

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ACRUX DDS PTY LTD. & ACRUX LIMITED,  
Petitioner,

v.

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

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Case IPR2017-00190  
Patent 7,214,506 B2

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Before ERICA A. FRANKLIN, SUSAN L. C. MITCHELL, and  
ROBERT A. POLLOCK *Administrative Patent Judges.*

MITCHELL, *Administrative Patent Judge.*

ORDER

*Stay of Reissue Application No. 15/405,171*  
*37 C.F.R. 42.3(a); 37 C.F.R. § 4.122(a)*

Before institution of the instant *inter partes* proceeding, Kaken Pharmaceutical Co., Ltd. and Valeant Pharmaceuticals International, Inc. (collectively, “Petitioner”) requested authorization to file a motion to stay Reissue Application No. 15/405,171 (“the ’171 Reissue Application”), which involves that patent at issue here, U.S. Patent No. 7,214,506 (“the ’506 Patent”). Paper 11, 2. At that time, we agreed with Patent Owner that a motion for a stay of the reissue proceeding would be premature, but invited Petitioner to renew its request to file a motion to stay should an *inter partes* review be instituted. *Id.* at 3.

On May 1, 2017, we instituted an *inter partes* review of claims 1 and 2 of the ’506 Patent based on six grounds. Paper 12, 24. Petitioner renewed its request for authorization to file a motion for a stay, and we granted such authorization. Paper 16, 2. Petitioner filed its Motion to Stay Related Reissue Proceeding, which Patent Owner opposed. Papers 19, 21, 22. For the reasons stated below, the Board exercises its discretion to stay examination of the ’171 Reissue Application.

#### DISCUSSION

The Director has authority to stay a reissue proceeding pursuant to 35 U.S.C. § 315(d), which provides:

(d) MULTIPLE PROCEEDINGS.— Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of an *inter partes* review, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the *inter partes* review or other proceeding or matter may proceed, including providing for stay, transfer, consolidation, or termination of any such matter or proceeding.

37 C.F.R. § 42.122 permits the Board to enter an order to effect a stay as follows:

(a) *Multiple Proceedings*. Where another matter involving the patent is before the Office, the Board may during the pendency of the *inter partes* review enter any appropriate order regarding the additional matter including providing for the stay, transfer, consolidation, or termination of any such matter.

37 C.F.R. § 42.122(a); *see also* 37 C.F.R. § 42.3 (providing the Board authority to exercise exclusive jurisdiction within the Office over an involved application and patent during the proceeding).

As Patent Owner correctly points out, ordinarily we will not stay a reissue application unless good cause is shown because reissue applications are accorded special status. *See Bio-Rad Labs., Inc. v. GE Healthcare Bio-Sciences AB*, Case IPR2015-01826, slip op. at 2–3 (PTAB April 8, 2016) (paper 18) (citing MPEP § 1442). In this case, however, Petitioner has shown good cause to stay the reissue application.

A stay may be warranted to avoid duplicating efforts in the Office, to avoid potentially inconsistent results, or to simplify the issues in a reissue application. *See Hewlett-Packard Co. v. MCM Portfolio LLC, Case*, Case IPR2013-00217, slip op. at 2–3 (PTAB May 10, 2013) (paper 8). Here all three reasons support staying prosecution of the reissue application.

As Petitioner points out and Patent Owner agrees, reissue claims 1 and 2 are essentially identical to claims 1 and 2, respectively, of the '506 patent at issue in this proceeding. Paper 19, 2; Paper 21, 2 (stating “[o]nly claims 1 and 2 are substantively identical to the two claims at issue in this IPR). Proceeding with concurrent examination of the '171 Reissue Application and this *inter partes* review would duplicate the efforts of the Office at least as to claims 1 and 2 involved in each proceeding and could potentially result in inconsistencies between the two proceedings. Also, any final written

decision in this *inter partes* review with respect to the patentability of the challenged claims may simplify the issues in the reissue application.<sup>1</sup>

Based upon the facts presented in the instant proceeding and in the '171 Reissue Application, the Board exercises its discretion under 35 U.S.C. § 315(d) and 37 C.F.R. § 42.122(a), and orders that examination of the '171 Reissue Application be stayed pending the termination or completion of the instant proceeding.

### ORDER

It is

ORDERED that examination of Reissue Application 15/405,171, filed on January 12, 2017, is stayed pursuant to 37 C.F.R. §§ 42.3 and 42.122 pending the termination or completion of IPR2017-00190; and

FURTHER ORDERED that any due dates in Reissue Application 15/405,171 are tolled.

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<sup>1</sup> In opposition to Petitioner's good cause showing, Patent Owner focuses its argument on the 31 new claims of varying scope in the '171 Reissue Application "that are not at issue in this IPR and which raise new issues of patentability not raised here." Paper 21, 1. Because we find that the overlap between claims 1 and 2 of the '506 Patent and the '171 Reissue Application prompts us to exercise our discretion to stay examination of the '171 Reissue Application, we need not analyze further the issues raised concerning whether claims 3–33 are patentably distinct from claims 1 and 2 of the '506 patent as resolution of these issues in favor of Patent Owner would not overcome the good cause shown for staying the '171 Reissue Application. See Paper 19, 2–33; Paper 21, 2–5; Paper 22, 1–3.

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For PETITIONER:

E. Anthony Figg  
Aydin H. Harston  
ROTHWELL FIGG, ERNST & MANBECK, P.C.  
[effig@rothwellfigg.com](mailto:effig@rothwellfigg.com)  
[aharston@rothwellfigg.com](mailto:aharston@rothwellfigg.com)

For PATENT OWNER:

John D. Livingstone  
Naoki Yoshida  
Anthony Hartmann  
FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER, LLP  
[KakenIPR@finnegan.com](mailto:KakenIPR@finnegan.com)  
[naoki.yoshida@finnegan.com](mailto:naoki.yoshida@finnegan.com)  
[hartmana@finnegan.com](mailto:hartmana@finnegan.com)

Toan P. Vo  
VALEANT PHARMACEUTICALS NORTH AMERICA LLC  
[Toan.vo@bausch.com](mailto:Toan.vo@bausch.com)