Your Intellectual Property Partner

Kraus & Weisert

Supplementary Protection Certificates

Eli Lilly vs. HGS (C-493/12): The UK High Court clarifies the ECJ's enigmatic decision

Dr. Oliver Ladendorf

Dr. Alexander Kleefen

March 2016

KRAUS & WEISERT

GERMAN PATENT ATTORNEYS - EUROPEAN PATENT ATTORNEYS

WWW.KRAUS-WEISERT.DE

1 Background

After the lapse of a patent concerning a medicinal product or plant protection product, a supplementary protection certificate (SPC) may extend the protection for the patented product to compensate for the delay due to the often lengthy procedure to obtain a marketing authorization (MA). Without a MA, the product may not placed on the market, even if the corresponding patent has already been granted. In order to obtain an SPC, the basic patent must concern the same product as the MA. This provision is codified in Article 3 (a) of EC Regulation (ECR) 469/2009, which states that the product for which the MA has been obtained must be *"protected by a basic patent"* in order to be eligible for an SPC. However, this wording leaves room for conflicting interpretations, which has led to several referrals to the European Court of Justice (ECJ).

In decision C-392/97 (*Farmitalia*), the ECJ had to decide on a case where the claims of the patent were directed to an active ingredient (idarubicin), but the MA was directed to salts and esters thereof (idarubicin hydrochloride). In this case, salts of idarubicin were not expressly disclosed in the claims. The ECJ held that

*"the [SPC] is capable of covering the product, as a medicinal product**, in any of the forms enjoying the protection of the basic patent**",*

and

*"In order to determine, in connection with the application of Regulation No 1768/92 and, in particular, Article 3(a) thereof, whether a product is protected by a basic patent**, reference must be made to the rules which govern that patent**"* (emphasis added).

The ECJ reasoned that otherwise, the certificate could be circumvented by *"therapeutically equivalent"* medicinal products.

The rulings in *Farmitalia* gave rise to the so-called *"infringement test"*, which tests whether the product of the MA is *"protected by the basic patent"* according to Article 3 (a) of ECR 469/2009 by asking whether the product would infringe the patent. In this context, *"the rules which govern that patent"* were interpreted as being Article 69 EPC, the Protocol on the Interpretation of Article 69 EPC, and the corresponding national provisions, such as Sec. 14 German Patents Act (PatG).

This is contrasted by the *"disclosure theory"*, which postulates that a product must be disclosed in the claims of a patent to comply with Article 3 (a) of ECR 469/2009. This was usually understood as a literal disclosure (*"literal test"*). If, for example, a patent claims a composition comprising product [A], a combination product [A+B] would comply with Article 3 (a) according to the infringement theory, but not according to the disclosure theory.

The *"disclosure theory"* is supported by another decision of the ECJ: In the *Medeva* case (C-322/10), the ECJ held that in order to be *"protected by the basic patent"*, a product must be *"specified in the wording of the claims of the basic patent"*. This requirement was confirmed in case C-6/11 (*Daiichi Sankyo*). However, the specific interpretation of this wording has remained elusive.

Authors:

Dr. Alexander Kleefen
Biochemist
Trainee at Kraus & Weisert

Dr. Oliver Ladendorf, LL.B.
Biologist
German and European Patent Attorney
Partner at Kraus & Weisert

Contact: ladendorf@kraus-weisert.de

2 The case of issue

Given the controversy after the *Medeva* decision, it was not surprising that further referrals to the ECJ soon followed. In *Eli Lilly vs. Human Genome Sciences* (C-493/12), the question emerged whether a (purely) functional definition would satisfy Article 3 (a) ECR 469/2009. In view of *Medeva*, the UK High Court

felt that it was unable to interpret whether such a functional definition would meet the *"specified in the wording of the claims"* criterion (cf. the UK High Court decisions *Lilly*, [2012] EWHC 2290 (Pat) and [2012] EWHC 2857 (Pat)).

In the *Eli Lilly* case, Human Genome Sciences (HGS) is the proprietor of a patent directed to neutrokine alpha (formerly known as ztnf4), and antibodies which bind neutrokine alpha (EP 0 939 804). The antibodies are claimed in a purely functional manner, without giving any structural information about the antibodies, such as nucleotide or amino acid sequences. Furthermore, the application does not disclose any example of such an antibody having been produced.

