

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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WEARABLE CONFIDENCE, LLC,  
Petitioner,

v.

3 PAK HOLDINGS, LLC  
Patent Owner.

Case No. IPR2017-01529  
U.S. Patent No. 8,898,812

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JOINT MOTION TO DISMISS IPR PETITION WITHOUT PREJUDICE  
AND TERMINATE IPR PROCEEDING  
PURSUANT TO 37 C.F.R. §§ 42.5(a), 42.71(a), and 35 U.S.C. § 317(a)

Pursuant to 37 C.F.R. §§ 42.5(a), 42.71(a), and 35 U.S.C. § 317(a), Petitioner Wearable Confidence, LCC (“Wearable Confidence”) and Patent Owner 3 Pak Holdings, LLC (“3 Pak”) jointly move to dismiss the *inter partes review* (“IPR”) petition without prejudice (i.e., no estoppel under 35 U.S.C. § 315(e)) and for termination of this IPR proceeding of U.S. Patent No. 8,898,812 (“the ’812 Patent”), Case No. IPR2017-01529. The Patent Trial and Appeal Board (“the Board”) granted authorization to file this motion in an e-mail dated September 8, 2017 from Supervisory Paralegal Andrew Kellogg.

## **I. RELIEF REQUESTED**

Pursuant to 37 C.F.R. §§ 42.5(a), 42.71(a), and 35 U.S.C. § 317(a), Petitioner Wearable Confidence and Patent Owner 3 Pak jointly move to dismiss the petition without prejudice and for termination of this IPR proceeding of the ’812 Patent due to the cancellation of Claim 15, now in reissue proceedings as U.S. Reissue Application No. 15/692,851 (“the ’851 Reissue”). Exhibit 1008: U.S. Reissue Application No. 15/692,851.

## **II. STATEMENT OF FACTS AND PROCEDURAL HISTORY**

### **A. Related Litigation**

A lawsuit styled: *3 Pak Holdings, LLC v. Aussie Armor, LLC d/b/a EJIS, Inc.*, CACD-8-16-cv-02044 (“Underlying Litigation”), involving the Parties and the ’812

Patent was filed on November 11, 2016. Exhibit 1009: Complaint. The Court ordered a stay of the Underlying Litigation during the status conference on June 19, 2017 and after 3 Pak stated that it would be filing the '851 Reissue and cancelling Claim 15 of the '812 Patent. Exhibit 1010: Stay Order.

**B. Procedural Posture of *Inter Partes* Review**

On June 6, 2017, Wearable Confidence filed a petition to institute IPR of Claim 15 of the '812 Patent. IPR2017-01529, Paper 1 (June 6, 2017). On June 12, 2016, the Board accorded the petition a filing date of June 6, 2017 in Case No. IPR2017-01529. IPR2017-01529, Paper 3 (June 12, 2017). Patent Owner 3 Pak filed a mandatory notice on June 26, 2017, but has not yet filed a preliminary response. IPR2017-01529, Paper 5 (June 26, 2017). The Board has not yet instituted trial in this IPR of Claim 15 of the '812 Patent.

**C. Reissue of the '812 Patent**

On August 31, 2017, Patent Owner 3 Pak filed the '851 Reissue and cancelled Claim 15 of the '812 Patent, the only claim which Petitioner Wearable Confidence petitioned for IPR. Exhibit 1008: U.S. Reissue Application No. 15/692,851. Aside from the Underlying Litigation, this IPR proceeding, and the '851 Reissue, there are no other current proceedings associated with the '812 Patent.

