

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

R.J. REYNOLDS VAPOR COMPANY

Petitioner

v.

PHILIP MORRIS PRODUCTS S.A.,

Patent Owner

IPR2021-00585
Patent 10,555,556

NOTICE OF *SOTERA* STIPULATION FILING

The following *Sotera* stipulation was filed in the co-pending district court case on July 23, 2021.

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

RAI STRATEGIC HOLDINGS, INC. and
R.J. REYNOLDS VAPOR COMPANY,

Plaintiffs and Counterclaim Defendants,

V.

ALTRIA CLIENT SERVICES LLC; PHILIP MORRIS USA, INC.; and PHILIP MORRIS PRODUCTS S.A.,

Defendants and Counterclaim Plaintiffs.

Case No. 1:20-cv-00393-LO-TCB

NOTICE OF FILING STIPULATIONS

Plaintiffs RAI Strategic Holdings, Inc. and R.J. Reynolds Vapor Company (collectively, “Reynolds”) hereby give notice that they have made the following stipulations in connection with pending *inter partes* review proceedings challenging two of the patents asserted by Defendants in this litigation:

1. Reynolds has stipulated that, if the Patent Trial and Appeal Board (“PTAB”) institutes the pending *inter partes* review petition in IPR 2021-00585 challenging the patentability of claims 1, 3-9, 15, 18, 20-21, and 25-26 of U.S. Patent Number 10,555,556, then Reynolds will not pursue as to the challenged claims any ground raised or that could have been reasonably raised in that IPR in this litigation (EDVA No. 1:20-cv-00393). *See* Exhibit 1.

2. Reynolds has stipulated that, if the PTAB institutes the pending *inter partes* review petition in IPR 2021-00586 challenging the patentability of claims 1 and 9-13 of U.S. Patent Number 10,104,911, then Reynolds will not pursue as to the challenged claims any

ground raised or that could have been reasonably raised in that IPR in this litigation (EDVA No. 1:20-cv-00393). *See* Exhibit 2.

3. Reynolds notified the PTAB of these stipulations and requested authorization to memorialize the stipulations in the PTAB files to make them of record in the pending IPRs. The PTAB authorized Reynolds “to file the stipulation into the records of IPR2021-00585 and IPR2021-00586 *only after the stipulation has been filed in the district court.*” *See* Exhibit 3 (correspondence with the PTAB).

4. Consequently, Reynolds hereby files the stipulations (*see* Exhibits 1-3) as directed by the PTAB.

Dated: July 23, 2021

Respectfully submitted,

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*Counsel for Plaintiffs RAI Strategic Holdings,
Inc. and R.J. Reynolds Vapor Company*

CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of July, 2021, a true and correct copy of the foregoing was served using the Court's CM/ECF system, with electronic notification of such filing to all counsel of record.

/s/ David M. Maiorana

David M. Maiorana (VA Bar No. 42334)

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*Counsel for Plaintiffs RAI Strategic Holdings,
Inc. and R.J. Reynolds Vapor Company*

EXHIBIT 1

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629000-850001

July 23, 2021

VIA E-MAIL

Maximilian A. Grant, Esq.
Latham & Watkins LLP
555 Eleventh Street, NW, Suite 1000
Washington, DC 20004

Re: *RAI Strategic Holdings, Inc. v. Altria Client Services LLC*
Case No. 1:20-cv-00393-LO-TCB (E.D. Va.)

Dear Max:

Plaintiffs RAI Strategic Holdings, Inc. and R.J. Reynolds Vapor Company (“Reynolds”) hereby stipulate that, if the Patent Trial and Appeal Board (“PTAB”) institutes the pending *inter partes* review petition in IPR 2021-00585 challenging the patentability of claims 1, 3-9, 15, 18, 20-21, and 25-26 of U.S. Patent Number 10,555,556, then Reynolds will not pursue as to the challenged claims any ground raised or that could have been reasonably raised in the IPR in the above-captioned litigation, 1:20-cv-00393.

To avoid any doubt, if the PTAB declines institution of IPR2021-00585, Reynolds reserves the right to pursue these invalidity grounds in the parallel litigation.

Very truly yours,



David M. Maiorana

NAI-1519984551v1

EXHIBIT 2

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July 23, 2021

VIA E-MAIL

Maximilian A. Grant, Esq.
Latham & Watkins LLP
555 Eleventh Street, NW, Suite 1000
Washington, DC 20004

Re: *RAI Strategic Holdings, Inc. v. Altria Client Services LLC*
Case No. 1:20-cv-00393-LO-TCB (E.D. Va.)

