

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MYLAN PHARMACEUTICALS INC.,
FOXHILL CAPITAL PARTNERS, and MYCONOVO, INC.,¹
Petitioners,

v.

DR. FALK PHARMA GMBH,
Patent Owner.

Case IPR2016-01386, Case IPR2016-01409
Patent 8,865,688 B2

Before LORA M. GREEN, GRACE KARAFFA OBERMANN, and
ELIZABETH M. ROESEL, *Administrative Patent Judges*.

ROESEL, *Administrative Patent Judge*.

DECISION

Granting Institution of *Inter Partes* Reviews and Motions for Joinder
35 U.S.C. § 314, 37 C.F.R. §§ 42.108 and 42.122

¹ Mylan Pharmaceuticals Inc. (“Mylan”) is Petitioner in Case IPR2016-01386, Foxhill Capital Partners and MycoNovo, Inc. (collectively, “Foxhill”) is Petitioner in Case IPR2016-01409.

I. INTRODUCTION

Petitioners, Mylan and Foxhill, each filed a Petition requesting an *inter partes* review of claims 1 and 16 of U.S. Patent No. 8,865,688 (Ex. 1001, “the ’688 patent”). Paper 1 (“Pet.”).² Concurrently with the Petitions, Mylan and Foxhill each filed a Motion for Joinder requesting that Petitioner be joined as a party to *GeneriCo LLC v. Dr. Falk Pharma*, IPR2016-00297 (“297 IPR”). Paper 3 (“Joinder Mot.”).

Patent Owner, Dr. Falk Pharma GmbH, filed an opposition to the Motion for Joinder in each case. IPR2016-01386, Paper 6 (“1386 PO Opp.”); IPR2016-01409, Paper 9 (“1409 PO Opp.”). In each case, Patent Owner waived its right to present a preliminary response to the Petition for *inter partes* review. Paper 8.

Petitioner in IPR2016-00297, GeneriCo, LLC and Flat Line Capital, LLC (collectively, “GeneriCo”), filed an opposition to Foxhill’s Motion for Joinder, IPR2016-00297, Paper 22 (“GeneriCo Opp.”), but did not oppose Mylan’s Motion for Joinder.

In Case IPR2016-01409, Foxhill filed a Reply to Patent Owner’s Opposition to Motion for Joinder, IPR2016-01409, Paper 10 (“Reply to PO”) and a Reply to GeneriCo’s Opposition to Motion for Joinder, IPR2016-01409, Paper 11 (“Reply to GeneriCo”).

² Citations are to IPR2016-01386 as representative of corresponding papers in both cases unless otherwise indicated.

II. DISCUSSION

A. *The Petitions*

Mylan and Foxhill each represent that “Grounds 1–4 are practical copies of the grounds presented in the petition in IPR2016-00297, including Grounds 3 and 4 that were instituted by the Board, challenging the same claims over the same prior art and using the same arguments and expert testimony.” Pet. 4. Mylan and Foxhill each further represent that the “Petition has been revised in portions only to address certain formalities, such as, e.g., mandatory notice information, counsel, related matters, etc.” Joinder Mot. 2. In addition, Mylan and Foxhill each represent that “[t]he Digenis Declaration is an exact copy of Dr. Digenis’ declaration from IPR2016-00297.” Pet. 4.

Mylan and Foxhill each request institution “only on the Grounds instituted in IPR2016-00297, i.e., Grounds 3 and 4 (which the Board determined subsumed Ground 1), as to claims 1 and 16, and not on Grounds 1 and 2.” Pet. 1.

We incorporate our analysis from our institution decision in the 297 IPR. IPR2016-00297, Paper 13 (“Dec.”), 4–30. For the same reasons, we conclude that Mylan and Foxhill have each demonstrated a reasonable likelihood of prevailing on Grounds 3 or 4 in the alternative. Dec. 4–27; Pet. 4–51. Because Mylan and Foxhill do not seek institution based on Grounds 1 and 2, Pet. 1, and for the same reasons as stated in the 297 IPR, Dec. 27–30, we do not institute review based on either of Grounds 1 or 2.

B. Motions for Joinder

Based on authority delegated to us by the Director, we have discretion to join a party to another *inter partes* review, subject to certain exceptions not present here. *See* 35 U.S.C. § 315(c); 37 C.F.R. § 42.122. As the moving party, Petitioner has the burden of proof in establishing entitlement to the requested relief. 37 C.F.R. §§ 42.20(c), 42.122(b). A motion for joinder should: (1) set forth the reasons why joinder is appropriate; (2) identify any new ground(s) of unpatentability asserted in the petition; (3) explain what impact (if any) joinder would have on the trial schedule for the existing review; and (4) address how briefing and/or discovery may be simplified to minimize schedule impact. *See* Joinder Mot. 3; *Kyocera Corp. v. SoftView LLC*, Case IPR2013-00004, slip op. at 4 (PTAB Apr. 24, 2013) (Paper 15) (representative); Frequently Asked Question H5 on the Board’s website at <http://www.uspto.gov/ip/boards/bpai/prps.jsp>.

