

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMX, LLC,
Petitioner,

v.

CHRIMAR SYSTEMS, INC.,
Patent Owner.

Case IPR2016-00573
Patent 9,019,838 B2

Before KARL D. EASTHOM, GREGG I. ANDERSON, and
ROBERT J. WEINSCHENK, *Administrative Patent Judges*.

WEINSCHENK, *Administrative Patent Judge*.

DECISION
Termination of the Proceeding
35 U.S.C. § 317(a)

I. INTRODUCTION

AMX, LLC (“AMX”) and Chrimar Systems, Inc. (“Chrimar”) filed a Joint Motion to Terminate the Proceeding. Paper 23 (“Motion” or “Mot.”). The parties also filed a true copy of a Confidential Settlement Agreement (“Agreement”). Ex. 1041. The parties identified the Agreement as business confidential information and requested that the Agreement be kept separate from the patent file. Paper 24, 1. For the reasons discussed below, the Motion is *granted*.

II. ANALYSIS

No oral hearing has occurred in this proceeding, and we have not made a decision on the merits. The parties indicate that, pursuant to the Agreement, they have settled their dispute regarding U.S. Patent No. 9,019,838 B2. Mot. 1–2. The parties represent that “there is no other agreement, oral or written, between the parties made in connection with, or in contemplation of, the termination of this proceeding.” *Id.* at 2.

We note that Aerohive Networks, Inc. (“Aerohive”) filed a petition for *inter partes* review in IPR2016-01758 challenging U.S. Patent No. 9,019,838 B2 (“Petition”), and filed a motion with the Petition requesting that IPR2016-01758 be joined with this proceeding (“Motion for Joinder”). *Aerohive Networks, Inc., v. Chrimar Systems, Inc.*, Case IPR2016-01758, slip op. at 2 (PTAB Nov. 7, 2016) (Paper 7). We recognize that, if we terminate this proceeding, the Motion for Joinder may be moot and the Petition may be barred under 35 U.S.C. § 315(b). *Aerohive*, Case IPR2016-01758, slip op. at 3 (Paper 7). Aerohive, however, could have avoided the § 315(b) bar by filing the Petition within one year after Chrimar served its complaint alleging infringement of the challenged patent. *Aerohive*, Case

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IPR2016-01758, slip op. at 4 (Paper 7). Further, “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding,” and, thus, “[t]he Board expects that a proceeding will terminate after the filing of a settlement agreement, unless the Board has already decided the merits of the proceeding.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012).

Under these circumstances, we determine that it is appropriate to terminate this proceeding. *See* 35 U.S.C. § 317(a). We also determine that it is appropriate to treat the Agreement as business confidential information to be kept separate from the patent file. *See* 35 U.S.C. § 317(b).

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Joint Motion to Terminate the Proceeding is *granted*;

FURTHER ORDERED that this proceeding is terminated as to all parties; and

FURTHER ORDERED that the request to treat the Confidential Settlement Agreement (Ex. 1041) as business confidential information to be kept separate from the patent file is *granted*.

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