UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMERICAN AIRLINES, INC., AND
HILTON DOMESTIC OPERATING COMPANY, INC.,
Petitioners

v.

R2 SOLUTIONS LLC
Patent Owner

Inter Partes Review No. IPR2023-00666
U.S. Patent No. 8,341,157

JOINT MOTION TO TERMINATE PROCEEDING AS TO AMERICAN AIRLINES, INC PURSUANT TO 35 U.S.C. § 317 AND 37 C.F.R. § 42.72, 42.74

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P.O. Box 1450
Alexandria, VA 22313–1450

I. STATEMENT OF RELIEF REQUESTED

Pursuant to 35 C.F.R. § 317 and 37 C.F.R. §§ 42.72 and 42.74, and the Board's authorization by email dated July 10, 2023, Petitioner American Airlines, Inc. ("American") and Patent Owner R2 Solutions LLC ("R2") jointly move to terminate the present *inter partes* review proceeding as to American as a result of a Settlement and License Agreement ("the Settlement Agreement") between American and R2. The Settlement Agreement completely resolves all pending controversies between American and R2 concerning U.S. Patent 8,341,157 ("the '157 patent").

This motion does not resolve the entire proceeding because co-Petitioner Hilton Domestic Operating Company, Inc. ("Hilton") will continue as Petitioner. Hilton is not a party to the Settlement Agreement and does not join this motion. Hilton, however, does not object to termination as to American.

American and R2 are concurrently filing a true copy of their written Settlement Agreement in connection with this matter as required by 37 C.F.R. § 42.74(b). American and R2 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 American from this proceeding as set forth in 35 U.S.C. § 317(b).

American and R2 request that the Settlement Agreement be treated as business confidential information and kept separate from the file of the ’157 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

R2 asserted the ’157 patent against American in the action entitled *R2 Solutions LLC v. American Airlines, Inc.*, Case No. 4:22-cv-00353 (E.D. Tex.) (the “American Litigation”).

R2 also asserted the ’157 patent in the following district court case:

R2 Solutions LLC v. Hilton Domestic Operating Company Inc., Case No. 3:22-cv-02761 (N.D. Tex.) (the “Hilton Litigation”)

On June 19, 2023, American and R2 entered into a Settlement and License Agreement pursuant to which they agreed, among other things, to dismiss with prejudice any litigation relating to the ’157 patent and to seek termination of this IPR proceeding as to American. The remaining Petitioner, Hilton Domestic Operating Company Inc., has confirmed that they do not object to the proceeding being terminated as to American. On June 26, 2023, R2 voluntarily dismissed all claims in the American Litigation. The Hilton Litigation is still pending.

Petitioners filed the following petitions to institute *inter partes* proceedings concerning other patents owned by R2.

IPR	Patent	Filed Date
2023-00887	U.S. Patent 8,209,317	April 27, 2023
2023-00689	U.S. Patent 8,190,610	March 7, 2023
2023-00690	U.S. Patent 7,698,329	March 6, 2023

American and R2 will file motions to dismiss or terminate each of these proceedings as to American in light of the settlement between American and R2. Thus, once the Board grants those motions, there will be no other proceedings before the Patent Office involving both American and R2.

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." Similarly, 37 C.F.R. § 42.72 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." Patent Trial and Appeal Board Consolidated Trial Practice Guide, § II.N, p. 86 (November 2019).

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

Termination of this IPR as to American is appropriate because American and R2 have settled their entire dispute concerning the '157 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 American.[1] "Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement." *DTN, LLC v. Farms Technology, LLC*, IPR2018-01412, Paper 21 (June 14, 2019) (precedential) (citing 35 U.S.C. § 317(a), 37 C.F.R. § 42.72, and the Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012)).

Other factors weigh in favor of terminating this IPR proceeding as to American. First, the above captioned petition is in its early phase, and the Board has not yet made a decision regarding institution of the petition, and no decisions on the merits of the proceeding have been made. Dismissal of the proceedings at this early stage promotes the congressional goal to establish a more efficient and streamlined

[1] As noted above, this motion does not resolve the entire proceeding because Hilton will continue as Petitioner.

patent system that limits unnecessary and counterproductive litigation costs. *See* 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, IPR2014-01127, Paper 10 (PTAB, Oct. 24, 2014) (granting joint motion to terminate); *Samsung Electronics Co., Ltd. v. Telefonaktiebolaget LM Ericsson,* IPR2021-00446, Paper 7 (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 American is a just and fair resolution. American and R2 agree that neither American nor R2 will be prejudiced by the termination. Moreover, as noted above, the remaining Petitioner, Hilton Domestic Operating Company Inc., has confirmed that it does not object to the termination of this proceeding as to American. Finally, American and R2 will benefit from preserving resources that would otherwise be expended if this motion is denied.

V. CONCLUSION

For at least these reasons, American and R2 respectfully request that the Board grant this Joint Motion to Terminate the above-captioned IPR proceeding as to American. American and R2 also request that the Board grant their joint request to

treat the Settlement Agreement as business confidential information and keep it separate from the file of the ’157 patent.

Respectfully submitted,

/s/ John B. Campbell

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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing Joint Motion to Keep Separate was served on July 20, 2023, to Lead and Back-Up Counsel for Patent Owner and Petitioners at the service address provided:

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Dated: July 20, 2023

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