

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

H-E-B, LP,
Petitioner,
v.
DIGITAL RETAIL APPS, INC.,
Patent Owner.

IPR2020-00148, IPR2020-00149;
Patent 9,262,781 B2

Before DENISE M. POTHIER, DAVID C. McKONE, and
SHEILA F. McSHANE, *Administrative Patent Judges*.

McKONE, *Administrative Patent Judge*.

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

H-E-B, LP (“Petitioner”) and Digital Retail Apps, Inc. (“Patent Owner”) jointly request that both of the above-referenced *inter partes* review proceedings be terminated pursuant to the parties’ agreement. On April 8, 2021, with our authorization, the parties filed, in each proceeding, a Joint Motion to Terminate (Paper 42), a copy of a Settlement and Patent License Agreement (Ex. 2006), and a joint Request to Keep Separate (Paper 43).¹

In each Motion to Terminate, the parties make the following representations: (1) that they “have settled with respect to the challenged patent and have reached agreement to terminate this IPR”; (2) that “[t]he underlying litigation between the Parties, *Digital Retail Apps, Inc. v. H E B, LP*, Case No. 6:19-cv-00167-ADA, in the Western District of Texas, was dismissed on April 7, 2021”; (3) “[n]o litigation or proceeding involving the subject patent is contemplated in the foreseeable future”; (4) that Exhibit 2006 is “a true and correct copy” of the settlement agreement; and (5) that “there are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of the *inter partes* review.” Paper 42, 2–3.

“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.” Patent Trial and Appeal Board Consolidated Trial Practice Guide 86 (PTAB Nov. 19), <https://go.usa.gov/xpvPF>. We instituted trial in this proceeding on May 19, 2020. Paper 25. Although the parties have

¹ In this Decision, we cite only to the papers and exhibits filed in IPR2020-00148. Corresponding papers and exhibits were filed in IPR2020-00149 as Paper 42, Exhibit 2005, and Paper 43, respectively.

completed their briefing and the oral hearing took place on February 18, 2021, a decision on the merits has not been reached.

Given the parties' joint request, we must terminate the proceeding with respect to Petitioner. *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."). In addition, "[i]f no petitioner remains in the inter partes review, the Office may terminate the review or proceed to a final written decision." *Id.* We have not yet reached a decision on the merits and the parties represent that the district court litigation between the parties has been dismissed and no further litigation or proceeding is contemplated for the '781 patent. Under these circumstances, we determine that it is appropriate to terminate this proceeding without rendering a final written decision.

With respect to the joint Request to Keep Separate (Paper 43), we have reviewed the Settlement and Patent License Agreement (Ex. 2006) and find that it contains confidential business information regarding the terms of the parties' agreement. We determine that good cause exists to treat the Settlement and Patent License Agreement as business confidential information pursuant to 37 C.F.R. § 42.74(c).

ORDER

Accordingly, it is

ORDERED that the joint Request to Keep Separate (Paper 43) is *granted*, and that the settlement agreement be treated as business

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confidential information and be kept separate from the files of the above-identified proceedings and from the files of the '781 patent under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c);

FURTHER ORDERED that the Joint Motions to Terminate (Paper 42) in the above-identified proceedings are *granted*; and

FURTHER ORDERED that these proceedings are terminated with respect to both Petitioner and Patent Owner pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72.

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