

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

TRANSCEND MEDICAL, INC.,)	
)	
Plaintiff,)	
)	C.A. No. 13-830 (MSG)
v.)	
)	DEMAND FOR JURY TRIAL
GLAUKOS CORPORATION,)	
)	REDACTED
Defendant.)	PUBLIC VERSION

**SECOND AMENDED COMPLAINT FOR DECLARATORY JUDGMENT OF
PATENT NON-INFRINGEMENT, INVALIDITY AND UNENFORCEABILITY**

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)	CONFIDENTIAL –
Defendant.)	FILED UNDER SEAL

**SECOND AMENDED COMPLAINT FOR DECLARATORY JUDGMENT OF PATENT
NON-INFRINGEMENT, INVALIDITY AND UNENFORCEABILITY**

Plaintiff Transcend Medical, Inc. (“Transcend”), for its Second Amended Complaint for declaratory judgment relief against Defendant Glaukos Corporation (“Glaukos”), alleges as follows:

THE PARTIES

1. Plaintiff Transcend is a Delaware corporation, with its principal place of business in Menlo Park, California.
2. On information and belief, Defendant Glaukos is a Delaware corporation, having its principal place of business in Laguna Hills, California.

JURISDICTION AND VENUE

3. This is an action for declaratory judgment of non-infringement and/or invalidity of the system and apparatus claims of U.S. Patent Nos. 7,850,637 (“the ‘637 patent”), 7,857,782 (“the ‘782 patent”), 8,075,511 (“the ‘511 patent”), and 8,579,846 (“the ‘846 patent”) (collectively, the “patents-in-suit”) arising under the United States patent laws, 35 U.S.C. §§ 101 *et seq.* Copies of the patents-in-suit are attached as Exhibits A, B, C, and D respectively.
4. On information and belief, Glaukos is the owner of the patents-in-suit.

5. The Court has subject-matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

6. The Court has personal jurisdiction over Glaukos because Glaukos is incorporated in this judicial district.

7. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1400(b).

EXISTENCE OF AN ACTUAL CONTROVERSY

8. There is an actual controversy between Transcend and Glaukos relating to the system and apparatus claims of the patents-in-suit within the jurisdiction of this Court under 28 U.S.C. §§ 2201 and 2202.

9. Transcend is a privately held, start-up innovator in the development of medical technology for the treatment of glaucoma and has developed its CyPass Micro-Stent technology for use in Micro-Invasive Glaucoma Surgery (“MIGS”). The CyPass technology is presently not approved by the United States Food and Drug Administration (“FDA”) and is thus not commercially available in the United States. Instead, the CyPass technology is currently available for use in the United States only through Transcend’s FDA-sanctioned clinical trial (known as the COMPASS Clinical Study). The purpose of the COMPASS Clinical Study is to collect data for submission to the FDA to support an application by Transcend for approval to commercialize its technology in the United States; data collection under the COMPASS Clinical Study is still almost a year away from completion and, even if the COMPASS Clinical Study is successful, possible FDA approval is still years away.

10. Until recently, the CyPass technology was also available for use in Europe only through one or more clinical trials or registries. However, beginning in late 2012, Transcend’s CyPass technology became commercially available on a limited basis in Germany and it has

since become available in at least one other country in Europe. Transcend makes all of the CyPass Micro-Stent, the CyPass Applier (for implanting the Micro-Stent devices), and other associated technology in the United States and exports those products for sale and use in Europe.

11. On various occasions before March 2013, Transcend heard through conversations with various individuals that Glaukos had repeatedly claimed that its patent position is dominant in the MIGS space, that Transcend practices Glaukos' patent rights and that Transcend lacks the freedom to commercialize its CyPass technology because of Glaukos' patent rights.

12. In an effort to resolve the cloud of uncertainty created by Glaukos' claims, Mr. Brian Walsh, President and Chief Executive Officer of Transcend, sent a letter to Mr. Thomas Burns, President and Chief Executive Officer of Glaukos, on March 19, 2013. Mr. Walsh noted the narrow scope of Glaukos' patent disclosures and the fact that Glaukos' patents distance themselves from Transcend's implantation approaches and techniques. Mr. Walsh further asked Mr. Burns either to acknowledge that Transcend has the freedom to launch its CyPass technology or, if Glaukos truly believed that Transcend practices Glaukos' patent rights, to explain the basis for such beliefs.

13. On April 30, 2013, Mr. Burns forcefully responded to Mr. Walsh's letter. In the response letter, Mr. Burns disagreed with Mr. Walsh's characterization of Glaukos' patents as distancing themselves from the implantation approaches and techniques that Transcend is commercializing. Mr. Burns pointed out that Transcend's own patent portfolio "give[s] [Transcend] no right to practice whatever may be disclosed or claimed" in its patents. Mr. Burns further stated that Glaukos "will not and do[es] not" clarify that Transcend has the right to launch its CyPass technology. Rather, Mr. Burns stated Glaukos' position that "if Transcend were to

commercialize its CyPass technology as currently described on its website, we believe that it would infringe at least several of Glaukos' patents," including the '637 patent, the '782 patent, and the '511 patent. The '846 patent is a recently issued patent in the same family as two of the patents already in suit.

14. Transcend's CyPass devices have not infringed, and do not infringe, either directly or indirectly, any valid system or apparatus claim of the patents-in-suit, either literally or under the doctrine of equivalents. A substantial controversy exists between the parties concerning the system and apparatus claims, which is of sufficient immediacy and reality to warrant declaratory relief. Because of the early stage of Transcend's regulatory process in the U.S., however, no actual controversy presently exists on any of Glaukos' method claims and Transcend therefore does not seek to challenge any of Glaukos' method claims with this action.

FIRST CAUSE OF ACTION
(DECLARATORY JUDGMENT OF NON-INFRINGEMENT)

15. Transcend restates and realleges the allegations set forth in paragraphs 1 through 14 above and incorporates them by reference.

16. Transcend does not directly infringe, contribute to the infringement of, or actively induce the infringement of, at least any valid and enforceable system or apparatus claim of the patents-in-suit.

17. An actual, justiciable controversy exists between the parties concerning infringement of the system and apparatus claims of the patents-in-suit.

18. Transcend is entitled to a judicial declaration that it does not directly or indirectly infringe the system and apparatus claims of the patents-in-suit.

SECOND CAUSE OF ACTION
(DECLARATORY JUDGMENT OF INVALIDITY)

19. Transcend restates and realleges the allegations set forth in paragraphs 1 through 18 above, as well as paragraphs 24 through 91 below, and incorporates them by reference.

20. The system and apparatus claims of the patents-in-suit are invalid for failure to meet one or more of the conditions for patentability set forth in 35 U.S.C. §§ 102, 103 and 112.

21. An actual, justiciable case or controversy exists between the parties concerning the validity of the system and apparatus claims of the patents-in-suit.

22. Transcend is entitled to a judicial declaration that the system and apparatus claims of the patents-in-suit are invalid.

THIRD CAUSE OF ACTION
**(DECLARATORY JUDGMENT OF UNENFORCEABILITY OF
THE TU PATENTS-IN-SUIT FOR INEQUITABLE CONDUCT)**

23. Transcend restates and realleges the allegations set forth in paragraphs 1 through 22 above and incorporates them by reference.

