IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF
ILLINOIS EASTERN DIVISION

HOSPIRA, INC. Plaintiff, v. FRESENIUS KABI USA, LLC, Defendants.	C.A. Nos. 1:16-cv-00651 1:17-cv-07903 Hon. Rebecca R. Pallmeyer

FRESENIUS KABI'S OPPOSITION TO
HOSPIRA'S MOTION TO STRIKE INVALIDITY THEORIES

TABLE OF CONTENTS

I. INTRODUCTION

Hospira moves to strike even though Hospira and the Court ***already agreed*** that supplemental contentions could be made, and Fresenius Kabi did so on January 5, consistent with the parties' agreement and the Court's January 4 Order. Hospira has not attempted to meet the high bar of a motion to strike under Rule 12(f), but instead relies upon the wrong standard: cases where there was no prior agreement or court authorization for amended contentions.

While Hospira now asserts that it assumed restrictions on what supplementation should be allowed, (a) its assumptions were never shared nor are they reflected in the Court's January 4 Order and (b) even Hospira's supplemental contentions were not limited by its own newly-asserted assumptions. Moreover, Fresenius Kabi's supplemental invalidity contentions are based on intervening events—not on Hospira's document production date—so they are not late and cause no prejudice to Hospira.

Hospira knew that Fresenius Kabi intended to supplement contentions, but said nothing about any assumed limitation. Indeed, in September 2017—even before the claim construction ruling issued—Fresenius Kabi approached Hospira about amending its contentions. In telephone calls, Hospira agreed that both sides could amend, and that the amendment should happen after the claim construction ruling, to avoid multiple rounds of supplementation. That made sense also because the first fact discovery period had ended earlier in 2017, and the second was not due to begin until after the Court's claim construction ruling issued.

Based on these events, there is actually only one disputed contention: the prior purchases of the dexmedetomidine IND anticipate the claimed invention under various provisions of § 102. It should not be stricken.

II. BACKGROUND

Hospira's timeline in its brief omits major events that occurred between the filing of Final Contentions in July 2016 and the Court's claim construction ruling in November 2017. Hospira omits that, by Local Patent Rule, fact discovery was closed until the claim construction ruling. Hospira also omits that, in the same time period, Hospira had a trial last summer in Delaware on the same patents asserted here, Hospira did not produce expert reports from that trial until September 2017, and the Federal Circuit in another case issued a ruling in May 2017 that materially influenced Fresenius Kabi's invalidity position.

A. Hospira Agreed to Supplementation, Without Restrictions

In August 2017, Hospira was in trial against another party, involving the same patents-in-suit. The parties concluded post-trial briefing in October 2017. Hospira took unanticipated positions in that trial, which affected the validity contentions that Fresenius Kabi previously submitted. For example, in that trial, Hospira addressed its own prior purchase of dexmedetomidine in a glass vial, and argued it was not prior art. But when evaluating that argument, it became clear Hospira was wrong, particularly in view of new case law (as discussed further below). As another example, Hospira argued that patent claims related to the short-term stability of dexmedetomidine in glass really meant "under room temperature conditions" rather than the typical accelerated aging conditions using high temperature and humidity.

Fresenius Kabi, and indeed both parties, consistently maintained that they would supplement contentions, including in view of arguments made in the Delaware Trial. Hospira's time line leaves out that Fresenius Kabi approached Hospira about amending its contentions in ***September 2017***—immediately after the Delaware Trial and even before post-trial briefing was complete. Ex. A, Wallace Email (Sep. 14, 2017).

The Court held a status conference in September 2017 where the parties stated the need to amend contentions based on the events that had occurred since Final Contentions were filed in July 2016. D.I. 65 at 1-2 (Jt. Mtn to Set Status Conference); Ex. B, Hearing Tr. 2:13-3:22 (Sep. 19, 2017). At that time, since discovery was halted until after the Court's claim construction ruling issued, there was no reason to insist upon piecemeal supplementations before and after the ruling. Hospira's position, too, was that contentions could and should be amended after the Court issued the claim construction order.

In November 2017, the parties again discussed and agreed that contentions should be amended to incorporate developments that had occurred since July 2016, including the Delaware trial and two newly asserted patents. Hospira's supplementation had no limitations. Ex. C, Esat Email & Attachment at 6 (Dec. 8, 2017). Again, at the December 2017 status conference before the Court, both parties openly requested leave to freely amend contentions and Hospira still raised no question or limitation. Hospira in fact confirmed the agreement to supplement on the record:

> MR. WALLACE: [. . .] Basically at the beginning of January, Fresenius Kabi would send its -- we would simultaneously exchange their infringement contentions on the new patents, and ***we would propose our invalidity contentions, amending the old contentions and adding in the new patents as well***.
>
> And then that would put us at the end of January for -- or the beginning of February for the responsive contentions. And then at that point, all that would really be left is expert discovery.
>
> MS. HORTON: ***That's actually not at all inconsistent with what Hospira has agreed with Fresenius Kabi***.

Pls.' Ex. 1 (Hearing Tr.) at 8:9–23 (emphasis added).[1] Hospira did not object until after receiving Fresenius Kabi's contentions on January 5. There may have been an internal

[1] Hospira mischaracterizes the December 2017 status conference. Fresenius Kabi did not demand a faster schedule, but informed the Court that following the Local Patent Rules would

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