



## PATENT AND PHARMA UPDATE

Our regular patent and pharma update aims to keep you informed of recent developments in United Kingdom and European law relating to patents and the pharmaceutical industry.

### 1. UPC update

#### **UPC commencement postponed – Preparatory Committee announces that 1 December 2017 start date cannot be maintained**

In January we reported the UK IP Minister Jo Johnson's enthusiastic support for the UPC and ratification of the UPC Agreement (UPCA) whilst the UK is still a member of the EU. Without this, the UPC system would have to wait for the UK to leave, before the next most patent designated EU state at the date of signature of the UPCA (which would be Italy) could fulfil the role as third mandatory ratifier (after France and Germany). The UPC Preparatory Committee announced earlier this year that it was still confident of a 1 December 2017 start date, as long as the expected final ratifications were in place. This was a significant caveat given the Brexit situation and the need for further ratification of the **UPC Protocol on Provisional Application (the Protocol)** by UPC participating states before the practical arrangements can begin to be made for the new courts, such as the appointment of judges. The timetable looked even less hopeful when, subsequently, the UK general election was announced for June, creating a delay in the progress of any UK ratification. Now, with the current uncertainties around the outcome of the election result, further delay to UK ratification appears inevitable.

On 7 June, the UPC Preparatory Committee **announced** that the December start date could no longer be maintained. The Preparatory Committee says that it is monitoring UPCA ratification and participation in the Protocol continuously in order to be able to establish a timetable for a start date as soon as possible. Since that announcement, German press articles suggest that there has been a private challenge before the German Constitutional Courts concerning the UPC System in light of which the Court has requested that the approved bills are not signed, such that ratification by Germany cannot be completed. The nature of this challenge, and therefore the length of any delay it may cause, is currently unclear.

**UPC Protocol on Provisional Application:** Before final ratification of the UPCA, participation in the Protocol is needed in order that UPC judges can be appointed and the practical arrangements put in place for the new courts. This will allow the provisional application of the institutional, financial and administrative provisions of the UPCA and will enable the necessary legal and practical arrangements to be made in contemplation of the establishment of the UPC. However, for the Protocol to come into effect, 13 signatory states - which have signed the UPCA (and which must include France, UK and Germany) and have either ratified the UPCA or informed the depositary that they have received parliamentary approval to ratify the UPCA - must have either signed and ratified, accepted or approved the Protocol (in accordance with Article 2(2) of the Protocol) or declared by unilateral declaration or in any other manner that they consider themselves bound by the provisional application of the articles of the UPCA mentioned in Article 1 of the Protocol. These Articles cover, inter alia, the establishment of the UPC, the Registry, the Mediation and Arbitration Centre, the training and appointment of judges, the provisions allowing for the UPC Statute and Rules, legal aid, remuneration of judges, the setting up of local or regional divisions, and the

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establishment of the pool of judges. The UK has signed the Protocol, along with the other 2 mandatory signatories, and the Protocol is close to coming into effect, although a few more signatories and ratifications are needed. The Council of the EU has a [page](#) listing signatories to the Protocol. The UK will still need to pass legislation (via statutory instrument) to ratify the Protocol as will some other signatories.

At its May meeting, the EU Competitiveness Council acknowledged that there were a few countries holding up the Protocol but that it could be done before the summer break and if so the UPC might still be on track for a December opening. The Preparatory Committee's announcement on 7 June indicates that this is not now expected to happen.

**UK ratification of the UPCA:** The UK's representative at the Competitive Council meeting in May noted that the UK's ratification of the UPCA itself would not occur until the next Parliament, but that the intention of the then Government was to ratify it. If the UK ratifies the UPCA, without amendment, and subsequently leaves the EU, any divisions of the UPC in the UK will have to cease operating. The transitional consequences of this are matters of detail to be negotiated as part of the UK's exit negotiations. If the UK cannot continue to take part in the UPC beyond Brexit, it will become one of the European jurisdictions where separate patent protection will need to continue to be sought following the introduction of the new UPC/UP system.

For a detailed insight into what this would mean for the UPC and intellectual property rights in general, in the UK and across Europe, please see our briefing following the Government's announcement on ratification [here](#).

**The latest version of the Draft Rules of Procedure of the UPC were published on the UPC Preparatory Committee website on 10 April 2017 [here](#).** It is understood that these are the final version, although a finalised format has not been published.

