 2017 and 2018 N.D. Cal. and Arkansas 25 Actions infringement under the doctrine of equivalents as to any particular claim limitation, but 26 to the extent that Pacific Coast nevertheless attempts to assert infringement under the doctrine of 27 equivalents, Pacific Coast is estopped from doing so.

1	135. An actual and justiciable controversy exists between the parties with respect to the			
2	'492 patent-including specifically noninfringement of the '492 patent. CertainTeed is entitled			
3	to a declaratory judgment that the SilentFX QuickCut products do not infringe the '492 patent.			
4	COUNT IV FOR DECLARATORY JUDGMENT			
5	(Noninfringement of the '076 Patent)			
6	136. CertainTeed incorporates by reference and realleges Paragraphs 1-135 above as			
7	though fully restated herein.			
8	137. This declaratory judgment claim arises under the United States Patent Laws, 35			
9	U.S.C. § 100 et seq., including 35 U.S.C. § 271(a)-(c), and the Declaratory Judgment Act, 28			
10	U.S.C. §§ 2201 and 2202. Subject matter jurisdiction is proper under 28 U.S.C. §§ 1331 and			
11	1338(a).			
12	138. Pacific Coast purports to be the lawful owner by assignment of all rights, title, and			
13	interest in the '076 patent, including the right to sue for patent infringement and damages,			
14	including past damages. Pabco purports to be the exclusive licensee of the '076 patent. Pacific			
15	Coast and Pabco have sued CertainTeed Gypsum Manufacturing, Inc. in the Western District of			
16	Arkansas, alleging that the SilentFX QuickCut product infringes the '076 patent.			
17	139. CertainTeed sells the SilentFX QuickCut product.			
18	140. CertainTeed does not infringe and has not infringed—either directly,			
19	contributorily, or by inducement-any valid and enforceable claim of the '076 patent, either			
20	literally or under the doctrine of equivalents with respect to the SilentFX QuickCut product.			
21	141. CertainTeed does not directly infringe any valid and enforceable claim of the '076			
22	patent at least because SilentFX QuickCut products do not embody the limitation that "the entire			
23	inner surface of the [first and second] gypsum board is unclad." As a result of the manufacturing			
24	process used to create SilentFX QuickCut products, there is paper cladding on the inner surface			
25	of the gypsum cores.			
26	142. By reason of the proceedings in the U.S. Patent and Trademark Office during			
27	prosecution of the '076 patent-including statements, arguments, amendments, assertions, and/or			
28	representations made by or on behalf of the applicant(s) for the '076 patent-the scope of the			

LATHAM&WATKINSLLP Attorneys At Law Menlo park

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1 '076 patent's claims are limited. Prosecution history estoppel bars the assertion of infringement 2 under the doctrine of equivalents against, for example, products for which the entire inner 3 surface of the first and second gypsum boards is not unclad at least because otherwise the 4 limitation that the *entire* inner surface of the gypsum board is unclad would be vitiated. Pacific 5 Coast failed to allege in any of its complaints in the 2017 and 2018 N.D. Cal. and Arkansas 6 Actions infringement under the doctrine of equivalents as to any particular claim limitation, but 7 to the extent that Pacific Coast nevertheless attempts to assert infringement under the doctrine of 8 equivalents, Pacific Coast is estopped from doing so.

9 143. An actual and justiciable controversy exists between the parties with respect to the
10 '076 patent—including specifically noninfringement of the '076 patent. CertainTeed is entitled
11 to a declaratory judgment that the SilentFX QuickCut products do not infringe the '076 patent.

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#### PRAYER FOR RELIEF

13 144. WHEREFORE, CertainTeed respectfully requests that this Court enter judgment
14 in its favor as follows:

- a) that the Court find and declare that the '492 patent (including all claims of the '492 patent) is unenforceable due to inequitable conduct, and thus without any force or effect against any of CertainTeed and it officers, employees, agents and attorneys;
  - b) that the Court find and declare that the '076 patent (including all claims of the '492 patent) is unenforceable due to inequitable conduct, and thus without any force or effect against any of CertainTeed and it officers, employees, agents and attorneys;
    - c) that the Court find and declare that CertainTeed does not infringe and has not infringed any claim of the '492 patent with respect to the SilentFX QuickCut product;
  - d) that the Court find and declare that CertainTeed does not infringe and has not infringed any claim of the '076 patent with respect to the SilentFX QuickCut product;
  - e) that the Court find and declare that this is an exceptional case under 35 U.S.C. § 285 and that CertainTeed be awarded all of its costs, expenses, and attorneys' fees, together with pre-judgment and post-judgment interest; and

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1	A that the Court energy Contain Tool and a data and additional will of in large on in somithe
1	f) that the Court grant CertainTeed such other and additional relief, in law or in equity,
2	as the Court deems just and proper.
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1	Dated: February 14, 2019		Respectfully sub-	nitted,
2			CERTAINTEED	GYPSUM, INC.
3				
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14			CertainTeed Gyps	
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