

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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AMNEAL PHARMACEUTICALS, LLC

Petitioner

v.

ENDO PHARMACEUTICALS INC.

Patent Owner

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CASE IPR2014-00361

Patent 8,309,122

**PETITIONER'S REPLY BRIEF ON 35 U.S.C. § 315(b)**

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Patent Trial and Appeal Board

U.S. Patent and Trademark Office

P.O. Box 1450

Alexandria, VA 22313-1450

The one-year time period for Petitioner to seek *inter partes* review began on January 17, 2013, the date that Patent Owner (“PO”) filed and served the Second Amended Complaint (“SAC”), alleging infringement of U.S. Patent 8,309,122 (“the ‘122 patent”). Prior to service of the SAC, the parties agreed no further action with respect to the first Amended Complaint was required if the Court granted the PO’s motion to further amend the complaint – which the Court did on January 14, 2013. Despite this agreement and the extensive case law holding that filing of an amended complaint renders the prior complaint a legal nullity, PO nevertheless argues the service date of the legally defunct Amended Complaint - rather than the governing SAC - controls for purposes of 315(b). Given the parties’ agreement and the law, Petitioner timely filed IPR2014-00361.

### **Factual Background**

On November 7, 2012, PO filed a complaint that was never served. On November 14, 2012, PO filed an Amended Complaint that alleged infringement of the ‘122 patent and was served on November 20, 2012. EX2002, EX2003.

PO’s Patent Owner's Preliminary Response omitted the parties’ agreement regarding Petitioner’s Answer to the Amended Complaint. The parties agreed to extend the time to answer, move, or otherwise respond to the Amended Complaint to January 10, 2013. On January 2, 2013, PO’s litigation counsel contacted Petitioner’s litigation counsel by telephone and advised that U.S. Patent No.

8,329,216 had issued, and that PO sought to again amend its complaint to add the new patent. Petitioner's litigation counsel advised that Petitioner would not oppose a motion for leave to amend the complaint if PO: (1) agreed that Petitioner did not have to respond to the Amended Complaint and (2) provided that Petitioner would have 30 days to answer the SAC (should the Court grant PO's Motion for Leave).<sup>1</sup> The parties confirmed their oral agreement with an exchange of email correspondence on January 7, 2013. EX1026. Thus, the parties agreed that no further action would be taken with respect to the Amended Complaint pending the Court's decision on PO's request to file the SAC.

On January 9, 2013, PO filed an Unopposed Motion to Amend the Complaint Under Rule 15(a). Ex. 2004. On January 10, 2013, Petitioner submitted a letter to the Court seeking to "extend the deadline for Amneal to answer, move or otherwise to respond to whichever of Plaintiffs' complaints *remains of record* following the Court's decision on that motion." EX1027, at (emphasis added). On January 14, 2013, the Court granted PO's motion and ordered it to file the SAC "promptly." EX2006. PO electronically filed and served the SAC asserting the '122 patent on January 17, 2013. No further action has ever been taken with respect to the Amended Complaint.

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<sup>1</sup> If permitted, Petitioner will provide testimony about the January 2013 agreement.

## Argument

Petitioner timely filed the instant petition because the relevant time period under § 315(b) began on January 17, 2013, the date PO served and filed its SAC.<sup>2</sup> The parties' agreement to take no action with respect to the Amended Complaint in favor of the SAC demonstrates that the Amended Complaint should have no effect. Had the parties not so agreed, Petitioner would have been obligated to answer on January 10, 2013, or face the risk of default judgment. But the parties agreed that Petitioner would only have to answer the SAC, absolving Petitioner of any obligation to respond to the Amended Complaint. In fact, neither party has ever taken any further action with respect to the Amended Complaint because it ceased to have legal effect after the Court authorized the filing and serving of the SAC.

This agreement is consistent with the extensive body of case law that has long established that the filing of an amended complaint supersedes an original complaint, rendering the original complaint without legal effect. *See Washer v. Bullitt County*, 110 U.S. 558, 562 (1884); *see also Synder v. Pascack Valley Hospital*, 303 F.3d 271 (3<sup>rd</sup> Cir. 2002); *Rhodes v. Robinson*, 621 F.3d 1002 (9<sup>th</sup> Cir. 2010); *In re: Atlas Van Lines, Inc. v. Popular Bluff Transfer*, 209 F.3d 1064, 1067 (8<sup>th</sup> Cir. 2000); *Massey v. Helman*, 196 F.3d 727 (7<sup>th</sup> Cir. 1999); *Friz v. Standard*

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<sup>2</sup> The relevant time period starts after filing and service of the SAC. *See Motorola v. Arouse*, IPR2013-00010, paper 20; *see also IPR2014-00360*, May 15, paper.

*Sec. Life Ins. Co. of New York*, 676 F.2d 1356 (11<sup>th</sup> Cir. 1987). Because the SAC superseded the Amended Complaint, the Amended Complaint is legally defunct.

The parties' agreement to dispense with the Amended Complaint is similar to other cases where the Board has found the § 315(b) time-bar to be inapplicable even though a complaint alleging infringement was served more than one year before the filing of a petition. For example, the Board has held that a complaint dismissed without prejudice under Fed. R. Civ. P. 41(a) does not trigger the § 315(b) statutory bar because "the dismissal of the earlier action ... nullifies the effect of the alleged service of the complaint on Petitioner." *Macauto USA v. BOS GmbH & KG*, IPR2012-00004, Paper 18, at 15-16. Here, the parties' agreement and order allowing PO to file the SAC confirmed the nullity of the earlier pleading.

PO relies on *Apple v. Virnetx, Inc.* IPR2013-00348 to support its assertion that § 315(b) applies, but it is distinguishable. In *Apple v. Virnetx, Inc.*, the patentee commenced two separate actions, in 2010 and 2012. Paper 14, 2. The first case proceeded to trial, resulting in a judgment. The petitioner argued that the second complaint nullified the earlier complaint. The Board rejected this argument based on the plain language of the statute. *Id.* at 4. Here, however, it is well-settled that the SAC nullified PO's Amended Complaint.<sup>3</sup>

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<sup>3</sup> PO did not cite *Loral Space & Communications, Inc. v. Visat, Inc.*, IPR2014-00236 *et al*, which is also distinguishable. First, the *Loral Space*

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