

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ERICSSON INC.
Petitioners

v.

DALI WIRELESS, INC.
Patent Owner

Case No. IPR2023-00700
Patent No. 9,820,171

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

EXHIBIT LIST

Exhibit No.	Exhibit Description
1001	U.S. Patent No. 9,820,171
1002	Select Portions of the Prosecution History of the '171 Patent
1003	Declaration of Petitioner's Expert Dr. Henry H. Houh
1004	International Application Publication WO 2009/021359 A1
1005	Certified English Translation of Leng (EX-1004)
1006	U.S. Patent No. 8,270,387 ("Cannon")
1007	Institution Decision of IPR2020-01432
1008	U.S. Patent Application Publication US2008/0045254A1 ("Gupta")
1009	U.S. Patent Application Publication US2010/0128676 ("Wu")
1010	U.S. Pat. No. 8,588,614 ("Larsen")
1011	Related Patents
1012	U.S. Provisional Patent Application No. 61/374,593
1013	Prosecution History of U.S. Patent No. 8,682,338
1014	Institution Decision of IPR2022-01212
1015	Claim Construction Order
1016	Claim Construction Order
1017	Claim Construction Order
1018	Joint Claim Construction Statement
1019	Patent Owner's (Dali Wireless, Inc.'s) Opening Claim Construction Brief
1020	Dali-Ericsson Settlement Agreement (CONFIDENTIAL)

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 June 28, 2023, Petitioner Ericsson, Inc. ("Ericsson") and Patent Owner Dali Wireless, Inc. ("Dali") jointly move to terminate the present *inter partes* review (IPR) proceeding as a result of a Settlement Agreement between Ericsson and Dali. The Settlement Agreement completely resolves all pending controversies between Ericsson and Dali concerning U.S. Patent No. 9,820,171 ("171 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 Ericsson from this proceeding as set forth in 35 U.S.C. § 317(b).

II. STATEMENT OF FACTS

Dali asserted the '171 patent against Ericsson and other defendants in the actions entitled *Dali Wireless, Inc. v. Ericsson, Inc. et al.*, Case No. 6:22-cv-1313

(W.D. Tex.)¹, *Dali Wireless, Inc. v. Verizon Corporate Services Group, et al.*, Case No. 6:23-cv-0060 (W.D. Tex.)², *Dali Wireless, Inc. v. AT&T Corp. et al.*, Case No. 2:23-cv-00161 (E.D. Tex.)³, and the Ericsson-related Causes of Action in *Dali Wireless, Inc. v. T-Mobile US, Inc., et al.*, Case No. 2:22-cv-00414 (E.D. Tex.) (collectively “the Ericsson Litigation”).

Ericsson filed a petition for IPR of all claims of the ’171 patent on March 15, 2023. Dali has not yet filed a preliminary response.

On June 16, 2023, Ericsson and Dali entered into a Settlement Agreement pursuant to which they agreed, among other things, to mutually cooperate to request the termination of this IPR proceeding without the rendering of a final decision under 35 U.S.C § 317. Ericsson and Dali agreed to file a joint motion to terminate within 2 days of receiving permission from the Board to file the motion. On June 16, 2023, Ericsson and Dali filed a joint stipulation to dismiss the Ericsson Litigation.

¹ This case included the severed claims against Ericsson from the case *Dali Wireless, Inc. v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 6:22-cv-104-ADA (W.D. Tex.).

² This case included the severed claims against Ericsson from the case *Dali Wireless, Inc. v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 6:22-cv-104-ADA (W.D. Tex.).

³ This case included the severed claims against Ericsson from the case *Dali Wireless, Inc. v. AT&T Corp., et al.*, Case No. 2:22-cv-012 (E.D. Tex.).

Ericsson also filed the following petitions for *inter partes* review concerning other patents owned by Dali:

IPR	Patent	Filed Date
IPR2022-01345	11,006,343	August 3, 2022
IPR2022-01419	10,334,499	August 15, 2022
IPR2022-01570	11,026,232	September 23, 2022
IPR2022-01212	8,682,338	July 22, 2022
IPR2023-00795	10,750,382	April 4, 2023

Ericsson and Dali have filed or will file a motion to terminate these proceeding, as well, in light of the settlement between Ericsson and Dali. Thus, once the Board grants all of these motion, there will be no other proceedings before the Patent Office involving both Ericsson and Dali.

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

Termination of the instant IPR as to Ericsson is appropriate because the Parties have settled their entire dispute concerning the ’171 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. “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 Ericsson. First, trial in the above-captioned IPR is in its early phase and no institution decision has been made. In similar circumstances involving IPRs at 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., Teva Pharmaceuticals USA, Inc. et al. v. Merck Sharp & Dohme Corp.*, IPR2020-01045, Paper 25 (P.T.A.B. Dec. 8, 2020) (granting joint motion to terminate); *Kavo Dental Techs., LLC v. Osseo Imaging, LLC*, IPR2020-00659, Paper 14 (P.T.A.B. Sept. 10, 2020) (same); *Zonar*

Systems, Inc. v. Innovative Global Systems, LLC, IPR2020-00155, Paper 22

(P.T.A.B. Aug. 27, 2020) (same).

As set forth in 35 U.S.C. § 317 and 37 C.F.R. § 42.74, the agreement has been made in writing in the form of a settlement agreement executed by the parties, and a true and correct copy of the Settlement Agreement has been filed as Exhibit 1020. *See* 35 U.S.C. § 317(b); 37 C.F.R. § 42.74(b). Thus, the Parties hereby represent that the document filed as Exhibit 1020 represents all agreements made in connection with, or in contemplation of, the termination of this proceeding. All such agreements have been filed with the Board as required by 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b).

Further, termination of the proceeding is a just and fair resolution. The Parties agree that neither Ericsson nor Dali will be prejudiced by the termination. Finally, the Parties will benefit from preserving resources that would otherwise be expended if this motion is denied.

V. CONCLUSION

Submitted concurrently herewith is a request by Ericsson and Dali that the Settlement Agreement (Exhibit 1020) be treated as business confidential information, be kept separate from the file of the involved patent, and be made available only to Federal Government agencies on written request, or to any person on a showing of good cause pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

For at least these reasons, Ericsson and Dali respectfully request that the Board grant this Joint Motion to Terminate the above-captioned IPR.

Date: June 30, 2023

Respectfully submitted

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above-captioned “**JOINT MOTION TO TERMINATE PROCEEDING**” was served in its entirety on 30 June 2023 on Counsel for Patent Owner via filing through the PTACTS System, as well as by delivering a copy via electronic mail to the following:

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