

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TONAL SYSTEMS, INC.,
Petitioner,

v.

iFIT, INC.,
Patent Owner.

IPR2022-00954 (Patent 10,953,268 B1)
IPR2022-00955 (Patent 10,967,214 B1)¹

Before CARL M. DEFRANCO, GEORGE R. HOSKINS, and
FREDERICK C. LANEY, *Administrative Patent Judges*.

HOSKINS, *Administrative Patent Judge*.

TERMINATION

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

¹ This Order addresses issues that are identical in each of the proceedings identified above. We therefore exercise our discretion to issue one Order to be filed in each proceeding. The proceedings have not been consolidated, and the parties are not authorized to use this style heading in any subsequent papers.

I. INTRODUCTION

Petitioner and Patent Owner have requested that the above-identified *inter partes* review proceedings be terminated pursuant to a settlement. On May 23, 2023, the parties filed a Joint Motion to Terminate Proceeding in each proceeding. *See* Paper 20 (“Joint Motion”).² The parties previously sought authorization to file the Joint Motions and received that authorization via email on May 19, 2023. *See id.* at 1. The parties also filed a copy of a settlement agreement (Ex. 1011, “Settlement Agreement”), and a Joint Request to keep the Settlement Agreement confidential under 37 C.F.R. § 42.74(c) (Paper 21, “Joint Request”), in each proceeding.

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 317(a) further provides that if no petitioner remains in the *inter partes* review, the Office may terminate the review.

In the Joint Motions, the parties represent that they have reached an agreement to resolve all of their present disputes regarding U.S. Patent Nos. 10,953,268 and 10,967,214, the filed copy of the Settlement Agreement is a true and correct copy, and “there are no other agreements, oral or written, between the parties made in connection with, or in contemplation of, the termination of the proceeding[s].” Joint Motion 1–2.

² We cite to Papers and Exhibits filed in IPR2022-00954. Similar documents were filed in IPR2022-00955.

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Although we instituted trial in these proceedings, we have not yet decided the merits of the proceedings, and final written decisions have not been entered. Notwithstanding that the proceedings have moved beyond the preliminary stage, the parties have shown adequately that termination of the proceedings is appropriate. Under these circumstances, we determine good cause exists to terminate the proceedings.

The parties also requested that the Settlement Agreement be treated as business confidential information and be kept separate from the files of the challenged patents. *See* Joint Request 1. After reviewing the Settlement Agreement, we find it contains confidential business information regarding the terms of settlement. We determine good cause exists to treat the Settlement 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 is *granted* and IPR2022-00954 and IPR2022-00955 are *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 is *granted*, and the Settlement Agreement shall be kept separate from the files of U.S. Patent Nos. 10,953,268 and 10,967,214, and be made available only to Federal Government 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).

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