

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

NATERA, INC.,

Plaintiff,

v.

ARCHERDX, INC., ARCHERDX, LLC, and  
INVITAE CORP.,

Defendants.

C.A. No. 20-125-GBW  
(CONSOLIDATED)

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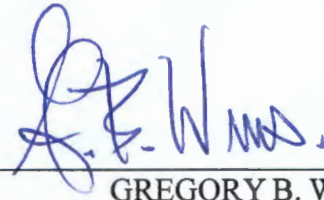
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**OPINION**

September 5, 2023  
Wilmington, Delaware



GREGORY B. WILLIAMS  
UNITED STATES DISTRICT JUDGE

On June 22, 2023, the Court held a one-day bench trial in this action on the issue of whether U.S. Patent Nos. 10,557,172 (“the ’172 patent”) and 10,731,220 (“the ’220 patent”) (collectively, the “Asserted cfDNA Patents”) are unenforceable due to prosecution laches. Presently before the Court are the parties’ post-trial briefing on this issue. D.I. 644; D.I. 650; D.I. 655.<sup>1</sup> In connection with the briefing, the parties submitted proposed findings of fact and conclusions of law. D.I. 642; D.I. 643.

Pursuant to Federal Rule of Civil Procedure 52(a), and after having considered the entire record in this case and the applicable law, the Court concludes that Defendants ArcherDX, Inc., ArcherDX, LLC, and Invitae Corporation (collectively, “Defendants”) have not shown by clear and convincing evidence that the Asserted cfDNA Patents are unenforceable due to prosecution laches.

The Court’s findings of fact and conclusions of law are set forth below.

## **I. FINDINGS OF FACT<sup>2</sup>**

### **A. The Parties**

1) Plaintiff Natera, Inc. (“Natera”) is a corporation organized and existing under the laws of Delaware, having a principal place of business at 201 Industrial Road, San Carlos, California 94070. D.I. 579, Ex. 1 (Joint Statement of Uncontested Facts) (“JSUF”) ¶ 1.

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<sup>1</sup> All D.I. citations refer to C.A. No. 20-125-GBW unless otherwise noted.

<sup>2</sup> The Court’s Findings of Fact are cited as “FF, Section ¶ .”

2) Defendant Invitae Corporation (“Invitae”) is a corporation organized and existing under the law of the state of Delaware, having a principal place of business at 1400 16th Street, San Francisco, California 94103. JSUF ¶ 3.

3) Defendant ArcherDX, LLC (“Archer”), formerly ArcherDX, Inc., is a corporation organized and existing under the laws of the state of Delaware, having a principal place of business at 2477 55th Street, Suite 202, Boulder, Colorado 80301. JSUF ¶ 2. On October 2, 2020, ArcherDX, Inc. merged with Apollo Merger Sub A Inc., which then merged with Apollo Merger Sub B LLC to form Archer. JSUF ¶ 2.

4) Archer is a wholly-owned subsidiary of Invitae. JSUF ¶ 4.

5) The Court has subject matter jurisdiction and personal jurisdiction over all parties.

#### **B. Procedural History**

1) This is an action for patent infringement arising under the patent laws of the United States, Title 35, United States Code, § 1, *et seq.*, which Natera filed against ArcherDX, Inc. on January 27, 2020, for infringement of U.S. Patent No. 10,538,814 (“the ’814 patent”). D.I. 1. On April 15, 2020, Natera filed a First Amended Complaint, adding the ’172 patent, in addition to U.S. Patent Nos. 10,590,482 (“the ’482 patent”) and 10,597,708 (“the ’708 patent”). D.I. 17.

2) On August 6, 2020, Natera filed another patent infringement suit against ArcherDX, Inc. for infringement of the ’220 patent. *See* C.A. No. 20-1047-GBW, D.I. 1.

3) On September 25, 2020, Civil Action No. 20-1047-GBW was consolidated with Civil Action No. 20-125-GBW. D.I. 52. All filings were made in the lead case—Civil Action No. 20-125-GBW. D.I. 53.

