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Paper 19
Date: August 17, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PROGENITY, INC.,
Petitioner,

v.

NATERA, INC.,
Patent Owner.

IPR2021-00266
Patent 9,424,392 B2

Before GRACE KARAFFA OBERMANN, ZHENYU YANG, and RYAN H. FLAX, *Administrative Patent Judges*.

FLAX, *Administrative Patent Judge*.

TERMINATION
Due to Settlement After Institution of Trial
Granting Joint Motion to Treat Settlement Agreement
Documents as Confidential Information
35 U.S.C. § 317(a); 37 C.F.R. § 42.72; 37 C.F.R. § 42.74(c)

Progenity, Inc. is the Petitioner in this *inter partes* review concerning claims 1–11 of U.S. Patent 9,424,392 B2 ("the '392 patent," Ex. 1001). Natera, Inc. is the Patent Owner of the '392 patent. The Board instituted trial in this proceeding on June 7, 2021. Paper 12. No final decision has been rendered by the Board in this proceeding.

The parties have now filed a Joint Motion to Terminate the proceeding (Paper 17, "Mot. Term.") on the basis of a settlement reached by the parties. *See* 35 U.S.C. § 317(a). 35 U.S.C. § 317(b) states:

> Any agreement or understanding between the patent owner and a petitioner, including any collateral agreements referred to in such agreement or understanding, made in connection with, or in contemplation of, the termination of an inter partes review under this section shall be in writing and a true copy of such agreement or understanding shall be filed in the Office before the termination of the inter partes review as between the parties.

Id. Pursuant to that statute, and in connection with the Joint Motion to Terminate, the parties filed a copy of their written settlement agreement resolving this *inter partes* review and the related district court litigation. Exhibit 1068 ("Settlement Agreement"). The parties state "that there are no collateral agreements or understandings made in connection with, or in contemplation of, the requested termination." Mot. Term. 2; *see also* Ex. 1068, 8–9 (Section 9.13) (filed under seal).

The parties also move that the Settlement Agreement be treated as confidential information. Paper 18. This request is *granted*.

Generally, 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. *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."); 37 C.F.R. § 42.72 ("The Board may terminate a trial without rendering a final written decision, where appropriate, including . . . pursuant to a joint request under 35 U.S.C. 317(a)"). As noted above, the Board has not yet rendered a final decision here. Thus, we *grant* the Joint Motion to Terminate the proceeding.

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

In consideration of the foregoing, it is hereby:

ORDERED the Joint Motion to Treat the Settlement Agreement (Ex. 1068) as confidential information is *granted*, and this agreement shall be kept separate from the public files of the '392 patent, and made available only to Federal Government agencies on written request, or to any person on a showing of good cause, under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that the Joint Motion to Terminate this proceeding is *granted*, and this proceeding is hereby *terminated* under 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72.

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