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Paper 13
Date: June 21, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC.,
Petitioner,

v.

CAPELLA PHOTONICS, INC.,
Patent Owner.

IPR2021-00291
Patent RE47,906 E

Before JOSIAH C. COCKS, JAMES A. TARTAL, and STEVEN M. AMUNDSON, *Administrative Patent Judges*.

COCKS, *Administrative Patent Judge*.

DECISION
Settlement Prior to Institution of Trial
37 C.F.R. § 42.74

Cisco Systems ("Petitioner") filed a Petition to institute *inter partes* review of U.S. Patent RE47,906 E ("the '906 patent"). Paper 3. After receiving authorization from the Board, Petitioner and Capella Photonics, Inc. ("Patent Owner") filed a "Joint Motion to Withdraw Petition For *Inter Partes* Review" pursuant to 35 U.S.C. § 317 and 37 C.F.R. § 42.74. *See* Paper 12 ("Joint Motion"). The parties also filed a copy of a confidential settlement agreement titled "Agreement and Covenant Not to Sue." Ex. 2008. In addition, the parties filed a "Joint Request that the Settlement Agreement Be Treated As Business Confidential Information And Be Kept Separate Under 35 U.S.C. § 317(b)." Paper 11.

The parties represent that they have entered into a settlement agreement and have resolved their disputes with respect to the '906 patent, including both the present proceeding and related district court litigation. Paper 12, 1. The parties also represent the following:

> Petitioner and Patent Owner submit a true copy of any agreement or understanding (Exhibit 2008) between Petitioner and Patent Owner made in connection with, or in contemplation of, the withdrawal of the Petition for the proceeding under 37 CFR § 42.74(b) with this joint motion. There are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of this proceeding.

Id.

In addition, the parties represent the following:

> Good cause exists to terminate this proceeding because (1) Petitioner and Patent Owner have resolved their disputes regarding the '906 Patent; (2) this proceeding is still at an early stage because the Office has not yet decided whether to institute trial; and (3) terminating the proceeding now would thus serve

> the interests of judicial economy as well as the mutual interest of the parties.

Id. at 2.

This proceeding has not progressed very far. Petitioner filed the Petition on December 14, 2020. Patent Owner filed a Preliminary Response on March 22, 2021. The Board has not decided whether to institute an *inter partes* review. Further, "[t]here are strong public policy reasons to favor settlement between the parties to a proceeding." *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). Under these circumstances, we determine that it is appropriate to grant the Joint Motion and terminate this proceeding.[1]

ORDER

Accordingly, it is

ORDERED that the parties' Joint Motion to Withdraw the Petition is *granted*;

FURTHER ORDERED that this proceeding is terminated as to all parties; and

FURTHER ORDERED that, as was requested timely by the parties (Paper 11), the settlement agreement (Ex. 2008) be treated as business confidential information and be kept separate from the file of U.S. Patent No. RE47,906 and made available only under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

[1] Although we terminate the present proceeding which involves the '906 patent, we are cognizant of another petition filed on March 9, 2021, by Ciena Corporation seeking *inter partes* review of the '906 patent. *See* IPR2021-00624, Paper 2.

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