IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TEVA PHARMACEUTICALS USA, INC.,
Petitioner

v.

CORCEPT THERAPEUTICS, INC.
Patent Owner

Case PGR2019-00048
Patent No. 10,195,214 B2

PETITIONER'S REPLY IN SUPPORT OF PETITION FOR POST-GRANT REVIEW

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Teva respectfully submits this authorized Reply to address the argument in Corcept's POPR that institution would be "inefficient" because a district-court case involving the '214 patent "is progressing toward...trial in the summer of 2020." POPR, 1, 5-9. Corcept is incorrect. As explained below, the district-court case does not justify denying institution because the district court is unlikely to issue a final decision on the validity of the '214 patent until well into 2021 (long after the Board would issue a Final Written Decision in this proceeding).

As Corcept admits in a footnote, Corcept sued Teva on the '214 patent only about seven months ago, in February 2019. *Id.*, 6 n.1. That lawsuit was then consolidated with an ongoing case involving three other patents (none of which is in the same family as the '214 patent). The consolidated case is entering claim construction, with the parties set to file opening *Markman* briefs in October and to propose a *Markman* hearing date on December 30, 2019. TEVA1063, 2. *That is the last deadline on the schedule*. Contrary to Corcept's argument, POPR, 7, the court has not scheduled a *Markman* hearing, much less a trial. TEVA1063, 2.

This schedule was entered by the district court *at Corcept's urging*. Teva proposed (and would still desire) a much more expedited schedule, but the Court adopted Corcept's proposal instead. *See* TEVA1064, 2-3. Moreover, under Corcept's proposal, fact discovery will not end until the "[l]ater of Markman decision or March 30, 2020," with expert reports due 60 days later, responsive

expert reports due 60 days after that, reply expert reports due 30 days after that, and expert discovery closed 45 days after that. *Id.*, 3. If Corcept has its way, then, expert discovery will not end until, at the earliest, *mid-October*, and any district-court decision would likely come well into 2021, long after the FWD. Institution is appropriate under those circumstances, particularly given the strong showing of unpatentability set forth in Teva's petition. *See Mylan Pharm. Inc. v. Sanofi-Aventis Deutscheland GmbH*, IPR2018-01682, Paper 19 at 16-17 (P.T.A.B. Apr. 3, 2019) (declining to deny petition in view of parallel district-court action because district court had not set a trial date); *Samsung Elecs. Co., Ltd. v. Immersion Corp.*, IPR2018-01500, Paper 10 at 13-14 (P.T.A.B Apr. 2, 2019) (declining to deny institution in view of parallel district-court action because the petitioner made strong showing of unpatentability); *Facebook, Inc. v. Search & Soc. Media Partners, LLC*, IPR2018-01622, Paper 8 at 9-10 (P.T.A.B. Mar. 4, 2019) (declining to deny institution in view of parallel district-court action because "no claim constructions ha[d] been determined and discovery remain[ed] open").

The institution decisions cited in Corcept's POPR (at 7-8) are inapposite. In those cases, the parallel district-court case was set to proceed to trial *months* before a Final Written Decision would issue. *See NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (P.T.A.B. Sept. 12, 2018); *Mylan Pharm., Inc. v. Bayer Intellectual Prop. GMBH*, IPR2018-01143, Paper 13 at 13 (P.T.A.B.

Dec. 3, 2018); *E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16 (P.T.A.B. May 15, 2019). Here, that is not the case. And, in any event, "*NHK Spring* does not suggest, much less hold, that *inter partes* review should be denied under § 314(a) solely because a district court is scheduled to consider the same validity issues before the *inter partes* review would be complete." *Intuitive Surgical, Inc. v. Ethicon LLC*, IPR2018-01703, Paper 7 at 13 (P.T.A.B. Feb. 19, 2019).

Corcept also suggests that the district-court case may involve preliminary injunction proceedings prior to the end of the 30-month stay in August 2020. *See* POPR, 6-7. Perhaps so; but PI proceedings will not finally resolve the patentability of the challenged claims. The question at the PI stage is whether the accused infringer has "raise[d] a 'substantial question' concerning validity, enforceability, or infringement." *Genentech, Inc. v. Novo Nordisk A/S*, 108 F.3d 1361, 1364 (Fed. Cir. 1997). A PI-stage decision, then, may not involve validity at all (for example, if Teva shows a substantial question concerning infringement). And even if it does, any decision on validity would be only a *preliminary* determination. *See Altana Pharma AG v. Teva Pharms. USA, Inc.*, 566 F.3d 999, 1006 (Fed. Cir. 2009). Thus, even if PI proceedings occur, final resolution of the validity of the '214 patent will still have to await a decision after trial on the merits—a decision that, under Corcept's proposed schedule, will not come until well into 2021. Institution will not be inefficient.

Respectfully Submitted

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