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Cellect A Side: Two Courts Rely on In re Cellect to Reach Opposite Conclusions Regarding the Applicability of Obviousness-Type Double Patenting to Parent Applications

The Federal Circuit's recent denial of Cellect's *en banc* petition leaves for another day clarity with respect to the interplay between obviousness-type double patenting and Patent Term Adjustment (PTA). In *Cellect*, the Federal Circuit held that Obviousness-Type Double Patenting (OTDP) "for a patent that has received PTA ... must be based on the expiration date of the patent after PTA has been added." *In re Cellect*, *LLC*, 81 F.4th 1216, 1229 (2023).

When prosecuting patent applications before the United States Patent and Trademark Office, it is often the case that, due to prosecution delays, the originally filed application is granted PTA. Because of the Examiner's familiarity with the application, however, subsequently filed continuation applications are often examined more quickly and are less likely to receive PTA. The *Cellect* decision left open the question as to whether an earlier-filed application that receives PTA can be invalidated by a later-filed continuation application that receives less or no PTA. Recently, two district court judges, both relying on *Cellect*, reached opposite holdings regarding this question.

In *Acadia Pharm. Inc. v. Aurobindo Pharm. Ltd.* (C. A. 20-985-GBW (D. Del. Dec. 13, 2023)) Judge Williams denied a motion for summary judgment of invalidity for OTDP, holding that "[t]he Court has been unable to identify a case where, when challenged, a later-filed, later-issued, earlier-expiring patent was used as an OTDP reference to invalidate an earlier-filed, earlier-issued, later-expiring patent. Here, the claims in the challenged patent were earlier-filed and thus are entitled to their full term, including the PTA." In so holding, Judge Williams quoted from *Cellect* (emphasis added): "claims in the challenged patents are entitled to their full term, including the duly granted PTA, unless they are found to be *later-filed obvious variations* of earlier-filed, commonly-owned claims."

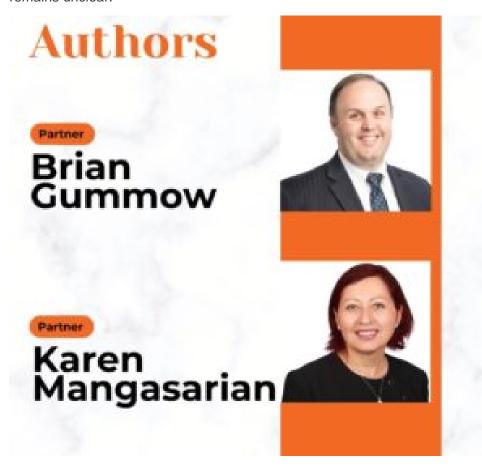
Judge Williams found that preventing a later-filed patent from being used as a reference patent to invalidate an earlier-filed patent was equitable because "the purpose of [the] OTDP doctrine is to 'prevent a patent owner from extending his exclusive rights to an invention through claims in a later-filed patent, that are not patentably distinct from claims in the earlier-filed patent" (citing *Proctor & Gamble Co. v. Teva Pharms USA, Inc.*, 566 F.3d 989, 99 (Fed. Cir. 2009)). He also noted that the *Cellect* decision noted that OTDP "limits the term of a patent or, at least, ties later-filed commonly owned, obvious variations to the expiration date of an earlier-filed reference patent." He further opined that "[i]f a later-filed patent is used as a reference, the logic and purpose of OTDP is flipped on its head: rather than preventing a patent owner from unjustifiably extending the term of a patent, OTDP would operate to cut off a patent term that would have been valid but for a later-filed patent."

By contrast, Judge Andrews came to the complete opposite conclusion in *Allergan U.S., Inc. v. MSN Labs. Pvt. Ltd.*, (C. A. 19-1727-RGA (D. Del. Sep. 27, 2023)), and invalidated an earlier-filed, later-expiring patent for OTDP over two later-filed patents in the same patent family that had earlier expiration dates because they did not receive any PTA. While Allegan argued that its case was distinguishable from *Cellect* because the patent having PTA was the first-

filed, first-issued patent, Judge Andrews held that "[t]he 'first-filed, first-issued' distinction is immaterial." Unlike Judge Williams, he refused to evaluate the equitable considerations because *Cellect* held "that ODP depends *solely on patent expiration dates* and should not be influenced by equitable concerns. '[A]ny extension past [the ODP reference patent's expiration] date constituted an inappropriate timewise extension for the asserted claims of the challenged patents" (emphasis added). Judge Andrews's *Allergan* decision is currently on appeal before the Federal Circuit.

In its Appeal Brief, Allergan argues that OTDP "is an equitable doctrine designed to prevent a patentee from *extending* its exclusive right to an invention through claims in a later-filed, later-expiring patent that are not patentably distinct from claims in an earlier-filed, earlier-expiring patent" (emphasis in original). It also argues that Judge Andrews applied *Cellect* as "a universal, rigid rule that any earlier-expiring patent can serve as an ODP reference patent." Allergan counters that the *Cellect* decision is not dispositive because it expressly declined to address the issue because Cellect had waived such an argument. Rather, it argues that a later-filed, later-issued patent cannot be used as a reference patent to invalidate a first-filed, first-issued patent because it is the first-filed, first-issued patent that establishes the original patent term for the invention. According to Allergan, the first-filed, first-issued patent cannot extend (let alone improperly extend) the patent right. Allergan also pointed to Judge Williams's decision in *Acadia* to demonstrate how judges in the same district are applying *Cellect* in completely opposite ways.

It remains to be seen if Cellect will petition for Supreme Court review. For now, however, the *Cellect* decision stands, and patent owners will need to carefully consider their strategies as the fate of earlier-filed, earlier-issued patents that have been granted PTA with respect to OTDP challenges from later-filed, later-issued patents in the same family remains unclear.



Related Content: The Federal Circuit Affirms That Obviousness-type Double Patenting is Available for Patents Whose Expiration Dates Differ as a Result of Patent Term Adjustment

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