UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

AMGEN INC., Plaintiff, v. F. HOFFMANN-LA ROCHE LTD, ROCHE DIAGNOSTICS GmbH, and HOFFMANN-LA ROCHE INC., Defendants.	)	Civil Action No.: 05 Civ. 12237 WGY

MEMORANDUM OF COUNTERCLAIM-PLAINTIFF ROCHE IN OPPOSITION TO AMGEN'S MOTION TO BIFURCATE ROCHE'S ANTITRUST AND UNFAIR COMPETITION CLAIMS FOR TRIAL AND DISCOVERY AND TO STAY DISCOVERY ON THOSE CLAIMS

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I. INTRODUCTION

Counterclaim-plaintiffs F. Hoffmann-La Roche Ltd, Roche Diagnostics GmbH, and Hoffmann-La Roche Inc. (collectively "Roche"), respectfully submit this memorandum of law in opposition to the motion of counterclaim-defendant Amgen, Inc. ("Amgen"), to bifurcate Roche's antitrust and unfair competition counterclaims from Amgen's patent infringement claims for trial and discovery and to stay discovery.

Apparently recognizing that its motion to dismiss lacks merit, Amgen now offers another tactic for avoiding adjudication of Roche's antitrust counterclaims – asking this Court to put them off until some future, undetermined date following the patent trial. Amgen's motion is as meritless as it is brazen.

First, granting Amgen's motion would violate Roche's Seventh Amendment right to a jury trial of its antitrust counterclaims, a right Amgen in its motion never mentions. Having urged this Court to hold a ***bench*** trial on the patent issues in this case, Amgen now seeks to bifurcate Roche's ***jury*** antitrust counterclaims precisely because the patent bench trial Amgen seeks will ***decide*** key issues that will ***bind*** the jury in the subsequent antitrust trial (Amgen Br. at 5, 11).[1] But, as the very cases Amgen cites explain, such bifurcation transgresses Rule 42's command that Courts must "always preserv[e] inviolate the right of trial by jury," Fed. R. Civ. P. 42(b), because under Amgen's proposed procedure the Court would unconstitutionally decide in a patent bench trial issues common to the jury antitrust counterclaims Amgen seeks to stay. Amgen's motion, in short, wrongly assumes away Roche's Seventh Amendment right to a jury trial on its antitrust and related counterclaims; once that flaw is exposed, it is evident that Amgen's motion should be denied.

[1] "Amgen Br." refers to Amgen's Memorandum in Support of its Motion to Bifurcate (dated Dec. 15, 2006, Docket No. 176).

Second, staying discovery on Roche's antitrust and related counterclaims, and holding the antitrust trial at some unspecified future time following the patent trial, would prejudice Roche by giving Amgen a marketplace advantage that it cannot achieve through its meritless patent case. Roche will demonstrate that Amgen's patents do not block Roche from marketing its rival CERA product in the United States. Delaying trial of Roche's antitrust counterclaims, however, could render such a victory nugatory by enabling Amgen to perpetuate anticompetitive conduct that may hinder CERA's ability to gain a sufficient foothold to challenge Amgen's monopoly power.

Third, separate antitrust proceedings would be affirmatively inefficient and prejudice third parties. As Amgen itself stresses (Amgen's Mem. in Support Motion to Dismiss at 9 (filed Nov. 27, 2006, Docket No. 151)), Roche's *Walker Process* claims require establishing for the very same acts higher levels of scienter and materiality than required to establish Amgen's inequitable conduct. Thus, a determination in a patent trial that Amgen engaged in inequitable conduct would not obviate the need for duplicative discovery and a second trial presenting evidence on the same conduct to establish Roche's *Walker Process* claim, which contrary to Amgen's contention is based on Amgen misconduct not previously considered by this Court. As recent cases Amgen fails to cite illustrate, this overlap between Roche's *Walker Process* and inequitable conduct claims makes bifurcation neither more efficient nor convenient. *See Synopsys, Inc. v. Magma Design Automation*, 2006 WL 1452803 (D. Del. May 25, 2006) (declining to bifurcate antitrust and patent claims); *Climax Molybdenum Co. v . Molychem LLC*, 414 F. Supp. 2d 1007, 1014 (D. Colo. 2005) (same).