Here, Mylan and Foxhill each represent, and Patent Owner does not dispute, that the Petitions are “practical copies of the grounds presented in the petition in IPR2016-00297 . . . and challenge the same claims over the same prior art and using the same arguments and expert testimony.” Joinder Mot. 1; 1386 PO Opp. 4; 1409 PO Opp. 3. Mylan and Foxhill further represent that they each intend to pursue only Grounds 3 and 4, as instituted in the 297 IPR. Joinder Mot. 1. In addition, Mylan and Foxhill each seek to participate in the 297 IPR proceeding “in a limited capacity as an understudy” to GeneriCo. *Id.* at 2.

Based on the above, Mylan and Foxhill argue that joinder is “appropriate because it will promote the just, speedy, and inexpensive resolution of patentability issues, including the determination of validity of

the challenged claims of the '688 patent,” and potentially minimize issues and resolve any litigation regarding the challenged claims. *Id.* at 4–5. In addition, Mylan and Foxhill contend no new grounds are presented, and granting joinder will not prejudice Patent Owner or GeneriCo or significantly affect the trial schedule in the case. *Id.* at 5–6.

Lastly, Mylan and Foxhill indicate that discovery and briefing can be simplified here because, in their understudy role, as long as GeneriCo remains a party (i.e., does not reach a settlement with Patent Owner), each of Mylan and Foxhill “will not submit any separate filings unless it disagrees with” GeneriCo’s position “(which it is not anticipated), and in the event of any disagreement it will request authorization from the Board to submit a short separate filing directed only to points of disagreement” with GeneriCo. *Id.* at 7. As long as GeneriCo remains a party, Mylan and Foxhill will not seek to submit any new declarations or request any additional depositions or time during depositions. *Id.* at 8.

Patent Owner states that it “would not oppose” Foxhill’s joinder, if the Board orders “meaningful protections” to ensure that Foxhill’s participation does not complicate, disrupt, or delay the 297 IPR. 1409 PO Opp. 1. Patent Owner opposes Mylan’s joinder, however, asserting that it will “complicate, disrupt, and delay” the 297 IPR. 1386 PO Opp. 1. Patent Owner further asserts that, absent joinder, Mylan’s petition is time-barred. *Id.* at 2.

GeneriCo states that it “does not agree to work with Foxhill” and “does not consent to sharing its draft briefs with Foxhill.” GeneriCo Opp. 2, 7. GeneriCo states that its expert, Dr. Digenis, “is not contractually obligated to testify on Foxhill’s behalf” and “would be contractually

precluded” from providing a supplemental deposition in the event GeneriCo is no longer involved in the 297 IPR. *Id.* at 1, 6.

In its reply briefs, Foxhill reiterates that it “agrees to accept a back-seat role to GeneriCo in any consolidated proceeding, without any right to separate briefing or discovery.” Reply to GeneriCo 7. Foxhill clarifies that “via its motion for joinder, [Foxhill] requests permission to be added to the case caption as a petitioner in IPR2016-00297, without any active involvement that is separate from GeneriCo, unless authorized by the PTAB upon a request pertaining to an issue unique to [Foxhill].” *Id.*; *see also* Reply to PO 7 (same).

In view of Mylan’s and Foxhill’s agreement to be limited to an “understudy” or “back-seat” role with no active involvement separate from GeneriCo, and their agreement to be limited to evidence and arguments presented in the GeneriCo Petition in relation to instituted Grounds 3 or 4 (in the alternative), we conclude Mylan and Foxhill have demonstrated that joinder will not unduly complicate, disrupt, or delay the 297 IPR. GeneriCo’s concerns are addressed by our order below, which provides that Mylan’s and Foxhill’s participation shall be subject to GeneriCo’s acquiescence so long as GeneriCo remains a party to the proceeding. Thus, we grant Mylan’s and Foxhill’s Motions for Joinder and, as a result, join those parties to the 297 IPR.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that *inter partes* reviews are instituted in Case IPR2016-01386 and Case IPR2016-01409 as to claims 1 and 16 of the ’688 patent, but only based on the same grounds instituted in Case IPR2016-00297;

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FURTHER ORDERED that each of Mylan's and Foxhill's Motion for Joinder is granted, and Mylan and Foxhill are joined as parties to Case IPR2016-00297;

FURTHER ORDERED that the grounds on which an *inter partes* review were instituted in Case IPR2016-00297 remain unchanged, and no other grounds are instituted in the joined proceedings;

FURTHER ORDERED that Case IPR2016-01386, and Case IPR2016-01409 are instituted, joined, and administratively terminated under 37 C.F.R. § 42.72, and all further filings in the joined proceedings shall be made in Case IPR2016-00297;

FURTHER ORDERED that the Scheduling Order entered in Case IPR2016-00297 (Paper 14), as modified by stipulation of the parties in Case IPR2016-00297 (*see, e.g.*, Paper 28), shall govern the schedules of the joined proceedings;

FURTHER ORDERED that the participation by Mylan and Foxhill in the briefing, discovery, depositions, and oral argument of the joined proceedings shall be subject to GeneriCo's acquiescence to their participation so long as GeneriCo remains a party to the proceeding and, absent our express authorization, Mylan and Foxhill shall not file papers or exhibits apart from GeneriCo;

FURTHER ORDERED that the case caption in Case IPR2016-00297 shall be changed to reflect the joinder with this proceeding in accordance with the attached example; and

FURTHER ORDERED that a copy of this Decision shall be entered into the files of Case IPR2016-00297, Case IPR2016-01386, and Case IPR2016-01409.

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³ Case IPR2016-01386 and Case IPR2016-01409 have been joined with this proceeding.