IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARGENTUM PHARMACEUTICALS LLC, Petitioner,

v.

RESEARCH CORPORATION TECHNOLOGIES, INC., Patent Owner.

Case No. IPR2016-00204 Patent No. RE 38,551

DECLARATION OF CHRISTOPHER A. VELLTURO, PH.D. IN SUPPORT OF PATENT OWNER RESPONSE



Table of Contents

			Page(s)
I.	Intro	oduction and Summary	1
	A.	Qualifications and Experience	2
	B.	Evidence Considered	3
	C.	Summary of Opinions	3
II.	BAC	CKGROUND	5
	A.	Epilepsy	5
	B.	Demand for AED Treatments	6
	C.	Supply of AEDs	7
III.	CON	MMERCIAL SUCCESS ANALYSIS	9
	A.	Revenues	10
		1. Absolute	10
		2. Shares	10
	B.	Units (Prescriptions)	12
		1. Absolute	13
		2. Shares	13
IV.		IPAT®'s Commercial Success Is Due in Significant Part to the ms of the '551 Patent	15
	A.	The '551 Patent Covers Lacosamide	16
	B.	VIMPAT®'s Commercial Success Is Not Attributable to Excessive Marketing Spend Levels	17
	C.	VIMPAT®'s Commercial Success Is Not Due to Aggressively Low Pricing	20



V.	The Prior Existence of IP (or Potential IP) Relating to Lacosamide Did Not Represent a "Blocking Patent" Issue		
	A.	Overview	. 21
	В.	IP Rights Relating to the Kohn Compounds Were Available From RCT in the Early 1990s, When Formative Work Leading to the '551 Patent Was Being Undertaken	. 23
	C.	IP Rights Governing Lacosamide Remained Available Through Harris Throughout the Late 1990s – These Opportunities Were Rejected by Pharmaceutical Companies	. 26
	D.	Economic Skepticism	. 34



I, Christopher A. Vellturo, hereby declare and state as follows:

I. Introduction and Summary

- I have been retained as a consultant on behalf of Research Corporation Technologies, Inc. ("RCT"), the patent owner in the present proceeding. understand that the petition names Argentum Pharmaceuticals LLC ("Argentum") as the petitioner, and that Intelligent Pharma Research LLC, APS GP LLC, and APS GP Investors LLC have been identified as real parties-in-interest. I further understand that KVK-TECH, Inc. has also been identified as a potential real partyin-interest. I have no financial interest in, or affiliation with, the petitioner, the identified actual or potential real parties-in-interest, or the patent owner. Quantitative Economic Solutions, LLC, a consulting firm of which I am the founder and president, is being compensated for my work at my usual and customary consulting rate of \$850.1 QES's compensation is not dependent upon the outcome of, or my testimony in, the present inter partes review or any litigation proceedings.
 - 2. I have been asked to evaluate the commercial success of the drug



1

¹ QES is also compensated for the time spent on this matter by persons working at my direction. Those rates are generally lower than my hourly rate.

lacosamide – marketed by UCB, Inc. ("UCB") as VIMPAT® – and the extent to which VIMPAT®'s commercial success is causally linked to the patent claims in U.S. Patent No. RE 38,551 ("the '551 patent").

A. Qualifications and Experience

- 3. My qualifications and experience relevant to the issues in this proceeding are summarized below. My *curriculum vitae* is submitted herewith as Exhibit 2133.
- 4. I am the founder and president of Quantitative Economic Solutions, LLC, a microeconomic consulting firm. I received a Doctor of Philosophy degree (Ph.D.) in Economics from the Massachusetts Institute of Technology in Cambridge, Massachusetts in 1989. My fields of specialization include industrial organization and econometrics.
- 5. I have extensive experience in the valuation of intellectual property and in the assessment of economic injury/damages sustained as a result of copyright, trademark, and/or patent infringement. Industries that I have studied in this context include: pharmaceutical products, over-the-counter medications and instruments, medical devices, consumer products, computer hardware and software, and semiconductors. I have also evaluated pharmaceutical patent issues in the context of commercial success and injunctive relief considerations on



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

