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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MERCEDES-BENZ GROUP AG, and MERCEDES-BENZ USA, LLC,
Petitioner,

v.

ARIGNA TECHNOLOGY LIMITED,
Patent Owner.

IPR2022-01031
Patent 7,049,850 B2

Before GARTH D. BAER, SHARON FENICK, and IFTIKHAR AHMED, *Administrative Patent Judges.*

BAER, *Administrative Patent Judge.*

TERMINATION
Settlement Prior to Institution of Trial
35 U.S.C. § 317; 37 C.F.R. § 42.74

I. INTRODUCTION

In this preliminary proceeding, Petitioners Mercedes-Benz Group AG and Mercedes-Benz USA, LLC (collectively "Petitioner" or "Mercedes") and Patent Owner Arigna Technology Limited ("Patent Owner" or "Arigna") (collectively "the Parties"), with the Board's prior authorization, filed a Joint Motion to Terminate Proceeding (Paper 8, "Joint Motion") and a Joint Request to File Settlement Agreements as Business Confidential Information (Paper 9, "Joint Request"). In support of the Joint Motion, the Parties filed a copy of a written "PATENT LICENSE AGREEMENT" (Ex. 2001, "Settlement Agreement") and "ESCROW AGREEMENT" (Ex. 2002, "Escrow Agreement").

II. DISCUSSION

In the Joint Motion, the Parties "jointly request termination of this proceeding." Joint Motion 2.[1] The Parties state that "[a] Patent License Agreement has been reached which resolves all underlying disputes between Arigna and Mercedes, including those related to this proceeding and the previously dismissed related district court proceeding involving the '850 Patent," and "[a] true and correct copy of the Patent License Agreement is attached as Arigna Exhibit 2001." *Id.* at 3, 4. The Parties further state that "[a] true and correct copy of the Escrow Agreement referenced therein is attached as Arigna Exhibit 2002." *Id.* The Parties also "certify that there are no other collateral agreements or understandings between them made in

[1] The Joint Motion does not include page numbers. We identify the pages of the Joint Motion as if they were numbered consecutively, starting with "Joint Motion 1" and ending with "Joint Motion 6."

connection with, or in contemplation of, termination of this proceeding." *Id.* at 4.

There are strong public policy reasons to favor settlement. Office Patent Trial Practice Guide, 84 Fed. Reg. 64,280 (Nov. 21, 2019). Here, in the Joint Motion, the Parties "respectfully request that the Board grant this Joint Motion to Terminate" and that "[t]ermination is appropriate as to Mercedes because the Board has not yet decided the merits of this *inter partes* review," noting that "the Board has not yet made a decision on institution, and the deadline for Patent Owner's Preliminary Response was recently extended until November 7, 2022 in order to give the parties time to complete review of the settlement agreements and this joint motion to dismiss." Joint Motion 4 (citing Ex. 3001).

For at least these reasons, we agree that good cause exists and that it is appropriate to dismiss the petition and terminate the preliminary proceeding without rendering a decision on institution or a final written decision. *See* 37 C.F.R. § 42.74.

In the Joint Request, "[p]ursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c), and the Board's authorization on October 31, 2022," the Parties "jointly request that the Patent License Agreement (Exhibit 2001) and collateral Escrow Agreement (Exhibit 2002) . . . be filed as business confidential information" and that "the filings be kept separate from the file of this proceeding and the involved patent." Joint Request 2. The Parties also state that "[g]ood cause exists to treat the documents as business confidential[] because the documents contain confidential business information regarding the terms of settlement." *Id.*

After reviewing the Settlement Agreement and Escrow Agreement between the Parties, we find that the Settlement Agreement and Escrow Agreement contain business confidential information regarding the terms of settlement. Thus, we determine that good cause exists to treat the Settlement Agreement (Ex. 2001) and Escrow Agreement (Ex. 2002) as business confidential information under 37 C.F.R. § 42.74(c), to keep them separate from the files of the involved patent and associated preliminary proceeding, and to limit their availability 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, it is:

ORDERED that, in IPR2022-01031, the Parties' Joint Motion to Terminate Proceeding is *granted*;

FURTHER ORDERED that, in IPR2022-01031, the preliminary proceeding is *terminated* and the petition is *dismissed*; and

FURTHER ORDERED that, in IPR2022-01031, the Parties' Joint Request to File Settlement Agreements as Business Confidential Information is *granted*, and the Settlement Agreement and Escrow Agreement shall remain designated as "Parties and Board Only" in Board's filing system, shall made available only to Federal Government agencies on written request, or to any person on a showing of good cause, and shall be kept separate from the files of the involved patent and associated preliminary proceeding, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

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