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Paper No. 21
Mailed: February 7, 2019

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SCHUL INTERNATIONAL COMPANY, LLC,
Petitioner,

v.

EMSEAL JOINT SYSTEMS, LTD.,
Patent Owner.

Case PGR2017-00053 (Patent 9,528,262 B2)
Case PGR2018-00034 (Patent 9,644,368 B1)

Before GEORGE R. HOSKINS, JAMES A. WORTH, and SCOTT C. MOORE, *Administrative Patent Judges*.

HOSKINS, *Administrative Patent Judge*.

DECISION
Joint Motion to Terminate
35 U.S.C. § 327 and 37 C.F.R. §§ 42.72 & 42.74

In an email dated December 4, 2018, we authorized the parties to file a joint motion to terminate in each of these two proceedings, with a true copy of their agreement(s) in contemplation of termination and a request to treat the filed copy of their agreement(s) as business confidential information.

On December 11, 2018, the parties filed joint motions (’053 Paper 26, ’034 Paper 17) to terminate these two instant proceedings on the basis of a settlement reached by the parties. *See* 35 U.S.C. § 327(a); 37 C.F.R. § 42.72. The parties also filed a copy of their written Settlement Agreement (’053 Exhibit 2048, ’034 Exhibit 2038), and requested that the Settlement Agreement be treated as business confidential information under 35 U.S.C. § 327(b) and 37 C.F.R. § 42.74(c). ’053 Paper 27, ’034 Paper 18. The Settlement Agreement contemplated that the parties may enter an Ancillary Agreement, which remained under negotiation when the joint motions to terminate were filed. *See* ’053 Paper 29, 2. Accordingly, we informed the parties that, as the record then stood, we would have to deny the joint motions to terminate, because the Ancillary Agreement had not yet been executed and placed in the record. *Id.* at 2–3.

On February 6, 2019, the parties filed a copy of the written Ancillary Agreement (’053 Exhibit 2049, ’034 Exhibit 2039), and requested that the Ancillary Agreement be treated as business confidential information under 35 U.S.C. § 327(b) and 37 C.F.R. § 42.74(c). ’053 Paper 31, ’034 Paper 20.

The parties indicate they have entered a settlement agreement, pursuant to which they agreed to seek termination of these two proceedings, and to dismiss district court litigation involving the ’262 patent and the ’368 patent: *Emseal Joint Systems, Ltd. v. Schul International Co., LLC and*

Steven R. Robinson, Case No. 1:14-cv-00358-SM (D. N.H.). *See* ’053 Paper 26, ’034 Paper 17; ’053 Pet. 6–7.

Generally, the Board expects that a proceeding will terminate after the filing of a settlement agreement. *See* 35 U.S.C. § 327(a) (“A post-grant 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.”); 37 C.F.R. § 42.72 (“The Board may terminate a trial without rendering a final written decision, where appropriate, including . . . pursuant to a joint request under 35 U.S.C. . . . 327(a)”); *see also* Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012) (“The Board expects that a proceeding will terminate after the filing of a settlement agreement, unless the Board has already decided the merits of the proceeding.”). Here, the two proceedings are at a mid-point stage, and a final decision has not been reached or entered. Further, it appears that the record now contains each agreement between the parties, including collateral agreements, made in connection with or in contemplation of the termination of these two proceedings. *See* 35 U.S.C. § 327(a). Accordingly, we are persuaded that, under these circumstances, termination of these two proceedings is appropriate.

Additionally, as was requested timely by the parties, the Settlement Agreement (’053 Exhibit 2048, ’034 Exhibit 2038) and the Ancillary Agreement (’053 Exhibit 2049, ’034 Exhibit 2039) will be treated as business confidential information under 35 U.S.C. § 327(b) and 37 C.F.R. § 42.74(c).

This Decision does not constitute a final written decision pursuant to 35 U.S.C. § 328(a).

In consideration of the foregoing, it is hereby:

ORDERED that the Settlement Agreement (’053 Exhibit 2048, ’034 Exhibit 2038) and the Ancillary Agreement (’053 Exhibit 2049, ’034 Exhibit 2039) be treated as business confidential information, kept separate from the respective files of U.S. Patent Nos. 9,528,262 B2 and 9,644,368 B1, and be made available only to Federal Government agencies on written request, or to any person on a showing of good cause, under 35 U.S.C. § 327(b) and 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that the joint motions to terminate these two proceedings are *granted*, and the proceedings are hereby *terminated*.

PGR2017-00053 (Patent 9,528,262 B2)
PGR2018-00034 (Patent 9,644,368 B1)

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