

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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COALITION FOR AFFORDABLE DRUGS VI, LLC.,  
Petitioner,

v.

CELGENE CORPORATION,  
Patent Owner.

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Case IPR2015-01092 (Patent 6,045,501)  
Case IPR2015-01096 (Patent 6,315,720)  
Case IPR2015-01102 (Patent 6,315,720)  
Case IPR2015-01103 (Patent 6,315,720)<sup>1</sup>

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Before MICHAEL P. TIERNEY, MICHAEL W. KIM,  
JAQUELINE WRIGHT BONILLA, GRACE KARAFFA OBERMANN,  
and TINA E. HULSE, *Administrative Patent Judges*.

OBERMANN, *Administrative Patent Judge*.

ORDER  
*Authorizing Patent Owner's Motion for Sanctions*  
37 C.F.R. § 42.12

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<sup>1</sup> This order addresses issues common to all cases; therefore, we issue a single order to be entered in each case. The parties are authorized to use this style heading when filing an identical paper in multiple proceedings, provided that such heading includes a footnote attesting that “the word-for-word identical paper is filed in each proceeding identified in the heading.”

IPR2015-01092 (Patent 6,045,501)  
IPR2015-01096 (Patent 6,315,720)  
IPR2015-01102 (Patent 6,315,720)  
IPR2015-01103 (Patent 6,315,720)

By email dated June 3, 2015, Patent Owner requested authorization to file a motion for sanctions in each of the above-captioned proceedings. Appendix (copy of email). On June 8, 2015, the Board (Judges Tierney, Kim, Obermann, and Hulse) conducted a telephone conference pertaining to that request. Mr. Nick Cerrito, arguing for Patent Owner, was accompanied by Mr. Andrew Chalson, Mr. Frank Calvosa, and Mr. Eric Stops. Ms. Sarah Spires, arguing for Petitioner, was accompanied by Dr. Parvathi Kota and Mr. Paul Skiermont.

Patent Owner confirmed that it wishes to move for sanctions against Petitioner, but not Petitioner's counsel. Specifically, Patent Owner requested authorization to move for dismissal of the Petitions as a sanction for abuse of process by Petitioner or its real parties-in-interest. 37 C.F.R. § 42.12(a)(6), (b)(8). Based on the specific representations made during the telephone conference, we *granted* the requested authorization. Our decision was based on a determination that briefing will facilitate development of a complete record and, thereby, will promote the just resolution of the issues raised by Patent Owner. We emphasized that our grant of authorization to file a motion for sanctions is not a decision on the merits of Patent Owner's allegation of abuse of process.

We instructed the parties to address specifically in their briefs (1) the elements required to establish an abuse of process; (2) any evidence of intent that supports or undercuts the allegation of abuse of process in these cases; and (3) the standard of proof that applies when deciding a motion for

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sanctions. We also set a schedule for briefing as follows. The motion for sanctions shall be filed on the same day as the Preliminary Response, if Patent Owner elects to file a Preliminary Response. If Patent Owner waives filing of a Preliminary Response, the motion for sanctions shall be filed no later than the due date for filing the Preliminary Response in each proceeding. Petitioner's opposition to the motion for sanctions shall be due ten (10) business days after filing of the motion. Patent Owner's reply to the opposition shall be due five (5) business days after filing of the opposition. The default page limits set forth in 37 C.F.R. § 42.24 shall apply to the motion, the opposition, and the reply.

Patent Owner averred that Petitioner, during the course of argument presented in the telephone conference, waived confidentiality over certain information allegedly relevant to the allegation of abuse of process. The parties are directed to meet and confer to resolve any dispute, regarding that alleged waiver, as necessary to complete briefing. No protective order has been entered in these proceedings. There is a strong public policy that favors making information filed in an *inter partes* review open to the public, especially because the proceeding determines the patentability of claims in an issued patent and, therefore, affects the rights of the public. *Garmin Int'l, Inc. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, slip. op. at 3 (PTAB Apr. 5, 2013) (Paper 37). Under 35 U.S.C. § 316(a)(1) and 37 C.F.R. § 42.14, the default rule is that all papers filed in an *inter partes* review are open and available for access by the public; a party, however, may file a

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concurrent motion to seal, along with a proposed protective order, and the information at issue will be sealed pending the outcome of the motion to seal.

It is

ORDERED that Patent Owner's request for authorization to file a motion for sanctions against Petitioner is *granted*;

FURTHER ORDERED that the motion for sanctions shall be filed on the same day as the Preliminary Response, if Patent Owner elects to file a Preliminary Response;

FURTHER ORDERED that, if Patent Owner waives filing of a Preliminary Response, the motion for sanctions shall be filed no later than the due date for filing the Preliminary Response in each proceeding;

FURTHER ORDERED that Petitioner's opposition to the motion for sanctions shall be due ten (10) business days after filing of the motion;

FURTHER ORDERED that Patent Owner's reply to the opposition to the sanctions motion shall be due five (5) business days after filing of the opposition; and

FURTHER ORDERED that the default page limits set forth in 37 C.F.R. § 42.24 shall apply to the motion, the opposition, and the reply.

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## APPENDIX

**From:** Jennifer Torres [contact information omitted] **On Behalf Of** Nick Cerrito  
**Sent:** Wednesday, June 03, 2015 3:51 PM  
**To:** Trials  
**Cc:** Nick Cerrito; Evangeline Shih; Gabriel Brier; Lyndsey Przybylski; Anthony M Insogna; Patrick Elsevier; Frank Calvosa; Sarah Spires; Parvathi Kota; Paul Skiermont  
**Subject:** IPR2015-01092, -1096, -1102, and -1103 - Request for Authorization to File Sanctions Motion for Dismissal

Dear PTAB:

Patent Owner, Celgene Corporation ("Celgene"), respectfully requests authorization to file a sanctions motion for dismissal, pursuant to 37 C.F.R. § 42.12, of the petitions filed in IPR2015-01092, -1096, -1102, and -1103. The identified real parties in interest ("RPI") in these proceedings have stated publicly that they intend to use the IPR process for the purpose of affecting the value of public companies. This is not the purpose for which the IPR process was designed. Moreover, one or more of the identified RPI previously threatened to file IPRs against the challenged patents unless Celgene met their demands. When Celgene did not pay, the RPI -- apparently in furtherance of their efforts to abuse the IPR process for private financial gain -- filed the present petitions. Celgene respectfully requests authorization to file a sanctions motion to dismiss the petitions due to the real parties in interest's abuse of process and misuse of the IPR proceedings.

The parties are available for a teleconference with the Board on either Friday, June 5 or Monday, June 8. Counsel for Petitioner is copied on this email.

Nick Cerrito  
*Partner*  
**Quinn Emanuel Urquhart & Sullivan, LLP**

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