

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TEVA PHARMACEUTICALS USA, INC.,
Petitioner,

v.

MONOSOL RX, LLC,

Patent Owner.

Case IPR2016-00281 (Patent 8,603,514 B2)
Case IPR2016-00282 (Patent 8,017,150 B2)¹

Before ERICA A. FRANKLIN, TINA E. HULSE, and
CHRISTOPHER G. PAULRAJ, *Administrative Patent Judges*.

FRANKLIN, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Motions to Change the Filing Date Accorded and
Denying Institution of *Inter Partes* Reviews
37 C.F.R. §§ 42.71 and 42.108

¹ This Decision relates to and shall be filed in each referenced case.

I. INTRODUCTION

Teva Pharmaceuticals USA, Inc. (“Petitioner”) filed a petition to institute an *inter partes* review of claims 1–3, 9, 15, 62–65, 69–73, and 75 of U.S. Patent No. 8,603,514 B2 (Ex. 1001, “the ’514 patent”). Case IPR2016-00281 (“IPR281”), Paper 1. Petitioner also filed a petition to institute an *inter partes* review of claims 1, 4–10, and 13–18 of U.S. Patent No. 8,017,150 B2 (Ex. 1001, “the ’150 patent”). Case IPR2016-00282 (“IPR282”), Paper 1. Each petition was accorded a filing date of December 4, 2015. IPR281, Paper 3; IPR282, Paper 3.

By Order dated February 18, 2016, we authorized Petitioner to file a motion requesting the filing date accorded to each petition to be changed from December 4, 2015, to December 3, 2015. IPR281, Paper 8, 3; IPR282, Paper 7, 3. On February 29, 2016, Petitioner filed in each case a “Motion to Correct Filing Date”² (collectively, “Motions”). IPR281, Paper 10 (“Mot.”); IPR282, Paper 9. As authorized, Patent Owner filed Oppositions to the Motions (IPR281, Paper 12 (“Opp.”); IPR282, Paper, 11), and Petitioner filed Replies to those Oppositions to the Motions (IPR281, Paper 14

² We note that it is undisputed that the petitions were each accorded a filing date that reflects the date that the petition filings, payment, and service, albeit defective, were completed. Thus, the issue is not simply whether to “correct” any error. Rather, the issue is whether Petitioner is entitled to the benefit of a filing date that is earlier than our regulations describe. Therefore, although Petitioner styled the Motions as requests to “Correct” the filing date accorded to the petitions, we treat them as requests to “Change” that date.

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(“Reply”); IPR282, Paper 13).³ Patent Owner subsequently filed a timely Preliminary Response in each case. IPR281, Paper 16; IPR282, Paper 15.

II. MOTIONS TO CHANGE FILING DATES ACCORDED

The parties agree that because Petitioner was served with a complaint on December 3, 2014, asserting infringement of the patents at issue, the statutory bar date for IPR281 and IPR282 is December 3, 2015. *See* 35 U.S.C. § 315(b) (“An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.”); 37 C.F.R. § 42.101(b); Mot. 1–2, 6; Opp. 1. Petitioner acknowledges that the December 4, 2015 filing date accorded to the petitions reflects the date that the Petitioner completed filing the petitions, including paying the fees and attempting service on the Patent Owner. Mot. 4–5.

Nevertheless, Petitioner requests that we change the filing date accorded in each case from December 4, 2015, to December 3, 2015, because the petitions and exhibits were uploaded on December 3, 2015, and payment was attempted, but not completed on that date due to “technical issues.” *Id.* at 1. In support of its contentions, Petitioner relies upon the declarations of Ms. Eleanor Yost, an attorney at the law firm of Goodwin

³ With respect to the Motions, Oppositions, and Replies, Petitioner and Patent Owner certify that “word-for-word identical” papers and declaratory exhibits were filed in IPR281 and IPR282, although the paper and exhibit numbers may differ. In the remaining portions of this Decision, we include citation only to paper and exhibit numbers in IPR281.

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Procter LLP, and Ms. Linda Rogers, a legal assistant supervised by Ms. Yost. Mot. 1–2; Ex. 1041 ¶ 1; Ex. 1042 ¶ 1. Patent Owner opposes Petitioner’s request and relies upon the declarations of Mr. Daniel Doran, the Docketing Manager for Hoffmann & Baron, LLP, and Mr. Michael I. Chakansky, a partner at that law firm. Opp. 2, n.3; Ex. 2006 ¶ 1; Ex. 2007 ¶ 1.

