

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SQUARE, INC.,
Petitioner,

v.

SENDSIG, LLC,
Patent Owner.

IPR2020-00930
Patent 6,564,249 B2

Before DAVID C. McKONE, JOHN P. PINKERTON, and
MELISSA A. HAAPALA, *Administrative Patent Judges*.

PINKERTON, *Administrative Patent Judge*.

TERMINATION
Due to Settlement After Institution of Trial
35 U.S.C. § 317; 37 C.F.R. § 42.74

I. INTRODUCTION

On November 18, 2020, the Decision Granting Institution of *Inter Partes* Review was entered in this proceeding in which Petitioner challenges claims 1, 2, 4, 5, 11, 12, 14, and 15 of U.S. Patent No. 6,564,249 B2 (“the ’249 patent”). Paper 5. On December 1, 2020, the parties filed a Joint Motion to Terminate *Inter Partes* Review in which they jointly move to terminate this proceeding based on an agreement between the parties. Paper 7, 1 (“Joint Motion”). Concurrently, the parties also filed their Confidential Agreement. Ex. 1020 (“Agreement”). The parties jointly request under 37 C.F.R. § 42.74(c) that Exhibit 1020 be treated as business confidential information. Joint Motion, 1. We authorized the filing of these papers in an email to counsel for the parties dated November 24, 2020.

II. DISCUSSION

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.” Section 317(b) requires that any agreement between the parties, including collateral agreements, made in connection with the termination of an *inter partes* review “shall be in writing and a true copy of such agreement or understanding shall be filed in the Office before the termination of the inter partes review as between the parties.”

In the Joint Motion, the parties state they have “agreed to resolve their disputes relating to United States Patent No. 6,564,249, to dismiss with prejudice the co-pending litigation (*SendSig, LLC v. Square, Inc.*, No. 1:19-cv-03733-JPB) and request termination of this proceeding.” Joint Motion, 1.

The parties also represent that there “are no other agreements or understandings, oral or written, between the parties made in connection with, or in contemplation of, the termination of . . . [this] proceeding. *Id.* The parties request that we grant the joint motion for termination because no dispute remains between the parties regarding the ’249 patent, a final written decision has not yet been entered, no discovery has taken place, and termination would be consistent with with the “strong public policy reasons favoring settlement between the parties to a proceeding.” *Id.* at 2 (citing Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012)).

Although we recently instituted an *inter partes* review in this proceeding, the proceeding has not reached due date 1 of the scheduling order (*see* Paper 6, 10), and we have not yet decided the merits of, or entered a final written decision in, this proceeding. Given the early stage of the proceeding, the parties have shown adequately that termination is appropriate. Under these circumstances, we determine that good cause exists to terminate the proceeding. We further determine that the Agreement complies with the requirements for written agreements regarding termination set forth in 35 U.S.C. § 317(b).

With respect to the parties joint request to treat the Agreement as business confidential information, we have reviewed the Agreement and find that it contains confidential business information of the parties regarding the terms of settlement. Thus, we determine that good cause exists to treat the

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Agreement as business confidential information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

III. CONCLUSION

For the foregoing reasons, we grant the parties' Joint Motion to terminate this proceeding and their joint request to treat the Agreement as business confidential information. This determination does not constitute a final written decision pursuant to 35 U.S.C. § 318(a).

IV. ORDER

Accordingly, it is:

ORDERED that the Joint Motion to Terminate is granted, and IPR2020-00930 is terminated due to settlement after institution decision with respect to Petitioner and Patent Owner pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72; and,

FURTHER ORDERED that the parties' joint request that the Agreement be treated as business confidential information is granted, and the Agreement shall be kept separate from the files of U.S. Patent No. 6,654,249 B2, and made available only to Federal Government agencies on written request, or to any person on a showing of good cause, pursuant to 37 C.F.R. § 42.74(c).

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