Paper 10

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Armaspec, Inc., Petitioner,

v.

J & K IP Assets, LLC, Patent Owner

Case IPR2019-00711 U.S. Patent No. 8,800,424

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



Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74, Patent Owner J & K IP Assets, LLC ("Patent Owner") and Petitioner Armaspec, Inc. ("Petitioner") (collectively, the "Parties") jointly request termination of the *inter partes* review of U.S. Patent No. 8,800,424 ("the '424 patent"), Case No. IPR2019-00711.

II. Why Termination Is Warranted

Under 37 C.F.R. §§ 42.74 and 42.72, the Board may terminate a trial without rendering a final written decision, where appropriate, including pursuant to a joint request under 35 U.S.C. §§ 317(a) or 327(a). Termination is proper in this IPR because the review is still in its early stages, the Office has not "decided the merits of the proceeding before the request for termination is filed," and the Parties are jointly requesting termination after settling their dispute and agreeing to end litigation relating to the '424 patent.

First, the Board issued an institution decision on August 20, 2019 (Paper 7), but the Parties have not completed their submissions of briefs or supporting evidence (for example, a Patent Owner's Response has not yet been filed). Oral Argument is not scheduled to occur until May 27, 2020.

Second, the Office has not yet "decided the merits of the proceeding." 35 U.S.C. § 317(a).

Third, the Parties also settled their dispute and agreed to termination of this IPR proceeding. The Parties executed a binding, confidential Settlement Agreement



effective Nov. 16, 2019. A true and correct copy of the Settlement Agreement is submitted concurrently herewith as Confidential Exhibit 2006 (also submitted concurrently herewith is a Joint Request to File the Settlement Agreement as Business Confidential Information, be kept separate from the file of this proceeding and the involved patent, and be made available only to Federal Government agencies on written request or to persons showing good cause pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c)). As part of the Settlement Agreement, Petitioner and Patent Owner agreed to terminate this proceeding. Both Petitioner and Patent Owner support termination. The '424 patent is also the subject of one district court action in the Northern District of California, captioned J & KIP Assets, LLC v. Armaspec, *Inc.*, Case No. 3:17-cv-07308-WHO (N.D. Cal.) (currently stayed), which the Parties have similarly agreed to dismiss. The Parties have jointly requested dismissal of the district court action and anticipate such an order within days. Termination of this IPR proceeding would further promote efficiency and minimize unnecessary costs. There are no other pending lawsuits or proceedings between the Petitioner and Patent Owner relating to the '424 patent.

As noted in the Patent Office Trial Practice Guidelines, "there are strong public policy reasons to favor settlement between the parties to a proceeding The Board expects that a proceeding will terminate after the filing of a settlement



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agreement, unless the Board has already decided the merits of the proceeding." 77 Fed. Reg. 48768. For the reasons explained above, dismissal is appropriate here.

II. Conclusion

For the foregoing reasons, Petitioner and Patent Owner jointly request that the Board dismiss this proceeding in its entirety.

Dated: December 3, 2019 Respectfully submitted,

/Thomas King/ Thomas King Reg. No. 69,721 Counsel for Patent Owner

/John D. van Loben Sels/ John D. van Loben Sels Reg. No. 59,131 Counsel for Petitioner



CERTIFICATE OF SERVICE

The undersigned certifies, in accordance with 37 C.F.R. §§ 42.105 and 42.6, that service was made on the Petitioner as detailed below.

Date of service December 3, 2019

Manner of service Electronic Mail

Documents served Joint Motion to Terminate Proceeding Pursuant to 35 U.S.C.

§ 317 and 37 C.F.R. § 42.74 Confidential Exhibit 2006

Persons served John D. van Loben Sels (Reg. No. 59,131)

Steven R. Castaneda (Reg. No. 67,167)

Jennifer J. Shih (Reg. No. 68,675)

FISH IP LAW LLP

2603 Main Street, Suite 1000

Irvine, CA 92614

jvanlobensels@fishiplaw.com scastaneda@fishiplaw.com

jshih@fishiplaw.com rmarfatia@fishiplaw.com

Date: December 3, 2019 Respectfully submitted

/s/ Thomas King

Thomas King Reg. No. 69,721

Counsel for Patent Owner

