

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MYLAN PHARMACEUTICALS INC.,
Petitioner,

v.

HORIZON PHARMA USA, INC. and NUVO PHARMACEUTICALS
(IRELAND) DESIGNATED ACTIVITY COMPANY,¹
Patent Owners.

Case IPR2017-01995² (Patent 9,220,698 B2)
Case IPR2018-00272 (Patent 9,393,208 B2)

¹ Pozen Inc. (“Pozen”) was initially identified as a patent owner in this proceeding. *See, e.g.*, Paper 1, caption. On August 31, 2018, we suspended all deadlines in these proceedings after Pozen filed a Suggestion of Bankruptcy (Paper 8). Case IPR2017-01995 (“1995 IPR”) Paper 51. On January 4, 2019, Petitioner Mylan Pharmaceuticals Inc. filed an order from the bankruptcy court approving the sale of certain of Pozen’s assets, including U.S. Patent Nos. 9,220,698 B2 (“the ’698 patent”) and 9,393,208 B2 (“the ’208 patent”), which lifted the automatic stay of this proceeding. *See* 1995 IPR Ex. 1051. On January 16, 2019, we received Mandatory Notices identifying Nuvo Pharmaceuticals (Ireland) Designated Activity Company (“Nuvo”) as a real party-in-interest in this proceeding. 1995 IPR Paper 54. Nuvo also filed an Amended Power of Attorney appointing certain practitioners “to transact all business in the [Office] associated with *inter partes* review of” the ’698 and ’208 patents. 1995 IPR Paper 55, 1; Case IPR2018-00272 (“the 272 IPR”) Paper 17, 1. Accordingly, we modify the original case caption to reflect the change in ownership of the ’698 and ’208 patents. The parties shall use the modified caption for filings in this proceeding from this date forward.

² Petitioner Dr. Reddy’s Laboratories, Inc., from IPR2018-00894, has been joined as a Petitioner to this proceeding.

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Before TONI R. SCHEINER, MICHELLE N. ANKENBRAND, and
DEBRA L. DENNETT, *Administrative Patent Judges*.

DENNETT, *Administrative Patent Judge*.

ORDER³
Conduct of the Proceeding
37 .C.F.R § 42.5

A conference call in the above proceedings was held on January 24, 2019, between respective counsel for the parties and Judges Scheiner, Ankenbrand, and Dennett. The purpose of the conference was to discuss: (1) changes to the Scheduling Order as a result of the bankruptcy court’s sale order, which lifted the stay of these proceedings; (2) whether the parties desired additional briefing as to the effect of the Federal Circuit’s decision in *Click-to-Call Technologies, LP v. Ingenio, Inc.*, 899 F.3d 1321 (Fed. Cir. 2018) (“*Click-to-Call*”) on our decision to institute review in the 1995 IPR; and (3) Horizon Pharma Inc.’s request for authorization to file a motion to terminate these proceedings (and related proceeding Case IPR2018-01341).

Scheduling Order Changes

We first discussed with counsel for the parties a new schedule for the proceedings now that the automatic stay has been lifted. The parties agreed that we should hold the oral hearing in both proceedings on the same date. We instructed the parties to meet and confer, and to file a jointly proposed schedule for each proceeding no later than February 1, 2019.⁴ The proposed schedule shall include a hearing date of early- to mid-June, 2019.

³ This order applies to both cases. The parties are not authorized to use this style heading in subsequent papers without prior Board authorization.

⁴ Patent Owners filed a Response to the Petition in the 1995 IPR, but have not yet

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Additional Briefing Addressing Click-to-Call in the 1995 IPR

In the Preliminary Response to the Petition in the 1995 IPR, Patent Owners argued that the Petition was barred under 35 U.S.C. §§ 315(a) and (b), based on Petitioner’s counterclaim asserting invalidity of the ’698 patent in district court litigation concerning patents other than the ’698 patent and Patent Owners’ answer to that counterclaim. 1995 IPR Preliminary Response 1, 10–12. We did not reach the § 315 issues in the Decision to Institute (Paper 18, “Decision” or “Dec.”) because Petitioner voluntarily dismissed without prejudice the counterclaim related to the ’698 patent, and we found that the voluntary dismissal placed the parties in a position as if the action had never been filed. Dec. 13–15.

