

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARGENTUM PHARMACEUTICALS LLC,
Petitioner,

v.

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

Case IPR2017-01429
Patent 7,214,506 B2

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

MITCHELL, *Administrative Patent Judge.*

DECISION
Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

Argentum Pharmaceuticals LLC (“Patent Owner”) filed a Petition requesting an *inter partes* review of claims 1 and 2 of U.S. Patent No. 7,214,506 B2 (Ex. 1001, “the ’506 patent”). Paper 2 (“Pet.”). Patent Owner Kaken Pharmaceutical Co., Ltd. and Valeant Pharmaceuticals International, Inc. (collectively, “Patent Owner”) waived filing a Preliminary Response. Paper 9 (“Waiver”).

We have authority to determine whether to institute an *inter partes* review under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a). To institute an *inter partes* review, we must determine that the information presented in the Petition shows “a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). For the reasons set forth below, we conclude that Petitioner has established a reasonable likelihood that it would prevail in showing the unpatentability of each of the challenged claims of the ’506 patent. Therefore, we institute an *inter partes* review for claims 1 and 2 of the ’506 patent on the grounds identified in the Order section of this Decision.

A. Related Proceedings

Petitioner identifies *Acrux DDS Pty Ltd. v. Kaken Pharmaceutical Co., Ltd.*, IPR2017-00190 (PTAB) (“Acrux IPR”) involving the ’506 patent to which Petitioner seeks joinder. Pet. 1. Petitioner further states that the grounds asserted in this Petition “are consistent with those presented in the Acrux IPR and on which the Board instituted IPR of the challenged claims.” *Id.* at 3.

In IPR2017-00190, we instituted an *inter partes* review of claims 1 and 2 based on the following grounds.

References	Basis	Claims Challenged
JP '639 ¹ and Ogura ²	§ 103(a)	1 and 2
'367 Patent ³ and Ogura	§ 103(a)	1 and 2
Hay ⁴ and Ogura	§ 103(a)	1 and 2
JP '639 and Kaken Abstracts ⁵	§ 103(a)	1 and 2
'367 Patent and Kaken Abstracts	§ 103(a)	1 and 2
Hay and Kaken Abstracts	§ 103(a)	1 and 2

Petitioner filed a Motion for Joinder, seeking to join the instant proceeding with the Acrux IPR. Paper 3 (“Mot.”). In a separate decision, we grant Petitioner’s Motion for Joinder, joining the instant proceeding with IPR2017-00190, and terminating the instant proceeding.

¹ Yoichi Ohta and Yukari Tsutsumi, Japanese Pat. App. Pub. No. 10-226639, pub. Aug. 25, 1998 (Ex. 1011, “JP '639”).

² Hironobu Ogura et al., *Synthesis and Antifungal Activities of (2R,3R)-2-Aryl-1-azolyl-3-(substituted amino)-2-butanol Derivatives as Topical Antifungal Agents*, 47 CHEM. PHARM. BULL. 1417–25 (1999) (Ex. 1012, “Ogura”).

³ Teresa J. DeVincentis et al., U.S. Patent No. 5,391,367, issued Feb. 21, 1995 (Ex. 1013, “367 patent”).

⁴ R.J. Hay, R.M. Mackie, and Y.M. Clayton, “Tioconazole nail solution—an open study of its efficacy in onychomycosis,” 10 CLIN. AND EXPERIMENTAL DERMATOLOGY 111–15 (1985) (Ex. 1014, “Hay”).

⁵ H. Ogura et al., “KP-103, a Novel Topical Antifungal Triazole: Structure-Activity Relationships of Azolylamine Derivatives,” ABSTRACTS OF THE 36TH ICAAC F78 (1996); Y. Tatsumi et al., “In Vitro Activity of KP-103, a Novel Topical Antifungal Triazole,” ABSTRACTS OF THE 36TH ICAAC F79 (1996); Y. Tatsumi et al., “Therapeutic Efficacy of KP-103, a Novel Topical Antifungal Triazole, on Experimental Superficial Mycosis,” ABSTRACTS OF THE 36TH ICAAC F80 (Ex. 1015, collectively, “Kaken Abstracts”).

Petitioner also identifies as a related matter U.S. Patent Application No. 15/405,171, a reissue application for the '506 patent. *Id.*

B. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability, which are identical to the grounds on which we instituted trial in IPR2017-00190:

References	Basis	Claims Challenged
JP '639 and Ogura	§ 103(a)	1 and 2
'367 Patent and Ogura	§ 103(a)	1 and 2
Hay and Ogura	§ 103(a)	1 and 2
JP '639 and Kaken Abstracts	§ 103(a)	1 and 2
'367 Patent and Kaken Abstracts	§ 103(a)	1 and 2
Hay and Kaken Abstracts	§ 103(a)	1 and 2

II. ANALYSIS

A. Claim Construction

Although neither Petitioner in this Petition nor the petition in IPR2017-00190 expressly construes any claim term, both rely on the express definition of a claim term, “nail,” in the '506 patent. *Compare* Pet. 6-7, with '190 Pet. 6-7. We construed this claim term in IPR2017-00190. *See* '190 Dec. 8. For the purposes of the instant decision, we incorporate our previous analysis, *see* '190 Dec. 6–9, and apply that claim construction here.

B. Obviousness over the Ogura with JP '639, the '367 patent, or Hay

In its Petition, Petitioner asserts the same three grounds of unpatentability based on Ogura with either JP '639, the '367 patent, or Hay, as that on which a trial was instituted in IPR2017-00190. *See* Pet. 4; '190 Dec. 11–18, 25. Petitioner's arguments are substantively identical to the

arguments made by Petitioner in IPR2017-00190, including identical claim charts for each ground. *Compare* Pet. 23–42, *with* ’190 Pet. 21–40.

Petitioner also proffers the same Declaration of Kenneth A. Walters, Ph.D., that Petitioner submitted in support of the ’190 Petition, *compare* Ex. 1105, *with* IPR2017-00190, Ex. 1005, in addition to a Declaration of Maurizio Del Poeta, M.D, *see* Ex. 1047. Dr. Del Poeta testifies that he agrees “in all material respects with the analysis and opinions set forth by Acrux’s expert, Dr. Walter, in the declaration that was submitted in the Acrux IPR and share[s] the same opinions” Ex. 1047 ¶ 17.

We incorporate our previous analysis regarding the three asserted grounds of unpatentability based on Ogura with either JP ’639, the ’367 patent, or Hay (’190 Dec. 11–18), and determine that Petitioner has demonstrated a reasonable likelihood of prevailing on those three grounds of unpatentability.

*C. Obviousness over Kaken Abstracts with
JP ’639, the ’367 patent, or Hay*

Petitioner also asserts the same three grounds of unpatentability based on the Kaken Abstracts with either JP ’639, the ’367 patent, or Hay, as that on which a trial was instituted in IPR2017-00190. *See* Pet. 4; ’190 Dec. 18–25. Petitioner’s arguments are substantively identical to the arguments made by Petitioner in IPR2017-00190, including identical claim charts for each ground. *Compare* Pet. 42–57, *with* ’190 Pet. 40–62. Petitioner again relies on the same Declaration of Dr. Walters relied upon in the ’190 Petition, *compare* Ex. 1105, *with* IPR2017-00190, Ex. 1005, as well as the

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