**For more on the UPC and unitary patent system, see our Hub [here](http://www.hsf.com/upc): [www.hsf.com/upc](http://www.hsf.com/upc).**

## 2. UK Court takes tough stance on party unwilling to take worldwide licence on FRAND terms

*Unwired Planet International Ltd v Huawei Technologies Co. Ltd & Anor [2017] EWHC 711 (Pat) (05 April 2017)*

The UK High Court has handed down its first decision determining FRAND royalties, and has provided clear guidance as to the rights and obligations of parties to licensing negotiations and litigation relating to standard essential patents (SEPs).

In the context of a dispute between patent owner, Unwired Planet, and prospective licensee, Huawei, relating to patents declared essential for various telecommunication standards, the Court has emphasised that FRAND characterises both the terms of a licence and a process by which a licence is negotiated. The Court will be prepared to grant an injunction against a party, such as Huawei, who fails to satisfy the Court of its willingness to take a licence on FRAND terms.

The Court also answered many longstanding questions relating to the principles by which FRAND royalty rates are to be calculated. Among other things, the Court has favoured benchmarking using the proportional value of the patentee's portfolio, taking the view that royalty rates should not vary depending on the size of the licensee. It has also rejected the argument that the non-discriminatory requirement of the FRAND undertaking forced the licensor to offer the same or a similar royalty rate or terms as that agreed in any earlier licence with a similar licensee (so-called "hard-edged non-discrimination").

Some aspects of the decision will no doubt lead to further questions but, overall, the decision demonstrates a willingness of the Court to grapple with, and take a clear position on, complex questions relating to SEPs and FRAND licensing.

Following a further hearing on 19 May, Birss J gave judgment determining the details of remedies and granting both Huawei and Unwired Planet permission to appeal on the global licensing issue, hard edged non-discrimination and the Huawei Technologies point; and on the blended global benchmark rate. The court also created a novel form of final injunction (a "FRAND injunction"), which includes a proviso that the injunction ceases if the defendant enters into a FRAND licence. Although the injunction was stayed pending appeal, Birss J held it was too late to Huawei to offer undertakings in lieu of an injunction. On costs, Unwired Planet was the "overall winner", but the court deprived them of their costs for one issue - the determination of the FRAND rate. The judgment may also be of interest to licensors and licensees alike as it includes a copy of the FRAND patent licence as agreed by the parties and determined by the court.

**For more information, please see [here](#)**

### 3. Further consideration of SPCs

*Abraxis Bioscience LLC v The Comptroller-General of Patents [2017] EWHC 14 (Pat) (13 January 2017)*

*Teva UK Ltd & Ors v Gilead Sciences Inc [2017] EWHC 13 (Pat) (13 January 2017)*

*Teva UK Ltd & Ors v Merck Sharp & Dohme Corporation [2017] EWHC 539 (Pat) (21 March 2017)*

*Sandoz Ltd & Anor v G.D. Searle LLC & Anor [2017] EWHC 987 (Pat) (3 May 2017)*

#### Article 3(a)

For the first time since referring questions on Article 3(a) and 3(c) of the SPC Regulation (Regulation 469/2009) in *Actavis v Sanofi* [2012] EWHC 2545 (Pat), Arnold J has considered in three cases the meaning of Article 3(a). This article requires that for an SPC to be granted, the relevant "product" (ie, active ingredient or combination of active ingredients of a medicinal product) must be "protected by a basic patent".

All three cases concern SPCs for anti-HIV therapies. *Sandoz v Searle* [2017] EWHC 987 (Pat) concerns an SPC for the protease inhibitor darunavir (the active ingredient of Prezista), with *Teva v Gilead* [2017] EWHC 13 (Pat) and *Teva v Merck* [2017] EWHC 539 (Pat) concerning SPCs for combinations of inhibitors of viral reverse transcriptase. The combination in *Teva v Gilead* being tenofovir disoproxil and emtricitabine (the active ingredients of Truvada) and in *Teva v Merck* the combination being tenofovir disoproxil, emtricitabine and efavirenz (the active ingredients of Atripla).

