

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

FACETOFACE BIOMETRICS, INC.,
Patent Owner.

IPR2023-00833
Patent 11,042,623 B2

Before HYUN J. JUNG, SCOTT A. DANIELS, and
CYNTHIA L. MURPHY, *Administrative Patent Judges*.

MURPHY, *Administrative Patent Judge*.

TERMINATION

Due to Settlement after Institution of Trial and
Request to File Settlement Agreement
as Business Confidential Information
35 U.S.C. § 317; 37 C.F.R. §42.74

I. INTRODUCTION

On June 3, 2024, with the Board’s authorization, Petitioner and Patent Owner (collectively, “the Parties”) filed a Joint Motion to terminate the above-captioned *inter partes* review proceeding. Paper 13 (“Joint Motion”). Along with the Joint Motion, the Parties filed a copy of a Confidential Settlement Agreement. Ex. 1019 (“Settlement Agreement”). The Parties jointly request to file the Settlement Agreement as business confidential information and keep it separate from the file of U.S. Patent No. 11,042,623 B2 (“the ’623 patent”). Paper 14 (“Joint Request”).

II. DISCUSSION

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.” 35 U.S.C. § 317(a) also provides that if no petitioner remains in the *inter partes* review, the Office may terminate the review.

In the Joint Motion, the Parties represent that the Settlement Agreement “completely resolves all pending controversies” involving the ’623 patent. Joint Motion 1. The Parties also represent that they have filed a true copy of the Settlement Agreement (*id.*) and 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 this proceeding.” *Id.*

We instituted trial for the above-identified *inter partes* review proceeding on November 17, 2023. *See* Paper 7. We have not yet decided

the merits of the proceeding, and a final written decision has not been entered. Notwithstanding that the proceeding has moved beyond the preliminary stage, the Parties have shown adequately that termination of the proceeding is appropriate. Joint Motion 3. Under these circumstances, we determine that good cause exists to terminate the proceeding with respect to the Parties.

The Parties jointly request that the Settlement Agreement be treated as business confidential information and kept separate from the file of the '623 patent. Joint Request 1. We have reviewed the Settlement Agreement, which contains confidential business information regarding the settlement terms, and we determine that good cause exists to treat the Settlement Agreement as business confidential information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c) and keep it separate from the files of the '623 patent and this proceeding. Accordingly, we grant this aspect of the parties' Joint Request.

The parties also "request that the Board order that in the event a person or entity makes a written request, as stated in 37 C.F.R. § 42.74(c)(1)–(2), for access to the agreement, that any such written request be served upon the parties on the day the written request is provided to the Board." Joint Request 1. The parties further "request that the Board inform us if anyone seeks production of Exhibit 1019 and afford the parties an opportunity to address whether such request is supported by good cause." *Id.* However, neither the statute nor the regulation provides for any such: (i) timely service of any written request upon the parties, (ii) informing the parties of any written request, or (iii) affording the parties an opportunity to address whether any written request is supported by good cause.

Furthermore, the parties have not provided any reason or special circumstance that would justify issuing an order that purports to impose these additional requirements. Accordingly, we deny these portions of the parties' Joint Request.

III. ORDER

Accordingly, it is:

ORDERED that the Joint Motion to terminate (Paper 13) is *granted*, and IPR2023-00833 is *terminated* with respect to Petitioner and Patent Owner; and

FURTHER ORDERED that the Parties' joint request to treat the Settlement Agreement as business confidential information (Paper 14) is *granted*, and the Settlement Agreement (Ex. 1019) shall be kept separate from the file of U.S. Patent No. 11,042,623 B2, and made available only to Federal Government agencies on written request, or to any person on a showing of good cause, pursuant to 37 C.F.R. § 42.74(c).

IPR2023-00833
Patent 11,042,623 B2

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