

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HYDRITE CHEMICAL CO.,
Petitioner,

v.

SOLENIS TECHNOLOGIES, L.P.,
Patent Owner.

Case IPR2015-01586
Patent 8,841,469 B2

Case IPR2015-01592
Patent 8,962,059 B1¹

Before ERICA A. FRANKLIN, DONNA M. PRAISS, and
JENNIFER MEYER CHAGNON, *Administrative Patent Judges*.

PRAISS, *Administrative Patent Judge*.

JUDGMENT
Termination of the Proceedings
37 C.F.R. § 42.72

¹ This decision addresses similar issues in both cases; therefore, we issue a single judgment to be entered in each case.

IPR2015-01586 (Patent 8,841,469 B2)
IPR2015-01592 (Patent 8,962,059 B1)

On November 21, 2016, pursuant to Board authorization, Petitioner and Patent Owner filed a Joint Motion to Terminate these *inter partes* reviews. Paper 35 (IPR2015-01586); Paper 36 (IPR2015-01592). With the Joint Motion, the parties filed a copy of their written settlement agreement covering various matters, including those involving the patents at issue in these proceedings. Paper 36 (IPR2015-01586); Paper 37 (IPR2015-01592). The parties concurrently filed a Joint Request to have the settlement agreement treated as confidential business information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Paper 37 (IPR2015-01586); Paper 38 (IPR2015-01592).

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 patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed.” In this proceeding, the Board has not yet reached a decision on the merits with respect to the patentability of any involved claim. Accordingly, we must terminate the review with respect to Petitioner.

Furthermore, “[i]f no petitioner remains in the *inter partes* review, the Office may terminate the review or proceed to a final written decision under section 318(a).” 35 U.S.C. § 317(a). The Board, therefore, has discretion to terminate this review with respect to Patent Owner.

In their Joint Motions, the parties assert that the settlement agreement resolves all active proceedings between the parties involving U.S. Patents 8,841,469 B2 (“the ’469 patent”) and 8,962,059 B1 (“the ’059 patent”). Paper 35 (IPR2015-01586), 2; Paper 36 (IPR2015-01592), 2. The parties also assert that there are no other litigations or proceedings pending which

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involve the '469 and '059 patents. *Id.* In addressing the merits of terminating these proceedings without a final written decision, the parties assert that the following factors support termination: (1) the lack of controversy between the parties; (2) the Board having not yet decided the IPR on its merits; (3) maintaining the proceedings would discourage future settlement by removing a primary motivation for settlement; (4) an appeal would take up valuable judicial and/or administrative resources; and (5) strong public policy reasons favor settlement between parties. Paper 35 (IPR2015-01586), 2–3; Paper 36 (IPR2015-01592), 2–3. The parties also cite the Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012), regarding the Board's expectation "that a proceeding will terminate after the filing of a settlement agreement, unless the Board has already decided the merits of the proceeding." Paper 35 (IPR2015-01586), 3–4; Paper 36 (IPR2015-01592), 3–4.

At the outset, we note the status of these *inter partes* review trials. The parties have completed all briefing, the Board held a consolidated oral hearing on September 13, 2016, and the statutory deadline for rendering a final written decision is approximately two months away. While termination of the proceedings at this stage may conserve additional judicial resources, we typically encourage settlements to occur earlier in a proceeding.

On the particular facts of this case, however, we determine that termination is appropriate. As the parties note, the settlement agreement resolves all pending disputes between the parties and there are no related matters pending which involve the '469 and '059 patents. Paper 35 (IPR2015-01586), 2; Paper 36 (IPR2015-01592), 2. We are persuaded that the parties' disputes are settled completely and, under these circumstances,

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the public policy favoring settlement outweighs the increased public interest in final written decisions at this late stage in these proceedings.

For those reasons, we determine that it is appropriate to terminate these *inter partes* reviews as to both Petitioner and Patent Owner without rendering final written decisions. *See* 35 U.S.C. § 317(a); 37 C.F.R. § 42.72.

In light of the foregoing, it is:

ORDERED that the parties' Joint Requests (Paper 37 (IPR2015-01586); Paper 38 (IPR2015-01592)) to have their settlement agreement (Paper 36 (IPR2015-01586); Paper 37 (IPR2015-01592)) treated as business confidential information, to be kept separate from the patent file, is *granted*;

FURTHER ORDERED that the Joint Motions to Terminate these proceedings (Paper 35 (IPR2015-01586); Paper 36 (IPR2015-01592)) are *granted*; and

FURTHER ORDERED that these *inter partes* reviews are hereby *terminated*.

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