Bifurcation would also result in duplicative discovery and proceedings on other aspects of Amgen's anticompetitive conduct. Contrary to Amgen's assertion, Amgen's market power,

threats to customers, and their anticompetitive consequences are relevant to Roche's patent misuse defense and Amgen's request for permanent injunctive relief and thus must be developed in discovery for the patent trial. Yet, Roche's antitrust claims are based on a broader range of anticompetitive conduct that includes but is not limited to Amgen's customer threats. Thus, whether or not Roche's patent misuse defense succeeds, bifurcation will require duplicative discovery and result in multiple trials regarding Amgen's anticompetitive conduct, burdening third parties, the Court, and Roche with duplicative proceedings.

Finally, Amgen will suffer no prejudice from denial of its motion. Unlike many of the cases Amgen cites, discovery on both the patent and antitrust issues are in a nascent stage and Amgen does not contest that the antitrust claims can be made ready for trial in September, along with the patent issues. Moreover, ample alternatives short of bifurcation exist for streamlining the proceedings and avoiding jury confusion. Finally, holding a single jury trial on both the patent and antitrust issues will further judicial efficiency by permitting evidence on complex science, the treatment of anemia, and the relevant products to be presented only once rather than multiple times.

In short, Amgen's Rule 42(b) analysis is precisely backwards and ignores the Seventh Amendment; accordingly, Amgen's motion should be denied.

II. ARGUMENT

A. BIFURCATION MUST PRESERVE THE JURY TRIAL RIGHT AND AVOID PREJUDICE

Rule 42(b) permits a court to order separate trials "in furtherance of convenience or to avoid prejudice, or when separate trials will be conducive to expedition and economy." Fed. R. Civ. P. 42(b). Rule 42(b) further expressly instructs that a court considering bifurcation must "always preserv[e] inviolate the right of trial by jury as declared by the Seventh Amendment to the Constitution or as given by a statute of the United States." *Id.* Under Rule 42(b), "the major

consideration is directed toward the choice most likely to result in a just final disposition of the litigation" with "prejudice [being] a major component of assessing whether to order separate trials." *Hewlett-Packard Co. v. Genrad, Inc.*, 882 F. Supp. 1141, 1157 (D. Mass. 1995) (citation omitted).

Not only must a court in considering a motion for separate trials "preserv[e] inviolate the right of trial by jury," but also, contrary to what Amgen implies (Amgen Br. at 7-8), there is no universal practice of bifurcating and staying antitrust claims from patent claims. "Bifurcation of patent and antitrust claims" is "not mandated." *Climax Molybedenum*, 414 F. Supp. 2d at 1014 (bifurcation denied). Rather, whether the party seeking bifurcation has met its burden of "establishing the necessity for separate trials and the resulting prejudice of conducting a single trial" must be made on a "case by case basis." *Genrad*, 882 F. Supp. at 157; *see also Synopsys*, 2006 WL 1452803, at *4 (bifurcation denied); *Gen. Tel. & Elec. Labs. Inc. v. Nat'l Video Corp.*, 297 F. Supp. 981, 982 (N.D. Ill. 1968) (same). Here, as explained below, the requisite case-specific analysis demonstrates why Amgen has not met its burden and its motion should be denied.

B. ROCHE IS ENTITLED TO A JURY TRIAL ON ITS ANTITRUST CLAIMS AS WELL AS ON PATENT ISSUES THAT AFFECT ROCHE'S ANTITRUST CLAIMS

Amgen does not dispute – because it cannot – that Roche is entitled to a jury trial on its antitrust counterclaims, which seek both damages and declaratory relief. It is settled that "the right to a trial by jury applies to treble damages suits under the antitrust laws." *Beacon Theatres v. Westover*, 359 U.S. 500, 509 (1959) (citation omitted); *Standard Oil Co. of Cal. v. Ariz.*, 738 F.2d 1021, 1027 (9th Cir. 1984) ("Antitrust suits for treble damages are clearly legal actions" to which a right to a jury trial attaches). Roche's claims for declaratory relief, too, require a jury trial. *See Beacon Theatres*, 359 U.S. at 507 (declaratory judgment action sought by film

exhibitor seeking ruling that its clearance agreement with a film distributor did not violate antitrust laws presented a legal claim requiring jury trial even though exhibitor also sought related injunctive relief).[2]

