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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PLEXXIKON INC.,

Plaintiff,

v.

NOVARTIS PHARMACEUTICALS
CORPORATION,

Defendant.

Case No. [17-cv-04405-HSG](#)

**ORDER DENYING PLAINTIFF'S
MOTIONS IN LIMINE NO. 2 AND 3
AND GRANTING DEFENDANT'S
MOTION IN LIMINE NO. 1**

Re: Dkt. Nos. 260, 262, 268

The Court rules on the pending motions in limine ("MIL") described below as follows, and will continue to issue rulings on the remaining MILs on a rolling basis.

I. PLAINTIFF'S MIL NO. 2

Plaintiff Plexxikon Inc.'s MIL No. 2 seeks an order precluding the "denigration" of the United States Patent and Trademark Office ("USPTO"). Dkt. No. 260.

The parties agree that the Court should show the jury the Federal Judicial Center video routinely shown in patent cases. Dkt. No. 260 at 2; Dkt. No. 284 at 1. That video directly introduces the concepts that "there is of course the possibility that mistakes were made or important information overlooked," and that "[e]xaminers have a lot of work to do and no process is perfect." Dkt. No. 284 at 1 (quoting FJC video). These concepts are thus fair game at trial, and Defendant Novartis Pharmaceuticals Corporation confirms that it does not "intend to disrespect or denigrate" the USPTO. *Id.* The Court will carefully scrutinize any evidence offered by either side on these issues at trial, and may limit such evidence based on application of the principles set out in Federal Rule of Evidence 403 and other rules of evidence. But Plaintiff's requested blanket exclusion is unwarranted, and the motion is **DENIED WITHOUT PREJUDICE** to renewed objections to specific testimony at trial.

1 **II. PLAINTIFF’S MIL NO. 3**

2 Plexxikon’s MIL No. 3 seeks “to prevent [Defendant] from calling three expert
3 witnesses . . . to offer cumulative testimony regarding the invalidity of the asserted patents.” Dkt.
4 No. 262 at 1. Defendant responds that it “does not intend to offer duplicative testimony at trial,”
5 Dkt. No. 286 at 1. Without seeing how the testimony is actually offered, the Court cannot sensibly
6 enter the blanket order Plaintiff seeks. *See Apple, Inc. v. Samsung Elec. Co., Ltd.*, No 11-CV-
7 01846-LHK, 2012 WL 2571332, at *11 (N.D. Cal. June 30, 2012) (noting that objections under
8 Fed. R. Evid. § 403 that testimony is needlessly cumulative are “better resolved at trial”). The
9 motion is thus **DENIED WITHOUT PREJUDICE** to renewed objections to specific testimony
10 at trial. Defendant is on notice that the Court disagrees with its assertion that “the exclusion of
11 evidence under FRE 403 is an extraordinary remedy which should be used only sparingly”
12 Dkt. No. 286 at 2 (*citing Banks v. United States*, 93 Fed. Cl. 41, 50 (2010)). Rule 403 is routinely
13 applied at trial every day in federal courts around the nation, and appropriately allows the Court to
14 exercise its discretion to exclude testimony that is cumulative or would otherwise waste the time
15 of the Court and the jury. The Court will not hesitate to exclude or strike such testimony at trial
16 without further notice or argument.

17 **III. DEFENDANT’S MIL NO. 1**

18 In its MIL No. 1, Defendant moves for an order under Rule 403 precluding Plaintiff “from
19 presenting evidence or argument relating to Novartis’s petitions for IPR and PGR and the PTAB’s
20 non-institution decisions.” Dkt. No. 268 at 5. The motion is **GRANTED**. A non-institution
21 decision is not a “decision on the merits, any more so than a grant of an IPR is a decision on the
22 merits.” *Interdigital Comm’s Inc. v. Nokia Corp.*, No. CV 13-10-RGA, 2014 WL 8104167, at *1
23 (D. Del. Sept. 19, 2014). Accordingly, there is a significant question as to whether non-institution
24 decisions have any meaningful probative weight. And it is clear that the introduction of such
25 decisions often poses a substantial risk of confusing the issues, prejudicing the opposing party, and
26 otherwise unduly consuming trial time. *See Chamberlain Group, Inc. v. Techtronic Industries*,
27 935 F.3d 1341, 1351–52 (Fed. Cir. 2019) (“[D]istrict courts should . . . exercise caution when
28 admitting evidence of a denial of institution because it may be confusing to the jury and

1 prejudicial. . . . [D]enials of institution provide limited probative value that is likely to be
2 outweighed by the prejudice to the opposing party, and limiting instructions to the jury do not
3 necessarily cure the prejudice.”).

4 This general rule directly applies here, and the Court finds persuasive the reasoning of the
5 many cases that have excluded non-institution evidence as substantially more prejudicial than
6 probative under Rule 403. *See, e.g., Finjan, Inc. v. Sophos, Inc.*, No. 14-CV-01197-WHO, 2016
7 WL 4560071, at *14 (N.D. Cal. Aug. 22, 2016) (granting motion to exclude on Rule 403 grounds
8 because “it would take a significant amount of time and effort to adequately explain the relevance
9 and limitations of the PTO proceedings to the jury” and there was “a substantial risk that the jury
10 will improperly substitute its own judgment for the PTO decisions”); *Interdigital Comm’s*, 2014
11 WL 8104167 at *1 (same; finding that “the PTAB’s actions . . . are of marginal relevance, and the
12 probative value is greatly outweighed by the expenditure of time that would be required to give the
13 jury the full context necessary to fairly evaluate the evidence”).

14 All of Plaintiff’s purported rationales for a different conclusion fail. First, Plaintiff cites
15 *Microsoft Corp. v. I4I Ltd. P’ship*, 564 U.S. 91, 95 (2011), for the premise that Defendant’s
16 “burden is still heavier with respect to issues the Patent Office previously considered.” Dkt. No.
17 292 at 4. But Plaintiff provides zero authority extending this principle to evidence of non-
18 institution, and as noted above the Federal Circuit made plain post-*Microsoft* in *Chamberlain*
19 *Group* that such evidence “likely” should be excluded. At bottom, Plaintiff is simply trying to use
20 the fact that “the PTAB rejected that same evidence under an even lower standard,” Dkt. No. 292
21 at 4, as conclusive evidence of actual validity, which is the exact problem identified in
22 *Chamberlain Group*.

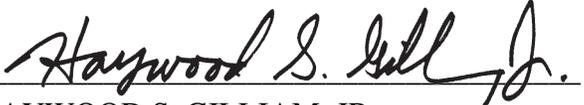
23 Moreover, Plaintiff’s “impeachment” arguments also fail. Whether the witnesses “took
24 into consideration” or “engaged with” the PTAB’s reasoning, *id.* at 5, is irrelevant, because the
25 PTAB’s views are not binding in this proceeding. The current circumstance also is plainly
26 different than the situation in which a *court* previously excluded a witness’s testimony. The Court
27 thus rejects this effort to introduce through the back door evidence that fails to meet the
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requirements of Rule 403.¹

IT IS SO ORDERED.

Dated: 3/26/2021


HAYWOOD S. GILLIAM, JR.
United States District Judge

¹ Conceivably, these witnesses could say something on direct examination that could straightforwardly open the door to this line of inquiry (*i.e.*, pure impeachment by contradiction, as opposed to the currently-proposed critique based on the inconsistency of the witnesses' testimony with the PTAB's findings). This seems very unlikely, but Defendant is on notice.