

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HALLIBURTON ENERGY SERVICES, INC.,

Petitioner,

v.

SCHLUMBERGER TECHNOLOGY CORPORATION,

Patent Owner.

Case IPR2017-01564

Patent 7,775,278 B2

Before HYUN J. JUNG, JEREMY M. PLENZLER, and
JAMES J. MAYBERRY, *Administrative Patent Judges*.

MAYBERRY, *Administrative Patent Judge*.

DECISION

Granting Joint Motion to Terminate
35 U.S.C. § 317(a); 37 C.F.R. § 42.72

Granting Request to Treat Settlement Documents
as Confidential Business Information
35 U.S.C. § 317(b); 37 C.F.R. § 42.74(c)

On December 12, 2017, we instituted trial on claims 1, 2, 6, 7, 14, 17, 29, and 31 (the “Challenged Claims”) of U.S. Patent No. 7,775,278 B2 (the “’278 patent”). Paper 17, 27–28. Pursuant to our authorization, on June 1, 2018, the parties filed a Joint Motion to Terminate Proceedings (Paper 32¹; the “Joint Motion”) and a Joint Request to File Settlement Agreement as Business Confidential Information (Paper 29). Pursuant to 37 C.F.R. § 42.74(b), the parties also filed a true copy of their written settlement agreement (Ex. 2026).

In the Joint Motion, the parties indicate that they have reached an agreement regarding all of their disputes involving the ’278 patent. Paper 32, 2. The parties represent that:

Other than as indicated in the [Settlement] Agreement, there are no written or oral agreements or understandings, including any collateral agreements, between the parties, including but not limited to licenses, covenants not to sue, confidentiality agreements, or other agreements of any kind, that are made in connection with, or in contemplation of, the termination of this proceeding.

Id.

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 indicate that termination is proper, “because this proceeding is still in its early stages, with the petitioner reply not due until June 20, 2018.” Paper 32, 3. The parties further assert that they “are unaware of any other matter

¹ Paper 32 is the public version of the Joint Motion, filed on June 4, 2018. A confidential version was filed as Paper 28.

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before the USPTO that would be affected by the outcome of this proceeding.” *Id.*

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 rendered a Final Written Decision on the merits, we generally expect that the proceeding will terminate after the filing of a settlement agreement. *See id.*

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 the Challenged Claims of the '278 patent.

Accordingly, it is:

ORDERED that the parties' request that the settlement agreement (Ex. 2026) be treated as business confidential information and kept separate from the file of U.S. Patent No. 7,775,278 B2, under the provisions of 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 Proceedings is *granted*, and this proceeding is hereby terminated.

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