

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DR. REDDY'S LABORATORIES, LTD. AND
DR. REDDY'S LABORATORIES, INC.,
Petitioners,

v.

MONOSOL RX, LLC
Patent Owner.

Case No. IPR2016-01111
Patent No. 8,603,514

**PATENT OWNER'S REQUEST FOR REHEARING
UNDER 37 C.F.R. § 42.71(d)**

I. INTRODUCTION

Patent Owner, MonoSol Rx, LLC, respectfully requests rehearing under 37 C.F.R. § 42.71(d) for reconsideration of the Decision Denying Patent Owner’s Motion for Additional Discovery (“Decision Denying Discovery”; Paper No. 9) with respect to Patent Owner’s second Request for Production. The Board stated that “authorizing the second . . . Request[] would be unproductive” because “Petitioner represents that no responsive documents exist. Opp. 18” Paper 9, p. 8.

Patent Owner respectfully submits that the Board misapprehended Petitioner’s carefully crafted response to the second Request for Production (“Second Request”). Petitioner’s Opposition (Paper 8) at page 18 does not state that no responsive documents exist, but rather, addresses only correspondence or communications related to selected items, *i.e.*, term sheets, letters of intent, common interest agreements, or other agreements related to the “‘definitive agreement’ referenced in Petitioner’s June 11, 2016 press release (the ‘Agreement’).” Paper 8, pp. 17-18. Notably absent from Petitioner’s response is correspondence or communications related to the Agreement itself, or drafts of the Agreement, all of which fall within the scope of the Second Request and would have come into existence in the months leading up to the August 3, 2016 press release (Ex. 1042) announcing the successful acquisition of Teva’s ANDAs. Correspondence or communications related to the Agreement, or to drafts of the Agreement, dated prior to the filing of the present

petition, would be indicia that privity existed between Teva and Petitioner at that time, but Petitioner has made no representations whether these documents exist. Ex. 2001, 24:14-26:23; Paper 8, pp. 17-18. Accordingly, Patent Owner requests the Board to authorize the Second Request with respect to correspondence or communications related to the Agreement or drafts of the Agreement.

Patent Owner submits that the present request is timely filed, within fourteen days of the Decision Denying Discovery in accordance with 37 C.F.R. § 42.71(d)(1).

II. STATEMENT OF RELIEF REQUESTED

Patent Owner requests that the Board reconsider the Decision Denying Discovery, and authorize the Second Request with respect to correspondence or communications related to the Agreement or drafts of the Agreement.

III. STANDARD OF REVIEW

A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed” 37 C.F.R. § 42.71(d). “When rehearing a decision on petition, the panel will review the decision for an abuse of discretion.” 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a “decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.” *PPG Indus. Inc. v. Celanese Polymer Specialties Co. Inc.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988) (citations omitted).

IV. ARGUMENT

A. Petitioner Never Addresses Correspondence or Communications Related to the Agreement or Drafts of the Agreement

The Second Request seeks, in relevant part, “[c]orrespondence or communications related to (a) the agreements or term sheets identified in category (1) above,” where category (1) is “[t]he ‘definitive agreement’ referenced in Petitioner’s June 11, 2016 press release (*the ‘Agreement’*), any *drafts of the Agreement*, any term sheets or letter of intent related to the Agreement, and any common interest or other agreement related to the Agreement.” Paper 7, p. 17 (emphasis added). The Board stated that “authorizing the second . . . Request[] would be unproductive” because “Petitioner represents that no responsive documents exist. Opp. 18” Paper 9, p. 8. However, Petitioner’s response to the Second Request omits any reference to *the Agreement or drafts of the Agreement*, stating only that “no correspondence or communications directed to terms sheets or letters of intent exist,” and that “[n]o common interest agreements or other agreements related to the Agreement prior to the execution of the ‘definitive agreement’ identified in category (1) exist.” Paper 8, pp. 17-18. Nowhere does Petitioner’s response to the Second Request ever mention correspondence or communications related to the Agreement or drafts of the Agreement, much less represent that no such documents exist.

Patent Owner sought clarification from Petitioner regarding the response to the Second Request in light of the Board’s understanding that “Petitioner represents that

no responsive documents exist.” Paper 9, p. 8. In particular, Patent Owner requested confirmation that Petitioner represents that no documents responsive to the Second Request exist, and to confirm that no correspondence or communications related to the Agreement or drafts of the Agreement exist. Ex. 2014 (email correspondence between Patent Owner and Petitioner dated September 8-9, 2016). Petitioner “decline[d] to comment” on the Board’s understanding that “Petitioner represents that no responsive documents exist,” or provide any response regarding the existence of correspondence or communications related to the Agreement or drafts of the Agreement. *Id.*

B. The Board Misapprehended the Response to the Second Request and Overlooked that the Documents Petitioner Fails to Address Would be Indicia of Privity Prior to the Filing of the Petition

Patent Owner respectfully submits that the Board misapprehended the response to the Second Request when stating that “Petitioner represents that no responsive documents exist.” Paper 9, p. 8. As explained above, nowhere does Petitioner’s response to the Second Request ever mention correspondence or communications related to the Agreement or drafts of the Agreement, much less represent that no such documents exist. And Petitioner’s refusal to clarify the accuracy of the Board’s understanding is telling. To this day, Petitioner has never represented that no preliminary documents (*e.g.*, drafts of the Agreement or

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