24. In connection with prosecution of the families of patent applications that ultimately issued as the '782, '511 and '846 patents (hereinafter the "Tu patents-in-suit"), at least several of the inventors thereof, including Olav Bergheim, Hosheng (Roger) Tu, Ph.D., and Dr. Richard A. (Rick) Hill, M.D., and Glaukos' patent attorney from Knobbe, Martens, Olson & Bear, LLP, William (Bill) Neiman, withheld from the U.S. Patent Office ("USPTO") material information about the correct inventorship of the Tu patents-in-suit with intent to deceive. Thus, the Tu patents-in-suit are unenforceable as a result of inequitable conduct.

Summary of Cause of Action

25. In 1999, Dr. Richard A. Hill, M.D., while an employee of the University of California, Irvine (“UC”), disclosed to Mr. Olav Bergheim and Morteza (Mory) Gharib, Ph.D. his ideas for the surgical treatment of glaucoma—including for ocular stent implants with various designs and tissue-retention features and for various methods of internal, or “*ab interno*,” implantation of the stents through the trabecular meshwork and into Schlemm’s canal and its downstream drainage anatomy. After Dr. Hill’s disclosures, Mr. Bergheim, Dr. Hill and Dr. Gharib agreed to form a company, later named Glaukos, to exploit Dr. Hill’s ideas. As part of their strategy to exploit Dr. Hill’s ideas, Mr. Bergheim along with one of his associates skilled in patent strategy and execution, Hosheng (Roger) Tu, Ph.D., set out, with the assistance of counsel, Mr. Neiman, to obtain patents on Dr. Hill’s ideas that would not name Dr. Hill as an inventor, and would be owned and controlled solely by Glaukos instead of by Dr. Hill’s employer, UC.

26. From 2000 to 2005, Dr. Hill continued to work for UC while he consulted for Glaukos. During that time, he was intimately involved in all aspects of the conception and development of Glaukos’ multiple generations of technology. Dr. Hill’s significant involvement was well known to himself, Mr. Bergheim, Dr. Tu and Mr. Neiman. Indeed, virtually all of the documentation underlying purported Glaukos inventions and Glaukos technology during that time shows Dr. Hill to be the primary force behind the purported inventions and technology. Yet Glaukos did not name Dr. Hill as an inventor on a single patent filing of its hundreds of patent filings claiming priority to the five- or six-year period Dr. Hill consulted for Glaukos while he remained an employee of UC. Glaukos’ agents’ intentional omission of Dr. Hill as an inventor on any of its patents in willful violation of their duties of candor to the USPTO, and their

attempts to hide Dr. Hill's inventive involvement, allowed Glaukos to claim sole ownership of the technology and to exercise sole control over the prosecution of patent applications covering that technology, including the Tu patents-in-suit.

27. As is laid out herein, that Glaukos intentionally failed to name Dr. Hill as an inventor in order to thwart any potential ownership rights of UC based upon Dr. Hill's obligations to UC is clear from documents and testimony recently discovered in this case, including, among other things, various discussions involving Dr. Hill, Mr. Bergheim and Mr. Neiman misleading UC and its counsel as to Dr. Hill's role in purported inventions and his obligations to Glaukos in response to UC's concerns about Dr. Hill's preexisting obligations to UC, Dr. Tu's revelations about the inventorship determinations of the Tu patents-in-suit and several related patent applications, as well as documentation of Glaukos' "particular concern" that had Dr. Hill assigned his rights to UC, it would have "poison[ed]" all of Glaukos' future patent filings.

28. There is no question that Dr. Hill should have been named as an inventor on the Tu patents-in-suit, and there is no question he was not. Glaukos has conceded that fact in attempting to "correct" the inventorship of each of the Tu patents-in-suit to add Dr. Hill as an inventor. Had the USPTO known that the applications for the Tu patents-in-suit were not submitted in the names of the true inventors, Glaukos would not occupy the position it does today and the patents would not have issued as they did. The intentional failures by Dr. Hill, Mr. Bergheim, Dr. Tu and Mr. Neiman to disclose Dr. Hill's inventive involvement and name Dr. Hill as an inventor originally, and their failure to inform the USPTO that Dr. Hill had not been named in order to preserve Glaukos' ownership interests in, and control of, the applications that became, and that are related to, the Tu patents-in-suit, constitutes inequitable conduct.

A. Dr. Hill's Obligations to the University of California

29. At all times relevant to this cause of action, Dr. Hill was employed by UC as an Associate Professor of Ophthalmology with a specialization in glaucoma. At the commencement of his employment with UC in 1990, and in partial consideration thereof, Dr. Hill executed various agreements with UC that governed all of his inventive activities during the term of his UC employment. Pursuant to those agreements, Dr. Hill agreed to promptly furnish UC with, and to disclose to UC, complete information with respect to each and every possibly patentable invention which he conceived or developed while employed by UC; to assign to UC all right, title and interest in and to any such inventions to the extent UC did not otherwise waive its ownership interest therein and to the extent such inventions were not otherwise excluded from assignment to UC by California law; and to be bound by his undertakings for the duration of his employment with UC. Dr. Hill's employment with UC ended in 2005.

B. Dr. Hill's Early History with the Other Founders of Glaukos; the Initial Patent Filings; and Glaukos' Founders' and its Counsel's Initial Deceit In Connection with Glaukos' Initial Patent Filing

30. Before meeting Olav Bergheim, a venture capitalist ("VC"), in or about October 1999, Dr. Hill had already spent several years while an employee of UC analyzing the clinical potential of treating glaucoma and elevated intraocular pressure in the eye by using an internal, or "*ab interno*," approach to implant a "seton" or "micro-shunt" or "micro-stent" through an eye anatomy known as the trabecular meshwork and into eye anatomy known as Schlemm's canal or its downstream drainage anatomy. His ideas about various implant design configurations and features needed to treat glaucoma patients and various methodologies for *ab interno* implantation came from various sources, including his own thinking, his observations of his own patients'

reactions to other treatments for glaucoma, and his learnings about various other medical interventions that utilize and deliver stents in other bodily anatomies.

31. In 1999, Mr. Bergheim contacted Dr. Hill in connection with a family member of Mr. Bergheim's who had glaucoma and required treatment. Thereafter, Dr. Hill first disclosed to Mr. Bergheim in or about November 1999 all of his detailed ideas for the surgical treatment of glaucoma. During their initial conversations, Mr. Bergheim listened in "quiet, polite amazement" while Dr. Hill explained to him the risks, benefits and alternatives of trabeculectomy and large, prior art shunts, explained his ideas for various seton designs and features for implantation through the trabecular meshwork into Schlemm's canal and its downstream drainage anatomy, explained his ideas for actual *ab interno* methodologies for implanting same to treat glaucoma, and explained his personal belief that technology did not then exist to make a seton small enough to do the job.

32. Mr. Bergheim believed the technology, in fact, did exist to make a small-enough seton in the manner Dr. Hill had described, and so introduced Dr. Hill to Morteza (Mory) Gharib, Ph.D. of the California Institute of Technology ("CalTech"). Dr. Gharib had a thorough understanding of fluid dynamics and the capacity to make very small devices. In or about December 1999, Dr. Hill met with Dr. Gharib and Mr. Bergheim and again disclosed his thinking about his setons and implantation methodologies. Dr. Hill again explained the eye's anatomy and physiology, the general problems associated with surgically treating glaucoma and, among other things, that it was going to be necessary to make a tiny stent with a hole through it and to shape the stent to ensure it would be retained in position once implanted. Mr. Bergheim recently testified that Dr. Hill explained to both him and Dr. Gharib, among other things, why the anatomy required that the implant have a hook or a barb or an angled/bent inlet portion with

respect to the outlet, so that the implant would be retained in position in Schlemm's canal once implanted.

