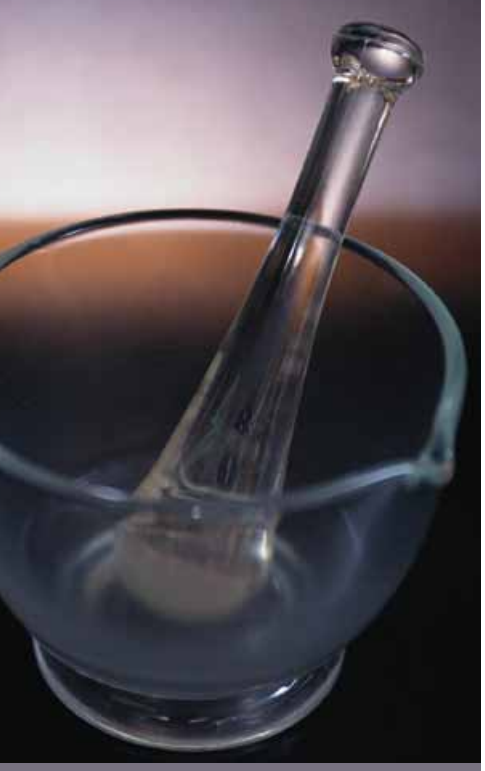

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Rx IP UPDATE

CANADIAN PHARMACEUTICAL INTELLECTUAL PROPERTY LAW NEWSLETTER

Patent for amlodipine besylate declared invalid

On July 11, 2009, the Federal Court invalidated the patent claiming **amlodipine besylate** (Pfizer's **NORVASC**) on all grounds argued at trial: obviousness, selection patent, utility, sufficiency and non-compliance with section 53 of the *Patent Act*. In particular, the Trial Judge, Justice Hughes, held that the patent contained misstatements that were misleading and that sufficient intent to make such statements had been made out in the evidence. As a result, the Court concluded that there was a breach of section 53. (*ratiopharm Inc. v. Pfizer Limited*, July 11, 2009. Full judgment — 2009 FC 711.)

The patent at issue was the subject of two decisions under the *Patented Medicines (Notice of Compliance) Regulations* ("*Regulations*") where the Court had rejected allegations of invalidity. First, ratiopharm unsuccessfully challenged the patent pursuant to the *Regulations* (*Pfizer Canada Inc. v. Canada (Minister of Health)*, 2006 FC 220, aff'd 2006 FCA 214, application for reconsideration dismissed 2007 FCA 407) before launching the present action to impeach the patent. (Consistent with recent Federal Court practice, the parties were able to reach trial less than two years after issuing the statement of claim.) Second, Justice Hughes had granted an application for prohibition under the *Regulations* involving the same patent and Pharmascience Inc. (relying in part on the first decision involving ratiopharm) (*Pfizer Canada Inc. v. Canada (Minister of Health)*, 2008 FC 500).

The patent in issue, Canadian Patent No. 1,321,393, claims the besylate salt of amlodipine. The patent acknowledged that both amlodipine and several different pharmaceutically acceptable salts had been previously disclosed. The patent disclosed that the besylate salt showed a "unique combination of good solubility, good stability, non-hygroscopicity and good processability which makes it outstandingly suitable for the preparation of pharmaceutical formulations of amlodipine."

Before addressing the grounds of invalidity, the Court compared Pfizer's actual development work leading to the besylate salt and the patent disclosure. This comparison, and differences identified by the Court, would form the factual basis for a number of the invalidity attacks, including the section 53 attack, which provides that a patent may be

invalidated in circumstances nearly akin to fraud.

The Court emphasized that there is an overriding duty under section 34 of the *Patent Act* to "*correctly* and *fully* describe the invention" and under section 53 "not to wilfully provide in the specifications more or less than is necessary so as to mislead."

In considering obviousness, the Court applied the recent Supreme Court decision in *Apotex Inc. v. Sanofi-Synthelabo Canada Inc.*, 2008 SCC 61. The Court found that the inventors, when given the task of looking at amlodipine maleate, tried adjusting the formulation to find a suitable formulation (which was eventually found) and used salt screening, a "well known" process. The Court seemed influenced by the amount of work required to achieve the invention, noting: "[a]ll of this is routine for a person skilled in the art at the time. In the first set of salts screened the inventors found a few salts, particularly the sulphonic acid salts, including besylate, good enough, so they stopped there, why bother testing more." The Court also accepted evidence that a skilled person "would be motivated to test sulphonic acid salts in general and would have every reason to test the besylate salt as this had already been shown to offer advantages over other salts in terms of stability." The Court ruled that the patent was obvious.