In these cases, Arnold J held that:

- Article 3(a) is satisfied if a particular active ingredient falls within a broad Markush formula, even if the variables in a given Markush formula are capable of encompassing many billions of chemical compounds. Article 3(a) does not involve a test that considers excessive breadth of claim. This is an objection against the validity of the basic patent, which must be pursued by seeking revocation of the basic patent. (*Sandoz v Searle*)
- Article 3(a) is not satisfied if the combination of active ingredients does not fall within the extent of protection of at least one claim of the basic patent as correctly construed. The claims must be construed in accordance with UK law, the principles of which are to give effect to Article 69 of the European Patent Convention (EPC) and its protocol. (*Teva v Merck*)
- It remains unclear whether Article 3(a) is satisfied if the combination of active ingredients falls within the extent of protection of at least one claim of the basic patent as correctly construed or if more is required. (*Teva v Gilead*)

In *Sandoz v Searle*, Arnold J held the SPC to be valid. Darunavir was protected by the basic patent as it fell within the scope of the claimed Markush formula which encompassed many billions of compounds. The SPC was therefore valid despite there being no specific claim to darunavir nor any reference to darunavir anywhere in the description of the basic patent.

In *Teva v Merck*, Arnold J held the SPC to be invalid as Claim 16, directed to a "A combination of [efavirenz] with a nucleoside analogue", correctly construed was limited to a combination of efavirenz with only one other nucleoside analogue, such that the extent of its protection did not cover the triple combination of tenofovir disoproxil, emtricitabine and efavirenz.

In *Teva v Gilead*, given the lack of clarity in the test under Article 3(a) and the failure of the CJEU to give national authorities clear guidance as to the proper interpretation of Article 3(a), Arnold J asked again the first question he referred to the CJEU in *Actavis v Sanofi*. This question is:

"What are the criteria for deciding whether 'the product is protected by a basic patent in force' in Article 3(a) of the SPC Regulation?"

In referring this question, Arnold J also effectively repeats his opinion in *Actavis v Sanofi* that the test under Article 3(a) must also consider whether the active ingredient or combination of active ingredients embodies the inventive advance of the basic patent.

#### Article 3(d)

Arnold J also made a further reference to the CJEU in *Abraxis v The Comptroller-General of Patents* [2017] EWHC 14 (Pat) on the correct interpretation of Article 3(d) of the SPC Regulation. This case concerned the cancer treatment "nab-paclitaxel" (Abraxane), which is the previously authorised active ingredient paclitaxel formulated as albumin bound nanoparticles. It was undisputed in the case that Abraxis undertook prolonged and expensive research to develop Abraxane, and it took significant time for Abraxis to obtain a marketing authorisation for Abraxane. Although Abraxis advanced an argument that nab-paclitaxel was to be considered the active ingredient, this was rejected by Arnold J who held that paclitaxel is the active ingredient and albumin is a carrier. Arnold J reached this conclusion on the basis of the unchallenged facts before him and in light of the existing CJEU case law that the definition of "product" under Article 1(b) of the SPC Regulation must be interpreted narrowly.

Given this, Abraxis contended that Article 3(d) of the SPC Regulation (which requires the SPC to be based on the first authorisation in the European Community) should be interpreted to permit the grant of an SPC for a product which consists of a new and inventive formulation of an old active ingredient. Abraxis suggested that this interpretation is supported by the

CJEU in *Neurim* (Case C-130/11) interpreting Article 3(d) to permit the grant of an SPC for a new and inventive therapeutic use of an old active ingredient. Following *Neurim*, Article 3(d) is to be interpreted as meaning the first relevant authorisation is the first authorisation within the scope of the basic patent to place the product on the market as a medicinal product.

Arnold J held that it was unclear how far the reasoning of the CJEU in *Neurim* extends as, although the reasoning of the CJEU is limited to new therapeutic uses, it is arguable that the same policy considerations apply to new formulations of old active ingredients even if the therapeutic use is the same. Arnold J therefore referred the following question to the CJEU:

"Is Article 3(d) of the SPC Regulation to be interpreted as permitting the grant of an SPC where the marketing authorisation referred to in Article 3(d) is the first authorisation within the scope of the basic patent to place the product on the market as a medicinal product and where the product is a new formulation of an old active ingredient?"

In referring this question, Arnold J opined that in light of the balancing of interests of patentees, generic manufacturers, patients and other relevant stakeholders, and the need for a simple and predictable system of the grant of SPCs, SPCs should not be granted for new formulations of old active ingredients. Arnold J held that this view was consistent with the strict interpretation of the definition of "product" under Article 1(b) of the SPC Regulation, and consistent with the need for the SPC Regulation to provide "bright-line rules even if they sometimes deprive meritorious inventions of extended protection".

