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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

FERRING B.V.,)

Plaintiff,)

vs.)

WATSON LABORATORIES, INC. - (FL) et al.,)

Defendants.)

3:11-cv-00481-RCJ-VPC

ORDER

FERRING B.V.,)

Plaintiff,)

vs.)

APOTEX, INC. et al.,)

Defendants.)

3:11-cv-00485-RCJ-VPC

ORDER

FERRING B.V.,)

Plaintiff,)

vs.)

WATSON PHARMACEUTICALS, INC. et al.,)

Defendants.)

3:11-cv-00853-RCJ-VPC

ORDER

FERRING B.V.,)

Plaintiff,)

vs.)

APOTEX, INC. et al.,)

Defendants.)

3:11-cv-00854-RCJ-VPC

ORDER

1 These consolidated cases arise out of Defendants’ application with the Food and Drug
2 Administration (“FDA”) to manufacture and sell generic versions of a patented drug. Pending
3 before the Court are the parties’ respective Bills of Costs (ECF Nos. 531, 555).

4 **I. FACTS AND PROCEDURAL HISTORY**

5 These cases arise out of the alleged infringement of Plaintiff Ferring B.V.’s (“Ferring”) U.S. Patent No. 7,947,739 for tranexamic acid tablets sold under the trademark Lysteda® (the
6 “‘739 Patent” or “Tablet Patent”), (see Compl. ¶¶ 13–17, July 7, 2011, ECF No. 1; Compl. ¶¶
7 9–13, July 8, 2011, ECF No. 1 in Case No. 3:11-cv-00485), and the alleged infringement of
8 Ferring’s U.S. Patent No. 8,022,106 for tranexamic acid formulations and methods of treating
9 menorrhagia therewith (the “‘106 Patent” or “Formulas and Treatment Patent”), (see Compl. ¶¶
10 13–17, Nov. 25, 2011, ECF No. 1 in Case No. 3:11-cv-00853; Compl. ¶¶ 9–13, Nov. 25, 2011,
11 ECF No. 1 in Case No. 3:11-cv-00854).¹ In the ‘481 and ‘485 Cases, respectively, Ferring sued
12 several Watson Labs entities (collectively, “Watson Defendants”) and several Apotex entities
13 (collectively, “Apotex Defendants”) in this Court for infringing the ‘739 Patent. In the ‘853 and
14 ‘854 Cases, respectively, Ferring sued several Watson Defendants and several Apotex
15 Defendants in this Court for infringing the ‘106 Patent.

17 The Court consolidated the four cases, with the ‘481 Case as the lead case. It also granted
18 motions to dismiss the counterclaims for invalidity and to strike affirmative defenses for
19 invalidity in the ‘481 and ‘854 Cases, with leave to amend. The Court ruled that affirmative
20 defenses must specify a distinct legal theory of invalidity under Rule 8(c) but need not be pled
21 according to the *Iqbal* plausibility standard, as the counterclaims must be under Rule 8(a).

22 Watson Defendants and Apotex Defendants amended their answers and counterclaims,
23 accordingly. (See ECF Nos. 93, 94). Apotex Defendants later further amended their answer and
24

25 ¹Unless otherwise noted, the docket numbers in this document refer to Case No. 3:11-cv-00481.

1 counterclaim. The Court denied motions to dismiss the amended counterclaims for invalidity.
2 The Court held a *Markman* hearing and issued a claim construction order. The Court held a
3 bench trial and gave its findings of fact and conclusions of law from the bench. The Court
4 entered judgment in favor of Plaintiff on its claims of infringement against Watson Defendants
5 and against Watson Defendants on their counterclaims of invalidity. The Court of Appeals
6 reversed as to the infringement claims but affirmed as to the invalidity counterclaims. Both
7 parties have asked the Court for costs.

8 **II. LEGAL STANDARDS**

9 “Unless a federal statute, these rules, or a court order provides otherwise, costs—other
10 than attorney’s fees—should be allowed to the prevailing party.” Fed. R. Civ. P. 54(d)(1). Where
11 both parties have prevailed in part, the district court may require that they bear their own costs.
12 *See Amarel v. Connell*, 102 F.3d 1494, 1523 (9th Cir. 1996) (“In the event of a mixed judgment,
13 however, it is within the discretion of a district court to require each party to bear its own
14 costs.”); *Brunswick-Balke-Collender Co. v. Am. Bowling & Billiard Corp.*, 150 F.2d 69, 74 (2d
15 Cir. 1945) (“The court below denied costs to either side. On appeal, Brunswick has prevailed on
16 the Clayton Act and trademark issues; American has prevailed on the question of the validity of
17 the patent. We think it appropriate, therefore, that neither side be awarded the costs of the appeal
18 and that the district judge’s decision as to costs in the court below be affirmed.”).

19 **III. ANALYSIS**

20 Plaintiff asks for over \$365,000 in costs, and Watson Defendants ask for over \$277,000.
21 The Court adopts Plaintiff’s alternative argument that this is a mixed-judgment case where the
22 parties should bear their own costs. Watson Defendants prevailed against the infringement
23 claims (although they amended their ANDA in the course of litigation, such that Plaintiff did
24 achieve some small measure of success through its infringement claims), and Plaintiff prevailed
25 against the invalidity counterclaims. Both victories were significant. Watson Defendants’ loss

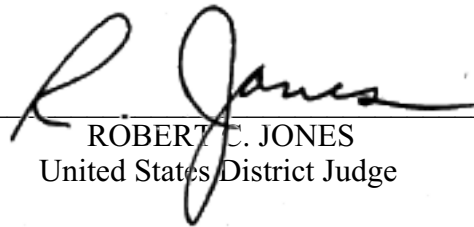
1 on Plaintiff's infringement claims would have resulted in significant monetary damages and an
2 injunction preventing future sales, and Plaintiff's loss on Watson Defendants' invalidity
3 counterclaims would have resulted in increased competition against Plaintiff's patented products
4 by Watson Defendants and others, resulting in lost sales and reduced prices as to its remaining
5 market share. The Court in its discretion will award costs to neither party.

6 **CONCLUSION**

7 IT IS HEREBY ORDERED that the Bills of Costs (ECF Nos. 531, 555) are DENIED.

8 IT IS SO ORDERED.

9 Dated this 30th day of December, 2014.

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13 ROBERT C. JONES
14 United States District Judge
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