

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KASHIV PHARMA, LLC,
Petitioner

v.

PURDUE PHARMA L.P.
THE P.F. LABORATORIES, INC., and
PURDUE PHARMACEUTICALS L.P.
Patent Owners.

Case IPR2018-00625 (Patent 9,492,392 B2)
Case IPR2018-00717 (Patent 9,492,393 B2)

Before CHRISTOPHER G. PAULRAJ and JACQUELINE T. HARLOW,
Administrative Patent Judges.

PAULRAJ, *Administrative Patent Judge.*

DECISION

Granting Patent Owner's Motion for Additional Discovery
Authorizing Supplemental Briefing
37 C.F.R. §§ 42.5; 42.51(b)(2)

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I. INTRODUCTION

Pursuant to our authorization given during the June 7, 2018 conference call (Ex. 2017), Purdue Pharma L.P., the P.F. Laboratories, Inc., and Purdue Pharmaceuticals L.P. (collectively, “Patent Owner” or “Purdue”) filed a Motion for Additional Discovery (Paper 9; “Mot.”), and Kashiv Pharma, LLC (“Petitioner” or “Kashiv”) filed an Opposition (Paper 10; “Opp.”). As discussed during that conference call, Patent Owner seeks additional discovery from Petitioner regarding the alleged relationship between Amneal Pharmaceuticals, LLC (“Amneal”) and Petitioner, which Patent Owner asserts is relevant to the question of whether Amneal should have been named as a real-party-in-interest (RPI) in these proceedings. Patent Owner requests depositions of Mr. Chirag Patel, the former CEO of Amneal, and Dr. Navnit Shah, President of Kashiv.

For the reasons stated below, we grant Patent Owner’s motion and authorize the requested discovery. We further order supplemental briefing on the RPI issue.

II. DISCUSSION

The Board may order additional discovery if the moving party shows “that such additional discovery is in the interests of justice.” 37 C.F.R. § 42.51(b)(2); *see also* 35 U.S.C. § 316(a)(5) (requiring discovery in *inter partes* review proceedings to be limited to “what is . . . necessary in the interest of justice”). We generally consider five factors (“the *Garmin* factors”) in determining whether additional discovery is in the interests of justice. *See Garmin Int’l, Inc. v. Cuozzo Speed Techs. LLC*, IPR2012-00001, slip op. at 6–7 (PTAB Mar. 5, 2013) (Paper 26) (precedential).

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We focus our analysis primarily on the first *Garmin* factor, which asks whether there is more than a “mere possibility” or “mere allegation that something useful will be found.” *Garmin*, slip op. at 6. This factor requires that “the requester of information should already be in possession of a threshold amount of evidence or reasoning tending to show beyond speculation that something useful will be uncovered.” *Id.* at 7. Patent Owner identifies several pieces of “threshold” evidence that supports the requested discovery.

Patent Owner identifies multiple prior *inter partes* review proceedings¹ concerning its OxyContin® patents in which Petitioner and Amneal were both named as RPIs. Mot. 2. Patent Owner notes that the patents challenged here are asserted against both Petitioner and Amneal in a pending district court litigation, in which they are represented by the same counsel. Mot. 2–3. Patent Owner also contends Amneal is precluded from challenging these patents following its recent merger with Impax. *Id.* at 3–4 (citing Ex. 2001, 10, 15–16). Patent Owner further shows that Petitioner and Amneal had previously worked closely together on an abbreviated new drug application (ANDA) for the Oxycontin® product covered by the challenged patents, and alleges that Amneal transferred its ownership interests to Petitioner for no value to circumvent a non-challenge provision in a prior settlement agreement with Impax. *Id.* at 7–8 (citing Exs. 2004, 2006–2009). Patent Owner asserts that Mr. Patel and his brother, Chintu Patel, own 43.875% of Petitioner. *Id.* at 11 (citing Ex. 2011, 253). Patent Owner also shows that Mr. Patel is the designated contact for Vidya, LLC—a majority

¹ IPR2016-01027, IPR2016-1028, IPR2016-01412, and IPR2016-01413.