### III. ARGUMENT

#### A. Legal Standard

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. If the *inter partes* review is terminated with respect to a petitioner under this section, no estoppel under section 315(e) shall attach to the petitioner, or to the real party in interest or privy of the petitioner, on the basis of that petitioner’s institution of that *inter partes* review.” 35 U.S.C. and 35 U.S.C. § 317(a). The Board “may terminate a trial without rendering a final written decision, where appropriate.” 37 C.F.R. § 42.72. The Rules governing IPR proceedings also provide that the Board “may take up petitions or motions for decisions in any order, may grant, deny, or dismiss any petition or motion, and may enter any appropriate order.” 37 C.F.R. § 42.71(a). The Rules “shall be construed to secure the just, speedy, and inexpensive resolution of every proceeding.” 37 C.F.R. § 42.1(b). In determining whether a termination request is “appropriate”, the Board primarily assesses the stage of the proceeding when a motion to terminate is made and has granted termination prior to institution at the preliminary stage of numerous IPR proceedings. *See, e.g.*, IPR2017-01181-82, Paper 10 (September 6, 2017); IPR2017-00051, IPR2017-00245, Paper 19 (August 29, 2017); IPR2017-00041-43, Paper 11 (March 29, 2017) (where the Board granted

unopposed and joint motions to terminate preliminary IPR proceedings prior to institution and without rendering a final written decision). A preliminary proceeding “begins with the filing of a petition for instituting a trial and ends with a written decision as to whether a trial will be instituted.” 37 C.F.R. § 42.2. Therefore, this case constitutes a preliminary proceeding.

**B. Explanation of Why Termination is Appropriate**

After Petitioner Wearable Confidence filed its petition for IPR of Claim 15 of the '812 Patent and prior to institution of trial in this IPR proceeding, Patent Owner 3 Pak filed the '851 Reissue and cancelled Claim 15 of the '812 Patent. As a result, the only claim for which IPR can be instituted has been cancelled. The Court stayed the Underlying Litigation based on the Patent Owner's stated intention to file the '851 Reissue, and Claim 15 of the '812 Patent in its original form can no longer be asserted against Wearable Confidence.

On September 8, 2017, the Board granted the Parties authorization to file this Joint Motion to Terminate. This proceeding is in its preliminary phase, Patent Owner has not filed a preliminary response, and the Board has not yet instituted trial. Termination of this IPR will preserve the Board's and Parties' resources while advancing the Board's policy of securing “the just, speedy, and inexpensive resolution to the proceeding.” *See* 37 C.F.R. § 42.1(b). Under similar circumstance, the Board has dismissed petitions without prejudice and terminated IPR proceedings.

*See e.g.*, IPR2015-01733, Paper 12 (October 6, 2015); IPR2016-00619, Paper 8 (May 14, 2016) (where the Board granted unopposed motions to dismiss the IPR petition without prejudice and terminated the proceeding under 37 C.F.R. §§ 42.5(a) & 42.71(a)).

No settlement or agreement between the parties has been reached as to this IPR or the Underlying Litigation. There are no collateral agreements between the Parties as to the dismissal and termination requested, and there is no settlement agreement or other agreement to be filed with the Board before terminating this preliminary proceeding. Upon the requested dismissal and termination pursuant to 35 U.S.C. 37 C.F.R. §§ 42.5(a) & 42.71(a), and 35 U.S.C. § 317(a), no estoppel or prejudice provided by 35 U.S.C. § 315(e) should attach to this proceeding.

#### **IV. CONCLUSION**

For the foregoing reasons, Petitioner Wearable Confidence and Patent Owner 3 Pak jointly and respectfully request dismissal of the petition without prejudice and termination of this IPR2017-01529 proceeding pursuant to 35 U.S.C. 37 C.F.R. §§ 42.5(a), 42.71(a), and 35 U.S.C. § 317(a).

Date: September 15, 2017

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 15th day of September, 2017, a copy of the JOINT MOTION TO DISMISS IPR PETITION WITHOUT PREJUDICE AND TERMINATE IPR PROCEEDING PURSUANT TO 37 C.F.R. §§ 42.5(a), 42.71(a), and 35 U.S.C. § 317(a) has been served in its entirety by electronic mail on counsel of record for the Patent Owner:

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