Filed: February 8, 2019

UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD
MYLAN PHARMACEUTICALS INC.
and
DR. REDDY'S LABORATORIES, INC.,
Petitioners
V.
HORIZON PHARMA USA, INC. and NUVO PHARMACEUTICALS (IRELAND) DESIGNATED ACTIVITY COMPANY,
Patent Owners.
Case No. IPR2017-01995 ¹ U.S. Patent No. 9,220,698
SUPPLEMENTAL BRIEF ON APPLICABILITY OF

¹ Petitioner Dr. Reddy's Laboratories, Inc. ("DRL"), from IPR2018-00894, has been joined as a Petitioner to this proceeding.

CLICK-TO-CALL TECHNOLOGIES, LP V. INGENIO, INC.



Mylan respectfully submits this supplemental brief to address whether the Federal Circuit's decision in *Click-to-Call Technologies, LP v. Ingenio, Inc.*, 899 F.3d 1321 (Fed. Cir. 2018) warrants reversal of the Board's repeated prior decisions concluding that Mylan's Petition is not time-barred under 35 U.S.C. § 315. The answer to that question is unequivocally no. The relevant facts² are as follows:

- **February 19, 2016.** Mylan filed an answer and counterclaims to Patent Owners' second amended complaint in "Case 2" (Case No. 15-3327 (D.N.J.)), which included counterclaims for declarations of invalidity and non-infringement of the '698 patent. Ex. 2005.
- March 7, 2016. Patent Owners answered these counterclaims, but did not assert any affirmative claims or file an amended complaint. Ex. 2006.
- August 25, 2016. Mylan was for the first time served with a complaint alleging infringement of the '698 patent, filed and served in "Case 3" (Case No. 16-4921 (D.N.J.)). Paper No. 34 at 3.
- **February 23, 2017.** The district court dismissed without prejudice Mylan's counterclaims regarding the '698 patent in Case 2. Ex. 1047.
- August 24, 2017. Mylan petitioned for *inter partes review* of the '698 patent and was accorded an August 24, 2017 filing date.

² The dispute here relates only to Petitioner Mylan Pharmaceuticals Inc.



On the facts above, Patent Owners have twice pressed that Mylan's Petition is time barred, first, in their preliminary response (Paper No. 10 at 10), and again in a request for rehearing of the institution decision (Paper No. 24). The Board has twice (correctly) rejected that theory. *See* Paper Nos. 18 & 34.

In its institution decision, the Board concluded that the Petition was not time-barred because Mylan's February 2016 counterclaims were dismissed without prejudice. Paper No. 18 at 12-13. This without-prejudice dismissal "place[d] the parties in a position as if the action was never filed." *Id.* at 13. While the Board's ultimate decision rested on the nature of the dismissal, the Board also noted a second reason the petition was not time barred: "Patent Owner does not direct us to any persuasive authority to support the proposition that § 315(a) was intended to apply to a counterclaim challenging the validity of patent claims where the patent is not the subject of the complaint." *Id.* Indeed, as noted by the Board, a counterclaim challenging validity simply "is not a civil action." *Id.* at 12.

The Board later affirmed its ruling in denying Patent Owners' request for rehearing. Paper No. 34 at 4-5. The crux of Patent Owners' argument was that the counterclaims were not dismissed without prejudice, but instead consolidated into a later-filed case, and thus the bars of both § 315(a) and (b) applied. *See* Paper No. 24 at 1, 8. In denying the request for rehearing, the Board not only disagreed that the counterclaims were, in fact, consolidated into the later-filed case, but also



appropriately made clear that the Patent Owners "did not assert that Petitioner infringed the '698 patent" and "did not file a complaint against [Mylan] alleging infringement of the '698 patent in the earlier case" Paper No. 34 at 3-5.3

Click-to-Call does not warrant a departure from the Board's repeated prior decisions. In Click-to-Call, the Federal Circuit held that § 315(b)'s time bar applies "when an IPR petitioner was served with a complaint for patent infringement more than one year before filing its petition, but the district court action in which the petitioner was so served was voluntarily dismissed without prejudice." 899 F.3d at 1328 n.3. In other words, under Click-to-Call, while § 315(b) requires both (1) a complaint and (2) service of a complaint to start the time-bar clock, events transpiring after service (e.g., dismissal) do not set the clock back. See id. at 1330-36. As to what constitutes a complaint and service thereof, the Click-to-Call court found that the words of the statute were unambiguous. Id. at 1330. The term "complaint" means "[t]he initial pleading that starts a civil action and states the basis for . . . the plaintiff's claim." Id. (quoting Black's Law Dictionary 323 (9th ed. 2009)). The common meaning of "serve" is "[t]o make legal delivery of (a notice or process)." Id. (quoting Black's Law Dictionary 1491 (9th ed. 2009)); see also id. ("[t]o present (a person) with a notice or process as

³ Patent Owners also asserted that DRL's petition is barred, IPR2018-00894, Paper No. 8 at 1-2; the Board again disagreed, *id.*, Paper No. 10 at 5 n.4.



required by law," ... "[t]he formal delivery of a writ, summons, or other legal process" (quoting Black's Law Dictionary 1491 (9th ed. 2009)).

Properly applied, Click-to-Call does not detract from—but supports—the propriety of institution here. Under Click-to-Call, Patent Owners' answer to Mylan's counterclaim was not "serv[ing] a complaint alleging infringement of the patent" on Mylan, as required under 35 U.S.C. § 315(b). Paper No. 16 at 2; Paper No. 34 at 3-4. "[T]he phrase 'served with a complaint' has a specific legal connotation synonymous with formal delivery of a complaint in a civil action." Amkor Tech., Inc. v. Tessera, Inc., IPR2013-00242, 2014 WL 2864151 (P.T.A.B. Jan. 31, 2014), Paper No. 98 (cited with approval in Click-to-Call); Click-to-Call, 899 F.3d at 1330 ("§ 315(b)'s time bar is implicated once a party receives notice through official delivery of a complaint in a civil action, irrespective of subsequent events"). Patent Owners' answer fulfills neither requirement—Patent Owners filed no complaint, let alone served a complaint on Mylan, as expressly required by § 315(b). And, unlike the patent owner in St. Jude Medical, Cardiology Div., Inc. v. Volcano Corp., IPR2013-00258, Paper 29 (P.T.A.B. Oct. 16, 2013), Patent Owners here did not file an amended complaint or raise affirmative '698 patent counterclaims in Case 2. Paper No. 34 at 3-5. Mylan thus was not "served with a complaint alleging infringement of a patent" until August 25, 2016, less than one



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