PRPS filing

Petitioner asserts that at approximately 9:45 p.m. EST on December 3, 2015, Ms. Rogers logged into the Patent Review Processing System (“PRPS”) and began uploading documents for a petition in another case, Case IPR2015-00280 (“IPR280”). Mot. 2. The Motions explain that, based on their experience, Ms. Yost and Ms. Rogers believed that they would be able to complete the filings in that case, as well as start and complete the filings in IPR281 and IPR282, prior to midnight. *Id.*

According to Petitioner, however, Ms. Rogers found that the PRPS system “repeatedly froze” during the upload process for IPR280. *Id.* Petitioner asserts that during the upload process, Ms. Rogers observed that the “spinning wheel” that normally appears during the upload process did so “for an unusual length of time (sometimes several minutes), and then eventually stop[ped] spinning, resulting in a ‘frozen’ screen that prevented her from taking any action (including closing the browser window or opening new windows).” *Id.* at 3. To remedy that issue, Ms. Rogers and Ms. Yost decided to “force-close the browser, re-open the browser, re-login to PRPS and attempt to resume the filing.” *Id.* Upon doing so, Petitioner asserts that Ms. Rogers was “met with a ‘padlock’ graphic and an error message,” requiring her to select a menu option to “unlock” the session and

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begin uploading the documents again. *Id.* According to Petitioner, the alleged “‘freezing,’ re-starting, and unlocking process added a significant amount of time to the filing” process for IPR280. *Id.*

Petitioner asserts that at approximately 11:00 p.m., Ms. Yost initiated “a separate, parallel PRPS session” on a different computer and began filing the petition in IPR281. *Id.* at 3–4. Petitioner asserts that she “experienced the same freezing errors in connection with several different documents (sometimes more than once for the same document).” *Id.* at 4. According to Petitioner, Ms. Rogers began filing the petition in IPR282 after completing the petition filing in IPR280 at approximately 11:11 p.m. *Id.*

Petitioner asserts that the petitions and exhibits in both IPR281 and IPR282 were successfully uploaded to the PRPS server on December 3, 2015. *Id.* Petitioner asserts that, prior to midnight, Ms. Yost and Ms. Rogers attempted to submit payments for those IPRs, but that the “PRPS system rejected the payments without explanation.” *Id.* at 4 (citing Ex. 1041 ¶¶ 27–29; Ex. 1042 ¶ 18; Exs. 1044–45, 1047–1051 (PRPS failed payment receipts)). According to Petitioner, at midnight, i.e., on December 4, 2015, payment was accepted for IPR281 and Ms. Yost clicked “submit” and received a filing notification at 12:01 a.m. *Id.* at 4–5. Petitioner asserts that the payment was accepted for IPR282 at 12:04 a.m., and after clicking “submit,” Ms. Rogers received a filing notification at 12:09 a.m. *Id.* at 5.

Service

Petitioner acknowledges that “[t]he petitions and supporting documents were tendered to FedEx® at 3:02 am on Friday, December 4, 2015.” Mot. 5. Petitioner acknowledges also that “Ms. Yost neglected to appreciate that the Certificates of Service . . . still said December 3, and

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needed to be updated to reflect that the documents were not tendered to FedEx® until December 4th.” *Id.* at 6. Petitioner asserts that there was a delay in printing hard-copy versions of the petitions and relevant documents for service because “[g]iven the slow upload times experienced by Ms. Rogers and Ms. Yost, Office Services was directed to exit all of the PDFs until the filings were complete, as a troubleshooting measure in the event that their accessing the PDFs was exacerbating the upload times.” *Id.* at 5. According to Petitioner, “[o]nce the filings were complete, printing resumed.” *Id.*

Patent Owner asserts that Petitioner “made no effort to effect service” on December 3, 2015, but instead did not provide any service documents to FedEx® until 3:02 a.m. on December 4, 2015. Opp. 3–4. Additionally, Patent Owner asserts that Petitioner served an incomplete set of documents on December 4, 2015. *Id.* Specifically, Patent Owner asserts that for IPR281, Petitioner failed to include a copy of the declaration of Jayanth Panyam referenced in the petition (Ex. 1003), and for IPR282, Petitioner failed to include a copy of the petition itself and the declaration of Nandita Das referenced therein (Ex. 1003). *Id.* at 2. Further, Patent Owner asserts that Petitioner “misrepresented” in an *ex parte* email to the Board and in both the original and amended Certificates of Service that the documents were served on December 3, 2015. *Id.* at 4.

