

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARGENTUM PHARMACEUTICALS LLC

Petitioner

v.

ICOS CORPORATION,

Patent Owner

U.S. Patent No. 6,943,166 B1

Inter Partes Review No. IPR2017-01762

**JOINT MOTION TO TERMINATE
UNDER 35 U.S.C. § 317(a)**

I. INTRODUCTION

Pursuant to 35 U.S.C. § 317(a), the Petitioner and Patent Owner jointly request termination of this *inter partes* review, which is directed at U.S. Patent No. 6,943,166 and in which a decision has not yet been entered regarding institution.

II. TERMINATION IS APPROPRIATE

Termination of this review is appropriate because the parties have settled their dispute and have reached an agreement to terminate this review. *See* EX1039 (Settlement Agreement (concurrently filed as business confidential information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c)). “Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement.” *Oracle Corp. v. Cmty. United IP, LLC*, CBM2013-00015, Paper 13 (July 25, 2013) (citing Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48765-66 (Aug. 14, 2012)).

On August 21, 2017, the Parties informed the Board of the settlement via e-mail and requested authorization to file a joint motion to terminate the proceeding with respect to both the Patent Owner and the Petitioner. As set forth in an e-mail dated August 25, 2017, the Board authorized the filing of the requested joint motion to terminate this proceeding as to both parties. Accordingly, Petitioner and Patent Owner jointly request termination of the

present proceeding.

Public policy favors terminating the present *inter partes* review proceeding. Congress and 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 Federal Circuit 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). And, the Board’s Trial Practice Guide stresses that “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 46,768 (Aug. 14, 2012).

Ending this IPR early promotes the Congressional goal of establishing a more efficient patent system by limiting unnecessary and counterproductive costs. *See Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method*

Patents, 77 Fed. Reg. 48,680 (Aug. 14, 2012). Permitting termination as to all parties provides certainty and fosters an environment that promotes settlements, creating a timely, cost-effective alternative to litigation.

Under 35 U.S.C. § 317(a), “[a]n inter partes review instituted under this chapter 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.” Termination of this IPR is appropriate as the Board has not reached a decision on institution, thus it has yet “decided the merits of the proceeding.” *See, e.g.*, Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012). Argentum filed its petition for *inter partes* review on July 12, 2017. The parties have now settled their dispute, and have reached agreement to terminate this *inter partes* review. The USPTO can conserve its resources through terminating the proceedings now, removing the need for the Board to further consider the arguments, to issue an Institution Decision and to render a Final Decision. Furthermore, no other party’s rights will be prejudiced by the termination of this proceeding.

The following matters regarding the ’166 patent remain pending before the USPTO. The parties assert, however, that these matters will not be affected by

the settlement and termination of this proceeding.

- IPR2017-00412 (Monosol Rx, LLC v. ICOS Corporation).

Institution was denied on July 3, 2017. A request for rehearing was filed on July 21, 2017. Patent Owner filed an opposition to the request for rehearing on August 9, 2017. Petitioner filed a reply to Patent Owner's opposition on August 16, 2017.

- IPR2017-017557 (Dr. Reddy's Laboratories, Inc v. ICOS Corporation). A petition was filed on July 10, 2017. A motion for joinder to now terminated IPR2017-00323 was also filed on July 10, 2017, Patent Owner filed an opposition to the motion for joinder on August 10, 2017. On August 14, 2017, the parties to this IPR requested authorization from the Board to file a joint motion to terminate the proceedings.

III. SUBMISSION OF THE SETTLEMENT AGREEMENT

As required by 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b), a true copy of the parties' written settlement agreement between the Petitioner and the Patent Owner is being filed as an exhibit contemporaneously with this joint motion to terminate. The settlement agreement has been filed for access by the "Parties and Board Only." The Parties request that the settlement agreement be treated as business confidential and be kept separate from the file of the involved patent and

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