Paper 13 (IPR2016-01111) Paper 13 (IPR2016-01112)

Entered: October 31, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

Petitioner,

v.

MONOSOL RX, LLC,

Patent Owner.

Case IPR2016-01111 (Patent 8,603,514 B2) Case IPR2016-01112 (Patent 8,017,150 B2)

Before ERICA A. FRANKLIN, TINA E. HULSE, and CHRISTOPHER G. PAULRAJ, *Administrative Patent Judges*.

FRANKLIN, Administrative Patent Judge.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71(d)



I. INTRODUCTION

In each of the captioned proceedings, MonoSol RX, LLC ("Patent Owner") requests reconsideration of the Decision Denying Patent Owner's Motion for Additional Discovery. Paper 11 ("Reh'g Req.").

In the Decision, we addressed Patent Owner's request to serve four Requests for Production of documents relating to agreements and communications between Dr. Reddy's Laboratories, Ltd. and Dr. Reddy's Laboratories, Inc. (collectively, "Petitioner") and Teva Pharmaceuticals USA, Inc. ("Teva") concerning Petitioner's acquisition from Teva of a portfolio of Abbreviated New Drug Applications ("ANDAs") for buprenorphine HCl/naloxone HCl oral film, i.e., a generic version of Suboxone® Film. Paper 9 ("Dec."). Upon considering Patent Owner's Motion, Petitioner's Opposition to the Motion ("Opp."), and the evidence of record, we determined that Patent Owner did not meet its burden of showing that additional discovery was in the interest of justice. Dec. 8. Accordingly, we denied the Motion.

In the Rehearing Request, Patent Owner seeks reconsideration of our Decision only with respect to its proposed second Request for Production. Reh'g Req. 1.

II. ANALYSIS

Patent Owner's first proposed Request for Production is directed to the "definitive agreement" between Petitioner and Teva referenced in Petitioner's June 11, 2016 press release ("the Agreement"), along with "any drafts of the Agreement, any term sheets or letter of intent related to the Agreement, and any common interest or other related agreements." Mot. Appendix 1. The second proposed Request for Production is directed to



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"Correspondence or communications related to (a) the agreements or term sheets identified in category (1) above or (b) the Suboxone® Film-related ANDAs." *Id*.

Patent Owner asserts that the Board misapprehended Petitioner's response to the second Request for Production in Petitioner's Opposition to the Motion for Additional Discovery. Reh'g. Req. 1 (citing Dec. 8 and Paper 8, 18). In the Decision, we stated that "Petitioner represents that no responsive documents exist" with respect to the second Request for Production. Dec. 8. Specifically, notwithstanding its objections to the Request, Petitioner responded to the second Request for Production by stating that "no correspondence or communications directed to terms sheets or letters of intent exist. No common interest agreements or other agreements related to the Agreement prior to the execution of the 'definitive agreement' identified in category (1) exist." Opp. 18.

Patent Owner asserts that Petitioner's response did not address the entire scope of the second Request for Production. Reh'g. Req. 1. In particular, Patent Owner asserts that "absent from Petitioner's response is correspondence or communications related to the Agreement itself, or drafts of the Agreement ... [which] 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." *Id.* According to Patent Owner, those items, "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." *Id.* at 1–2.



As we discussed in the Decision, Dec. 5–6, Petitioner explained in response to the first Request for Production that none of the requested agreements, or drafts thereof executed on or before May 31, 2016 exist. Opp. 17. May 31, 2016 is the date that Petitioner filed its petitions in these proceedings. In the Decision, we explained, among other things, that, generally, the Board has considered the relationship between entities alleged to be in privity at the time of the service of the complaint and that Patent Owner has not alleged privity existed between Petitioner and Teva at that time. Dec. 7. We explained further that "[e]ven accepting arguendo that Petitioner's acquisition of Teva's ANDAs . . . established privity between Petitioner and Teva, Patent Owner has not proffered persuasive evidence that indicia of privity existed at any time prior to the filing of the present Petition." Id. (citing Taylor v. Sturgell, 553 U.S. 880, 893–95 (2008)). Those reasons alone support our determination that Patent Owner has failed to demonstrate that the proposed additional discovery would uncover something useful in support of its contention that Petitioner and Teva were in privity at the relevant time.

Thus, we are not persuaded that our Decision should be modified based upon Patent Owner's assertion that Petitioner's response to the second Request for Production leaves open the possibility that correspondence or communications, dated prior to May 31, 2016, relating to the later-executed agreements, or drafts thereof, *may* exist and provide something useful to support Patent Owner's contention that privity existed between Petitioner and Teva on or before the filing date of the Petitions. Reh'g. Req. 6. As we stated in the Decision, "Patent Owner's evidence and argument in support of



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its discovery requests fail to demonstrate more than a mere possibility or mere allegation that something useful will be found." Dec. 7.

III. CONCLUSION

For the reasons discussed above, we conclude that Patent Owner has not met its burden of showing that our Decision should be modified. *See* 37 C.F.R. § 42.71(d) ("The burden of showing a decision should be modified lies with the party challenging the decision.).

IV. ORDER

In accordance with the foregoing, it is hereby:

ORDERED that Patent Owner's Request for Rehearing is denied.

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