UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PAR PHARMACEUTICAL, INC. and AMNEAL PHARMACEUTICALS, LLC, Petitioner,

v.

JAZZ PHARMACEUTICALS, INC., Patent Owner.

> Case IPR2015-00546 Patent 7,765,106 B2

Before JACQUELINE WRIGHT BONILLA, BRIAN P. MURPHY, and JON B. TORNQUIST, *Administrative Patent Judges*.

BONILLA, Administrative Patent Judge.

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FINAL WRITTEN DECISION *35 U.S.C. § 318(a) and 37 C.F.R. § 42.73*

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I. INTRODUCTION

Amneal Pharmaceuticals, LLC, and Par Pharmaceutical, Inc. ("Par Inc.") (together, "Petitioner"), filed a Petition requesting an *inter partes* review of claims 1–8 of U.S. Patent No. 7,765,106 B2 (Ex. 1001, "the '106 patent"). Paper 3 ("Petition" or "Pet."). Jazz Pharmaceuticals, Inc. ("Patent Owner"), filed a Preliminary Response to the Petition. Paper 10. As authorized (Paper 11), Petitioner filed a response directed solely to realparty-in-interest issues raised in the Preliminary Response (Paper 12), and Patent Owner filed a reply to that paper (Papers 17/18). Upon considering those submissions, we instituted *inter partes* review of claims 1–8 of the '106 patent based on an obviousness ground. Paper 25 ("Dec. on Inst.").

After institution, Patent Owner filed a Response (Paper 46, "PO Resp."), and Petitioner filed a Reply (Paper 50, "Reply"). Petitioner supports its challenges with a Declaration by Robert J. Valuck, Ph.D., R.Ph. ("Valuck Declaration") (Ex. 1007) and the Affidavit of Christopher Butler ("Butler First Affidavit") (Ex. 1028). Pet. 10, 16–17. Petitioner also presents another Affidavit of Mr. Butler (Ex. 1058, "Butler Third Affidavit") with its Reply. Reply 7.

With its Response, Patent Owner presents the Declarations of Joseph T. DiPiro, Pharm.D. (Ex. 2046, "DiPiro Declaration"), Bryan Bergeron, MD, FACMI (Ex. 2047, "Bergeron Declaration"), Craig F. Kirkwood, Pharm.D. (Ex. 2053, "Kirkwood Declaration"), David A. Holdford, Ph.D., FAPhA (Ex. 2056, "Holdford Declaration"), and Lyndsey J. Przybylski (Ex. 2057, "Przybylski Declaration"). PO Resp. 18–22, 27–36, 39–48. Patent Owner also presents a responsive Affidavit of Christopher Butler dated November 4, 2015 (Ex. 2052, "Butler Second Affidavit"). PO Resp. 8.

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In addition, Petitioner also filed a Motion to Exclude seeking to exclude certain evidence (Paper 56, "Mot. Excl."), along with a Motion to Allow Late Filing of Evidence Objections (Paper 58). Patent Owner filed an Opposition to Petitioner's Motion to Exclude (Paper 63) and an Opposition to Petitioner's Motion to Allow Late Filing of Evidence Objections (Paper 61). Petitioner filed a Reply to Patent Owner's Opposition to the Motion to Exclude (Paper 64). In addition, Patent Owner filed a Notice Regarding New Arguments and Evidence in Petitioner's Reply (Paper 52), to which Petitioner filed a Response (Paper 53).

A combined oral hearing in this proceeding and Cases IPR2015-00545, IPR2015-00547, IPR2015-00548, IPR2015-00551, and IPR2015-00554 was held on April 19, 2016; a transcript of the hearing is included in the record (Paper 69, "Tr.").

We have jurisdiction under 35 U.S.C. § 6(c). We issue this Final Written Decision pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1–8 of the '106 patent are unpatentable. Petitioner's Motion to Allow Late Filing of Evidence Objections and Motion to Exclude are dismissed as moot.

A. Grounds of Unpatentability at Issue

Petitioner contends that the challenged claims are unpatentable under 35 U.S.C. § 103 based on the ground that claims 1–8 are obvious over Advisory Committee Art (Exs. 1003–1006, collectively called "the ACA"),

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including FDA Advisory Committee Transcript and Slides (Ex. 1003),¹ Preliminary Clinical Safety Review (Ex. 1004),² Briefing Booklet (Ex. 1005),³ and Xyrem Video and Transcript (Ex. 1006).⁴ Pet. 1, 9–33, 56–58.

