

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LANNETT HOLDINGS, INC.,
Petitioner,

v.

ASTRAZENECA AB,
Patent Owner.

Case IPR2015-01629
Patent 6,750,237 B1

Before SHERIDAN K. SNEDDEN, ZHENYU YANG, and
CHRISTOPHER G. PAULRAJ, *Administrative Patent Judges*.

YANG, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

INTRODUCTION

On July 28, 2015, Lannett Holdings, Inc. (“Petitioner”) filed a Petition for an *inter partes* review of claims 1–16 of U.S. Patent No. 6,750,237 B1 (“the ’237 patent,” Ex. 1001). Paper 2 (“Pet.”). AstraZeneca AB (“Patent Owner”) timely filed a Preliminary Response. Paper 7 (“Prelim. Resp.”). Thereafter, with our authorization (Paper 9), Petitioner filed a Reply (Paper 10), and Patent Owner filed a Sur-reply (Paper 12), both addressing the issue of whether the Petition is time-barred under 35 U.S.C. § 315(b).

For the reasons provided below, we determine that the Petition is barred under 35 U.S.C. § 315(b). We, therefore, deny the Petition.

RELATED PROCEEDINGS

According to the parties, Patent Owner has previously asserted the ’237 patent against Petitioner in *Impax Laboratories, Inc. v. Lannett Holdings, Inc.*, Case No. 1:14-cv-00984 (D. Del. filed July 25, 2014), and *Impax Laboratories, Inc. v. Lannett Holdings, Inc.*, case No. 1:14-cv-00999 (D. Del. Filed July 30, 2014). Pet. 7; Paper 6, 2. The two cases have been consolidated. Pet. 7; Paper 6, 2.

Petitioner also concurrently filed a petition in IPR2015-01630, seeking an *inter partes* review of U.S. Patent No. 7,220,767 B2, a patent in the same family as the ’237 patent. Pet. 7.

ANALYSIS

Under 35 U.S.C. § 315(b), an *inter partes* review may not be instituted “if the petition requesting the proceeding is filed more than 1 year

after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” Patent Owner asserts that the Petition is barred under 35 U.S.C. § 315(b) because it was filed more than one year after Petitioner was served with an infringement complaint. Prelim. Resp. 1–7. Petitioner contends that (1) the complaint Patent Owner refers to was not properly served; and (2) the district court lacked subject matter jurisdiction over that action. Reply 3–7. As a result, Petitioner argues, the § 315(b) time bar is inapplicable. *Id.* at 1. Based on the record before us, we are not persuaded by Petitioner’s argument.

The following facts are undisputed. On July 25, 2014, AstraZeneca AB, Patent Owner in the instant proceeding, together with the exclusive licensee of the ’237 patent, filed a complaint in district court against Petitioner, alleging infringement of the ’237 patent (“the First Action”). Prelim. Resp. 1–2; Reply 1; Ex. 2001. The complaint states that “AstraZeneca AB is the owner by assignment of the ’237 patent and has the right to sue for infringement thereof.” Ex. 2001 ¶ 24.

On July 30, 2014, the co-plaintiffs in the First Action, joined by AstraZeneca UK Limited, filed another complaint in the same district court against Petitioner, again alleging infringement of the ’237 patent (“the Second Action”). Prelim. Resp. 5; Reply 2; Ex. 2005. This second complaint states that “AstraZeneca AB and AstraZeneca UK Limited own all rights, title, and interest in the ’237 patent and have the right to sue for infringement thereof.” Ex. 2005 ¶ 25. Petitioner was served in the Second Action on July 31, 2014. Ex. 1030.

On September 24, 2014, Petitioner filed a motion to dismiss the First Action for lack of subject matter jurisdiction. Exs. 2007, 2008. In the motion, Petitioner argued that the statement in the Second Action that “AstraZeneca AB and AstraZeneca UK Limited own all rights, title, and interest in the ’237 patent” “constitutes a judicial admission that at least one co-owner of . . . the [’237] patent[] is not a party to the First Action.” Ex. 2008, 5. According to the district court, based on the record evidence in that proceeding, it “cannot tell” whether AstraZeneca UK should have been joined in the First Action. Ex. 2011, 3. As a result, the district court denied Petitioner’s motion to dismiss “without prejudice to its renewal after discovery is complete, should [Petitioner] believe that there then is a point to the motion.” *Id.* In the same Order, the district court consolidated the two actions “FOR ALL PURPOSES.” *Id.* at 1.

The parties dispute whether there was an effective service in the First Action and whether the district court has subject matter jurisdiction over the First Action. Patent Owner argues that on July 25, 2014, the complaint and summons were properly served on CSC Entity Services, LLC, a registered agent authorized to accept service of process on behalf of Petitioner. Prelim. Resp. 3–4 (citing Ex. 2002). Because this service was effected more than one year before the instant Petition was filed on July 28, 2015,¹ Patent Owner asserts, the Petition is barred under § 315(b). *Id.*

¹ Because July 25, 2015 was a Saturday, the one-year date extended to the next business day, on July 27, 2015. *See* 37 C.F.R. § 1.7.

Petitioner does not dispute that CSC is its registered agent in Delaware and that CSC accepted service of the first complaint on July 25, 2014. Reply 3. Petitioner nevertheless contends that the service in the First Action does not comply with Delaware law. *Id.* Specifically, relying on Delaware Title 6, § 18-105, Petitioner argues, because CSC is a limited liability company, service must be made by delivery “*personally to any manager*” of CSC. *Id.* The Proof of Service, however, shows CSC, instead of an individual, as having accepted service. *Id.* at 3–4 (citing Ex. 2002). As a result, Petitioner asserts, “there was no service of the first complaint, the time bar of § 315(b) was not triggered.” *Id.* at 4.

Petitioner is the defendant in the First Action. Thus, it is the entity status of Petitioner, and not its registered agent for accepting service, that dictates the proper procedure for service of process. Petitioner is a corporation. Ex. 2027. Delaware Title 6, § 18-105, the statute Petitioner relies on, addresses “Service of process on domestic limited liability companies.” Thus, on its face, it does not apply to service on Petitioner, which is not a limited liability company. Petitioner also does not cite any authority under Delaware law applying this statute to a limited-liability-company agent receiving service on behalf of a corporation. We, therefore, are not persuaded by Petitioner’s argument, which is based on this inapplicable statute.

In Delaware, service of process on a corporation “shall be made by delivering a copy personally to . . . the registered agent of the corporation” 8 Del. C. § 321. Petitioner does not argue that the July 25, 2014 service fails to comply with this applicable statute. Thus, the mere

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