

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CIENA CORPORATION,
Petitioner,

v.

CAPELLA PHOTONICS, INC.,
Patent Owner.

IPR2021-00624
Patent RE47,906 E

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

AMUNDSON, *Administrative Patent Judge*.

TERMINATION
Due to Settlement After Institution of Trial
Granting Joint Request to Treat Settlement
Agreement as Business Confidential Information
35 U.S.C. § 317; 37 C.F.R. § 42.74

On September 7, 2021, we instituted an *inter partes* review of claims 89–111, 113, and 114 in U.S. Patent No. RE47,906 E (Exhibit 1001, “the ’906 patent”) under 35 U.S.C. §§ 311–319. Paper 14.

On December 23, 2021, after receiving Board authorization, Ciena Corp. (“Petitioner”) and Capella Photonics, Inc. (“Patent Owner”) filed a Joint Motion to Terminate under 35 U.S.C. § 317 and 37 C.F.R. § 42.74. Paper 23. The parties also filed a copy of an agreement titled “Settlement Agreement, License, and Covenant Not to Sue.” Ex. 2025. In addition, the parties filed a Joint Request to Keep Agreement Business Confidential and Separate under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Paper 24.

Petitioner and Patent Owner represent that they “have entered into a confidential settlement agreement that resolves all underlying disputes between the parties with respect to this *inter partes* review (IPR) proceeding.” Paper 23, 1. The parties represent that “their entire agreement in connection with the termination of this proceeding is embodied in” Exhibit 2025 and that “[t]here are no other agreements, oral or written, between the parties made in connection with, or in contemplation of, the termination of this proceeding.” *Id.* at 3. “The parties consider” Exhibit 2025 “to contain highly sensitive confidential business information that would substantially harm their business interests if publicly disclosed,” and “[a]s such, the parties hereby jointly request that the settlement agreement be kept as a separate paper to be made available only under the provisions of 35 U.S.C § 317(b) and 37 C.F.R. § 42.74(c).” Paper 24, 1.

Additionally, Petitioner and Patent Owner contend that the Board “can conserve significant administrative and judicial resources by terminating the

proceeding now, removing the need for the Board to render a final written decision.” Paper 23, 2.

This proceeding has not progressed very far. Patent Owner has not filed its Response. Terminating this proceeding will save the Board administrative and judicial resources, e.g., in conducting an oral argument and issuing a final written decision to decide the patentability issues raised in the Petition. Further, “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding,” and “[t]he 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.” *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 terminate this proceeding. We also determine that it is appropriate to treat the parties’ settlement agreement (Exhibit 2025) as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

ORDER

Accordingly, it is

ORDERED that the parties’ Joint Motion to Terminate (Paper 23) is granted;

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

FURTHER ORDERED that, as timely requested by the parties (Paper 24), the parties’ settlement agreement (Exhibit 2025) shall be treated as business confidential information and be kept separate from the file of U.S. Patent No. RE47,906 E and made available only under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

IPR2021-00624
Patent RE47,906 E

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