Claims 13 and 18 of the patent, as amended after opposition, read as follows:

13. An isolated antibody or portion thereof that binds specifically to
(a) the full length Neutrokine-α polypeptide (amino acid sequence of residues 1 to 285 of SEQ ID NO: 2); or
(b) the extracellular domain of the Neutrokine-α polypeptide (amino acid sequence of residues 73 to 285 of SEQ ID NO: 2).

18. A pharmaceutical composition comprising the polypeptide of any one of claims 10 to 12, or the antibody or portion thereof of any one of claims 13 to 17 and optionally, a pharmaceutically acceptable carrier.

Eli Lilly had subsequently developed an antibody against neutrokine alpha, *Tabalumab*, which would infringe HGS' patent. This antibody was intended for the treatment of autoimmune diseases.

Eli Lilly requested that HGS should be precluded from obtaining an SPC based on HGS' patent and Eli Lilly's yet to be obtained MA for *Tabalumab*[1]. Eli Lilly reasoned that *Tabalumab* was not disclosed in HGS' patent in a manner which would be specific enough to justify that it was *"protected by the basic patent"*. According to the *Biogen* decision (C-181/95), it is possible to obtain an SPC using a third-party-MA, even if the third party refuses to provide a copy of the MA to the patent proprietor.

Lilly contended, essentially, that HGS did not put enough effort into the invention to make it usable as a medicinal product. In this regard, it is worth noting that meanwhile, HGS has also developed a specific neutrokine alpha antibody, *Benlysta*, for which it has obtained an MA.

Specifically, the UK High Court referred the following questions to the ECJ:

1. *What are the criteria for deciding whether 'the product is protected by a basic patent in force' in Article 3(a) of Regulation 469/2009/EC ?*
2. *Are the criteria different where the product is not a combination product, and if so, what are the criteria?*
3. *In the case of a claim to an antibody or a class of antibodies, is it sufficient that the antibody or antibodies are defined in terms of their binding characteristics to a target protein, or is it necessary to provide a structural definition for the antibody or antibodies, and if so, how much?*

3 The ECJ's decision

Not entirely unusual, the ECJ reformulated these questions into:

"[...] whether Article 3(a) of Regulation No 469/2009 must be interpreted as meaning that, in order for an active ingredient to be regarded as 'protected by a basic patent in force', within the meaning of that provision, the active ingredient

[1] *At the time of the proceedings, there was no MA for Tabalumab yet, and its development was subsequently discontinued in 2014*

must be identified in the claims of the patent by a structural formula, or whether the active ingredient may also be considered to be protected where it is covered by a functional formula in the patent claims."

The ECJ then answered this reformulated question as follows:

"[According to Article 3 (a) of the SPC Regulation], in order for an active ingredient to be regarded as 'protected by a basic patent in force' within the meaning of that provision, it is not necessary for the active ingredient to be identified in the claims of the patent by a structural formula. Where the active ingredient is covered by a ***functional formula*** *in the claims of a patent issued by the European Patent Office, Article 3(a) of [the SPC Regulation]* ***does not, in principle, preclude the grant of a supplementary protection certificate for that active ingredient****, on condition that it is possible to reach the conclusion on the basis of those claims, interpreted inter alia in the light of the description of the invention, as required by Article 69 of the Convention on the Grant of European Patents and the Protocol on the interpretation of that provision, that* ***the claims relate, implicitly but necessarily and specifically, to the active ingredient in question****, which is a matter to be determined by the referring court."* (emphasis added).

The ECJ also held that the grant of an SPC is, in particular, not justified,

"where the holder of the patent in question has failed to take any steps to carry out more in-depth research and identify his invention specifically, making it possible to ascertain clearly the active ingredient which may be commercially exploited in a medicinal product corresponding to the needs of certain patients."

The *"infringement"* test was expressly rejected by the ECJ:

"for the purpose of determining whether a product is 'protected by a basic patent in force' within the meaning of Article 3(a) of Regulation No 469/2009, ***recourse may not be had to the rules governing infringement proceedings****."* (emphasis added)

Thus, it may be concluded that, in principle, a functional formula will comply with Article 3 (a) of ECR 469/2009. Unfortunately, the ECJ did not seem to specifically define what is to be understood by *"relate, implicitly but necessarily and specifically"*, but left this to decide by the referring court instead.

