Commercial and Insolvency Update

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Actavis UK Limited and others v Eli Lilly and Company [2017] UKSC 48

The Supreme Court recently handed down a decision concerning the patenting of the chemical Pemetrexed, which is used in treating cancer. Eli Lilly had been marketing a branded product called "Alimta" since 2004, which was a pemetrexed disodium compound mixed with vitamin B12 which reduced the side effects of pemetrexed in cancer patients. Actavis proposed to market branded products which involved pemetrexed compounds mixed with vitamin B12 for cancer treatment, but with a different active ingredient from pemetrexed disodium.

Actavis argued that, as their proposed products did not contain pemetrexed disodium there was no infringement of Eli Lilly's patents.

The questions for the Supreme Court concerned the correct approach to the interpretation of patent claims.

The Court unanimously allowed Lilly's appeal and held that the Actavis's products would infringe Eli Lilly's patent. The Court concluded that the issue of whether an item directly infringes a patent is best approached by addressing two questions through the eyes of the 'notional addressee of the patent' (i.e. the person skilled in the relevant art), namely:

(1) Whether the item infringes any of the claims as a matter of normal interpretation; and, if not,
(2) Although the item may be characterised as a variant, whether it nonetheless infringes the patent because it varies from the patented product in a way which is immaterial.

Only if the answer to either question is "yes" will there be an infringement.

The Court also gave guidance on when it is permissible for courts to make use of the prosecution history of a patent in determining a patent's scope.

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