33. During their conversations, the three men discussed ways in which to implement and reduce to practice Dr. Hill's ideas and agreed together to found a company known as Glayco Corporation ("Glayco"), which was the predecessor to Glaukos, the present defendant, with each of Dr. Hill, Mr. Bergheim and Dr. Gharib being considered a founder.

34. In later meetings occurring between December 1999 and May 2000, Mr. Bergheim brought in Hosheng (Roger) Tu, Ph.D, a colleague of Mr. Bergheim's at his VC firm who had a background in patent strategy and execution. Mr. Bergheim tasked Dr. Tu with writing a patent application for Glaukos to cover Dr. Hill's ideas. Since Dr. Tu had no relevant background in eye anatomy or physiology or in the surgical treatment of glaucoma, Dr. Tu interviewed Dr. Hill extensively to learn about the relevant field and background prior art, the relevant eye anatomy and physiology, and Dr. Hill's thinking and ideas on various micro-seton designs and features and his envisioned implantation methodologies.

35. Documents signed in mid-2000 claim that Dr. Hill orally agreed as early as November 1999 to assign to Glaukos, not to UC, any inventions or discoveries, whether or not patentable, that were conceived or reduced to practice at or in connection with his meetings with Mr. Bergheim, Dr. Gharib and Dr. Tu. At the time of the purported oral agreement, however, neither Glaukos, nor its predecessor Glayco, existed, and Dr. Hill could not have had any consulting or other obligation to either of those entities. During this time, however, Dr. Hill did have obligations to disclose and assign to UC. There is no evidence that anyone ever told UC about Dr. Hill's purported oral agreements with Glaukos. And there is no evidence that Dr. Hill

ever received permission from UC to enter into such an agreement with Glayco or Glaukos or any of its founders in contravention of his obligations to UC.

36. REDACTED
REDACTED

37. REDACTED
REDACTED

REDACTED

38.

REDACTED

REDACTED

39. Mr. Bergheim recently testified, among other things, that Dr. Hill was an integral part of their team of three; that in his view, both he and Dr. Gharib had contributed ideas that Dr. Hill included in his Invention Memo to UC, and that it was impossible, in Mr. Bergheim's view, to draw any distinction between what Dr. Hill had contributed and what he and Dr. Gharib had contributed, since, according to Mr. Bergheim, what Dr. Hill disclosed to UC was the product of a true team effort between all three of them. Mr. Bergheim also testified that he considered Dr. Hill so important to the team that Mr. Bergheim was confident neither he nor Dr. Gharib could ever have proceeded to form Glaukos or develop its technology without Dr. Hill's disclosures, contributions and involvement. But as set forth above, Mr. Bergheim also confirmed that he recalled Dr. Hill educating both him and Dr. Gharib on the relevant eye anatomy and physiology, the then-present options for treating glaucoma and Dr. Hill's ideas for tiny seton stents with various bent shapes and various retention features for implantation into and through the trabecular meshwork, and thus that Dr. Hill had contributed specific subject matter to the three men's discussions and was not simply present for the discussions.

40. Mr. Bergheim's testimony about Dr. Hill's specific contributions and involvement is corroborated by more recent email exchanges between Mr. Bergheim and Dr. Hill. Recently, while attempting to craft a story for a Glaukos marketing brochure, Dr. Hill and Mr. Bergheim revisited and exchanged their own accounts of what actually happened during their initial discussions. Mr. Bergheim's testimony is quite consistent with what he himself wrote about those initial meetings, namely that "Dr. Hill explained to Dr. Gharib that it was necessary to make a stent at a thickness of a human hair with a hole through it, and a shape that made sure it would stay in place."

REDACTED

41.

REDACTED

42. UC's plan, however, would have resulted in UC either owning outright or at least co-owning both applications, and in UC controlling the filing and prosecution of both – neither of which was in Glaukos' interests.

43. Accordingly, when the time came to file the two applications, UC filed its application naming only Dr. Hill as an inventor, and Glaukos elected to file the second application on its own behalf without naming Dr. Hill as an inventor. More specifically, when the two applications were filed on April 14, 2000, the first application, Ser. No. 09/549,349,

which Dr. Hill assigned to UC, named Dr. Hill as sole inventor and claimed only a method of implantation through the trabecular meshwork (“the ‘349 application”). The second application filed by Glaukos—Ser. No. 09/549,350—was filed with a materially identical specification and disclosure as the ‘349 application, much of which had been copied from Dr. Hill’s Invention Memo, and claimed other, highly related device and method inventions for implantation through the trabecular meshwork (“the ‘350 application”) but failed to name Dr. Hill as at least a joint inventor if not a sole inventor thereof. Yet the ‘350 application that Glaukos filed claimed subject matter of which Dr. Hill was unquestionably a sole inventor and other subject matter of which Dr. Hill was at least a joint inventor if not a sole inventor.

REDACTED

44.

REDACTED

45. After speaking with UC, Mr. Bergheim called for a meeting between Dr. Hill and counsel for both Glaukos and UC supposedly to sort out inventorship of the Glaukos-filed ‘350 application. A meeting then occurred between Dr. Hill, Mr. Nieman, who represented Glaukos’ founders, and Mr. Bruce Canter (from Oppenheimer Wolff & Donnelly) , who was familiar with, and who was first invited to be involved by, Mr. Bergheim, but who acted as UC’s counsel.

46. During their meeting, and based on information Dr. Hill provided to Mr. Canter, Mr. Canter and Mr. Nieman reached agreement that (i) Dr. Hill was indeed a sole inventor of, among other things, the “angled/bent shape” setons and the setons with various retention features for anchoring in Schlemm’s canal and so agreed that claims 1-9 that Glaukos had filed would be

cancelled out of the '350 application, and (ii) notwithstanding the content of Dr. Hill's Invention Form and Invention Memo, Dr. Hill was not even a joint inventor of any of the remaining subject matter of claims 10-18 of the '350 application that concerned various other seton designs and various *ab interno* methods for implanting setons across the trabecular meshwork from the anterior chamber into Schlemm's canal and adjacent various downstream drainage anatomy.

47. Had Dr. Hill been candid with Mr. Canter about his original disclosures to Mr. Bergheim and Dr. Gharib and his contributions to their conversations, Mr. Canter would have had no basis on which to agree that the '350 application could proceed in any form without naming Dr. Hill at least as a joint inventor along with Mr. Bergheim and Dr. Gharib, and Mr. Nieman would have had no basis on which to later declare that they had supposedly managed to create a "clear separation" between the two applications. Dr. Hill, however, was not fully candid with Mr. Canter about the role he played in those conversations and didn't share with him what Mr. Bergheim just testified to about the nature and content of their conversations.

48. By letters dated July 28 and July 31, 2000 to Mr. Canter, Mr. Nieman, on Glaukos' behalf, confirmed their agreement that Glaukos would cancel claims 1-9 of the '350 application so that UC could file those claims solely on Dr. Hill's behalf. And shortly thereafter, Mr. Nieman instructed that claims 1-9 of the '350 application be cancelled, which a colleague of Mr. Nieman's (James Hill) then executed, and instructed that only Mr. Bergheim and Dr. Gharib be named as co-inventors of the remaining subject matter.

49. When Mr. Bergheim agreed to be named along with Dr. Gharib as the only two inventors on the '350 application and executed his inventorship oath naming only himself and Dr. Gharib as inventors, Mr. Bergheim willfully violated his personal duty of candor to the USPTO for failing to ensure Dr. Hill was also named at least as a co-inventor of the subject

matter that remained in the '350 application. Mr. Bergheim was aware of the conversations between all three men, and of Dr. Hill's documented disclosures in his Invention Memo to both men. Mr. Bergheim knew that Dr. Hill was at least a co-inventor, if not a sole inventor of part or all, of that remaining subject matter.

