

Paper No. \_\_\_\_\_  
Filed: April 6, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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Nuvoton Technology Corporation,

Petitioner,

v.

Microchip Technology Incorporated,

Patent Owner.

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*Inter Partes* Review No. IPR2020-00394  
Patent No. 7,930,576

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**JOINT MOTION TO TERMINATE PROCEEDING**

## INTRODUCTION

Petitioner Nuvoton Technology Corporation and Patent Owner Microchip Technology Incorporated have made agreements that, taken together, resolve all underlying disputes between the parties, including this proceeding. In an email dated April 6, 2020, the Board authorized the parties to file a joint motion to terminate and a joint motion to treat the agreements as business confidential information. As the Board required, the parties are submitting a true copy of the following agreements along with this joint motion to terminate and a joint motion to treat the following agreements as business confidential information:

- Settlement Agreement between Nuvoton and Microchip (Ex. 1012)
- Patent License Agreement between Nuvoton and Microchip (Ex. 1013)

The parties jointly certify that, aside from these two agreements, there are no collateral agreements or understandings in connection with or contemplation of 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.

District Court Case	Status
<i>Microchip Technology Incorporated v. Nuvoton Technology Corporation</i> , Case No. 1:18-cv-01560-MN (D. Del.)	Transferred to N.D. Cal
<i>Microchip Technology Incorporated v. Nuvoton Technology Corporation</i> , Case No. 3:19-cv-01690-SI (N.D. Cal.)	Dismissed in view of settlement

PTAB Case	U.S. Patent No.	Status
IPR2020-00390	7,075,261	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2020-00383	7,126,515	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2020-00386	7,353,417	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2020-00374	9,442,873	Joint motion to terminate being filed on the same day as this joint motion to terminate.
IPR2020-00367	9,772,970	Joint motion to terminate being filed on the same day as this joint motion to terminate.

## RELIEF REQUESTED

Petitioner and Patent Owner jointly request the Board terminate this proceeding in its entirety in view of the 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, which is 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 these reasons, Petitioner and Patent Owner jointly request the Board terminate this proceeding in its entirety.

Respectfully submitted,

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Counsel for Nuvoton Technology  
Corporation

Dated: April 6, 2020

By: /Bruce W. Slayden II/  
Bruce W. Slayden II, Reg. No. 33,790

Counsel for Microchip Technology  
Incorporated

**CERTIFICATE OF SERVICE**

Pursuant to 37 C.F.R. § 42.6(e), the undersigned certifies that the foregoing,  
**JOINT MOTION TO TERMINATE PROCEEDING** was served via e-mail on  
counsel of record for the Patent Owner on April 6, 2020 at the following addresses:

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Dated: April 6, 2020

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