#### 4. Court of Appeal judgment on employee compensation - *Shanks v Unilever*

*Shanks v Unilever* [2017] EWCA Civ 2 (18 January 2017)

In *Shanks v Unilever* [2017] EWCA Civ 2, the Court of Appeal dismissed Professor Shanks' second appeal against the decision of the Comptroller General of Patents which dismissed his claim for employee compensation under s. 40 of the Patents Act 1977. In order to succeed, Professor Shanks had to prove that the patents (which were filed prior to the amendment to s. 40 under the Patents Act 2004 and related to an Electrochemical Capillary Fill Device) had caused 'outstanding benefit' to the employer, having regard, amongst other things, to the size and nature of the employer's undertaking. In this case, the Court of Appeal had to consider the statutory meaning of "outstanding" for which there is no statutory definition.

The Court of Appeal held that "outstanding" is a relative concept that will need to be judged on the facts of each case. Patten LJ observed that any attempt to redefine the statutory test, or to use of synonyms of "outstanding" is largely unhelpful as "[o]utstanding is an ordinary English word with a readily understood meaning and was doubtless chosen by Parliament to identify the exceptional nature of the benefit that must exist". In Professor Shanks' case, the Court of Appeal upheld the Hearing Officer's decision and held that the Hearing Officer had properly taken all matters before him into account. The Hearing Officer was not persuaded that the benefits which the patent did bring could be described as outstanding and it would be a misreading of this decision to suggest that the Hearing Officer reached his conclusion solely on the basis that the income from the patents was a small part of Unilever's income in the relevant years.

#### 5. How to construe a patent – recent developments

*Jushi Group Co. Ltd v OCV Intellectual Capital, LLC* [2017] EWHC 171 (IPEC), 6 February 2017  
*Edwards Lifesciences LLC v Boston Scientific Scimed Inc & Ors* [2017] EWHC 405 (Pat), 3 March 2017  
*Stretchline Intellectual Properties Ltd v H&M Hennes & Mauritz UK Ltd* [2017] EWCA Civ 199, 30 March 2017

A string of recent English court decisions have grappled with issues of patent construction considering, in particular, how a notional skilled person would interpret a divisional patent or the impact of a reference in a patent to comparative examples of prior art. The object of the construction exercise is to answer the deceptively simple yet fundamental question formulated by Lord Hoffmann in *Kirin Amgen* [2004] UKHL 46, namely what would a person skilled in the art have understood the patentee to have used the language of the claim to mean?

In *Edwards Lifesciences v Boston Scientific* [2017] EWHC 405 (Pat), the Patents Court reaffirmed the knowledge and understanding of the notional skilled person when construing divisional patents. Edwards Lifesciences sought revocation of two of Boston Scientific's patents for a specific type of transcatheter heart valve (the "254" and "766" patents), both of which are divisionals derived from a common parent application. The inventions claimed in the 254 patent and the 766 patent were different forms of such valves with the difference being the form of the seals used in the valves. Edwards Lifesciences argued that, correctly interpreted, these forms were mutually exclusive, such that when interpreting the 766 patent the skilled person would understand that certain parts of the specification and figures of the 766 patent were describing the invention of the 254 patent and that these did not represent embodiments of the 766 patent. The consequence of this was that those parts of the specification and figures would be irrelevant when properly construing the 766 patent.

His Honour Judge Hacon rejected this argument. He commented on the principles laid down in *Virgin Atlantic Airways v Premium Aircraft Interiors UK Ltd* [2009] EWCA Civ 1062 concerning the skilled person's knowledge that a parent application may cover more than one invention and give rise to multiple divisionals. On the facts of *Virgin*, one invention concerned the arrangement of seats in a plane and a second invention was a business class seat which flipped over and converted into a bed. The notional skilled reader would have understood that those two inventions were unrelated and so would construe the patent in that case accordingly.

Hacon HHJ stated that it was his belief that the Court of Appeal in *Virgin* did not intend this to have the effect of putting rigid assumptions into the mind of the skilled person. Specifically, he held that the skilled person would know that in any context inventions can overlap. As far as divisional patents are concerned, the skilled person would not therefore assume that an example of the invention claimed in one divisional application, and as described in that divisional application's specification, embodies only the invention claimed in that divisional application. The skilled person would understand that the specification and figures may also embody other inventions of the parent application as claimed in other divisional applications. Subject to a specific indication in the specification one way or the other to guide the skilled person, the skilled person would contemplate any possibility. Consequently, in the case before him the skilled person would not assume that a specific embodiment featured in the specification of the 766 patent only described an invention claimed by the 254 patent and therefore was irrelevant in the proper construction of the 766 patent.

