Inter Partes Review 2014-00361 U.S. Patent No. 8,309,122 Paper No. ______ May 22, 2014

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMNEAL PHARMACEUTICALS, LLC, Petitioner,

V.

Patent of ENDO PHARMACEUTICALS INC., Patent Owner

> Case 2014-00361 U.S. Patent No. 8,309,122

PATENT OWNER'S SURREPLY REGARDING 35 U.S.C. § 315(b)

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Counsel for Patent Owner, Endo Pharmaceuticals Inc.

Pursuant to the Board's Order regarding service of a complaint under 35 U.S.C. § 315(b) (Paper No. 9), Patent Owner submits this Surreply.

"An *inter partes* review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner . . . is *served* with a complaint alleging infringement of the patent." 35 U.S.C. § 315(b) (emphasis added). Petitioner concedes that it was served with the Amended Complaint on November 20, 2012. (Petitioner Reply, Paper No. 11 at 1). The Amended Complaint alleged infringement of U.S. Patent No. 8,309,122 (the "122 patent"). (Ex. 2002 at ¶¶ 59-62). And Petitioner further concedes that its Petition was filed more than one year after it was served with the Amended Complaint. (Paper No. 11 at 1-3).

These facts are dispositive as to whether § 315(b) precludes institution of *inter partes* review of the '122 patent. Based on its plain language, as well as the Board's interpretation of this statutory provision, service of the Second Amended Complaint did not restart Petitioner's one-year statutory window for seeking *inter partes* review of the '122 patent. That window expired on November 20, 2013—one year from service of the Amended Complaint. Because it was filed after this date, the Petition should be denied in its entirety.

I. AN AMENDED COMPLAINT DOES NOT RESET THE § 315(b) CLOCK

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Petitioner contends that service of the Second Amended Complaint rendered

the Amended Complaint "without legal effect" and therefore reset the one-year window under 35 U.S.C. § 315(b) as if the Amended Complaint had never been filed. The Board has already rejected this contention in a previous proceeding.

In *Loral Space & Communications, Inc. v. Viasat, Inc.*, IPR2014-00236, -00239, -00240, Paper No. 7 (P.T.A.B. Apr. 21, 2014), the patent owner served a first complaint on February 1, 2012, an amended complaint on February 22, 2012, and a later amended complaint on December 7, 2012, all of which alleged infringement of the challenged patents. *Id.* at 2-3. On December 6, 2013, Loral filed three petitions seeking *inter partes* review of the challenged patents. *Id.* at 2.

Loral asserted that the petitions were filed within the statutory window because they were filed within one year of service of the later amended complaint. *Id.* at 6-7. According to Loral, the first complaint and earlier amended complaint were "dead letters" replaced by the later amended complaint. *Id.* at 7. The Board flatly rejected this argument:

> An amended complaint is just that—a complaint that has been amended. The original complaint has been amended, and has not gone away in the same sense as a complaint dismissed without prejudice. No persuasive evidence has been presented that an original complaint that has been amended should be considered as if it had never been filed.

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Id. The Board also noted that the plain language of § 315(b) does not *authorize* the filing of a petition within one year of being served a complaint for patent infringement, but instead *bars* institution of an *inter partes* review if the petition is filed more than one year after service of a complaint alleging patent infringement. *Id.* Accordingly, the Board held that the one-year statutory window under 35 U.S.C. § 315(b) begins on the date of service of the first complaint alleging infringement of the challenged patent. Petitioner's footnote 3 attempting to distinguish *Loral Space* is unavailing.

In this proceeding, application of 35 U.S.C. § 315(b) is straight forward. Patent Owner served Petitioner with the Amended Complaint on November 20, 2012, alleging infringement of the '122 patent. (Ex. 2002 at ¶¶ 59-62; Ex. 2003) Petitioner filed its Petition seeking *inter partes* review of the '122 patent on January 16, 2014. Under 35 U.S.C. § 315(b), the Board does not have authorization to institute *inter partes* review of the '122 patent. *See Oceana, Inc. v. Locke*, 670 F.3d 1238, 1243 (Fed. Cir. 2011) ("When a statute commands an agency without qualification to carry out a particular program in a particular way, the agency's duty is clear."). The Petition therefore should be denied in its entirety.

II. THE PRIOR AMENDED COMPLAINT HAS LEGAL EFFECT

Petitioner asserts that there is an "extensive body of case law" holding that a

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