UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RUBICON COMMUNICATIONS, LP Petitioner,

V.

LEGO A/S Patent Owner.

Case IPR2016-01187 Patent 8,894,066

JOINT MOTION FOR TERMINATION



Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72, Patent Owner, LEGO A/S, and Petitioner, Rubicon Communications, LP, (collectively, the "Parties") jointly request termination of the *Inter Partes* Review proceeding, No. IPR2016-01187.

At a court-scheduled settlement conference on December 11, 2017, the Parties agreed to settle all of their disputes, to dismiss with prejudice the related action, *LEGO System A/S* v. *Rubicon Communications LP*, No. 3:15-cv-00823-VLB (D. Conn. filed May 29, 2015), and other litigation, *Pono Paani, LLC v. Belkin International, Inc.*, No. 1:17-cv-00054-SS (W.D. Tex. filed Jan. 24, 2017), and to terminate the instant *Inter Partes* Review proceeding. The Parties have executed Confidential Settlement Agreement, Release, and Covenant Not to Sue (the "Settlement Agreement") in writing, and a true copy is submitted under seal in accordance with 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b).

The Parties jointly request that the Settlement Agreement be treated as business confidential information and be kept separate from the files of the above captioned *Inter Partes* Review proceeding under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).



I. INTRODUCTION

On June 10, 2016, Petitioner filed a request for *Inter Partes* Review of U.S. Patent No. 8,894,066 (the "'066 Patent"). Paper 1. On December 16, 2016, the Board instituted this proceeding. Paper 38. Patent Owner filed a Response on June 23, 2017, Paper 70, and Petitioner filed a Reply on August 30, 2017, Paper 72. The Parties appeared before the Board at a trial hearing on October 11, 2017.

On December 11, 2017, the Parties agreed to settle all of their disputes involving U.S. Patent No. 8,894,066, including all litigations and the Patent Office proceeding related thereto.

On December 12, 2017, the Parties informed the Board of the settlement and requested authorization to file a joint motion for termination of the proceeding with respect to both Patent Owner and Petitioner. The Board authorized the filing of the motion for termination by 12 P.M. Eastern Time, December 13, 2017. The Board additionally authorized the Parties to include with the joint motion for termination a request to treat the Settlement Agreement as business confidential information.

II. TERMINATION AS TO PATENT OWNER AND PETITIONER IS APPROPRIATE

Termination of this *Inter Partes* Review proceeding as to Patent Owner and Petitioner is appropriate, because it is an important part of a global settlement of



multiple adjudications that the Parties were able to reach after many months of effort. As a result of the settlement, no dispute remains between Patent Owner and Petitioner involving the '066 Patent. The Parties have expressly agreed to dismiss with prejudice the related action, concerning the '066 and other patents, and other litigation between Patent Owner's licensee—Belkin International, Inc.—and Petitioner's sister company—Pono Paani, LLC—and to jointly request termination of this Inter Partes Review proceeding. With many events and issues arising from two Federal Court litigations and an *Inter Partes* Review proceeding, it was only with the assistance of a court-scheduled settlement conference on December 11, 2017 where the Parties were able to settle after an extended session with the United States Magistrate Judge, Robert A. Richardson, ending at 9 P.M. Eastern Time. The Parties would not have been able to reach an agreement without the court's assistance, and the settlement conference could not have been scheduled earlier than December 11, 2017.

Termination of this *Inter Partes* Review proceeding is also appropriate, as the Board has not "decided the merits of the proceeding" and a final written decision has not yet been entered. *See* Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012). Grant of this joint motion for termination would encourage patent owners and petitioners to settle, even if they are not initially able to reach an agreement ahead of the final decision due to the number



of issues and/or severity of dispute. "There are strong public policy reasons to favor settlement between the parties to a proceeding." *Id.* On the other hand, denial of this motion would discourage parties from attempting to settle their dispute as they near the final decision, making settlements of Federal Court litigations, like the two between the Parties here, also less likely. "The law favors settlement of cases." *Bergh v. Department of Transp., FAA*, 794 F.2d 1575, 1577 (Fed. Cir. 1986).

For the above reasons, the Parties respectfully request the Board grant this joint motion for termination.

III. STATUS OF RELATED ACTION

The related District Court action between Patent Owner and Petitioner has been settled and dismissed.

IV. SETTLEMENT AGREEMENT AS BUSINESS CONFIDENTIAL INFORMATION

Patent Owner and Petitioner hereby request that the Settlement Agreement, filed herewith as Exhibit 2108, be treated as business confidential information, be kept separate from the file of the above captioned *Inter Partes* Review proceeding, and be made available only to Federal Government agencies on written request, or



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