In view of a possible appeal, the Court also addressed the other bases of alleged invalidity.

On the issue of selection, the Court questioned whether a "selection" patent is nothing more that another way of approaching obviousness. In any event, the Court found that the patent did not meet the criteria for selection patents, focusing on what the inventors actually did: "it is difficult from the face of the patent and unsupportable from the evidence to state that besylate is sufficiently superior to the other salts, for instance tosylate and mesylate so as to make it 'unique' or 'outstanding' or 'particularly suitable.'" As a result, the Court rejected the selection patent argument.

In assessing inutility, Justice Hughes noted his decision under the *Regulations* rejecting an allegation of inutility regarding the same patent (and Pharmascience) (*Pfizer Canada Inc. v. Canada (Minister of Health)*, 2008 FC 500). However, he noted this decision was limited to "the patent alone," while he had evidence in the present case "beyond the patent." The Court characterized the promise of the invention as being that the besylate salt "has a 'unique' combination of features which make it 'outstandingly suitable' for pharmaceutical formulations." However, given that at least two other salts "were, depending on the formulations and circumstances, equally good or better" and that the maleate was also sold as a commercial product, the Court ruled that the patent lacked utility.

On sufficiency, the Court noted that its earlier finding of sufficiency (in the Pharmascience decision) was based on what was presented in the patent. In addressing the merits of the sufficiency attack advanced by ratiopharm, the Court did not consider whether the skilled person could practice the invention but whether the disclosure accorded with what was *actually* contemplated by the inventors. The Court found that the patent did not so accord, noting: "[a]s discussed earlier in these Reasons, there are many serious errors, omissions, insertions from elsewhere and departures in the '393 Patent in comparison with what the inventors contemplated."

The decision suggests that the language of section 34(1)(a) — "correctly and fully describe the invention and its operation or use as contemplated by the inventor" — may require that a Court compare the invention as disclosed by the specification with the invention as subjectively contemplated by the inventors. Sufficiency may not be limited to whether the specification provides enough information to allow the skilled person to know what the invention is and how to practice it.

Finally, the Court ruled that the patent did not comply with section 53 on three grounds:

"i) omitting to mention the stability of the mesylate monohydrate and adding that it was unsuitable for tablet formulations;

ii) omitting the sulphonic acid test data showing mesylate, napsylate and tosylate to be stable, non-hygroscopic hydrates; and

iii) adding a statement that none of the salts outlined in EP167 had been found to satisfy the four criteria for pharmaceutically acceptable salts."

The Court ruled that the three pleaded matters were misstatements, were misleading and that sufficient intent to make such

statements had been made out in evidence. It is unclear whether the Court made an express finding of intent to mislead or inferred such an intention from the surrounding factual circumstances.

The Court's decision has potentially far-reaching implications, particularly for selection patents. Parties attacking patents will attempt to minutely scrutinize a patentee's development history in the hope of turning up omissions, errors and alleged misstatements. Moreover, the emphasis on whether a specification has described the invention contemplated by the inventors may also fuel documentary and oral discovery of the patentee and the inventors.

Pfizer has appealed the decision.

J. Sheldon Hamilton, Toronto

Patented Medicine Prices Review Board news

New NEWSletter released. The PMPRB has released the July 2009 NEWSletter. In this issue, the Board released the results of the Board Staff's review of Genzyme's **MYOZYME (alglucosidase alpha)**, finding that the introductory price of MYZOZYME slightly exceeded the Excessive Price Guidelines but that the investigation criteria were not triggered and excessive revenues were offset in the following year. (NEWSletter.)

