UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ENDYMED MEDICAL LTD. and ENDYMED MEDICAL, INC.,
Petitioner,

v.

SERENDIA, LLC,
Patent Owner.

IPR2024-00842
Patent 9,480,836

REPLY TO PATENT OWNER'S OPPOSITION TO PETITIONERS' MOTION FOR JOINDER

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Patent Owner's Opposition to Petitioners' Motion for Joinder ("Opposition") finds no exception to the PTAB's "policy preference for joining a party that does not present new issues that might complicate or delay an existing proceeding." (IPR2013-00385, Paper 17, p. 10, emphasis in bold added, italics in original):

> The Office anticipates that joinder will be ***allowed as of right*** – if an inter partes review is instituted on the basis of a petition, for example, a party that files an *identical petition* will be joined to that proceeding, and thus allowed to file its own briefs and make its own arguments.

Because there is no dispute that Petitioner's Petition is *materially identical* to that of Jeisys in *Jeisys Medical Inc. v. Serendia, LLC*, IPR2024-00386 ("the 386 Proceeding"), PTAB policy allows joinder *as a matter of right*. As discussed below, Serendia's arguments for discretionary denial of EndyMed's Petition are irrelevant to joinder, and in any event misplaced.

First, USPTO Guidance directs that "the PTAB *will not* discretionarily deny institution of an IPR… where a petitioner stipulates not to pursue in a parallel district court proceeding the same grounds as in the petition or any grounds that could have reasonably been raised in the petition" (a "*Sotera* Stipulation") (Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation, June 21, 2022, "Fintiv Memo," p. 7, emphasis added). Petitioner here stipulates that if the present proceeding is instituted and joined with the 386 Proceeding, Petitioner will not pursue in the parallel district court

proceeding the same grounds as in the petition or any grounds that could have reasonably been raised in the petition. Thus, Petitioner's *Sotera* stipulation *precludes* discretionary denial of its Petition.

Next, Patent Owner – failing to cite any legal authority – argues that the Petition should be denied due to EndyMed's purported delay. However, the Petition and Motion for Joinder were undisputably filed well within the time permitted under 37 C.F.R. § 42.122(b). Indeed, as here, the Board found filing prior to the one-month joinder deadline to be "reasonably diligent" observing that Petitioner "could not have filed this Petition prior to the institution of the [] IPR" that it was seeking to join. (IPR2022-00861, Paper 17, p. 14). More importantly, "because the asserted prior art is the same as the earlier-asserted art, we see no prejudice to Patent Owner due to the timing of the Petition." (*Id.*) Patent Owner has not argued any prejudice due to timing, and there is none: the Petition and prior art it relies upon are identical to those in the 386 Proceeding.

Finally, Patent Owner's principal arguments are based on the *Fintiv* Factors, which inform the Board's decision whether to exercise discretion to deny institution in view of co-pending litigation. Broadly speaking, *Fintiv* weighs against discretionary denial of this petition because litigation in the district court was stayed almost immediately after the complaint was filed (Ex. 1038, p. 2). Patent Owner argues duplicative efforts based on the *ITC investigation* (Opposition, pp. 3-4), but

USPTO Guidance expressly states that the *Fintiv* factors *do not apply* to the ITC:

> The plain language of the *Fintiv* factors is directed to district court litigation and does not apply to parallel U.S. International Trade Commission (ITC) proceedings, as the ITC lacks authority to invalidate a patent and the ITC's invalidity rulings are not binding on the Office or on district courts.

Fintiv Memo, pp. 2-3. *See also*, *Id*., p. 7: "The PTAB will not discretionarily deny petitions based on applying *Fintiv* to a parallel ITC proceeding." Patent Owner's Fintiv analysis (and particularly factors 3-5) is thus irrelevant. Correctly applying the *Fintiv* factors, because the district court litigation was stayed prior to any substantive filing (Ex. 1038, p. 2), there is no reason for discretionary denial.

