

UNDERGRADUATE LAWS BLOG

Interpretation of patent claims

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In this programme's blog posts, it is customary for the student's attention to be drawn to a *recent* development. In this particular instance, however, the adjective "recent" is only loosely applicable, because the focus is upon a Judgment of the Supreme Court handed down almost a year ago, in July 2017. Nevertheless, the significance of this judgment for the law of patents in the United Kingdom is such that it merits close attention.

The case of *Actavis (UK) Ltd v. Eli Lilly & Co* [2017] UKSC 48, which is also outlined in your pre-exam update, concerns the interpretation of patent claims – a subject covered in section 18.5 of your module guide. The key question at issue in cases on patent scope is, "How close does a defendant's variant have to be to the invention set out in a patent's claims if it is to be regarded as infringing that patent?"

In this respect, the question bears some similarity to questions raised in other areas of IP law – think, for example, of the concept of "substantial part" in copyright law or that of "risk of confusion" in registered trade mark law. However, in a patent claim, a patentee stakes out the monopoly sought (and granted) in detailed linguistic terms and a court's task, when considering whether a variant infringes, is to determine the extent to which the patentee's monopoly is constrained by the precise language employed in a patent's claims

If a too literalistic approach is taken to the task of interpretation, there is a risk that the patentee will be treated unfairly – because a competitor may simply be able to change an insignificant component of the invention and, as a result, escape a finding of infringement. Think here of the defendant in the *Catnic* case, listed in the Essential Reading to section 18.5 of the Module Guide. You will remember that it adjusted the plane of its lintel by just a few degrees from the vertical and argued that, as a result, it fell outside the scope of the patentee's claim. If competitors were able to escape infringement through such insignificant change, the patent system might well fail to provide its intended incentive to technological development.

However, at the same time, in considering the appropriate scope of a patent's claim, a court must also take into account the opposing danger. That is, if a claim is interpreted too broadly, there is a serious risk that the scope of a patent's monopoly will be unforeseeable to competitors. As a consequence, the patent system's function of providing a clear public record of patented technology will not be fulfilled – and valuable, follow-on technologies are likely to be disincentivised.

This, then, is the tension with which courts have had to work in interpreting the scope of patent claims in cases of claimed infringement by variant. Section 18.5 of the module guide explains the development of the legal principles applied by UK courts in steering a course through the competing dangers of literalism and over-inclusiveness in such cases. In sections 18.5.3 and 18.5.5, you will see a description of a series of important recent landmark cases on this issue and, in section 18.5.4, you will find a discussion of Art 69 of the European Patent Convention, and of the Protocol to that Article, which provide important parameters within which patent scope must be considered under the Convention.

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In those sections of the guide, you will see that, prior to the summer of 2017, the definitive approach to the interpretation of patents in the United Kingdom was provided by the Supreme Court in *Kirin Amgen Inc v Hoechst Marion Roussel Ltd*, in which the issue was revisited by Lord Hoffmann. He stated that, at bottom, a court has to ask only one question: "What would a person skilled in the art have understood the patentee to have used the language of the claim to mean?" In essence, under this approach, the task of claim interpretation is viewed purely as an issue of linguistic interpretation. Everything else, including the Protocol to Art.69 and the *Improver/Protocol* questions, simply provided guidance to a judge attempting to make that assessment. In *Kirin Amgen*, Lord Hoffmann made it clear that, in interpreting patent claims, decision-makers in the United Kingdom should not apply a 'doctrine of equivalents' (that is, a doctrine under which a variant outside the wording of the patent claim could nevertheless be held to infringe that claim on the basis that it is 'equivalent' to the claim).

However, since 2004, when *Kirin Amgen* was decided, revisions to the EPC have come into force, including a change to the Protocol to Art 69. On this issue, EPC20000 now reads:

"Article 1

General principles

Article 69 should not be interpreted as meaning that the extent of the protection conferred by a European patent is to be understood as that defined by the strict, literal meaning of the wording used in the claims, the description and drawings being employed only for the purpose of resolving an ambiguity found in the claims. Nor should it be taken to mean that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the patent proprietor has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patent proprietor with a reasonable degree of legal certainty for third parties.

Article 2

Equivalents

For the purpose of determining the extent of protection conferred by a European patent, due account shall be taken of any element which is equivalent to an element specified in the claims."

And in applying this approach in *Actavis (UK) Ltd v. Eli Lilly & Co*, the Supreme Court has now taken an approach which differs markedly from the highly linguistic approach set out by Lord Hoffmann in *Kirin Amgen*. In *Actavis*, Lord Neuberger, with whom the other Justices of the Supreme Court agreed, held that a single-minded focus on linguistic interpretation was too narrow and took too insufficient account of Art.2 of the amended Protocol .

Actavis concerned a Swiss-type claim for a drug patent (see the discussion of 'Methods of treatment' in 16.2.2 of the module guide for further information on this form of claim). Eli Lilly held a European patent for the use of a particular compound, pemetrexed disodium (with vitamin B12), in the manufacture of a medicament for the treatment of cancer. The claimant (Actavis), which is a supplier of generic pharmaceuticals, brought proceedings for a Declaration that it would not commit direct infringement of this patent (under s.60(1) Patents Act 1977) if it were to market products containing other pemetrexed compounds. Under an approach based purely upon linguistic interpretation, it was difficult to see how there could be direct infringement of such a claim - which made such specific reference to one particular pemetrexed compound. It was therefore not surprising that, in relation to direct infringement, both Arnold J at first instance and the Court of Appeal, in following *Kirin Amgen*, found no infringement.

In reversing this conclusion, Lord Neuberger held that, in considering an allegation of infringement by a variant, two successive questions have to be considered. In both instances,

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these questions are to be considered through the eyes of the notional skilled addressee. First, it is necessary to ask whether the variant infringed the claim at issue as a matter of interpretation. If it does not, it is then necessary to ask nevertheless whether the variant infringes because it varies from the claimed invention in a way or ways which are not material (or, in other words, because the variant is equivalent to the claimed invention).

In approaching this second question, Lord Neuberger held that the *Improver/Protocol* questions previously employed by United Kingdom courts (and discussed at 18.5.5 of the module guide) remained useful, but required slight amendment. As adjusted, the questions require a decision-maker to consider (i) whether a variant has a material effect on the way in which the invention works; (ii) whether the notional addressee, on being told what the variant does, would consider it obvious that it achieves substantially the same result in substantially the same way as the invention; and (iii) whether the notional addressee would understand from the language of the claim that the patentee intended that strict compliance with the primary meaning was an essential requirement of the invention. On this approach, Actavis's product was not held to infringe at stage one. However, it was held to infringe at stage two. On this basis, it was held that the claimant's activities would infringe Eli Lilly's patent.

In confirming a doctrine of equivalents or variants in accordance with Art.2 of the Protocol, *Actavis UK Ltd v Eli Lilly & Co* brings the United Kingdom much more closely in line with other members of the EPC 2000. At the risk of sowing some uncertainty, the judgment will provide an expansion in the scope of patent protection that will be welcomed by right-holders.