50. In addition, when Mr. Bergheim willfully failed to inform the USPTO of all of the information he knew that Dr. Hill had disclosed to him and Dr. Gharib in their initial conversations, Mr. Bergheim also willfully violated his personal duty of candor to the USPTO by failing to live up to his obligation to disclose all information known to him that was material to the patentability of the subject matter he and Dr. Gharib claimed for themselves. Had Mr. Bergheim, for example, shared with the USPTO what he recently freely shared in his deposition and with Dr. Hill in their private email exchanges—that Dr. Hill had disclosed to him and Dr. Gharib the “angled/bent” seton subject matter and the setons with various retention features for being retained in tissue once implanted into Schlemm's canal—the USPTO unquestionably would have concluded that subject matter simply was not patentable to Mr. Bergheim and Dr. Gharib.

51. Notwithstanding their success in persuading UC that Dr. Hill should not be named on what remained of the '350 application, Glaukos had lost the ability to own outright and control the prosecution of the subject matter that was by far the most relevant to key features of its developing technology: the “angled/bent shape” setons of cancelled claims 1-6 and the setons with various retention features for anchoring in Schlemm's canal of cancelled claims 7-9, both of which remain key features of Glaukos' *iStent* technology today.

52. So in December 2000, Mr. Nieman again spoke with Mr. Canter to revisit the inventorship of claims 1-9 that the three men had supposedly already resolved several months

prior by deciding that Dr. Hill was a sole inventor thereof. Soon thereafter, a second, in-person meeting occurred between Dr. Hill, Mr. Nieman for Glaukos and Mr. Canter for UC. As a result of that meeting, Mr. Nieman and Mr. Canter decided that (i) the previously canceled claims 1-9—which were canceled as a result of Dr. Hill being a sole inventor thereof—would be reinserted into the Glaukos ‘350 application even though the application named only Mr. Bergheim and Dr. Gharib as inventors, and (ii) those claims would be reinserted *without* naming Dr. Hill as an inventor thereof. As a result, in early 2001, Glaukos’ counsel re-inserted into the ‘350 application claims 20-28, which were identical in all respects to the nine claims that had been previously canceled, and failed to amend inventorship by adding Dr. Hill. On Glaukos’ behalf and without naming Dr. Hill as an inventor, Mr. Neiman and his colleagues prosecuted to issuance subject matter that Dr. Hill unquestionably was an inventor of, including the “barbed/ridged” seton subject matter that appears in claims 5-7 of issued U.S. Patent No. 6,638,239 (“the ‘239 patent”) substantially as originally filed, cancelled and then re-inserted.

53. In doing so, Mr. Nieman and Dr. Hill intentionally and willfully misrepresented to UC’s counsel the scope of Dr. Hill’s involvement in the conception and evolution of the subject matter of the ‘350 application, including the subject matter of claims 20-28 that were reinserted *verbatim*, and thus materially affected the direction that application took in the USPTO. In light of Mr. Bergheim’s recent sworn testimony about Dr. Hill’s contributions, including regarding what Dr. Hill told him and Dr. Gharib about his ideas for the “angled/bent seton” and the retention-feature subject matter, and in light of Glaukos’ and Dr. Hill’s own internal documentation confirming his contributions, there is no reasonable basis on which to conclude that Mr. Nieman’s and Dr. Hill’s statements to Mr. Canter were candid about the scope of Dr. Hill’s true involvement and contributions, and there is no reasonable basis on which to

conclude that only Mr. Bergheim, a VC, and Dr. Gharib, an engineer, invented the subject matter of those claims without Dr. Hill's ophthalmic expertise, contributions and involvement. And in light of Mr. Bergheim's recent testimony, the documentation produced in discovery in this case, and Mr. Nieman's prior agreement that Dr. Hill was a *sole* inventor of the subject matter that Mr. Nieman then added back into the application without naming Dr. Hill even as a co-inventor, Mr. Nieman's intentional omission of Dr. Hill as a named inventor of the subject matter of the '350 application was a violation of his own duty of candor to the Patent Office.

54. Dr. Hill is a sole inventor of at least some of the claims of Glaukos' '350 application. Of the remaining claims of the '350 application, Dr. Hill is at least a joint inventor if not a sole inventor thereof. Dr. Hill is also a sole inventor of some of the claims of Glaukos' '239 patent that issued from the '350 application, and is at least a joint inventor of at least some of the remaining claims of the '239 patent. Claims in both the '350 application and the '239 patent purport to cover the subject matter that Glaukos' and Dr. Hill's own documents and Mr. Bergheim's recent testimony establish Dr. Hill disclosed to Mr. Bergheim and Dr. Gharib and educated them about in 1999.

55. Dr. Hill was aware of the filing and prosecution of the '350 application by Glaukos. He knew that he was an inventor of the subject matter claimed in the '350 application and that he was not named as an inventor. And he was involved in ensuring he was not named as an inventor through his less-than-candid conversations with Mr. Canter. As a person associated with the filing of the '350 application, and as an inventor of the subject matter of the '350 application, Dr. Hill had a duty of candor to the USPTO. He intentionally violated his duty of candor in consciously agreeing not to be named as an inventor on Glaukos' '350 application, in participating in the conversations that orchestrated his not being named, and by permitting the

USPTO to be falsely led to believe that only Mr. Bergheim and Dr. Gharib actually invented all of the subject matter in that application.

56. Once Glaukos filed its '350 application and engineered the omission of Dr. Hill as a named inventor, Glaukos and Mr. Nieman were then faced with complying with another duty of candor to the USPTO: disclosing all material prior art known to the named inventors and its counsel, Knobbe. Since both Mr. Bergheim and Dr. Gharib were unaware, before their conversations with Dr. Hill, about how to treat glaucoma, the possibility of placing a seton in the trabecular meshwork to link the anterior chamber with Schlemm's canal and about how to shape and structure a particular stent to be retained in place in eye tissue once implanted using various geometries and features, all of Dr. Hill's disclosures to both men were prior art to any possible inventive contribution either man could have made. But had Mr. Nieman admitted to the USPTO the full extent of Dr. Hill's disclosures to Mr. Bergheim and Dr. Gharib, Dr. Hill's omission as an inventor of the '350 application would have been abundantly apparent. To try to navigate this conundrum of Glaukos' own making, Mr. Nieman, on Glaukos' behalf, elected to submit the following disclosure to the U.S. Patent Office during prosecution of its' 350 application:

"In accordance with the duty of disclosure under 37 C.F.R. 1.56, Applicants [Mr. Bergheim and Dr. Gharib] wish to bring to the Examiner's attention a copending U.S. Patent Application of Dr. Richard Hill, Serial No. 09/549,349 ("the '349 Application"), filed on April 14, 2000, entitled "Device for Glaucoma Treatment and Methods Thereof." [Mr. Bergheim and Dr. Gharib] believe that the inventions claimed by the claims in the '349 Application, as those claims were amended by Preliminary Amendments . . . , were conceived before Applicants' invention, as claimed by all claims currently pending in the present Application Additionally, the subject matter of such '349 [Application's] claims, as amended, were disclosed to one or more of [Mr. Bergheim and Dr. Gharib] prior to the filing date of the subject ['350] application." [Exhibit _]

57. Mr. Nieman's statement to the USPTO, however, was intentionally and materially false and misleading in at least two important respects, and again was submitted in willful violation of Mr. Nieman's and Mr. Bergheim's duties of candor to the USPTO. First, as both Mr. Bergheim and Dr. Hill have recently testified, and as Glaukos' and Dr. Hill's own internal documentation reflects, the subject matter of the claims of the '350 Application resulted, at a minimum, from a joint effort of all three men, not just Mr. Bergheim and Dr. Gharib. The statement, therefore, that the inventions claimed in Hill's '349 application "were conceived *before Applicants' [Mr. Bergheim's and Dr. Gharib's] invention*, as claimed by all claims currently pending in the present Application," is demonstrably false, as what is disclosed and claimed in the '350 application was not simply "*Applicants'* invention" but instead was either solely or jointly invented by Dr. Hill. Simply put, Mr. Nieman's representation to the USPTO is irreconcilable with, among other things, Mr. Bergheim's recent, sworn testimony and his own admissions about what Dr. Hill's actual disclosures and role were in creating the subject matter of the '350 application.

