Paper No. 12 Entered: July 25, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UBER TECHNOLOGIES, INC. and CHOICE HOTELS INTERNATIONAL, INC.
Petitioners,

v.

FALL LINE PATENTS, LLC Patent Owner.

Case IPR2018-00535 Patent 9,454,748 B2

Before MICHELLE N. WORMMEESTER, SHEILA F. McSHANE, and JOHN R. KENNY, *Administrative Patent Judges*.

KENNY, Administrative Patent Judge.

DECISION

Termination of the Proceeding

35 U.S.C. § 317 and 37 C.F.R. §§ 42.72, 42.74



DISCUSSION

On July 11, 2018, in response to a joint email request from the parties, we authorized the parties to file a joint motion to terminate this case and a joint request to file their settlement agreements as business confidential information. In response, the parties filed a Joint Motion to Terminate Proceedings Pursuant to 35 U.S.C. § 317 and 37 C.F.R. § 42.74 (Paper 10, "Joint Mot.") and a Joint Request to File Settlement Agreements as Business Confidential Information Under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) (Paper 11). The parties also filed copies of their written settlement agreements under 37 C.F.R. § 42.74(b). Exs. 2001, 2002. For the reasons discussed below, the parties' Joint Motion to Terminate and Joint Request to File the Settlement Agreements as Business Confidential Information are *granted*.

In the Joint Motion to Terminate, the parties indicate that termination of this proceeding is appropriate because they have settled their disputes involving U.S. Patent No. 9,454,748 B2 ("the '748 patent"). Joint Mot. 2. Further, the parties represent that all claims have been dismissed in the related litigations. *Id.* at 2–3. The parties also represent that there are no other litigations in which the '748 patent is asserted, and the parties identify only IPR2018–00043, filed by Unified Patents, Inc., as a pending *inter partes* review proceeding challenging the '748 patent. *Id.* at 3. Further, the parties represent that there are no other collateral agreements or understandings made that relate to the termination of this IPR. *Id.* at 2. And as the parties indicate, this proceeding is at an early stage, and trial has not been instituted. *Id.*

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." Further, under 37 C.F.R. § 42.74(b), "[a]ny agreement or understanding between the parties made in connection with, or in contemplation of, the termination of a proceeding shall be in writing and a true copy shall be filed with the Board before termination of the trial."

There are strong public policy reasons to favor settlement between the parties to a proceeding. Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). When, as here, the proceeding is still in its preliminary stages and we have not entered a decision on whether or not to institute an *inter partes* proceeding, we generally expect that the proceeding will terminate after the filing of a settlement agreement. *See id.* Because the parties have filed their written settlement agreements, and the related district court litigations were dismissed, we determine that it is appropriate to terminate this proceeding. *See* 37 C.F.R. §§ 42.72, 42.74.

II. ORDER

Accordingly, it is:

ORDERED that the parties' request to treat the settlement agreements (Exs. 2001 and 2002) as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) is GRANTED; and

FURTHER ORDERED that the parties' Joint Motion to Terminate is GRANTED, and this proceeding is terminated.



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