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Paper 9
Date: October 2, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PERPLEXITY AI, INC.,
Petitioner,

v.

COMET ML, INC.,
Patent Owner.

IPR2025-01063
Patent 11,650,968 B2

Before STACEY G. WHITE, NORMAN H. BEAMER, and NABEEL U. KHAN, *Administrative Patent Judges.*

WHITE, *Administrative Patent Judge*.

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

Pursuant to Board authorization, Petitioner and Patent Owner filed a joint motion to terminate the proceeding identified in the caption as well as a joint request to treat the settlement agreement as business confidential information. Paper 8 ("Motion" or "Mot."); *see* 37 C.F.R. § 42.74(c) (a party to a settlement may request that the settlement agreement be treated as business confidential and be kept separate from the patent file). Along with the motion, the parties filed a copy of a document they describe as a settlement agreement. Ex. 1013 ("Settlement Agreement").

The Board has not issued a decision to institute the requested review. The parties state in the joint motion that "have reached a settlement as to all the disputes in this proceeding and as to the '968 patent." Mot. 3. 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). We are persuaded that, under these circumstances, it is appropriate to terminate this proceeding. 37 C.F.R. § 42.71(a).

Under 37 C.F.R. § 42.74(c), "[a] party to a settlement may request that the settlement be treated as business confidential information and be kept separate from the files of an involved patent or application." "The parties . . . represent that the documents filed as Exhibit 1013 represent all agreements made in connection with, or in contemplation of, the termination of this proceeding" and that "[t]here are no other collateral agreements in connection with the settlement." Mot. 3. After reviewing the Settlement Agreement between the Parties, we find the Settlement Agreement contains confidential business information regarding the terms of settlement. We, therefore, determine that it is appropriate to treat the Settlement Agreement

between Petitioner and Patent Owner as business confidential information pursuant to 37 C.F.R. § 42.74(c).

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

ORDER

Accordingly, it is:

ORDERED that the Joint Motion to Terminate Proceeding and to Treat The Settlement Agreement As Business Confidential (Paper 8), as to both Petitioner and Patent Owner, is granted;

FURTHER ORDERED that the Settlement Agreement (Exhibit 1013) is treated as business confidential information under 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that this proceeding is terminated with respect to both Petitioner and Patent Owner.

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