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Paper 12
Entered: March 15, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD,
Petitioner,

v.

LARGAN PRECISION CO., LTD.,
Patent Owner.

IPR2020-01545
Patent 9,146,378 B2

Before MINN CHUNG, NORMAN H. BEAMER, and JOHN D. HAMANN, *Administrative Patent Judges*.

HAMANN, *Administrative Patent Judge*.

DECISION
Settlement Prior to Institution of Trial
37 C.F.R § 42.74

On March 8, 2021, the parties filed, with our authorization, (i) a Joint Motion to Terminate Pursuant to 35 U.S.C. § 317 and 37 C.F.R. §§ 42.5, 42.71(a), and 42.74 (Paper 10, "Joint Motion to Terminate"); (ii) written settlement materials (Ex. 1050); and (iii) a Joint Request to File Settlement Materials as Business Confidential Information and to Maintain Said Materials Separate From the Public File Pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) (Paper 11, "Joint Request").

The parties indicate that they have settled their dispute concerning U.S. Patent No. 9,146,378 B2 ("the '378 patent"), and that the parties have agreed to terminate this proceeding. Joint Motion to Terminate 1–2. The parties state in the Joint Motion to Terminate that they "certify that they are concurrently filing a true and complete copy of their confidential written settlement materials (Confidential Exhibit 1050) in connection with this matter as required by statute." *Id.* at 1.

Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement. *See* 35 U.S.C. § 317(a) ("An 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 filed."); 37 C.F.R. § 42.72 ("The Board may terminate a trial without rendering a final written decision, where appropriate, including . . . pursuant to a joint request under 35 U.S.C. 317(a) . . . ."); *see also* Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019) at 86, available at https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf ("The 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." (citing 35 U.S.C. §§ 317(a), 327)). Here, the trial has not yet been instituted and the merits of the proceeding not yet decided. Accordingly, we are persuaded that, under these circumstances, it is appropriate to dismiss the Petition (Paper 1) and terminate this proceeding.

Additionally, we grant the parties' Joint Request to treat their settlement materials as business confidential information and to keep the materials separate from the files of the '378 patent. Joint Request 1–2; *see* 35 U.S.C. § 317(b) ("At the request of a party to the proceeding, the agreement or understanding shall be treated as business confidential information, shall be kept separate from the file of the involved patents, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause."); *see also* 37 C.F.R. § 42.74(c) (same).

This Decision does not constitute a final written decision pursuant to 35 U.S.C. § 318(a).

Accordingly, it is

ORDERED that the parties' Joint Motion to Terminate is *granted* as to this proceeding;

FURTHER ORDERED that the parties' Joint Request is *granted*;

FURTHER ORDERED that the written settlement materials (Exhibit 1050) be treated as business confidential information, kept separate from the file of the '378 patent, and made available only to Federal Government agencies on written request, or to any person on a showing of good cause, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that the Petition is *dismissed* and this proceeding is terminated as to all parties.

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