UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC., HTC CORPORATION, HTC AMERICA, INC.,
ZTE CORPORATION, AND ZTE (USA), INC.,
Petitioners,

v.

CELLULAR COMMUNICATIONS EQUIPMENT LLC,

Patent Owner

IPR2016-01493[1]
Patent 8,457,676 B2

JOINT MOTION TO TERMINATE PROCEEDING WITH RESPECT TO PETITIONER APPLE INC.

[1] HTC Corporation, HTC America, Inc., ZTE Corporation, and ZTE (USA), Inc. filed a petition in (now terminated) IPR2017-01081, and have been joined to the instant proceeding.

I. Introduction

Petitioner Apple Inc. ("Apple") and Patent Owner Cellular Communications Equipment LLC ("CCE") have entered into an agreement, effective September 1, 2017, that resolves all underlying disputes between the parties, including the above-captioned *inter partes* review of U.S. Patent No. 8,457,676 ("the '676 patent"), Case No. IPR2016-01493 (the "Review"). Accordingly, pursuant to 35 U.S.C. § 317, 37 C.F.R. § 42.74, and the Board's authorization of October 5, 2017, the parties jointly move to terminate this Review.

II. Statement of Facts

Apple and CCE have entered into a written Settlement and License Agreement (the "Agreement") that has settled their dispute. As a result of the Agreement, CCE's claims against Apple in the following related lawsuits have been dismissed with prejudice or are in the process being dismissed with prejudice:

- *Cellular Communications Equipment LLC v. AT&T Inc., et al.*, 2:15-cv-00576 (E.D. Tex. 2015);
- *Cellular Communications Equipment LLC v. Sprint Solutions, Inc., et al.*, 2:15-cv-00579 (E.D. Tex. 2015);
- *Cellular Communications Equipment LLC v. T-Mobile USA, Inc., et al.*, 2:15-cv-00580 (E.D. Tex. 2015);
- *Cellular Communications Equipment LLC v. Cellco Partnership D/B/A Verizon Wireless, et al.*, 2:15-cv-00581 (E.D. Tex. 2015);
- *Cellular Communications Equipment LLC v. Apple Inc., et al.*, 6:14-cv-00251 (E.D. Tex. 2015);

- *Cellular Communications Equipment LLC v. Apple Inc., et al.*, 6:17-cv-00146 (E.D. Tex. 2015);
- *Cellular Communications Equipment LLC v. Apple Inc., et al.*, 6:17-cv-00225 (E.D. Tex. 2015); and
- *Cellular Communications Equipment GmbH v. Apple Inc., et al.* in the Dusseldorf Regional Court, Cases No. 4b O 143/15, 4b O 35/17 and 4b O 36/17.

The parties have also agreed to jointly request termination of the present *inter partes* review (case no. IPR2016-01493) filed by Apple against the '676 patent, as well as *inter partes* reviews IPR2016-01480 and IPR2016-01500, respectively filed by Apple against U.S. Patents Nos. 8,867,472 and 8,457,022.

A true and correct copy of the Agreement is filed separately and concurrently with this motion as Exhibit APPL-1022, along with a request to treat the Agreement as business confidential information under 37 C.F.R. § 42.74(c). Exhibit APPL-1022 is being filed electronically as "Board Only." For the sake of completeness, Exhibit APPL-1022 also includes a copy of a Settlement, Covenant, and Related Rights Agreement between Apple and CCE's parent corporation, Acacia Research Corporation ("Acacia"), which was signed contemporaneously with the Agreement between Apple and CCE. There are no other agreements, oral or written, between the parties made in connection with, or in contemplation of, the termination of this proceeding.

Joinder petitioners HTC Corporation, HTC America, Inc., ZTE Corporation, and ZTE (USA), Inc. are not parties to the Agreement between Apple and CCE. In that regard, the '676 patent is presently asserted in civil actions involving the joinder petitioners styled *Cellular Communications Equipment LLC v. HTC Corporation, et al*., 2:17-cv-00078 (E.D. Tex. 2017) and *Cellular Communications Equipment LLC v. ZTE Corporation, et al*., 2:17-cv-00079 (E.D. Tex. 2017).

III. Relief Requested

Termination of this *inter partes* review with respect to Petitioner Apple is requested, and the parties respectfully submit that such termination is appropriate. The relevant statutory provision on settlement provides that an *inter partes* review "shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed." 35 U.S.C. § 317(a). Here, the Board has not yet decided the merits of the present *inter partes* review proceeding, and so under 35 U.S.C. § 317(a) the proceeding should be terminated with respect to Petitioner Apple upon this joint request.

This proceeding is at a sufficiently early stage. For example, the oral hearing has not yet occurred. The Board has not yet invested significant resources and no motions or actions are outstanding. Further, no public interest factors militate

against termination of this proceeding with respect to Petitioner Apple in light of the circumstances of this proceeding.

Additionally, termination of this proceeding as to Apple would further the underlying purpose of *inter partes* review, which is to provide an efficient and less costly alternative forum for patent disputes. Maintaining the proceeding as to Apple, however, would discourage further settlements, as patent owners in similar situations would have a strong disincentive to settle if they perceived that an *inter partes* review would continue with respect to a petitioner that has settled. Indeed, the Board has stated an expectation that proceedings such as these will be terminated after the filing of a settlement agreement: "[t]here are strong public policy reasons to favor settlement between the parties to a proceeding. … The Board expects that a proceeding will terminate after the filing of a settlement agreement, unless the Board has already decided the merits of the proceeding. 35 U.S.C. 317(a), as amended…." Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012).

For at least these reasons, termination of this proceeding with respect to Petitioner Apple is warranted.

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.