

Nippon Owes \$115M In Muscular Dystrophy IP Fight, Jury Says

By **Adam Lidgett**

Law360 (December 20, 2024, 8:15 PM EST) -- Nippon Shinyaku Co. Ltd. owes more than \$115 million for infringing a patent owned by Massachusetts-based Sarepta Therapeutics, a federal jury in Delaware said Friday after finding that the Japanese company failed to prove the patent was invalid.

According to a verdict form, the jury said Sarepta and the University of Western Australia — which owns the patent-at-issue and licenses it to Sarepta — proved that they were entitled to \$115,222,850 in lost profits.

That verdict came a day after the jury returned a separate verdict on the first phase of a trial in the dispute between Sarepta and its Japanese rival over patents on treatments for Duchenne muscular dystrophy. One patent is owned by the University of Western Australia, while the other patent is owned by Nippon Shinyaku, court records showed.

Both sides had conceded earlier in the litigation that they had infringed the other side's patent, so the jury had to look at both sides' arguments as to whether the patents were invalid, according to the jury instruction form.

For one thing, the jury found that Sarepta was able to show that the claim in the Nippon patent — U.S. Patent No. 10,385,092 — was invalid as obvious. Sarepta had argued that Nippon was obvious over prior art, according to court records.

The jury also found that Nippon Shinyaku wasn't able to show the UWA patent — U.S. Patent No. 9,994,851 — was invalid.

However, the jury also said Sarepta and UWA weren't able to show that Nippon Shinyaku's infringement of that patent was willful.

The jury was then to decide the issue of the second phase of the trial, which was the damages stage, according to court records.

Nippon Shinyaku sued Sarepta in Delaware court in 2021 and accused its U.S. rival of developing a competing therapy to treat Duchenne muscular dystrophy that infringed its patent, according to court documents. Sarepta, however, then launched counterclaims of its own pertaining to the UWA patent, according to court documents.

When Nippon filed its suit, it sought \$222 million, according to Sarepta.

"We're grateful to the jury for their careful consideration of the facts in this case and for finding that Sarepta's and the University of Western Australia's patent for Sarepta's groundbreaking treatment for Duchenne muscular dystrophy is valid and infringed by Nippon, awarding \$115 million in damages to Sarepta, and for finding Nippon's patent invalid," Latham & Watkins partner Mike Morin, who represented Sarepta and UWA, said in a statement to Law360.

Counsel for Nippon Shinyaku did not immediately respond to requests for comment from Law360 on Friday.

The patents-in-suit are U.S. Patent Nos. 10,385,092 and 9,994,851.

Nippon Shinyaku is represented by Amy M. Dudash, Amanda S. Williamson, Jason C. White, Christopher J. Betti, Krista V. Venegas, Wan-Shon Lo, Maria E. Doukas, Zachary D. Miller, Michael T. Sikora, David L. Schrader, Julie Goldemberg and Alison P. Patitucci of Morgan Lewis & Bockius LLP.

Sarepta and UWA are represented by Jack B. Blumenfeld, Rodger D. Smith II and Megan E. Dellinger of Morris Nichols Arsht & Tunnell LLP, Mike Morin, Michele Johnson, David Frazier, Rachel Renee Blitzer, Ernest Jakob, Rebecca Rabenstein, Will Orlady, Daniel Hemming, Tiffany Weston and Drew Wiley Roberts of Latham & Watkins LLP and William B. Raich, Yoonjin Lee, Kaitlyn S. Pehrson, Jameson K. Gardner, D. Brian Kacedon and Ryan O'Quinn of Finnegan Henderson Farabow Garrett & Dunner LLP.

The case is Nippon Shinyaku Ltd. v. Sarepta Therapeutics Inc. et al., case number 1:21-cv-01015, in the U.S. District Court for the District of Delaware.

--Editing by Rich Mills.