

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ACRUX DDS PTY LTD., ACRUX LIMITED, and
ARGENTUM PHARMACEUTICALS LLC,
Petitioners,

v.

KAKEN PHARMACEUTICAL CO., LTD. and
VALEANT PHARMACEUTICALS INTERNATIONAL, INC.,
Patent Owners.

Case IPR2017-00190¹
U.S. Patent No. 7,214,506

**JOINT MOTION TO TERMINATE PROCEEDING AND REQUEST TO
TREAT SETTLEMENT AGREEMENT AS BUSINESS CONFIDENTIAL
INFORMATION AND BE KEPT SEPARATE
PURSUANT TO 35 U.S.C. § 317 AND 37 C.F.R. § 42.72 & 42.74**

¹ Case IPR2017-01429 has been joined with the instant proceeding.

Pursuant to 35 U.S.C. § 317 and 37 C.F.R. §§ 42.74 & 42.74, Patent Owners Kaken Pharmaceutical Co., Ltd. and Bausch Health Companies Inc. (formerly known as Valeant Pharmaceuticals International, Inc.) (“Patent Owners”) and Petitioners Acrux DDS PTY Ltd. and Acrux Ltd. (“Acrux”) respectfully jointly request termination of the *inter partes* review of U.S. Patent No. 7,214,506 (“the ’506 Patent”), Case No. IPR2017-00190, which is on remand from the United States Court of Appeals for the Federal Circuit, and further jointly request that the Settlement Agreement between the parties, filed concurrently herewith, be treated as business confidential information, be kept separate from the file of the involved ’506 Patent, and be made available only as permitted pursuant to the provisions of 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

I. No Petitioners Remain in this Remanded IPR

This IPR is pending before the Board after the Federal Circuit vacated, reversed, and remanded the initial Final Written Decision. *Kaken Pharm. Co., Ltd. v. Bausch Health Co. Inc.*, 952 F.3d 1346 (Fed. Cir. 2020). After the Board issued the Final Written Decision on June 6, 2018 finding the claims of the ’506 Patent invalid (Paper No. 80), Patent Owners filed a Notice of Appeal to the Federal Circuit. (Paper No. 86). Petitioner Argentum did not enter an appearance at the Federal Circuit and no longer remains in this resultant remanded proceeding. *Kaken Pharm. Co., Ltd. v. Bausch Health Co. Inc.*, No. 18-2232, D.E. 23 (Fed. Cir. Oct. 23, 2018)

(“Official caption revised to reflect lack of appearance on behalf of Argentum Pharmaceuticals LLC.”). After Patent Owners filed their initial brief at the Federal Circuit, but before appellee’s brief was due, Petitioner Acrux and Patent Owners settled their dispute involving the ’506 Patent. *See* Confidential Exhibit 2204. Days later, congruent with the settlement agreement, Petitioner Acrux submitted a Notice of Non-Participation in the appeal. *Kaken Pharm. Co., Ltd. v. Bausch Health Co. Inc.*, No. 18-2232, D.E. 35 (Fed. Cir. April 4, 2019) (“Appellees Acrux DDS Pty Ltd. and Acrux Limited hereby give notice that they will not participate in this appeal and will not file an Appellees’ brief.”); D.E. 36 (revising caption to remove Acrux DDS Pty Ltd. and Acrux Limited).² After the Federal Circuit issued the Order reflecting Petitioner Acrux’s withdrawal, the U.S. Patent and Trademark Office (“the PTO”) intervened in the appeal.

On March 13, 2020, the Federal Circuit vacated the Board’s Final Written Decision and remanded the case back to the Board. *Kaken*, 952 F.3d 1346. The PTO did not petition for rehearing at the Federal Circuit and the deadline for such

² A Stipulated Dismissal and Injunction was entered against Petitioner Acrux DDS Pty Ltd. in a district court action involving the ’506 Patent. *Valeant Pharms. N.A. LLC v. Acrux DDS Pty Ltd.*, Case No. 18-cv-14194, D.E. 27 (D.N.J. April 10, 2019). Petitioner Argentum was not involved at the district court. The ’506 Patent is also being asserted in district court actions that do not involve any Petitioners. *In re Jublia*, Case No. 18-cv-13635 (D.N.J.); *Valeant Pharms. N.A. LLC v. Mylan Pharms Inc.*, Case No. 18-cv-184 (N.D.W.Va.)

petition expired on April 27, 2020. The Federal Circuit mandate issued May 4, 2020. The Board has not yet issued a Final Written Decision in the remanded case. On May 11, 2020, the Board authorized Patent Owners and Petitioner Acrux to file (1) this joint motion to terminate and (2) a joint request that the settlement agreement be treated as business confidential information under 37 C.F.R. § 42.74(c).

II. Termination Is Appropriate

Under 35 U.S.C. § 317(a), “[i]f no petitioner remains in the *inter partes* review, the Office may terminate the review or proceed to a final written decision under section 318(a).” *See also* 37 C.F.R. § 42.74 (“[t]he parties may agree to settle any issue in a proceeding . . .”); § 42.72 (“The Board may terminate a trial without rendering a final written decision, where appropriate, including where the trial is consolidated with another proceeding or pursuant to a joint request under 35 U.S.C. 317(a) or 327(a).”).

Termination of the proceeding is appropriate because no dispute remains between the Parties and the Board has not issued a final written decision in this remanded proceeding. Patent Owners and Petitioner Acrux have settled their dispute involving the ’506 Patent (*see* Confidential Exhibit 2204). Petitioner Argentum

withdrew from the proceeding while the case was before the Federal Circuit.³ Patent Owners and Petitioner Acrux jointly support termination of these proceedings.

III. Treat Settlement Agreement as Business Confidential Information

Pursuant to 37 C.F.R. § 42.74(b), a true and unredacted copy of the written settlement agreement between Patent Owners and Petitioner Acrux is filed herewith as Confidential Exhibit 2204. There are no other agreements or understandings between the Parties made in connection with, or in contemplation of, the termination of this proceeding. Patent Owners and Petitioner Acrux hereby jointly request that the settlement agreement be treated as business confidential information, be kept separate from the file of the involved '506 Patent, and be made available only to Federal Government agencies on written request, or to any person on a showing of good cause pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c).

³ Counsel for Petitioner Argentum was contacted regarding this motion on April 22, 2020. To date, Petitioner Argentum has not provided a position regarding this motion or a timeframe in which it will.

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