

Filed: December 12, 2019

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZTE (USA) INC.

PETITIONER,

V.

BELL NORTHERN RESEARCH, LLC,

PATENT OWNER.

Case No. IPR2019-01438

U.S. Patent No. 8,416,862

JOINT MOTION TO TERMINATE PURSUANT TO 35 U.S.C. § 317

Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74, ZTE (USA) Inc. (“Petitioner”) and Patent Owner Bell Northern Research, LLC (“Patent Owner”) jointly request termination of this *inter partes* review (IPR) of U.S. Patent No. 8,416,862 (“’862 patent”), Case No. IPR2019-01438.

The parties have settled with respect to the challenged patent and have reached agreement to terminate this IPR. In accordance with 37 C.F.R. § 42.20(b), the parties received authorization from the Board to file this motion on December 10, 2019.

Termination of this proceeding is proper for at least the following reasons:

- The parties are jointly requesting termination. 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012) (“There are strong public policy reasons to favor settlement between the parties to a 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 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). Here, the parties are aware of no public interest or other factors weigh against termination of this proceeding.

- The Board has not yet “decided the merits of the proceeding before the request for termination is filed.” 35 U.S.C. § 317(a); 77 Fed. Reg. 48768 (“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.”). Indeed, the Board has not yet made a decision on institution of this *inter partes* review. Petitioner filed its petition for *inter partes* review on August 2, 2019. No motions are outstanding in this proceeding. Neither party’s rights will be prejudiced by the termination of this *inter partes* review. This supports the propriety of terminating this proceeding even though the settlement and termination provisions of 35 U.S.C. § 317, on their face, apply only to “instituted” proceedings. 77 Fed. Reg. 48680, 48686 (Aug. 14, 2012)
- The district court in the action of *Bell Northern Research, LLC v. ZTE Corp. et al.*, Case No. 3:18-cv-1786-CAB-BLM (Doc. No. 138) pending in the Southern District of California has dismissed the claims that relate to the ’862 patent.

The following proceedings are related to the ’862 patent:

IPR2019-01439

IPR2020-00108

The settlement agreement between the parties has been made in writing, and a true and correct copy will be filed with this request as Exhibit 2001.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Joint Motion to Terminate was served on December 12, 2019, by delivering a copy via electronic mail to the attorneys of record for the Petitioners as follows:

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Dated: December 12, 2019

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