After we issued the Decision, the Federal Circuit issued its decision in *Click-to-Call*, holding that the statutory time bar of 35 U.S.C. § 315(b) applies to bar institution of an *inter partes* review proceeding, even if the infringement action was voluntarily dismissed without prejudice. 899 F.3d at 1329. Although the facts in the 1995 IPR differ from those in *Click-to-Call*, we find that the similarity of issues warrants additional briefing on the applicability of §§ 315(a) and (b) to the 1995 IPR in light of the Federal Circuit’s decision. Therefore, Petitioners and

filed a Response to the Petition in the 272 IPR. The parties should allow sufficient time for the Patent Owners’ Response in the 272 IPR (DUE DATE 1), and then provide the same dates for DUE DATES 2–7, so that both proceedings can proceed on the same schedule. Further, although DUE DATE 4 of the original schedule in each proceeding permits observations regarding the cross-examination of reply witnesses (“observations”), *see* 1995 IPR Paper 19, 6, the parties should replace the observations with a Patent Owner Sur-Reply by DUE DATE 3, in accordance with the August 2018 updated to the Office Patent Trial Practice Guide. *See* Office Patent Trial Practice Guide, August 2018 Update, 83 Fed. Reg. 39,989 (Aug. 13, 2018).

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Patent Owners may file a brief in support of their position, of no more than five (5) pages, by close of business (5:00 PM ET) on February 8, 2019.

Motion to Terminate

In advance of the conference, the Board received an email communication from Horizon seeking authorization to file a motion to terminate these proceedings and related proceeding Case IPR2018-01341. Attachment 1 (copy of email).

During the conference, Patent Owners represented that Petitioners argued in the co-pending district court litigation that the claims of the '698 and '208 patents are invalid as indefinite, and that the district court agreed, granting summary judgment of invalidity. Patent Owners contended that Petitioner should not be permitted to take an opposing position in these proceedings. Thus, Patent Owners argued that they should be permitted to file a motion to terminate these proceedings.

Petitioners opposed Patent Owners' request, pointing to our Decision on Institution in each of these proceedings, which applied the asserted prior art to the challenged claims of the '698 and '208 patents. Petitioner also pointed out that Patent Owners had not yet stated whether they would appeal the district court's decision and argued that it would be inappropriate to terminate these proceedings if Patent Owners were to appeal the district court's decision because that decision would not be final.

After having considered the parties' arguments, and based upon the facts and circumstances presented, we *grant* Patent Owners' request for authorization to file the motion, subject to the following deadlines and pages limits. Patent Owners' may file a motion to terminate, of no more than ten (10) pages, by close of business (5:00 PM ET) on February 8, 2019. Petitioner may file a response to the motion, of no more than ten (10) pages, by close of business (5:00 PM ET) on February 22, 2019.

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ORDER

It is

ORDERED that the parties meet and confer, and file a jointly proposed Scheduling Order on or before February 1, 2019, in accordance with the guidance set forth herein, and which shall include a proposed hearing date in early to mid-June, 2019;

FURTHER ORDERED that either party desiring to file a brief on the applicability of 35 U.S.C. §§ 315(a) and (b) shall file such brief, of no more than five (5) pages, by close of business (5:00 PM ET) on February 8, 2019;

FURTHER ORDERED that Patent Owners may file a motion to terminate, of no more than ten (10) pages, by close of business (5:00 PM ET) on February 8, 2019; and

FURTHER ORDERED that Petitioner may file a response to the motion to terminate, of no more than ten (10) pages, by close of business (5:00 PM ET) on February 22, 2019.

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