4) On January 12, 2021, Natera filed a Second Amended Complaint to add Defendants Invitae and Archer in view of ArcherDX, Inc.'s merger with Invitae, which caused ArcherDX, Inc. to merge with various subsidiaries to form Archer. D.I. 116.

5) On October 27, 2021, Natera filed a Third Amended Complaint to include the corrected language of claim 1 of the '482 patent. D.I. 391.

6) On January 24, 2023, the Court heard oral argument on, *inter alia*, Natera's motion for summary judgment on no unenforceability of the Asserted cfDNA Patents due to prosecution laches (D.I. 429). D.I. 549. On February 6, 2023, the Court, *inter alia*, denied Natera's summary judgment motion on no prosecution laches. D.I. 550.

7) On April 21, 2023, the Court ordered Natera to narrow the number of claims and patents it can assert at trial. D.I. 573. Specifically, the Court ordered Natera to identify "no more than 10 asserted claims across no more than 3 asserted patents that it intends to assert at trial" to Defendants. D.I. 573.

8) At trial, Natera alleged infringement of the Asserted cfDNA Patents and the '708 patent. JSUF ¶ 6.

9) Natera accused the following products of infringing the Asserted cfDNA Patents: LiquidPlex, STRATAFIDE, and Personalized Cancer Monitoring ("PCM"), and all assays based on the above-listed products, including comprehensive kits. JSUF ¶ 11.

10) Natera accuses the following products of infringing the '708 patent: VariantPlex, FusionPlex, STRATAFIDE, and PCM, and all assays based on the above-listed products, including comprehensive kits. JSUF ¶ 12.

11) A five-day jury trial was held during the week of May 8, 2023. On May 15, 2023, the jury returned a verdict finding, *inter alia*, that Natera had proven by a preponderance of the

evidence that Defendants directly infringe claims 1, 6, and 8 of the '172 patent; claims 1, 3-4, and 6-7 of the '220 patent; and claims 1 and 19 of the '708 patent. D.I. 609 at 1.

12) In addition, the jury found that Natera had not proven by a preponderance of the evidence that Defendants indirectly infringe claims 1, 6, and 8 of the '172 patent; claims 1, 3-4, and 6-7 of the '220 patent; and claims 1 and 19 of the '708 patent. *Id.* at 3-4.

13) The jury also found that Defendants had not proven by clear and convincing evidence that claims 1, 6, and 8 of the '172 patent; claims 1, 3-4, and 6-7 of the '220 patent; and claims 1 and 19 of the '708 patent were invalid. *Id.* at 5-9. Specifically, the jury found that claims 1, 6, and 8 of the '172 patent and claims 1, 3-4, and 6-7 of the '220 patent are not invalid due to anticipation. *Id.* at 5. Claims 1 and 19 of the '708 patent are not invalid due to obviousness. *Id.* at 6. Claims 1, 6, and 8 of the '172 patent and claims 1, 3-4, and 6-7 of the '220 patent are not invalid due to lack of written description or for failure to claim what the inventors regarded as their invention. *Id.* at 7-8. Claims 1 and 19 of the '708 patent are not invalid due to indefiniteness. *Id.* at 8. Claims 1, 6, and 8 of the '172 patent and claims 1, 3-4, and 6-7 of the '220 patent are not invalid due to improper inventorship. *Id.* at 9.

14) Additionally, the jury found that Natera is entitled to \$9,356,886 for its lost profits as a result of Defendants' infringing sales of the PCM products and awarded a ten percent reasonable royalty rate for Defendants' past sales of the accused products other than PCM. *Id.* at 10. At the ten percent royalty rate, the jury awarded Natera \$5,430,181 for sales in the United States and \$4,564,963 for sales outside of the United States. *Id.*

15) On May 31, 2023, the Court scheduled a one-day bench trial on Defendants' prosecution laches defense. D.I. 618. The bench trial was held on June 22, 2023. "Tr. \_\_\_\_."

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