

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS, LLC.,
Petitioner,

v.

QUARTZ AUTO TECHNOLOGIES, LLC,
Patent Owner.

Case IPR2020-01118
Patent 7,370,085 B2

Before KEN B. BARRETT, LYNNE H. BROWNE, and
MIRIAM L. QUINN, *Administrative Patent Judges*.

QUINN, *Administrative Patent Judge*.

ORDER

Granting Motion to Withdraw Petition and Dismissal Prior to Institution of
Trial

37 C.F.R. § 42.5(a), 42.73(a)

I. INTRODUCTION

Unified Patents, LLC., “Petitioner” or “Unified,” filed a Petition requesting *inter partes* review of claims 1–23 of U.S. Patent No. 7,370,085 B2 (“the ’085 patent”). Paper 1 (“Pet.”). Quartz Auto Technologies, LLC (“Patent Owner”) filed a Preliminary Response. Paper 7. We authorized the parties to file a Reply (by Petitioner) and a Sur-Reply (by Patent Owner) to address a real party-in-interest issue and the exercise of discretion to deny the petition under 35 U.S.C. § 314. Paper 11 (“Order”). Subsequently, the parties requested, and we authorized, the filing of a Joint Motion to Dismiss and Terminate this Proceeding. Paper 12 (“Mot. or “Motion”). The Motion states that Unified desires to voluntarily withdraw the Petition and requests that we terminate the proceeding accordingly. We grant the Motion for the reasons that follow.

First, the Board has authority to dismiss a petition upon petitioner’s request to withdraw the petition. The Motion explains that the Board has discretion to grant any petition or motion under 37 C.F.R. § 42.71(a) and § 42.5(a). Mot. 3. The grant of authority under § 42.71(a) refers to the discretion of the Board to decide filed motions and the petition *in any order*. Thus, our rules permit us to grant the Motion and dismiss the petition *before* we decide whether to grant or deny the Petition. As for 37 C.F.R. § 42.5(a), the rule states that the Board may “determine a proper course of conduct in a proceeding for any situation not specifically covered by this part and may enter non-final orders to administer the proceeding.” Because Petitioner’s request is a final order in the administration (e.g., a termination) of this proceeding, § 42.5(a) has limited applicability to the circumstances before

us. That is, we may determine that the Motion must present good cause for the termination of the proceeding under § 42.5(a), but we may only enter a “non-final” order under that rule.

Nevertheless, another Board rule allows for us to enter a *final* order¹ in this proceeding. Although our rule on termination expressly refers to an instituted proceeding or trial, we have broad authority to render *judgment* at the request of a party. *See, e.g.*, 37 C.F.R. § 42.72 (addressing termination of a trial, which is an instituted proceeding, before issuing a final written decision). Specifically, 37 C.F.R. § 42.73(b) allows for a party to “request judgment against itself at any time during a proceeding.” And the definition of “judgment,” according to the Board’s rules, includes “a termination of a proceeding.” *Id.* § 42.2. Therefore, under Rule 42.73(b), we may enter a final order granting Petitioner’s request to voluntarily withdraw the petition as a request for judgment or termination.

Second, Petitioner has shown good cause for its request. Showing good cause, for a voluntary petition withdrawal, may involve providing a reasonable explanation for the change of circumstances and the showing of efficient use of resources by the parties and the Board. Here, as for the explanation, Petitioner asserts that it “seeks to reallocate its budget and resources, including in light of COVID-19 related budget pressures.” Mot. 3. As for use of resources, the Motion states that “[n]either party

¹ According to 37 C.F.R. § 42.2, a “decision is final only if it disposes of all necessary issues with regard to the party seeking judicial review, and does not indicate that further action is required.”

wishes to spend additional resources on this proceeding.” *Id.* The Motion further states that “Patent Owner would not be prejudiced by dismissal and the Board’s subsequent termination of this matter.” *Id.* And finally, the Motion provides “an added reassurance” that “Petitioner has confirmed to Patent Owner telephonically, and confirms to the Board here, that it will not file another challenge against any patent [that] Patent Owner has asserted in district court or on any patents related to those patents.” *Id.* at 4–5

In sum, the Motion explains sufficiently the reasons for the request to withdraw the Petition. And the Motion further explains sufficiently that the Board and the parties will conserve resources because, aside from the obvious results of termination of the instant proceeding, Petitioner confirms that it will not file further challenges involving Patent Owner’s related patents currently involved in district court litigation.

CONCLUSION

This proceeding is at the early stages before institution and Petitioner has shown good cause for its request to withdraw the Petition. Therefore, we grant the Motion and terminate IPR2020-01118.

II. ORDER

Accordingly, it is hereby:

ORDERED that Petitioner’s Motion to Dismiss and Terminate the proceeding is *granted*; and

FURTHER ORDERED that IPR2020-01118 is hereby terminated.

IPR2020-01118
Patent 7,370,085 B2

For PETITIONER:

Ellyar Barazesh
Jessica L.A. Marks
Alyssa J. Holtlander
Roshan Mansinghani
UNIFIED PATENTS, LLC.
ellyar@unifiedpatents.com
jessica@unifiedpatents.com
alyssa@unifiedpatents.com
roshan@unifiedpatents.com

For PATENT OWNER:

Nicholas T. Peters
David Gosse
Timothy Maloney
FITCHEVEN
ntpete@fitcheven.com
dgosse@fitcheven.com
tpmalo@fitcheven.com