In *Stretchline v H&M* [2017] EWCA Civ 199, the Court of Appeal considered the issue of whether a particular construction should be rejected because of the legal consequences which that construction has for the validity of the patent. In that case, H&M argued that the claim interpretation adopted by Henry Carr J at first instance should be rejected as it would lead to a "foolish result" of the patent being obvious in light of the common general knowledge. H&M was forced to argue its case in this way as the case arose in the context of a claim brought by Stretchline alleging that H&M breached the terms of the settlement agreement by selling bras which fell within the claims of the patent, but the terms of that settlement agreement precluded H&M from directly challenging the validity of that patent.

When putting forward its approach to construction, H&M drew analogy to the remarks of Jacob J (as he then was) in *Beloit Technologies v Valmet (No2)* [1995] RPC 705 that where reference to a particular piece of prior art is made in a patent, a broad construction of the claims should be rejected if this would read onto the prior art cited in the patent and would deprive the patent of novelty. This would lead to a "foolish result" of suggesting that the patentee claimed what he/she had already acknowledged was old. H&M contended that a similar approach should be applied where the consequence of the broad construction would be that the patent was obvious in light of the common general knowledge such that the skilled person would prefer its narrower construction to avoid the suggestion that the patentee claimed what he already knew to be obvious.

Floyd LJ confirmed his comments made in *Adaptive Spectrum v British Telecommunications Ltd* [2014] EWCA Civ 1462 and rejected the expansion of Jacob J's reasoning in *Beloit* to constructions which would be thought to be obvious in light of the common general knowledge for the following reasons:

- (i) there is no basis for assuming that the patentee was aware of the document forming the basis of the common general knowledge (unlike where a patentee specifically cites a piece of prior art in the patent); and
- (ii) the finding of obviousness is based on a value judgment on which differing views are possible.

The skilled reader would therefore merely conclude that the patentee thought he had made an invention which was not obvious, a conclusion with which the skilled person might disagree, but not one he would consider a "foolish result". As a consequence, the impact of such an argument is substantially weakened and likely to only be given very limited weight when considering the proper construction. The argument is several steps removed from that in *Beloit* where the wider construction would read directly onto prior art cited in the specification.

In *Jushi Group v OCV* [2017] EWHC 171 (IPEC), Hacon HHJ found that a patent cannot lack novelty over an example expressly stated in the specification to be a "comparative" example, where it is possible to construe the claims such that they are not anticipated by that example. Jushi had argued that the 'whole number' convention should apply to the construction of a piece of the prior art included in the patent as a comparative example, and that consequently the patent was anticipated. In response, OCV submitted that the use of the word "comparative" would be taken by the skilled reader as an express indication that the referenced prior art did not anticipate the patent. Analogy was, as above, drawn to *Beloit*.

Hacon HHJ made clear that a skilled person will not simply dismiss the description of prior art as being "comparative". Such reference would make it clear to the skilled person that the patent was not intended to cover the prior art; and this would influence the skilled person's interpretation of the numerical ranges in the claim (including whether the 'whole number' convention would apply). Hacon HHJ did not specifically comment on the application of *Beloit*, but it would seem that this would lead to the "foolish result" envisaged by Jacob J in which a suggested construction would result in the patentee claiming what he/she had already acknowledged was old.

## 6. Prior art in the internet age

*Oracle International Corporation (High-performance change capture for data warehousing) (T 0545/08, 24 March 2017)*

*Unwired Planet International Ltd v Huawei Technologies Co Ltd & Ors [2017] EWCA Civ 266*

Given the increasing reliance on the internet for publishing material, it is crucial to be aware of the circumstances in which material available on the internet can be considered to be available for the purpose of determining the validity of a patent. There have been two cases over the past few months which deal with establishing the existence of prior art on the internet, one in the EPO, the other in the UK Court of Appeal.

In *Oracle International Corporation (High-performance change capture for data warehousing)* (T 0545/08, 24 March 2017), the EPO Board of Appeal dealt with the issue of the standard of proof that needs to be established to determine the publication date for prior art on the internet. The application in question claimed an earliest priority date of 24 May 2002, but there was an article on the internet, the title page of which carried the date of January 2002. The main request and auxiliary requests relating to the application were found by the Examining Division to be invalid over the article, which was considered to be prior art. This was appealed on the ground that the date of publication of the article had not been established beyond reasonable doubt.

