UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MERCEDES-BENZ USA, LLC, Petitioner,

v.

DIGITAL STREAM IP, LLC, Patent Owner.

Case IPR2017-00834 Patent 8,265,545

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



STATEMENT OF RELIEF REQUESTED

Pursuant to 35 U.S.C. § 317(a), 37 C.F.R. § 42.72, and the Board's email dated April 17, 2017, authorizing this motion, Petitioner Mercedes-Benz USA, LLC ("**Mercedes**") and Patent Owner Digital Stream IP, LLC ("**Digital Stream**") jointly request termination of *Inter Partes* Review Case IPR2017-00834 of U.S. Patent No. 8,265,545.

STATEMENT OF FACTS

Mercedes filed its petition for *inter partes* review on February 1, 2017. The USPTO issued a Notice of Filing Date Accorded to Petition and Time for Filing Patent Owner Preliminary Response on February 27, 2017. (Paper 4.) Since receiving that Notice, the parties settled their dispute and reached a Settlement Agreement. (Ex. 1014.)

The Settlement Agreement obligates the parties to jointly file a stipulated motion dismissing with prejudice all claims between the parties in the district court litigation associated with the present IPR proceeding. (Ex. 1014 § 2.1 and Ex. A). The Settlement Agreement also obligates the parties to jointly move to terminate this IPR and two other IPRs on related patents. (Ex. 1014, § 2.2 and Ex. B).

¹ Digital Stream IP, LLC v. Mercedes-Benz USA, LLC, Case No. 2:16-cv-00981-JRG (E.D. Tex.).



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ARGUMENT

I. Termination of This IPR is Appropriate.

Generally, a proceeding will terminate after the filing of a settlement agreement. *See, e.g.*, Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). In IPR2013-00428, Paper No. 56, the Board provided guidance as to the content of a motion to terminate. There, the Board indicated that a joint motion, such as this one, should (1) include a brief explanation as to why termination is appropriate; (2) identify all parties in any related litigation involving the patents at issue and the status of each; and (3) identify any related proceedings currently before the Office. IPR2013-00428, Paper No. 56 at 2. This Motion satisfies each of the above requirements.

1. Brief Explanation as to why Termination is Appropriate.

The Board should terminate this IPR because the proceeding is still in its very early stages. Patent Owner's Preliminary Response is not due until May 27, 2017; no decision as to whether to institute trial in this proceeding has been entered; and no final written decision on the merits of this *inter partes* review proceeding has been made. Mercedes and Digital Stream have settled their related dispute; the parties' Settlement Agreement obligates Mercedes and Digital Stream to file a stipulated motion to dismiss all claims with respect to U.S. Patent No. 8,265,545 with prejudice; and both Mercedes and Digital Stream agree that this



review should be terminated. Moreover, under 35 U.S.C. § 317(a), this proceeding "shall be terminated with respect to [] [P]etitioner" because the parties are jointly requesting termination and the Office has not yet "decided the merits of the proceeding before the request for termination is filed."

2. Identification of All Parties in any Related Litigation Involving the Patents at Issue and the Status of Each.

The challenged patent, U.S. Patent No. 8,265,545, is at issue in the following pending litigation, with the status of each case included in parenthetical:

- Digital Stream IP LLC v. Robert Bosch, LLC, No. 2:16-cv-01188-JRG (E.D. Tex.) (ongoing);
- Digital Stream IP LLC v. BMW of North America, LLC, No. 2:16-cv-00982-JRG (E.D. Tex.) (ongoing); ² and Digital Stream IP LLC v. Mercedes-Benz USA, LLC, No. 2:16-cv-00981-JRG (E.D. Tex.) (dismissed);
- Digital Stream IP LLC v. American Honda Motor Co., Inc., No. 2:16-cv-00700-JRG (E.D. Tex.) (dismissed); Digital Stream IP LLC v. Nissan
 North America, Inc., No. 2:16-cv-00698-JRG (E.D. Tex.) (stayed pending Bosch case); Digital Stream IP LLC v. General Motors LLC, No.

² This case was consolidated for pre-trial purposes into the Mercedes case (No. 2:16-cv-00981-JRG).



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2:16-cv-00204-JRG (E.D. Tex.) (dismissed); and *Digital Stream IP LLC* v. *Best Buy Co., Inc., et al.*, No. 2:16-cv-00203-JRG (E.D. Tex.) (dismissed).³

3. Related Proceedings Currently Before the Office.

Proceedings relating to the challenged patent and certain "family members" are currently before the Office. U.S. Patent No. 8,265,545 issued from U.S. Patent App. No. 13/101,841, and is a continuation of (a) U.S. Patent App. No. 12/363,593 (now U.S. Pat. No. 7,962,090), which (b) through an intervening patent, is a continuation of U.S. Patent App. No. 09/798,331 (now U.S. Pat. No. 6,757,913). The '090 Patent is at issue in IPR2017-00837 (filed by Mercedes). The '913 Patent is at issue in IPR2017-00833 (filed by Mercedes) and IPR2016-01749 (filed by Unified Patents Inc.). Requests for termination of IPR2017-00833, IPR2017-00834, and IPR2017-00837 are being filed concurrently on even date herewith.

III. Future Participation by the Parties.

Mercedes will not further participate in *Inter Partes* Review Case IPR2017-00834 if it is not terminated pursuant to this Motion. Digital Stream reserves its right to participate (including the right to seek exclusion of some or all the testimony of Mercedes' declarant), if necessary. Digital Stream notes, however,

³ These cases were consolidated for pre-trial purposes into the General Motors case (No. 2:16-cv-00204-JRG).



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