4 The UK High Court's interpretation

Hence, Mr. Justice Warren was confronted with the difficult task to decide on this matter (decision [2014] EWHC 2404 (Pat)), which he did in a rather specific (and more expressive) way:

Whereas the ECJ seemed to follow Eli Lilly's arguments in that HGS did not put enough effort into the development of the invention to deserve an SPC, Warren J placed this issue into a new perspective. Referring to the Explanatory Memorandum for the SPC Regulation (COM (90) 101) and the *Biogen* case (C-181/95), Warren J opined that the SPC Regulation does **not discriminate between different stages or forms of research**, and that all kinds of pharmaceutical research, including basic research, deserve the *"reward"* of an SPC.

Furthermore, Warren J observed that in this context, an approach depending on the stage of research would be impractical, since a court may hardly determine the individual scientific contributions which lead to the development of the final medicinal product. He also noted that it should be irrelevant which party is the first to apply for a MA.

In order to determine whether a product is *"protected by a basic patent"*, Warren J suggested that the ECJ attempted to describe what a patent is ***"really about"***,

i.e. what the essence of the invention is. He noted that the ECJ obviously rejected the *"infringement theory"*, and instead seemed to focus on *"the claims and what falls within them"*.

Most interestingly, Warren J described an entirely new approach to determine what is *"specified"* or *"identified"* in the sense of *Medeva*:

"If the product falls within the claims, it will be protected within Article 3(a). This, however, has to be made subject to one proviso to which I turn. The proviso relates to products which are combinations of active ingredients and is necessary to reflect the Medeva approach where the claims contain some general word or words extending their extent beyond the principal scope of the claims, typically by the use of a word such as 'comprises'. In the absence of such an extending word, the claims have a focused scope and the question is simply whether the product falls within the scope of the claims. In the language of Medeva, the question is whether the ***product (ie the combination of active ingredients) is 'specified' in the claims****, a question which is answered by a close examination of the claims****. If general words are included, the position is different****. The product does not fall within the focus of the claims and is not within its scope apart from the general words. In such a case, the product is not 'specified' any more than it is 'specified' where the general words are absent."*

In other words, if the claim language includes *"general words"*, such as *"comprise"*, the scope of the claim in the context of Article 3 (a) ECR 469/2009 may be determined by essentially ignoring such words, and merely taking into account the remaining, narrow language. Thus, **all components which are not mentioned in the claims are not *"protected by the basic patent"*** in the sense of Article 3 (a) ECR 469/2009. That is, for a patent claiming *"a composition comprising A"*, the combination product [A+B] is not eligible for an SPC[2].

In reply to the arguments put forward by Eli Lilly, Warren J stated that the ECJ does not demand

"a description or definition of the active ingredient in question which provides some sort of detail from which it can be ascertained" or *"an individualized description"*, since

"the focus of what the Court is saying is on the claims and ***it is not correct to read the Court as requiring a more detailed definition to be found in the description of the invention, if it is not be found in the claims themselves.*** *In my judgment, the correct reading of [39] of the Judgment and the answer the Court gives, demand* ***an application of the relevant rules*** *(Article 69 or section 125)* ***to ascertain the extent of the invention and what the claims relate to.*** *If the active ingredient in question is covered by the claims, the active ingredient is […] protected for the purposes of Article 3(a). [...]* ***The same treatment thus applies to a structural claim and to a functional claim"*** (emphasis added).

Since the ECJ identified Article 69 EPC, and the corresponding national law, as the relevant provisions, Warren J concluded that the ECJ **rejected** Eli Lilly's submission that the criteria for deciding whether a product is protected are that the *"product is sufficiently identified and enabled by the description and the claims so as to be capable of being used as an active ingredient in a medicinal product and thereby the subject of an MA."*

Furthermore, Warren J found that the wording of the ECJ does not support the notion that *"something must be found in the description which provides a more detailed definition of any particular antibody"*.

Eventually, Warren J concluded, since *Tabalumab* evidently binds to neutrokine

---

[2] However, as also pointed out by the decision C-443/12, Actavis vs. Novartis, an SPC for [A] would effectively protect the combination product [A+B] ("entitling him to oppose the use of that active ingredient, either alone or in combination with other active ingredients")

alpha, that *"Tabalumab falls within claim 13 properly interpreted"*, and that *"claim 13 'relates' to Tabalumab and does so 'implicitly but necessarily and specifically' "*.

Hence, Lilly's claim for a declaration precluding HGS from obtaining an SPC was dismissed. '

5 Conclusion and comments

The ECJ's decision in *Eli Lilly vs. Human Genome Sciences* (C-493/12) has left judges and applicants with many open questions. After the subsequent decision of Warren J in [2014] EWHC 2404 (Pat), they have now been equipped with a new approach to determine whether a product is *"protected by the basic patent"*. This approach is much more specific and thus should provide at least some legal certainty regarding this issue.