58. Second, Mr. Nieman's statement that "*the subject matter of such '349 [Application's] claims, as amended, were disclosed* to one or more of Applicants [Mr. Bergheim and Dr. Gharib] prior to the filing date of the subject ['350] application" is also demonstrably false and materially misleading, for as Glaukos' and Dr. Hill's internal documents now demonstrate, and as Mr. Bergheim recently testified under oath, Dr. Hill had not only disclosed much more to Mr. Bergheim and Dr. Gharib than merely the subject matter of the then pending, non-specific method claims of the '349 application, but had also materially contributed to the actual disclosed and claimed subject matter of the '350 application itself, both by directly informing Mr. Bergheim and Dr. Gharib of additional ideas that were disclosed and claimed in

the ‘350 application (including the “angled/bent shape” and “barbed/ridged” seton subject matter) and by directly contributing to further inventions disclosed and claimed in the ‘350 application through his intimate discussions with both men. And Mr. Nieman knew that Dr. Hill had disclosed much more to Mr. Bergheim and Dr. Gharib based on his previous discussions and conclusion with Mr. Canter that Dr. Hill was the sole inventor of at least claims 1-9 of the ‘350 application. And Mr. Bergheim knew the same, because he recently testified that is exactly what Dr. Hill told him and Dr. Gharib about in 1999.

59. Since Glaukos first filed the ‘350 application, Glaukos has filed dozens and dozens of related patent filings in the U.S. and abroad that have a disclosure identical to that of the ‘350 application, that claim priority back to the filing date of the ‘350 application, and that claim subject matter disclosed in the ‘350 application that Mr. Bergheim and Dr. Gharib first learned about from their discussions with Dr. Hill in 1999. In every single one of those filings, however, Glaukos has consistently named only Mr. Bergheim and Dr. Gharib as inventors, despite continuing to claim inventions that should unquestionably have named Dr. Hill as either a joint or sole inventor.

60. Despite intentionally not naming Dr. Hill as an inventor of the ‘350 application, Glaukos both privately and even publicly celebrated Dr. Hill’s pivotal roles in conceiving of and developing Glaukos’ trabecular stent technology. Among other things, the technology that realized Dr. Hill’s inventions was referred to internally at Glaukos as the “Hill Trabecular Stent” because of a desire, according to Glaukos’ first employee, Dr. Greg Smedley, to name the product after the product’s true inventor. Even Glaukos’ Chairman of its Board of Directors has publicly recognized and feted Dr. Hill as being “the actual inventor of the iStent” and has interviewed Dr. Hill on-stage about his extensive contributions to the conception and

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development of various important and patented aspects of Glaukos' technologies.

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61. Glaukos' original and continued omission of Dr. Hill as a named inventor of the '350 application and any and all of these dozens of related patent filings is a direct and proximate result of the conscious, deliberate and willful decision on the parts of Dr. Hill, Mr. Bergheim and Mr. Nieman to do so, and of their conscious, deliberate and willful decisions to mislead UC into believing that Dr. Hill, in fact, had not contributed to the subject matter of the claims of the '350 application. For at least these reasons, Glaukos' entire family of issued U.S. patents that claim priority back to the '350 Application should be unenforceable for its deliberate omission of Dr. Hill and its related willful misrepresentations to the USPTO. And their conscious decision to avoid naming Dr. Hill also has direct, causal ramifications for the Tu family of patents as well, including the three Tu patents-in-suit, as Glaukos' witnesses recently made clear in their testimony and as is further explained below.

C. Dr. Hill's Continuing, Intimate Involvement with Designing and Developing Glaukos' Generations of Technologies, and Glaukos' Continuing Deceit Of UC

62. Since the first purported oral agreements in 1999 with Glaukos in contravention of his obligations to UC, Dr. Hill and Glaukos took further steps to solidify their relationship at the cost of UC.

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63. Because UC was becoming increasingly uncomfortable with the manner in which Glaukos was interacting with Dr. Hill and had learned that Dr. Hill had already executed some sort of consulting agreement with Glaukos, UC specifically requested that Mr. Bergheim provide UC with documentation to show Glaukos' relationship with Dr. Hill. As a result of UC's request, Mr. Bergheim provided to UC a "copy of the standard consulting agreement used by Glaukos," and represented that "this [standard consulting agreement] is also the agreement between Dr. Hill and Glaukos." From that correspondence, however, it appears that Mr.

Bergheim deliberately failed to inform UC that by that time, Glaukos and Dr. Hill had already entered into other, extraordinary oral and written agreements for Dr. Hill, among other things, to maintain confidentiality with Glaukos and to assign to Glaukos outright, not UC, any new ideas Dr. Hill had discussed with Mr. Bergheim and Drs. Gharib and Tu.

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65. Indeed, in his July 28, 2000 letter to Mr. Canter, rather than heeding UC's guidance, UC's counsel, Mr. Nieman, falsely stated that it was Glaukos' intention "to exclude Dr. Hill from any activities of Glayco which may result in generation of new inventions" until they could sort through their differences with UC about Dr. Hill's obligations. The actual record of Dr. Hill's involvement in Glaukos, however, including Glaukos' witnesses' recent testimony and Glaukos' own internal documentation, reflects anything but an exclusion of Dr. Hill from any of Glaukos' inventive idea generation. To the contrary, as an example, the record reflects Dr. Hill's continued involvement and his contributions, just days after Mr. Nieman's letter, to one of the very earliest design iterations of how an applicator might function to deliver a seton into the trabecular meshwork. This design functionality was later incorporated into the disclosure of the present Tu patents-in-suit. In short, while Glaukos ignored UC's warning and its itemized suggestions for how to protect itself against Dr. Hill's prior obligations, Glaukos apparently did not shy away from privately encouraging every contribution Dr. Hill could possibly make to furthering the development of its technologies.

