

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE PATENT TRIAL AND APPEAL BOARD

APOTEX INC., APOTEX CORP., and,

ARGENTUM PHARMACEUTICALS LLC

Petitioners,

v.

NOVARTIS AG.,

Patent Owner.

Case IPR2017-00854

Patent 9,187,405 B2

Teleconference

August 25, 2017

1:00 p.m.

Transcript of Proceedings

Apotex v. Novartis
IPR2017-00854
NOVARTIS 2020

Page 2

1
 2 APPEARANCES:
 3
 4 Presiding:
 5 The Honorable ROBERT A. POLLOCK,
 Administrative Patent Judge
 6
 7 Attorneys for Petitioner:
 STEVEN W. PARMELEE, ESQ.
 8 MICHAEL T. ROSATO, ESQ.
 Wilson Sonsini Goodrich & Rosati
 9 701 Fifth Avenue, Suite 5100
 Seattle, WA 98104-7036
 10 Email: sparmellee@wsgr.com
 mrosato@wsgr.com
 11
 12 Attorneys for Patent Owner:
 JANE M. LOVE, PhD
 13 ANDREW BLYTHE, ESQ.
 Gibson, Dunn & Crutcher, LLP
 14 200 Park Avenue
 New York, New York 10166-0193
 15 Email: jlove@gibsondunn.com
 ablythe@gibsondunn.com
 16
 17 ALSO PRESENT:
 JUDGE LORA M. GREEN
 18 JUDGE CHRISTOPHER N. KAISER
 * * *
 19
 20
 21
 22
 23
 24
 25

Page 3

1
 2 HON. POLLOCK: I am Judge
 3 Pollock along with Judges Green and
 4 Kaiser. This is a pretrial conference
 5 for IPR2017-00854 requested by Patent
 6 Owner Novartis. We also received a
 7 Patent Owner's list of proposed
 8 motions which we presume forms the
 9 basis for this call. I would like to
 10 start with a roll call. Who do I have
 11 on for Patent Owner Novartis?
 12 MS. LOVE: Good afternoon, Your
 13 Honor. This is Jane Love from Gibson
 14 Dunn, lead patent counsel for
 15 Novartis, Patent Owner.
 16 HON. POLLOCK: Who do I have on
 17 for Petitioner Apotex?
 18 MR. PARMELEE: Good morning,
 19 Your Honor. This is Steve Parmelee
 20 for Apotex, and I believe I also have
 21 Mike Rosato.
 22 Mike, are you there?
 23 MR. ROSATO: Yes, I am here.
 24 MR. PARMELEE: Okay, thank you.
 25 HON. POLLOCK: Good afternoon.

Page 4

1
 2 Is there anyone on the line for
 3 Petitioner Argentum? Okay.
 4 And is there a court reporter
 5 today?
 6 THE COURT REPORTER: Yes, good
 7 afternoon. Lisa Sansone from
 8 Veritext.
 9 HON. POLLOCK: Good afternoon,
 10 Lisa.
 11 We ask the party engaging the
 12 court reporter to file a copy as an
 13 exhibit when it becomes available.
 14 Ms. Love, I believe you have
 15 called this conference, please begin.
 16 MS. LOVE: Thank you, Your
 17 Honor. So I thought I would just move
 18 down the list of proposed motions as
 19 they appear in the paper that we
 20 filed. The first one is a request for
 21 authority to file a motion to amend
 22 the claim. This is something we get
 23 of right, but is concluded here
 24 because I know that the Board wants us
 25 to confer with you before we proceed.

Page 5

1
 2 HON. POLLOCK: Okay, very good.
 3 MS. LOVE: Should I move on?
 4 HON. POLLOCK: Please.
 5 MS. LOVE: So the second one is
 6 a motion for a protective order and in
 7 this case, Your Honor, we have
 8 inventors of this patent that are in
 9 Switzerland. There may be a point
 10 that comes along in the case where we
 11 may need to deal with documents coming
 12 out of Switzerland and for that
 13 reason, we have given to the
 14 Petitioners in this case a draft
 15 amended -- a revised protective order
 16 that adds to the default protective
 17 order, some additional language to
 18 expressly deal with privacy laws.
 19 HON. POLLOCK: Okay.
 20 MS. LOVE: And we have not yet
 21 heard back from Apotex, but we only
 22 sent it a few days ago. But if we can
 23 reach agreement, we want authority to
 24 be able to submit a stipulated
 25 protective order in the case.