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owner and “Class A” member of Petitioner—through which Amneal and its principal owners retain control and ownership of Petitioner. *Id.* at 10–11 (citing Ex. 2010 at 40–41).

Petitioner highlights that the prior challenges in which Petitioner and Amneal were both named RPIs predate the termination of the Product Development Agreement (PDA) with Amneal, as well as the merger between Amneal and Impax, which Petitioner contends resulted in a complete separation between Petitioner and Amneal. *Opp.*, 3–4. Petitioner responds that the control of the prior IPRs and the pending litigation were transferred from Amneal to Petitioner in December 2017, prior to the filing of the current proceedings. *Id.* at 9–10. Petitioner alternately asserts that as Amneal is a separate corporate entity, Patent Owner cannot show that Amneal funds, directs, or controls these IPRs. *Id.* at 4–5. On the point of sharing common counsel with Amneal, Petitioner notes that the use of the same law firm in different proceedings is insufficient, standing alone, to meet the first *Garmin* factor. *Id.* at 9 n.2. Finally, with respect to ownership, Petitioner shows that their corporate agreement vests exclusive control in Dr. Shaw, and that the Class A, B, and D owners lack voting and management power under the agreement. *Id.* at 5–6 (citing Ex. 2010 at 4–5).

We conclude that the first factor weighs in favor of authorizing the requested discovery. Although Petitioner highlights the fact that the PDA with Amneal has been terminated, Patent Owner has put forward evidence tending to show that Amneal may still have a significant interest in the validity of these patents by virtue of being a defendant in the district court litigation. Furthermore, Patent Owner has put forward evidence tending to show common or overlapping ownership interests between Petitioner and

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Amneal, which could potentially indicate that Petitioner is acting on behalf of Amneal's interests in these proceedings. As such, we find that Patent Owner has shown that the depositions of Mr. Patel and Dr. Shah will shed further light on the nature of the relationship between Petitioner and Amneal, the extent to which Amneal controls or funds these proceedings (or could do so), and Amneal's past and continuing interests in these proceedings.

We also determine that the remaining *Garmin* factors favor authorization of the requested discovery. The depositions sought by Patent Owner do not amount to an attempt to prematurely obtain Petitioner's litigation positions. While Patent Owner is already in possession of documents from the related litigation, we are not persuaded that the additional information sought through the depositions of Mr. Patel and Dr. Shah could necessarily be obtained through other less intrusive means. We do not expect these depositions to be fishing expeditions, but rather expect any questions directed to the deponents to be clear and narrowly tailored to the RPI issue. The parties are expected to meet and confer in good faith as to any limitations and procedures for the depositions, which shall take place no later than August 10, 2018.

We make no express findings at this time on the separate issue of whether Amneal is in fact a real-party-in-interest for these proceedings. Rather, we find only that Patent Owner has made a sufficient showing to merit the additional discovery sought as to this question. In view of our authorization of the requested discovery and the Federal Circuit's recent decision in *Applications in Internet Time, LLC v. RPX Corp.*, Nos. 2015-

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01750, -01751, -01752, __ F.3d __ (Fed. Cir. July 9, 2018), we also authorize expedited supplemental briefing on the RPI issue.

III. ORDER

Accordingly, it is:

ORDERED that Patent Owner's Motion for Additional Discovery is *granted*;

FURTHER ORDERED that the depositions of Mr. Patel and Dr. Shah shall be completed no later than August 10, 2018;

FURTHER ORDERED that Patent Owner shall file a supplemental brief on the real-party-in-interest issue, limited to 10 pages, no later than August 17, 2018; and

FURTHER ORDERED that Petitioner shall file a response to Patent Owner's supplemental brief on the real-party-in-interest issue, limited to 10 pages, no later than August 24, 2018.

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