66. From the very beginning of his interactions with Mr. Bergheim and Drs. Gharib and Tu, through and after the founding of Glaukos, and for the duration of Dr. Hill's employment with UC through 2005, and even through today (according to Mr. Bergheim's testimony), Dr. Hill was a founding, core member and a "critical part" of the Glaukos team and represented, at all times relevant to this cause of action, the only physician, the only person with experience in treating glaucoma, and the only person on any of Glaukos' and Glaukos' teams with any ophthalmic medical background. According to Glaukos' own witnesses and internal documents, Dr. Hill was intimately involved in the design and development of all aspects of Glaukos' technology, including the all three generations of Glaukos' actual micro-stent implant

designs, the designs of the delivery instruments (applicators) for implanting the micro-stents, and the surgical methods used to implant the micro-stents, so much so that Glaukos named its original technology the “Hill Trabecular Stent” because Dr. Hill was the technology’s inventor. He was a formal member of the “Glaukos Trabecular Shunt” team of five, along with the four other members, Dr. Tu, Greg Smedley, Dave Haffner and Barbara Niksch, all four of whom were named as the four inventors of the Tu patents-in-suit. He was a member of the Shunt Development team and the Applicator Development team. He attended and materially participated in multiple brainstorming meetings, some of which were scheduled around his personal calendar so he could specifically attend and provide his input and insights. Dr. Hill assisted in evaluating between 100 and 200 clinical prototypes of the micro-stent implant and commonly provided feedback on the design, desirability and functionality of each, including repeated suggestions and requests for changes and improvements. And he even instructed the engineers from time to time on the different features and functionalities he wanted to see designed into the products and which made their way into Glaukos’ patent filings, including features that are disclosed and claimed in the Tu patents-in-suit. There is no question but that the time Dr. Hill spent with Glaukos’ and Glaukos’ personnel provided very valuable insights into the design features of the micro-setons and applicator design features.

D. Dr. Hill’s Status as an Inventor of the Tu Patents-in-Suit, and Glaukos’ Continued, Willful Deceit in Not Naming Him on a Single Glaukos-Filed Tu Patent Application or Tu Issued Patent Until After This Suit Was Filed.

67. Despite Dr. Hill’s intimate involvement with the conception, design and development of Glaukos’ technology, during the six or so years he consulted with Glaukos while also being employed by UC, he was not named on a single patent application filed by Glaukos of the hundred-plus patent filings claiming priority to the period of his UC tenure, nor on a single

patent issued to Glaukos that covered and claimed many of the concepts to which he materially contributed or which he solely invented.

68. Indeed, with respect to the three Tu patents-in-suit, there is no question that Dr. Hill should have been named as an inventor of all of three. Those patents disclose and specifically claim many of Dr. Hill's sole and joint contributions to Glaukos' inventive thinking. And by filing its Certificates of Correction with the USPTO in May 2014 for each of the three Tu patents-in-suit, with each Certificate signed by Dr. Hill and stating that he is an inventor of the subject matter claimed in each of the Tu patents-in-suit, Glaukos conceded that point beyond doubt. The materiality of Hill's omission to the patentability of the subject matter of the Tu patents-in-suit is therefore beyond dispute: (1) Glaukos and Dr. Hill now both admit Dr. Hill is an inventor of the subject matter of each of the Tu patents-in-suit; (2) Dr. Hill therefore should have been named as an inventor of the Tu patents-in-suit; (3) Dr. Hill was not named as an inventor of the Tu patents-in-suit; and (4) The failure to name the correct inventors on a patent renders the patent invalid.

69. Glaukos, however, did not simply forget to name Dr. Hill as an inventor of the Tu patents-in-suit. Instead, as set forth in section E, it intentionally and willfully chose not to name him while he remained employed by UC, and thus while he had an obligation to disclose and assign his contributions to UC, all as part of an apparently materially misguided business strategy to establish an exclusive patent ownership position for itself and thereby to deny to UC any material ownership interest in, and any ability to control prosecution and enforcement of, all of the patent rights and their progeny that Glaukos wished to own and control solely for itself.

70. Indeed, *after* Dr. Hill left UC's employment, Glaukos for the first time in over seven years of Dr. Hill's intimate involvement in the Company started naming him as an

inventor on a series of patent applications filed by Glaukos that cover subject matter almost identical to that of the Tu patents-in-suit. But since Dr. Hill had left UC's employment by that time, Glaukos was free to name Dr. Hill as an inventor without delay, and Dr. Hill was then free to, and did indeed, assign all of his ownership rights to Glaukos. Yet at no time during Dr. Hill's initial almost six years of involvement when Dr. Hill had an obligation to assign to UC did Glaukos name him as an inventor.

E. Glaukos' "Wrongful" Failure to Name Dr. Hill on Any of the Tu Patents-in-Suit, and the Causal Linkage Between the Tu Patents-in-Suit and Glaukos' and Knobbe's Initial Deceit Concerning the '350 Application

71. Particularly noteworthy are Dr. Hill's participation in Glaukos' design and development brainstorming meetings with one or more of the four other named inventors on the Tu patents-in-suit, and the fact that some of those meetings were scheduled around his personal calendar so the Glaukos' employees could benefit from his input. For it is their participation in these brainstorming meetings to which all four of the other inventors named on the Tu patents-in-suit—all of whom are Glaukos employees with an obligation to assign their rights to Glaukos—point either materially or solely as justification for their inclusion among the named inventors of the Tu patents-in-suit. But Dr. Hill was not named along with them, even though he often participated in those same meetings. And despite Dr. Hill also being the fifth formal member of the "Glaukos Trabecular Shunt" team along with the four named inventors of the Tu patents-in-suit, Dr. Hill remained, for his entire tenure at UC while he had an obligation to disclose and assign to UC, the only member of that team not named as an inventor of the Tu patents-in-suit, nor any patent of the dozens and dozens of patent filings in the extended Tu family of patents, and the only founder of the company not named on any of Glaukos' patents.

72. Under this onslaught of evidence, Glaukos has had to admit under oath, on behalf of the Company, that Dr. Hill was “wrongfully omitted” from being named as an inventor of each of the Tu patents-in-suit.

73. And Dr. Tu, the person on the Glaukos team responsible for ensuring Glaukos’ early patent filings were completed and who filed many of Glaukos’ provisional patent filings himself, effectively admitted that Glaukos knew what it was doing when Dr. Tu chose not to name Dr. Hill on its applications.

74. Although Dr. Tu is neither an attorney nor registered patent agent, he is very familiar with the process and requirements for obtaining patents. Dr. Tu has personally written, filed and prosecuted to issuance hundreds of patent applications before the USPTO for various companies over the years, all of which name him as an inventor.

75. First, Dr. Tu admitted in deposition that the provisional application to which the three Tu patents-in-suit all claim priority, Ser. No. 60/281,973 (“the ‘973 provisional filing”), unquestionably includes many of the concepts he first learned from studying Dr. Hill’s UC disclosure and in speaking with Dr. Hill, including, for example: aqueous shunts for implantation through the trabecular meshwork into Schlemm’s canal; aqueous shunts for implantation through the trabecular meshwork and into the vicinity of, or actually into, aqueous collector channels; aqueous shunts with various barbs, threads and other means for anchoring into position in the trabecular meshwork once implanted; aqueous shunts with hydrophilic material for anchoring; aqueous shunts with valves; and aqueous shunts with side-venting.

76. Dr. Hill’s contributions to the subject matter of the ‘973 application is also now beyond any reasonable dispute, as Glaukos itself, once again in May 2014, formally sought to correct inventorship by adding Dr. Hill as an inventor even to this provisional filing. Dr. Tu also

admitted that at least another application on which the Tu '973 provisional application was based—U.S. provisional application No. 60/276,609 (“the ‘609 provisional application”)—unquestionably included material contributions from Dr. Hill.

77. Second, Dr. Tu went to great lengths to document in the text of the ‘973 provisional application itself, “for record purposes,” who on the Glaukos team “have been the co-inventors for a part or all of the disclosures.” Despite including four of the five members of the Glaukos Trabecular Shunt team and two of the three Glaukos Founders in his “for record” list, however, Dr. Tu intentionally omitted any mention of the fifth member of the five-member team and the first Founder of the three Founders: Dr. Hill.