In the Reply, Petitioner asserts that it subsequently provided to Patent Owner a copy of the IPR282 Petition, the Nandita Das declaration, and the Jayanth Panyam declaration, referring to those items as “allegedly missing documents.” Reply 3. Petitioner asserts that “to the extent the service copy was incomplete, it was due to clerical errors.” *Id.* With respect to Patent

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Owner's assertion that Petitioner misrepresented the date of service on the original and amended Certificates of Service, Petitioner responds that Ms. Yost only made corrections identified by the Board's Trial Paralegal "because she believed that she needed the Board's authorization to make changes to the record other than those requested by the Board, and a panel had not been appointed from which she could seek authorization." *Id.* at 4 (citing Ex. 1041 ¶ 41).

Relief Requested

According to Petitioner, it has satisfied the statutory requirements for consideration of petitions for *inter partes* review by, at some point, paying the required fee and providing copies of the petitions and supporting evidence to Patent Owner. Mot. 7. Acknowledging that the timing of both of those requirements, set forth by regulation, were not met, Petitioner requests the Board to exercise its discretion to waive the regulatory requirements for electronic filing and change the filing date accorded to the petitions to December 3, 2015. *Id.* at 1, 8 (citing 37 C.F.R. § 42.5(b) ("The Board may waive or suspend a requirement of parts 1, 41, and 42 . . .")). Petitioner cites a number of cases that allegedly support its assertion that the Board should exercise its discretion to waive the regulatory requirements for electronic filing. Mot. 8–10. According to Petitioner, we should waive those requirements for the petitions in IPR281 and IPR282 because "[b]ut for the compromised PRPS system that unexpectedly delayed them, the filings would have been completed prior to midnight on December 3." *Id.* at 10. Further, Petitioner asserts that Teva will be greatly prejudiced if the filing dates are not changed, "as its petition would be barred under 35 U.S.C. § 315(b)." *Id.* at 6.

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Patent Owner asserts that changing the filing date accorded to the petitions would prejudice Patent Owner because “[l]osing the benefit of the one year statutory bar of 35 U.S.C. § 315(b) will result in [Patent Owner] having to expend significant amounts of time and money to defend the two patents of the 281 [and] 282 IPRs.” Opp. 6. Patent Owner asserts further that the cases cited by Petitioner in support of its request to change the filing date accorded to the petitions are distinguishable from the present situation “because none of them addressed the combination of a failure to file, serve and pay the required fee as set out in our Rules and governing statute.” *Id.* at 7 (quoting *Terremark N. Am. LLC v. Joao Control & Monitoring Sys., LLC*, Case IPR2015-01482, slip op. at 10 (PTAB Dec. 28, 2015) (Paper 10)). According to Patent Owner, in each case cited by Petitioner, “service on patent owner’s counsel was accomplished or attempted before the statutory bar.” *Id.* at 7–8. Additionally, Patent Owner asserts that Petitioner has not established that it is entitled to a December 3, 2015 filing date because Petitioner has (a) admitted to failing to file the petitions on that date, (b) repeatedly misrepresented the date that it served the papers on Patent Owner, and (c) offered only an unsupported reason for its delay in filing the “last minute” petitions. *Id.* at 3, 8–10.

Analysis

The patent statute sets forth requirements that must be satisfied for an *inter partes* review petition to be considered, such as inclusion of certain documents, payment of fees, and providing copies of documents to the designated representative of the patent owner. 35 U.S.C. § 312(a). The applicable regulations clarify that a petition will not be accorded a filing date until the petition satisfies the following: (1) the content of the petition

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complies with 37 C.F.R. § 42.104, (2) the fee to institute has been paid, *see* 37 C.F.R. §§ 42.15(a), 42.103(b), and (3) the petition and relevant documents have been served on the patent owner. 37 C.F.R. § 42.106(a).

As discussed *supra*, Petitioner acknowledges that the petitions in IPR281 and IPR282 did not satisfy the latter two requirements by the filing date that it now requests. Petitioner, however, asserts that we should exercise our discretion to waive those regulatory requirements because technical difficulties caused by PRPS prevented Petitioner from satisfying those requirements on December 3, 2015. As the moving party, Petitioner has the burden of proof to establish that it is entitled to the requested relief. *See* 37 C.F.R. § 42.20(c).