Board rules on preliminary motions in ratiopharm matter. In connection with a hearing to determine whether ratiopharm is selling or has sold **ratio-Salbutamol HFA** in any market in Canada at a price that is or was excessive, the Board Staff brought two preliminary motions. HFA is supplied in final packaged form by GlaxoSmithKline (GSK) to ratiopharm for subsequent sale by ratiopharm. In the first motion, Board Staff sought an order adding GSK as a party to the proceeding and requiring GSK to file with the Board the price at which GSK has sold or is selling HFA in any market in Canada. The Board dismissed the motion, finding that the Board can require GSK to provide the information sought; GSK indicated it would make no jurisdictional objection to a subpoena and the Board issued a subpoena requiring the production of information sought. The Board, however, granted Board Staff's second motion for inspection of ratiopharm's books and accounts in respect of the purchase and sale of HFA and requiring ratiopharm to provide to the Board and to Board Staff certain information and documents related to the purchase and sale of HFA. (Reasons for decision. Board Order. Subpoena.)

Health Canada news

Health Canada issues reminder to consumers about risks of buying drugs online. On August 7, 2009, the Royal Canadian Mounted Police announced the dismantling of a Montreal area organization specializing in the distribution of counterfeit erectile dysfunction drugs. Following the RCMP announcement, Health Canada issued a reminder to consumers about the risk of buying drugs on the internet, advising consumers to contact the provincial licensing body in their province to ensure that an internet pharmacy is legitimate. (RCMP Announcement News Release. Health Canada News Release.)

Supreme Court of Canada news

Scope of remedies under section 8 of the *Regulations*. Apotex has filed an application for leave to appeal the Federal Court of Appeal's first decision on the merits relating to section 8 of the *Regulations* (**alendronate**, Merck's **FOSAMAX**). The Court of Appeal affirmed the Trial Judge's holding that Apotex is not entitled to compensation by way of disgorgement of Merck's profits. The Court of Appeal also held that Apotex is confined to losses incurred during the section 8 period and is not entitled to claim certain "future losses", i.e., damages Apotex alleged it had suffered beyond the dismissal date of the prohibition proceeding. (*Apotex Inc. v. Merck Frosst Canada Ltd.*, June 4, 2009. Court of Appeal decision – 2009 FCA 187. Federal Court decision – 2008 FC 1185.)

Recent Court decisions

Patented Medicines (Notice of Compliance) Regulations

Court of Appeal denies stay of Order dismissing application regarding tramadol/acetaminophen. On June 29, 2009, Justice Hughes issued an Order dismissing Janssen's appeal from the Order of a Prothonotary dismissing its application for an Order of prohibition against Apotex relating to a combination of **tramadol** and **acetaminophen** (Janssen's **TRAMACET**) for being an abuse of process and bereft of any chance of success (2009 FC 783). Janssen appealed and brought a motion for a stay of the Order of the Prothonotary. The Minister was expected to issue a notice of compliance (NOC) to Apotex on August 21, 2009, unless she was prohibited to do so by an Order of the Court. The Federal Court of Appeal dismissed Janssen's motion, finding that the Prothonotary's Order does not require the Minister to take any step and that there is therefore nothing to be stayed. The Court also found that Janssen's motion is an attempt to extend the statutory stay beyond the term stipulated under the *Regulations*, which should not be permitted. In addition, the Court concluded that Janssen had not satisfied the test for a stay because it has not established that it would suffer irreparable harm if the stay is not granted. The Court further held that Janssen has failed to provide a clear and unequivocal undertaking to compensate Apotex if the stay is granted and Janssen's appeal is dismissed. (*Janssen-Ortho Inc. v. Apotex Inc.*, August 20, 2009. Prothonotary's decision – 2009 FC 650. Motion Judge's decision – 2009 FC 783. Court of Appeal's decision – 2009 FCA 250.)

Purdue Pharma obtains Order of prohibition against Pharmascience regarding oxycodone. The Federal Court granted Purdue Pharma's application to prohibit the Minister of Health from issuing an NOC to Pharmascience for controlled-release **oxycodone** (Purdue Pharma's **OXYCONTIN**) until expiry of a patent claiming a controlled-release formulation. The Court found that Pharmascience's allegation of invalidity on the grounds of anticipation, obviousness, sound prediction, overbreadth and lack of disclosure was not justified. Pharmascience has appealed. (*Purdue Pharma v. Pharmascience Inc.*, July 16, 2009. Full judgment – 2009 FC 726.)

