

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AXON EP, INC. and SCREEN LOGIX, LLC,
Petitioner,

v.

DERRICK CORPORATION,
Patent Owner.

Case IPR2016-00642
Patent 7,228,971 B2

Before BARRY L. GROSSMAN, CARL M. DEFRANCO, and
JAMES J. MAYBERRY, *Administrative Patent Judges*.

MAYBERRY, *Administrative Patent Judge*.

DECISION

Termination of the Proceeding

35 U.S.C. § 317(a) and 37 C.F.R. § 42.72

On March 8, 2017, Petitioners, Axon EP, Inc. and Screen Logix, LLC, and Patent Owner, Derrick Corporation, (collectively, the “Parties”) filed a joint motion to terminate this *inter partes* review involving U.S. Patent No. 7,228,971 B2 (the “’971 patent”). Paper 35 (the “Joint Motion to Terminate”); *see* 35 U.S.C. § 317(b); 37 C.F.R. § 42.72. The Board authorized this motion in an email communication to the Parties on March 7, 2017.

As background, Petitioners filed a petition for *inter partes* review of the ’971 patent on February 19, 2016. Paper 1 (the “Petition”). The Petition names, in addition to Petitioners Axon EP, Inc. and Screen Logix, LLC, HitecVision V, L.P., Axon Energy Products AS, Axon Pressure Products, Inc., and Drilling Controls, Inc. as real parties-in-interest. *Id.* at 1. Petitioner filed a Second Updated Mandatory Notice on November 17, 2016 identifying Mr. Jeffrey Walker of Screen Logix as a real party in interest. Paper 16, 1. We instituted trial on claim 6 of the ’971 patent on August 29, 2016. Paper 9. Patent Owner filed a Patent Owner Response on November 22, 2016 (Papers 18, 19), and Petitioners filed a Reply on February 14, 2017 (Papes 31, 32). We have not conducted oral argument in this proceeding.

Along with the Joint Motion to Terminate, the Parties filed a true and correct copy of their written settlement agreement covering the ’971 patent (Paper 37—the “Settlement Agreement”), as well as a joint motion (Paper 36) to have the Settlement Agreement treated as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). The Parties represent in their Joint Motion to Terminate that, pursuant to the Settlement Agreement, pending patent litigation involving the ’971 patent has been

dismissed. Paper 35, 3. Further, the Joint Motion to Terminate indicates that “[n]o litigation or proceeding involving the ’971 patent is contemplated in the foreseeable future.” *Id.* at 4. Further, the Joint Motion to Terminate indicates that the Settlement Agreement “and collateral agreement referenced therein have been made in writing, and a true copy of same has been filed herewith as” Paper 37. *Id.* at 2.

Under 35 U.S.C. § 317(a), “[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 patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed.” The Parties are reminded that the Board is not a party to the settlement, and may identify independently any question of patentability. 37 C.F.R. § 42.74(a). Generally, however, the Board expects that a proceeding will terminate after the filing of a settlement agreement, especially when, as here, we have not rendered a Final Written Decision on the merits. *See Office Patent Trial Practice Guide*, 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012).

Based on the preceding, we determine that it is appropriate to terminate this proceeding without rendering a Final Written Decision as to the patentability of claim 6 of the ’971 patent.

ORDER

In consideration of the foregoing, it is

ORDERED that, as was timely requested by the Parties, the Settlement Agreement (Paper 37) will be treated as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c), and be kept separate from the files of U.S. Patent No. 7,228,971 B2 and made available

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only to Federal Government agencies on written request, or to any person on a showing of good cause; and

FURTHER ORDERED that the Joint Motion to Terminate this proceeding is *granted* and the Petition is hereby terminated.

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