

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PALO ALTO NETWORKS, INC.,
Petitioner,

v.

TAASERA LICENSING LLC,
Patent Owner.

IPR2023-00704
Patent 8,850,517 B2

Before JAMES P. CALVE, ARTHUR M. PESLAK, and
KRISTIL R. SAWERT, *Administrative Patent Judges*.

SAWERT, *Administrative Patent Judge*.

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

Petitioner (Palo Alto Networks, Inc.) and Patent Owner (Taasera Licensing LLC) have indicated that they have reached an agreement to settle the above-identified *inter partes* review proceeding. The Board authorized Petitioner and Patent Owner (collectively, “the Parties”) to file a joint motion to terminate the proceeding on December 19, 2023.

On December 20, 2023, pursuant to 37 C.F.R. § 42.74 and 35 U.S.C. § 317(a), the Parties filed a Joint Motion to Terminate the above-identified proceeding, Paper 13 (“Joint Motion”), copies of a confidential Settlement Agreement (Ex. 2005, “Settlement Agreement”) and a confidential Release (Ex. 2006, “Release”), and a Joint Request to treat a Settlement Agreement and Release as business confidential information and to keep the Settlement Agreement and Release separate from the files of the involved patent, Paper 14 (“Joint Request”). The Parties describe the filed copies of the Settlement Agreement and Release as “true and correct cop[ies].” Joint Motion, 2–3. The Parties state that they have “resolve[d] their disputes in the above-captioned *inter partes* review relating to U.S. Patent No. 8,850,517.” Joint Motion 1. The Parties also state that the Settlement Agreement shows their “agree[ment] to terminate this proceeding and the Parties’ related district court proceeding.” Joint Request, 1. The Parties “certify that there are no other agreements, oral or written, between the Parties made in connection with, or in contemplation of, the termination of this proceeding.” Joint Motion, 3.

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 35 U.S.C. § 317(a) also provides that if no petitioner remains in the *inter partes* review, the Office may terminate the review. This proceeding is at an intermediate stage. The Parties have not filed substantive briefing after institution. We have not yet decided the merits of this proceeding, and a final written decision has not been entered in this proceeding. Terminating this proceeding will save the Board administrative and judicial resources, e.g., in conducting an oral argument and issuing a final written decision to decide the patentability issues raised in the Petition. Furthermore, there are strong public policy reasons to favor settlement between the parties to a proceeding. *Patent Trial and Appeal Board Consolidated Trial Practice Guide*, 84 Fed. Reg. 64,280 (Nov. 21, 2019). Under these circumstances, and in view of the Parties' settlement and representations, we determine that good cause exists to terminate this proceeding. Accordingly, we *grant* the Joint Motion.

The Parties request “that the Board treat as business confidential information, the true copy of the executed agreement resolving the Parties’ disputes . . . (Exhibit 2005), and the related release agreement between the Parties (Exhibit 2006)” and to keep the Settlement Agreement and Release separate from the files of the involved patent pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Joint Request, 1–2. The parties also request that the Settlement Agreement and Release “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). *Id.* (emphasis omitted). We have reviewed the Settlement Agreement and Release, which contain confidential business information regarding the terms of settlement, and we determine that good cause exists to treat the

Settlement Agreement and Release as business confidential information and to keep them separate from the file of the patent in the above-identified proceeding pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

Accordingly, we *grant* this portion of the Parties' Joint Request.

The Parties further request "that the Board inform [the Parties] if anyone seeks production of Exhibits 2005 or 2006 and afford the Parties an opportunity to address whether such request is supported by good cause." Joint Request, 2. However, neither the statute nor the regulation provides for any such notification to the parties or an opportunity to address whether a request is supported by good cause, and the parties have not provided any special circumstance that would justify issuing an order that purports to impose additional requirements. Accordingly, we *deny* this portion of the parties' Joint Request.

This Order does not constitute a final written decision pursuant to 35 U.S.C. § 318(a).

Accordingly, it is:

ORDERED that the Joint Motion to Terminate (Paper 13) is *granted*, and that IPR2023-00704 is *terminated*;

FURTHER ORDERED that the Joint Request (Paper 14) is *granted-in-part*, and the Settlement Agreement (Ex. 2005) and Release (Ex. 2006) shall be treated as business confidential information, shall be kept separate from the file of the involved U.S. Patent No. 8,850,517 B2, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause on written request, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that Exhibit 2005 shall remain designated as “Board Only” in the Board’s P-TACTS system, and Exhibit 2006 shall remain designated as “Parties and Board Only” in the Board’s P-TACTS system.

IPR2023-00704
Patent 8,850,517 B2

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