

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BUNGIE, INC.,
Petitioner,

v.

WORLDS INC.,
Patent Owner.

Case IPR2015-01264 (Patent 7,945,856 B2)

Case IPR2015-01319 (Patent 8,082,501 B2)

Case IPR2015-01321 (Patent 8,145,998 B2)

**PATENT OWNER WORLDS INC.'S UNOPPOSED
MOTION TO SEAL AND ENTRY OF PROTECTIVE ORDER**

IPR2015-01264, -01319, -01321 Patent Owner's Unopposed Motion to Seal and Entry of Protective Order

Pursuant to the Board's Order (Paper 53), Patent Owner Worlds, Inc.

("Worlds") submits this Motion to Seal limited portions of Bungie's Brief on Remand (Paper 51, "Bungie Br."). Pursuant to the Board's Order and 37 C.F.R. 42.54(a), Worlds provided a copy of this Motion to Seal and Entry of Protective Order, the proposed Default Protective Order (Ex. 2100), and the proposed redactions to Bungie's Brief on Remand (Ex. 2101, with proposed redactions shown on pp. 18-19) to Petitioner Bungie, who does not oppose this Motion.¹

I. INTRODUCTION

Bungie's Brief on Remand includes what Bungie characterizes as Statements of Material Fact ("SMF") Nos. 7-11 (*see* Bungie Br. 17-19).² SMF Nos. 7, 10, and

¹ In conferring with Bungie, Bungie requested inclusion of the following statement: Bungie does not believe the information in question is confidential, but in view of the Board's suggestion that the parties employ a "laser-like focus on the substance and merits of the dispositive issues" (Paper 53 p. 5), Bungie does not oppose this motion.

² The Board has temporarily placed Bungie's Brief on Remand under seal. Pursuant to the Board's Order (Paper 53, 4), this Motion is submitted to "indicate why it is appropriate to continue to maintain information in those briefs under seal" and to "indicate with specificity the portions to remain sealed." This Motion is not intended to address the merits or weight to be attributed to SMF Nos. 7-11.

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11 specifically include what Bungie contends are quoted contents (including “terms”) of settlement communications between Bungie’s counsel and Worlds’ counsel. For the reasons discussed below, Worlds submits that sealing this type of information falls within the Board’s authority to “[require] that a trade secret or other confidential research, development, or commercial information not be revealed or be revealed only in a specified way.” 37 C.F.R. § 42.54(a)(7).

II. LEGAL STANDARD

The *Office Patent Trial Practice Guide* provides that the Board may seal documents pursuant to a proposed protective order where there is “good cause” that “strike[s] a balance between the public’s interest in maintaining a complete and understandable file history and the parties’ interest in protective truly sensitive information.” 77 Fed. Reg. 48,756, 48,760 (Aug. 14, 2012). Those rules “identify confidential information in a manner consistent with Federal Rule of Civil Procedure 26(c)(1)(G), which provides for protective orders for trade secret or other confidential research, development, or commercial information.” *Id.* (citing 37 C.F.R. § 42.54).

Pursuant to this authority, the Board routinely grants motions to treat settlement agreements, filed along with motions to terminate Board proceedings based on settlement, as business confidential information under 35 U.S.C. § 317(b)

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and 37 C.F.R. § 42.74(c). *See, e.g., ams AG, et al. v. 511 Innovations, Inc.*,
IPR2016-01819, Paper 21 at 3-4 (PTAB Apr. 27, 2017).

III. BASIS FOR MOTION TO SEAL

Sealing the proposed portions of Bungie's SMF Nos. 7, 10, and 11 successfully strikes a balance between the public's interest in maintaining a complete and understandable file history and the protection of truly sensitive information. Just as an executed settlement agreement deserves protection from unsealed filings and public disclosure, so do Bungie's SMF Nos. 7, 10, and 11. Further, no public interest is served in disclosing contents of settlement discussions occurring between parties before the Board. Here, Bungie's brief cites to but does not quote from SMF Nos. 7, 10, or 11. *See, e.g., Bungie Br.*, 25.

Where a petitioner and patent owner can reach agreement on settlement terms further to settlement discussions, the successful settlement discussions must be memorialized into a settlement agreement, and submitted to the Board along with a motion to terminate and, optionally, a request to treat the executed settlement agreement as business confidential information. As a policy matter, it would do little good to treat a settlement agreement as business confidential information, but permit unsealed filing of settlement discussions leading to that settlement agreement. Moreover, the risk of permitting unsealed filing of

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settlement communications is likely to chill such settlement communications from even occurring in the first place.

As such, Worlds requests that the Board seal SMF Nos. 7, 10, and 11 pursuant to the Board's authority to seal business confidential information under 37 C.F.R. § 42.54(a)(7), as indicated in Ex. 2101, subject to the proposed protective order (Ex. 2100) filed with this Motion. The proposed protective order filed with this Motion is consistent with the Board's default Protective Order per Appendix B of the Board's Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,765-66 (Aug. 14, 2012).

IV. CONCLUSION

For the reasons presented above, Patent Owner respectfully requests that the Board grant this Motion to Seal and seal Petitioners' SMF Nos. 7, 10, and 11 (pp. 18-19) contained in Petitioners' Brief of Remand as shown in Ex. 2101.

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