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Paper 12
Entered: December 14, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS INC.,
Petitioner,

v.

AUTOLOXER LLC,
Patent Owner.

Case IPR2017-01271
Patent 7,084,735 B2

Before JUSTIN T. ARBES, BRIAN J. McNAMARA, and SCOTT B. HOWARD, *Administrative Patent Judges*.

HOWARD, *Administrative Patent Judge*.

DECISION
Termination of Trial
35 U.S.C. § 317; *37 C.F.R. §§ 42.72, 42.74(c)*

On December 1, 2017, in response to a joint e-mail request made on November 30, 2017, we authorized the parties to file a joint motion to terminate the proceeding and a joint request that the settlement agreement be treated as business confidential information. Paper 9. Pursuant to that authorization, on December 5, 2017, the parties filed a Joint Motion to Terminate (Paper 11), a Joint Motion to Keep Confidential and Separate under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) (Paper 10), and a true copy of the parties' settlement agreement (Ex. 1025).

In the Joint Motion to Terminate, the parties represent that they "have entered into a written confidential settlement agreement that resolves this matter." Paper 11, 1. The parties further represent that Exhibit 1025 "represents a true and accurate copy of the agreement between the parties that resolves the present proceeding" and "that there are no other agreements, oral or written, between the parties made in connection with, or in contemplation of, the termination of the present proceeding." *Id.* The parties further represent that "[t]here are no pending administrative adjudications or district court litigations asserting the patent-at-issue currently pending." *Id*. at 3.

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."

Although a Decision to Institute was entered on October 2, 2017 (Paper 7), "[n]o substantive post-institution briefing has occurred," "no depositions have been taken or scheduled," and we have not entered a Final Written Decision on the merits. *See* Paper 11, 3.

The parties further indicate that termination of the proceeding would save significant additional expenditures of resources by the Board and the parties, and would further serve the purpose of *inter partes* review proceedings to provide an efficient and less costly alternative forum for patent disputes. *Id.* at 2–3. In view of the circumstances presented in this case, we agree. Indeed, there are strong public policy reasons to favor settlement between the parties to a proceeding. *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). When, as here, we have not entered a Final Written Decision on the merits, we generally expect that trial will terminate after the filing of a settlement agreement. *See id*. Accordingly, we determine that it is appropriate to terminate trial without entering a Final Written Decision as to the patentability of claims 1–3, 5, 6, and 28 of U.S. Patent No. 7,084,735 B2. *See* 37 C.F.R. § 42.72.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the parties' request to treat the settlement agreement (Ex. 1025) as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) is GRANTED, and

FURTHER ORDERED that the Joint Motion to Terminate this proceeding is GRANTED, and this proceeding is hereby terminated.

PETITIONER:

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