

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY,  
Petitioner,

v.

PLANO ENCRYPTION TECHNOLOGIES, LLC,  
Patent Owner.

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Cases IPR2017-01721 (Patent 5,991,399),  
IPR2017-01783 (Patent 5,974,550)<sup>1</sup>

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Before JONI Y. CHANG, ANNETTE R. REIMERS, and  
MICHELLE N. WORMMEESTER, *Administrative Patent Judges*.

CHANG, *Administrative Patent Judge*.

JUDGMENT  
Termination of Proceeding  
*37 C.F.R. § 42.73*

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<sup>1</sup> This Order addresses the same issues in both above-identified proceedings. Therefore, we exercise our discretion to issue one Order to be entered in each proceeding.

IPR2017-01721 (Patent 5,991,399)

IPR2017-01783 (Patent 5,974,550)

On January 5, 2018, Petitioner, State Farm Mutual Automobile Insurance Company (“State Farm”), and Patent Owner, Plano Encryption Technologies LLC (“Plano”), filed a Joint Motion to Terminate in each above-identified proceeding. Paper 7 (“Mot.”).<sup>2</sup> The parties also filed a true copy of their Written Settlement Agreement, made in connection with the termination of these proceedings. Ex. 1019. For the reasons stated below, the Joint Motions to Terminate are *granted*.

Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement. *See* Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). Here, in the Joint Motions to Terminate, the parties represent that they have reached a settlement that resolves all disputes between the parties as to the involved patents. Mot. 2–3. In particular, the district court proceedings<sup>3</sup> related to the instant proceedings have been dismissed. *Id.* at 3; Ex. 1020.

State Farm filed its Petition on July 14, 2017 (Paper 1), and Plano filed its Patent Owner Preliminary Response on November 7, 2017 (Paper 6). However, the Board has not decided whether to institute a review. Even if the Board institutes a review and commences a trial, State Farm will no longer participate. That means even if a review is instituted, State Farm will

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<sup>2</sup> All citations are to IPR2017-01783, as representative.

<sup>3</sup> *Plano Encryption Techs., LLC v. Alkami Tech., Inc.*, Case Nos. 2:16-cv-1032-JRG (Lead Case) and 2:16-cv-01072-JRG (Consolidated Case) (E.D. Tex.) that asserted infringement of U.S. Patent Nos. 5,974,550 and 5,991,399.

IPR2017-01721 (Patent 5,991,399)

IPR2017-01783 (Patent 5,974,550)

not file a reply to any patent owner response or an opposition to any motion to amend claims. State Farm also will not be conducting any cross examination of Plano's witnesses. In addition, Plano may not have an opportunity to cross examine State Farm's witness whose testimony is relied upon by State Farm's Petition.

As no trial has been instituted based on State Farm's Petition, the instant proceeding is in the preliminary proceeding stage. Based on the particular facts of this case, it is appropriate to enter judgment.

In consideration of the foregoing, it is:

ORDERED that the Joint Motions to Terminate in IPR2017-01721 and IPR2017-01783 are *granted*;

FURTHER ORDERED that the above-identified proceedings hereby are terminated as to all parties including State Farm and Plano; and

FURTHER ORDERED that a copy of this Judgment be entered into the record of each above-identified proceeding.

IPR2017-01721 (Patent 5,991,399)

IPR2017-01783 (Patent 5,974,550)

For PETITIONER:

R. William Beard, Jr.

Jerry F. Suva

Truman H. Fenton

SLAYDEN GRUBERT BEARD PLLC

wbeard@sgbfirm.com

jsuva@sgbfirm.com

tfenton@sgbfirm.com

For PATENT OWNER:

Bradley D. Liddle

bdliddle@gmail.com

Andy Han

Han IP Corporation

andyh@hansantos.com