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## UNITED STATES PATENT AND TRADEMARK OFFICE

## BEFORE THE PATENT TRIAL AND APPEAL BOARD

SEMICONDUCTOR COMPONENTS INDUSTRIES, LLC, d/b/a ON SEMICONDUCTOR, Petitioner,

v.

POWER INTEGRATIONS, INC., Patent Owner.

IPR2018-01810, IPR2018-01812 (Patent 8,773,871 B2) IPR2018-01811, IPR2018-01813 (Patent 6,456,475 B2) IPR2018-01814, IPR2018-01815 (Patent 6,337,788 B2) IPR2018-01816, IPR2018-01818 (Patent 8,077,483 B2)<sup>1</sup>

Before TREVOR M. JEFFERSON, KRISTINA M. KALAN, JULIA HEANEY, and SCOTT B. HOWARD, *Administrative Patent Judges*.<sup>2</sup>

HOWARD, Administrative Patent Judge.

<sup>&</sup>lt;sup>1</sup> We exercise our discretion to issue a common paper in each proceeding with a joint caption. The parties are not authorized to do the same.

<sup>&</sup>lt;sup>2</sup> This is not an expanded panel. The panel for IPR2018-01810, IPR2018-01812, IPR2018-01814, and IPR2018-01815 includes Judges Jefferson, Kalan, and Howard. The panel for IPR2018-01811, IPR2018-01813, IPR2018-01816, and IPR2018-01818 includes Judges Jefferson, Kalan, and Heaney.

## DECISION and ORDER Granting Joint Motions to Terminate Proceeding 35 U.S.C. § 317; 37 C.F.R. §§ 42.72, 42.74

On November 5, 2019, Petitioner (Semiconductor Components Industries, LLC d/b/a ON Semiconductor) and Patent Owner (Power Integrations, Inc.) (collectively, the "Parties") filed in the eight proceedings identified below essentially identical Joint Motions to Terminate these proceedings, along with a copy of their written settlement agreement. Patent Owner also filed essentially identical Motions requesting that the settlement agreement be treated as business confidential information, which Petitioner opposes. The motions and exhibits are identified below:

Case	Motion to	Settlement	Motion to Treat Settlement
	Terminate	Agreement	Agreement as Confidential
IPR2018-01810	Paper 13	Ex. 2003	Paper 14
IPR2018-01811	Paper 14	Ex. 2018	Paper 15
IPR2018-01812	Paper 14	Ex. 2003	Paper 15
IPR2018-01813	Paper 13	Ex. 2018	Paper 14
IPR2018-01814	Paper 14	Ex. 2018	Paper 15
IPR2018-01815	Paper 14	Ex. 2018	Paper 15
IPR2018-01816	Paper 10	Ex. 2006	Paper 11
IPR2018-01818	Paper 11	Ex. 2006	Paper 12

For expediency, we cite to the papers filed in IPR2018-01810. The Board authorized the filing of the Motions on October 29, 2019, via email.

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#### Motion to Terminate

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 the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed." 35 U.S.C. § 317(a) states that if no petitioner remains in the *inter partes* review, the Office may terminate the review. Additionally, the Board expects that a proceeding will terminate after the filing of a settlement agreement. *See, e.g.*, Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012).

After we instituted trial in each of the eight proceedings, Patent Owner filed its Responses and, in some case, Petitioner filed its Reply. For example, in IPR2018-01810, Patent Owner filed its Response on June 26, 2019 (Paper 11), and Petitioner filed its Reply on September 18, 2019 (Paper 12). We have not yet decided the merits of any of the proceedings, and final written decisions have not been entered in any of the proceedings. Notwithstanding that the eight proceedings have moved beyond the preliminary stage, the Parties have shown adequately that the termination of the proceedings is appropriate. Under these circumstances, we determine that good cause exists to terminate the eight proceedings with respect to the Parties.

The Parties must also comply with 37 C.F.R. § 42.74(b), which requires that "[a]ny agreement or understanding between the parties made in connection with, or in contemplation of, the termination of a proceeding

shall be in writing and a true copy shall be filed with the Board before the termination of the trial." The Parties represent that they "are concurrently filing a true and complete copy of their written Definitive Agreement (Confidential Exhibit 2003) ('Settlement Agreement') in connection with this matter pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b)–(c)." Paper 13, 2. The Parties also represent that "there are no other agreements or understandings, oral or written, between the Parties, including any collateral agreements, made in connection with, or in contemplation of, the termination of the present proceeding." *Id*.

The Parties further represent that (1) "[t]hrough the Settlement Agreement, the Parties have agreed to end all outstanding legal and administrative disputes between them" (*id.*); (2) the "Settlement Agreement settles all of the above-captioned *inter partes* review proceedings, the . . . district court litigations [between the Parties], and all of the various additional legal and administrative disputes between the Parties" (*id.* at 3); and (3) the "concurrent district court litigations involving the[] patents [in the Parties' *inter partes* review proceedings] has been dismissed" (*id.* at 5).

Based on the facts of these proceedings, and in view of the Parties' Joint Motions to Terminate, we are persuaded that it is appropriate to terminate the eight proceedings with respect to both Parties without rendering a final written decision. *See* 37 C.F.R. §§ 42.5(a), 42.72. Therefore, the Joint Motions to Terminate are *granted*.

Power Integrations' Motion to Treat Settlement Agreement as Confidential

Under 35 U.S.C. § 317 and 37 C.F.R. § 42.74, Patent Owner requests that the settlement agreement be treated as business confidential information, and be filed separately from the file of the involved patents. Paper 14. Petitioner opposes the motions because "the Settlement Agreement specifies that the Settlement Agreement is not confidential," and "ON will file a complete copy of the Settlement Agreement as an attachment to its next 10-K filed with the Securities and Exchange Commission." Paper 13, 2 n.1.

35 U.S.C. § 317(b) provides that:

At the request of a party to the proceeding, the agreement or understanding shall be treated as business confidential information, shall be kept separate from the file of the involved patents, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause.

See also 37 CFR § 42.74.

Here, Patent Owner's motions were timely filed with the Parties' Joint Motions to Terminate. Petitioner opposes the Motions for two reasons. First, Petitioner argues that "the Settlement Agreement specifies that the Settlement Agreement is not confidential." Paper 13, 2 n.1. Petitioner, however, does not identify support for its argument in the settlement agreement. The Parties' settlement agreement does not prohibit Power Integrations from requesting that the settlement agreement be treated as business confidential information. Second, Petitioner asserts that it "will file a complete copy of the Settlement Agreement as an attachment to its next

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