Accordingly, the Seventh Amendment entitles Roche to try its antitrust (and related pendent) counterclaims to a jury. Importantly, Roche is also entitled to have a jury decide issues common to the antitrust claims on one hand, and Roche's and Amgen's patent claims on the other. The Supreme Court's seminal decisions in *Beacon Theaters* and *Dairy Queen Inc. v. Wood*, 369 U.S. 469 (1962), settled that "if issues of fact are common to both legal and equitable claims and a jury has been demanded on the issues material to the legal claim, a jury must be permitted to determine those issues prior to decision of the equitable claim." *Marshak v. Tonetti*, 813 F.2d 13, 16-17 (1st Cir. 1987). *See Beacon Theaters*, 359 U.S. at 510-11 (explaining that "only under the most imperative circumstances, circumstances which in view of the flexible procedures of the Federal Rules we cannot now anticipate, can the right to a jury trial of legal issues be lost through prior determination of equitable claims"); *Dairy Queen*, 369 U.S. at 471 ("Since [the] issues are common with those upon which respondents' claim to equitable relief is based, the legal claims involved in the action must be determined prior to any final court determination of respondents' equitable claims."). Accordingly, if the issues presented by Amgen's patent claims and Roche's patent defenses are common to the issues presented by Roche's antitrust counterclaims, those common issues must be tried to a jury.

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[2] *See also Inland Steel Prods. Co. v. MPH Mfg. Co.*, 25 F.R.D. 238, 243 (N.D. Ill. 1959) (holding that a suit for slander then lacking sufficient allegations to support equitable relief carried with it the "right to a jury trial on the issues"). *See generally* 9 WRIGHT & MILLER, FEDERAL PRACTICE AND PROCEDURE: CIVIL 2D § 2313, at 109 (1995) ("[W]hether there is a jury trial right in a declaratory judgment action" depends upon "in what kind of action the issue would have come to the court if there were no declaratory judgment procedure.").

C. BIFURCATION WOULD VIOLATE ROCHE'S SEVENTH AMENDMENT JURY TRIAL RIGHT

Amgen's motion to bifurcate and stay discovery is a transparent attempt to achieve exactly what the Supreme Court in *Beacon Theatres* and *Dairy Queen* forbade. Amgen has urged this Court to hold a bench trial on the patent claims.[3] But because – ***as Amgen concedes*** – the patent claims (and defenses) and antitrust claims present a number of common issues, those common issues cannot consistent with the Seventh Amendment first be tried to the Court (as Amgen wants) and the antitrust claims stayed for a subsequent jury trial (as Amgen also wants). Amgen's motion flouts Rule 42(b)'s command to "preserv[e] inviolate the right of trial by jury as declared by the Seventh Amendment." Fed. R. Civ. P. 42(b). That alone requires the motion's denial.

Amgen admits that a prior decision on the patent issues will effectively ***decide*** significant aspects of Roche's antitrust counterclaims. Amgen concedes that a prior determination of validity or infringement would establish "law of the case" for a subsequent jury trial on Roche's antitrust counterclaims (Amgen Br. at 5, 11). Amgen also concedes that a prior rejection of Roche's inequitable conduct defense would ***require*** termination of Roche's *Walker Process* counterclaim (Amgen Br. at 11). And Amgen contends (Amgen Br. at 5, 12) that, if its patents are found valid and infringed, Roche would lack antitrust standing to pursue counterclaims based

[3] *See* Amgen's Reply Brief in Support of its Motion to Strike Roche's Affirmative Defenses at 5 (filed Dec. 15, 2006, Docket No. 171) (asserting that "Amgen's current claim for declaratory and injunctive relief should be resolved by the Court – not a jury"); *accord* Hearing Trans. 5-10-06, 33:15-24 (May 10, 2006, Docket No. 82) (statement of counsel for Amgen) ("As the claim is currently framed it's an equitable claim, it doesn't require a jury. There's no damage claim."). Roche disagrees and maintains that it is entitled to a jury trial on the patent claims and defenses.

on Amgen's anticompetitive exclusive dealing, customer threats, and bundled discounts that presuppose Roche's ability to successfully market CERA.[4]

