IN THE

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KLX ENERGY SERVICES LLC,

PETITIONER,

V.

SAFOCO, INC.,

PATENT OWNER.

PETITIONER AND PATENT OWNER'S JOINT MOTION TO TERMINATE PROCEEDINGS FOR *INTER PARTES* REVIEW OF U.S. PATENT NO. 9,671,794

IPR2024-00197

MAIL STOP PATENT BOARD

PATENT TRIAL AND APPEAL BOARD

P.O. BOX 1450

ALEXANDRIA, VA 22313-1450

Pursuant to 37 C.F.R. § 42.74, KLX Energy Services LLC ("Petitioner" or "KLX") and Safoco, Inc. ("Patent Owner" or "Safoco") (collectively "the Parties") hereby jointly move for an order terminating the preliminary proceeding initiated by the petition for *inter partes* review filed on November 17, 2023, directed to Patent No. 9,671,794 (herein "the '794 patent") and assigned IPR2024-00197.

The Board has not yet issued a decision to institute trial.

1. Reasons Why Termination Is Appropriate

The Board authorized the Parties on May 6, 2024, to file a "Joint Moton to Terminate." Termination is proper because the Parties are jointly requesting termination, this IPR proceeding is still in its early stages (pre-institution), and the Board has not yet "decided on the merits of the proceeding." *Samsung Electronics Co., Ltd. et al. v. Neodron Ltd.,* IPR2020-01682, Paper 14, 3 (February 18, 2021); *see also Samsung Electronics Co., Ltd. v. Fundamental Innovation Systems Int'l*, IPR2018-00605, Paper 10, 2 (PTAB July 16, 2018). Accordingly, termination is appropriate here.

The Parties are filing herewith as Exhibit 1032, a true copy of the settlement agreement (hereinafter "Settlement Agreement") entered between the Parties, and a request is being filed herewith to treat this agreement as "business confidential information" under 37 C.F.R. § 42.74(c).

The Settlement Agreement was entered into in contemplation of terminating

this proceeding, and Petitioner and Patent Owner certify there are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of the proceeding. *See* 37 C.F.R. § 42.74(b).

The Parties understand that if the Board terminates this IPR proceeding, no estoppel under 35 U.S.C. § 315(e) or 37 C.F.R. § 42.73(d)(1) will attach to Petitioner. The Parties understand that if the Board terminates this IPR proceeding before a final written decision on patentability, no preclusion will attach to Patent Owner under 37 C.F.R. § 42.73(d)(3).

2. Conclusion

The Parties have settled all disputes relating to the challenged patent. This IPR proceeding is in an early stage and the Board has not entered a final written decision on the merits of the proceeding. Accordingly, the Parties respectfully request the Board to terminate the proceeding in its entirety.

Dated: May 7, 2024

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), the undersigned certifies that on May 7, 2024, a complete and entire copy of this Joint Motion to Terminate Proceeding was provided via email, to the Patent Owner by serving correspondence email addresses of record as follows:

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