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Paper 34
Date: March 23, 2026

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

JON R. RASMUSSEN and BRANDON J. FAIR,
Petitioner Application 17/846,932,
Petitioner,

v.

NICHOLAS KLEINSCHMIT and AARON HOLMBERG,
Respondent Application 17/522,731,
Respondent.

Case DER2023-00012

Before JAMESON LEE, RAE LYNN P. GUEST, and CHARLES J. BOUDREAU, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

TERMINATION
Granting Joint Motion to Terminate
Granting Request to Keep Agreement Separate
37 C.F.R. §§ 42.5(a), 42.71(a), 42.74

I. Introduction

On March 2, 2026, we issued an Order retaking exclusive jurisdiction of the parties' applications and authorized Petitioner to file a Substitute Petition, with certain limitations. Paper 29.

On March 3, 2026, the Board received an email from Petitioner's counsel, which states:

> This is to advise that the Parties have reached an Agreement in the above identified Derivation Proceeding [DER2023-00012]. Neither party wishes to pursue its arguments further before the Board. Each party desires to have the Derivation Proceeding dismissed and the applications remanded so that they can act upon the Notices of Allowance and receive their respective patents.

Ex. 3002. The email further states: "Petitioners are willing to concede that Respondents are the inventors of the claims in the Respondents' patent application. Please advise if a formal Joint Motion to Dismiss is required." *Id.*

On March 5, 2026, we authorized the filing of a joint motion to terminate the proceeding. Paper 30. On March 19, 2026, pursuant to our authorization, the parties filed a joint motion to terminate (Paper 33, "Joint Motion"), a Joint Request to Keep Settlement Agreement Separate under 37 C.F.R. § 42.74(c) (Paper 32), and a copy of their Settlement Agreement (Paper 31) (filed as Board and Parties Only).

II. Discussion

Subsection (e) of 35 U.S.C. § 135 authorizes parties to an *instituted* derivation proceeding "to terminate the proceeding by filing a written statement reflecting the agreement of the parties as to the correct inventor of the claimed invention in dispute." Because we have not yet instituted a derivation proceeding, section 135(e) does not apply. However, 37 C.F.R. § 42.71(a) authorizes the

Board to "dismiss any petition" as appropriate, and 37 C.F.R. § 42.74(a) authorizes the parties to "settle any issue in a proceeding." Upon review of the Joint Motion and the Settlement Agreement, particularly in view of the parties' express representation that they have "reached an agreement concerning the inventorship dispute" and that "[n]either party wishes to pursue its arguments further before the Board" (Paper 33, 2), it is appropriate to *grant* the Joint Motion under 37 C.F.R. §§ 42.71(a) and 42.74. This paper does not constitute a Final Decision under 35 U.S.C. § 135(d).

III. Order

It is

ORDERED that the Joint Motion (Paper 33) is *granted*;

FURTHER ORDERED that the Petition (Paper 3) is *dismissed*;

FURTHER ORDERED that the Joint Request to Keep Settlement Agreement Separate under 37 C.F.R. § 42.74(c) (Paper 32) is *granted*; and

FURTHER ORDERED that the parties' Settlement Agreement (Paper 31) will be treated as business confidential information and kept apart from the files of Applications 17/846,932 and 17/522,731, under the provisions of 37 C.F.R. § 42.74(c).

Case DER2023-00012
Petitioner Application 17/846,932
Respondent Application 17/522,731

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