Thus, Amgen's very own arguments demonstrate precisely why the bifurcation Amgen seeks, if granted, would violate Roche's Seventh Amendment jury trial right. Amgen's contention that a determination of validity, infringement, and enforceability ***in the patent bench trial Amgen seeks*** would establish "law of the case" in a later antitrust jury trial is a concession that validity, infringement, and enforceability on the one hand, and the antitrust counterclaims on the other hand, share common issues. Accordingly, holding a patent bench trial that decides those common issues and then, at some later unspecified date, a bifurcated antitrust jury trial, violates the Seventh Amendment.[5]

The Seventh Amendment violation that bifurcation as requested by Amgen would engender is forcefully demonstrated by the very case on which Amgen most heavily relies, *In re Innotron Diagnostics*, 800 F.2d 1077 (Fed. Cir. 1986). There, the court upheld bifurcation against a Seventh Amendment challenge (in factually distinct circumstances, as will be explained) *only* because a jury would consider not only the stayed antitrust claims, but also the patent claims and defenses. *See id.* at 1086. *Innotron* recognized that the patent issues required a jury trial because "most of

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[4] As explained in Roche's Opposition to Amgen's Motion to Dismiss, Amgen is incorrect (Amgen Br. 11-12) in asserting that ***all*** of Roche's antitrust claims presuppose CERA's eventual approval and entry. (Most notably, Roche has standing to pursue its *Walker Process* and sham litigation claims regardless of future CERA sales; antitrust injury is established by defending illegal litigation by an actual or would-be monopolist.) Amgen's assertions here are merely rehashed from its motions to dismiss and to strike. Roche has already set forth in its Oppositions to those motion why these arguments are meritless and will not repeat those arguments here.

[5] Roche, of course, maintains that, even apart from the Seventh Amendment problems a prior bench trial on the patent claims and defenses would create for Roche's antitrust counterclaims, Roche is entitled to a jury trial on the patent claims and defenses. *See supra note* 3.

the facts and issues in the patent trial are overwhelmingly intertwined and overlapping with those in [the] antitrust counterclaim." *Id.* at 1085. Thus, far from supporting Amgen's request for bifurcation here, *Innotron* teaches that the Seventh Amendment precludes the bifurcation Amgen requests. *See also, e.g., Implant Innovations, Inc. v. NobelPharma AB*, 1996 WL 568791, at *3 (N.D. Ill. Oct. 2, 1996) (requiring jury trial on inequitable conduct because "a prior determination by the Court of the inequitable conduct aspect of the patent claim would violate the [antitrust counterclaimant's] Seventh Amendment jury trial guarantee"); *C.R. Bard, Inc. v. M3 Sys., Inc.*, 1994 WL 2548889, at *2 (N.D. Ill. June 9, 1994) (similar).

Thus, under *Innotron* and numerous other cases, if a patent bench trial precedes trial of the antitrust counterclaims, as Amgen proposes in its motion, Roche would suffer a "denial of its constitutional right to a jury trial." *Innotron*, 800 F.2d at 1086. Tellingly, ***none*** of the cases Amgen cites upholding bifurcation of antitrust counterclaims involved situations in which a prior patent bench trial would decide issues common to the antitrust counterclaims.[6] Nor could any case consistent with *Beacon Theatres* and *Dairy Queen* so hold. Accordingly, because granting Amgen's motion would violate Roche's Seventh Amendment right, there is sufficient ground to deny Amgen's request for bifurcation and a discovery stay.

D. BIFURCATION WOULD PREJUDICE ROCHE AND IMPOSE INEFFICIENT BURDENS ON THE LITIGANTS, COURT, AND THIRD PARTIES

Entirely apart from the Seventh Amendment violation that granting Amgen's motion would countenance, the Rule 42(b) concerns of prejudice, efficiency, and convenience militate in favor of a single discovery period and September 2007 trial on all claims. Amgen's contention

[6] *Components, Inc. v. Western Elec. Co.*, 318 F. Supp. 959 (D. Me. 1970), is not to the contrary. There, the court could "conceive" of no "overlapping of proof" between the patent and antitrust claims. *Id.* at 966. Here, by contrast, Amgen concedes that resolution of the patent law issues will significantly affect the antitrust counterclaims.