New Court proceedings

Patented Medicines (Notice of Compliance) Regulations

Medicine:	ramipril-hydrochlorothiazide (ALTACE HCT)
Applicants:	sanofi-aventis Canada Inc and sanofi-aventis Deutschland GmbH
Respondents:	Apotex Inc and The Minister of Health
Date Commenced:	July 31, 2009
Court File No.:	T-1237-09
Comment:	Application for an Order of prohibition until expiry of Patents Nos. 1,338,344, 2,023,089, 2,382,387 and 2,382,549. Apotex alleges non-infringement (all patents) and invalidity ('089, '387 and '549 patents).

Medicine: olanzapine (ZYPREXA ZYDIS)
Applicant: Eli Lilly Canada Inc
Respondents: ratiopharm Inc and The Minister of Health
Respondent/Patentee: Eli Lilly and Company Limited
Date Commenced: August 14, 2009
Court File No.: T-1346-09
Comment: Application for an Order of prohibition until expiry of Patents Nos. 2,214,005 and 2,265,712. ratiopharm alleges non-infringement and invalidity with respect to both patents and improper listing with respect to the '712 patent.

Medicine: olanzapine (ZYPREXA ZYDIS)
Applicant: Eli Lilly Canada Inc
Respondents: Apotex Inc and The Minister of Health
Respondent/Patentee: Eli Lilly and Company Limited
Date Commenced: August 14, 2009
Court File No.: T-1347-09
Comment: Application for an Order of prohibition until expiry of Patents Nos. 2,214,005 and 2,265,712. Apotex alleges non-infringement and invalidity with respect to both patents and improper listing with respect to the '712 patent.

Medicine: ramipril-hydrochlorothiazide (ALTACE HCT)
Applicants: sanofi-aventis Canada Inc and sanofi-aventis Deutschland GmbH
Respondents: Pharmascience Inc and The Minister of Health
Date Commenced: August 14, 2009
Court File No.: T-1348-09
Comment: Application for an Order of prohibition until expiry of Patents Nos. 1,338,344, 2,023,089, 2,382,387 and 2,382,549. Pharmascience alleges non-infringement (all patents) and invalidity ('089, '387 and '549 patents).

Medicine: olanzapine (ZYPREXA)
Applicant: Eli Lilly Canada Inc
Respondents: ratiopharm Inc and The Minister of Health
Respondent/Patentee: Eli Lilly and Company Limited
Date Commenced: August 18, 2009
Court File No.: T-1367-09
Comment: Application for an Order of prohibition until expiry of Patents Nos. 2,214,005 and 2,216,372. ratiopharm alleges non-infringement and invalidity.

Medicine: doxylamine succinate and pyridoxine hydrochloride delayed release tablets (DICLECTIN)
Applicant: Duchesnay Inc
Respondents: The Minister of Health, Novopharm Limited and Teva Pharmaceutical Industries Ltd
Date Commenced: August 18, 2009
Court File No.: T-1368-09
Comment: Application for an Order of prohibition until expiry of Patents Nos. 2,350,195 and 2,432,945. Novopharm/Teva allege non-infringement and invalidity.

Other proceedings

Medicine:	quinapril magnesium (ACCUPRIL, Apo-Quinapril)
Plaintiff:	Apotex Inc
Defendants:	Warner-Lambert Company LLC and Parke, Davis & Company LLC
Date Commenced:	August 4, 2009
Court File No.:	T-1252-09
Comment:	Action seeking declaration of invalidity and non-infringement of Patents Nos. 1,341,330 and 1,331,615.

Medicine:	ustekinumab (STELARA)
Plaintiffs:	Abbott Laboratories Limited and Abbott GmbH & Co, KG
Defendant:	Janssen-Ortho Inc
Date Commenced:	August 10, 2009
Court File No.:	T-1310-09
Comment:	Patent infringement action regarding Patent No. 2,365,281.

Trade-marks:	ramipril (ALTACE, Apo-Ramipril)
Plaintiff:	Apotex Inc
Defendants:	Schering Corporation, sanofi-aventis, sanfi-aventis Deutschland GmbH and sanofi-aventis Canada Inc
Date Commenced:	August 14, 2009
Court File No.:	T-1357-09
Comment:	Action for damages pursuant to section 8 of the *Regulations*.

To check the status of Federal Court cases, please click here.

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