

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RPX CORPORATION
Petitioner

v.

MULTIPLAYER NETWORK INNOVATIONS, LLC
Patent Owner

Case: IPR2015-00553

JOINT MOTION TO TERMINATE PROCEEDINGS

I. STATEMENT OF PRECISE RELIEF REQUESTED

Pursuant to 35 U.S.C. § 317 and 37 C.F.R. § 42.74, and the Board's authorization provided in its March 17, 2015 Order, Paper No. 5, Petitioner and Patent Owner jointly request termination of this *Inter Partes* Review case pursuant to settlement.

II. STATEMENT OF FACTS

Petitioner filed a petition for *inter partes* review on January 12, 2015. Paper No. 2. On January 29, 2015, the PTAB accorded the petition a filing date. *See* Paper No. 3. On March 13, 2015, the parties jointly contacted the Board seeking a conference call to discuss the filing of the present joint motion to terminate, and specifically, whether Petitioner RPX could redact certain business confidential information related to third parties from an appendix to the agreement reached between RPX and Patent Owner, Multiplayer Networks Innovation. The parties held the conference call with the Board on March 16, 2015 and on March 17, 2015, the Board issued an Order authorizing the parties to file a joint motion to terminate the instant *inter partes* review proceeding. *See* Paper No. 5 at 2. The Board further authorized the parties to submit a joint motion to designate the agreement between them as confidential business information. *Id.*

III. ARGUMENT

A. Termination of This *Inter Partes* Review 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(a). It also provides that, “[i]f no petitioner remains in the *inter partes* review, the Office may terminate the review or proceed to a final written decision under section 318(a).” *Id.*

Here, the Board has not instituted trial on the petition, and has not decided the merits of the proceeding. Patent Owner’s Preliminary Response is not yet due.

In other proceedings, the Board has granted joint motions to terminate the proceedings when the proceeding was much further along, and the record was much more fully developed than the present proceeding. For example, the Board has granted motions to terminate after the matter had been fully briefed and ready for oral argument, and even after oral argument. For example, in *Apex v. Resmed*, the matter was fully briefed when the parties filed their joint motion to terminate. *Apex Medical Corp. v. Resmed Ltd.*, IPR2013-00512, Paper 39 at 2-3 (Sept. 12, 2014). There, the Board granted the motion to terminate in its entirety, noting that

it had not yet decided the merits. *Id.* In *Rackspace Hosting v. Clouding IP*, the Board granted a motion to terminate a proceeding after the evidentiary record was closed and shortly before the oral argument. *Rackspace Hosting, Inc. v. Clouding IP, LLC*, CBM2014-00034, Paper 28 (Dec. 9, 2014), Paper 28 at 2-3 (citing Office Patent Trial Practice Guide); *id.*, Paper 22 at 2 (Nov. 18, 2014) (setting Trial Hearing for December 18, 2014). In *Volusion v. Versata Software*, the Board terminated the proceeding in its entirety even after oral argument had already been conducted, noting that, “[w]hile this case is in the late stages of the trial, no final written decision has been made.” *Volusion Inc. v. Versata Software Inc.*, CBM2013-00018, Paper 52 at 2 (June 17, 2014).

Because the Board has not even decided whether to institute trial on the petition in this proceeding and has not decided the merits of the requested *inter partes* review, Section 317 provides that the proceedings should be terminated with respect to Petitioner. Moreover, because RPX Corporation is the only petitioner in this *inter partes* review, no petitioner will remain, and the Office may terminate the review in its entirety under Section 317. Because this proceeding is in its early stages and a decision regarding whether to institute trial has not yet been made, termination would save significant further expenditure of resources by the Board, as well as by Patent Owner, and would further the purpose of IPR proceedings to

provide an efficient and less costly alternative forum for patent disputes (including by encouraging settlement).

Indeed, the Board has stated an expectation that proceedings such as these will be terminated after the filing of a settlement agreement: “[t]here 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 agreement*, unless the Board has already decided the merits of the proceeding. 35 U.S.C. 317(a), as amended....” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012) (emphasis added). For at least the reasons discussed below, the Board’s expectation that such proceedings should be terminated is proper and well justified here.

In light of the foregoing, the parties submit that termination of the proceedings in their entirety is warranted.

B. Status of Related Matters

U.S. Patent No. 5,618,045 is the subject of the following pending litigations:

Case Name	Docket No.	Court	Status
<i>Multiplayer Network Innovations, LLC v. LeapFrog Enterprises, Inc.</i>	2-15-cv-336	E.D. Tex.	Active
<i>Multiplayer Network Innovations, LLC v. Iron Galaxy Studios, LLC</i>	2-14-cv-948	E.D. Tex.	Stayed

<i>Multiplayer Network Innovations, LLC v. OL2, Inc.</i>	2-14-cv-840	E.D. Tex.	Active
<i>Multiplayer Network Innovations, LLC v. Toshiba America, Inc.</i>	2-14-843	E.D. Tex.	Active
<i>Multiplayer Network Innovations, LLC v. ASUSTEK Computer, Inc., et al.</i>	2-14-cv-828	E.D. Tex.	Active

All other litigation regarding the involved patent has been dismissed.

C. Written Settlement Agreement

The parties are filing herewith a copy of a patent license agreement that, *inter alia*, grants RPX a license to the involved patent and was entered into in contemplation of termination of this proceeding. Pursuant to 37 C.F.R. § 2.74(c), a request is being filed herewith to treat this agreement as business confidential information and to keep it separate from the files of the involved patent. Moreover, certain business confidential information that relates to non-parties to the agreement as set forth in Exhibit A have been redacted pursuant to the authorization provided by the Board in its March 17, 2015 Order. No other redactions to the agreement have been made and RPX has kept the redactions to a minimum. The parties certify that no other agreements have been reached between the parties in contemplation of terminating the instant proceeding.

IV. CONCLUSION

Wherefore, Petitioner and Patent Owner respectfully request that the Board grant the parties' Joint Motion to Terminate this proceeding in its entirety and grant the request to treat the patent license agreement between the parties as business confidential information.

Petitioner and Patent Owner 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.

Respectfully submitted,

Dated: March 19, 2015

/Andrew R. Sommer/
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*Lead Counsel for Petitioner RPX
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Dated: March 19, 2015

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*Lead Counsel for Patent Owner
Multiplayer Network Innovations,
LLC*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the following document has been served in its entirety by filing the JOINT MOTION TO TERMINATE PROCEEDINGS through the Patent Review Processing System, as well as by causing the aforementioned document to be electronically mailed, pursuant to the Petitioner and Patent Owner's agreement, to the following attorneys of record for the Patent Owner listed below:

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Dated: March 19, 2015

/Deomattie Kumar/
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Paralegal for Petitioner