

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

WORLDS INC.,
Patent Owner.

IPR2021-00277
Patent 8,082,501 B2

Before MELISSA A. HAAPALA, *Senior Lead Administrative Patent Judge*,
KARL D. EASTHOM, and KEN B. BARRETT, *Administrative Patent
Judges*.

BARRETT, *Administrative Patent Judge*.

TERMINATION
Due to Settlement After Institution of Trial
35 U.S.C. § 317, 37 C.F.R. § 42.74

On June 16, 2021, we instituted an *inter partes* review of claims 1–8, 10, 12, and 14–16 of U.S. Patent No. 8,082,501 B2 (“the ’501 patent”). Paper 11. On September 20, 2021, with our authorization, Petitioner Microsoft Corporation and Patent Owner Worlds Inc. (collectively, “the Parties”) filed a Joint Motion to Terminate *Inter Partes* Review Proceedings Pursuant to 35 U.S.C. § 317(a). Paper 18 (“Mot.” or “Motion”). The Parties represent in the Motion that they have settled their dispute as to the ’501 patent. Mot. 1. The Motion was accompanied by a document (Ex. 1042) that the Parties represent to be “a true and correct copy of the written settlement agreement in connection with this matter.” *Id.* at 3. The Parties certify that “there are no other agreements or understandings between Petitioners and Patent Owner made in connection with or in contemplation of the termination of the *inter partes* review proceedings.” *Id.* at 4.

The Parties also filed, with our authorization, a Joint Request to File Settlement Agreement as Business Confidential Information Pursuant to 35 U.S.C. § 317 (Paper 19), requesting that the settlement agreement be treated a business confidential information and be kept separate from the file of the ’501 patent, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

The Parties represent in the Motion that Patent Owner dismissed with prejudice its claims relating to the ’501 patent in the co-pending district court litigation, which we understand to be *Worlds Inc. v. Microsoft Corporation*, 6:20-cv-872 (W.D. Tex. 2020). *See* Mot. 1; Paper 2, 61; Paper 10, 1. The Parties also represent that there is no other litigation or proceeding between them involving the ’501 patent. *Id.* The Parties additionally indicate that the claims of the ’501 patent have been determined to be invalid under 35 U.S.C. § 101 in *Worlds Inc. v. Activision Blizzard*,

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Inc., Blizzard Entertainment, Inc., and Activision Publishing, Inc., 1:12-cv-10576 (D. Mass. 2012), and that the case currently is on appeal to the U.S. Court of Appeals for the Federal Circuit (Case No. 2021-1990). *Id.* at 3.

The Board generally expects that a case “will terminate after the filing of a settlement agreement, unless the Board has already decided the merits.” Patent Trial and Appeal Board Consolidated Trial Practice Guide 86 (Nov. 2019), *available at* <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf>; *see* 37 C.F.R. § 42.72. Under the circumstances presented here, we determine that it is appropriate to terminate this proceeding with respect to both Petitioner and Patent Owner. Accordingly, we grant the Parties’ Motion to Terminate the proceeding.

We also determine that the Parties have complied with the requirements of 37 C.F.R. § 42.74(c) to have their settlement agreement treated as business confidential information and kept separate from the patent files of the challenged patents. Thus, we grant the Parties’ joint request to treat the settlement agreement as business confidential information.

Accordingly, it is

ORDERED that the Joint Motion to Terminate *Inter Partes* Review Proceedings Pursuant to 35 U.S.C. § 317(a) is *granted*;

FURTHER ORDERED that this proceeding is *terminated*;

FURTHER ORDERED that the Joint Request to File Settlement Agreement as Business Confidential Information Pursuant to 35 U.S.C. § 317 is *granted*; and

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FURTHER ORDERED that Exhibit 1042 is to be kept separate from the file of the involved U.S. Patent No. 8,082,501 B2 under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

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