Having considered the arguments and evidence, we agree with Patent Owner that Petitioner has not established that it is entitled to a waiver of the regulatory requirements for according a filing date to a petition. In particular, we do not find that Petitioner has established persuasively that a “compromised PRPS system” caused Petitioner’s delay in uploading the petition documents, or prevented Petitioner from paying the petition fees, and serving Patent Owner with the petitions on December 3, 2015. *See* Mot. 10. Rather, based upon our review, Petitioner has not shown that such delays are attributable to the system rather than to the users.

As an initial matter, we note that, by their own admission, Petitioner’s counsel, Ms. Yost, and her legal assistant, Ms. Rogers, began to serially upload the first of three petitions and corresponding exhibits at approximately 9:45 p.m. on the critical date for those petitions to be filed. Ex. 1041 ¶ 5; Ex. 1042 ¶ 4. Petitioner does not, however, persuasively explain why it waited to upload and file, serially, *three* petitions and

numerous exhibits (based on our calculation, the three petitions and accompanying exhibits total approximately 12,000 pages and nearly 500 MB) with little more than two hours remaining before the statutory bar date. Ms. Yost and Ms. Rogers both attest that, “[i]n [their] experience, a complete filing with a similar number of exhibits to that of the ’280 and ’281 petitions typically takes 20 minutes or less each.” Ex. 1041 ¶ 24; Ex. 1042 ¶ 13. Even if 20 minutes were typical for filing a petition, that would only leave about an hour before the bar date to complete all three filings. Waiting until the last minute—without explanation—is ill advised and had Petitioner not done so, any alleged delays caused by “technical issues” would have been moot.

In any event, according to Ms. Yost and Ms. Rogers, they experienced technical issues while using PRPS, including the system “crashing,” and “freezing” inexplicably. Ex. 1041 ¶¶ 4, 8, 15, 19, 22, 25; Ex. 1042 ¶¶ 13, 11, 14. Neither Petitioner nor its declarants, however, have provided any objective evidence to support that testimony. In particular, Petitioner has not provided any objective evidence that technical issues occurred with the PRPS system during the evening of December 3, 2015. Nor are we aware of any technical issues during that time. Moreover, Petitioner has not established persuasively that any delays or issues it allegedly experienced were not the result of processes unrelated to PRPS.

Ms. Yost and Ms. Rogers declare that they received an “error message,” but neither declarant described that message or provided a screenshot of such message. Ex. 1041 ¶ 13; Ex. 1042 ¶ 9.

Further, with respect to the December 4, 2015 fee payments, we remain unpersuaded that a PRPS error was the cause. Contrary to the

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assertion of Petitioner and the declaration testimony of Ms. Yost and Ms. Rogers, the payment history in PRPS reveals that their initial payment attempts were not rejected “without explanation.” See Mot. 4. That payment history, for each petition, was immediately available to the PRPS users during the payment process when viewing the “Payment” tab. The payment history provides information relating to each attempted payment, including the credit card or deposit account applied, the transaction date, the status as “Fail” or “Cleared,” and the reason for any failed payment. For example, in IPR281, the payment history identifies an initial attempt to pay the petition fee on December 3, 2015, using a credit card. That payment attempt has a “Fail” status and an explanation that “[y]our transaction exceeds the maximum daily limit for credit card transactions. The transaction will not be processed.” On December 4, 2015, a payment was made using a different credit card, and the status for that approved payment was noted as “Cleared.”

Similarly, in IPR282, the payment history indicates two attempts to pay using a deposit account wherein each attempt resulted in a “Fail” status with an explanation that the “Deposit Account has insufficient funds to complete the sale.” The payment history indicates also that two subsequent attempts to pay using a credit card each resulted in a “Fail” status with an explanation that the “[c]ard account number is invalid.” A payment was eventually approved after another deposit account having sufficient funds was applied on December 4, 2015. Thus, we remain unpersuaded by the declaration testimony of Ms. Yost and Ms. Rogers that their payment attempts were rejected “without explanation” or that any “technical issues” attributable to PRPS delayed the successful fee payments for IPR281 and

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IPR282. *See* Mot. 1, 4–5.

