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Paper 19
Entered: February 29, 2024

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

10X GENOMICS, INC.,
Petitioner,

v.

NANOSTRING TECHNOLOGIES, INC.,
Patent Owner.

IPR2023-01298 (Patent 11,377,689 B2)
IPR2023-01300 (Patent 11,473,142 B2)[1]

Before SUSAN L. C. MITCHELL, DEVON ZASTROW NEWMAN, and JAMIE T. WISZ, *Administrative Patent Judges.*

NEWMAN, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
Authorizing the Parties to File Certain Exhibits
35 U.S.C. § 314, 37 C.F.R. § 42.4

[1] This Order addresses issues common to both cases. Therefore, we exercise our discretion to issue one Order to be filed in each case. The parties are not authorized to use this style heading for any subsequent papers.

Background

Petitioner filed a Petition for *inter partes* review in IPR202-01298 on August 16, 2023. IPR2023-01298, Paper 2. Trial was instituted on February 1, 2024. *Id.*, Paper 15.

Petitioner filed a Petition for *inter partes* review in IPR202-01300 on September 25, 2023.[2] IPR2023-01300, Paper 2. The deadline for institution in that proceeding is April 4, 2024.

On February 4, 2024, Patent Owner filed Chapter 11 proceedings in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). IPR2023-01300, Paper 8, 1; IPR2023-01298, Paper 16, 1. Patent Owner had been authorized to file a sur-reply opposing institution of *inter partes* review on or before February 9, 2023 in IPR2023-01300 (Ex 3001), but had not yet filed the brief when bankruptcy proceedings commenced.

On February 8, 2024, the panel requested a conference with counsel in both matters to discuss the effect of Patent Owner's Chapter 11 filing on the IPRs. Ex. 3002. Patent Owner's deadline for filing a sur-reply in IPR2023-01300 was suspended pending the discussion, and the parties were authorized to file briefing regarding their respective opinions on the effect of Patent Owner's Chapter 11 filing on the IPRs. *Id.*

On February 20, 2024, Patent Owner filed a brief regarding the applicability of the statutory stay effective in Patent Owner's proceedings under 11 U.S.C. § 362 of the Bankruptcy Code to these proceedings. IPR2023-01298, Paper 18; IPR2023-01300, Paper 10.

[2] We refer to the *inter partes* proceedings collectively as "the IPRs."

February 23, 2024, Conference Call

On February 23, 2024, Judges Newman, Mitchell, and Wisz participated in a conference call with counsel for the parties, including Mr. Derek Walter for Patent Owner and Mr. David Holman for Petitioner, and the parties' respective bankruptcy counsel. Ex. 3002. Patent Owner engaged a court reporter, and the transcript of the call will be filed by Patent Owner.

During the call, Judge Newman addressed the Court of Appeals for the Federal Circuit's decision in *Purdue Pharma L.P. v. Collegium Pharm., Inc.*, 86 F.4th 1338, 1345 (Fed. Cir. 2023). Specifically, Judge Newman explained that the *Purdue Pharma* decision observed that, in the Federal Circuit's view, it remains an open question whether the automatic stay provision of 11 U.S.C. § 362 applies to IPR or PGR proceedings at the PTAB, and that answering this question requires interpretation of the Bankruptcy Code.[3] Judge Newman further explained the panel's view that, as an administrative agency dealing with patent law, the Board is not able to interpret the Bankruptcy Code. Judge Newman requested that Patent Owner

[3] *See Purdue Pharma*, footnote 5:
We do not reach the question of whether the bankruptcy automatic stay applies to PGRs. This would require interpretation of the Bankruptcy Code. The Bankruptcy Code provides that a bankruptcy petition stays "the commencement or continuation ... of a judicial, administrative, or other action or proceeding against the debtor." 11 U.S.C. § 362(a)(1). There is an exception to the automatic stay for "the commencement or continuation of an action or proceeding by a governmental unit ... to enforce such governmental unit's or organization's police and regulatory power, including the enforcement of a judgment other than a money judgment, obtained in an action or proceeding by the governmental unit to enforce such governmental unit's or organization's police or regulatory power." *Id.* § 362(b)(4). The question is whether this exception applies to PTO IPR or PGR proceedings.

seek an order or other clarification from the Bankruptcy Court indicating that the IPRs are subject to the automatic stay imposed during Chapter 11 proceedings and not exempted by 11 U.S.C. § 362(b)(4) or another provision. Judge Newman explained that, absent this order or other indication, the panel would continue to follow the statutory deadlines proscribed by the AIA.

