UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA

al.,

Plaintiffs,

vs.

FRESENIUS KABI USA, LLC,

Defendant;

AND RELATED COUNTERCLAIMS.

CADENCE PHARMACEUTICALS, INC. et

Case No. 13cv139 DMS (MDD)

ORDER GRANTING DEFENDANT'S MOTION TO AMEND INVALIDITY CONTENTIONS

Pending before the Court in this patent infringement action is Defendant's motion for leave to amend invalidity contentions pursuant to Patent Local Rule 3.6(b)(3). Plaintiffs filed an opposition and Defendant replied. For the reasons which follow, Defendant's motion is granted.

The last date for Defendant to amend invalidity contentions as of right was August 16, 2013 (Order After Informal Case Management Conference, filed Jun. 11, 2013 at 2.) On September 30, 2013, Defendant discovered a doctoral thesis by Alpasan Yaman from 1992, and in early- to mid-October 2013, it located two scientific abstracts from 1991 and 1994, respectively, related to presentations given by Dr. Yaman, all of which Defendant claims are relevant to the deoxygenation claims of U.S. Patent No. 6,992,218 and Defendant's argument that the patent is invalid for obviousness. Defendant produced the Yaman thesis to Plaintiffs on October 21, 2013 and the

abstracts on November 1, 2013. The proposed amended invalidity contentions were disclosed to Plaintiffs on November 7, 2013. After Plaintiffs did not stipulate to amendment, Defendant filed the instant motion on November 13, 2013.

Patent Local Rule 3.6(b) allows for amendment "upon a timely motion showing good cause" provided there is no "undue prejudice to the opposing party." In order to establish good cause, the moving party must show diligence in discovering the new prior art information and in making the request to amend the contentions. *See O2 Micro Int'l Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1366 (Fed. Cir. 2006).

Upon review of Defendant's initial and reply declarations filed in support of the motion, the Court finds that Defendant conducted its prior art search with sufficient diligence in light of the preand post-litigation searches conducted by counsel and technical experts, the fact that these prior art references were not located in the proceedings before the United States Patent Office or in the prior litigation over the same patents, and that doctoral theses and scientific presentation abstracts can be more difficult to identify through searching than other types of prior art. It is undisputed that the newly-discovered prior art was produced to Plaintiffs within three weeks, and that the instant motion was filed within six weeks of discovery, which included a meet and confer process. Accordingly, Defendant has met its burden to show diligence.

Plaintiffs contend the motion should be denied because they will be prejudiced by the need for additional fact and expert discovery, and the need for their experts to incorporate the new prior art in their responses to Defendant's expert reports. The fact discovery closed on December 20, 2013 (*see* Joint Mot. to Amend the Schedule, filed Nov. 27, 2013, granted Nov. 29, 2013), or approximately seven weeks after disclosure of the new references. In their opposition, dated December 27, 2013, Plaintiffs did not indicate what fact discovery they still need to conduct or how much time this would require. With respect to expert discovery, Plaintiffs argue their responses to Defendant's expert reports are due January 20, 2013, and that the amendment would give them a very compressed time schedule to address the new references, which were included in Defendant's expert reports due December 23, 2013. Plaintiffs do not dispute that the new references were disclosed to them no later than November 1, 2013, and do not specify how much time they would need to adequately address

them in the responsive expert reports. Expert discovery is scheduled to close on March 3, 2014. (See Joint Mot. to Amend the Schedule, filed Nov. 27, 2013, granted Nov. 29, 2013.) Given that Plaintiffs received disclosure of the new references on or before November 1, 2013, and that their claims of prejudice lack specificity, the Court finds they will not be unduly prejudiced by the amendment.¹ For good cause shown, Defendant's motion to amend invalidity contentions is granted. Defendant is permitted to amend its invalidity contentions as proposed in Exhibit 7 filed in support of its motion. IT IS SO ORDERED. DATED: January 15, 2014 HON. DANA M. SABRAW United States District Judge

This finding is without prejudice to requesting enlargement of time for discovery related to the new references, provided Plaintiffs make the requisite good cause showing.