Trials@uspto.gov
571-272-7822

Paper: 27
Entered: December 15, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LAM RESEARCH CORP.,
Petitioner,

v.

DANIEL L. FLAMM,
Patent Owner.

Cases: IPR2015-01764 (Patent No. RE40,264)
IPR2015-01767 (Patent No. 6,017,221)
IPR2015-01768 (Patent No. RE40,264)

Before CHRISTOPHER L. CRUMBLEY, JO-ANNE M. KOKOSKI, and KIMBERLY McGRAW, *Administrative Patent Judges*.

CRUMBLEY, *Administrative Patent Judge*.

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

On December 6, 2016, Petitioner Lam Research Corp. and Patent Owner Daniel L. Flamm filed Joint Motions to Terminate these three related

inter partes review trials. Paper 26,[1] "Mot." With the Joint Motions, the parties filed a copy of a Binding Memorandum of Understanding covering various matters, including those involving the patents at issue in these proceedings. Ex. 2009. As part of their Joint Motions, the parties requested that the Board treat the Memorandum of Understanding as confidential business information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Mot. 6–7.[2]

We note that neither party sought authorization to file the Joint Motions, as required by the Board's Rules. *See* 37 C.F.R. § 42.20(b). To discuss this failure, as well as the status of the copending District Court actions and related *inter partes* reviews, the panel convened a conference call with the parties on December 12, 2016. The panel also requested that, prior to the call, the parties provide a more detailed summary of the related pending proceedings. A copy of the submitted summary will be entered as Exhibit 3001.

On December 7, 2016, counsel for Samsung Electronics Co., Ltd. contacted the Board, seeking authorization to file a response to the Joint Motions to Terminate. Samsung is petitioner in two of the related *inter partes* review proceedings challenging U.S. Patent No. RE40,264, namely IPR2016-01510 and IPR2016-01512. The Board granted Samsung permission to attend the conference call with the parties on December 12, 2016, but did not authorize the filing of a response to the Joint Motions.

---

[1] Similar Joint Motions were filed in each of the three cases; citations herein are to the record in IPR2015-01764.

[2] The pages of the Motions are not numbered. We have cited to the page of the document, starting with the title page.

During the call, counsel for Flamm attempted to justify the failure to seek authorization to file the Joint Motions by noting the late stage of the proceedings and the desire to file the Joint Motions before the Board rendered a final written decision. We explained that this was not sufficient justification for failure to follow the Board's Rules, and that a request by the parties for authorization to file likewise would have put the Board on notice of the settlement. This time only, and due to the particular circumstances of this proceeding, we excused the failure to request authorization, and accepted filing of the Joint Motions.

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 these proceedings, 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 Lam.

Section 317(a) also provides that, "[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 these reviews with respect to Flamm.

In their Joint Motions, the parties assert that they have resolved all disputes between them relating to the two patents at issue in these proceedings. Mot. 6. The parties also contend that public policy favors termination of the proceedings, as it will encourage settlement between parties to litigation. *Id*. at 5–6.

During the conference call with the parties, we noted the extremely advanced nature of these *inter partes* review trials. The parties completed all briefing, the Board held oral hearings, and the statutory deadline for rendering final written decisions is approximately two months away. While termination of the proceeding at this stage may conserve some judicial resources, we cannot ignore the fact that substantial resources–both on the part of the Board, as well as the parties–have been invested in this matter. Rather than waste these expended resources, it would not be unreasonable at this point to proceed to final written decisions, thereby providing the parties and the public with certainty on the grounds of unpatentability pending in these trials.

Counsel for Flamm argued that the Board should avoid setting a *per se* rule that would prevent settlement after oral hearing, as future patent owners would have no incentive to discuss settlement after the hearing. While we agree that a *per se* rule is not warranted, the stage of the proceedings is a factor to be weighed in determining whether termination favors the public interest. Doing so will encourage parties to discuss settlement early, and not wait until the parties and Board have invested substantial resources in resolving the dispute.

Counsel for Samsung argued that termination as to Flamm would not be in the public interest, as there are several other pending *inter partes* review proceedings on the challenged patents, in addition to the ongoing District Court actions. Upon questioning by the Board, however, counsel agreed that the grounds of unpatentability asserted in these other proceedings differ from those instituted here, and any decision in these

proceedings would not entirely resolve the other challenges.[3] Furthermore, many of the other proceedings involve claims not challenged in these proceedings. While final written decisions in these proceedings may narrow the issues in the other proceedings, we must weigh the fact that such narrowing will be partial, and is speculative at this point.

Having weighed these and other relevant factors, we determine that termination with respect to Flamm is appropriate. As noted above, there are several other pending *inter partes* review petitions involving the challenged patents and related patents, which cover all of the claims at issue in these trials as well as other claims. *See* IPR2016-01510, IPR2016-01512, IPR2017-00279, IPR2017-00280, IPR2017-00281, IPR2017-00282, IPR2017-00391, IPR2017-00392, IPR2017-00406. We consider it significant that many of the remaining parties sued for infringement of the challenged patents are petitioners in those pending *inter partes* review proceedings, and will have the opportunity to challenge the patents there, as well as in the District Court actions.

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

[3] For example, Samsung and the other defendants have agreed to estoppel in the District Court actions, but only for grounds of unpatentability that were actually decided by the Board in a final written decision. Ex. 3001, 19.

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.