

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.
and QUALCOMM INCORPORATED,
Petitioner,*

v.

NETWORK SYSTEM TECHNOLOGIES, LLC,
Patent Owner.

IPR2024-00338
Patent 7,373,449 B2

Before CHARLES J. BOUDREAU, JOHN R. KENNY, and
STEVEN M. AMUNDSON, *Administrative Patent Judges*.

AMUNDSON, *Administrative Patent Judge*.

ORDER

Settlement as to Samsung Electronics Co., Ltd.
35 U.S.C. § 317; 37 C.F.R. § 42.74

* Qualcomm Incorporated filed a petition and a motion for joinder in IPR2024-01081 and has been joined as a petitioner in this proceeding.

I. INTRODUCTION

Samsung Electronics Co., Ltd. (“Samsung”) filed a Petition requesting an *inter partes* review of claims 1–6 and 9–16 in U.S. Patent No. 7,373,449 B2 (Exhibit 1001, “the ’449 patent”) under 35 U.S.C. §§ 311–319. Paper 2. Network System Technologies, LLC (“Patent Owner”) filed a Preliminary Response. Paper 6. Further, after receiving Board authorization to address certain issues, Petitioner filed a Preliminary Reply, and Patent Owner filed a Preliminary Sur-reply. *See* Paper 8; Paper 9; Ex. 3001.

On June 21, 2024, the Board instituted an *inter partes* review of claims 1–6 and 9–16 in the ’449 patent. Paper 10. That same day, Qualcomm Incorporated (“Qualcomm”) filed a petition challenging the same claims on substantively identical grounds to those asserted in this proceeding, accompanied by a Motion for Joinder seeking joinder as a party in this proceeding under 35 U.S.C. § 315(c). *Qualcomm Incorporated v. Network System Technologies, LLC*, IPR2024-01081, Paper 1, Paper 3.

On July 8, 2024, after receiving Board authorization, Samsung and Patent Owner filed a Joint Motion to Terminate under 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74. Paper 14. As Exhibit 2063, Samsung and Patent Owner filed a copy of an agreement titled “Release Agreement.” Ex. 2063, 1. As Exhibit 2064, Samsung and Patent Owner filed a copy of an agreement titled “Patent License Agreement.” Ex. 2064, 1. Samsung and Patent Owner also filed a Joint Request to Keep Confidential and Separate under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Paper 13. In that Joint Request, Samsung and Patent Owner requested that Exhibits 2063 and 2064 “be kept separate from the file of the involved patent and this IPR.” *Id.* at 1.

On October 1, 2024, the Board granted Qualcomm’s Motion for Joinder in IPR2024-01081 and joined Qualcomm as a petitioner in this proceeding. *See* IPR2024-01081, Paper 14 at 50 (PTAB Oct. 1, 2024).

II. DISCUSSION

Samsung and Patent Owner represent that they “have entered into a written confidential settlement agreement that presently resolves the parties’ disputes” and that the settlement agreement references a collateral agreement. Paper 14, 1; *see id.* at 2, 4. According to the Joint Motion to Terminate, “Exhibit 2063 is a true and accurate copy of the settlement agreement,” and “Exhibit 2064 is a true and accurate copy of the collateral agreement.” *Id.* at 1; *see id.* at 4–5. Samsung and Patent Owner also represent that “there are no other agreements, oral or written, between the parties made in connection with, or in contemplation of, the termination of the present proceeding.” *Id.* at 1.

Samsung and Patent Owner assert that termination is appropriate because (1) “the Parties have resolved all of their disputes in this proceeding relating to the ’449 Patent” and (2) “the Board has not yet decided the merits of this proceeding.” Paper 14, 4.

The patent statute provides that “[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) (2018). The Board has not yet decided the merits of this proceeding. Thus, we terminate this proceeding as to Samsung.

The patent statute also provides that “[i]f no petitioner remains in the inter partes review, the Office may terminate the review.” 35 U.S.C.

§ 317(a). Here, however, Qualcomm remains a petitioner. Thus, we do not terminate the review with respect to Qualcomm and Patent Owner.

Further, after reviewing the settlement agreement (Exhibit 2063) and the collateral agreement (Exhibit 2064), we find that they contain confidential business information, and we determine that good cause exists to treat them as business confidential information under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Thus, we grant the request to keep Exhibits 2063 and 2064 separate from the file of the '449 patent. We, however, do not grant the request to keep Exhibits 2063 and 2064 separate from the file of this IPR. Samsung and Patent Owner cite no authority for keeping these exhibits separate from the file of this IPR, and these exhibits were filed in the electronic file for this IPR.

III. ORDER

Accordingly, it is

ORDERED that the Joint Motion to Terminate (Paper 14) is granted as to Samsung Electronics Co., Ltd.;

FURTHER ORDERED that this proceeding is terminated as to Samsung Electronics Co., Ltd.;

FURTHER ORDERED that this proceeding will continue between Qualcomm Incorporated and Patent Owner;

FURTHER ORDERED that the Joint Request to Keep Confidential and Separate (Paper 13) is granted in part, and Exhibits 2063 and 2064 shall be treated as business confidential information and be kept separate from the file of U.S. Patent No. 7,373,449 B2 and made available only under the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that the Joint Request to Keep Confidential and Separate (Paper 13) is denied in part, and Exhibits 2063 and 2064 shall not be kept separate from the file of this IPR.

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Patent 7,373,449 B2

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