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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

HERON THERAPEUTICS, INC.

Plaintiff,

v.

SLAYBACK PHARMA LLC and
SLAYBACK PHARMA INDIA LLP,

Defendants.

C.A. No. 24-423 (JKS-MAH)

Return Date: June 17, 2024

**DEFENDANTS' REPLY BRIEF IN SUPPORT OF
MOTION TO TRANSFER VENUE TO DISTRICT OF
DELAWARE PURSUANT TO 28 U.S.C. § 1404(a)**

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INTRODUCTION

Heron's position that there would be no judicial efficiency by transferring the Slayback matter to the District of Delaware despite the Delaware Cases is simply illogical and unbelievable.¹ The same patents are at issue, the technology is the same, and with the Fresenius Case scheduled for trial in two weeks and the Mylan Case pending there, the presiding judge has developed extensive knowledge of the facts and technology through ruling on claim construction topics, a summary judgment motion on infringement, Daubert motions, and other upcoming pre-trial and trial matters.

It is disingenuous to argue that the two-year investment by Judge Bryson would provide no benefit to the adjudication of the Slayback matter. There is also no evidence that the transfer would endanger the 30-month stay. In fact, the opposite is true since Judge Bryson has already addressed many of the claim construction and other issues that will come up in this case. It makes no sense for this Court to duplicate the work that Judge Bryson has already done in the Delaware cases, just because Heron, a California company, would prefer to sue in New Jersey.

This is particularly true since New Jersey is not the center of relevant facts,

¹ The Delaware Cases are *Heron Therapeutics, Inc., v. Fresenius Kabi USA, LLC*, C.A. No. 22-985 (WCB) ("the Fresenius Case") and *Heron Therapeutics, Inc., v. Mylan Pharmaceuticals Inc.*, C.A. No. 23-1015 (WCB) ("the Mylan Case").

as Heron would have this Court believe. All product development work, manufacturing, and quality control for Slayback's Proposed Product have and will continue to be carried out in India, as they have been since the very beginning. Thus, India is the center of gravity for the evidence and witnesses that will support Slayback's claims and defenses in this case, not New Jersey. Heron ignores these crucial facts in its opposition brief despite the fact that they were all disclosed in Slayback's NDA, which Heron received before filing its Complaint. New Jersey never was the center of gravity in this case and will be even less important in the future as a result of Slayback's recent acquisition by Azurity Pharmaceuticals ("Azurity") which has its principle place of business in Boston, Massachusetts. Slayback's offices and [REDACTED] have been transferred to Azurity in Boston and all future decisions concerning Slayback's ANDA product will be made there.

Heron's other arguments against transfer are equally unpersuasive. Alleged practical considerations do not show any special need to proceed in the District of New Jersey. Likewise, there is no unique evidence or witnesses that are more available in the District of New Jersey than the District of Delaware.

Transfers for convenience require consideration of numerous factors, and the weight of any given factor is balanced against the picture as a whole. *See Bayer Pharma AG v. Watson Labs, Inc.*, No. 14-1804, 2014 WL 2516412, at *3 (D.N.J. June 2, 2014) ("each case turns on its facts.") Here, the co-pending Delaware

Cases and the fact that the center of gravity for contested issues in India and not New Jersey heavily favors Slayback's request to transfer this matter to the District of Delaware to a judge who has been intimately involved with all of the relevant issues.

ARGUMENT

A. The Interests of Justice and Familiarity of the District of Delaware Strongly Favor Transfer

Heron asserts that "Slayback has not identified a legitimate basis for transferring this case out of the District of New Jersey." D.I. 39 ("Heron Brf.") p. 8. This is incorrect. The related Delaware Cases, which are being handled by Federal Circuit Judge Bryson and involve all the same patents asserted against Slayback provide a legitimate basis for transfer. Judge Bryson's familiarity with the Patents-in-Suit and his prior decisions on claim construction, summary judgment and Daubert motions, will enable him to handle this case with efficiency and conclude this matter well within the 30-month stay period. Indeed, he has already decided many of the same issues relating to claim construction and infringement that are likely to come up in this case. This is a significant and legitimate basis for transferring this case to Delaware. Courts consider the practical matters that result in a more expeditious proceeding. *See Jumara v. State Farm Ins. Co.*, 55 F.3d 873, 879-880 (3d Cir. 1995).

