

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LG ELECTRONICS INC., LG ELECTRONICS U.S.A., INC., AND
GOOGLE LLC,
Petitioner,

v.

SPACETIME3D, INC.,
Patent Owner.

IPR2023-00577 (Patent 8,881,048 B2)
IPR2023-00578 (Patent 9,696,868 B2)
IPR2023-00579 (Patent 9,304,654 B2)¹

Before HUBERT C. LORIN, DAVID C. McKONE, and MINN CHUNG,
Administrative Patent Judges.

LORIN, *Administrative Patent Judge.*

DECISION
Settlement Prior to Institution of Trial
37 C.F.R. § 42.74

¹ This Order addresses issues that are the same in each of the preliminary proceedings identified above. We exercise our discretion to issue one order for all of these proceedings. The proceedings have not been consolidated, and the parties are not authorized to use this caption format.

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I. INTRODUCTION

In each of the preliminary proceedings identified above, Petitioners LG Electronics Inc. and LG Electronics U.S.A., Inc. (“LGE”) and Patent Owner SpaceTime3D, Inc. (collectively, the “Parties”), with the Board’s prior authorization, filed a Joint Motion to Terminate Proceeding as to LGE Pursuant to 35 U.S.C. § 317 and 37 C.F.R. §§ 42.72, 42.74 (Paper 8, “Joint Motion”) and a Corrected Joint Request to Maintain Confidentiality and to Keep Separate (Paper 10, “Joint Request”).² In support of each Joint Motion, the Parties filed a corrected copy of a written “SETTLEMENT AND LICENSE AGREEMENT.” Ex. 1056 (“Settlement Agreement”).

II. DISCUSSION

In each Joint Motion, the Parties “jointly move to terminate the present *inter partes* review proceeding as to LGE as a result of a Settlement and License Agreement (the “Settlement Agreement”) between LGE and SpaceTime,” which “completely resolves all pending controversies between LGE and SpaceTime concerning [the involved patent].” Joint Motion 1. The Parties state that, “[o]n May 4, 2023, LGE and SpaceTime entered into a Settlement and License Agreement pursuant to which they agreed, among other things, to dismiss with prejudice any litigation relating to the ’048 patent and to seek termination of this IPR proceeding as to LGE,” and “[o]n May 4, 2023, SpaceTime voluntarily dismissed all claims in the LGE Litigation.” *Id.* at 3. The Parties also state that “[t]he remaining petitioner, Google LLC, has confirmed that they do not object to the proceeding being

² We cite to Papers and Exhibits in IPR2023-00577. Similar items were filed in IPR2023-00578 and IPR2023-00579.

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terminated as to LGE.” *Id.* The Parties state as well that they “are concurrently filing true copies of their Settlement Agreement in connection with this matter as required by statute.” *Id.* at 1. “The parties further 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 LGE from this proceeding as set forth in 35 U.S.C. § 317(b).” *Id.*

There are strong public policy reasons to favor settlement between the parties to a proceeding. Office Patent Trial Practice Guide, 84 Fed. Reg. 64,280 (Nov. 21, 2019). Here, in each Joint Motion, the Parties state that “[t]ermination of the instant IPR as to LGE is appropriate because [(1)] the parties have settled their entire dispute concerning [the challenged patent] and the Board has not yet decided the merits of this proceeding,” (2) “the above captioned petition and the Apple Petition are in their early phase, and the Board has not yet made a decision regarding institution on either petition, and no decisions on the merits of the proceeding have been made,” (3) “[d]ismissal of proceedings at this early stage promotes the congressional goal to establish a more efficient and streamlined patent system that limits unnecessary and counterproductive litigation costs,” (4) “[i]n similar circumstances involving IPRs in such an early juncture, the Board has previously granted motions to terminate using its authority under at least 37 C.F.R. §§ 42.5(a) and 42.71(a),” (5) “termination of the proceeding as to LGE is a just and fair resolution,” as “[t]he parties agree that neither LGE nor SpaceTime will be prejudiced by the termination,” (6) “the remaining Petitioner, Google LLC, has confirmed that they do not object to the

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termination of this proceeding as to LGE,” and (7) “the parties will benefit from preserving resources that would otherwise be expended if this motion is denied.” Joint Motion 4–5 (citations omitted).

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 as to LGE in each of the matters identified above, without rendering a decision on institution or a final written decision. *See* 37 C.F.R. § 42.74.

In each Joint Request, the Parties “jointly request that the Settlement and License Agreement between the parties filed concurrently herewith, as referenced in the Joint Motion to Terminate Proceeding (a) be treated as business confidential information; (b) be kept separate from the file of the involved patent; (c) be accessible only by the Board, LGE, and SpaceTime and not accessible by Petitioner Google LLC; and (d) be made available only as permitted pursuant to the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).” Joint Request 1. The Parties also state that “Petitioner Google LLC does not oppose this request.” *Id.*

After reviewing the Settlement Agreement between the Parties, we find that the Settlement Agreement contains business confidential information regarding the terms of settlement. Thus, we determine that good cause exists to treat the Settlement Agreement (Ex. 1056) between the Parties as business confidential information under 37 C.F.R. § 42.74(c), to keep it separate from the files of the involved patents and associated preliminary proceedings, and to limit its availability pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

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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 each of IPR2023-00577, IPR2023-00578, and IPR2023-00579, the Parties' Joint Motion to Terminate Proceeding is *granted*, the petition is *dismissed*, and the proceeding is *terminated* as to Petitioners LG Electronics Inc. and LG Electronics U.S.A., Inc.

FURTHER ORDERED that, in each of IPR2023-00577, IPR2023-00578, and IPR2023-00579, the Parties' Corrected Joint Request to Maintain Confidentiality and to Keep Separate is *granted*, and the Settlement Agreement shall remain designated as "Board Only" in Board's filing system, and shall be 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 patents, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

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