Trials@uspto.gov
571-272-7822

Paper 28
Entered: August 27, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

OTTER PRODUCTS, LLC,
Petitioner,

v.

SPECULATIVE PRODUCT DESIGN, LLC,
Patent Owner.

Case IPR2014-01464
Patent 8,755,852 B2

Before MITCHELL G. WEATHERLY, PHILIP J. HOFFMANN, and CARL M. DEFRANCO, *Administrative Patent Judges*.

DEFRANCO, *Administrative Patent Judge*.

TERMINATION
Settlement and Expungement
35 U.S.C. § 317 and 37 C.F.R. §§ 42.56, 42.72

On July 15, 2015, the parties filed a joint motion to terminate this *inter partes* review proceeding. Paper 24 ("Mot."). In connection with their motion, the parties filed a copy of a written settlement agreement (Ex. 2112), and requested that it be kept confidential and separate under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Paper 27.

Trial in this proceeding was instituted on March 17, 2015 (Paper 9), and briefing is still in a relatively early stage. The parties represent they have resolved all issues involving the patent at issue, and they have agreed to terminate, withdraw, and dismiss, with prejudice, any related co-pending proceedings and actions, including related proceedings before the U.S. International Trade Commission ("ITC") and related actions in the U.S. District Court for the Northern District of California, the U.S. Court of International Trade, and the U.S. Court of Appeals for the Federal Circuit. Mot. 2 (referencing the confidential settlement agreement).[1] Under these circumstances, we determine that it is appropriate to terminate the trial in this proceeding without rendering a decision on the merits. *See* 37 C.F.R. § 42.72.

Also, in anticipation of termination, Patent Owner Speculative Product Design, LLC ("Speck") filed a motion to expunge certain documents from the record. Paper 26 ("Mot. to Expunge"). Petitioner Otter Products, LLC does not oppose the motion. Specifically, Speck seeks to expunge:

- Paper 20, Patent Owner Response (unredacted version);
- Exhibit 2027, Declaration of Gordon Rausser, Ph.D. (unredacted version);
- Exhibit 2106, Speck's "Brand Protection & Anti-Counterfeit Summary of Efforts and Results," and

[1] Although the settlement agreement in the instant proceeding refers to another settlement agreement in the related ITC proceeding, the parties represent that the two agreements are "the same." Ex. 3001; s*ee also* 35 U.S.C. § 317(b) (requiring the filing of "any collateral agreements").

- Exhibit 2110, Witness Statement of Chris Gibbins on Behalf of Complainant Speculative Product Design, LLC, *In the Matter of Certain Cases for Portable Electronic Devices*, Inv. Nos. 337-TA 861/867 (Int'l Trade Comm'n Sept. 10, 2013).

A strong public policy exists for making information filed in an *inter partes* review publicly available. 37 C.F.R. § 42.14; s*ee also* Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,760–61 (Aug. 14, 2012). Only "confidential information" is protected from disclosure. 35 U.S.C. § 316(a)(7). And, even then, upon final judgment in a trial, a party wishing to maintain the confidentiality of information must file a motion to expunge the information from the record, lest it become public. 37 C.F.R. § 42.56; Trial Practice Guide, 77 Fed. Reg. at 48,761. These provisions balance the public's interest in maintaining a complete and understandable file history with the parties' interest in protecting truly sensitive information. Trial Practice Guide, 77 Fed. Reg. at 48,760.

Here, we agree with Speck that expungement of Paper 20, as well as Exhibits 2027, 2106, and 2110 submitted therewith, is proper. In instituting trial, we did not consider any of the documents Speck now seeks to expunge. Rather, the documents to be expunged were submitted by Speck after institution of trial, as part of its Patent Owner Response, and concurrent with a motion to seal, which is still pending. Paper 22 ("Mot. to Seal"). Nor can we discern any information in the documents to be purged that might be considered relevant to our earlier decision to institute trial. As such, any public interest in making these documents available is minimal.

Speck's interest in preventing disclosure of these documents is clear. Each of the documents to be expunged, according to Speck, contains "highly

confidential information concerning commercial transactions, market share, and brand protection strategy" (Mot. to Expunge 3–4), the disclosure of which "would be commercially harmful to Speck" (*id*. at 2). This is the sort of information our rules are designed to protect. *See* 37 C.F.R. § 42.2 (defining "confidential" to include "commercial information"). Speck further represents that this information has not been published or otherwise made available to the public. Mot. to Expunge 5–7; *see also* Mot. to Seal 5. Moreover, Speck has submitted redacted versions of the Patent Owner Response (Paper 21) and the Rausser declaration (Ex. 2111), which will remain a part of the record and available to the public. As such, expunging the unredacted version of the Patent Owner Response (Paper 20), and associated Exhibits 2027, 2106, and 2110, from the record, while making available the redacted versions of the Patent Owner Response (Paper 21) and associated Rausser declaration (Ex. 2111), properly balances the interests of the public and Speck.

Accordingly, it is

ORDERED that the joint motion to terminate this proceeding is *granted*, and that this proceeding is hereby *terminated*;

FURTHER ORDERED that the joint request for the settlement agreement (Ex. 2112) to be treated as business confidential information and be kept separate from the patent files, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c), is *granted*;

FURTHER ORDERED that Speck's Motion to Expunge is *granted*, and the unredacted Patent Owner Response (Paper 20), as well as Exhibits 2027, 2106, and 2110, are *expunged*; and

FURTHER ORDERED that Speck's Motion to Seal is *dismissed as moot*.

FOR PETITIONER:

Kenneth R. Adamo
Garret Leach
Joel R. Merkin
Eugene Goryunov
KIRKLAND & ELLIS LLP
kenneth.adamo@kirkland.com
garret.leach@kirkland.com
joel.merkin@kirkland.com
eugene.goryunov@kirkland.com

FOR PATENT OWNER:

Stephen J. Lieb
Joseph W. Treloar
FROMMER LAWRENCE & HAUG LLP
boxspeculative@flhlaw.com