Heron's arguments to the contrary are specious. Heron would have this

Court completely disregard the work done by the District of Delaware merely because the Delaware cases “involve different parties and different products and are at completely different stages.” Heron Brf. at 11. This argument ignores the main point of Slayback’s reliance on the Delaware cases, which is that the Delaware court has already dealt with many of the issues that are likely to be raised in this case. The fact that there may be some differences between the products involved or the regulatory pathways pursued (NDA vs. ANDA) does not change this fact. All products involved in the Delaware cases are, by definition, aprepitant formulations that are bioequivalent to Heron’s Cinvanti®, just like Slayback’s Proposed Product here. Nor does it matter that the parties are different or that the cases are at different stages. Even if consolidation is inappropriate, Judge Bryson’s knowledge and experience with the underlying patents, issues, and technology will remain important and will help to efficiently decide this case within the allotted time.²

² Heron states that only two of the patents asserted against Slayback will be involved in the upcoming Fresenius trial. Presumably, Heron is trying to imply that the issues in the Delaware Cases are not commensurate in scope with this litigation. Heron Brf. p. 11 and n. 3. But this argument is misleading. The two patents that will be involved in the Fresenius Case are also asserted against Slayback here. Further, all Orange Book patents asserted against Slayback are asserted against Mylan. Heron explicitly acknowledged that the Delaware Cases are related to this litigation when it filed its Complaint against Slayback. See D.I. 1-1 (Listing the Delaware Cases as related cases).

Heron fails in its efforts to distinguish the cases cited by Slayback for the proposition that transfer is favored when the transferee court has already expended significant resources toward the resolution of similar matters. See Heron Brf. pp. 12, 13. “The Federal Circuit has made clear that a court’s familiarity with related patents and facts from prior litigation — separate and apart from any efficiencies gained by consolidation — is a valid factor for purposes of a motion to transfer.” *Vanda Pharms*, 2023 WL 1883357 at *6 (gathering cases). One of the cases cited in *Vanda Pharms* for this point is *In re Vistaprint Ltd*, in which the transferor forum had experience with the patent in suit and the transferee forum did not. The Federal Circuit held:

it was not plainly incorrect to conclude that having the same magistrate judge handle this and the co-pending case involving the same patent would be more efficient than requiring another magistrate or trial judge to start from scratch. Similarly, even if trying these two related cases before the same court may not involve the same defendants and accused products, it does not appear on its face erroneous to conclude that maintaining these two cases before the same court may be beneficial from the standpoint of judicial resources.

628 F.3d 1342, 1344 (Fed. Cir. 2010). In sum, judicial economy is relevant whenever resources have already been expended in similar matters and is not limited to when the related litigations involve the same patents, parties, and accused product, as Heron implies.³

³ In the unique scenario of *In re Toyota Motor Corp.*, 747 F.3d 1338, 1340 (Fed. Cir. 2014), the Federal Circuit did not disturb a finding that the existence of other

Finally, there is no dispute that Judge Bryson has invested significant judicial resources in the Delaware cases and will continue to do so until both the Fresenius and Mylan Cases are resolved. His prior decisions and familiarity with many, if not most, of the issues that will need to be decided in this case unquestionably will enable a more efficient and expeditious disposition of Heron's claims against Slayback and clearly favors transfer.

B. Plaintiff's Choice of Forum is Only One Factor Out of Many

Heron argues that its choice of forum is "paramount." Heron Brf. pp. 6, 7. This argument is plainly wrong here, where the weight of the relevant factors favors transfer. Indeed Heron's choice of New Jersey may not be entitled to any deference at all due Heron's questionable decision to file here. Heron twice affirmatively chose to file its infringement claims in Delaware against Fresenius and Mylan. Heron's one-line explanation for this decision states simply that "neither of those companies are located New Jersey." Heron Brf. p. 7. But this statement does not explain why Heron chose Delaware for venue. Fresenius is a Delaware corporation with headquarters in Illinois. *See Fresenius Case*, D.I. 1 at p. 1. Mylan is a West Virginia company with headquarters in West Virginia. *See Mylan Case*, D.I. 1 at p. 1. Yet, Heron did not sue Mylan in West Virginia; it chose

litigations in other forums was neutral because there were pending litigations in both the transferor and transferee forums.

to sue Mylan in Delaware where its first suit against Fresenius was pending. Heron's sudden pivot to New Jersey to sue Slayback, a Delaware corporation, raises significant questions about its motivation. *See Yang v. Odom*, 409 F. Supp. 2d 599, 606-607 (D.N.J. 2006) (forum shopping undermines deference to plaintiff's choice of forum).

