

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PRIMESOURCE BUILDING PRODUCTS, INC.

Petitioner

vs.

NATIONAL NAIL, CORP.

Patent Owner

Case No. IPR2024-01100

U.S. Patent No. 10,378,218

**JOINT MOTION TO TERMINATE INTER PARTES REVIEW OF U.S.
PATENT NO. 10,378,218 UNDER 35 U.S.C. § 317 AND 37 C.F.R. § 42.72**

Pursuant to 35 U.S.C. § 317(a), 37 C.F.R. § 42.72, and 37 C.F.R. § 42.74, Petitioner PrimeSource Building Products, Inc. (“PrimeSource”) and Patent Owner National Nail, Corp. (“National Nail”) (collectively, the “Parties”) jointly move to terminate the above-captioned *inter partes* review proceeding pursuant to the Parties’ settlement of their dispute related to the challenged patent, U.S. Patent No. 10,378,218 (the “’218 Patent”). This joint motion was authorized by the Board in its email dated November 20, 2024. Along with this joint motion to terminate this proceeding, the Parties concurrently submit a true copy of the Parties’ Dismissal Agreement as Exhibit 1015 and a joint request to treat as confidential the agreement. There are no other agreements, written or oral, between the Parties made in connection with, or in contemplation of, the termination of this proceeding.

I. ARGUMENT

A joint motion to terminate generally must “(1) include a brief explanation as to why termination is appropriate; (2) identify all parties in any related litigation involving the patents at issue; (3) identify any related proceedings currently before the Office; and (4) discuss specifically the current status of each such related litigation or proceeding with respect to each party to the litigation or proceeding.” *Heartland Tanning, Inc. v. Sunless, Inc.*, IPR2014-00018, Paper 26 at 2 (P.T.A.B. July 28, 2014).

a. Brief Explanation as to Why Termination Is Appropriate

Termination of this *inter partes* review is appropriate because the Parties have resolved their dispute as to the ‘218 Patent and have reached an agreement to, among other things, terminate this *inter partes* review. EX 1015 (Dismissal Agreement). The Parties are concurrently filing a true copy of the Parties’ written Dismissal Agreement for the district court litigation, as well as this proceeding, as Exhibit 1015.

Pursuant to 37 C.F.R. § 42.74(b), the Parties acknowledge that, as of the filing of this Motion, Exhibit 1015 represents the entire agreement or understanding between the Parties made in connection with, or in contemplation of, the termination of this proceeding, and further, that Exhibit 1015 is a true and accurate copy of the agreement between the Parties that resolves the present proceeding. The Parties certify that there are no other written or oral agreements or understandings, including any collateral agreements, between them, including but not limited to licenses, covenants not to sue, confidentiality agreements, payment agreements, or other agreements of any kind that have been made in connection with or in contemplation of the termination of the instant proceeding.

The Parties agree that neither Patent Owner nor Petitioner will be prejudiced by termination of this proceeding. The Parties “may terminate the proceeding . . . , unless the Board has already decided the merits of the proceeding.” Patent Trial and

Appeal Board Consolidated Trial Practice Guide at 4 (Nov. 2019). Patent Owner has not filed its Patent Owner Preliminary Response, and the Board has yet to decide the merits of this proceeding. The Parties have now settled their dispute and have reached agreement to terminate this proceeding. *See Oracle Corp. v. Cmty. United IP, LLC*, CBM2013-00015, Paper 13 at 2 (P.T.A.B. July 25, 2013) (“Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement.”)

Public policy favors terminating this proceeding. Congress and federal courts have expressed a strong interest in encouraging settlement in litigation. *See Delta Air Lines, Inc. v. August*, 450 U.S. 346, 352 (1981) (“The purpose of [Fed. R. Civ. P.] 68 is to encourage the settlement of litigation.”); *Bergh v. Dep’t of Transp.*, 794 F.2d 1575, 1577 (Fed. Cir. 1986) (“The law favors settlement of cases.”), *cert. denied*, 479 U.S. 950 (1986). The Federal Circuit places a particularly strong emphasis on settlement. *See Cheyenne River Sioux Tribe v. United States*, 806 F.2d 1046, 1050 (Fed. Cir. 1986) (noting that the law favors settlement to mitigate antagonism and hostility between parties). And the Board’s Trial Practice Guide stresses that “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding.” Patent Trial and Appeal Board Consolidated Trial Practice Guide, at 86 (Nov. 2019).

b. Identification of Parties and Status of Litigation

The underlying district court litigation between the Parties, captioned *National Nail, Corp. v. PrimeSource Building Products, Inc.*, Case No. 3:23-cv-02746 (N.D. Tex.), has now been dismissed by stipulation. Pursuant to the Parties' Dismissal Agreement (EX1015), National Nail has filed a Stipulation of Dismissal with Prejudice in the form attached as Exhibit C to EX1015, stipulating to dismissal with prejudice of National Nail's claims against PrimeSource involving the '218 Patent. PrimeSource is the only Petitioner in this proceeding, meaning that this proceeding can be terminated in its entirety pursuant to this motion.

Further, the '218 Patent is not involved in any other pending litigation and no future litigation or proceeding involving the '218 Patent is currently contemplated.

c. Identification and Status of Proceedings Before the USPTO

The Parties have now resolved their dispute and reached agreement to terminate this proceeding. The USPTO can conserve its resources by terminating now, removing the need for the Board to further consider the arguments and to render an Institution Decision.

Therefore, for the foregoing reasons, the parties jointly and respectfully request termination of the present proceeding, IPR2024-01100, without prejudice to either party.

Dated: November 21, 2024

Respectfully submitted,

/Chad C. Walters/

Chad C. Walters

Registration No. 48,022

Lead Counsel for Petitioner

/Vito A. Ciaravino/

Vito A. Ciaravino

Registration No. 62,749

Lead Counsel for Patent Owner

CERTIFICATE OF SERVICE

The undersigned hereby certifies on this 21th day of November, 2024, the
**JOINT MOTION TO TERMINATE INTER PARTES REVIEW OF U.S.
PATENT NO. 10,378,218 UNDER 35 U.S.C. § 317 AND 37 C.F.R. § 42.72** was
served by email to:

vciaravino@wnj.com

Date: November 21, 2024

/Chad C. Walters/
Chad C. Walters
Registration No. 48,022
Lead Counsel for Petitioner