Factor 1 (Stay): The parallel district court litigation is stayed pending the ITC proceeding (Ex. 1038, p. 2), and thus, Factor 1 is neutral or weighs against discretionary denial. *See*, e.g.: "As the related district court litigation is currently stayed [pending the related ITC investigation]… this factor is neutral or weighs against exercising our discretion to deny the Petition." (IPR2022-00776, Paper 8, p. 5).

Factor 2 (Time to Trial): This factor weighs against discretionary denial "if the median time-to-trial is… after the projected statutory deadline for the PTAB's final written decision." (Fintiv Memo, p. 9). The 386 Proceeding's final written decision has a projected statutory deadline of July 22, 2025 (35 U.S.C.

§316(a)(11)). The Delaware litigation complaint was filed March 1, 2023, and promptly stayed pending resolution of the ITC Investigation. (Ex 1038, p. 2). The ITC recently delayed the Investigation's target completion date to April 21, 2025 (Ex. 1040, p. 1). The median time-to-trial in the District of Delaware is approximately 36 months (Ex 1039, p. 14).[1] Even if the complaint had *not* been stayed, the 36-month median time-to-trial would indicate a trial around March 1, 2026. Realistically, with litigation starting (if at all) after the ITC Investigation concludes in April 2025, that date would likely be in 2028, years after the projected statutory deadline for the PTAB's final written decision. This factor weighs *against* discretionary denial.

Factor 3 (Investment in District Court): The Board previously held this factor weighs *against* discretionary denial when, as in this case, a district court litigation is "at an early stage" where "a schedule has not yet been set." IPR2023-01233, paper 11, pp. 11-12. ("[n]othing in the record supports a finding that the court or parties have invested significant resources in the" district court litigation).

Factor 4 (Overlap of Issues): Because the district court litigation is stayed, this factor weighs *against* denial. However, in any event, Petitioner's *Sotera* stipulation resolves this *Fintiv* factor by "mitigat[ing] concerns of potentially conflicting decisions and duplicative efforts between the district court and the

[1] See Fintiv Memo, p. 9, n. 12.

PTAB." (Fintiv Memo, p. 7). There will be no duplication of effort in the district court.

Factor 5 (Same Party): Petitioner EndyMed Medical, Inc. is a defendant in the district court litigation, and EndyMed Medical Ltd. was identified as EndyMed Medical, Inc.'s parent (Ex. 1038). Because a final written decision is likely to issue before the district court trial (see Factor 2 above), this factor weighs *against* exercising discretion to deny the Petition. *See* IPR2021-00225, Paper 11, p. 13 ("[T]his factor favors denial if trial precedes the Board's Final Written Decision and favors institution if the opposite is true" (internal quotation marks omitted)).

Factor 6 (Compelling Merits): Patent Owner's arguments regarding the compelling merits standard are moot because "PTAB panels [are] to only consider compelling merits if they first determined that *Fintiv* factors 1–5 favored a discretionary denial." (IPR2022-01242, Paper 23, p. 4). Here, where *Fintiv* factors 1–5 do not favor discretionary denial, the Board should decline to discretionarily deny under *Fintiv,* and there is no need to conduct a compelling merits analysis.

In conclusion, because joinder will not affect the substance, procedure, or scheduling of the 386 Proceeding, will not duplicate efforts in the parallel district court litigation as per *Fintiv*, and will simplify the issues and promote efficiency, justice, and speed, Petitioner respectfully requests joinder as a party to the 386 Proceeding.

Respectfully submitted,

Dated: October 1, 2024

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(1), the parties have agreed that service may be made electronically. I hereby certify that, pursuant to 37 C.F.R. § 42.6(e), a complete copy of the attached Reply to Patent Owner's Opposition to Petitioners' Motion for Joinder is being served via electronic mail (by consent), on October 1, 2024, the same day as the filing of the above-identified document in the USPTO with the Patent Trial and Appeal Board, on Patent Owner's lead and backup counsel of record in this proceeding at the below-requested email addresses:

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