

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DROPWORKS, INC.,
Petitioner,

v.

LAWRENCE LIVERMORE NATIONAL SECURITY LLC,
Patent Owner.

IPR2021-00218
Patent RE41,780 E

Before SUSAN L. C. MITCHELL, ZHENYU YANG, and
ROBERT A. POLLOCK, *Administrative Patent Judges*.

POLLOCK, *Administrative Patent Judge*.

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

I. INTRODUCTION

With the Board’s authorization, Petitioner and Patent Owner (collectively, “the Parties”) filed a Joint Motion to Terminate this proceeding. Paper 28 (“Joint Motion”). In support of the Joint Motion, the Parties filed a copy of an Agreement and Plan of Merger (Ex. 2026 (“Merger Agreement”)), as well as a Joint Request to File Merger Agreement as Business Confidential Information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) (Paper 29 (“Joint Request”)).

II. DISCUSSION

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 the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed.” Section 35 U.S.C. § 317(a) also provides that if no petitioner remains in the *inter partes* review, the Office may terminate the review.

In the Joint Motion, the Parties request termination “as a result of the acquisition of Dropworks by Bio-Rad Laboratories, Inc. (“Bio-Rad”), which is the exclusive licensee of the 780 patent.” Joint Motion 1. The Parties represent that the “parallel patent litigation in the District of Delaware between, on the one hand, Dropworks, and, on the other hand, Bio-Rad and Lawrence Livermore, has been dismissed.” *Id.* The Parties further represent that “Dropworks will no longer be pursuing IPR petitions, including the instant Petition, to invalidate patents licensed by its corporate parent.” *Id.* According to the Parties, “[a] true and correct copy of the Merger Agreement is submitted” as Exhibit 2026. *Id.* at 5.

We instituted a trial in this proceeding on June 1, 2021. Paper 15. We have not yet decided the merits of the proceeding, and a final written decision has not been entered. Notwithstanding that the proceeding has moved beyond the preliminary stage, the Parties have adequately shown that termination of the proceeding is appropriate. Under these circumstances, we determine that good cause exists to terminate the proceeding with respect to the Parties.

In the Joint Request, the Parties request that the Merger Agreement be treated as business confidential information and be kept separate from the file of the patent involved in this proceeding. Joint Request 1. After reviewing the Merger Agreement, we find that it contains confidential business information regarding the terms of merger of Petitioner with Bio-Rad. We determine that good cause exists to treat the Merger Agreement as business confidential information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

This Order does not constitute a final written decision pursuant to 35 U.S.C. § 318(a).

III. ORDER

Accordingly, for the reasons discussed above, it is:

ORDERED that the Joint Motion (Paper 28) is *granted*, and IPR2021-00218 is *terminated* with respect to Petitioner and Patent Owner pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72; and

FURTHER ORDERED that the Joint Request (Paper 29) is *granted*, and the Merger Agreement (Ex. 2026) shall be kept separate from the file of Patent RE41,780 E, and be made available only to Federal Government

IPR2021-00218
Patent RE41,780 E

agencies on written request, or to any person on a showing of good cause,
pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

IPR2021-00218
Patent RE41,780 E

FOR PETITIONER:

Adam Brausa
Joyce Li
Daralyn Durie
DURIE TANGRI LLP
abrausa@durietangri.com
jli@durietangri.com
ddurie@durietangri.com

FOR PATENT OWNER:

Derek Walter
Robert Magee
William Ansley
WEIL, GOTSHAL & MANGES LLP
derek.walter@weil.com
robert.magee@weil.com
sutton.ansley@weil.com