

## Jury Says Sandoz Owes \$39M For Eyelash Drug Infringement

By **Daniel Ducassi**

Law360, Denver (March 31, 2023, 4:37 PM EDT) -- Sandoz is liable for \$39 million to Duke University and Allergan for infringing their patent for an eyelash-growth drug, a Colorado federal jury found Friday, upholding the patent's validity.

Novartis, a Sandoz subsidiary, had already admitted infringement, but argued that the patent was invalid, in part because the invention was obvious in light of a 1998 patent application and a 1997 patent.

The jury deliberated for about four hours, following closing arguments earlier Friday in which Allergan attorney Timothy S. Durst of O'Melveny & Myers LLP said all of Sandoz's invalidity arguments were considered by examiners at the U.S. Patent and Trademark Office, which ultimately awarded the patent in February 2017.

"The facts and the logic show us that the patent office got this right," Durst said. Durst argued that Sandoz was trying to use the benefit of hindsight to assert that the invention was obvious.

Jurors heard from an economist for Duke and Abbvie subsidiary Allergan who said that the school and the drug company together lost \$43.7 million in profits and royalties as a result of Sandoz's generic, bimatoprost, hitting the market in 2016, before the patent expired in January 2021.

Sandoz put on an economist who found the figure for damages was actually \$23 million after accounting for Allergan's decision to slash marketing spending in 2014.

Allergan on Tuesday **dropped its allegation** that Sandoz willfully infringed the patent, abandoning the possibility of enhanced damages.

Sandoz had argued to jurors that the lost profits were at least partly Allergan's own fault because it "shot itself in the foot" by slashing spending on marketing.

"Allergan made a decision to do this on their own," Sandoz attorney Thomas J. Filarski, of Steptoe & Johnson LLP, said.

The weeklong trial has included experts testifying in depth about the biochemistry of the drug, including the chemical structure of bimatoprost and how it works when it enters the human body.

Filarski pointed jurors to a 1998 patent application, a 1997 patent and testimony from experts about the documents that all point to the use of bimatoprost for growing eyelash hair being obvious to a typical scientist in the field at the time of the invention in 2000.

Though Allergan argued that the chemicals described in the 1998 patent application for growing hair are distinct, Filarski said the

similarity in the chemical structure is what made it work.

Filarski said the evidence showed bimatoprost is broken down when it enters the body so the chemical that works to promote hair growth is among those described in the 1998 patent application.

Juror Mara O'Keefe told Law360 on Friday that the issue of validity was "pretty cut and dry," with jurors quickly agreeing that an ordinary scientist would not have connected the prior art.

The issue of how much to award in damages "took up a lot of time," however, O'Keefe said.

"My view is neither of the damages values presented were correct, and they were somewhere in between," O'Keefe said.

Counsel for the parties declined to comment, as did Duke University. Allergan and Sandoz did not immediately respond to requests for comment on Friday.

The patent-in-suit is U.S. Patent No. 9,579,270.

Duke University and Allergan Sales LLC are represented by Lisa B. Pensabene, Timothy S. Durst, Hassen A. Sayeed, Caitlin P. Hogan, Carolyn S. Wall, James Yi Li and Jing Ying Zhao of O'Melveny & Myers LLP, Kathryn A. Reilly, Chuan Cheng and Jacob A. Rey of Wheeler Trigg O'Donnell LLP, and Lindsay H. Autz of Autz IP.

Sandoz is represented by Thomas J. Filarski, John L. Abramic, Katherine Tellez, Robert F. Kappers, Candice J. Kwark, Vishal C. Gupta, Tyler Doh and Lillian Wallace of Steptoe & Johnson LLP, William M. Jay and Gerard J. Cedrone of Goodwin Procter LLP, and Rick Kornfeld of Recht Kornfeld PC.

The case is Duke University et al. v. Sandoz Inc., case number 1:18-cv-00997, in the U.S. District Court for the District of Colorado.

--Editing by Philip Shea, Peter Rozovsky.