78. To try to come up with at least some explanation for his extraordinary omission of Dr. Hill, Dr. Tu testified, among other things, how he supposedly came up with the inventorship determination for the ‘973 provisional application. In short, he testified that when it came time to recording, “for record purposes,” those Glaukos personnel and consultants who had contributed as co-inventors, to any of the subject matter of the ‘973 provisional, (i) he says he chose to name four of the six inventors (including himself) because those four supposedly attended one particular meeting where a decision was made actually to file the ‘973 application; and (ii) he named Mr. Bergheim and Dr. Gharib as inventors because they were included as named inventors on one or more of the various applications Dr. Tu had chosen to incorporate by reference into the ‘973 provisional. Dr. Tu thus explained his supposedly somewhat mechanical decision not to include Dr. Hill on the list of co-inventors for the ‘973 application because (i) despite his intimate involvement of generating the subject matter included in the ‘973 provisional and Dr. Tu’s personal and intimate knowledge of Dr. Hill doing just that, Dr. Hill supposedly didn’t attend one particular meeting that Dr. Tu says occurred but of which there is no apparent

record that reflects his testimony; and (ii) Dr. Hill wasn't originally named on any of the applications incorporated by reference into the '973 provisional. And standing in stark contrast to his clear effort to document—and his detailed explanation for how he came to list—"for record purposes," four of the five team members and two of the three founders as "co-inventors" of the '973 application, Dr. Tu also testified that he believes getting inventorship of provisional applications right just "doesn't matter" anyway, so Dr. Hill's omission supposedly "doesn't matter."

79. Dr. Tu's rationales for not naming Dr. Hill as an inventor of the '973 provisional patent application—inventors get listed because they attend a single decision-to-file meeting and because they were previously listed, and if you don't fit in either bucket you don't get listed—are hardly defensible. Dr. Tu himself was personally directly exposed to Dr. Hill's inventive concepts and ideas and his original disclosures and thinking. Dr. Tu worked closely with Dr. Hill ever since Mr. Bergheim brought him in to write the patent application on Dr. Hill's inventions and to assume the role of President of Glaukos. Dr. Tu participated in the same Glaukos team of five as Dr. Hill to develop the trabecular shunt technology. Dr. Tu even participated in the same brainstorming meetings as Dr. Hill, to which Dr. Tu himself now points as justification for naming himself as an inventor. Dr. Tu even included as a named inventor Ms. Barbara Niksch, Glaukos' then Director of Clinical and Regulatory Affairs, as a co-inventor of the '973 provisional less than four weeks after she had joined the Glaukos team and yet chose to omit any mention of Dr. Hill, with whom he had worked for close to 18 months in first learning, and then developing, Dr. Hill's concepts into products.

80. But setting aside for a moment whether Dr. Tu's testimony is both credible and truthful, the basic logic of his testimony—even if believed—is that had Dr. Hill been named on

any of the applications incorporated by reference into the '973 provisional application, Dr. Hill would have been named "for record purposes" in the Tu '973 provisional to which the entire Tu family of patents, including each and every one of the Tu patents-in-suit, claims priority. Dr. Hill, however, was not named on any of the applications Dr. Tu incorporated by reference. And those applications Dr. Tu incorporated by reference into the '973 provisional filing, perhaps not surprisingly, include the '350 application on which Mr. Bergheim, Dr. Hill and Mr. Nieman willfully omitted naming all mention of the first Founder and the fifth member of Glaukos' Trabecular Shunt team: Dr. Hill. Dr. Tu's testimony, even if believed, therefore provides firm and indisputable causal linkage between Glaukos' initial willful deception on the '350 application in not naming Dr. Hill and the facially defective and indefensible inventorship "record" of the very first patent application in the "Tu" family of patents to which every one of the present Tu patents-in-suit is materially related and claims priority. Again, setting aside whether Dr. Tu's testimony is both credible and truthful, Dr. Tu, in short, pointed to the materially flawed inventorship list of the '350 application as justification for not naming Dr. Hill in the priority document for all of the Tu patents-in-suit.

81. The applications Dr. Tu incorporated by reference into the '973 provisional filing also included the '609 provisional application, the subject matter of which also plainly documents Dr. Hill's contributions thereto and which Dr. Tu now has no difficulty admitting Dr. Hill contributed to, but for which Dr. Tu now says he just can't remember why he didn't name Dr. Hill at the time. Had Dr. Tu named Dr. Hill on that application also, of course, then pursuant to the basic logic of his testimony, he would have included Dr. Hill in the inventorship "record" for the Tu '973 provisional filing for that additional reason as well. But as it was, and even though Dr. Tu says getting inventorship on this application also "doesn't matter," Dr. Tu

nonetheless went to the trouble to name himself, Dr. Smedley and Dr. Gharib, three individuals with the capacity or obligation to assign their rights to Glaukos.

82. The actual inventorship list of the three Tu patents-in-suit is simply drawn from the willfully false “for record” list that Dr. Tu provided in Tu’s priority document, the ‘973 provisional filing, and names only the four Glaukos employees of the “Glaukos team” of five. Despite Hill’s unquestionable contributions and his intimate role in creating the subject matter of those filings, his name doesn’t appear anywhere in the original listing of inventors for those patents. And when it came time to explain, on behalf of Glaukos as an entity, why Dr. Hill wasn’t named on the Tu patents-in-suit themselves along with all four of the other members of the Glaukos team of five, even Glaukos had no explanation it now wishes to try to offer under oath to explain Dr. Hill’s consistent, widespread and glaring omission, other than that he was simply “wrongfully omitted.”

83. Indeed, even the very first non-provisional application to be filed off of the Tu ‘973 provisional—U.S. Patent Appl. No. 10/118,578, which issued as U.S. Patent No. 7,135,009 (“the ‘009 patent”), which has a specification identical to each of the Tu patents-in-suit and to which each of the Tu patents-in-suit also claims priority—claimed in part the very “angled/bent seton” subject matter that all now admit Dr. Hill originally solely invented and disclosed to Glaukos’ founders. And Dr. Hill now admits he should have been named as an inventor of the ‘009 patent. And yet, because Dr. Tu intentionally did not “record” Dr. Hill as being an inventor in the ‘973 patent, and because Dr. Hill was intentionally not named on the ‘350 application that also claimed that same “angled/bent” subject matter, there was no “record” of Dr. Hill’s contributions when it came time to list the inventors of the ‘009 patent. Thus, the same four employees were named.

84. When Dr. Tu agreed to be named along with the other three Glaukos employees as the only inventors of the Tu patents-in-suit, filed the '973 provisional application with the deliberately flawed list of inventors that excluded any "record" of Dr. Hill's material inventive contributions to the subject matter of that filing, and executed his inventorship oath naming only himself and the three other Glaukos employees as inventors, Dr. Tu violated his duty of candor to the USPTO by intentionally failing to disclose material information concerning Dr. Hill's inventorship role that would have affected the patentability of the application's future family of Tu patents. Dr. Tu was also under an independent obligation to disclose all information known to him that was material to the patentability of the subject matter of the Tu patents-in-suit. By willfully failing to disclose to the USPTO all that he learned from Dr. Hill before he then claimed all of the inventions for himself and his three co-employees, including Dr. Hill's "suprachoroidal" disclosure, Dr. Tu also violated his duty of candor to the USPTO for failing to disclose prior art known to him and material to the patentability of the inventions of the Tu patents-in-suit. Dr. Tu was fully aware of the material contributions Dr. Hill had made to the subject matter of that application, both from interviewing Dr. Hill extensively about his ideas, from his careful review of Dr. Hill's Invention Memo (which Dr. Tu copied from extensively to write the '350 application), and from working closely with Dr. Hill to conceive and develop the subject matter later disclosed and claimed in the Tu '973 provisional filing and the Tu patents-in-suit.

