

Paper No. \_\_\_\_\_  
Filed: August 4, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.  
Petitioner

v.

OPENTV, INC.  
Patent Owner

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Case IPR2015-00969  
Patent 5,884,033

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**JOINT MOTION TO TERMINATE PROCEEDING**

## INTRODUCTION

Petitioner Apple Inc., Patent Owner parent Kudelski S.A., and third party RPX Corporation have made five agreements that, taken together, resolve all underlying disputes between the parties, including this proceeding. In an email dated July 20, 2016, the Board authorized the parties to file upon completion of a settlement a joint motion to terminate and a joint request to file settlement agreement as business confidential information. As required by the Board, the parties are submitting true copies of the five agreements along with this joint motion to terminate and a joint request to file settlement agreement as business confidential information:

- Patent License Agreement between Apple and Kudelski (Ex. 2008)
- Patent License Agreement between Kudelski and RPX (Ex. 2009)
- Letter Agreement between Kudelski, RPX, and Apple (Ex. 2010)
- Letter Agreement No. 2 between Kudelski and Apple (Ex. 2011)
- Agreement between Apple and RPX (Ex. 1013)

Both parties have access to the Patent License Agreement between Apple and Kudelski; the Letter Agreement between Kudelski, RPX, and Apple; and the Letter Agreement No. 2 between Kudelski and Apple, but each of the other agreements preclude one of the parties from disclosing it to the other of the parties. Specifically, the Patent License Agreement between Kudelski and RPX cannot be

shared with Petitioner. Also, the Agreement between Apple and RPX cannot be shared with Patent Owner. The parties have thus agreed to file those two agreements as “available only to Board,” and to waive service of the agreements on each other. Indeed, it would be contrary to the intent of the parties and the express confidentiality provision of those two agreements for Petitioner or Patent Owner to have access to all of them.

The parties jointly certify that aside from the five agreements the parties are filing, there are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of this proceeding. Although other agreements exist, none of them relates to the termination of this proceeding.

#### **STATUS OF PROCEEDINGS**

The following are the only proceedings either between the parties in the United States or that involve the subject patent.

<b>District Court Case</b>	<b>U.S. Patent Nos.</b>	<b>Status</b>
<i>OpenTV, Inc. et al. v. Apple Inc.</i> , Case No. 3:14-cv-01622 (N.D. Cal.)	5,689,799 5,884,033 5,566,287 6,985,586 7,900,229	The parties have filed a joint motion to dismiss this litigation.
<i>OpenTV, Inc. et al. v. Apple Inc.</i> , Case No. 5:15-cv-02008 (N.D. Cal.)	6,148,081 6,233,736 7,055,169 7,644,429 7,725,740	The parties have filed a joint motion to dismiss this litigation.

<b>PTAB Case</b>	<b>U.S. Patent No.</b>	<b>Status</b>
IPR2015-00971	6,985,586	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2015-00980	5,566,287	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2015-01031	7,900,229	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2016-00961	7,725,740	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2016-00971	6,148,081	Joint motion to terminate being filed on the same day as this

PTAB Case	U.S. Patent No.	Status
		joint motion to terminate.
IPR2016-00992	6,233,736	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2016-01004	7,055,169	Joint motion to terminate being filed on the same day as this joint motion to terminate.
CBM2016-00066	7,055,169	Joint motion to terminate being filed on the same day as this joint motion to terminate.

There are no other pending proceedings involving the subject patent. The Board requested that Patent Owner advise the Board whether any litigation or proceeding involving the subject patent is contemplated in the foreseeable future. Whether or not anything is contemplated, Patent Owner cannot do so without disclosing confidential information regarding legal strategies and thus potentially waiving the attorney client privilege, and requests that the Board act on the motion without requiring such disclosure.

### **RELIEF REQUESTED**

Petitioner and Patent Owner jointly request that the Board terminate this proceeding in its entirety. Termination is appropriate at this stage in view of the five agreements the parties are filing. The agreements end all patent disputes between the parties, including this proceeding.

Both Congress and the federal courts have expressed a strong interest in encouraging settlement in litigation. *See, e.g., Delta Air Lines, Inc. v. August*, 450 U.S. 346, 352 (1981) (“The purpose of [Federal Rule of Civil Procedure] 68 is to encourage the settlement of litigation.”); *Bergh v. Dept. of Transp.*, 794 F.2d 1575, 1577 (Fed. Cir. 1986) (“The law favors settlement of cases.”), *cert. denied*, 479 U.S. 950 (1986). The U.S. Court of Appeals for the Federal Circuit also places a particularly strong emphasis on settlement. *See Cheyenne River Sioux Tribe v. U.S.*, 806 F.2d 1046, 1050 (Fed. Cir. 1986) (noting that the law favors settlement to reduce antagonism and hostility between parties). Moreover, the Board generally expects that a proceeding will terminate after the filing of a settlement. *See, e.g., Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 46,768 (Aug. 14, 2012).

Maintaining this proceeding after Petitioner’s settlement with Patent Owner would discourage future settlements by removing a primary motivation for settlement: eliminating litigation risk by resolving the parties’ disputes and ending the pending proceedings between them. For patent owners, litigation risks include the potential for an invalidity ruling against their patents. If a patent owner knows that an *inter partes* review or covered business method review will likely continue regardless of settlement, it creates a strong disincentive for the patent owner to settle.

## CONCLUSION

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

Respectfully submitted,

Dated: August 4, 2016

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing **JOINT MOTION TO TERMINATE PROCEEDING** was served via e-mail on counsel of record for the Petitioner on August 4, 2016 at the following addresses:

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Dated: August 4, 2016

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