

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

MICROSOFT CORPORATION,  
Petitioner,

v.

WORLDS INC.,  
Patent Owner.

---

Case IPR2021-00277  
Patent 8,082,501

---

**PETITIONERS' AND PATENT OWNER'S JOINT MOTION TO  
TERMINATE INTER PARTES REVIEW PROCEEDINGS  
PURSUANT TO 35 U.S.C. § 317(a)**

Authorization for this motion was given by the Board via email sent to the parties on September 17, 2021. Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72, Microsoft Corporation (“Petitioner”) and Worlds Inc. (“Patent Owner”) (collectively, “the Parties”) hereby provide notice that they have reached a settlement agreement and jointly request termination of the above-captioned *inter partes* review.

## **I. Statement of Facts**

The basis for this Joint Motion is the settlement of disputes between the Parties relating to U.S. Patent No. 8,082,501 (the “’501 Patent”).

Patent Owner dismissed with prejudice its claims relating to the ’501 Patent in the co-pending district court litigation. No other litigation or proceeding between the Patent Owner and Petitioner involving the subject ’501 Patent is pending. The Patent Owner and Petitioner have settled their dispute as to the ’501 Patent, and have agreed to jointly move to terminate this *inter partes* review.

## **II. Standard for Termination**

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 No. 26, at \*2 (P.T.A.B. July 28, 2014).

### III. Termination Is Appropriate

Under 35 U.S.C. § 317(a), “[a]n *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.” Institution was granted on June 16, 2021. Paper No. 11. The deadline for the Patent Owner’s Response is currently September 29, 2021. Paper No. 16 at 1. This proceeding is thus in the preliminary stage, the record lacks full briefing on the trial issues, and the Board has accordingly not decided the merits of the proceeding.

As the Office Patent Trial Practice Guide acknowledges, “[t]here are strong public policy reasons to favor settlement between parties to a[n] [*inter partes* review] 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 . . . .” 77 Fed. Reg., 48,756, 48,768 (Aug. 14, 2012). Indeed, maintaining this proceeding would serve as a disincentive for parties in similar situations to settle if it is perceived that an *inter partes* review would continue in spite of a settlement.

By granting the present Motion, the Board and the Parties can conserve resources, and no public interest factors weigh against termination of this proceeding. Thus, termination is proper here.

#### **IV. Related Proceedings**

As for requirements (2) and (4), the table below identifies all parties in a district court litigation that involves the '501 Patent, and discusses the current status of the litigation with respect to each party to the litigation. *See Heartland Tanning, Inc.*, Paper No. 26, at \*2.

<b>Case Caption and Parties</b>	<b>Current Status</b>
<i>Worlds, Inc. v. Activision Blizzard, Inc., et al</i> , Case No. 1:12-cv-10576 (D. Mass.)	The '501 Patent was found invalid as directed to ineligible subject matter under 35 U.S.C. § 101 on April 30, 2021. <i>See</i> Paper 9; Ex. 2100. An appeal is currently pending before the U.S. Court of Appeals for the Federal Circuit, Case No. 2021-1990.

As for requirements (3) and (4), this proceeding is the sole proceeding directed to the '501 Patent currently before the Office.

#### **V. Agreement in Writing Submitted to the Board**

As required by statute, the Parties are filing concurrently herewith, as a separate submission, a Joint Request to File Settlement Agreement as Business Confidential Information Pursuant to 35 U.S.C. § 317(b), along with a true and correct copy of the written settlement agreement in connection with this matter.

The Parties request that the settlement agreement be treated as business confidential information and be kept separate from the files of the '501 Patent, pursuant to 37 C.F.R. 42.74(c). The Parties certify that there are no other agreements or understandings between Petitioners and Patent Owner made in connection with or in contemplation of the termination of the *inter partes* review proceedings.

## **VI. Conclusion**

For the reasons stated above, the Parties respectfully request that the Board terminate the *inter partes* review proceedings in IPR2021-00277.

# 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.