(Amgen Br. at 9) that the relevant factors favor bifurcation and a stay gets the Rule 42(b) analysis precisely backwards.

1. STAYING ROCHE'S COUNTERCLAIMS WOULD PREJUDICE ROCHE AND HARM COMPETITION

As an initial matter, Amgen completely ignores the substantial and likely prejudice to Roche that staying discovery and trial of its antitrust and unfair competition claims to a future, uncertain date would have. Roche brought its counterclaims for declaratory relief and damages in this action in order to obtain a swift determination that Amgen's exclusionary conduct (mostly uncovered since Amgen filed its case) cannot lawfully impede CERA's market entry. If the Court grants Amgen's request, however, and puts off Roche's counterclaims to some uncertain future date, Roche's success against Amgen's patent claims may be a mere pyrrhic victory: Roche would have established that Amgen's patents cannot block CERA only to have its product launch blocked by Amgen's illegal and anticompetitive efforts.

It accordingly will serve the interests of competition and consumers to have a single trial in 10 months that not only determines whether Amgen's patents impose a legal impediment to CERA's entry, but also whether Amgen's other conduct, which is designed to achieve the same result, transgresses antitrust and related laws. Moreover, the prejudice to Roche and competition from the bifurcation and discovery stay that Amgen proposes stands in sharp contrast to cases on which Amgen relies, such as *Hunter Douglas, Inc. v. Comfortex Corp.*, 44 F. Supp. 2d 145 (N.D.N.Y. 1999), where both antitrust and patent claims were ready for trial and the bifurcation issue confronting the court was simply whether the claims should be tried together or one right after the other. *See id.* at 154. Here, by contrast, Amgen proposes a substantial delay for the antitrust trial.

2. BIFURCATION WOULD RESULT IN INEFFICIENT AND DUPLICATIVE DISCOVERY AND TRIALS

Amgen is also incorrect that staying antitrust discovery in contemplation of a later antitrust jury trial will promote efficiency and convenience. Putting aside that discovery taken for the "patent" phase may be stale when it comes time for trial of Amgen's contemplated "antitrust" phase, Amgen understates the overlap between the facts to be developed for the patent claims and defenses on the one hand, and the antitrust claims on the other. Moreover, and importantly, Amgen ignores that the resolution of issues common to the patent and antitrust claims in a prior patent trial will not necessarily avoid duplicative discovery in the subsequent antitrust trial. Accordingly here, as in other cases, "a single trial of the patent and antitrust issues would promote the objectives of efficiency and fairness." *Climax Molybdenum*, 414 F. Supp. 2d at 1014.

For example, Roche's patent misuse and unclean hand defenses are based, *inter alia*, on allegations that Amgen is impermissibly extending the reach of its patents by wielding them to coerce customers into agreeing not to purchase CERA (Cclaim ¶ 123; Amended Cclaim ¶ 124). This conduct by Amgen, of course, also forms part of Roche's antitrust counterclaims (Cclaim ¶ 54), which also more broadly challenges other exclusionary conduct by Amgen, including exclusive dealing and bundled discounts across product lines. Moreover, as a case Amgen cites explains, adjudicating patent misuse can require demonstrating "anticompetitive effects." *Hunter Douglas*, 44 F. Supp. 2d at 156 (*quoting Windsurfing Int'l, Inc. v. AMF, Inc.*, 782 F.2d 995, 1001 (Fed. Cir. 1986)). Determining "anticompetitive effects," of course, could include

assessing Amgen's market power and defining relevant markets, which Amgen wrongly says presents issues solely relevant to Roche's antitrust counterclaims.[7]

It plainly would be extremely wasteful to conduct discovery into Amgen's exclusionary conduct directed to customers and its "anticompetitive effects" twice: once for the purposes of Roche's patent misuse claim, and once for the purpose of stayed antitrust claims. For even if Roche *fails* to demonstrate sufficient anticompetitive effects for patent misuse, Roche still would be entitled to bring its antitrust counterclaims based on a *broader* set of Amgen practices, which include more than the misuse of patents to intimidate customers. Moreover, discovery relating to patent injunctive relief, such as on irreparable harm and the public interest, would also overlap with – yet not obviate discovery required for – Roche's antitrust counterclaims. Thus, discovery directed to Amgen's patent misuse and the propriety of permanent injunctive relief would merely be a precursor to broader antitrust discovery, burdening the parties, Court, and especially third parties with multiple rounds of closely-related discovery and proceedings (including expert discovery) that can more efficiently be conducted once. Put differently, Amgen is incorrect that

