

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETFLIX, INC.,

Petitioner,

v.

CONVERGENT MEDIA SOLUTIONS, LLC,

Patent Owner.

INTER PARTES REVIEW OF U.S. PATENT NO. 8,640,183 B2
Case IPR No.: IPR2016-01812

**JOINT MOTION OF PETITIONER AND PATENT OWNER TO TERMINATE
PROCEEDING PURSUANT TO 35 U.S.C. §317 AND 37 C.F.R. §42.74**

STATEMENT OF PRECISE RELIEF REQUESTED

Pursuant to 35 U.S.C. § 317, 37 C.F.R. § 42.74, and the Board's authorization provided on April 28, 2017, Petitioner Netflix, Inc. ("Petitioner" or "Netflix") and Patent Owner Convergent Media Solutions, LLC ("Patent Owner" or "CMS") (collectively, the "Parties") jointly request termination of *Inter Partes* Review No. IPR2016-01812 pursuant to settlement. As there are no other petitioners in this proceeding and the proceeding is still at an early stage, the Parties respectfully submit that termination of this proceeding is appropriate.

STATEMENT OF FACTS

Petitioner filed their petition in this proceeding for *Inter Partes* Review of U.S. Patent No. 8,640,183 (the "'183 Patent") on September 15, 2016.

The Board entered a final written decision on the '183 Patent in related proceeding IPR2016-00047, filed by Unified Patents Inc., on March 29, 2017, finding claims 1-5, 16, 18, 24-26, 32-38, 40-42, 49, 51-53, 55, 58, and 59 unpatentable. IPR2016-00047, Paper 23. Further, the Board entered an adverse judgment on claims 60 and 61 of the '183 Patent at Patent Owner's request. *Id.* Petitioner challenges the same claims which are the subject of the final written decision in IPR2016-00047 plus additional claims 19, 20, 44, 47, 50, and 54. No other petitions related to the '183 Patent are pending.

Patent Owner elected not to file a Preliminary Response. Petitioner and Patent Owner have reached a Settlement Agreement to end their disputes in this proceeding and the underlying litigation. Pursuant to 35 U.S.C. §317(b) and 37 C.F.R. §42.74(b), the agreement between the Parties is in writing, constitutes the entire understanding and agreement between the Parties, and a copy of the Settlement Agreement is submitted herewith as Exhibit 2001.

The Parties jointly request that the Settlement Agreement filed as Exhibit 2001 be treated as business confidential information and kept separate from the underlying patent file, as provided in 35 U.S.C. §317(b) and 37 C.F.R. §42.74(c), to maintain confidentiality of the settlement agreement.

ARGUMENT

A joint motion to terminate generally “must (1) include a brief explanation as to why termination is appropriate; (2) identify all parties in any related litigation involving the patents at issue; (3) identify any related proceedings currently before the Office, and (4) discuss specifically the current status of each such related litigation or proceeding with respect to each party to the litigation or proceeding.” *Heartland Tanning, Inc. v. Sunless, Inc.*, IPR2014-00018, Paper 26 at 2 (PTAB Jul. 28, 2014).

The Board should terminate this proceeding as the Parties jointly request, for

the following reasons.

1. Brief Explanation as to Why Termination Is Appropriate

The Parties have met the statutory requirement that they file a “joint request” to terminate before the office “has decided the merits of the proceeding.” 35 U.S.C. §317(a). The proceeding is still at an early stage. Patent Owner elected not to file a Preliminary Response. The Board entered an institution decision as to claims 1-5, 16, 18-20, 24, 32, 34, 35, 37, 38, 42, 44, 47, and 50-55. Patent Owner’s Response is due on June 6, 2017.

The Parties have reached a settlement as to the ’183 Patent to end this dispute. A copy of the confidential Settlement Agreement pertaining to this case is filed concurrently herewith. *See* Ex. 2001. The Parties further jointly certify that there is no other agreement or understanding between them, including any other collateral agreements, made in connection with, or in contemplation of, the termination of the instant proceeding as set forth in 35 U.S.C. §317(b).

The Parties respectfully submit that termination of this proceeding is appropriate because (a) this proceeding is at an early stage and no motions are outstanding; (b) the Parties have reached agreement to end their dispute concerning the ’183 Patent; (c) the Parties have agreed to dismiss the related district court litigation between themselves with respect to the ’183 Patent; (d) the Parties agree

that this *Inter Partes* Review should be terminated; and (e) termination of this proceeding will preserve the Board's resources and obviate the need for any more Board involvement in the present proceeding.

2. Identity and Status of Parties in Related Litigation Involving the Patent

The '183 Patent was in dispute against Petitioner in *Convergent Media Solutions, LLC v. Netflix, Inc.*, No. 3:15-cv-02160-M (N.D. Tex.). This case has been dismissed pursuant to the settlement agreement between the Parties. This case was consolidated for pre-trial purposes with lead case *Convergent Media Solutions, LLC v. AT&T, Inc.* 3:15-cv-2156-M (N.D. Tex.), which is still on-going. There are no other current or contemplated pending litigation proceedings involving the '183 Patent.

3. Identity and Status of Any Related Proceedings Before the Office

The Board entered a final written decision on the '183 Patent in related proceeding IPR2016-00047, filed by Unified Patents Inc., on March 29, 2017, finding claims 1-5, 16, 18, 24-26, 32-38, 40-42, 49, 51-53, 55, 58, and 59 unpatentable. IPR2016-00047, Paper 23. Further, the Board entered an adverse judgment on claims 60 and 61 of the '183 Patent at Patent Owner's request. *Id.* No other petitions related to the '183 Patent are pending.

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