Additionally, Petitioner has not provided a reasonable explanation for failing to timely serve Patent Owner. *See* Mot. 5–6, 10; Reply 4. As discussed, we do not find that Petitioner established that PRPS was not functioning properly on December 3, 2015. Nor has Petitioner provided any other persuasive argument or evidence that it even attempted to serve the petitions on December 3, 2015. Moreover, we are troubled by the fact that Petitioner did not acknowledge that both the original and amended certificates in both cases recorded the wrong date of service until after Patent Owner raised the issue. Further, Petitioner’s failure to acknowledge that error when amending the certificates of service, or in any of its e-mail communications to the Board requesting to change the filing date accorded is not well taken.⁴

With respect to the cases cited by Petitioner to support its request that we waive the regulatory requirements to pay petition fees and serve the petition on the Patent Owner prior to according filing dates, we remain unpersuaded. We begin by noting that those cited cases are non-precedential and reflect the Board’s exercise of discretion based on the particular facts presented therein. Further, as Patent Owner has argued, each of those cited cases are distinguishable from the circumstances present here because none of the cited cases address the combination of a failure to complete filing, including paying fees, along with a failure to timely serve the petition. *See*

⁴ We note also, that Petitioner has at no time sought to correct its certification in the petitions regarding grounds for standing under 37 C.F.R. § 42.104(a) or its statement that the petitions were “timely filed on December 3, 2015.” IPR281, Paper 1, 8; IPR282, Paper 1, 4.

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Opp. 7–8; *see also* *Terremark N. Am. LLC*, Case IPR2015-01482, slip op. at 10–13 (Paper 10) (distinguishing a number of cases cited by Petitioner as not including the combination of deficiencies regarding requirements to have a filing date accorded, including petition filing, payment, and service).

Moreover, here, as discussed *supra*, Petitioner has failed to establish persuasively that PRPS functioned improperly during the time that Petitioner endeavored to file the petitions.

Thus, considering the totality of circumstances present in these cases, we determine that Petitioner has not met its burden of establishing that it is entitled to have the filing dates accorded to the petitions in IPR281 and IPR282 changed. That determination is unchanged by Petitioner’s assertion that it will be prejudiced if the filings dates accorded remain December 4, 2015, because the petitions will be time-barred. Mot. 6. Any prejudice to Petitioner was created by Petitioner’s own delay. Accordingly, Petitioner’s Motions are *denied*.

III. STATUTORY BAR TO *INTER PARTES* REVIEW

Whether Petitioner is barred from pursuing an *inter partes* review under 35 U.S.C. § 315(b) is a threshold issue. 35 U.S.C. § 315(b) provides:

An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.

As discussed in Section I *supra*, the parties agree that because Petitioner was served with complaints asserting the patents at issue on December 3, 2014, and that the statutory bar date for IPR281 and IPR282 is

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December 3, 2015.⁵ Mot. 1–2, 6; Opp. 1. The petitions in IPR281 and IPR282 each were accorded a filing date of December 4, 2015, one day after the statutory bar date. Paper 3, 1. We have declined to change that date. As Petitioner acknowledges, if the filing dates accorded to the petitions are not changed, each “petition would be barred under 35 U.S.C. § 315(b).” Mot. 6. Accordingly, the petitions are barred under 35 U.S.C. § 315(b).

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioner’s Motions are *denied*;

FURTHER ORDERED that institution of an *inter partes* review of any challenged claim of the ’514 patent in IPR281 is *denied*; and

FURTHER ORDERED that institution of an *inter partes* review of any challenged claim of the ’150 patent in IPR282 is *denied*.

⁵ Petitioner explains that the complaints were served in *Reckitt Benckiser Pharmaceuticals, Inc., RB Pharmaceuticals Limited, et al v. Teva Pharmaceuticals USA, Inc.*, Civil Action 14-1451 (D. Del.). IPR281, Paper 1, 8; IPR282, Paper 1, 4. The real parties-in-interest for Patent Owner in IPR281 and IPR282 are identified as MonoSol Rx, LLC, and the exclusive licensee of the patents at issue, Indivior Inc., formerly known as Reckitt Benckiser Pharmaceuticals Inc. IPR281, Paper 7, 1; IPR282, Paper 6, 1.

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COUNSEL FOR PETITIONER:

Elizabeth Holland

Eleanor M. Yost

John Stull

Jennifer Albert

eholland@goodwinprocter.com

eyost@goodwinprocter.com

jstull@goodwinprocter.com

jalbert@goodwinprocter.com

COUNSEL FOR PATENT OWNER:

Daniel Scola

Michael Chakansky

dscola@hbiplaw.com

mchakansky@hbiplaw.com