

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MERCEDES-BENZ USA, LLC,  
Petitioner,

v.

ADAPTIVE HEADLAMP TECHNOLOGIES, INC.,  
Patent Owner.

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Case IPR2016-00501  
Patent 7,241,034 C1

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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, Mercedes-Benz USA, 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 8 (“Mot.”).<sup>1</sup> Along with the Joint Motion to Terminate, the parties filed a true copy of their written settlement agreement (Ex. 2001), as well as a joint request to have their settlement agreement treated as business confidential information under 35 U.S.C. § 317(b) (Paper 9). The parties also represent that they have settled the related district court litigation between them involving U.S. Patent No. 7,241,034 (the “’034 Patent), and intend to seek dismissal of that litigation. 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

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<sup>1</sup> 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 8) is *granted*, and this proceeding is hereby *terminated*; and

FURTHER ORDERED that, as was requested timely by the parties (Paper 9), the settlement agreement (Exhibit 2001) will be treated as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

IPR2016-00501  
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