

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ENCUBE ETHICALS PVT. LTD.,
Petitioner

v.

DERMAVANT SCIENCES GMBH,
Patent Owner

Case IPR2024-00834
U.S. Patent No. 11,590,088

**PATENT OWNER SUR-REPLY TO PETITIONER'S REPLY TO
PATENT OWNER PRELIMINARY RESPONSE**

Mail Stop "PATENT BOARD"
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

TABLE OF CONTENTS

I.	THE BOARD SHOULD DENY INSTITUTION UNDER 325(d).....	1
A.	<i>Advanced Bionics</i> step one is indisputably met	1
B.	Encube failed to meet its burden to show Examiner error.....	1
II.	THE BOARD CAN AND SHOULD EXERCISE ITS DISCRETION TO DENY UNDER 314(a)	4

Encube's Reply essentially seeks a mulligan of a deficient Petition. The Reply's 325(d) arguments (with the notable exception of Encube's entirely new Bissonnette arguments) were already presented in the Petition. Simply repeating them in a Reply does not cure their shortcomings. Encube's 314(a) arguments are equally lacking. The Board should exercise its discretion to deny institution.

I. THE BOARD SHOULD DENY INSTITUTION UNDER 325(d)

A. *Advanced Bionics* step one is indisputably met

There is no dispute that each of the cited references were previously provided to the Office. This is dispositive of *Advanced Bionics* step one.

B. Encube failed to meet its burden to show Examiner error

Like its Petition, Encube's Reply focuses on whether the Examiner understood Chen to disclose "plaque psoriasis" or "PGA" (Reply, 3), missing the argument in the POPR (and in prosecution) that Chen does not apply tapinarof to its Volunteers: Chen applies a compound that is not tapinarof. POPR, 17-19.

In an attempt to skirt this uncomfortable and fatal truth, Encube continues to emphasize a portion of a single sentence in Applicant's prosecution arguments that suits Encube's needs. But creative emphasis in a quote does not show Examiner error. Applicant argued in prosecution, *inter alia*, that: "Chen 1 does not mention treating plaque psoriasis specifically with the compounds described therein." EX1002, 284. Encube emphasizes "plaque psoriasis specifically" from that sentence, ignoring the full argument that Chen does not disclose "treating plaque

psoriasis *specifically with the compounds described therein.*” This is important.

The art and Encube’s Declarants confirm that tapinarof is 3,5-dihydroxy-4-isopropyl-*trans*-stilbene. EX1001, 7:4-20; EX1025, 3; Pet., 8 FN4 and 14; EX1032, ¶¶56, 63, 64; EX1003, ¶77 FN4 and ¶89. Chen states that its compounds “encompass both the trans and cis stereochemical forms of the compounds, and mixtures of the trans and cis forms.” EX1027, ¶[0042].¹ Chen recites 3, 5-dihydroxy-4-isopropyl-trans-stilbene, when relevant, as Encube confirms in its Reply. *See, e.g.*, EX1027, ¶¶[0048], [0057], [0107]. But Encube conveniently ignores that Chen also recite 3, 5-dihydroxy-4-isopropylstilbene (without a cis or trans designation) when relevant too. *See, e.g.*, EX1027, ¶¶[0024], [0091], [0099]. Notably, in the example applying a 1% cream to Volunteers, Chen applied “3,5-dihydroxy-4-isopropylstilbene” and not “3,5-dihydroxy-4-isopropyl-*trans*-stilbene.” EX1027, ¶[0099]. *This* is what Applicant argued to the Examiner (Chen does not disclose “treating plaque psoriasis *specifically with the compounds described therein*”) and what the Examiner understood Chen to disclose when allowing the claims: “The prior art does not teach or suggest the methods encompassing *compounds substituted in the manner claimed* [].” EX1002, 312

¹ This paper cites to EX1027. The same disclosures appear in EX1028 and EX1029, as shown in the POPR at 18-19.

(emphasis added).² Encube’s improper selective emphasis in quotes from the file history does not show otherwise.

The Reply’s argument that Chen is used to establish obviousness rather than anticipation does not save the Petition. The POPR noted how the Petition failed to explain how application of a compound that is not tapinarof in Chen could possibly provide an expectation of success for tapinarof, an integral part of an obviousness analysis. Encube’s Reply does not fix that.