Dear Max:

Plaintiffs RAI Strategic Holdings, Inc. and R.J. Reynolds Vapor Company (“Reynolds”) hereby stipulate that, if the Patent Trial and Appeal Board (“PTAB”) institutes the pending *inter partes* review petition in IPR 2021-00586 challenging the patentability of claims 1 and 9-13 of U.S. Patent Number 10,104,911, then Reynolds will not pursue as to the challenged claims any ground raised or that could have been reasonably raised in the IPR in the above-captioned litigation, 1:20-cv-00393.

To avoid any doubt, if the PTAB declines institution of IPR2021-00586, Reynolds reserves the right to pursue these invalidity grounds in the parallel litigation.

Very truly yours,



David M. Maiorana

NAI-1519984524v1

EXHIBIT 3

From: Trials <Trials@USPTO.GOV>
Sent: Friday, July 23, 2021 4:16 PM
To: Jonathan.Strang@lw.com; Johnson, Matthew W.; Trials
Cc: Marlott, John A.; Cochran, David B.; Kukkonen, Carl A.; Mishaga, Stephanie M.; Clement.Naples@lw.com; Thomas.Yeh@lw.com; SurendraKumar.Ravula@lw.com
Subject: RE: IPR2021-00585; -00586 – Assertion of Sotera-type Stipulations

**** External mail ****

Counsel,

We authorize Petitioner to file the stipulation into the records of IPR2021-00585 and IPR2021-00586 only after the stipulation has been filed in the district court. We do not authorize additional briefing from either party at this time.

Regards,

Andrew Kellogg,
Supervisory Paralegal
Patent Trial and Appeal Board
USPTO
andrew.kellogg@uspto.gov
(571)272-7822

From: Jonathan.Strang@lw.com <Jonathan.Strang@lw.com>
Sent: Friday, July 23, 2021 12:07 PM
To: mwjohnson@JonesDay.com; Trials <Trials@USPTO.GOV>
Cc: jamarlott@JonesDay.com; dcochran@JonesDay.com; ckukkonen@jonesday.com; smishaga@jonesday.com; Clement.Naples@lw.com; Thomas.Yeh@lw.com; SurendraKumar.Ravula@lw.com
Subject: RE: IPR2021-00585; -00586 – Assertion of Sotera-type Stipulations

CAUTION: This email has originated from a source outside of USPTO. **PLEASE CONSIDER THE SOURCE** before responding, clicking on links, or opening attachments.

Dear Board,

Patent Owner opposes Petitioner's belated request to enter any stipulation into the administrative record.

If the Board grants leave to enter the stipulation, Petitioner is not entitled to any further briefing. It is too late for the usual surreply and sur-surreply sequence. However, Patent Owner should be given two pages of briefing to address the negligible effect Petitioner's belated stipulation has on Fintiv Factor 4 (overlap).

Patent Owner is available for a conference call on:

- Monday, July 26, from 1 pm to 3:30 pm
- Tuesday, July 27 from 9 am to 2 pm
- Thursday, July 29 during normal business hours
- Friday, July 30 during normal business hours

Very Respectfully,

Jonathan Strang
Counsel for Patent Owner

Sent with BlackBerry Work (www.blackberry.com)

From: "Johnson, Matthew W." <mwjohanson@JonesDay.com>

Sent: Jul 23, 2021 11:39

To: trials@uspto.gov

Cc: "Marlott, John A." <jamarlott@JonesDay.com>; "Cochran, David B." <dcochran@JonesDay.com>; "Kukkonen, Carl A." <ckukkonen@jonesday.com>; "Mishaga, Stephanie M." <smishaga@jonesday.com>; "Strang, Jonathan (DC)" <Jonathan.Strang@lw.com>; "Naples, Clement (NY)" <Clement.Naples@lw.com>; "Yeh, Thomas (LA)" <Thomas.Yeh@lw.com>; "Ravula, Kumar (CH)" <SurendraKumar.Ravula@lw.com>

Subject: IPR2021-00585; -00586 – Assertion of Sotera-type Stipulations

Dear Honorable Judges,

Petitioner R.J. Reynolds stipulates, in accordance with the Board's precedential *Sotera* case (IPR2020-01019, Paper 12), that if trial is instituted in the above noted IPRs, none of the Petitioner or other noted Real Parties in Interest will pursue in district court litigation any ground raised or that could have been reasonably raised in the above-noted IPRs such that there will be no overlap of invalidity issues between the parallel district court proceeding and these *inter partes* reviews.

Petitioner requests authorization to memorialize this stipulation in the PTAB files in these matters to make them of record. Petitioner has conferred with Patent Owner and they oppose this request to enter the stipulation into the file. Regardless, the stipulation has been made and will be similarly memorialized in the district court proceeding in the same fashion as Patent Owner's stipulations in other matters (e.g., IPR2020-00921) in the dispute between the parties.

Petitioner is available to discuss at the Panel's convenience.

Best Regards,

Matthew Johnson

Matthew Johnson

Partner

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