

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PLANTRONICS, INC., POLYCOM, INC.,
Petitioner,

v.

KOSS CORPORATION,
Patent Owner.

IPR2022-01503
Patent 10,757,498 B2

IPR2022-01504
Patent 10,848,852 B2

Before PATRICK R. SCANLON, DAVID C. McKONE, and
GREGG I. ANDERSON, *Administrative Patent Judges*.

ANDERSON, *Administrative Patent Judge*.

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

On August 8, 2023, Plantronics, Inc., and Polycom, Inc. (collectively “Petitioner”) and Koss Corporation (“Patent Owner”) in IPR2022-001503 (“’1503 IPR”) and IPR2022-01504 (“’1504 IPR”) filed Joint Motions to Terminate Proceedings (“Motion to Terminate” (’1503 IPR, Paper 16; ’1504 IPR, Paper 16)) based on a *Settlement Agreement Term Sheet* that resolves the parties’ disputes related to the challenged patents, US Patent Nos. 10,757,498 (“’498 patent”) and 10,848,852 (“’852 patent”). ’1503 and ’1504 IPRs, Papers 16, 1. On that same date, the parties filed a copy of the *Settlement Agreement Term Sheet* as Exhibit 2001 in both proceedings along with a Joint Request to Treat Exhibit 2001 as Confidential Business Information Pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) (“Request to Keep Confidential”). Paper 18.

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.” “If no petitioner remains in the *inter partes* review, the Office may terminate the review or proceed to a final written decision under section 318(a).” *Id.* The parties have jointly moved to terminate the proceeding with respect to Petitioner in each proceeding. ’1503 and ’1504 IPRs, Paper 16 at 1. Petitioner is the sole petitioner in these proceedings. The Board has discretion to terminate these reviews with respect to the Patent Owner. *See* § 317(a). An institution decision has been issued in both proceedings. ’1503 and ’1504 IPRs, Paper 8. Apart from the instant Motions to Terminate, there are no outstanding motions in these proceedings and the Board has not

decided the merits of either proceeding. '1503 and '1504 IPRs, Paper 16 at 2. We determine that there is a strong public policy favoring settlement and find no public interest factors that mitigate against termination of the proceeding.

The Board acknowledges that the *Settlement Agreement Term Sheet* ("Term Sheet") is to be replaced by a final settlement and license agreement. Ex. 2001, first unnumbered page. However, the Term Sheet is intended to "remain binding until" a final agreement is executed or the Northern District of California rules on the pending Motion to Dismiss. *Id.* The fact that a more definitive agreement is contemplated does not preclude a binding term sheet, like Exhibit 2001, from serving as a basis for granting a motion to terminate. *See Nalu Med., Inc. v. Nevro Corp.*, IPR2021-01023, Paper 14 at 3 (PTAB Nov. 24, 2021) (citing *Allergan Inc. v. BTL Healthcare Techns. A.S.*, PGR2021-00022, Paper 18 (PTAB Jul. 6, 2021)).

The Board determines that, in the circumstances of this case, it is appropriate to terminate the proceeding. *See* 35 U.S.C. § 317(a); 37 C.F.R. § 42.72. The Board further determines the parties have sufficiently shown reasons for granting the Request to Keep Confidential Agreement (Ex. 2001) under 37 C.F.R. § 42.74(c).

ORDER

Accordingly, it is

ORDERED that the Motions to Terminate are *granted* and the '1503 and '1504 IPR proceedings are terminated;

FURTHER ORDERED that the Request to Keep Separate is *granted* and the *Settlement Agreement Term Sheet* (Exhibit 2001) shall be treated as business

IPR2022-01503
Patent 10,757,498 B2
IPR2022-01504
Patent 10,848,852 B2

confidential information and be kept separate from the files of the involved U.S. Patent Nos 10,757,498 B2 and 10,848,852 B2; and

FURTHER ORDERED that, as soon as available, a fully executed copy of the final settlement and license agreement be filed as an exhibit in both the '1503 and '1504 IPRs as business confidential information and designated as "Parties and Board."

IPR2022-01503
Patent 10,757,498 B2
IPR2022-01504
Patent 10,848,852 B2

For PETITIONER:

Louis L. Campbell
David P. Dalke
WINSTON & STRAWN LLP
llcampbell@winston.com
ddalke@winston.com

For PATENT OWNER:

Mark G. Knedeisen
Ragae M. Ghabrial
Michelle Weaver
Brian P. Bozzo
K&L GATES LLP
mark.knadeisen@klgates.com
ragae.ghabrial@klgates.com
michelle.weaver@klgates.com
brian.bozzo@klgates.com