UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,

Petitioner

v.

TRAXCELL TECHNOLOGIES, LLC

Patent Owner

IPR2022-00073 U.S. Patent No. 10,820,147

JOINT MOTION TO TERMINATE INTER PARTES REVIEW

I. Introduction

Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.71(a), Petitioner Apple, Inc. ("Apple") and Patent Owner Traxcell Technologies LLC ("Traxcell") (collectively, the "Parties") jointly request termination of this *inter partes* review of U.S. Patent 10,820,147 ("the '147 patent"), case no. IPR2022-00073. The Parties respectfully request that the Board grant this Motion because the Parties' dispute with respect to the '147 patent has been resolved.

II. Statements of Facts

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

- Traxcell Technologies, LLC v. Apple Inc., 6-21-cv-01314 (W.D. Tex. 2021)
- Apple Inc. v. Traxcell Technologies LLC, 3-21-cv-06059 (N.D. CA, 2021)
- Traxcell Technologies, LLC v. Apple Inc., 6-21-cv-00074 (W.D. Tex. 2021)

The parties have also agreed to jointly request termination of the present inter

partes review IPR2022-00073 filed by Apple against the '174 patent, as well as *inter partes* reviews IPR2021-01552 and IPR2021-01553, respectively filed by Apple against U.S. Patent Nos. 9,918,196 and 9,549,388. Therefore, the Parties' dispute is fully resolved.

The Parties are concurrently filing a copy of the confidential Agreement as Ex. 1021 along with a request to treat it as confidential business information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Ex. 1021 is being filed as "Board and Parties Only." The undersigned certify that there are no other collateral agreements or understandings, oral or written, between the parties made in connection with, or in contemplation of, the termination of the present proceeding, and that Ex.1021 represents a true and accurate copy of the agreement between the parties that resolves the present proceeding.

III. Relief Requested

On March 23, 2022, the Parties informed the Board of their confidential agreement via email and requested authorization to file a joint motion to terminate the *inter partes* review IPR2022-00073 with respect to both parties. As set forth in an email dated March 24, 2022, the Board authorized the filing of the requested joint motion to terminate this proceeding as to both parties. Accordingly, the Parties jointly request termination of the present proceeding.

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).

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). Further, the Board's Trial Practice Guide indicates that "[t]here are strong public policy reasons to favor settlement between the parties to a proceeding." Consolidated Trial Practice Guide, at 86 (Nov. 2019).

Terminating this *inter partes* review also 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.

Additionally, termination of this inter partes review is appropriate as the Board has not yet "decided the merits of the proceeding." Consolidated Trial Practice Guide, at 86. Apple filed its petition for *inter partes* review on October 22, 2022. Traxcell has filed its patent owner preliminary response on February 17, 2022. The Board has not yet issued a decision to institute trial. The Parties have not submitted any further briefs in response to the petition. The Parties have now settled their dispute and have reached agreement to terminate this *inter partes* review. The Board can conserve its resources through terminating the proceedings now, removing the need for the Board to render an institution decision or final written decision. Accordingly, under 35 U.S.C. § 317(a) the proceeding should be terminated with respect to Petitioner Apple upon this joint request. Additionally, the request to treat the Parties' settlement Agreement as confidential business information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) should be granted.

Therefore, the Parties respectfully request termination of this *inter partes* review.

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