

Fed. Circ. Pauses PTAB Review Of Restasis Patents

By **Matthew Bultman**

Law360 (March 28, 2018, 7:21 PM EDT) -- The Federal Circuit on Wednesday ordered the Patent Trial and Appeal Board to pause its review of patents covering Allergan PLC's dry eye medication Restasis while the appeals court considers arguments that tribal immunity insulates the patents from proceedings at the board.

The circuit granted a stay requested by Allergan and the Saint Regis Mohawk Tribe after they filed an immediate appeal of the PTAB's decision last month that tribal sovereign immunity does not apply in inter partes reviews at the board.

The stay will remain in effect until the day after the appeals court hears oral arguments in the case in June, according to the Federal Circuit's brief order. At that point, the appeals court said, it will address whether the stay will be lifted or remain in effect.

"At this juncture, it appears that the appeals divested the board of jurisdiction over the aspects of the case on appeal and that exclusive jurisdiction to resolve the threshold issue of whether these proceedings must be terminated vests in this court, and that the board may not proceed until granted leave by this court," the Federal Circuit wrote.

The ruling is a temporary reprieve for Allergan, which transferred the patents to the Saint Regis Mohawk in September as part of licensing deal. Previously, the PTAB was going to hold a final hearing in April and issue a decision on the validity of the patents by June.

Mylan Inc. is leading a group of generic-drug makers that have challenged the patents at the PTAB.

The tribe's attorney Michael Shore of Shore Chan DePumpo LLP said Wednesday that they are pleased the "issues will be decided by Article III judges."

Counsel for Mylan has declined to comment on the case.

Under its arrangement with Allergan, the tribe had agreed to take ownership of six patents and license them back to the drugmaker in exchange for ongoing payments. The Saint Regis Mohawk then sought to end several pending IPRs on the basis of tribal sovereign immunity.

Refusing to dismiss the reviews, the PTAB held in a Feb. 23 decision that tribal immunity does not apply

in IPRs. The board also said the reviews could continue with just Allergan because the drugmaker was the “true owner” of the patents and held all substantial rights.

In their appeal, Allergan and the tribe cited the collateral order doctrine, which allows certain types of issues, including sovereign immunity, to be appealed prior to a final judgment. The two argued that the appeal divested the PTAB of its jurisdiction and that the reviews should be stayed.

“The IPR proceedings must be stayed to preserve the tribe’s meaningful right to appeal the board’s denial of its sovereignty,” Allergan and the tribe wrote in a recent Federal Circuit filing.

Wednesday’s order comes just days after the PTAB rejected similar arguments and said that it planned to move forward with the reviews.

The patents-in-suit are U.S. Patent Numbers 8,685,930; 8,629,111; 8,642,556; 8,633,162; 8,648,048; and 9,248,191.

The tribe is represented by Michael W. Shore, Alfonso Garcia Chan, Christopher L. Evans and Joseph F. DePumpo of Shore Chan DePumpo LLP and Marsha Schmidt. Allergan is represented by Jonathan Massey of Massey & Gail LLP.

Mylan is represented by Eric D. Miller, Charles G. Curtis Jr., Andrew T. Dufresne, Shannon M. Bloodworth, Brandon M. White and Dan L. Bagatell of Perkins Coie LLP and Steven W. Parmelee, Jad A. Mills and Richard Torczon of Wilson Sonsini Goodrich & Rosati.

The case is Saint Regis Mohawk Tribe et al. v. Mylan Pharmaceuticals Inc. et al., case numbers 18-1638, 18-1639, 18-1640, 18-1641, 18-1642 and 18-1643, in the U.S. Court of Appeals for the Federal Circuit.

--Editing by Edrienne Su.