Judge Newman further observed that, in an instituted proceeding, a party may request authorization to file a motion to extend the due dates by up to 6 months beyond the deadlines in a scheduling order. *See* 35 U.S.C. § 316(a)(11) (providing up to six additional months to issue a final written decision when good cause is shown); 37 C.F.R. § 42.100(c) (delegating authority to extend the deadline for good cause to the Chief Administrative Patent Judge). During the call, Judge Newman invited Patent Owner to request an extension of the due dates by up to 6 months beyond the deadlines in our standard scheduling order in IPR2023-01298. Patent Owner requested the extension and Judge Newman indicated the panel would request an extension from the Chief Administrative Patent Judge.

Judge Newman explained that 35 U.S.C. § 316(a)(11) does not apply to matters not yet instituted, and that the panel is unaware of any statutory authority by which it may extend the deadline to determine whether to institute an *inter partes* review under § 314(b) (even with a showing of good cause). Judge Newman indicated that, unless the Bankruptcy Court indicates that these *inter partes* review proceedings are subject to the stay, the Board will render an institution decision on the petition in IPR2023-01300 no later than April 4, 2024, the deadline for determining whether to institute an *inter partes* review. Judge Newman indicated that, if trial were

instituted and a scheduling order issued, the panel authorized Patent Owner to request an extension of proceeding deadlines by up to 6 months beyond the deadlines in our standard scheduling order, for good cause.

The panel advised the parties that, absent any indication from the Bankruptcy Court confirming that the automatic stay provision of the Bankruptcy Code applies to these *inter partes* review proceedings, and in the event that any instituted case remains pending before the Board, the Board will issue a final written decision in IPR2023-01298 and in IPR2023-01300, if trial is instituted in that proceeding, on or before their respective 18-month statutory deadlines.

Patent Owner explained its view that the automatic stay imposed by the Bankruptcy Court on various proceedings applies to the IPRs. Petitioner took no position on the issue. However, Patent Owner noted that on February 22, 2024, Petitioner filed a motion in the Bankruptcy Court requesting an order lifting the automatic stay with respect to the IPRs. The parties indicated that a ruling on that motion is expected from the bankruptcy court on March 7, 2024.

Patent Owner requested clarification as to Patent Owner's suspended deadline for filing a sur-reply opposing institution in IPR2023-01300. The panel indicated that a new deadline would issue with this order.

The parties were also advised that the Board wishes to be kept apprised of the bankruptcy proceedings as they may relate to these *inter partes* review proceedings. The panel instructed counsel to file any documents filed in the Bankruptcy Court by either party that are relevant to these *inter partes* review proceedings to be filed with PTAB, by the filing party, as an exhibit. Petitioner advised that the district court in the related

patent infringement litigation, *NanoString Technologies, Inc. v. 10x Genomics, Inc.*, Case 1:22-CV1375-MFK (D. Del.), had recently issued a claim construction order, and the panel requested that a copy of that order be filed as an exhibit in the IPRs.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioner and Patent Owner shall file copies of any documents relevant to these *inter partes* review proceedings that are filed in the Bankruptcy Court. Documents should be filed in these proceedings as exhibits by the filing party.

FURTHER ORDERED that Patent Owner is authorized to file any decision by the Bankruptcy Court relevant to these *inter partes* review proceedings as an exhibit in these proceedings, and shall notify the Board via email when any such decision issues.

FURTHER ORDERED that, Patent Owner is authorized to file a sur-reply opposing institution no later than March 18, 2024.

FURTHER ORDERED that, in the event that trial is instituted in IPR2023-01300, Patent Owner will be authorized to request an extension of the due dates by up to 6 months beyond the deadlines in our standard scheduling order in IPR2023-01300.

FURTHER ORDERED that Petitioner is authorized to file, as an exhibit, the district court's claim construction order in *NanoString Technologies, Inc. v. 10x Genomics, Inc.*, Case 1:22-CV1375-MFK (D. Del.) in each of these proceedings.

FURTHER ORDERED that Patent Owner shall file, in each of these proceedings, a transcript of the conference call as an exhibit within 10 business days.

FURTHER ORDERED that no additional briefing is authorized at this time.

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