

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

ILSS, INC.,
Patent Owner.

IPR2025-01180
Patent 11,864,641 B2

Before KEN B. BARRETT, KRISTINA M. KALAN, and
STEPHEN E. BELISLE, *Administrative Patent Judges*.

BARRETT, *Administrative Patent Judge*.

TERMINATION
Due to Settlement After Institution of Trial
35 U.S.C. § 317; 37 C.F.R. § 42.74

On July 24, 2025, Petitioner Apple Inc. filed a Petition requesting *inter partes* review of claims 1–11 of U.S. Patent No. 11,864,641 B2 (“the ’641 patent”). Paper 1. On January 16, 2026, an *inter partes* review was instituted. Paper 15.

On August 26, 2026, with our authorization, Petitioner and Patent Owner 1LSS, Inc. (collectively, “the Parties”) filed a Joint Motion to Terminate *Inter Partes* Review. Paper 31 (“Mot.” or “Motion”). The Parties represent that they “have settled their dispute regarding the ’641 patent, including both this proceeding and Patent Owner’s assertion of the ’641 patent in the related proceeding, *1LSS Inc. v. Apple Inc.*, Case No. 2:24-cv-08769 (C.D. Cal.)” and that they “do not anticipate further litigation between them concerning the ’641 patent.” Mot. 1–2. The Motion was accompanied by a document that the Parties represent to be “[a] true and correct copy of the [Settlement] Agreement.” *Id.* at 2; *see* Ex. 1045 (Settlement Agreement). The Parties also represent that “[t]here are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of this *inter partes* review.” Mot. 2.

The Parties also filed, with our authorization, a Joint Request to Keep Agreement Business Confidential and Separate under 37 C.F.R. § 42.74(c). Paper 32.

The Board generally expects that a case “will terminate after the filing of a settlement agreement, unless the Board has already decided the merits.” Patent Trial and Appeal Board Trial Practice Guide § II.N, *available at* www.uspto.gov/patents/ptab/trial-practice-guide; *see* 35 U.S.C. § 317; 37 C.F.R. § 42.72. We have not rendered a final decision on the merits in this proceeding. Under the circumstances presented here, we determine that it is

appropriate to terminate this proceeding with respect to both Petitioner and Patent Owner. Accordingly, we grant the Parties' Motion to terminate the proceeding.

We also determine that it is appropriate to treat the settlement agreement as business confidential information and to keep that document separate from the files of the challenged patent, pursuant to 37 C.F.R. § 42.74(c). Thus, we grant the Parties' joint request to treat the settlement agreement as business confidential information.

Accordingly, it is

ORDERED that the Joint Request to Keep Agreement Business Confidential and Separate is *granted*;

FURTHER ORDERED that the Settlement Agreement (Exhibit 1045) is to be kept separate from the file of the involved U.S. Patent No. 11,864,641 B2 under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c);

FURTHER ORDERED that the Joint Motion to Terminate *Inter Partes* Review is *granted*; and

FURTHER ORDERED that this proceeding is *terminated*.

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