85. In addition, by originally acquiescing to not being named on any of the Tu family of patents, including the Tu '973 provisional filing, and the resulting Tu non-provisional filings—all of which unquestionably disclosed and claimed subject matter Dr. Hill either solely invented or jointly invented with others of Glaukos' team—Dr. Hill, as an unquestionable

inventor, also violated his duty of candor to the USPTO, and misled the USPTO into falsely believing that only the four named inventors of the Tu patents-in-suit actually invented that subject matter.

E. Glaukos' Motives for its Continued Deceit in Not Naming Dr. Hill on a Single Glaukos-Filed Patent Application During His Entire UC Tenure, and Glaukos' Multiple Benefits From its Deceit.

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And of course, if UC were to own or co-own a substantial portion of Glaukos' patent rights as a result of Dr. Hill's contributions, then Glaukos would have lost the ability to control enforcement of its own patents without being answerable to UC, and would have been materially financially burdened with having to pay to UC a substantial royalty on any and all of its "core technology" products that practiced UC's patent rights. As things stand, however, Glaukos has been able to control every aspect of its patent portfolio until this lawsuit, has deprived the USPTO from information unquestionably material to the patentability of Glaukos' applications, and has successfully avoided paying UC any royalty on any of its products, even including its present commercial iStent offering, and even including for all of the ideas Dr. Hill originally gave them and to which Glaukos' entire existence is owed.

87. Because Mr. Bergheim failed to persuade UC that assignment to Glaukos was appropriate, and because UC continued to insist on ensuring that Dr. Hill's obligations to UC be protected and warned Mr. Bergheim to do so, Mr. Bergheim and Glaukos decided that rather than have Glaukos face the adverse consequences of UC's ownership and follow UC's lead, they simply would keep UC in the dark about Dr. Hill's full scope of involvement, wouldn't tell UC about his agreements, would not name Dr. Hill as inventor of any of their applications, thus would prevent Dr. Hill from having to assign to UC all of his ownership interest in Glaukos' inventions and patent filings, and thus would prevent any of the significant headaches that would occur from UC's ownership.

88. By not naming Dr. Hill on any of its patent filings, Glaukos has benefitted greatly to date at the cost of both the integrity of the U.S. patent system, UC, and the people of the state of California. Glaukos has maintained control of prosecution of its entire patent portfolio without the need or obligation to confer with or defer to UC; has maintained its ability to threaten other companies and become involved in litigation to enforce its patents without the need or obligation to confer with or defer to UC; has avoided any of the potential deleterious impacts on any of its patent rights that would have occurred had the USPTO been made fully aware of the true circumstances of who invented what when, and any of the potential deleterious impacts it feared could have resulted from having any of its patent rights co-owned or assigned outright to UC; has so far removed the USPTO's ability to render effective double patenting rejections that could not be overcome with a Terminal Disclaimer as a result of a lack of common ownership; and of course, has avoided having to pay to UC potentially tens of millions of dollars in milestone payments and royalties on its commercial products.

89. In addition, by denying UC both ownership of, and control of prosecution of, its patent filings, Glaukos has so far denied to UC the ability to draft and control prosecution of Dr. Hill's inventions in such a way that UC could have ensured sole ownership of entire patents through Dr. Hill's sole inventions, in such a way that would have forced Glaukos to maintain a royalty-bearing license to UC's property through expiration of all of its relevant patents. As it stands today, UC may well be only a co-owner, not sole owner, of Glaukos' Bergheim and Tu patent families, as a result of the way in which Glaukos elected to intermingle the subject matter Dr. Hill invented with other information he may not have personally contributed.

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91. In short, in light of Dr. Hill's intimate involvement in almost every aspect of the conception and development of Glaukos' technologies from inception forward, Glaukos' and Dr. Hill's documentary evidence, the testimony already of record in this case and the undisputed public record of what happened, there is no other common-sense, reasonable or rational explanation for what happened but that Glaukos' omission of Dr. Hill from every one of its applications during his entire tenure at UC while repeatedly naming as inventors every other person on Glaukos' internal teams and the other two Founders was intentional, willful and wrongful, and evidences a remarkable pattern deceit perpetrated on both the U.S. patent system and the University of the people of the State of California. It is frankly beyond imagination that Glaukos simply consistently forgot or mistakenly failed to name Dr. Hill as an inventor on its hundreds of patent applications that specifically describe and claim the "Hill Trabecular Stent" and its progeny of glaucoma inventions. Glaukos had multiple material motives, the means, the opportunity and the intent to omit any mention of Dr. Hill as an inventor of its patents, including specifically the Tu patents-in-suit, and has benefited greatly from that omission. And on

information and belief, to Mr. Bergheim, Dr. Hill and Dr. Tu, taking advantage of the U.S. patent system and the University of California as it did, with Mr. Nieman's collaboration and assistance, was simply a calculated business decision

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92. That Glaukos has now filed papers attempting to correct the inventorship and name Dr. Hill on the Tu patents-in-suit does come close to resolving the issue. Indeed, now faced with this "legitimate challenge" to almost its entire patent portfolio,

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But regardless of what Glaukos might now try to do, or what it may now offer to pay UC to try to make its scheme to defraud the U.S. patent system appear more palatable, the simple fact remains, and the law clearly provides, that nothing Glaukos can do now, in 2014, can remove the indelible effect of its intentional deceit dating back as many as 15 years on the Tu patents-in-suit. That Glaukos and its agents chose to deceive the USPTO then simply cannot now be undone.

93. An actual, justiciable case or controversy exists between the parties concerning the unenforceability of each of the Tu patents-in-suit.

94. Based on the foregoing, Transcend is entitled to a judicial declaration that the Tu patents-in-suit are unenforceable in their entirety.

PRAYER FOR RELIEF

WHEREFORE, Transcend prays for the following:

1. A judgment and declaration that Transcend has not infringed and does not infringe, either directly or indirectly, any system or apparatus claim of the patents-in-suit;

2. A judgment and declaration that the system and apparatus claims of the patents-in-suit are invalid and therefore without any force or effect;

3. A judgment and declaration that the Tu patents-in-suit (the '782 patent, the '511 patent and the '846 patent) are unenforceable in their entirety for inequitable conduct;

4. A permanent injunction against Glaukos and its affiliates, subsidiaries, assigns, employees, agents or anyone acting in privity or concert with Glaukos from charging infringement or instituting any legal action for infringement of the system and apparatus claims of the patents-in-suit against Transcend or anyone acting in privity with Transcend, including the divisions, successors, assigns, agents, suppliers, manufacturers, contractors and customers of Transcend;

5. A judgment and declaration that this action is an exceptional case based in part or in whole on Glaukos' calculated fraud on the U.S. patent system through its coordinated effort to omit naming Dr. Hill as a named inventor of any of its patents during Dr. Hill's tenure at UC, and awarding Transcend reasonable attorneys' fees pursuant to 35 U.S.C. § 284; and

6. A judgment for such other and further relief in law or in equity as this Court deems just or proper.

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September 5, 2014

CERTIFICATE OF SERVICE

I hereby certify that on Fgego dgt 5, 2014, I caused the foregoing to be electronically filed with the Clerk of the Court using CM/ECF, which will send notification of such filing to all registered participants.

I further certify that I caused copies of the foregoing document to be served on Fgego dgt 5, 2014, upon the following in the manner indicated:

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