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Paper 14
Date: June 12, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MYLAN PHARMACEUTICALS INC.,
Petitioner,

v.

BRISTOL-MYERS SQUIBB COMPANY and PFIZER INC.,
Patent Owner.

Case IPR2018-00892
Patent 9,326,945 B2

Before SHERIDAN K. SNEDDEN, ZHENYU YANG, and KRISTI L. R. SAWERT, *Administrative Patent Judges.*

SNEDDEN, *Administrative Patent Judge*.

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

I. INTRODUCTION

Petitioner Mylan Pharmaceuticals Inc. filed a Petition requesting *inter partes* review of claims 1–38 of U.S. Patent No. 9,326,945 B2 (Ex. 1001). Paper 2 ("Pet."). The Petition identifies Mylan Pharmaceuticals Inc., Mylan Inc., and Mylan N.V. as the only real parties-in-interest. Pet. 1. The relationship between the entities is described in the Petition as follows:

> The real parties-in-interest are Mylan Pharmaceuticals Inc., the Petitioner in this matter and a wholly owned subsidiary of Mylan Inc.; Mylan Inc., which is an indirectly wholly owned subsidiary of Mylan N.V.; and Mylan N.V.

Id.

In an email correspondence sent to the Board on June 8, 2018, counsel for Patent Owner requested a conference call seeking permission to file a motion for additional discovery related to the questions of:

whether Mylan N.V. is properly listed as a real-party-in-interest; and

whether at least Mylan Holdings Ltd. and Mylan Holdings Inc. are real-parties-in-interest.

A telephone conference was held among respective counsel for the parties and Judges Snedden, Yang, and Sawert on June 11, 2018. During the conference call, Patent Owner argued that it was in possession of information purporting to show that two other companies, Mylan Holdings Ltd. and Mylan Holdings Inc., sit between Mylan Pharmaceuticals Inc. and/or Mylan Inc. in the corporate group structure. Patent Owner noted that Petitioner named Mylan N.V. as a real-party-in-interest and argued that the two identified holding companies must also be real-parties-of-interests as a matter of corporate law, unless an agreement was in place between Mylan

N.V. and Mylan Pharmaceuticals Inc. and/or Mylan Inc. that accounts for the indirect ownership.

Petitioner stated that Mylan N.V. exerts no influence or control over this proceeding, was only added as a real-party-in-interest out of an abundance of caution, and done so specifically in an attempt to avoid harassment with discovery requests. Petitioner further noted that Mylan Holdings Ltd. and Mylan Holdings Inc. are merely non-operational holding companies and have no ability to exert influence or control over this proceeding.

II. DISCUSSION

A. Additional discovery

Our procedures are designed "to secure the just, speedy, and inexpensive resolution of every proceeding" and thus provide for limited discovery during *inter partes* reviews. 37 C.F.R. §§ 42.1(b), 42.51. "The test for a party seeking additional discovery in an *inter partes* review is a strict one." *Symantec Corp. v. Finjan, Inc.*, Case IPR2015-01545, slip op. at 4 (PTAB Dec. 11, 2015) (Paper 9). Additional discovery may be ordered if the party moving for the discovery shows "that such additional discovery is in the interests of justice." 37 C.F.R. § 42.51(b)(2). The Board has identified five factors ("the *Garmin* factors") important in determining whether additional discovery is in the interests of justice. *Garmin Int'l, Inc. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, slip op. at 6–7 (PTAB Mar. 5, 2013) (Paper 26) (informative). These factors are: (1) more than a possibility and mere allegation that something useful will be discovered; (2) requests that do not seek other party's litigation positions and the underlying basis for those positions; (3) ability to generate equivalent information by

other means; (4) easily understandable instructions; and (5) requests that are not overly burdensome to answer. *Id*.

B. Real parties-in-interest

Pursuant to 35 U.S.C. § 312(a)(2), a petition for *inter partes* review "may be considered *only if* . . . the petition identifies all real parties in interest" (emphases added). The identification of all real parties-in-interest assists the Board in identifying potential conflicts of interest, helps identify any potential estoppel issues with respect to 35 U.S.C. § 315(e)(1), and may affect the credibility of evidence presented in a proceeding. *See* Rules of Practice for Trials before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions; Final Rule, 77 Fed. Reg. 48,612, 48,617 (Aug. 14, 2012). Identification of all real parties-in-interest also enables the Board to determine whether *inter partes* review may be barred under 35 U.S.C. §§ 315(a)(1) or 315(b).

Whether an entity is a "real party-in-interest" for purposes of an *inter partes* review proceeding is a "highly fact-dependent question" that takes into account how courts generally have used the term to "describe relationships and considerations sufficient to justify applying conventional principles of estoppel and preclusion." Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012) ("Trial Practice Guide"). In general, a "real party-in-interest" is "the party that desires review of the patent" and "may be the petitioner itself, and/or it may be the party or parties at whose behest the petition has been filed." *Id*. Depending on the circumstances, various factors may be considered, including whether the non-party "exercised or could have exercised control over [the petitioner's] participation in a proceeding," the non-party's "relationship with the

petitioner," the non-party's "relationship to the petition itself, including the nature and/or degree of involvement in the filing," and "the nature of the entity filing the petition." *Id*. at 48,759–60. Another potentially relevant factor is whether the non-party is funding or directing the proceeding. *Id*. For example, "a party that funds and directs and controls an IPR . . . petition or proceeding constitutes a 'real party-in-interest,' even if that party is not a 'privy' of the petitioner." *Id*. at 48,760. Complete funding or control is not required for a non-party to be considered a real party-in-interest, however; the exact degree of funding or control "requires consideration of the pertinent facts." *Id*.

C. Analysis

In determining whether an entity is a real party-in-interest, "[a] common consideration is whether the non-party exercised or could have exercised control over a party's participation in a proceeding." Trial Practice Guide at 48,759. Significantly, the first Garmin factor requires that "[t]he party requesting discovery should already be in possession of evidence tending to show beyond speculation that in fact something useful will be discovered." *Garmin Int'l, Inc*., Case No. IPR2012-00001, Paper 26, slip op. at 7. Thus, to establish that its discovery requests are in the interests of justice, Patent Owner must "provide evidence in its possession tending to show beyond speculation that a non-party exercised or could have exercised control over a party's participation in a proceeding." *CaptionCall, LLC, v. Ultratec, Inc*., IPR2015-00636, slip op. at 5 (Feb. 23, 2015) (Paper 42).

After hearing the respective positions of the parties, the panel conferred and concluded that Patent Owner did not demonstrate that it was already in possession of some information to show beyond mere speculation

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