

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KINGSTON TECHNOLOGY COMPANY, INC.; AND
KINGSTON TECHNOLOGY CORPORATION,
Petitioner,

v.

SONRAI MEMORY LIMITED,
Patent Owner.

IPR2021-01561
Patent 6,724,241 B1

Before GREGG I. ANDERSON, GARTH D. BAER, and
JOHN D. HAMANN, *Administrative Patent Judges*.

BAER, *Administrative Patent Judge*.

TERMINATION
Due to Settlement After Institution of Trial
35 U.S.C. § 317; 37 C.F.R. § 42.71, 42.74

I. INTRODUCTION

On December 19, 2022, with authorization of the Board, Kingston Technology Company, Inc. and Kingston Technology Corporation (collectively “Petitioner”) and Sonrai Memory Limited (“Patent Owner”) (“the parties”) filed a joint motion to terminate the present *inter partes* review pursuant to 35 U.S.C. § 317 and 37 C.F.R. §§ 42.72 and 42.74. Paper 49 (“Joint Motion”). The parties also filed a copy of a written “SETTLEMENT AGREEMENT” (“Settlement Agreement”) governing their settlement. Ex. 2010. The parties further request that the Settlement Agreement be treated as business confidential information and be kept separate pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Paper 50 (“Joint Request”).

II. DISCUSSION

In the Joint Motion, the parties represent that they have reached an agreement to jointly seek termination of the above-identified *inter partes* review proceeding, and that they “are concurrently filing true copies of their Settlement Agreement in connection with this matter.” Joint Motion 2. The parties further represent that the Settlement Agreement completely resolves all disputes between the parties concerning the above-identified patent and “jointly certify that there are no other agreements or understandings, oral or written, between them, including any collateral agreements, made in connection with, or in contemplation of, the termination of this proceeding.” *Id.*

More specifically, the Joint Motion states that “[o]n December 5, 2022, Kingston and Sonrai entered into a Release Agreement pursuant to which they agreed, among other things, to mutually cooperate to request the

termination of this IPR proceeding,” “[o]n December 7, 2022, Kingston and Sonrai filed a Joint Motion to Dismiss all claims in the related Kingston Litigation,” and that on December 11, 2022, “[t]he Courts dismissed all claims.” Joint Motion 4. The Joint Motion further states that “[t]ermination of the instant IPR is appropriate because all parties have settled their entire dispute concerning the ’241 patent and the Board has not yet decided the merits of this proceeding.” *Id.* at 6. The Joint Motion states as well that “termination of the proceeding is a just and fair resolution,” because “neither Kingston nor Sonrai will be prejudiced by the termination,” “the other Petitioners have already been terminated from this proceeding,” and “the parties will benefit from preserving resources that would otherwise be expended if this motion is denied. *Id.*

In the Joint Request, the parties “jointly request that the Settlement Agreement between the parties filed concurrently herewith as Ex. 2010, as referenced in the Joint Motion to Terminate Proceeding, be treated as business confidential information and be kept separate from the file of the ’241 patent” because the parties “consider the . . . agreement (Ex. 2010) to contain highly sensitive business confidential information that would substantially harm their business interests if publicly disclosed.” Joint Request 2. The parties “further jointly request that the Board order that in the event a person or entity makes a written request . . . for access to the [Settlement Agreement], that any such written request be served upon the Parties on the day the written request is provided to the Board.” *Id.*

III. ANALYSIS

We instituted a trial on the above-identified proceeding on March 23, 2022. Paper 14. On October 7, 2022, we issued an order terminating the

Proceeding as to Western Digital Technologies, Inc., Samsung Electronics Co., Ltd., Google LLC, Kioxia America, Inc., Kioxia Corporation, and Dell Technologies, Inc. Paper 44.

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. PTAB Consolidated Trial Practice Guide, 86 (November 2019).¹ Here, although the Board has instituted *inter partes* review of the challenged patent, the Board has not decided the merits of the proceeding. Under these circumstances, we determine that it is appropriate to terminate this proceeding as to the parties.

Furthermore, after reviewing the Settlement Agreement between the Parties, we find that the Settlement Agreement contains confidential business information regarding the terms of settlement. Thus, we determine that good cause exists to treat the Settlement Agreement (Ex. 2010) between the parties as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c), to keep it separate from the files of the involved patent and associated proceeding, and to limit its availability as requested by the Parties. *See* U.S.C. § 317(b); 37 C.F.R. § 42.74(c). In response to the parties' request for expedited service of any written request for access to the Settlement Agreement, we have no such procedure, and, further, our regulations do not require us to do so. Therefore, we decline to issue an order regarding requests to access the Settlement Agreement.

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

¹ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

IV. ORDER

Accordingly, it is:

ORDERED that the Joint Motion to terminate the above-identified proceeding is *granted*, and this proceeding is terminated;

FURTHER ORDERED that the Join Request to treat the Settlement Agreement as business confidential information and be kept separate from the patent file is *granted*, and the Settlement Agreement is to be treated as business confidential information and kept separate from the patent file.

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