The cases cited by Heron (*Indivior* and *Quintiles*) do not dictate a different outcome. Heron Brf. pp. 6, 7. Heron's reliance on the *Indivior* case is misplaced for several reasons. First, the party seeking transfer (DRL) failed to establish that there was proper jurisdiction in the transferee district. This failure was the primary basis on which the Court denied transfer. *Indivior Inc. v. Dr. Reddy's Lab's S.A.*, No. 217CV07111KMCLW, 2018 WL 4921541, at *8 (D.N.J. July 12, 2018), *report and recommendation adopted*, No. CV 17-7106 (KM)(CLW), 2018 WL 4089031 (D.N.J. Aug. 27, 2018) ("This Court has great concern that the District of Delaware would even have jurisdiction over this matter").

Further, in *Indivior*, related cases pending in New Jersey warranted denying the motion to transfer to Delaware. *Id.* at *1 ("Indivior has brought eleven separate cases before Judge McNulty ... in the District of New Jersey concerning patents '454, '305, and '221."). Those pending cases had resulted in Judge McNulty being "intimately familiar with the '305 patent... [because, among other case management, he was] currently deliberating on whether to grant Indivior's motion

for preliminary injunction.” *Id.* at *6. Here, there are no other related matters pending in New Jersey, but there are two pending related cases in the District of Delaware in which Judge Bryson, like Judge McNulty, has acquired significant familiarity with the patents in suit and issues relating to infringement and invalidity. Thus, the rationale in *Invidior* actually supports Slayback’s motion to transfer.

The *Quintiles* case is also unavailing. In *Quintiles*, the Plaintiff chose the venue for the legitimate reason that *it* had a strong presence in New Jersey -- four offices and 700 employees. *Quintiles IMS Inc. v. Veeva Sys., Inc.*, No. CV 17-177 (CCC), 2017 WL 2766166, at *3 (D.N.J. June 23, 2017). Thus, the Court found that *plaintiff* had “substantial and meaningful connections” with the District of New Jersey. *Id.* Heron has not made any remotely similar showing here. In fact, Heron is based in California and has *no* significant contacts with New Jersey at all.

C. New Jersey is Not the Center of Gravity for the Slayback Litigation

Due to Slayback’s recent acquisition by Azurity, Slayback’s principal place of business is now in Massachusetts, not New Jersey. *See* D.I. 31 at p. 38; *See* Decl. of Robyn Ast-Gmoser at Exhibit 8 (Press Release regarding acquisition). Accordingly, Heron’s repeated reliance on Slayback’s alleged principal place of business in New Jersey does not bolster its opposition to transfer. Likewise, Heron’s assumptions regarding the location of witnesses, evidence, local interest,

and overall convenience of New Jersey are no longer appropriate and do not support a denial of transfer.

For example, Heron claims that New Jersey is the proper venue because Slayback “communicated with the FDA through its principal place of business in New Jersey.” But this is no longer true. All future decisions relating to Slayback’s Proposed Product will be made in Massachusetts by Azurity. *See* D.I. 39 (“Heron Brief”) at p. 8-9. Consistent with the change in Slayback’s principal place of business, Slayback has [REDACTED]

[REDACTED]:

[REDACTED]

See Decl. of Robyn Ast-Gmoser at Exhibit 9 (NDA Submission with change of address). This document was produced to Heron along with Slayback’s Answer but ignored by Heron in its brief.⁴

⁴ [REDACTED] Heron’s assertion that “if Slayback receives FDA approval, Slayback will undoubtedly direct marketing and

Heron's arguments about New Jersey being the center of gravity in this case also ignores the fact that the development of Slayback's Proposed Product occurred almost entirely in India. *See* D.I. 17 (Slayback Brief) at p. 15. Heron acknowledged the importance of Slayback's activities in India when it included Slayback India as a named party and asserted in its Complaint that Slayback India aided and assisted Slayback LLC in preparation of Slayback's Proposed Product and Slayback's NDA. *See* D.I. 1 at ¶¶ 16, 17. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *See, e.g.*, D.I. 45-1

[REDACTED]

and 45-2 [REDACTED]). [REDACTED]

[REDACTED]

[REDACTED] *See, e.g.*, D.I. 45-3 pp. 3,4 ([REDACTED]).