Page 6

1
2 HON. POLLOCK: Very good. And I
3 presume we don't have an issue until
4 we know whether or not we have an
5 agreement, correct?
6 MS. LOVE: That is correct, Your
7 Honor.
8 HON. POLLOCK: And number three?
9 MS. LOVE: Number three is a
10 request to extend the word limit for
11 Patent Owner's submission by we would
12 request 439 extra words. And I can
13 explain the basis for the request.
14 HON. POLLOCK: Precisely 439?
15 MS. LOVE: Well, yes, Your
16 Honor. I will explain why. So in
17 going through more carefully the two
18 petitions that we have which are
19 almost substantially identical,
20 Argentum and Apotex, one member of our
21 team noted that they in a number of
22 cases, hundreds of cases ran together
23 the abbreviation of an Exhibit EX
24 period or EX along, right next to,
25 adjacent to the numbers that identify

Page 7

1
2 the number of the exhibits. And I had
3 noticed this when we first went
4 through it, and it turns out that
5 there has been a number of cases that
6 the Board has decided on this exact
7 issue of Petitioners doing that and
8 some other evasions of the word limit
9 in order to give themselves more space
10 in order to make the argument in the
11 petition.
12 And here we looked at Apotex's
13 petition which had as we counted 304
14 extra words and Argentum's petition
15 had 439 extra words. And we would
16 request that the Board allow us to
17 elongate our filing by 439 extra
18 words, that being the larger of the
19 two.
20 And I point out as well that
21 Argentum had actually been a party in
22 another IPR, and that is IPR number
23 2016-00204, where there was an issue
24 regarding the exact same manipulation
25 as the Board called it there

Page 8

1
2 concerning putting the number adjacent
3 to the EX abbreviation for exhibits.
4 And in that case, they were not
5 pleased, but they chose not to impose
6 penalties on the Petitioner's reply in
7 this case.
8 But I would submit since
9 Argentum has already seen that the
10 Board is not in agreement with that
11 type of abbreviation but that they
12 went forward and did it in this case
13 that they should now be penalized by
14 allowing us to have additional words.
15 HON. POLLOCK: You want a tit
16 for tat punishment as it were. You
17 don't have anything particular you
18 want to say, you just want more words
19 because they had more words?
20 MS. LOVE: Well, I think that is
21 the very minimum for fairness here if
22 there was further punishment
23 especially for Argentum who clearly
24 had notice of this infraction. And,
25 you know, leave it to the Board to

Page 9

1
2 decide what the punishment could be.
3 Certainly striking the last 439 words
4 of their petition is one possibility,
5 as it is for Apotex their last 304
6 extra words is another possibility.
7 Of course striking the petition
8 completely is a third possibility.
9 HON. POLLOCK: We will take that
10 under advisement. How about number
11 four?
12 MS. LOVE: Number four, Your
13 Honor, concerns Ground 3 in this case.
14 Ground 3, if you will recall is
15 instituted based on a reference for
16 Kovarik that was published in 2010.
17 It is a reference that is after the
18 initial filing date in this case. And
19 the 405 patent arises from a series, a
20 short series of a PCT, well, a
21 priority date from a foreign
22 application but then a PCT followed by
23 a continuation, followed by a
24 divisional. And, therefore, I don't
25 think it's disputed that the

Page 10

1
2 application in each of the filing is
3 substantially identical.
4 And here there was an amendment
5 that was submitted several months
6 after the last filed application in
7 this case which is application
8 14257342 which was filed on April 21,
9 2014. Several months after that date,
10 an amendment was put on file by the
11 applicant which for the first time
12 introduced negative limitation which
13 is really an issue -- one of the
14 issues that the Board analyzes in the
15 institution decision, whether or not
16 that negative limitation has written
17 description support under 112 in the
18 application itself.
19 And the Board came to the
20 conclusion that there was a question
21 of whether or not Patent Owner did
22 have 112 written description support
23 and instituted this ground by focusing
24 on this last filing date of April 21,
25 2014 and determining that the Kovarik

Page 11

1
2 reference was before that date and,
3 therefore, would be considered prior
4 art. And we would like authority to
5 file a motion to terminate Ground 3 on
6 the basis that the analysis under 112
7 is outside the scope of 35 U.S. Code
8 311(b) and that requires that "a
9 Petitioner in an inter partes review
10 may request to cancel as unpatentable
11 one or more claims of a patent only on
12 the grounds that could be raised under
13 Section 102 or 103 and only on the
14 basis of prior art consisting of
15 patent or printed publications."
16 We would argue that this ground
17 is a combination of a 112 and then a
18 102 ground, and it's not, therefore,
19 only on Section 102 and 103 or 103.
20 HON. POLLOCK: Dr. Love, you
21 made this argument in the Patent Owner
22 preliminary response, correct?
23 MS. LOVE: We referred -- well,
24 we made an argument that was very
25 short that pointed out that we

