

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FLOORING INDUSTRIES LIMITED, SARL,
Petitioner,

v.

INNOVATIONS4FLOORING HOLDING N.V.
Patent Owner.

IPR2019-00766
Patent 10,053,868 B2

Before BENJAMIN D. M. WOOD, JAMES A. WORTH, and
SCOTT C. MOORE, *Administrative Patent Judges*.

WOOD, *Administrative Patent Judge*.

TERMINATION

Due to Settlement after Institution of Trial
35 U.S.C. § 317; 37 C.F.R. § 42.74
Granting Joint Request to Treat Settlement Agreement as
Business Confidential Information
35 U.S.C. § 317(b); 37 C.F.R. § 42.74(c)

On November 21, 2019, pursuant to our authorization, Flooring Industries Limited SARL (“Petitioner”) and Innovations4Flooring Holding, NV (“Patent Owner”) (collectively, the “parties”) filed a Joint Motion to terminate this proceeding pursuant to 35 U.S.C. § 317 and 37 C.F.R. § 42.72. Paper 15 (“Joint Motion”). Along with the Joint Motion, the parties filed a copy of their Settlement Agreement under seal (Ex. 2016), along with a joint request to treat the settlement as business confidential information (Paper 16).

In the Joint Motion, the parties stipulated that they reached an agreement to seek termination of this *inter partes* review proceeding. Paper 15, 1. The parties also provided a summary of eleven Ancillary Agreements referenced in the Settlement Agreement. *Id.* at 2–4. During a November 25, 2019 conference call and in a subsequent Order, the Board required the parties to file all executed Ancillary Agreements in order to comply with the statutory requirement in 35 U.S.C. § 317(b) to file “any collateral agreements referred to in” the parties’ Settlement Agreement. Paper 18, 3. The parties clarified that only Ancillary Agreement Nos. 2, 3, 5, and 9 have been executed to date, and that Ancillary Agreement No. 4 may also have been executed. *Id.*

To comply with 35 U.S.C. §317(b) and our Order, the parties filed a Joint Submission of Exhibits 2017–2021 (“Joint Submission”), which included previously executed Ancillary Agreement Nos. 2, 3, 4(i), 4(ii),

and 5. Paper 19, 1–2.¹ The parties, however, did not file Ancillary Agreement 9 because that agreement is only between two third parties. *Id.* at 2. The parties stated that the parties to Ancillary Agreement 9 are not parties to the Settlement Agreement, that Ancillary Agreement 9 does not involve the parties, and the parties to Ancillary Agreement 9 refused consent to file that agreement in this proceeding. *Id.* The parties also expressed that Ancillary Agreement 9 is not in their possession. *Id.* at 3. Further, the parties stated that Ancillary Agreement 9 was referenced in the Settlement Agreement by mistake given the parties’ lack of involvement in the agreement and the third parties’ lack of involvement in the Settlement Agreement. *Id.*

On this record, the Board accepts the parties’ undisputed representations regarding Ancillary Agreement 9. As such, we do not require the parties to file Ancillary Agreement 9 because we do not consider it to be a “collateral agreement” under 35 U.S.C. §317(b). We determine that the parties have otherwise complied with the requirements of 35 U.S.C. §317(b) by filing the Exhibits 2016–2021.

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.”

¹ According to the Joint Submission, “[t]he Parties subsequently confirmed that the Ancillary Agreements designated under number 4, namely 4(i) and 4(ii) were, in fact executed. Ancillary Agreement 4(iii) is not executed.” Paper 19, 1.

Generally, the Board expects that a proceeding will terminate as to settling parties after the filing of a settlement agreement. *See, e.g., Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). In this case, the Board has instituted review, but has not yet issued a final written decision. Under these circumstances we are persuaded that it is appropriate to terminate this proceeding.

The parties also filed Joint Requests that the Settlement Agreement (Exhibit 2016) and Ancillary Agreements Nos. 2, 3, 4(i), 4(ii), and 5 (Exhibits 2017–2021) be treated as business confidential information and kept separate from the publicly available file of the patent involved in this proceeding. Paper 16, 2–3; Paper 20, 2. We determine that it is appropriate to grant these requests and treat Exhibits 2016–2021 as business confidential information.

Accordingly, it is:

ORDERED that the Joint Motion to Terminate the proceeding is *granted*, and the proceeding is hereby TERMINATED; and

FURTHER ORDERED that the Joint Request to Treat Settlement Agreement as Business Confidential Information and the Joint Request to Treat Exhibits 2017–2021 as Business Confidential Information are *granted*, and that Exhibits 2016–2021 shall remain designated as “Parties and Board Only” in the Board’s filing system and be kept separate from the files of U.S. Patent No. 10,053,868 B2.

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