

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WEST-WARD PHARMACEUTICALS INTERNATIONAL LIMITED n/k/a
HIKMA PHARMACEUTICALS INTERNATIONAL LIMITED
Petitioner,

v.

NOVARTIS PHARMACEUTICALS CORP.,
Patent Owner.

Case IPR2017-01592¹
Patent 8,410,131 B2

Before SHERIDAN K. SNEDDEN, ROBERT A. POLLOCK, and
JACQUELINE T. HARLOW, *Administrative Patent Judges*.

POLLOCK, *Administrative Patent Judge*.

JUDGMENT

Granting Joint Motion to Terminate Proceeding Due to
Settlement after Institution,
Granting Joint Motion to Treat Settlement Agreement as
Business Confidential Information, and
Denying Joint Motion for Protective Order
35 U.S.C. § 317 and 37 C.F.R. §§ 42.5, 42.54, 42.72, 42.74

¹ IPR2018-00507 has been joined to this proceeding.

On May 23, 2019, Petitioner Hikma Pharmaceuticals International Limited (“Hikma”) and Patent Owner Novartis Pharmaceuticals Corporation (“Novartis”) filed a Joint Motion to Terminate IPR Pursuant to 35 U.S.C. § 317. Paper 85. The parties “confirm that the grant of this Joint Motion to Terminate will fully dispose of IPR2017-01592 and any joined proceedings.” *Id.* at 2.

The parties filed a copy of their Settlement Agreement, made in connection with the termination of these proceedings, in accordance with 35 U.S.C. § 317 and 37 C.F.R. § 42.74. Ex. 2116. The parties also filed a Joint Motion to treat the Settlement Agreement as business confidential information and to be kept separate from the file of the involved patent, under 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c). Paper 86.

The Board generally expects that a case “will terminate after the filing of a settlement agreement, unless the Board has already decided the merits.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012); *see* 37 C.F.R. § 42.72. In their Joint Motion to Terminate, Patent Owner and Petitioner aver that they “have settled their dispute.” Paper 85, 2; *see also id.* at 3 (stating that and that the pending litigation between Patent Owner and Petitioner regarding the patent at issue here “has been settled”).

Upon consideration of the facts before us, we determine that it is appropriate to terminate this proceeding and enter judgment, without rendering a final written decision. *See* 37 C.F.R. §§ 42.5(a), 42.71(a), 42.73(a), 42.74. Accordingly, we grant the Joint Motion to Terminate.

We also determine that the parties have complied with the requirements of 37 C.F.R. § 42.74(c) to have the Settlement Agreement treated as business confidential information and kept separate from the files of the patent at issue in

this proceeding. Thus, we grant the Joint Motion to treat the Settlement Agreement as business confidential and to keep it designated as Board only.

We note that in the Joint Motion to treat the Settlement Agreement as business confidential, the parties also request that “only parties Novartis and Hikma and their respective party representatives and in-house counsel shall have access to confidential information, such as Exhibit 2116” and “[n]either party’s experts nor employees shall have access to confidential information, including Exhibit 2116.” Paper 86, 2 (referencing the protective order discussed below). To the extent that the Joint Motion to treat the Settlement Agreement as business confidential departs from the provisions of 37 C.F.R. § 42.74(c), we DENY that portion of the motion.²

Additionally, the parties filed a Joint Motion for Protective Order (Paper 87) and a copy of the Board’s default protective order with certain proposed modifications (Ex. 2117).³ Although we might infer that the parties intend that their proposed protective order apply to the Settlement Agreement, the Joint

² See 37 C.F.R. § 42.74(c): Request to keep separate. A party to a settlement may request that the settlement be treated as business confidential information and be kept separate from the files of an involved patent or application. The request must be filed with the settlement. If a timely request is filed, the settlement shall only be available:

- (1) To a Government agency on written request to the Board; or
- (2) To any other person upon written request to the Board to make the settlement agreement available, along with the fee specified in § 42.15(d) and on a showing of good cause.

³ The parties filed a copy of the default protective order with their proposed modifications both as an appendix to the Joint Motion for Protective Order (Paper 87, 4–10) and as an Exhibit (Ex. 2117).

Motion for Protective Order is not accompanied by a Motion to Seal; nor does it otherwise identify with particularity any information sought to be kept confidential.⁴

There is a strong public policy that favors making information filed in an *inter partes* review open to the public. *Garmin Int'l v. Cuozzo Speed Techs., LLC*, IPR2012-00001, slip op. at 1-2 (PTAB Mar. 14, 2013) (Paper 34). For this reason, except as otherwise ordered, the record of an *inter partes* review trial shall be made available to the public. *See* 35 U.S.C. § 316(a)(1); 37 C.F.R. § 42.14.

The standard for granting a motion to seal is good cause. 37 C.F.R. § 42.54. That standard includes showing that the information addressed in the motion to seal is truly confidential, and that such confidentiality outweighs the strong public interest in having the record open to the public. *See Garmin*, slip op. at 2-3.

Here, the parties have not filed a Motion to Seal and have not shown good cause that the protections provided by 37 C.F.R. § 42.74 are inadequate to protect the Settlement Agreement. Accordingly, we deny the Joint Motion for Protective Order without prejudice. If the parties wish to renew their request, they should file, within one week of this ORDER, a joint motion to seal, as well as the default protective order with their proposed modifications. The parties should also file a copy of their proposed protective order showing all the changes from the default protective order in redline. *See* 37 C.F.R. § 42.54.

⁴ *See* 37 C.F.R. § 42.54(a): A party may file a motion to seal where the motion to seal contains a proposed protective order, such as the default protective order set forth in the Office Patent Trial Practice Guide. The motion must include a certification that the moving party has in good faith conferred or attempted to confer with other affected parties in an effort to resolve the dispute.

ORDER

Accordingly, it is

ORDERED that the joint motion of Patent Owner and Petitioner to treat the Settlement Agreement as business confidential information and to be kept separate from the patent file, is GRANTED;

FURTHER ORDERED that we GRANT the joint motion of Patent Owner and Petitioner to maintain the Settlement Agreement as Board only;

FURTHER ORDERED that the joint motion for entry of a proposed protective order is DENIED WITHOUT PREJUDICE;

FURTHER ORDERED that, within one week of this Order, the parties may file a joint motion for entry of a proposed protective order and accompanying motion to seal;

FURTHER ORDERED that the joint motion to terminate the proceedings is GRANTED; and

FURTHER ORDERED that the instant proceeding is TERMINATED with respect to Petitioner and Patent Owner.

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