Paper: 11 Date Entered: April 19, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BMW OF NORTH AMERICA, LLC, Petitioner,

v.

ADAPTIVE HEADLAMP TECHNOLOGIES, INC., Patent Owner.

Case IPR2016-00196 Patent 7,241,034 C1

Before MICHAEL P. TIERNEY, RAMA G. ELLURU, and SCOTT C. MOORE, *Administrative Patent Judges*.

MOORE, Administrative Patent Judge.

DECISION

Joint Motion to Terminate Proceeding

35 U.S.C. § 317 and 37 C.F.R. § 42.72



I. Introduction

On April 6, 2016, Petitioner, BMW of North America, LLC, and Patent Owner, Adaptive Headlamp Technologies, Inc. (collectively referred to as "the parties"), filed a "Joint Motion to Terminate" this *inter partes* review proceeding. Paper 9 ("Mot."). Along with the Joint Motion to Terminate, the parties filed a true copy of their written settlement agreement (Ex. 1021), as well as a joint request to have their settlement agreement treated as business confidential information and kept separate under 37 C.F.R. § 42.74(c) (Paper 10). The parties also represent that they are seeking dismissal of the related district court litigation between them involving U.S. Patent No. 7,241,034 (the "'034 Patent). Mot. 2. However, other IPR petitions and district court litigations involving the '034 Patent remain pending. *Id*.

II. Discussion

The parties are reminded that the Board is not a party to the settlement, and may identify independently any question of patentability. 37 C.F.R. § 42.74(a). Generally, however, the Board expects that a proceeding will terminate after the filing of a settlement agreement. *See, e.g., Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). 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

¹ Filing of the Joint Motion to Terminate was authorized in e-mail correspondence from Board personnel on April 5, 2016.



filed." Although we have not yet issued an institution decision, the considerations here are similar. We have not decided the merits of this *inter partes* review. Therefore, termination of this review with respect to Petitioner is appropriate.

Furthermore, under 35 U.S.C. § 317(a), "[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)." Thus, we also have discretion to terminate with respect to Patent Owner. Upon consideration of the circumstances of this case, including the fact that the parties sought termination at an early stage of the proceeding, the panel has determined to terminate this *inter partes* review as to both Petitioner and Patent Owner.

III. Order

It is

ORDERED that the Joint Motion to Terminate Proceeding (Paper 9) is *granted*, and this proceeding is hereby *terminated*; and

FURTHER ORDERED that, as was requested timely by the parties (Paper 10), the settlement agreement (Exhibit 1021) will be treated as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).



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