UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EBAY, INC.¹ Petitioner,

v.

LEXOS MEDIA IP, LLC Patent Owner.

Case IPR2023-01001 Patent 6,118,449

JOINT MOTION TO TERMINATE PURSUANT TO 35 U.S.C. § 317 AND 37 C.F.R. §§ 42.72, 42.74

¹The Board joined eBay, Inc. as a party (Petitioner) to this proceeding in IPR2024-00337. Original Petitioner Amazon.com, Inc. has been terminated in this proceeding.

I. INTRODUCTION

Pursuant to 35 U.S.C. § 317 and 37 C.F.R. §§ 42.72, 42.74, Petitioner eBay, Inc. ("eBay") and Patent Owner Lexos Media IP, LLC ("Patent Owner") (collectively the "Parties") jointly move the Patent Trial and Appeal Board ("Board") to terminate the IPR2023-01000 proceeding and the related IPR2023-01001 proceeding (collectively "the IPR Proceedings"), pursuant to a Release Agreement reached between eBay and Patent Owner (the "Release Agreement") settling the underlying patent litigation involving U.S. Patent Nos. 5,995,102 ("the '102 patent"), 6,118,449 ("the '449 patent"), and 7,975,241 ("the '241 patent") (collectively the "Patents") and all other disputes related to the Patents. The '102 and '449 patents are the subject of the IPR Proceedings.

Pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b), eBay and Patent Owner submit herewith a copy of the confidential Release Agreement (EX 2023) entered into between them. There are no other agreements, oral or written, between Patent Owner and eBay made in connection with, or in contemplation of, the termination of the IPR Proceedings. Because the Release Agreement is confidential, Patent Owner and eBay respectfully request that the Board treat the attached Release Agreement as business confidential information and that it be kept separate from the underlying patent file, as provided under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Keeping the Release Agreement confidential helps serve the purpose of encouraging parties to settle disputes while preserving the confidentiality of such agreements. Patent Owner will file the Release Agreement "For Board and Parties Only."

Patent Owner additionally submits a confidential collateral agreement ("RPX Agreement") in connection with, or in contemplation of, the requested termination which is not between eBay and the Patent Owner. (EX 2024). Because the RPX Agreement is confidential, Patent Owner respectfully requests that the Board treat the attached RPX Agreement as business confidential information and that it be kept separate from the underlying patent file, as provided under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Keeping the RPX Agreement confidential helps serve the purpose of encouraging parties to settle disputes while preserving the confidentiality of such agreements. Patent Owner will file the RPX Agreement "For Board Only." Petitioner takes no position as it relates to Patent Owner's request relating to the RPX Agreement.

On July 17, 2024, the Parties notified the Board that eBay and Patent Owner desired to file a joint motion to terminate the IPR Proceedings, and that same day the Board authorized Patent Owner and eBay to file a joint motion to terminate and a joint request to treat the Release Agreements as business confidential. The Board authorized the Parties to include this request to treat the Release Agreement as business confidential in the same motion as the motion to terminate. IPR2023-01001 U.S. Patent No. 6,118,449 As stated in 35 U.S.C. § 317(a), because eBay and Patent Owner are jointly requesting termination of the IPR Proceedings, no estoppel under 35 U.S.C. § 315(e) shall attach to eBay as a result of the requested termination.

II. STATEMENT OF FACTS

Patent Owner asserted the Patents against eBay in a district court lawsuit captioned Lexos Media IP, LLC v. eBay, Inc., No. 6:22-cv-00648 (W.D. Tex.) (the "Lexos Litigation") on June 22, 2022. On December 6, 2023, the court for the Western District of Texas transferred the Lexos Litigation to the Northern District of California. See Lexos Media IP, LLC v. eBay, Inc., 3:23-cv-06314 (N.D. Cal.). On December 20, 2024, eBay filed a Petition for Inter Partes Review of U.S. Patent No. 6,118,449 (the "eBay Petition") together with a Motion for Joinder pursuant to 35 U.S.C. § 315(c) and 37 C.F.R. § 42.122(b). These pleadings requested institution of an *inter partes* review and joinder with the then pending inter partes review in Amazon.com, Inc. v. Lexos Media IP, LLC, IPR2023-01001 (the "Amazon IPR") in view of the Board's decision to institute trial on December 12, 2023. (Amazon IPR, Paper 9.) The Board granted eBay's Motion for Joinder on February 23, 2024 (Paper 11), and then terminated Amazon from the Amazon IPR, with eBay remaining as lead petitioner (Paper 14).

