

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TOYOTA MOTOR CORPORATION,

Petitioner

v.

AMERICAN VEHICULAR SCIENCES,

Patent Owner

Patent No. 6,738,697

Issue Date: May 18, 2004

Title: TELEMATICS SYSTEM FOR VEHICLE DIAGNOSTICS

**JOINT MOTION TO TERMINATE PROCEEDING
FOR INTER PARTES REVIEW OF U.S. PATENT NO. 6,738,697
PURSUANT TO 35 U.S.C. § 317**

Case No. IPR2013-00413

Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74(a)-(b), Petitioner Toyota Motor Corporation (“Toyota”) and Patent Owner American Vehicular Sciences LLC (“AVS”) jointly request termination of the *Inter Partes* Review of U.S. Patent No. 6,738,697, Case No. IPR2013-00413. Toyota and AVS agree that each party bear its own fees and expenses.

Toyota filed its petition for *inter partes* review on July 8, 2013. AVS filed a preliminary response on October 17, 2013. The *inter partes* review was subsequently instituted on January 13, 2014. The Parties have agreed to settle their dispute and have reached agreement to terminate this *inter partes* review. The Settlement Agreement has been made in writing and is filed separately as Exhibit 2001 (filed concurrently with Joint Request to Treat Agreement as Business Confidential Information Under 35 U.S.C. §317 (b) and 37 C.F.R. § 42.74 (c)). There are no collateral agreements referred to in the Parties’ Settlement Agreement.

The parties desire that the Board terminate this IPR in its entirety. If, however, the Board elects to independently continue the IPR in its entirety, then under the terms of the Parties’ Settlement Agreement, Toyota will not receive a covenant not to sue from AVS regarding this patent, nor will AVS dismiss with prejudice its litigation claims relating to this patent.

As stated in 35 U.S.C. § 317(a), because Toyota and AVS request this

termination, no estoppel under 35 U.S.C. § 315(e) shall attach to Petitioner Toyota. As provided in 37 C.F.R. § 42.73(d)(3), because no adverse judgment has been entered, as to Patent Owner AVS, no estoppel under 37 C.F.R. § 42.73(d)(3) shall attach to AVS.

A conference call in this proceeding was held on March 21, 2014, between counsel for the Parties and Judges Lee, Parvis, and Anderson. The Parties advised the Board that they have agreed to settle, and sought authorization to file a joint motion to terminate the proceeding and to file the Parties' Settlement Agreement as business confidential information.

On March 24, 2014, the Board issued an order authorizing the Parties to file a joint motion to terminate this proceeding, and to file a separate paper requesting that the Settlement Agreement be treated as business confidential information as specified in 37 C.F.R. § 42.74(c).

Termination of this proceeding is appropriate as the Parties have agreed to settle their dispute.

U.S. Patent No. 6,738,697 is (or was) being litigated in the following civil actions, which are at the stages described below:

- *American Vehicular Sciences v. Toyota Motor Corp., et al.*, No. 6:12-cv-00405 (E.D. Tex.), filed June 25, 2012 (consolidated into 6:12-cv-00404). On February 19, 2014, the district court stayed this civil

action as to Toyota in view of this IPR2013-00413. The Parties' Settlement Agreement provides for dismissal of this litigation and a covenant not to sue under the U.S. Patent No. 6,738,697 under certain circumstances. As noted above, if the Board elects to independently continue the IPR in its entirety, then under the terms of the Parties' Settlement Agreement, Toyota will not receive a covenant not to sue from AVS regarding this patent, nor will AVS dismiss with prejudice its litigation claims relating to this patent. Accordingly, the parties desire that the Board terminate this IPR in its entirety.

- *American Vehicular Sciences LLC v. BMW Grp. A/K/A BMW AG et al.*, No. 6:12-CV-412 (E.D. Tex.), filed Jun. 25, 2012. This case was dismissed on November 15, 2013.
- *American Vehicular Sciences LLC v. Hyundai Motor Co. et al.*, No. 6:12-CV-776 (E.D. Tex.), filed Oct. 15, 2012. On March 13, 2014, the parties filed a Joint Submission Regarding Amended Docket Control Order, as instructed by the Court due to the changed Claim Construction Hearing date. While an Amended Docket Control Order has not yet been entered, a Claim Construction Hearing will be held on February 19, 2015. The Hyundai defendants were served on

November 13, 2012. In considering the motion to stay filed by Toyota in Civil Action No. 6:12-cv-00404, the district court inquired whether the Hyundai defendants would agree to “(1) stipulate to the same estoppel effect that will apply against Toyota resulting from the IPRs or some variation thereof, and (2) stipulate to be bound as soon as the PTO issues its decisions on the IPRs rather than waiting until the appeal process is completed.” The Hyundai defendants did not agree to the district court’s conditions and the case against the Hyundai defendants was not stayed.

- *American Vehicular Sciences LLC v. Kia Motors Corp.*, No. 6:13-CV-148 (E.D. Tex.), filed Feb. 13, 2013. On March 13, 2014, the parties filed a Joint Submission Regarding Amended Docket Control Order, as instructed by the Court due to the changed Claim Construction Hearing date. While an Amended Docket Control Order has not yet been entered, a Claim Construction Hearing will be held on February 19, 2015. The last Kia defendant was served April 17, 2013. In considering the motion to stay filed by Toyota in Civil Action No. 6:12-cv-00404, the district court inquired whether the Kia defendants would agree to “(1) stipulate to the same estoppel effect that will apply against Toyota resulting from the IPRs or some

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