

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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VIVINT, INC.,  
Petitioner,

v.

FRACTUS S.A.,  
Patent Owner.

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IPR2024-00087  
Patent 8,738,103 B2

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Before KARL D. EASTHOM, JOHN A. HUDALLA, and  
STEVEN M. AMUNDSON, *Administrative Patent Judges*.

EASTHOM, *Administrative Patent Judge*.

DECISION  
Settlement Prior to Institution of Trial  
Granting Joint Request to Treat Settlement  
Agreement as Business Confidential Information  
*37 C.F.R. § 42.74*

## I. INTRODUCTION

Vivint, Inc. (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 12 and 15 in U.S. Patent No. 8,738,103 B2 (Exhibit 1001, the “’103 patent”) under 35 U.S.C. §§ 311–319. Paper 2. Fractus S.A. (“Patent Owner”) has not yet filed a preliminary response.

The Board has not yet decided whether to institute an *inter partes* review of claims 12 and 15 in the ’103 patent.

On February 15, 2024, after receiving Board authorization, Petitioner and Patent Owner filed a Joint Motion to Terminate. Paper 12. As Exhibit 1010, the parties filed a copy of an agreement titled “Settlement and License Agreement.” Ex. 1010, 1. The parties also filed a Joint Request to File Settlement Agreement as Business Confidential Information. Paper 13.

## II. DISCUSSION

The parties represent that they have “reached an agreement resolving the underlying dispute” in this proceeding and that their settlement agreement (Exhibit 1010) “effectively resolves all disputes related to” the ’103 patent. Paper 12, 1. The parties represent that Exhibit 1010 is a “true copy” of their settlement agreement. *Id.* at 2. The parties also represent that “there are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of this proceeding.” *Id.*

The parties assert that termination “is appropriate because all disputes between the parties regarding the ’103 patent have been resolved.” Paper 12, 1. The parties also assert that termination “is appropriate because an institution decision has not yet issued.” *Id.* at 2. Additionally, the parties contend that “[m]otions to terminate based on a joint request are routinely granted in the pre-institution timeframe.” *Id.* at 1–2 (footnote omitted).

This proceeding is at an early stage. As noted above, Patent Owner has not yet filed a preliminary response. Terminating this proceeding will save the Board administrative and judicial resources, e.g., in analyzing the Petition’s unpatentability arguments and issuing a decision on institution. Further, “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding,” and “[t]he 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.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012); *see* Consolidated Trial Practice Guide, 86 (Nov. 2019).<sup>1</sup>

Under these circumstances, we determine that it is appropriate to terminate this proceeding. We also determine that it is appropriate to treat the parties’ settlement agreement (Exhibit 1010) as business confidential information under 37 C.F.R. § 42.74(c).

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

### III. ORDER

Accordingly, it is

ORDERED that the parties’ Joint Motion to Terminate (Paper 12) is granted;

FURTHER ORDERED that this proceeding is terminated as to all parties; and

FURTHER ORDERED that the parties’ Joint Request to File Settlement Agreement as Business Confidential Information (Paper 13) is

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<sup>1</sup> Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

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granted, and the parties' settlement agreement (Exhibit 1010) shall be treated as business confidential information and be kept separate from the file of U.S. Patent No. 8,738,103 B2 and made available only under the provisions of 37 C.F.R. § 42.74(c).

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