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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BAXTER HEALTHCARE CORP., APATECH, INC., and APATECH LIMITED, Petitioner,

V.

MILLENIUM BIOLOGIX, LLC, Patent Owner.

Case IPR2013-00582 (Patent No. RE41,251) Case IPR2013-00590 (Patent No. 6,585,992)

Before MICHELLE R. OSINSKI, SCOTT E. KAMHOLZ, and BRIAN P. MURPHY, *Administrative Patent Judges*.

OSINSKI, Administrative Patent Judge.

DECISION
Petitioner's Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Baxter Healthcare Corp. et al. ("Petitioner") filed a Request for Rehearing (Paper 36,¹ "Req.") of our Order (Paper 33,² 7, "Order") that Petitioner's Reply evidence, Exhibit 1134 ¶¶ 49-61, Exhibit 1135, and Exhibits 1143-1171, will not be considered by the Board in rendering final written decisions in the above-captioned cases. We have considered the Request for Rehearing, but decline to modify the Order.

II. STANDARD OF REVIEW

Under 37 C.F.R. § 42.71(d), the party requesting rehearing bears the burden of showing a decision should be modified. In its request for rehearing, the dissatisfied party must identify the matters believed to be misapprehended or overlooked by the Board and the place in the record where it previously addressed each matter it submits for review. 37 C.F.R. § 42.71(d).

III. DISCUSSION

Petitioner argues that "the Board 'misapprehended or overlooked' that: (1) the Ruys Evidence is directly responsive to arguments first raised by . . . Patent Owner in its Response, and was neither necessary nor presented to support Petitioners' *prima facie* case; and (2) Patent Owner would not be unfairly prejudiced if the Board allowed this evidence into the record of this proceeding." Req. 1.

¹ Our citations are to the papers filed in IPR2013-00590. The Request for Rehearing appears as Paper 35 in IPR2013-00582.

² See Paper 32, 7 in IPR2013-00582.

With respect to the first argument, as we explained in the Decision, "[w]e are cognizant that, although Petitioner's newly submitted evidence might have been stimulated by Patent Owner's Response to the Petition (Pet. Reply 7), it was Petitioner who decided to rely on the declaration of its expert without experimental evidence in support of its inherent anticipation argument." Order 6. We explained that Petitioner's Reply belatedly presents evidence. Order 5 (citing Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,767 (Aug. 14, 2012)) ("While replies can help crystalize issues for decision, *a reply that* raises a new issue or *belatedly presents evidence will not be considered* Examples of indications that a new issue has been raised in a reply include . . . new evidence that could have been presented in a prior filing.") (emphasis added).

As we explained in our Order, Petitioner could have presented the experimental evidence with its original Petition or requested authorization to file supplemental information in support of its Petition after Patent Owner's Response was served and filed. Order 5. Petitioner has not contended otherwise, nor offered any evidence to show otherwise. We explained that the experimental evidence in "Petitioner's Reply does more than merely respond to (i.e., rebut), points made in Patent Owner's Response." Order 6. The experimental evidence does not merely rebut points made in Patent Owner's Response (such as by explaining why differences in temperature and/or particle size would not affect microporosity or explaining why Patent Owner's argument was unpersuasive speculation), and is instead new evidence that could have been presented earlier to support its inherency argument. *See* 37 C.F.R. § 42.23(b); Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and

Appeal Board Decisions; Final Rule, 77 Fed. Reg. 48,612, 48,620 (Aug. 14, 2012) ("Section 42.23 provides that oppositions and replies must comply with the content requirements for a motion and that a reply may *only* respond to arguments raised in the corresponding opposition. Oppositions and replies may rely upon appropriate evidence to support the positions asserted. Reply evidence, however, must be responsive and not merely new evidence that could have been presented earlier to support the movant's motion.") (emphasis added).

Petitioner argues that the proper test to exclude evidence is not merely whether the evidence could have been presented earlier. Req. 7. Petitioner cites to *Berk-Tek LLC v. Belden Tech. Inc.*, IPR2013-00057, Paper 29, 2 (PTAB Sept. 10, 2013), in which the Board stated "[i]t is not the test for determining appropriateness of a Reply merely to see whether information was previously available to [Petitioner] and could have been submitted with its Petition" and "[i]t . . . would be unreasonable to expect a Petitioner to submit supporting testimony for every matter that possibly may be involved in a dispute." Req. 7. We point out that the Board also noted in its Order in *Berk-Tek* that "[o]n the other hand, factual disputes which reasonably should have been anticipated may require supporting testimony." *Id*. Petitioner reasonably should have anticipated that Patent Owner would undertake to rebut Petitioner's technical reasoning in support of its assertion that a silicon-substituted calcium phosphate material having a microporous structure necessarily flows from the teachings of Ruys '93a.

Petitioner also cites to *Vibrant Media, Inc. v. General Electric Co.*, IPR2013-00170, Paper 56, 31-32 (PTAB June 26, 2014) in which the Board stated, "The need for relying on evidence not previously discussed in the

petition may not exist until a certain point has been raised in the patent owner response. Much depends on the specific arguments made in the patent owner response." Reg. 7-8. As an initial matter, we point out that Petitioner maintains it has no *need* to rely on the new experimental evidence to establish that the Ruys '93a material is microporous. See Req. 6 ("Based on the opinions of Petitioners' expert . . . and the admissions by Dr. Ong at his deposition, the Ruys Evidence plainly is not necessary to establish that the Ruys 1993a material is microporous"). Moreover, the reason for Petitioner to bring in the experimental evidence existed both before and after the Patent Owner response—namely, to support the inherent microporosity of the material disclosed in Ruys '93a. The reason to bring in the experimental evidence did not only begin to exist sometime after Patent Owner's response. As to Petitioner's arguments regarding the Board's purported questioning of the relevance of the experimental evidence to support Petitioner's inherency argument (see Req. 9-13), we do not take issue with Petitioner's characterization of the law on inherency or that the experimental evidence may be relevant to whether microporosity inevitably and necessarily flows from the teachings of Ruys '93a. In fact, the relevance of the experimental evidence in supporting an inherency argument, even before Patent Owner's Response was served and filed, is exactly why such experimental evidence could, and should, have been presented earlier. For the foregoing reasons, we are not persuaded that our decision not to consider the experimental evidence in rendering final written decisions in the abovecaptioned cases was based on an incorrect standard such that an abuse of discretion occurred.

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Because we are not persuaded of error in our decision not to consider the experimental evidence as belatedly presented evidence, we need not reach Petitioner's second argument that the Patent Owner would not be unfairly prejudiced if the Board allowed the experimental evidence into the record of the proceeding. Req. 1, 13-15.

IV. ORDER

Accordingly, it is

ORDERED that the Request for Rehearing is *denied*.

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FOR PETITONER:

Jeffrey P. Kushan, Lead Counsel Peter S. Choi, Back-up Counsel SIDLEY AUSTIN LLP

FOR PATENT OWNER:

Marilyn Huston, Lead Counsel Keith A. Rutherford, Back-Up counsel James Hall, Back-up Counsel WONG CABELLO LUTSCH RUTHERFORD & BRUCCULERI, L.L.P.

Andrė J. Bahou MILLENIUM BIOLOGIX, LLC