

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMERICAN AIRLINES, INC.,
Petitioner

v.

ADVANCED TRANSACTIONS, LLC
Patent Owner

Inter Partes Review No. IPR2023-01366
U.S. Patent No. 7,065,555

JOINT MOTION TO TERMINATE PROCEEDING
PURSUANT TO 35 U.S.C. § 317 AND
37 C.F.R. § 42.72, 42.74

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U.S. Patent & Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

I. STATEMENT OF RELIEF REQUESTED

Pursuant to 35 C.F.R. § 317 and 37 C.F.R. §§ 42.72 and 42.74, and the Board's authorization by email dated October 11, 2023, Petitioner American Airlines, Inc. (American) and Patent Owner Advanced Transactions, LLC (Advanced) jointly move to terminate the present *inter partes* review proceeding as a result of a Settlement and License Agreement (the Agreement) between American and Advanced (collectively, the Parties). The Agreement completely resolves all pending controversies between the Parties concerning U.S. Patent 7,065,555 (the '555 patent).

The Parties are concurrently filing a true, written copy of the Agreement in connection with this matter as required by 37 C.F.R. § 42.74(b). The Parties further jointly certify that there are no other agreements, or understandings, oral or written, between them, including any collateral agreements, made in connection with, or in contemplation of, the termination of this proceeding as set forth in 35 U.S.C. § 317(b).

The Parties request that the Agreement be treated as business confidential information and kept separate from the file of the '555 patent. A joint request for such treatment pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) is being filed concurrently herewith.

II. STATEMENT OF FACTS

American asserted that it does not infringe the '555 patent in the declaratory action entitled *American Airlines, Inc. v. Advanced Transactions, LLC*, No. 4:23-cv-00576 (N.D. Tex.) (the Litigation).

On September 8, 2023, the Parties entered into the Agreement. Among other things, the Parties agreed to dismiss with prejudice any litigation relating to the '555 patent and to seek termination of this IPR proceeding. Also on September 8, 2023, American voluntarily dismissed all claims in the Litigation.

American also filed the following petition to institute *inter partes* proceedings concerning another patent owned by Advanced:

IPR	Patent	Filed Date
2023-01370	U.S. Patent No. 7,386,594	August 31, 2023

The Parties will also jointly move to terminate that proceeding in light of the Agreement. Thus, once the Board grants that motion and this one, there will be no other proceedings before the Patent Office involving both American and Advanced.

III. LEGAL STANDARD

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.” Similarly, 37 C.F.R. § 42.72 provides that “[t]he Board may terminate a trial without rendering a final written decision, where appropriate . . . pursuant to a joint request under 35 U.S.C. 317(a).” The Trial Practice Guide also observes that “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding” and that “[t]he 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.” Patent Trial and Appeal Board Consolidated Trial Practice Guide, § II.N, p. 86 (November 2019).

IV. GOOD CAUSE EXISTS TO TERMINATE THE ABOVE-CAPTIONED IPR

Termination of this IPR is appropriate because the Parties have settled their entire dispute concerning the ’555 patent and the Board has not yet decided the merits of this proceeding. Thus, under 35 U.S.C. § 317(a), the Board should terminate this proceeding. “Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement.” *DTN, LLC v. Farms Tech., LLC*, IPR2018-01412, Paper 21 (June 14, 2019) (precedential) (citing 35 U.S.C. § 317(a), 37 C.F.R. § 42.72, and the Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012)).

Other factors weigh in favor of terminating this IPR proceeding. The above-captioned petition is in its early phase. The Board has not yet made a decision

regarding institution of the petition. And no decisions on the merits of the proceeding have been made. Dismissal of the proceeding at this early stage promotes the congressional goal to establish a more efficient and streamlined patent system that limits unnecessary and counterproductive litigation costs. *See* 37 C.F.R. § 42.1(b). In similar circumstances involving IPRs in such an early juncture, the Board has previously granted motions to terminate using its authority under at least 37 C.F.R. §§ 42.5(a) and 42.71(a). *See, e.g., RPC Formatec GMBH v. Trudell Medical Int'l*, Case Nos. IPR2014-01040, IPR2014-01127, Paper 10 (PTAB, Oct. 24, 2014) (granting joint motion to terminate); *Samsung Elecs. Co., Ltd. v. Telefonaktiebolaget LM Ericsson*, IPR2021-00446, Paper 7 (PTAB, Aug. 3, 2021) (same); *Huawei Techs. Co., Ltd. v. Verizon Patent & Licensing Inc.*, IPR2021-00616, -00617, Paper 9 (PTAB, Sept. 9, 2021) (same).

Further, termination of the proceeding is a just and fair resolution. The Parties agree that neither American nor Advanced will be prejudiced by the termination. Finally, the Parties will benefit from preserving resources that would otherwise be expended if this motion is denied.

V. CONCLUSION

For at least these reasons, the Parties respectfully request that the Board grant this Joint Motion to Terminate the above-captioned IPR proceeding. The Parties also

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