

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MYLAN PHARMACEUTICALS INC.,
Petitioner,

v.

HORIZON PHARMA USA, INC. and NUVO PHARMACEUTICALS
(IRELAND) DESIGNATED ACTIVITY COMPANY,
Patent Owners.

Case IPR2017-01995
Patent 9,220,698 B2

Before CHRISTOPHER L. CRUMBLEY, MICHELLE N. ANKENBRAND
and DEBRAL DENNETT, *Administrative Patent Judges*.

DENNETT, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Request for Rehearing of Denial of Refund
37 C.F.R. § 42.71

On November 6, 2019, Mylan Pharmaceuticals Inc. (“Petitioner” or “Mylan”) filed a Request for Rehearing (Paper 80, “Rehearing Request” or “Reh’g Req.”) of the Notice of Refund Denial of Petitioner’s Request for Refund of Post-Institution Fees (Paper 78, “Refund Denial Notice”).

We deny the Rehearing Request for the reasons set forth below.

I. BACKGROUND

Mylan filed its Petition (Paper 2) on August 24, 2017. Patent Owners’ Preliminary Response argued, *inter alia*, that the Petition was barred under 35 U.S.C. §§ 315(a) and (b). Paper 10, 5–12. We addressed Patent Owner’s § 315 arguments in our March 8, 2018 decision instituting trial, finding them unpersuasive based on then-existing precedential Federal Circuit and Board decisions. Paper 18, 12–15; *see id.* at 13–15 (explaining that a voluntary dismissal of an action without prejudice “leaves the parties as though the action had never been brought” and finding that the statutory bars set forth in §§ 315(a) and (b) did not apply to the proceeding) (citations omitted); *see also* Paper 34 (decision denying Patent Owners’ request for rehearing of our decision instituting trial).¹

On August 16, 2018, the Federal Circuit issued its decision in *Click-to-Call Technologies, Inc. v. Ingenio, Inc.*, holding that the statutory time bar for initiating an *inter partes* review under § 315(b) applies when the challenger was served with a complaint for patent infringement more than one year before filing its petition, even if the patent infringement action was voluntarily dismissed without prejudice. 899 F.3d 1321, 1329 (Fed. Cir. 2018).

¹ We subsequently joined Dr. Reddy’s Laboratories, Inc. as a petitioner to this proceeding on August 13, 2018. Paper 47.

On August 28, 2018, then-Patent Owner Pozen, Inc. filed a notice of bankruptcy. Paper 50. Shortly thereafter, in accordance with 11 U.S.C. § 362, we suspended all deadlines pending resolution of the bankruptcy. Paper 60. In late December 2018, the bankruptcy court authorized the sale of certain assets and lifted the stay of this proceeding.² Ex. 1051, 19.

Subsequently, we authorized (1) revisions to the Scheduling Order as a result of the bankruptcy stay lift and (2) additional briefing on the implications, if any, of the *Click-to-Call* decision. Paper 60. The parties filed simultaneous briefs on the effect of *Click-to-Call* on February 8, 2019 (Papers 63 and 65), and Patent Owners moved to terminate the proceeding on February 10, 2019 (Paper 66).

On March 27, 2019, we issued a decision vacating institution and terminating the proceeding based on the *Click-to-Call* decision. Paper 71 (“Vacatur Decision”). Mylan filed a request for rehearing of the Vacatur Decision on April 26, 2019. Paper 73.

Before we issued a decision on the request for rehearing, however, Mylan and Patent Owners filed a joint motion to terminate, explaining that the parties had settled their dispute. Paper 74 (“Termination Motion”). We granted the motion to terminate. Paper 76. Mylan filed a Request for Refund of Post-Institution Fees (Paper 78, “Refund Request”) on August 13, 2019, and we issued the Refund Denial Notice on October 23, 2019.

II. ANALYSIS

A party requesting rehearing bears the burden of showing that the Board should modify its decision, and “[t]he request must specifically

² Nuvo Pharmaceuticals (Ireland) Designated Activity Company acquired Pozen Inc.’s rights in the challenged patent in the bankruptcy sale. Ex. 1052.

identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” 37 C.F.R. § 42.71(d). Mylan does not identify any matter that we misapprehended or overlooked in denying the Refund Request. Mylan instead argues that we reached the wrong conclusion.

Mylan contends that we erred in issuing the Refund Denial Notice because we did not institute its Petition for *inter partes* review. Reh’g Req. 2. Mylan, however, does not accurately characterize the procedural record in this case. Contrary to Mylan’s argument, we did institute its Petition for *inter partes* review. *See* Paper 18, 29 (“it is hereby: ORDERED that the Petition is granted and an *inter partes* review is instituted . . .”). Thereafter, the parties proceeded with the trial, filing stipulations to modify the scheduling order and notices of deposition. *See, e.g.*, Papers 44, 46, 48. After we lifted the stay of the proceeding due to bankruptcy, Mylan and Patent Owners continued to litigate this proceeding until we granted their Joint Termination Motion and terminated Mylan as a Petitioner. During that time, Mylan contested Patent Owners’ motion to terminate the proceedings based on *Click-to-Call*. Papers 64, 68. Mylan also filed a request for rehearing of our Vacatur Decision. Paper 73. The procedural history of this proceeding demonstrates that we did not simply “den[y] institution,” as Mylan argued in its Refund Request and continues to argue on rehearing. Refund Request 1; Reh’g Req. 4.

Rather, it is more accurate to say that we instituted trial in this proceeding and then subsequently vacated institution based on the Federal Circuit’s holding in *Click-to-Call* that voluntary dismissal of an action does not nullify the effect of § 315. As we explain above, Mylan fully

IPR2017-01995
Patent 9,220,698 B2

participated in this proceeding until it settled with Patent Owners. Mylan's Rehearing Request fails to identify any matter that we misapprehended or overlooked in denying the Refund Request. Moreover, Mylan fails to explain why the Board must refund post-institution fees when it subsequently vacates or dismisses an instituted proceeding.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioner's Request for Rehearing is *denied*.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.