Slayback's Indian development work places the center of gravity for this case in India.⁵ *See Eagle View Techs., Inc. v. GAF Materials, LLC*, 594 F. Supp. 3d

sales of its infringing product from Slayback LLC's headquarters in New Jersey" (Heron Brief at p. 9) is untrue. To the extent this make-weight argument matters, in the event Slayback or Azurity ultimately directs sales of Slayback's Proposed Product it will be from Massachusetts.

⁵ The fact that development work occurred in India was also noted in the Joint

613, 621 (D.N.J. 2022) (“where the product was developed, tested, researched, and produced”—better accounts for the factual realities of an infringement claim).

This is because infringement discovery in a Hatch-Waxman case typically focuses on the technical aspects of the accused product. Here, the witnesses with

knowledge of these technical subjects and related documents are located in India.

Heron will likely rely on these Indian witnesses and documents to try to prove infringement, as evidenced by Heron’s reliance on such Indian documents in its recently filed answer to Slayback’s Counterclaims. *See, e.g.*, D.I. 45-1 to 45-3.

Heron’s repeated reference to the need for foreign discovery also demonstrates that key information is in India, not New Jersey. *See* Heron Brf. p. 13. Thus, Heron’s assertion that necessary documents and witnesses are “likely to be in New Jersey” is untrue. Heron Brf. p. 10.

D. Heron’s Alleged Practical Considerations Are Speculative

Heron’s allegedly practical considerations that require this case to remain in New Jersey are also unpersuasive. For example, Heron suggests that Slayback’s counterclaims for non-infringement should block transfer because Slayback’s non-infringement theories allegedly are not identical to those raised by the defendants in the Delaware Cases. Heron Brf. pp. 11, 13.

Proposed Discovery Plan when the parties disclosed the potential need for foreign discovery. *See* D.I. 28 at p. 5.

But this argument ignores the fact that Judge Bryson has already spent considerable time considering issues that *are* relevant to Slayback’s non-infringement theories in this case, including the meaning of the claim term “physically stable” and what tests are required to show that this claim term is satisfied. He has also determined the scope of various numerical limitations in the claims, which is relevant to several of Slayback’s non-infringement defenses. *See* Fresenius Docket at D.I. 54 at p. 14 and D.I. 150 at pp. 12-14.⁶

Similarly, neither the existence of Slayback’s counterclaims nor the possibility that Slayback may file a substantive motion in the future moves the needle against transfer. Heron would rather this Court duplicate the judicial resources already expended in the District of Delaware. To avoid this burden, Slayback filed its motion to transfer early, before any significant activities took place in the District of New Jersey. This supports Slayback’s motion to transfer. *See Curcio ex rel. United States of Am. V. CCS Med., Inc.*, No. 19-5527, 2023 WL

⁶ Heron also suggests that a future potential filing of a motion for judgment on the pleadings by Slayback, as discussed in the Joint Case Discovery Proposal, weighs against transfer. Heron Brf. p. 13. The suggested motion is a potential motion for judgment on the pleadings that would seek a ruling that Slayback does not infringe certain claims of the Patents-in-Suit based on the specific composition of Slayback’s Proposed Product, as described in Slayback Answer and Counterclaims. *See, e.g.*, D.I. 31 at Counterclaim 1 (pp. 48-50). However, that proposed motion has not yet been filed, and Heron has not explained why Judge Bryson’s familiarity with some of the issues does not favor the District of Delaware. Heron Brf. p. 13.

4295738, at *7 (D.N.J., June 30, 2023) (recognizing public interest weighs in favor of transfer if “the litigation is in its early stages, discovery has not begun, and the Court has relatively little familiarity with it other than through the instant motion”).

Finally, Heron’s reference to the need for foreign discovery is irrelevant on this factor. Heron has not explained why the Delaware court is any less capable of dealing with foreign discovery than New Jersey, or why transfer in conjunction with this issue would threaten the 30-month stay. See Heron Brf. p. 13.

