

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WATSON LABORATORIES, INC.

Petitioner

v.

UNITED THERAPEUTICS CORP.

Patent Owner

Patent No. 9,358,240

Issue Date: June 7, 2016

Title: TREPROSTINIL ADMINISTRATION BY INHALATION

Inter Partes Review No. 2017-01621

**PATENT OWNER REQUEST FOR REHEARING
UNDER 37 C.F.R. § 42.71**

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I. INTRODUCTION

United Therapeutics Corporation (“Patent Owner”) respectfully requests, under 37 C.F.R. § 42.71(c) and (d), that the Patent Trial and Appeal Board (“Board”) reconsider its decision instituting trial on additional grounds because that decision is based on a misinterpretation of *SAS Institute Inc. v. Iancu*, 584 U.S. ___, 138 S. Ct. 1348 (2018) and improperly institutes review based on references that are not patents or printed publications under 35 U.S.C. § 311(b). Specifically, the Board entered an Order on April 30, 2018 (Paper 42, hereinafter “Order”) modifying the Decision Instituting *Inter Partes* Review of U.S. Patent No. 9,358,240 (“the ’240 patent”), entered January 11, 2018 (Paper 10, hereinafter “Decision”). The Decision instituted trial as to whether claims 1–9 of the ’240 patent would have been obvious over Voswinckel, Patton, and Ghofrani (Ground 1). The Order modifies the Decision to institute trial as to whether claims 1-9 of the ’240 patent would have been obvious over two additional grounds:

- 1) Voswinckel, Patton, and the OptiNeb Manual (Ground 2); and
- 2) Voswinckel, Ghofrani, and the EU Community Register (Ground 3).

In so doing, the Board interpreted *SAS* to require a final written decision on all grounds in a petition. Order, 2. Yet *SAS* requires a final written decision not on all grounds, but rather on all challenged *claims*, which will be achieved without instituting trial on the additional grounds. In addition, and as an independent basis

for rehearing, the two additional grounds rely on two new references that are not prior art patents or printed publications, contrary to 35 U.S.C. § 311(b), and thus cannot be the subject of a final written decision.

II. LEGAL STANDARD

A party may request rehearing of a Board institution decision. 37 C.F.R. § 42.71(d). “The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” 37 C.F.R. § 42.71(d). The Board will review the previous decision for an abuse of discretion. 37 C.F.R. § 42.71(c). “An abuse of discretion may be indicated if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors.” *Palo Alto Networks, Inc. v. Juniper Networks, Inc.*, IPR2013-00369, Paper 39, 2–3 (PTAB Feb. 14, 2014) (citing *Star Fruits S.N.C. v. United States*, 393 F.3d 1277, 1281 (Fed. Cir. 2005)).

III. ARGUMENT

A. The Supreme Court’s decision in *SAS* did not require the Board to institute trial on the additional grounds

In the Order, the Board modifies the Decision to institute on all grounds identified in the Petition “[p]ursuant to the holding in *SAS*.” Order, 2. The holding in *SAS*, however, did not impose any such requirement. Rather, *SAS* held that “the

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