[7] Amgen's suggestion (Amgen Br. 15-16) that its patents have no connection to proof of its market power is also incorrect and betrays a profound confusion. It is settled that even "legitimate exclusionary power" attributable to a valid patent (*id.* at 16) can contribute to a finding of antitrust market power. *See, e.g.*, *In re Abbott Labs. Norvir Anti. Litig.*, 442 F. Supp. 2d 800, 806 (N.D. Cal. 2006) ("patents are a common entry barrier" (citing cases)). Moreover, the assertion of patents subsequently found *invalid* can still confer market power for antitrust claims. *See Brunswick Corp. v. Riegel Textile Corp.*, 752 F.2d 261, 265 (7th Cir. 1984) (Posner, J.); *Codex-Corp v. Racal-Milgo, Inc.*, 1984 WL 2935, at *1 (D. Mass. Feb. 10, 1984). Thus, contrary to what Amgen implies (Amgen Br. at 16), the patent issues and market power issues for Roche's antitrust counterclaims are related and properly subject to a determination by a single jury, which will *not* be required to "disaggregat[e]" market power from Amgen's patents from other factors to find market power sufficient to sustain Roche's counterclaims. The many permutations of the possible outcomes of the validity/infringement and market power determinations (*i.e.*, it is possible the jury will find the Amgen patents valid but not infringed by Roche yet that Amgen has market power in part due to those patents) illustrate precisely why the issues should be tried together.

the patent case involves a far "narrower subset" of the issues presented by Roche's antitrust and unfair competition claims (Amgen Br. at 15).

Another example is Roche's *Walker Process* claim (which, contrary to Amgen's assertion, is based on misconduct by Amgen not yet considered by this Court). Both Roche's *Walker Process* counterclaim and inequitable conduct defense arise out of Amgen's intentionally misleading representations to the U.S. Patent and Trademark Office in the prosecution of the patents in suit. *Compare* Cclaims ¶¶ 35, 65 *with* Roche Ans. ¶¶ 38-39, 45. Thus, the Federal Circuit has "long recognized that a *Walker Process* counterclaim and an affirmative defense of inequitable conduct share common factual elements." *Cabinet Vision v. Cabnetware*, 129 F.3d 595, 600 (Fed. Cir. 1997). Yet, as Amgen has argued, *Walker Process* requires a higher level of scienter and materiality, among other elements (Memorandum in Support of Amgen's Motion to Dismiss at 9 (filed Nov. 27, 2006, Docket No.151)). Accordingly, although Amgen may be correct that should it demonstrate *no* inequitable conduct in a prior patent bench trial then "a motion for a directed verdict on [Roche's] *Walker Process* claims may be in order," *U.S. Gypsum Co. v. Nat'l Gypsum Co.*, 1994 WL 74989, at *2 (N.D. Ill. Mar. 10, 1994) (cited in Amgen. Br. 9 n.12) – which is precisely why, as explained, Amgen's procedural proposal violates Roche's Seventh Amendment jury trial right – Amgen is incorrect that a determination that Amgen *engaged* in inequitable conduct will significantly narrow the issues for a subsequent *Walker Process* trial. *See Climax Molybdenum Co. v . Molychem LLC*, 414 F. Supp. 2d 1007, 1014 (D. Colo. 2005). Duplicative discovery and trial on intent and materiality, among other factors, will be inevitable, and bifurcation will simply spawn inefficiency. *See id.*

Climax Molybdenum well illustrates this point. There, the court refused to bifurcate antitrust claims that, like here, included but were not limited to *Walker Process* claims because,

even if the antitrust plaintiff "prevail[ed] on its defense of inequitable conduct," the "*Walker Process* counterclaims would require another evidentiary presentation about [the patentee's] alleged fraud." 414 F. Supp. 2d at 1014. *Synopsys, Inc. v. Magma Design Automation*, 2006 WL 1452803 (D. Del. May 25, 2006), is to the same effect. There, the court refused to bifurcate and stay antitrust counterclaims precisely because "Magma's antitrust claims are based in part of the allegation that Synopsys fraudulently-obtained two of its patents and asserted them against Magma in violation of Section 2 of the Sherman Act." *Id.* at *4. "Thus, were the court to bifurcate, the evidentiary presentations in one case would likely be substantially duplicative of the evidentiary presentations in the other." *Id.* So too here, bifurcation of Roche's antitrust counterclaims would result in duplicative effort that would burden the parties and the Court.

