

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PALO ALTO NETWORKS, INC. and
FORTINET, INC.,
Petitioners

v.

LIONRA TECHNOLOGIES LTD.,
Patent Owner

Inter Partes Review Case No. IPR2023-00703
U.S. Patent No. 8,566,612

**JOINT MOTION TO TERMINATE PETITIONER PALO ALTO
NETWORKS, INC. FROM *INTER PARTES* REVIEW PROCEEDING
PURSUANT TO 35 U.S.C. § 317 AND 37 C.F.R §§ 42.72, 42.74¹**

¹ The Board joined Palo Alto Networks, Inc. and Fortinet, Inc. as parties (Petitioner) to this proceeding via a Motion for Joinder in IPR2024-00099 and IPR2024-00158. The Board previously terminated Petitioner Cisco Systems, Inc. from this proceeding.

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 July 22, 2024, Petitioner Palo Alto Networks, Inc. (“Palo Alto”) and Patent Owner Lionra Technologies Ltd. (“Lionra”) (collectively, the “Parties”) hereby provide notice that they have reached a settlement agreement and jointly request termination of Petitioner Palo Alto as a petitioner in the present *inter partes* review proceeding. The settlement agreement completely resolves all pending controversies between Palo Alto and Lionra concerning U.S. Patent No. 8,566,612 (“the ’612 patent”).

The Parties are concurrently filing a true copy 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 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 ’612 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

Lionra asserted the '612 patent against Palo Alto in the action entitled *Lionra Technologies Ltd. v. Palo Alto Networks, Inc.*, Docket 2:23-cv-00214, Texas Eastern District Court (the "Litigation").

Palo Alto filed a joinder petition for *inter partes* review of claims 1-4, 7-14, 16, 17, 21 and 22 of the '612 patent on November 9, 2023. The Board granted Palo Alto's Motion for Joinder on May 9, 2024.

On July 24, 2024, the Parties' motion to dismiss the district court litigation with prejudice was granted thereby terminating the Litigation. On July 8, 2024, Palo Alto and Lionra entered into a settlement agreement pursuant to which they agreed, among other things, to mutually cooperate to request the termination of this IPR proceeding.

Apart from this Proceeding, Palo Alto has filed a joinder petition IPR2023-00673. Palo Alto is simultaneously filing a Motion to Terminate in that proceeding. Thus, once the Board grants the motions, there will be no other proceedings before the Patent Office involving both Palo Alto and Lionra.

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 is appropriate because all pending disputes concerning the ’612 patent have been resolved 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 as Palo Alto. “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)).

Further, termination of the proceeding is a just and fair resolution. The parties agree that neither Palo Alto and Lionra 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

For at least these reasons, Palo Alto and Lionra respectfully request that the Board grant this Joint Motion to Terminate Palo Alto as a Petitioner in the above-captioned IPR proceeding.

Date: September 20, 2024

/s/ Brett Cooper

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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 September 20, 2024, by filing this document through the Patent Trial and Appeal Case Tracking System as well as delivering a copy via electronic mail upon the following attorneys of record for the Patent Owner:

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