

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SNAP INC.,
Petitioner,

v.

PIXMARX IP LLC,
Patent Owner.

IPR2021-00140 (Patent 9,477,689 B2)
IPR2021-00141 (Patent 9,792,662 B2)
IPR2021-00142, IPR2021-00232 (Patent 10,102,601 B2)
IPR2021-00143, IPR2021-00233 (Patent 10,489,873 B2)

Before BARBARA A. PARVIS, MICHELLE N. WORMMEESTER, and
DANIEL J. GALLIGAN, *Administrative Patent Judges*.

Per Curiam.

DECISION
Settlement Prior to Institution of Trial
37 C.F.R. § 42.74

IPR2021-00140 (Patent 9,477,689 B2)
IPR2021-00141 (Patent 9,792,662 B2)
IPR2021-00142, IPR2021-00232 (Patent 10,102,601 B2)
IPR2021-00143, IPR2021-00233 (Patent 10,489,873 B2)

I. INTRODUCTION

In each of the above-captioned proceedings, Petitioner and Patent Owner (collectively “the Parties”) filed a joint motion to terminate, or in the alternative to dismiss, the proceeding. Paper 7 (“Joint Motion”).¹ In support of the Joint Motion, the Parties filed a copy of a written confidential settlement agreement. Ex. 1044 (“Settlement Agreement”). The Parties also filed a joint request to keep the Settlement Agreement separate. Paper 6 (“Joint Request”). We authorized the filing of these papers in an e-mail sent on January 25, 2021.

II. DISCUSSION

In the Joint Motion, the Parties state that they have settled with respect to the challenged patents and have reached an agreement to jointly seek termination of the proceedings. Joint Motion 1. The Parties also state that the Settlement Agreement is “the written agreement that contemplates the termination of th[e] proceeding[s]” and that, “[a]side from this written agreement concurrently filed with the Board, there are no other agreements, oral or written, between the parties and made in connection with, or in contemplation of, the termination of the proceeding[s].” Joint Motion 3.

There are strong public policy reasons to favor settlement between the parties to a proceeding. *Office Patent Trial Practice Guide*, 84 Fed. Reg. 64,280 (Nov. 21, 2019). These proceedings are in the preliminary phase, and we have not yet decided whether to institute trials in the proceedings. In view of the early stage of the proceedings and the settlement between the Parties, we determine that it is

¹ We refer to papers and evidence filed in IPR2021-00140. The parties filed the Settlement Agreement and similar motions in the other cases to which this Order pertains.

IPR2021-00140 (Patent 9,477,689 B2)
IPR2021-00141 (Patent 9,792,662 B2)
IPR2021-00142, IPR2021-00232 (Patent 10,102,601 B2)
IPR2021-00143, IPR2021-00233 (Patent 10,489,873 B2)

appropriate to dismiss the petitions and terminate the proceedings as to the Parties, without rendering decisions on institution or final written decisions.

In the Joint Request, the Parties jointly request to have the Settlement Agreement be treated as business confidential information and be kept separate from the files of the patents involved in these proceedings. Joint Request 1.

After reviewing the Settlement Agreement between the Parties, we find that the Settlement Agreement contains confidential business information regarding the terms of settlement. We determine the Settlement Agreement between the Parties shall be treated as business confidential information under 37 C.F.R. § 42.74(c) and shall be kept separate from the files of the involved patents and associated proceedings.

The Parties also “request that the Board order that in the event a person or entity makes a written request, as stated in 37 C.F.R. § 42.74(c)(1)-(2), for access to the Settlement Agreement, that any such written request be served upon the parties on the day the written request is provided to the Board.” Joint Request 1. We will not impose such a requirement, which is not recited in the governing regulation (37 C.F.R. § 42.74). Therefore, the Parties’ request in this regard is *denied*.

This Order does not constitute a final written decision pursuant to 35 U.S.C. § 318(a).

III. ORDER

Accordingly, it is:

ORDERED that the Joint Motion is *granted*;

FURTHER ORDERED that the above-captioned proceedings are *terminated* and the petitions are *dismissed*; and

IPR2021-00140 (Patent 9,477,689 B2)

IPR2021-00141 (Patent 9,792,662 B2)

IPR2021-00142, IPR2021-00232 (Patent 10,102,601 B2)

IPR2021-00143, IPR2021-00233 (Patent 10,489,873 B2)

FURTHER ORDERED that the Settlement Agreement shall remain designated as “Parties and Board Only” in the Board’s filing system, shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause, and shall be kept separate from the files of the involved patents and associated proceedings, pursuant to 37 C.F.R. § 42.74(c).

IPR2021-00140 (Patent 9,477,689 B2)
IPR2021-00141 (Patent 9,792,662 B2)
IPR2021-00142, IPR2021-00232 (Patent 10,102,601 B2)
IPR2021-00143, IPR2021-00233 (Patent 10,489,873 B2)

For PETITIONER:

Daniel Yannuzzi
Eric Gill
Evan Sumner
SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
dyannuzzi@sheppardmullin.com
egill@sheppardmullin.com
esumner@sheppardmullin.com

For PATENT OWNER:

Jonathan Szarzynski
SZARZYNSKI PLLC
jon@szarzynski.com