Page 12

1
2 believed that the 112 piece of the
3 analysis was really the issue of the
4 ground and, therefore, thought that it
5 was outside the scope of 311b, yes,
6 Your Honor.
7 HON. POLLOCK: So why can't you
8 make this in the Patent Owner's
9 response particularly if we were to
10 give you 439 extra words to do it
11 with? Why do you need a motion?
12 MS. LOVE: Because we believe
13 that it takes a little more space and
14 analysis then we would want to give up
15 in our actual paper and because this
16 is a statutory issue, a jurisdictional
17 issue, we believe that we are taking
18 away from the short amount of time and
19 the short amount of space that Patent
20 Owner has in order to defend the
21 patentability of the claims in this
22 patent.
23 We have two other grounds and
24 this particular one Ground 3 is really
25 we believe not a meritorious issue

Page 13

1
2 that we need to argue about but rather
3 a jurisdictional one. And indeed we
4 believe the authority prejudiced us
5 because we've had to spend time during
6 these three months to figure out by
7 doing the requisite research and
8 looking at the Board's precedent, as
9 well as the federal circuit precedent
10 that we believe this fact pattern is
11 actually outside the scope of 311b.
12 HON. POLLOCK: Very good.
13 Number five.
14 MS. LOVE: Number five, Your
15 Honor, is to preserve our rights in
16 case the United States Supreme Court
17 finds that IPRs as a whole are
18 unconstitutional. So we would like
19 authority to preserve the record in
20 this case that we would seek on
21 similar grounds a motion to dismiss
22 the entire proceeding as
23 unconstitutional.
24 HON. POLLOCK: All right. Are
25 you aware of any other panel of the

Page 14

1
2 Board granting such a motion in any
3 other case?
4 MS. LOVE: I'm not, Your Honor.
5 HON. POLLOCK: Anything else
6 before Petitioner has a say?
7 MS. LOVE: No, Your Honor.
8 HON. POLLOCK: All right. Mr.
9 Parmelee, are you speaking for
10 Petitioner Apotex?
11 MR. PARMELEE: Yes, I am, Your
12 Honor. Thank you. Do you want me to
13 just go through the list and respond
14 to these comments?
15 HON. POLLOCK: That would be
16 fine.
17 MR. PARMELEE: Okay, thank you.
18 Number one, the motion to amend, I
19 don't think I've heard a reason
20 articulated, but I assume the Board
21 will want to inquire further on that
22 after we get done speaking.
23 The second one, the motion for a
24 protective order and the motion to
25 seal it looks to me like in the draft

Page 15

1
2 that I have seen there's a lot more
3 changes from the standard default
4 protective order. And so we are
5 having to go through and analyze the
6 differences and we'll be back in touch
7 with Patent Owner to see why those
8 other changes are needed.
9 The third point, the motion to
10 extend the Patent Owner word limit, I
11 guess that is premised on the fact
12 that we cite to exhibits, our practice
13 is to use EX and then the number. I
14 don't know that the Board requires a
15 particular format, but so it does seem
16 to be like a tit for tat as Your Honor
17 mentioned. They already get 14,000
18 words, the same that we had in our
19 petition. Plus if they are
20 envisioning filing a motion to amend,
21 they get another 25 pages.
22 So I really don't think -- and I
23 would point out again in their POPR,
24 they didn't even come close to using
25 all of their word limit that they had.

Page 16

1
2 They only used 11,700 words out of the
3 14,000 they had available to them. So
4 we would oppose this request, and we
5 don't think what we have done is an
6 attempt to evade a word limit at all.
7 The motion, number four, the
8 motion to terminate Ground 3 is
9 outside the scope of the statute. We
10 think that Patent Owner addressed this
11 in the POPR. The Board had already
12 considered it and has instituted on
13 that ground. We think there's plenty
14 of precedent for allowing this ground
15 to continue and, therefore, we would
16 oppose such a motion for the Board
17 to -- if we oppose the request then we
18 would oppose such a motion.
19 And the motion to dismiss based
20 on constitutional rights, again
21 consistent with Your Honor, we have
22 not seen any motions like this before
23 the Board, so we would ask that this
24 not be -- that the Patent Owner not be
25 provided with an opportunity to

Page 17

1
2 separately address this. There's
3 surely room in one of the documents
4 that they intend to file that allow
5 them to preserve this argument. And
6 that is all I have, Your Honor.
7 HON. POLLOCK: Okay. Dr. Love,
8 any final words?
9 MS. LOVE: Yes, Your Honor. As
10 to the motion to extend the word
11 limits, there are a couple of other
12 cases where the Board has in various
13 circumstances considered sanctions
14 regarding the spacing conduct using EX
15 adjacent to the numbers. And one is
16 in Axon which is IPR2017-00375.
17 Another is Snap-on Tool, case IPR
18 2015-01242. And a third is EMC Corp.
19 IPR2017-00429. And that shows that
20 the Board has a number of cases
21 identified what is the accepted normal
22 spacing pursuant to 37 CFR 42.6a2 ii
23 and that the collapsing of the exhibit
24 and the number is something that the
25 Board deems to be unusual.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.