SMART & BIGGAR | FETHERSTONHAUGH April 2005

Rx IP Update

Canadian Pharmaceutical Intellectual Property Law Newsletter

Order of Prohibition Issues Preventing Generic Marketing of Aventis' ALTACE

On March 11, 2005, a judge of the Federal Court prohibited the Minister of Health (the "Minister") from issuing a Notice of Compliance (NOC) to Pharmascience Inc. for a generic ramipril product (*Aventis Pharma v. Pharmascience* (2005 FC 340)) in an application under the *Patented Medicines (Notice of Compliance) Regulations* ("*Regulations*").

Pharmascience had alleged:

(i) non-infringement of Canadian Patent No. 1,246,457 ("457"), and

(ii) invalidity of Canadian Patent No. 1,341,206 ("206"), owned by the respondent Schering and listed by Aventis on the patent register.

The 457 patent covered the use of ramipril for the treatment of cardiac insufficiency (heart failure). Justice Snider of the Federal Court found Pharmascience's non-infringement allegation insufficient, noting it amounted to "a bald assertion of non-infringement". She reinforced the importance of the Notice of Allegation (NOA) in informing the patentee of the case to be met, stating: "there was nothing in the NOA that would enable Aventis to understand why a pill that looks and acts identically to its patented cardiac insufficiency medicine would not be used for such a purpose."

The allegation of invalidity was premised on the fact that the 206 patent, covering a genus of compounds including ramipril, had issued after Canadian Patent No. 1,187,087 ("087"), which included claims to ramipril only and was owned by Aventis. However, despite issuing later, the application for the 206 patent had actually been filed before the application for the 087 patent. Due to delays in the Canadian Patent Office during prosecution, including conflict proceedings, the 206 patent had not issued until 2001, some 16 years after the issuance of the later-filed 087 patent. Hence, Pharmascience was arguing that the earlier-filed 206 patent was invalid as a result of the grant of the later-filed, but earlier-granted, 087 patent. As noted by Justice Snider, the 087 patent was a "selection patent covering only a portion or a selection of the chemicals claimed in the genus patent".

Justice Snider rejected Pharmascience's double patenting argument. Two legal findings are noteworthy:

- First, she noted that the focus of the analysis must be the claims that form the invention and not the persons or parties that advance them. Where the two patents at issue have neither common inventors nor owners (as in this case), double patenting can apply.
- Second, she determined that the proper date to assess obviousness in the context of double patenting is the date of invention and not the date of grant.

On the facts of the case, Justice Snider ruled that, given the significantly increased activity of ramipril as compared to its stereoisomers, there was no obviousness and that the 087 and 206 patents were patentably distinct. Justice Snider also reaffirmed the validity of selection patents, specifically rejecting the notion that selection patents constitute evergreening.

This decision clarifies the scope of double patenting in Canada and reinforces the importance of the notice function of an allegation. Pharmascience has not yet appealed this decision.

J. Sheldon Hamilton

Federal Court Rejects Allegation of Invalidity of PLAVIX Patent

In a March 21*, 2005 decision (*Sanofi-Synthelabo* ("Sanofi") *v. Apotex* (2005 FC 390)), the Federal Court granted Sanofi an Order of prohibition under the *Regulations* with respect to clopidogrel bisulfate tablets (Sanofi's brand PLAVIX) until expiry of the patent at issue.

The main issues addressed by the Court related to Apotex's allegations of invalidity based on anticipation and obviousness of the patent claiming the clopidrogel enantiomer and its salts, including the bisulfate salt, in view of a prior patent (the 875 patent). The 875 patent had disclosed the racemate (a substance containing equal amounts of two enantiomers). Clopidrogel is the dextro-rotatory enantiomer. The 875 patent had also acknowledged the existence of the two enantiomers:

> "These compounds include an asymmetrical carbon which may exist in the form of 2 enantiomers. The invention also concerns each of the enantiomers and their mixture [racemate]".

In rejecting the anticipation argument, the Judge held:

> [60] With respect to whether the prior art gave clear instructions to obtain, in every case and without possibility of error, a separated dextro-rotatory isomer of the racemate, the Court notes a key finding from the evidence: the experts of both parties agree that the '875 patent contains no teaching on how to separate the disclosed racemates into their optical isomers and that following the teachings of the examples in the '875 patent, one would only obtain a racemate, never an optical isomer. This fact, in itself, is sufficient to conclude that the '777 patent was not anticipated by the '875 patent.

Furthermore, Apotex had argued that mention in claim 1 of the '875 patent that "if desired, its enantiomers are separated" is sufficient to instruct the skilled person to separate the racemate into its isomers, and any work needed to make the separation was purely routine since the separation techniques were well-known to skilled persons at the relevant time and a skilled person could, with experimentation, eventually obtain the isomers. The Judge rejected this argument, finding that experimentation is not permitted in applying the anticipation test: "In other words, the skilled reader following the prior art must be able to arrive at the invention claimed the first time he or she tries and every time thereafter". The evidence was that a skilled person did not obtain the separated isomers the first time he tried and could not predict which of the conventional separation methods would work before trying them, with the particular racemate at issue.

Finally, the Court concluded that the prior art did not disclose the beneficial properties of the dextro-rotatory isomer of the racemate and of its bisulfate salt.

The Judge also rejected the allegation of obviousness on the following bases:

- First, the separation of the racemate was not obvious. While the experts had provided evidence of well-known separation techniques, the Judge found that "[h]aving to try different methods, though they be well-known, in order to discover which one will yield the desired result cannot mean that the desired result…was obvious".
- Second, there was no evidence that a skilled person would have known the separated isomer's properties (high activity and low toxicity, as compared to the levo-rotatory isomer), before separating the racemate into its isomers and testing the separated dextro-rotatory isomer.

