UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SONY CORPORATION,

Petitioner,

V.

INNOVATIVE DISPLAY TECHNOLOGIES LLC,

Patent Owner.

IPR2015-00745, Patent No. 7,404,660

IPR2015-00749, Patent No. 7,300,194

IPR2015-00752, Patent No. 8,215,816

IPR2015-00753, Patent No. 7,537,370

IPR2015-00755, Patent No. 7,434,974

IPR2015-00756, Patent No. 7,384,177

JOINT MOTION TO TERMINATE PROCEEDINGS FOR INTER PARTES REVIEW OF U.S. PATENT NOS. 7,404,660; 7,300,194; 8,215,816; 7,537,370; 7,434,974; 7,384,177 PURSUANT TO 35 U.S.C. § 317



Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74(a)-(b), Petitioner Sony Corporation ("Sony" or "Petitioner"), and Patent Owner Innovative Display Technology LLC ("IDT" or "Patent Owner") jointly request termination of *Inter Partes* Review ("IPR") of: U.S. Patent No. 7,404,660, Case No. IPR2015-00745; U.S. Patent No. 7,300,194, Case No. IPR2015-00749; U.S. Patent No. 8,215,816, Case No. IPR2015-00752; U.S. Patent No. 7,537,370, Case No. IPR2015-00753; U.S. Patent No. 7,434,974, IPR2015-00755; U.S. Patent No. 7,384,177, Case No. IPR2015-00756. Sony and IDT are collectively referred to herein as "Parties." The Parties agree that each party shall bear its own fees and expenses.

The respective IPRs are in their early stages as follows:

| Case No. | IPR Petition | IDT Preliminary | Institution |
|---------------|---------------------|-----------------|----------------------|
| | Filing Date | Response Date | Decision Date |
| IPR2015-00745 | 2/17/2015 | 5/26/2015 | N/A |
| IPR2015-00749 | 2/17/2015 | 5/26/2015 | N/A |
| IPR2015-00752 | 2/17/2015 | 5/26/2015 | N/A |
| IPR2015-00753 | 2/17/2015 | 5/27/2015 | N/A |
| IPR2015-00755 | 2/18/2015 | 5/27/2015 | N/A |
| IPR2015-00756 | 2/18//2015 | 5/27/2015 | N/A |

No depositions have been taken. The Patent Owner has not filed any substantive paper, and the Patent Owner has submitted no declaration. The Parties have settled their dispute and have reached an agreement to terminate all of the



aforementioned IPRs. The Settlement Agreement between the Parties has been made in writing and is filed separately as Exhibits 1029 (IPR 2015-00745); 1032 (IPR 2015-00749); 1032 (IPR 2015-00752); 1032 (IPR 2015-00753); 1027 (IPR 2015-00755); 1029 (IPR 2015-00756), concurrently with a 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.

As stated in 35 U.S.C. § 317(a), because both Sony and IDT request this termination, it is understood that no estoppel under 35 U.S.C. § 315(e) shall attach to Petitioner Sony. As provided in 37 C.F.R. § 42.73(d)(3), because no adverse judgment has been entered, it is also understood that, as to the Patent Owner IDT, no estoppel under 37 C.F.R. § 42.73(d)(3) shall attach to IDT.

On August 3, 2015, the Parties advised the Board that the Parties had reached a settlement of their dispute, including these IPR requests, and the Parties sought authorization to file joint motions to terminate the proceedings. The Board advised the Parties that they are authorized to file a joint motion.

The Parties understood that they were also 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 the aforementioned proceedings is appropriate as the parties have agreed to settle their disputes.

The patents at issue here have been litigated between the parties in the following case:

| Description | Docket No. | Status |
|----------------------------|--------------------|--------------------------|
| Delaware Display Group | 13-cv-2111, D.Del. | Joint Motion to Stay All |
| LLC and Innovative | | Deadlines and Notice of |
| Display Technologies LLC | | Settlement filed August |
| v. Sony Corporation, Sony | | 3, 2015. |
| Corporation of America, | | |
| Sony Electronics Inc., and | | |
| Sony Mobile | | |
| Communications (USA) | | |
| Inc. | | |
| | | |

No new litigation or proceeding involving the aforementioned patents is contemplated in the foreseeable future.

Termination of this proceeding is appropriate at this stage in the proceeding in view of the Settlement Agreement. The Settlement Agreement ends all patent disputes between the parties, including this proceeding. Both Congress and the federal courts have expressed a strong interest in encouraging settlement in litigation. See, e.g., Delta Air Lines, Inc. v. August, 450 U.S. 346, 352 (1981) ("The purpose of [Fed. R. Civ. P.] 68 is to encourage the settlement of litigation."); Bergh v. Dept. of Transp., 794 F.2d 1575, 1577 (Fed. Cir. 1986) ("The law favors settlement of cases."), cert. denied, 479 U.S. 950 (1986). The U.S. Court of



Appeals for the Federal Circuit also places a particularly strong emphasis on settlement. *See Cheyenne River Sioux Tribe v. U.S.*, 806 F.2d 1046, 1050 (Fed. Cir. 1986) (noting that the law favors settlement to reduce antagonism and hostility between parties). Moreover, the Board generally expects that a proceeding will terminate after the filing of a settlement. *See, e.g.*, Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 46,768 (Aug. 14, 2012).

Maintaining this proceeding after Petitioner's settlement with Patent Owner would discourage future settlements by removing a primary motivation for settlement: eliminating litigation risk by resolving the parties' disputes and ending the pending proceedings between them. For patent owners, litigation risks include the potential for an invalidity ruling against their patents. If a patent owner knows that an *inter partes* review will likely continue regardless of settlement, it creates a strong disincentive for the patent owner to settle.

Wherefore, IDT and Sony respectfully request termination of the *inter partes* review of: U.S. Patent No. 7,404,660, Case No. IPR2015-00745; U.S. Patent No. 7,300,194, Case No. IPR2015-00749; U.S. Patent No. 8,215,816, Case No. IPR2015-00752; U.S. Patent No. 7,537,370, Case No. IPR2015-00753; U.S. Patent No. 7,434,974, IPR2015-00755; U.S. Patent No. 7,384,177, Case No. IPR2015-00756.



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