

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PROFRAC HOLDING CORPORATION and
U.S. WELL SERVICES, LLC,
Petitioner,

v.

HALLIBURTON ENERGY SERVICES, INC.,
Patent Owner.

IPR2023-01319
Patent 7,841,394 B2

Before HUBERT C. LORIN, JAMES J. MAYBERRY, and
BRENT M. DOUGAL, *Administrative Patent Judges*.

DOUGAL, *Administrative Patent Judge*.

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

I. INTRODUCTION

On October 9, 2024, with the Board’s authorization, Petitioner and Patent Owner (collectively referred to as “the Parties”) filed a Joint Motion to Terminate Proceeding (“Joint Motion”) (Paper 15), as well as a Joint Request For Settlement Agreement to be Treated as Business Confidential Information and Be Kept Separate (“Joint Request”) (Paper 16). In support of the Joint Motion and Joint Request, the Parties filed a copy of a Confidential License Agreement (“Agreement”) (Ex. 1018).

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.” 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.

In the Joint Motion, the Parties represent that “Petitioners and Patent Owner have settled their dispute regarding the ’394 patent, including this proceeding and Patent Owner’s assertion of the ’394 patent in the related district court litigation against Petitioner.” Joint Motion 1. The Parties further represent that the Agreement is a true copy and “that there are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of the proceedings beyond the settlement agreement in Exhibit 1018.” *Id.* at 2.

We instituted a trial in this proceeding on March 26, 2024. Paper 7. Even though this proceeding has moved beyond the preliminary stage, we

have not yet decided the merits, and the Parties have adequately shown that termination of the proceeding is appropriate. Under these circumstances, we determine that good cause exists to terminate the proceeding.

In the Joint Request, the Parties request that the Agreement

(i) be treated as business confidential information, (ii) be maintained separate from the publicly available file of the involved patent, and (iii) be made available only to Federal Government agencies on written request, or to persons showing good cause on written request, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

Joint Request 3.

After review, we find that the Agreement contains business confidential information regarding the terms of settlement. We determine that good cause exists to treat the Agreement as business confidential information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

In the Joint Request, the Parties also request that

in the event a written request is made to the Board to make the settlement agreement available pursuant to 37 C.F.R. §§ 42.74(c)(1)-(2), any such written request be served upon the parties on the day the written request is provided to the Board and the parties be afforded an opportunity to address whether such request is supported by good cause.

Joint Request 3.

In the event that a request is made to make the settlement agreement available, the course of action, including whether to allow argument by the parties can be determined at that time. Further, our regulations do not require the Board to serve any written requests for the settlement agreement on the parties. We therefore decline to issue an order mandating such action. Thus, the parties request is denied.

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

III. ORDER

Accordingly, for the reasons discussed above, it is:

ORDERED that the Joint Motion is *granted*, and IPR2023-01319 is *terminated* with respect to Petitioner and Patent Owner pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.72; and

FURTHER ORDERED that the Joint Request is *granted-in-part*, and the Agreement shall be kept separate from the files of Patent 7,841,394 B2, and 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).

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For PETITIONER:

Brian Ferguson
Scott Border
Matthew Hopkins
WINSTON & STRAWN LLC
beferguson@winston.com
sborder@winston.com
mhopkins@winston.com

For PATENT OWNER:

Chad Walters
Lindsay Volpenhein Cutie
BAKER BOTTS L.L.P.
chad.walters@bakerbotts.com
lindsay.cutie@bakerbotts.com