No error for Sonti and Bissonnette: Encube’s Reply argument of material error for Sonti—and for the first time, Bissonnette³—distills to a complaint that the

² The Reply on page 2 incorrectly asserts that that “Patent Owner (‘PO’) argues the Examiner therefore considered the Chen arguments ‘moot.’” This was not a Patent Owner argument, it was a direct quote from the Examiner. *See* POPR, 15 FN3 (quoting EX1002, 292).

³ Encube’s Reply argument vis-à-vis Bissonnette impermissibly changed from its Petition argument that Bissonnette was not cited and did not meet *Advanced Bionics* part one. Encube relied on this same incorrect fact to assert that the combination of Bissonnette and Chen was not previously presented. Pet., 71-72. Encube has waived arguments regarding Bissonnette that it did not present in its petition. *Netflix, Inc. v. DivX, LLC*, 80 F.4th 1352 (Fed. Cir. 2023) (finding arguments not raised in an *inter partes* review petition to be waived).

Examiner did not reject the issued claims using Encube’s preferred theories of patentability. Encube’s Reply simply faults the Examiner for not finding the once-daily application in the claims obvious over Bissonnette’s twice-daily application for the reasons Encube argues that it is, and makes similar conclusory arguments about Sonti. That Encube is dissatisfied with the result of prosecution does not show the “material error” required to avoid discretionary denial under § 325(d).

Encube’s reliance on *Amazon v. M2M Solutions* is misplaced. After *Amazon*, the Board has often held that the mere absence of a rejection based on certain references does not evidence material error. *See, e.g., Ivantis, Inc. v. Sight Sciences, Inc.*, IPR2022-01533, Paper 14 at 19 (“To the extent Petitioner equates Examiner’s silence in discussing relevant prior art to a material error ..., we are not persuaded.”). *Advanced Bionics* (precedential), also decided after *Amazon*, makes clear that “[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.” IPR2019-01469, Paper 6 at 9.

II. THE BOARD CAN AND SHOULD EXERCISE ITS DISCRETION TO DENY UNDER 314(a)

Encube’s defense of its failed inherency theory is that “PO disagrees on the technical merits but offers only attorney argument.” Reply, 4. Not so. The POPR explains how Encube’s own exhibits, EX1006 and EX1015, negate Petitioner’s inherency theory. POPR, 20-22. Encube’s defense against its reliance upon

multiple references and Grounds connected by the conjunction “and/or,” is simply an assertion that it has argued with particularity, without actually addressing the vagueness created by its use of “and/or.” That is not enough. And that the Petition may cite to each of Dr. Liem’s and Mr. Sudhakar’s Declarations does not negate the fact that Mr. Sudhakar’s analysis of claims 3 and 4 does not address claim 1 (nor rely on Dr. Liem’s analysis of claim 1) and therefore cannot provide credible testimony that either of claims 3 or 4 is anticipated or obvious over the asserted art.

As for the word count violation, the Board has rules. And Encube tried to skirt those rules by extensively pasting images of text in the Petition. Encube admits that text images included in its Petition “have highlights” and only that “much of that” highlighted text—but not all—is recited in the Petition itself. Reply, 5. Pasting images of text to circumvent the word count limit is impermissible. The same applies for the Petition’s incorporating arguments by reference from its Declarations in lieu of providing the arguments in the Petition itself. Notably, the Reply addresses and attempts to refute only one incorporation by reference discussed in the POPR, but not the eight other examples also discussed. The POPR provides the numerous reasons why the Petition fails and should be denied under 314(a), and Petitioner’s Reply does not sufficiently refute those reasons.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX PLLC

/Deborah A. Sterling/

Deborah A. Sterling, Ph.D.
Registration No. 62,732
Lead Attorney for Patent Owner

Date: September 26, 2024

1101 K Street, NW, 10th Floor
Washington, DC 20005
(202) 371-2600

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **PATENT OWNER SUR-REPLY TO
PETITIONER'S REPLY TO PATENT OWNER PRELIMINARY
RESPONSE** was served in its entirety on September 26, 2024, upon the following
parties via electronic mail:

Gary J. Speier (Lead Counsel)
Nathan D. Louwagie (Back-up Counsel)
Peter M. Kohlhepp (Back-up Counsel)
CARLSON CASPERS VANDENBURGH & LINDQUIST
gspeier@carlsoncaspers.com
nlouwagie@carlsoncaspers.com
pkohlhepp@carlsoncaspers.com

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX PLLC

/Deborah A. Sterling/

Deborah A. Sterling, Ph.D.
Registration No. 62,732
Lead Attorney for Patent Owner

Date: September 26, 2024

1101 K Street, NW, 10th Floor
Washington, DC 20005
(202) 371-2600