In our view, Warren J's approach can be described by the following statements:

> A structural definition, such as sequence information, is (in principle) not necessary.
>
> A merely functional definition can be sufficient.
>
> This definition may be rather broad, such as a binding specificity of an antibody for a specific protein.
>
> The finding that a certain product would infringe the patent is not sufficient. In particular for combination products, each component should be specified by the claims.
>
> A component is not specified by the claims if it is only included by using an *"open wording"*, such as *"comprising"*, without mentioning this component as such in the claim.
>
> Each component should contribute to the inventive concept, i.e. make a technical contribution to *"what the patent is about"*.

These statements may serve as a general guideline to give a first estimate whether the requirements of Article 3 (a) ECR 469/2009 are met. However, a more accurate analysis should take into account the sum of all relevant factors. For example, *"what the patent is about"* is subject to interpretation, and will depend on the circumstances of the specific case. This interpretation is also dependent on the current jurisdiction of the ECJ, the EPO and the national courts.

Care should be taken not to decide exclusively based on formal criteria, since Warren J's approach appears to imply both formal and technical considerations. At least, it seems that by asking *"what the patent is about"*, Warren J's approach extends beyond the entirely schematical *"literal test"*, which gained recognition after the *Medeva* decision.

It also seems to be in line with the *Yeda* decision (C 518-/10), which stated that an SPC may not be obtained for a single active ingredient, if it *"is not the subject of any claim relating to that active ingredient alone"*, i.e. when the claims are exclusively related to the active ingredient in combination with another active ingredient. Notably, this conclusion was reached even though the separate administration was claimed in *Yeda*.

According to Warren J's approach, one could argue that in *Yeda*, the single active ingredient is not *"what the patent is really about"*, since the claims do not disclose the active ingredient in an isolated embodiment, even when leaving out open language such as *"comprising"*.

The opposite situation of *Yeda* occurred in *Queensland* (C-630/10), where the ECJ held that an SPC for a combination product, based on a MA of this product,

may be granted even if the basic patent only disclosed one active ingredient.

Generally, combination products have been a controversial issue in the recent years. Another key question was if it is possible to obtain more than one SPC for one patent, which led to a plethora of ECJ referrals (C-484/12, C-443/12, C-322/10, C-181/95).

Whereas in C-181/95 (*Biogen*), the ECJ stated that *"only one certificate may be granted for each basic patent"*, in C-484/12 (*Georgetown II*), it was held that several SPCs may be granted based on one patent if the basic patent concerns more than one invention.

As pointed out in decision C-443/12 (*Actavis vs. Sanofi*), an SPC for one ingredient also protects all combinations thereof. In contrast, it is not possible to obtain an SPC for a combination product if only one component is claimed in the basic patent (C-6/11, *Daichii Sankyo*). Thus, when drafting patent applications and already bearing an SPC for possible combination products in mind, it should be considered to draft claims which explicitly specify all of the active ingredients (which may be, according to *Eli Lilly*, either by a structural or functional definition).

Despite being much more specific than the ECJ's ruling, the UK High Court's decision still leaves some important questions to be answered. For example, it is still unclear whether it is possible to obtain an SPC for a specific compound in the case where the basic patent claims a class or group of compounds, either in the form of a functional definition (such as *"diuretic"*, see e.g. C-443/12, *Actavis vs. Sanofi*) or a Markush formula.

We are aware of at least one case in France, where the grant of an SPC was refused because the basic patent did not disclose the specific formula of the compound, but only a Markush formula covering this compound. Thus, significant uncertainty exists regarding how specific the disclosure in the basic patent should be. In our opinion, one may argue that a Markush formula would not necessarily be considered less specific than the functional definition in the *Eli Lilly* case.

Another open question is, if both HGS and Eli Lilly had a MA for different antibodies (e.g. *Tabalumab* and *Benlysta*): Could HGS obtain an SPC based on the later MA? This would provide HGS a longer SPC duration. What is *"the first MA"*, according to Article 3 (d) of ECR 469/2009, in this context, if both products are different, but *"protected by the basic patent"*?

Finally, it will be interesting to see how other national patent offices will put the *Eli Lilly* decision into praxis, and whether a new referral to the ECJ will provide more clarity in this matter.

Kraus & Weisert
Thomas-Wimmer-Ring 15
80539 München
Germany
Tel.: +49-89-2 90 60-0
Fax: +49-89-2 90 60-111
office@kraus-weisert.de