Heron’s citation to *Ferring B.V. v. Mylan Pharms. Inc* on this point is not persuasive. See Heron Brf. p. 13. In *Ferring*, the assertion was that “a new judge would need to become familiar with this action. As such, Ferring argues that this would delay resolution of the case and could potentially jeopardize its chances of obtaining resolution prior to the 30–month stay.” *Ferring B.V. v. Mylan Pharms. Inc.*, No. CIV.A. 13-5909, 2014 WL 4105987, at *6 (E.D. Pa. Aug. 21, 2014). This concern is not present here because Judge Bryson is an experienced jurist who continues to serve on the Federal Circuit of Appeals. He is very familiar with the relevant issues in this case and with foreign discovery issues and is more than capable of resolving any disputes that might arise.⁷ The practical consideration

⁷ In the Joint Proposed Discovery Plan when the parties disclosed the potential need for foreign discovery, the parties committed to working cooperatively to identify foreign witnesses for deposition. See D.I. 28 at p. 5. The need for court intervention is a hypothetical, not a certainty.

factors, therefore, favor Slayback.

E. Location of Witnesses and Documentary Evidence Favor Transfer

Heron asserts that “New Jersey is clearly more convenient based on Slayback’s presence.” Heron Brf. p. 9. But as noted above, the facts do not support this argument. Slayback is no longer based in New Jersey and the few remaining employees in New Jersey report to Azurity in Boston. Neither Heron nor Slayback have identified non-party witnesses who could be compelled in New Jersey but not Delaware. This is also true of the potential foreign witnesses for whom the ability to be compelled to testify is the same in New Jersey or Delaware. Thus, the location of witnesses is neutral because no witnesses have been identified for whom the two considered forums impacts ability or convenience to testify. *See Micron Tech., Inc. v. Rambus Inc.*, 645 F.3d 1311, 1332 (Fed. Cir. 2011) (factor considered neutral for party witnesses).

Heron also presumes that “documents and other sources of proof are likely to be in New Jersey.” Heron Brf. p. 10. In fact they are in India but, it is of no importance when all production will go through counsel and be subject to e-discovery. *See Vanda Pharms.*, 2023 WL 1883357 at *3. Accordingly, the location of documents is neutral.

F. Alleged Local Interest and Public Policy does Not Outweigh the Interests of Justice and Practical Considerations

Heron also asserts that local interest and public policy weigh in favor of

keeping the case in the District of New Jersey because New Jersey has a strong pharmaceutical industry. Heron Brf. p. 14. However, the *Quintiles* case that Heron relies on for this proposition only mentioned the New Jersey pharmaceutical industry in the context of noting that pharmaceutical industry customers located in New Jersey would be potential non-party witnesses in a theft of trade secrets case. *Quintiles*, 2017 WL 2766166, at *5 (“IMS explains that part of the reason the case was filed in New Jersey is the proximity to the pharmaceutical industry in New Jersey, and its suggestion that, ..., it would be likely that customers in and around the New Jersey area could be witnesses in the case.”). Thus, it was not a public policy of supporting the pharmaceutical industry in New Jersey that argued in favor of keeping the case in the District of New Jersey, but rather the convenience of non-party witnesses. Heron has not identified non-party witnesses in New Jersey that should be afforded this deference and the mere presence of other pharmaceutical companies in New Jersey does not create substantial local interest in this matter that argues against transfer. *See Radware, Inc. v. U.S. TelePacific Corp.*, No. 18-17266, 2019 WL 13202075, at *5 (D.N.J. June 12, 2019). Thus, the local interest and public policy factors favor Slayback’s motion to transfer.

CONCLUSION

For the foregoing reasons, Slayback respectfully urges the Court to transfer this action to the District of Delaware under 28 U.S.C. §1404(a).

Dated: June 10, 2024

/s/ Andrew J. Miller

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CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the date set forth below, a true and correct copy of Defendants' Reply Brief and Declaration of Robyn Ast-Gmoser, Esq. with supporting Exhibits were filed electronically through the Court's ECF system, which will provide notice to all counsel of record in this matter. I further certify that service of the foregoing will be made on counsel of record at the time of filing.

Dated: June 10, 2024

/s/ Andrew J. Miller

Andrew J. Miller