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Paper 49
Entered: February 11, 2021

[redacted]

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GALDERMA S.A.; GALDERMA LABORATORIES, INC.; GALDERMA LABORATORIES LP; GALDERMA RESEARCH & DEVELOPMENT SNC; NESTLÉ SKIN HEALTH, INC.; NESTLÉ SKIN HEALTH S.A.; and NESTLÉ S.A.,
Petitioner,

v.

MEDY-TOX, INC.,
Patent Owner.

PGR2019-00062
Patent 10,143,728 B2

Before ZHENYU YANG, CHRISTOPHER G. PAULRAJ, and TIMOTHY G. MAJORS, *Administrative Patent Judges.*

PAULRAJ, *Administrative Patent Judge*.

ORDER
Granting Patent Owner's Motion to Disqualify Andrew M. Pickett as Patent Owner's Expert Witness
37 C.F.R. §§ 42.5, 42.20

I. INTRODUCTION

Pursuant to our Order dated January 13, 2021 (Paper 35), Petitioner Galderma S.A., et al., ("Petitioner") filed a Motion to Disqualify Dr. Andrew M. Pickett as an expert witness for Patent Owner Medy-Tox, Inc., ("Patent Owner"). Paper 7. Dr. Pickett submitted an expert declaration in support of Patent Owner's revised Motion to Amend. Ex. 2031. We also authorized Petitioner to submit no more than 10 documents for *in camera* review in support of its Motion. Paper 35. Patent Owner filed an Opposition to Petitioner's Motion to Disqualify. Paper 42 (unredacted version); Paper 43 (redacted version).

For the reasons stated below, Petitioner's Motion is *granted*.

II. FACTUAL BACKGROUND

The following statement of facts are largely undisputed, and are based primarily on declarations submitted in support of the Motion by Petititoner's lead outside counsel Joseph A. Mahoney (Ex. 1082), Petitioner's Head of Aesthetic Programs Leader Xiaoming Lin (Ex. 1086), as well as a second declaration submitted by Dr. Pickett in opposition to the Motion (Ex. 2053). We have also taken into account the *in camera* documents (Exs. 1061–1069) and other exhibits submitted by the parties with respect to the Motion.

Dr. Pickett was employed by Petitioner as the Head of Development, and then Senior Program Leader & Scientific Expert, Neurotoxins from 2011 to 2017. Ex. 2050; Ex. 2053 ¶ 5. Pursuant to his employment agreement and employment termination agreement, Dr. Pickett was subject to a non-competition clause for a term of 6 months after he left Petitioner's employment and a continuing confidentiality obligation. Ex. 2053 ¶¶ 7–10; Ex. 1070 ¶¶ 17, 18.1; Ex. 1071 ¶¶ 3.1, 3.2, 7.1, 7.2, 8.1.

During his employment with Petitioner, Dr. Pickett was in charge of the development of QM1114, an animal-free botulinum neurotoxin formulation that Petitioner alleges will compete with Patent Owner's MT10109L product that is discussed in the challenged patent, US 10,143,728 ("the '728 patent," Ex. 1001). Ex. 1086 ¶¶ 2, 5–8. Additionally, while he was Petitioner's employee, Dr. Pickett communicated with Petitioner's in-house and outside counsel, including Mr. Mahoney and others at the firm of Mayer Brown LLP, regarding the patentability of U.S. Patent 9,480,731 ("the '731 patent," Ex. 1002). Ex. 1082 ¶¶ 2–5; Exs. 1061–1069 (*in camera*). The challenged '728 patent issued from a continuation application of the '731 patent and shares the same specification with similar claims directed to a method of treating certain conditions with a therapeutically effective amount of an animal-protein-free botulinum toxin composition. Ex. 1002. Indeed, the claims of the '731 patent were similar enough to the claims of the '728 patent that an obviousness-type double patenting rejection was made by the Examiner, and a terminal disclaimer was required (and filed by Patent Owner) during prosecution. Ex. 1003, 106, 121.

