



THE FOLLOWING ORDER
IS APPROVED AND ENTERED
AS THE ORDER OF THIS COURT:

A handwritten signature in black ink, appearing to read "Beth E. Hanan", is positioned above the judge's name.

DATED: May 14, 2020

Beth E. Hanan
United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WISCONSIN

In re:

C2R Global Manufacturing, Inc.,
Debtor.

Case No. 18-30182-beh
Chapter 11

**ORDER APPROVING DEBTOR'S PARTIAL SETTLEMENT WITH VERDE
ENVIRONMENTAL TECHNOLOGIES, INC. AND VACATING THE COURT'S
FEBRUARY 20, 2020 DECISION**

C2R Global Manufacturing, Inc. ("C2R") filed this Chapter 11 case on October 29, 2018. Prior to the petition, Verde Environmental Technologies, Inc. ("Verde") had filed a lawsuit against C2R in the United States District Court for the Eastern District of Wisconsin at Case No. 18-cv-004223, asserting claims for patent infringement and false advertising. That lawsuit was automatically stayed when C2R filed for bankruptcy. On August 29, 2019, the Court held a claim construction hearing to determine the meaning and scope of certain terms with respect to the patent claims. While that matter was under advisement, the parties attempted mediation, but their efforts were unsuccessful. On February 20, 2020, the Court issued its 33-page decision construing the disputed claims. Now, C2R brings a motion to approve a settlement with Verde, which resolves the patent claims and preserves the false advertising claims at issue, but is contingent upon the Court vacating its February 20, 2020 decision.

When an action presents more than one claim, Federal Rule of Civil Procedure 54(b) allows decisions that adjudicate fewer than all claims to be

revised or vacated. Courts have the discretion to bless motions to vacate decisions. *See, e.g., Allen-Bradley Co., LLC v. Kollmorgen Corp.*, 199 F.R.D. 316 (E.D. Wis. 2001) (denying motion to vacate order after *Markman* hearing, in part due to public interest in use of judicial resources already incurred). C2R asserts that equity favors vacatur because “this joint request of the parties and their desire to avoid possible preclusive effects” results in benefits “to the parties, the Court, and the bankruptcy estate in conserving limited resources.” ECF Doc. No. 205, at 6. Even if the Court vacates its claim construction order, *In re C2R Global Manufacturing, Inc.*, No. 18-30182-beh, 2020 WL 862808 (Bankr. E.D. Wis. Feb. 20, 2020), whatever instructive or digest¹ guidance it may provide continues to exist. It is now on the internet, available to anyone with a computer. There is a strong public interest in the settlement of litigation to conserve future judicial resources. *Cisco Sys., Inc. v. Telcordia Techs., Inc.*, 590 F. Supp. 2d 828, 830–32 (E.D. Tex. 2008). The parties have expressed their intent to conserve further significant expenditure of resources by engaging in a settlement. Overall, the Court is persuaded that equity does support such a course and that the public interest is served by vacating the February 20, 2020 decision.

Accordingly,

IT IS HEREBY ORDERED that the Debtor’s Motion to Compromise is granted and the Court’s Decision and Order Construing Disputed Claims filed on February 20, 2020 is VACATED.

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¹ *See, e.g., “Layer”*, 1 Annotated Patent Digest § 4:141.100; *Automatic Stay Due to Filing of Bankruptcy Petition*, 6 Annotated Patent Digest § 39:91.