

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LIQUIDIA TECHNOLOGIES, INC.,

Petitioner

v.

UNITED THERAPEUTICS CORPORATION,

Patent Owner

IPR2021-00406

U.S. Patent No. 10,716,793 B2

Issue Date: July 21, 2020

Title: Treprostinil Administration by Inhalation

**PETITIONER'S RESPONSE TO PATENT OWNER'S NOTICE OF
SUPPLEMENTAL AUTHORITY & STIPULATION**

Petitioner Liquidia submits this paper in response to Patent Owner UTC's Notice of Supplemental Authority and Stipulation ("Notice"). Paper 16.

UTC's Notice should be denied as improper as it fails to explain how the Supreme Court's decision in *Minerva Surgical v. Hologic*, 141 S. Ct. 2298 (2021) applies to the instant matter, and instead presents only attorney argument as to why its conditional stipulation should be considered. See *Samsung Elecs. Am. v. Prisue Eng'g*, IPR2017-01188, Paper 65 (P.T.A.B. Sept. 10, 2018) (prohibiting substantive argument in Notice of Supplemental Authority); *Desper Prods. v. QSound Labs*, 157 F.3d 1325, 1335 (Fed. Cir. 1998) (noting parties may "bring supplemental authorities to the court's attention, not supplemental argument"). To be clear, while placing confines on the doctrine, which are inapplicable to the Board's institution decision here, the Supreme Court did not eliminate the doctrine of assignor estoppel in *Minerva*—and UTC is still asserting assignor estoppel before the district court. UTC's Notice is thus nothing more than a vehicle to improperly supplement its briefing and offer a conditional stipulation it could have presented in its POPR.

UTC's Notice centers on its conditional stipulation to not assert assignor estoppel at the district court only for certain invalidity issues. UTC couches its conditional stipulation as "factual" without stipulating to facts that actually bear on assignor estoppel. Paper 16 at 2-3. UTC does not, for instance, stipulate as fact that Dr. Robert Roscigno was subject to "a common employment arrangement" requiring

him to assign the rights in any future inventions developed during his employment with UTC without an express or implied promise of validity. Nor does UTC stipulate as fact that Dr. Roscigno has made consistent representations regarding the subject matter of the '793 patent, negating assignor estoppel. Had UTC made these factual stipulations, the arguments offered in UTC's paper may have merit. Having failed to do so, however, UTC's conditional stipulation is not factual in nature and does not weigh in favor of denying institution.

The cases cited by UTC are inapposite and do not support a denial of institution. In *SK Innovation*, the Patent Owner stipulated to dropping *all claims* not addressed in the ITC's Final Determination, not a subset of issues as UTC proposes here. *SK Innovation v. LG Chem*, IPR2020-01240, Paper 15 at 19 (P.T.A.B. Jan. 12, 2021). In *Sotera* and *Microchip*, the Petitioner stipulated to not pursue grounds instituted in the IPR before the district court, taking entire issues off the table to avoid duplicity. *Sotera Wireless v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18-19 (P.T.A.B. Dec. 1, 2020); *Microchip Tech. v. Bell Semiconductor*, IPR2021-00147, Paper 20 at 12-15 (P.T.A.B. May 14, 2021). Even considering its conditional stipulation, UTC still intends to argue assignor estoppel at the district court, thereby failing to completely eliminate issues between the parties at the district court. Further, UTC's statements to the Board provide no assurances that the stipulation will be binding as UTC has not filed any stipulation with the district court. In fact,

in IPR2020-00770, UTC made express statements to the Board regarding claim construction (IPR2020-00770, Paper 12 at 11), but later retracted those statements before the district court. (*Id.*, Paper 25 at 8).

Lastly, assignor estoppel prevents all invalidity challenges to a patent, not, as UTC suggests without support, to only certain invalidity defenses. *See Pandrol USA v. Airboss Ry. Prods.*, 424 F.3d 1161, 1167 (Fed. Cir. 2005) (“[A]ssignor estoppel prevents an assignor from asserting that its own patent . . . is invalid and worthless.”); *Checkpoint Sys. v. All-Tag Sec. S.A.*, 412 F.3d 1331, 1336 (Fed. Cir. 2005) (assignor estoppel “prevents a party that assigns a patent to another from later challenging the validity of the assigned patent.”). The accused infringer in *Minerva* only challenged the asserted patent on § 112 grounds, and the Supreme Court did not hold that assignor estoppel can be applied to some but not all invalidity arguments. *Minerva*, 141 S. Ct. at 2303–04. As such, UTC’s argument that assignor estoppel applies on a piecemeal basis rings hollow. For this reason, and as also explained in Liquidia’s Petition, UTC’s continued assertion of assignor estoppel, even considering its conditional stipulation, warrants the Board exercise its discretion and institute the instant Petition. Paper 1 at 5.

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