The documents we have reviewed support Mr. Mahoney's declaration statement that:

> Starting in June of 2017 and continuing over the next several months, Mayer Brown lawyers worked directly with Dr. Pickett, who had agreed to act as an expert in relation to the unpatentability of the '731 patent. As such, Dr. Pickett was a key participant in the development of Galderma's early legal strategy relating to the '731 patent family.

Ex. 1082 ¶ 5. Mr. Mahoney asserts that the following topics were discussed with Dr. Pickett during this time: (a) noninterchangeability of unit doses of

neurotoxin products generally and as disclosed in the '731 patent; (b) meaning, scope, and validity of "period of longer time" and "dosed at the same amount" as claimed in the '731 patent; (c) Galderma's QM11114 product; (d) duration and efficacy of animal-free neurotoxins versus ones with animal proteins; (e) potency, LD50 assays and activity units; (f) deficiencies in the description of the LD50 assay disclosed in the prior art Jung I reference; (g) comparing doses in terms of units versus amount; (h) breadth of the claims of the '731 patent; (i) the clinical data in Examples 1–2 of the '731 patent; and (j) the prior art. *Id.*

We recognize that Dr. Pickett asserts in his second declaration:

> I do not remember ever reviewing the '731 patent (prior to involvement in this disqualification motion), or having any communications related to it, including any conversations with Mayer Brown counsel, including Joseph Mahoney and Chandra Critchelow, or in-house counsel at Galderma, including Eric Terranova and Stephanie Flijane. I also do not remember reviewing any declarations or being provided with (or participating in) any legal strategy during that time frame.

Ex. 2053 ¶ 15. However, we do not find this assertion to be credible in view of the nature and extent of the communications between Dr. Pickett and Petitioner's counsel that were submitted for *in camera* review. Dr. Pickett's memory aside, the documents submitted by Petitioner persuade us that communications between at least Dr. Pickett and Mr. Mahoney of a confidential, strategy-based, and work-product/privileged nature relevant to the subject matter of the challenged patent did occur. For instance, without getting into the specifics of any privileged communications, it is apparent that, over a period of months, Dr. Pickett [redacted] (Ex. 1061), agreed to serve as an expert for such a challenge (Ex. 1064), and discussed several technical issues

relevant to such a challenge, such as the LD50 assay, how units of activity are calculated for botulinum toxin formulations, and what was known in the prior art, including the "Jung I" patent (Exs. 1066–1068).

Even after Dr. Pickett left Petitioner's employment in December 2017, Petitioner discussed a potential engagement with Dr. Pickett in 2018 relating to this proceeding. Ex. 1082 ¶ 18; Ex. 2053 ¶ 13; *see also* Exs. 1072–1073. Dr. Pickett, however, ultimately did not agree to the terms of such an engagement and was not retained by Petitioner for this proceeding.

III. ANALYSIS

In order to decide whether Dr. Pickett must be disqualified, the parties agree that we apply a two-prong test to determine (1) whether it is objectively reasonable for Petitioner to believe that it had a confidential relationship with Dr. Pickett; and (2) whether Petitioner disclosed confidential information to Dr. Pickett that is relevant to the current proceeding. *See* Mot. 5; Opp. 5; *Wang Labs., Inc. v. Toshiba Corp.*, 762 F. Supp. 1246, 1248 (E.D. Va. 1991); *FujiFilm Corp. v. Sony Corp.*, IPR2017-01267 ("*FujiFilm*"), Paper 9 at 6 (PTAB July 10, 2017). Affirmative answers to both inquiries *compel* disqualification. *Id.* As the party seeking disqualification, Petitioner bears the burden of establishing that both prongs of the test are met. *See* 37 C.F.R. § 42.20(c).

With respect to the first prong, we find that Petitioner had a confidential relationship with Dr. Pickett at least with respect to the scope of his employment. This is reflected, for example, by the confidentiality provision in his employment agreement. Ex. 1070 § 17. Notably, that same agreement states that the confidentiality obligation shall remain in full force and effect following termination of his employment. *Id.* § 21.3. This

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