

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NJOY, INC., CB DISTRIBUTORS, INC.,
DR DISTRIBUTORS, LLC, FIN BRANDING GROUP, LLC,
ELECTRONIC CIGARETTES INTERNATIONAL GROUP, LTD., f/k/a VIC-
TORY ELECTRONIC CIGARETTES CORPORATION, and, LOGIC TECH-
NOLOGY DEVELOPMENT, LLC,
Petitioners,

v.

FONTEM HOLDINGS 1 B.V.,
Patent Owner.

Case IPR2015-01299
Patent 8,910,641 B2

**JOINT MOTION TO TERMINATE PETITIONER CB/DR PURSUANT TO
35 U.S.C. § 317**

IPR2015-01299

U.S. Patent No. 8,910,641

Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74, Petitioners CB Distributors, Inc. and DR Distributors, LLC (together, “Petitioner CB/DR”) and Patent Owner Fontem Holdings 1 B.V. (“Patent Owner”) jointly move the Patent Trial and Appeal Board (“Board”) to terminate Petitioner CB/DR from IPR2015-01299. There are multiple Petitioners in IPR2015-01299. Petitioner NJOY, Inc. (“NJOY”) and Patent Owner filed a similar request to terminate Petitioner NJOY from IPR2015-01299, and Petitioner Logic Technology Development, LLC (“Logic”) and Patent Owner also filed a similar request to terminate Petitioner Logic from IPR2015-01299.

On December 2, 2015, Patent Owner and Petitioner CB/DR notified the Board that they reached a settlement agreement, including a license agreement, resolving all disputes between them involving the patent-at-issue in this IPR, and further requested guidance and permission to file a motion to terminate Petitioner CB/DR from IPR2015-01299. On December 2, 2015, the Board authorized Patent Owner and Petitioner CB/DR to file a joint motion to terminate and a joint request to treat the settlement agreement as business confidential.

Pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b), a true copy (including counterparts) of the confidential settlement agreement and license agreement is filed herewith. Because the settlement agreement and license agreement are confidential, Patent Owner and Petitioner CB/DR respectfully request that it be

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treated as business confidential information and kept separate from the underlying patent file, as provided in 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Patent Owner and Petitioner CB/DR request that the settlement and license agreement be accessible to the “Board Only” because Petitioners NJOY, FIN Branding Group, LLC, Electronic Cigarettes International Group, LTD., f/k/a Victory Electronic Cigarettes Corporation (“FIN/ECIG”), and Logic should not have access to the settlement and license agreement.

As stated in 35 U.S.C. § 317(a), because Petitioner CB/DR and Patent Owner are jointly requesting this termination, no estoppel under 35 U.S.C. § 315(e) shall attach to Petitioner CB/DR.

I. TERMINATION OF PETITIONER CB/DR FROM THE *INTER PARTES* REVIEW PROCEEDING IS APPROPRIATE

The statutory provision on a settlement relating to *Inter Partes* Reviews 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.

Because the Board has not decided the merits of the *Inter Partes* Review Proceeding, Section 317 provides that the *Inter Partes* Review Proceeding should be terminated with respect to Petitioner CB/DR.

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II. MATTERS RELATED TO THE *INTER PARTES* REVIEW

The patent-at-issue in the IPR2015-01299 is the subject of several federal district court litigations, including one matter that involves Patent Owner and Petitioner CB/DR. There are no other petitions for IPR or IPR of the patent-at-issue. The settlement agreement and license agreement have resolved all disputes involving the patent-at-issue between the Patent Owner and Petitioner CB/DR.

A. Case No. 2:14-CV-01645 (C.D. Cal.) Relates to the *Inter Partes* Review

Patent Owner filed a patent infringement suit against Petitioner CB/DR in the United States District Court for the Central District of California, captioned *Fontem Ventures B.V. et al. v. CB Distributors, Inc. et al.*, Case No. 2:14-cv-09266. Patent Owner accused Petitioner CB/DR of infringing the patent-at-issue in the *Inter Partes* Review Proceeding in addition to one other patent. This litigation was consolidated with several related cases asserting seven additional patents against Petitioner CB/DR. As a result, a total of nine patents have been asserted against Petitioner CB/DR in the consolidated action (Case No. 2-14-cv-01645). Those litigations are covered by the settlement agreement and license agreement.

Patent Owner also filed patent infringement suits against other entities asserting the patent-at-issue in the United State District Court for the Central District of California, captioned *Fontem Ventures BV et al. v. LOEC, Inc. et al.*, Case No. 2-14-cv-09265; *Fontem Ventures BV et al. v. NJOY, Inc. et al.*, Case No. 2-14-cv-

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09263; *Fontem Ventures BV et al. v. Ballantyne Brands, LLC*, Case No. 2-14-cv-09269; *Fontem Ventures BV et al. v. Logic Technology Development LLC*, Case No. 2-14-cv-09271; *Fontem Ventures BV et al. v. Spark Industries, LLC*, Case No. 2-14-cv-09270; *Fontem Ventures BV et al. v. Vapor Corp.*, Case No. 2-14-cv-09267; *Fontem Ventures BV et al. v. VMR Products, LLC*, Case No. 2-14-cv-09273; *Fontem Ventures BV et al. v. FIN Branding Group, LLC et al.*, Case No. 2-14-cv-09268.

B. Board Proceedings

As mentioned above, there are no other petitions for *Inter Partes* Review of the patent-at-issue.

III. CONCLUSION

Patent Owner and Petitioner CB/DR respectfully request that the Board grant Patent Owner and Petitioner CB/DR's joint motion to terminate Petitioner CB/DR from IPR2015-01299 and grant the accompanying request to treat the settlement agreement and license agreement between Patent Owner and Petitioner CB/DR as business confidential information.

Patent Owner and Petitioner CB/DR are available at the Board's convenience to discuss these related matters in more detail or answer any additional questions raised by this joint motion.

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