

Litigators of the Week: The IP Team That Won a ‘Rare and Powerful Case’

By Scott Graham

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Illumina Inc. and Qiagen N.V. have been on a collision course since 2012. The two are in a race to move next-generation gene sequencing technology beyond big research laboratories and into everyday clinical settings.

Patent litigation in two federal district courts, the Patent Trial and Appeal Board and the U.S. Court of Appeals for the Federal Circuit came to a head Sept. 9 when U.S. District Judge William Alsup of the Northern District of California ordered Netherlands-based Qiagen to stop making and selling its GeneReader product in the United States.

“This is a rare and powerful case for the unusual remedy of a preliminary injunction,” Alsup wrote, finding that Qiagen is using technology “pirated” from Illumina.

The U.S. Supreme Court has set a high bar for patent-based injunctions, so Weil, Gotshal & Manges partner Edward Reines and associate Derek Walter get Litigator of the Week honors for meeting it in a high-stakes case.

While the docket sheet in *Illumina v. Qiagen* may show just four months of pretrial motions, it



Edward Reines and Derek Walter of Weil Gotshal

took years of strategy and coordination with other counsel across multiple jurisdictions to obtain the result.

“A success like this requires a lot of contributions,” Reines said. “Good planning is always one of them.”

The conflict dates to 2012 when Columbia University and its licensee Intelligent Bio-Systems sued Illumina for patent infringement in Delaware. Illumina responded with its own infringement claims, and Reines and Walter tried to add Qiagen to the case after it acquired Intelligent Bio-Systems. But Qiagen successfully argued that it was a Dutch holding company with no business in Delaware, and therefore the court lacked jurisdiction.

Instead the drama shifted to the Patent Trial and Appeal Board. Illumina knocked out all challenged claims in three Columbia patents, with Reines preserving the win at the Federal Circuit.

Walter, meanwhile, teamed up with Knobbe Martens Olson & Bear and two other firms in a successful defense of Illumina's 7,566,537 patent on the labeling of nucleotides. Knobbe obtained affirmance of that judgment at the Federal Circuit in May.

The PTAB setbacks didn't stop Qiagen from announcing the launch of its GeneReader product last fall. San Diego-based Illumina may dominate the market for gene sequencing machines, but according to an industry trade publication, Qiagen is well-positioned to compete thanks to existing relationships with hospital labs as a supplier of tests and equipment.

So just two weeks after the latest Federal Circuit decision became final, Reines and Walter filed suit for Illumina in the Northern District of California.

They came loaded for bear on jurisdiction, with 20 pages of the complaint devoted to Qiagen N.V.'s and six of its subsidiaries' links to California. Most notably, they pointed to Qiagen CEO Peer Schatz's promotion of GeneReader at this year's J.P. Morgan Annual Healthcare Conference in San Francisco.

"All of these other Qiagen entities had a role in this product, so it was important to have all of them

in the case," Walter said.

Qiagen added some new arguments about patent validity, but Alsup came out in the same place as the Patent Trial and Appeal Board, at one point even critiquing the "lame opinion" of a Qiagen expert.

Letting GeneReader go forward would cause Illumina irreparable harm, Alsup concluded. "Now, as the doors to the market have swung open, Qiagen seeks to usurp Illumina's position in that market with pirated technology," he wrote.

Qiagen has asked Alsup to stay his order while it takes an appeal to the Federal Circuit, or at least to clarify that Qiagen can continue manufacturing GeneReader in the United States for export overseas. A hearing is set for Sept. 22.

Reines and Walter have been working together on life science patent cases for close to a decade. Reines is an experienced trial and appellate litigator, and Walter, who has a Ph.D. in chemistry, is "as good on this technology as any experts that we use, who are luminaries in their field," Reines said.

They credit associates Claire Comfort, Jevetchius Bernardoni and Priyanka Dev, who is now a law clerk at the Eastern District of Texas, with playing key supporting roles in the litigation.

It also took a sophisticated client like Illumina, Reines said, "who knows when an injunction might work compared to the vast majority of situations where they don't."

