

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CLOUDFLARE, INC.,
Petitioner,

v.

PACSEC3, LLC.,
Patent Owner.

IPR2023-00544
Patent 7,523,497 B2

Before KRISTEN L. DROESCH, GREGG I. ANDERSON, and
MICHAEL T. CYGAN, *Administrative Patent Judges*.

ANDERSON, *Administrative Patent Judge*.

DECISION
Joint Motion to Terminate and
Request to Keep Confidential
37 C.F.R. §§ 42.5(a), 42.71(a), 42.74(c)

On September 13, 2023, Cloudflare, Inc., (“Petitioner”) and Pacsec3, LLC, (“Patent Owner”) filed a “Joint Motion to Terminate *Inter Partes* Review” (“Motion to Terminate,” Paper 9) based on a written Settlement and License Agreement (“Agreement,” Exhibit 2003). The Agreement resolves the parties’ disputes related to the challenged patent, US Patent No. 7,523,487 B2. *See* Ex. 2003 (Section 2). The parties certify that “there are no other collateral agreements or understandings, oral or written, between the parties made in connection with, or in contemplation of, the termination of the present proceeding, and that Ex. 2003 represents a true and accurate copy of the agreement between the parties that resolves the present proceeding.” Paper 9, 2.

On September 13, 2023, the parties also filed a “Joint Request that the Settlement Agreement be Treated as Business Confidential Information and be Kept Separate Under 35 U.S.C. § 317(b) 2001 as Confidential Business Information Pursuant to 35 U.S.C. § 317(b) (“Request to Keep Confidential,” Paper 10).

Under 35 U.S.C. § 317(a), “[i]f 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).” Petitioner is the sole petitioner in these proceedings. The Board has discretion to terminate these reviews with respect to the Patent Owner. An institution decision has been issued in the proceeding. Paper 7. Apart from the instant Motion to Terminate, there are no outstanding motions in these proceedings and the Board has not decided the merits of either proceeding. 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 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 the Agreement (Ex. 2003) under 37 C.F.R. § 42.74(c).

ORDER

Accordingly, it is

ORDERED that the Motion to Terminate is *granted* and IPR2022-00544 is terminated; and

FURTHER ORDERED that the Request to Keep Confidential is *granted* and the Agreement (Exhibit 2003) shall be treated as business confidential information, designated “Board and Parties Only,” and be kept separate from the files of the involved U.S. Patent No. 7,523,487 B2.

IPR2022-00544
Patent 7,523,487 B2

For PETITIONER:

Craig Tolliver
ctolliver@ccrglaw.com

John Heuton
jheuton@ccrglaw.com

For PATENT OWNER:

Jacob Henry
jhenry@rameyfirm.com

William Ramey
wramey@rameyfirm.com