UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SLAYBACK PHARMA LLC,
Petitioner,

v.

SUMITOMO DAINIPPON PHARMA CO., LTD.,
Patent Owner.

Case IPR2020-01053
U.S. Patent 9,815,827

PATENT OWNER'S REQUEST FOR REHEARING UNDER 37 CFR § 42.71(d)

I. INTRODUCTION

Patent Owner requests rehearing pursuant to 37 CFR §42.71(d) of the December 7, 2021 Final Written Decision.[1] The Petition challenged all 75 claims of U.S. 9,815,827 ("the '827 patent"), and presented three grounds. Grounds I and II related to a subset of the claims, and raised a priority issue. Ground III was based on obviousness in view of Saji and applied to all 75 claims.

The bulk of the Petition was directed towards the priority issue.[2] In its Institution Decision, the Board focused exclusively on Grounds I and II, and instituted review based on these grounds.[3] With respect to Ground III, the Board summarily stated that it raised fact issues.[4] The oral hearing likewise focused primarily on the priority issue.[5] Nevertheless, in an abrupt about-face, the Board decided only Ground III in its Final Written Decision, finding claims 1-75 unpatentable as obvious.

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[1] Patent Owner concurrently is filing a Request for POP review.

[2] *See* Petition (Paper No. 2).

[3] Institution Decision (Paper No. 7) pp. 10-17.

[4] *Id.,* p. 22.

[5] Transcript of oral hearing held Aug. 11, 2021 (Paper No. 28).

Patent Owner requests that the Board reconsider and reverse its obviousness decision because it relies on a new ground of unpatentability.[6] Specifically, the Petition alleged obviousness based on a single reference: Saji (Ex. 1009).[7] However, the Board ultimately found the challenged claims obvious over Saji in view of Horisawa (Ex. 1028).[8] This was not the same ground raised in the Petition, which merely mentioned Horisawa in passing.[9] The Board's treatment of Horisawa is contrary to the Federal Circuit's decision in *EmeraChem Holdings, LLC v. Volkswagen Group of America, Inc.,* 859 F.3d 1341, 1348-49 (Fed. Cir. 2017), which held that broad, general statements regarding a reference in the

[6] The Board's decision included a number of legal and factual errors. Should the Board deny this Request for Rehearing, Patent Owner reserves the right to raise additional errors on appeal to the Federal Circuit. *See In re Magnum Oil Tools Int'l*, 829 F.3d 1364, 1377 (Fed. Cir. 2016).

[7] Petition (Paper No. 2), p. 14.

[8] Final Written Decision (Paper No. 29), pp. 22, 25.

[9] Petition (Paper No. 2), pp. 51-54.

Petition did not provide adequate notice for purposes of relying on the reference to support an obviousness ground.

Additionally, the Board's analysis of priority was contrary to law. In its Patent Owner Response, Patent Owner challenged earlier Board decisions in situations where, as here, the alleged new matter was added to a claim during prosecution via an amendment submitted after filing.[10] Under a proper legal analysis, the Board lacked jurisdiction to consider the priority grounds via *inter partes* review. Accordingly, Patent Owner requests the Board to reconsider and dismiss Grounds I and II for lack of jurisdiction.

II. THE BOARD MIS-APPLIED THE LAW WHEN IT FOUND THE CLAIMS OBVIOUS BASED ON A NEW GROUND OF UNPATENTABILITY

"[W]hile the PTO has broad authority to establish procedures for revisiting earlier-granted patents in IPRs, that authority is not so broad that it allows the PTO to raise, address, and decide unpatentability theories never presented by petitioner and not supported by record evidence." *In re Magnum Oil Tools Int'l*, 829 F.3d 1364, 1381 (Fed. Cir. 2016); *see also SAS Institute, Inc. v. Iancu*, 138 S. Ct. 1348, 1357 (2018) ("the petitioner's contentions, not the Director's discretion, define the

[10] Patent Owner Response (Paper No. 14), pp. 32-33.

scope of the litigation all the way from institution through to conclusion"). The Board's decision on obviousness violates these principles.

The Petition alleged that claims 1-75 were obvious over Saji (Ex. 1009).[11] The Petition then went on to summarize Saji, as well as a number of other references, including Horisawa (Ex. 1028).[12] The Petition explicitly stated: "Ground 3 ***does not*** hinge on Horisawa being prior art."[13] The Petition then alleged: "Claims 1-75 are obvious over Saji patent (EX. 1009) in view of the prior art."[14] The only other discussion of Horisawa in the actual obviousness analysis was in the form of a citation: "No clinically significant weight gain in one or more patients was expected because patients are diverse, and because ziprasidone, a structurally related compound, was known to cause little or no weight gain. EX-1002 ¶ 126, *see also* Horisawa-EX. 1029; EX.-1002 ¶ 127."[15]

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[11] Petition (Paper No. 2), p. 14.

[12] *Id.,* pp. 50-54.

[13] *Id.,* p. 53 (emphasis in original).

[14] *Id.,* p. 54.

[15] *Id.,* p. 55. The Petition goes on to repeat this sentence two more times. *See id.,* pp. 56, 59. In both cases, there is no more than a simple citation to Horisawa.

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