## UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE PATENT TRIAL AND APPEAL BOARD ARGENTUM PHARMACEUTICALS LLC, Petitioner v. ALLERGAN, INC. Patent Owner Case IPR2016-01232 Patent 8,629,111

JOINT MOTION TO TERMINATE PURSUANT TO 35 U.S.C. § 317

Pursuant to 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74, Argentum Pharmaceuticals LLC. ("Petitioner") and Patent Owner Allergan, Inc. ("Patent Owner") jointly request termination of this inter *partes review* (IPR) of U.S. Patent 8,629,111 ("the '111 patent"), Case No. IPR2016-01232. **The parties note that the Decision on Institution in IPR2016-01128, also involving the '111 patent, is currently set for Thursday, December 8, 2016.** The parties have settled their disputes, and have reached agreement to terminate this IPR. In accordance with 37 C.F.R. § 42.20(b), the parties received authorization from the Board to file this motion on December 7, 2016.

Termination of this proceeding is proper for at least the following reasons:

The parties are jointly requesting termination. 77 Fed. Reg. 48756, 48768 (Aug. 14, 2012) ("There are strong public policy reasons to favor settlement between the parties to a proceeding") (emphasis added). Both Congress and the federal courts have expressed a strong interest in encouraging settlement in litigation. See, e.g., Delta Air Lines, Inc. v. August, 450 U.S. 346, 352 (1981) ("The purpose of [Fed. R. Civ. P.] 68 is to encourage the settlement of litigation."); Bergh v. Dept. of Transp., 794 F.2d 1575, 1577 (Fed. Cir. 1986) ("The law favors settlement of cases."), cert. denied, 479 U.S. 950 (1986). The Federal Circuit places a particularly strong emphasis on settlement. For example, it endorses the

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ability of parties to agree to never challenge validity as part of a settlement. *See Flex-Foot, Inc. v. CRP, Inc.*, 238 F.3d 1362, 1370 (Fed. Cir. 2001); *see also Cheyenne River Sioux Tribe v. U.S.*, 806 F.2d 1046, 1050 (Fed. Cir. 1986) (noting that the law favors settlement to reduce antagonism and hostility between parties). Here, no public interest or other factors weigh against termination of this proceeding.

The Board has not yet "decided the merits of the proceeding before the request for termination is filed." 35 U.S.C. § 317(a) (emphasis added); 77 Fed. Reg. 48768 ("The Board expects that a proceeding will terminate after the filing of a settlement agreement, unless the Board has already decided the merits of the proceeding.") Indeed, the Board has not yet made a decision on institution of this *inter partes* review or on the petition for *inter* partes review that Mylan filed relating to the '111 patent (IPR2016-01128). Argentum filed its petition for inter partes review on June 22, 2016. No other party's rights will be prejudiced by the termination of this *inter partes* review. This supports the propriety of terminating this proceeding even though the settlement and termination provisions of 35 U.S.C. § 317, on their face, apply only to "instituted" proceedings. 77 Fed. Reg. 48680, 48686 (Aug. 14, 2012) (And 35 U.S.C. 317(a) provides "An inter partes review instituted under this chapter shall be terminated with respect to any

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petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed.")

- The only related pending district court litigation regarding the '111 patent is Allergan, Inc. v. Teva Pharmaceuticals USA, Inc. et al., & Innopharma, Inc., C.A. No. 2:15-cv-1455-JRG (E.D. Tex. 2015) (consolidated); Allergan, Inc. v. Innopharma, Inc., & Pfizer, Inc., C.A. No. 1:15-cv-00815 (D. Del. 2015); and Allergan, Inc. v. Famy Care, Ltd., No. 2:16-cv-0401 (D. Texas). The validity of the '111 patent was already previously challenged (unsuccessfully) by a generic drug manufacturer in the U.S. District Court for the Eastern District of Texas, Allergan, Inc. v. Actavis, Inc. et al., Case No. 2:14-cv-00638-JRG (E.D. Tex. 2014).
- The '111 patent is also the subject of an *inter partes* review petition filed by Mylan (IPR2016-01128). Petitioner has filed a motion to join that proceeding. An institution decision in IPR2016-01128 is expected on December 8, 2016. Termination of the present proceeding will not affect IPR2016-01128.

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The settlement agreement between the parties has been made in writing, and a true and correct copy shall be filed with this Office as business confidential information pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(b)-(c).

Respectfully submitted,

Date:/December 7, 2016/

/Dorothy P. Whelan/

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/Matthew J. Dowd/

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## **CERTIFICATE OF SERVICE**

Pursuant to 37 CFR §§ 42.6(e)(4) and 42.205(b), the undersigned certifies that on December 7, 2016, a complete and entire copy of this Joint Motion to Terminate was provided via electronic service, to the Petitioner by serving the correspondence address of record as follows:

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