B. Related Proceedings

The parties identify the following as related district court proceedings regarding the '106 patent: *Jazz Pharms., Inc. v. Par Pharm., Inc.*, No. 2:13-cv-07884 (D.N.J. Dec. 27, 2013); *Jazz Pharms., Inc. v. Amneal Pharms., LLC*, No. 2:13-cv-00391 (consolidated) (D.N.J. Jan. 18, 2013); *Jazz Pharms., Inc. v. Roxane Labs., Inc.*, No. 2:10-cv-06108 (consolidated) (D.N.J. Nov. 22, 2010); *Jazz Pharms., Inc. v. Ranbaxy Labs. Ltd.*, No. 2:14-cv-4467 (D.N.J. July 15, 2014); *Jazz Pharms., Inc. v. Watson Labs., Inc.*, No. 2:14-cv-7757 (D.N.J). Pet. 59; Paper 8, 1–2.

The parties also identify the following cases as involving Petitions for *inter partes* review of patents related to the '106 patent: IPR2015-00545 (Patent 8,589,182 B1); IPR2015-00547 (Patent 7,765,107 B2); IPR2015-

³ Xyrem® (sodium oxybate) oral solution NDA #21-196: Briefing Booklet for the FDA Peripheral & Central Nervous System Drugs Advisory Committee (May 3, 2001) ("Briefing Booklet") (Ex. 1005).

⁴ FDA Peripheral & Central Nervous System Drugs Advisory Committee, Briefing Information, Xyrem Prescription and Distribution Process Video and Transcript (Feb. 2, 2001) ("Xyrem Video and Transcript") (Ex. 1006).

¹ FDA Peripheral & Central Nervous System Drugs Advisory Committee, Transcript and Slides (June 6, 2001) ("Advisory Committee Transcript and Slides") (Ex. 1003).

² Ranjit B. Mani, FDA Peripheral & Central Nervous System Drugs Advisory Committee, Briefing Information, Division of Neuropharmacological Drug Products Preliminary Clinical Safety Review of NDA 21-196 (May 3, 2001) ("Preliminary Clinical Safety Review") (Ex. 1004).

00548 (Patent 7,895,059 B2); IPR2015-00551 (Patent 8,457,988 B1); and IPR2015-00554 (Patent 7,668,730 B2). Pet. 59; Paper 8, 2. The parties also identify the following cases as involving Petitions for covered business method patent review ("CBM") regarding the '106 patent and related patents: CBM2014-00149 (Patent 7,895,059 B2); CBM2014-00150 (Patent 8,457,988 B1); CBM2014-00151 (Patent 7,668,730 B2, "the '730 patent"); CBM2014-00153 (Patent 8,589,182 B1); CBM2014-00161 (the '106 patent); and CBM2014-00175 (Patent 7,765,107 B2). Pet. 59; Paper 8, 2. The Board has denied institution in all six of the above-mentioned CBM cases.

In addition, a different Petitioner, Wockhardt Bio AG ("Petitioner Wockhardt"), filed a Petition for *inter partes* review of the '106 patent in IPR2015-01815, as well as five additional Petitions challenging claims in the other patents at issue in the related *inter partes* review cases noted above. Petitioner Wockhardt also filed Motions for Joinder in all six cases in relation to the corresponding earlier filed Petitions. We originally instituted review in those cases and granted Petitioner Wockhardt's Joinder Motions. *See, e.g.*, Paper 44 (granting institution and Petitioner Wockhardt's Motion for Joinder in IPR2015-01815, in relation to the '106 patent). After the oral hearing took place, however, upon the parties' joint request (Paper 66), we ordered the termination of all six proceedings as to Petitioner Wockhardt, and granted the parties' joint request to treat the underlying settlement agreement as business confidential information (Paper 67). Paper 68.

Patent Owner identifies the following pending U.S. patent applications claiming priority benefit from U.S. Patent Application No. 10/322,348, which the '106 patent also claims the benefit of: U.S. Patent

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