

No. 17-114

In the Supreme Court of the United States

DEPOMED, INC., PETITIONER

v.

JOSEPH MATAL, INTERIM DIRECTOR, UNITED STATES
PATENT AND TRADEMARK OFFICE

*ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT*

BRIEF FOR THE RESPONDENT

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QUESTION PRESENTED

Whether inter partes review under the Patent Act comports with Article III and the Seventh Amendment.

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1a-18a) is not published in the *Federal Reporter* but is available at 680 Fed. Appx. 947. The decision of the Patent Trial and Appeal Board (Pet. App. 19a-64a) is not published in the *United States Patents Quarterly* but is available at 2015 WL 5470293.

JURISDICTION

The judgment of the court of appeals was entered on February 21, 2017. On May 16, 2017, the Chief Justice extended the time within which to file a petition for a writ of certiorari to and including July 21, 2017, and the petition was filed on that date. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. In 2011, Congress enacted the Leahy-Smith America Invents Act (AIA or Act), Pub. L. No. 112-29, 125 Stat. 284, to “establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.” H.R. Rep. No. 98, 112th Cong., 1st Sess. Pt. 1, at 39-40 (2011). Among other measures directed at that goal, the AIA established inter partes review, an administrative process through which the U.S. Patent and Trademark Office (USPTO) can reconsider the validity of the claims in issued patents.

Inter partes review may be used to challenge an issued patent based on lack of novelty or obviousness. 35 U.S.C. 311(b). In general, any person other than the patent’s owner may petition for inter partes review. 35 U.S.C. 311. The Director of the USPTO may institute an inter partes review if he determines that “there is a reasonable likelihood that the petitioner would prevail” with respect to at least one of its challenges to the validity of a patent, 35 U.S.C. 314(a), and if no other provision of the Act bars institution under the circumstances. The Director has delegated the responsibility for instituting inter partes reviews to the USPTO’s Patent Trial and Appeal Board (Board). 37 C.F.R. 42.4(a). The Board’s final decision may be appealed to the Federal Circuit. 35 U.S.C. 141, 319.

2. Petitioner owns U.S. Patent No. 6,723,340 (the ’340 patent), which relates to formulation of controlled-release pharmaceuticals. Pet. App. 1a-2a. In April 2013, petitioner sued Endo Pharmaceuticals, Inc. (Endo) for infringing three patents, including the ’340 patent, in the United States District Court for the District of New Jersey. *Id.* at 20a-22a. One year later, Endo petitioned

for inter partes review of certain claims in the '340 patent, alleging that those claims were obvious in light of the prior art. *Id.* at 4a-5a, 20a-21a & nn.1-3. The Board instituted inter partes review with respect to most of the challenged patent claims, and then issued a final written decision concluding that each of the claims in the inter partes review was unpatentable as obvious. *Id.* at 20a.

The Federal Circuit affirmed in an unpublished decision. Pet. App. 1a-11a. In doing so, the court rejected on the basis of circuit precedent petitioner's contention that inter partes review violates Article III and the Seventh Amendment. *Id.* at 11a n.3 (citing *MCM Portfolio LLC v. Hewlett-Packard Co.*, 812 F.3d 1284 (Fed. Cir. 2015), cert. denied, 137 S. Ct. 292 (2016)).

DISCUSSION

Petitioner contends (Pet. 6-10) that inter partes review under the Patent Act violates Article III and the Seventh Amendment. On June 12, 2017, this Court granted a petition for a writ of certiorari in *Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, No. 16-712, to address that contention. Accordingly, the Court should hold the petition in this case pending the decision in *Oil States* and then dispose of the petition as appropriate in light of that decision.

CONCLUSION

The petition for a writ of certiorari should be held pending this Court's decision in *Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, No. 16-712, and then disposed of as appropriate in light of that decision.

Respectfully submitted.

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