UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LG ELECTRONICS INC.,
LG ELECTRONICS U.S.A., INC., and GOOGLE LLC
Petitioners

v.

SPACETIME3D, INC.
Patent Owner

Case No. IPR2023-00578
U.S. Patent No. 9,696,868

**JOINT MOTION TO TERMINATE PROCEEDING AS TO LG ELECTRONICS PURSUANT TO 35 U.S.C. § 317 AND 37 C.F.R. § 42.72, 42.74**

## I. STATEMENT OF RELIEF REQUESTED

Pursuant to 35 U.S.C. § 317 and 37 C.F.R. §§ 42.72 and 42.74 and the Board's authorization by email dated May 8, 2023, Petitioners LG Electronics Inc., and LG Electronics U.S.A., Inc., (collectively, "LGE") and Patent Owner SpaceTime3D, Inc. ("SpaceTime") jointly move to terminate the present *inter partes* review proceeding as to LGE as a result of a Settlement and License Agreement (the "Settlement Agreement") between LGE and SpaceTime. The Settlement Agreement completely resolves all pending controversies between LGE and SpaceTime concerning U.S. Patent No. 9,696,868 ("the '868 patent").

The parties are concurrently filing true copies of their Settlement Agreement in connection with this matter as required by statute. The parties further jointly certify that there are no other agreements or understandings, oral or written, between them, including any collateral agreements, made in connection with, or in contemplation of, the termination of LGE from this proceeding as set forth in 35 U.S.C. § 317(b).

The parties request that the Settlement Agreement be treated as business confidential information and kept separate from the file of the '868 patent. A joint request for such treatment pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) is being filed concurrently herewith.

## II. STATEMENT OF FACTS

SpaceTime asserted the '868 patent against LGE in the action entitled *SpaceTime3D, Inc. v. LG Electronics, Inc. et al.*, Case No. 2:22-cv-00049 (E.D. Tex.) (the "LGE Litigation").

SpaceTime also asserted the '868 patent in the following district court cases:

- *SpaceTime3D, Inc. v. Samsung Electronics Co., Ltd. et al.,* Case No. 2:19 cv-00372 (E.D. Tex.) (the "Samsung Litigation");
- *SpaceTime3D, Inc. v. Apple Inc*., Case No. 6:22-cv-00149 (W.D. Tex.) (the "Apple Litigation");

Apple Inc. filed a petition for *inter partes* review (IPR2023-00344) of claims 1-20 of the '868 patent on December 13, 2022 (the "Apple Petition").[1] On February 10, 2023, LGE and Google LLC (collectively "Petitioners") filed the above captioned petition for *inter partes* review of claims 1-20 of the '868 patent on the same grounds as the Apple Petition. Petitioners concurrently filed a motion for joinder to join the Apple Petition in the event the Apple Petition was instituted. SpaceTime filed a preliminary response to the Apple Petition on April 19, 2023. The Board has not yet made a decision on institution with regard the Apple Petition or the above captioned petition.

[1] Samsung Electronics Co. Ltd. previously filed a petition for *inter partes* review (IPR2020-01419) of the '868 patent on August 4, 2020. This petition was dismissed on March 15, 2021, prior to an institution decision, due to a Settlement and License Agreement between the parties. The Samsung Litigation was subsequently terminated March 22, 2021.

On May 4, 2023, LGE and SpaceTime entered into a Settlement and License Agreement pursuant to which they agreed, among other things, to dismiss with prejudice any litigation relating to the ’868 patent and to seek termination of this IPR proceeding as to LGE. The remaining petitioner, Google LLC, has confirmed that they do not object to the proceeding being terminated as to LGE. On May 4, 2023, SpaceTime voluntarily dismissed all claims in the LGE Litigation. The Apple Litigation is still pending.

Petitioners filed the following petitions to institute *inter partes* proceedings concerning other patents owned by SpaceTime.

| IPR | Patent | Filed Date |
|---|---|---|
| IPR2023-00577 | 8,881,048 | Feb. 10, 2023 |
| IPR2023-00579 | 9,304,654 | Feb. 10, 2023 |

LGE and SpaceTime will file motions to dismiss or terminate each of these proceedings as to LGE in light of the settlement between LGE and SpaceTime. Thus, once the Board grants those motions, there will be no other proceedings before the Patent Office involving both LGE and SpaceTime.

## III. LEGAL STANDARD

35 U.S.C. § 317(a) provides that “[a]n *inter partes* review instituted under this chapter 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." 37 C.F.R. § 42.72 similarly provides that "[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)." The Trial Practice Guide also observes that "[t]here are strong public policy reasons to favor settlement between the parties to a proceeding" and that the Board "expects that a proceeding will terminate after the filing of a settlement agreement, unless the Board has already decided the merits of the proceeding." 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012).

## IV. GOOD CAUSE EXISTS TO TERMINATE THE ABOVE-CAPTIONED IPR AS TO LGE.

Termination of the instant IPR as to LGE is appropriate because the parties have settled their entire dispute concerning the '868 patent and the Board has not yet decided the merits of this proceeding. Thus, under 35 U.S.C. § 317(a), the Board should terminate this proceeding with respect to LGE. "Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement." *Oracle Corp. v. Cmty. United IP, LLC*, CBM2013-00015, Paper 13 (P.T.A.B. July 25, 2013) (citing Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012)).

Other factors weigh in favor of terminating this IPR proceeding as to LGE. First, the above captioned petition and the Apple Petition are in their early phase,

and the Board has not yet made a decision regarding institution on either petition, and no decisions on the merits of the proceeding have been made. Dismissal of proceedings at this early stage promotes the congressional goal to establish a more efficient and streamlined patent system that limits unnecessary and counterproductive litigation costs. 37 C.F.R. § 42.1(b). In similar circumstances involving IPRs in such an early juncture, the Board has previously granted motions to terminate using its authority under at least 37 C.F.R. §§ 42.5(a) and 42.71(a). *See, e.g.*, *RPC Formatec GMBH v. Trudell Medical Int'l*, Case Nos. IPR2014-01040; -01127, Paper 10 (PTAB, Oct. 24, 2014) (granting joint motion to terminate); *Samsung Electronics Co., Ltd. v. Telefonaktiebolaget LM Ericsson*, IPR2021-00446, Paper 8 (PTAB, Aug. 3, 2021) (same); *Huawei Technologies Co. Ltd. v. Verizon Patent and Licensing Inc.*, IPR2021-00616, -00617, Paper 9 (PTAB, Sept. 9, 2021) (same).

Further, termination of the proceeding as to LGE is a just and fair resolution. The parties agree that neither LGE nor SpaceTime will be prejudiced by the termination. Moreover, as noted above, the remaining Petitioner, Google LLC, has confirmed that they do not object to the termination of this proceeding as to LGE. Finally, the parties will benefit from preserving resources that would otherwise be expended if this motion is denied.

## V. CONCLUSION

For at least these reasons, LGE and SpaceTime respectfully request that the Board grant this Joint Motion to Terminate the above-captioned IPR proceeding as to LGE. The parties also request that the Board grant the parties' joint request to treat the Settlement Agreement between the parties as business confidential information and keep it separate from the file of the '868 patent.

Dated: May 9, 2023

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Respectfully submitted,

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the certifies that the above-captioned "JOINT MOTION TO TERMINATE PROCEEDING AS TO LGE" was served in its entirety on May 9, 2023, via electronic service on lead and back-up counsel:

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