3. DENYING AMGEN'S MOTION NEITHER PREJUDICES AMGEN NOR THREATENS JURY CONFUSION

Against the prejudice and inefficiency that would result from granting its motion, Amgen can point to no persuasive prejudice from its denial. Roche is willing to try its counterclaims under the Court's current scheduling order, with trial in September 2007. Notably, Amgen does not contend (nor could it) that it cannot adequately conduct discovery or prepare to defend Roche's counterclaims in that timeframe. Indeed, this case stands in sharp contrast to cases Amgen cites, some of which permitted bifurcation in part because conducting antitrust discovery and holding a single trial would delay resolution of well-advanced patent claims. *See, e.g.*, *Innotron*, 800 F.2d at 1085 (bifurcation furthered expedition because "the patent issues on the present schedule will be ready for trial more than a year before the antitrust issues can be made ready"); *Baxter Int'l, Inc v. Cobe Lab., Inc.*, 1992 U.S. Dist. LEXIS 5660, at *2-3 (N.D. Ill. Apr. 6, 1992) (discovery on patent claims well advanced). Amgen can point to no such prejudice here, because discovery on both the patent and antitrust claims has only just begun.

Amgen's final contention (Amgen Br. at 17-18), that simultaneous trial of patent and antitrust issues will prejudicially confuse the "fact finders" (Amgen, careful to preserve its request for a bench trial on the patent issues, notably refrains from saying "jury"), fails to persuade. As demonstrated, trial of the patent issues, including misuse, will require consideration of much of the same evidence that will be involved in adjudicating Roche's antitrust counterclaims. The antitrust counterclaims do not introduce a significant number of new issues or concepts otherwise absent from the trial of the patent claims and defenses – which, as demonstrated, must be to a jury to comport with the Seventh Amendment.[8] Moreover, as in other cases denying bifurcation of patent and antitrust claims, "the court [can be] confident that the experienced attorneys handling this case will craft cogent presentations to aid the jury." *Synopsys*, 2006 WL 1452803, at *4.

Rather than cause prejudicial confusion, trial of the patent and antitrust issues to a single jury will promote efficiency and consistency by avoiding the need to educate juries "in the same relevant technology" twice. *Id*; *accord Abbott Labs. v. Selfcare, Inc.*, 2000 U.S. Dist. LEXIS 15263, at *5 (D. Mass. Sept. 29, 2000) ("Educating two separate juries on the complexities of immunoassay technology would be duplicative and would prove far more taxing for the litigants and the court than conducting a single, albeit longer, jury trial."). Bifurcation will require duplicative presentations to two juries regarding recombinant DNA technology, the treatment of anemia, and related product markets. That is not in the interests of the parties or this Court.

Finally, this Court retains ample case management techniques short of bifurcation to ensure that patent and antitrust-related claims proceed efficiently to the September 2007 trial.

[8] Although there is less of a factual overlap between the patent claims and Roche's antitrust counterclaim regarding Amgen sham litigation before the International Trade Commission, it plainly would be inefficient to bifurcate *only* Roche's sham litigation claim and try Roche's other counterclaims with the patent claims.

These include placing reasonable limitations on discovery, disciplining the length of the parties' presentations at trial, and if appropriate holding distinct liability and damages phases of a single jury trial. *See, e.g., C.R. Bard*, 1994 WL 258889, at *1. There is, however, no justification for the constitutionally impermissible and prejudicial step of ordering bifurcation and associated discovery stay of Roche's antitrust and related counterclaims here.

III CONCLUSION

For the reasons set forth above, the Court should deny Amgen's motion to bifurcate Roche's antitrust and unfair competition counterclaims from Amgen's patent infringement claims for trial and discovery and to stay discovery on those claims.

Dated: December 18, 2006
Boston, Massachusetts

Respectfully submitted,

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