

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PFIZER, INC.,
Petitioner,

v.

GENENTECH, INC.,
Patent Owner.

Case IPR2017-01923
Patent 7,976,838 B2

Before ERICA A. FRANKLIN, SHERIDAN K. SNEDDEN, and
JACQUELINE T. HARLOW, *Administrative Patent Judges*.

SNEDDEN, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Pfizer, Inc. (“Petitioner”) filed a Petition (Paper 3; “Pet.”) to institute an *inter partes* review of claims 1–14 of US 7,976,838 B2 (Ex. 1001; “the ’838 patent”) based on four asserted grounds. Pet. 4, 6–7. On April 4, 2018, we instituted an *inter partes* review of all challenged claims on two asserted grounds, specifically, Grounds 1 and 2 set forth in the Petition. Paper 14, 26 (“Dec.”). In reaching that decision, we declined to exercise our discretion to deny institution with respect to Petitioner’s Grounds 1 and 2 under either § 314(a) or § 325(d). *Id.* at 19–25. With regard to Petitioner’s Grounds 3 and 4, however, we exercised our discretion and declined to institute those grounds “in light of the determination that there is a reasonable likelihood that the challenged claims 1–14 are unpatentable based on the grounds of unpatentability for which we already institute an *inter partes* review.” *Id.* at 17 (citing 37 C.F.R. § 42.108(a)).

After our institution decision, the Supreme Court held that a decision to institute under 35 U.S.C. § 314 may not institute on less than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348 (2018). Shortly thereafter, on April 26, 2018, the Office issued a Guidance on the Impact of SAS on AIA Trial Proceedings stating that “if the PTAB institutes a trial, the PTAB will institute on all challenges raised in the petition. *See* <https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/trials/guidance-impact-sas-aia-trial>. Upon consideration of the Court’s opinion in *SAS* and the Office’s related Guidance, we modified our institution decision to institute on all of the challenged claims and all of the grounds presented in the petition, including Petitioner’s Grounds 3 and 4. Paper 21, 2 (“Order”).

On May 10, 2018, Genentech, Inc. (“Patent Owner”) requested a conference call seeking permission to file a request for rehearing of our Order modifying our institution decision to institute on all of the challenged claims and all of the grounds presented in the Petition. On May 14, 2018, we authorized the parties to file simultaneous briefing addressing our modification of the institution decision. Paper 22. Patent Owner requests that we exercise our discretion to vacate our Institution Decision and enter a modified decision denying institution on all grounds. Paper 29, 10. Petitioner opposes. Paper 28.

For the reasons set forth below, we deny Patent Owner’s request.

II. DISCUSSION

Patent Owner contends that

The Board retains its §§ 325(d) and 314(a) discretion to deny institution in the wake of SAS, and has indicated—including in policy statements—that it may vacate institution where it determines binary institution with previously-denied grounds is not, on balance, appropriate. *See generally Laird Techs., Inc. v. Parker Intangibles LLC*, IPR2018-00049, Pap 11, 2 (Apr. 27, 2018). That is the correct result here. The Board’s supplemental institution decision (Pap. 21) did not analyze §§ 325(d) and 314(a)—raised in the POPR (Pap. 8)—in view of the Board’s new “binary” (“all or nothing”) institution approach. See 37 C.F.R. § 42.71(d). Patent Owner (“PO”) respectfully requests that the Board reconsider that decision in light of the unwarranted burden imposed on the Board and PO by institution of trial on two Grounds based on a primary reference (Edwards 2001) and dose optimization arguments already considered and rejected by the Office. . . .

Id. at 1–2.

In our initial decision instituting *inter partes* review, we determined that Petitioner Grounds 1 and 2 had merit sufficient enough to institute trial. In making that determination, we considered both “the interests in conserving the resources of the Office and granting patent owners repose on issues and prior art that have been considered previously,” as well as “the interests of giving petitioners the opportunity to be heard and correcting any errors by the Office in allowing a patent—in the case of an *inter partes* review—over prior art patents and printed publications.” Dec. 18–19 (citations omitted). Given the legal landscape at that time, we exercised our discretion to deny institution with respect to Grounds 3 and 4.

Subsequent to that decision, however, the Supreme Court’s opinion in *SAS*, along with the Office’s related Guidance, required us to re-evaluate our initial decision on institution as a binary, yes-or-no determination with respect to all claims and all grounds, respectively. In light of *SAS* and the Office’s Guidance, we issued an order modifying our institution decision to include Petitioner’s Grounds 3 and 4. Our determination to proceed on all grounds is based upon the policy set forth in the above-mentioned Office Guidance, in view of *SAS*, along with our determination that Petitioner has shown a reasonable likelihood that it would prevail in showing the unpatentability of at least one claim in the petition. Regarding that determination, Patent Owner has not persuaded us that we have misapprehended or overlooked any matters. *See* 37 C.F.R. § 42.71(d).

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Accordingly, for the foregoing reasons, we deny Patent Owner's request to vacate our Institution Decision and enter a modified decision denying institution on all grounds.

III. ORDER

Accordingly, it is

ORDERED that Patent Owner's request for rehearing is denied.

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