On July 17, 2024, eBay and Patent Owner entered into the Release Agreement pursuant to which they agreed, among other things, to dismiss with prejudice the Lexos Litigation, including the allegations regarding the Patents, and to seek termination of the IPR Proceedings.

III. 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." 35 U.S.C. § 317(a). "If 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.* Similarly, "[t]he Board may terminate a trial without rendering a final written decision, where appropriate . . . pursuant to a joint request under 35 U.S.C. 317(a)." 37 C.F.R. § 42.72. Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement between parties made in connection with, or in contemplation of, the termination of the proceeding, unless the Board has already decided the merits of the proceeding. *See, e.g.*, Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012).

IV. GOOD CAUSE EXISTS TO TERMINATE THIS PROCEEDING

Termination of the instant IPR Proceedings is appropriate because the parties have resolved all disputes concerning the Patents, including the '449 patent. Thus, under 35 U.S.C. § 317(a), the Board should terminate these Proceedings. Here, the IPR2023-01001 proceeding should be terminated because of the strong public policy and expectation that IPRs will terminate upon settlement prior to a decision on the merits. The IPR2023-01001 proceeding is still in its briefing stages. Due Date 2, eBay's reply to Patent Owner's response, is currently set for July 24, 2024. *See* IPR2023-01001 Paper 22. Due Date 3, Patent Owner's surreply, is set for September 3, 2024. There has been no final decision on the merits. As such, termination would save significant further expenditures of resources by the Board and the parties.

The IPR2023-01001 proceeding should also be terminated because the parties jointly requested termination. eBay and Patent Owner have resolved the IPR2023-01001 proceeding and related litigation through settlement. For at least those reasons discussed above, eBay and Patent Owner respectfully request that the Board terminate the IPR2023-01001 proceeding.

V. MATTERS RELATED TO THE *INTER PARTES* REVIEW PROCEEDING

The patent-at-issue in IPR2023-01001, the '449 patent, is the subject of the following pending federal district court litigations:

Lexos Media IP, LLC v. eBay, Inc., No. 3:23-cv-06314 (N.D. Cal.)

Lexos Media IP, LLC v. Overstock.com, Inc., No. 2-22-cv-02324 (D. Kan.); and

There is not another pending IPR petition regarding the '449 patent that has been filed by another party. There is another IPR proceeding between eBay and Patent Owner (*see* IPR2023-01000 against U.S. Patent No. 5,995,102), and eBay and Patent Owner are also jointly moving for termination of that IPR for the same reason set forth herein.

VI. CONCLUSION

eBay and Patent Owner respectfully request that the Board grant the parties' joint motion to terminate the IPR2023-01000 proceeding, and the related IPR2023-01001 proceeding, in their entirety, and grant the accompanying request to treat the Release Agreement (EX2023) between eBay and Patent Owner as business confidential information. Patent Owner further requests the grant of its accompanying request to treat the collateral RPX Agreement (EX2024) as business confidential information.

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Dated: July 18, 2024

§ 42.6(e)—CERTIFICATION OF SERVICE

In accordance with § 42.6(e)(1), the undersigned certifies that on the 18th day of July 2024, the above JOINT MOTION TO TERMINATE PURSUANT TO 35 U.S.C. § 317 AND 37 C.F.R. §§ 42.72, 42.74 and EX 2023 were served, via electronic mail upon the following counsel for Petitioner:

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Respectfully submitted,

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