

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PAR PHARMACEUTICAL, INC.,
Petitioner,

v.

NOVARTIS AG,
Patent Owner.

Case IPR2016-01479
Patent 9,006,224 B2

Before LORA M. GREEN, CHRISTOPHER L. CRUMBLEY, and
ROBERT A. POLLOCK, *Administrative Patent Judges*.

CRUMBLEY, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

On August 15, 2017, Patent Owner Novartis contacted the Board via electronic mail, requesting the opportunity to address allegedly improper new arguments and untimely evidence filed with Petitioner Par's Reply

(Paper 21). Par sent a responsive email later the same day, contending that Novartis' email inappropriately contained substantive argument and opposing Novartis' request. We have considered the parties' emails and agree with Par that Novartis' original request contained substantive argument, which is inappropriate for emails to the Board. As noted in *Westlake Servs., LLC v. Credit Acceptance Corp.*, CBM2014-00008 (PTAB Aug. 12, 2014) (Paper 48):

[T]he email requesting a conference call should copy the other party, indicate generally the relief being requested or the subject matter of the conference call, state whether the opposing party opposes the request, and include multiple times when all parties are available. The email may not contain substantive argument and, unless otherwise authorized, may not include attachments.

Id. at 6–7.

Nevertheless, without considering the content of the parties' substantive arguments, we authorized Novartis to file a short sur-reply not to exceed five pages, due on or before Due Date 3. We informed the parties that the sur-reply “may substantively address the evidence and arguments submitted with the Reply, or explain why the evidence and arguments are untimely. No new evidence may be submitted with the sur-reply.” Ex. 3001, 4.

On August 25, 2017, Novartis again contacted the Board requesting further clarification. Specifically, Novartis asked whether the sur-reply may cite the cross-examination testimony of Par's expert witness, obtained during a deposition scheduled for August 28, 2017. Novartis also enquired as to the proper scope of observations on cross-examination. Citing *LG Elecs., Inc. v. ATI Techs. ULC*, IPR2015-00325 at 4 (PTAB Jan. 25, 2016)

(Paper 52), Novartis contended that it should be permitted to file observations on any issues not addressed in its sur-reply, because observations are intended for issues on which a party obtains cross-examination testimony after its final substantive brief.

Also on August 25, 2017, Par sent the Board a responsive email, citing the companion case of *LG Elecs., Inc. v. ATI Techs. ULC*, IPR2015-00326 at 3 (PTAB Feb. 4, 2016) (Paper 32) and arguing that Novartis must make a choice between filing a sur-reply and filing observations, and should not be permitted to file both.

Again, we note the substantive nature of the parties' emails, which are inappropriate for communications sent to the Trials@uspto.gov mailbox. Such emails should be used to request conference calls with the Board or simple authorization to file a paper, without substantive argument. If the Board wishes to hear argument on the issues noted in the email, it will arrange a conference call or authorize briefing. This time only, and in the interest of a complete record, the Board has entered the email communications regarding this matter in the record as Exhibit 3001. Both parties are cautioned that further substantive emails to the Board run the risk of being disregarded, or other sanctions may be imposed.

As indicated in our August 31, 2017, email to the parties, we determined that Novartis could rely on the cross-examination testimony of Par's expert witness in its sur-reply in the course of making arguments within the previously authorized scope of "substantively address[ing] the evidence and arguments submitted with the Reply, or explain[ing] why the evidence and arguments are untimely." Furthermore, we determined that

Novartis may file both a sur-reply and observations, but that it could not avail itself of both opportunities on the same issue; the observations may only address issues on which Novartis did not file the last substantive paper on the merits.

Finally, we noted that if Novartis chooses to file both a sur-reply and observations, the number of pages permitted for the observations shall be reduced by a page for each page used in the sur-reply. In other words, the total number of pages used for the sur-reply and observations shall be no more than 15.

On September 5, 2017, Novartis filed the authorized sur-reply. Including the signature block, the sur-reply was six pages¹ long. Novartis will be permitted nine pages for its observations.

In light of the foregoing, it is hereby:

ORDERED that Patent Owner was authorized to file, on or before Due Date 3, a sur-reply not to exceed five (5) pages, subject to the requirements set forth above; and

FURTHER ORDERED that if Patent Owner chooses to file both a sur-reply and observations on cross-examination, the observations shall not exceed nine (9) pages.

¹ Pursuant to 37 CFR § 42.24(a), the page limit does not include a table of contents, a table of authorities, mandatory notices under §42.8, a certificate of service or word count, or appendix of exhibits or claim listing. Signature blocks, however, are not excluded. Though we will excuse Novartis slightly exceeding the five pages granted for the sur-reply here, we will deduct an additional page from those allotted for its observations.

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