* Corrected from March 14, 2005 as initially reported.

- Finally, the bisulfate salt of the dextro-rotatory isomer was not obvious as there was no evidence that a skilled person would know what the bisulfate salt's beneficial properties would be before trying the different salts in combination with the dextro-rotatory isomer. The Judge found that the properties were unexpected, including that it was not hygroscopic in contrast to most other salts.

This decision reflects long-standing Canadian jurisprudence that the test for anticipation is a high standard to meet and that an invention is not obvious simply because it is "worth a try". On a practical level, the decision may have a significant impact on future litigation involving the validity of patents covering enantiomers where there has been an earlier patent on the racemate. To date, Apotex has not appealed this decision.

Nancy P. Pei

Supreme Court of Canada Leave Applications

Eli Lilly v. Apotex (nizatidine (**AXID, APO-NIZATIDINE**)), March 11, 2005

Leave has been denied. Eli Lilly had filed an application for leave to appeal the Federal Court of Appeal's decision to dismiss Lilly U.S.'s motion for summary judgment in Apotex's action for damages after a prohibition Order was overturned. The patentee, Lilly U.S., had moved for summary judgment on the grounds that it was not a "first person" within section 8 of the *Regulations*. The Federal Court judgments were reported in our November 2004 issue.

Patented Medicines Prices Review Board (PMPRB) Matters

The PMPRB has accepted a Voluntary Compliance Undertaking (VCU) from Hoffmann-La Roche for TAMIFLU.

VCU Notice

The PMPRB has accepted a VCU from GlaxoSmithKline for PAXIL CR.

VCU Notice

Pursuant to a VCU for EVRA accepted by the PMPRB on February 21, 2005, Janssen-Ortho will also reduce the price of LEVAQUIN.

VCU Update

The PMPRB has released a discussion paper on Price Increases for Patented Medicines and invites comments to be submitted by May 9, 2005.

Notice and Comment (PDF and HTML)

Canadian Internet Registration Authority's Domain Name Dispute Resolution Policy Decision

Glaxo Group v. Defining Presence Marketing Group (**ZYBAN.CA**), August 26, 2004

Panel orders ZYBAN.CA to be transferred to Glaxo. Panel finds that ZYBAN.CA is confusingly similar to ZYBAN (for reasons including that ZYBAN was registered in the Trade-marks Office by Glaxo prior to registration of ZYBAN.CA; Glaxo has never licensed or authorized use of the mark; and the site resolves to a website operated by Fast Easy Pharmacy, which offers pharmaceutical products for sale online). Panel also finds that the Registrant had registered ZYBAN.CA in bad faith (for reasons including that the registrant had offered to sell ZYBAN.CA for an amount exceeding its out-of-pocket expenses), and the Registrant had no legitimate interest in ZYBAN.CA.

Full Decision

New Court Proceedings

Patented Medicines (Notice of Compliance) Regulations

Medicine:	**fenofibrate (LIPIDIL SUPRA)**
Applicants:	Fournier Pharma Inc and Laboratoires Fournier SA
Respondents:	Cipher Pharmaceuticals Limited and the Minister of Health
Date Commenced:	February 24, 2005
Comment:	Application for Order of prohibition until expiry of Patent No. 2,372,576. Cipher alleges non-infringement.

Medicine:	**oxycodone hydrochloride (OXYCONTIN)**
Applicant:	Purdue Pharma
Respondents:	Novopharm Limited and the Minister of Health
Date Commenced:	March 4, 2005
Comment:	Application for Order of prohibition until expiry of Patents Nos. 1,296,633 and 2,098,738. Novopharm alleges non-infringement and invalidity with respect to the 738 patent and non-infringement with respect to the 633 patent.

Medicine:	**olanzapine (ZYPREXA)**
Applicant:	Eli Lilly Canada Inc
Respondents:	Apotex Inc, the Minister of Health, Lilly Industries Limited and Eli Lilly and Company
Date Commenced:	March 15, 2005
Comment:	Application for Order of prohibition until expiry of Lilly Industries Limited and Eli Lilly and Company's Patent No. 2,214,005. Apotex alleges non-infringement.

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Medicine:	**atorvastatin (LIPITOR)**
Applicants:	Pfizer Canada Inc and Warner Lambert Company LLC
Respondents:	Ranbaxy Laboratories Limited and the Minister of Health
Date Commenced:	March 17, 2005
Comment:	Application for Order of prohibition until expiry of Patents Nos. 1,268,768; 2,021,546; 2,150,372; 2,220,018; 2,220,458; and 2,220,455. Ranbaxy alleges non-infringement and invalidity.

Other New Proceedings

Medicine:	**enoxaparin sodium injection (LOVENOX)**
Plaintiffs:	Aventis Pharma SA and Aventis Pharma Inc
Defendant:	Novopharm Limited
Date Commenced:	March 11, 2005
Comment:	Patent infringement action relating to Patent No. 2,045,433.

Medicine:	**amphetamine salts (ADDERALL XR)**
Applicant:	Shire Biochem Inc
Respondents:	The Minister of Health and Dr. Robert G. Peterson, in his Capacity as the Director General of the Therapeutic Products Directorate of the Department of Health
Date Commenced:	March 11, 2005
Comment:	Application for an Order quashing the suspension of the Notice of Compliance (NOC) for ADDERALL XR.

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