The key findings of the EPO Board of Appeal were as follows:

- It is not an easy task to try to reconcile the different views expressed in the decisions of the EPO Board of Appeal about the proper standard of proof and any attempt to do so would have to respect the overarching principle of the European Patent Convention of free evaluation of evidence. The question of whether a fact can be regarded as proven has to be assessed on the basis of all relevant evidence.
- While conceptually the standards of proof of "balance of probabilities" and "beyond reasonable doubt" are different, in most cases adhering to one or the other does not lead to diverging results if the "balance of convenience is applied with some qualifications". The EPO Board of Appeal held that the balance of convenience approached in this way should not imply that something is proven if it has a probability which is "just tipping the balance slightly" (e.g., 51%), as such a literal interpretation does not "properly reflect the long-standing judicial practice of the boards of appeal in determining whether a particular piece of information has become publically available".
- As a consequence, the EPO Board of Appeal held that "the facts on which any finding of public availability is based must be established with a sufficient degree of certainty in order to convince the competent organ of the EPO in view of all the relevant evidence that they have indeed occurred".
- Unless the circumstances of the case show it to be self-evident or easily understandable that the document should be considered prior art, then the absence of an explanation as to why it should be considered prior art is not acceptable. The relevant circumstances can include the nature and reliability of the website from which the document is retrieved and other intrinsic evidence that can be deduced from the document itself.

The EPO Board of Appeal considered the relevant facts before them in the *Oracle* case and considered that the burden of proof had not been satisfied. The EPO Board of Appeal noted from the international search report that the alleged prior art document had been retrieved from the internet more than 18 months after the priority date, with neither the report nor the subsequent first communication giving any explanation as to why that document should be considered to be prior art. Looking then at the circumstances of the case, the EPO Board of Appeal held that these also did not establish the document to be prior art as:

- The board found the date on the cover page to be imprecise and unqualified and while it might be indicative of the document being created in 2002, that was not the date it was made available to the public; and
- The commercial website from which the document was retrieved could not be considered a source generally deemed to provide reliable publication dates (e.g., a scientific publisher) and therefore further investigation was required.

On the basis of the above analysis, the EPO Board of Appeal held that there was no *prima facie* evidence, on either standard of proof, to conclude that the document was prior art.

In *Unwired Planet International Ltd v Huawei Technologies Co Ltd & Ors* [2017] EWCA Civ 266, the Court of Appeal dealt with the issue whether a prior publication constitutes prior art, when it was made available before the priority date in some time zones but not in the time zone of filing the priority application.

Huawei sought to claim as prior art a document called the Ericsson TDoc that was uploaded to a publically accessible server when the date in Europe was 8 January 2008. The Ericsson TDoc was uploaded to the server at 08:36 CET on 8 January which corresponded to 02:36 EST on 8 January 2008 (time zone of the USPTO, the office of filing of the priority application). The priority application for the patent in suit was filed at 22.59 CET on 8 January 2008 (16.59 EST). On the basis of these timings, the Court of Appeal upheld Birss J's findings that the priority date was 8 January 2008, and the Ericsson TDoc was not made available "before the priority date" even though in some parts of the world (e.g. Hawaii), the moment at which the Ericsson TDoc was uploaded was 7 January 2008 due to the prevailing time zone. The correct approach was summarised by

Floyd LJ as being that "[t]he priority date is the 24 hour period of the day on which filing took place, in the time zone of the patent office where it was filed. The publication must occur before that day, on a time basis, by reference to the time zone of the patent office of filing." Consequently, in order to determine whether a publication constitutes prior art it is not necessary to know the precise time of filing the priority application and the timing of the publication of the prior art is made by reference to the time zone of the patent office of filing.

## 7. "We'll sue you if you don't stop ..." more flexibility to threaten IP proceedings under the new Unjustified Threats legislation in the UK

Threatening proceedings for intellectual property right infringement can sometimes backfire. In relation to patents, trade marks and designs, there is a right to bring an action against the threatener by any person aggrieved by the threat, who may not necessarily be the person directly threatened with proceedings. Not only does this expose the IP rights-holder to the risk of damages, it also turns the potential claimant into a defendant, with the resulting reversal of burden of proof, requiring it to prove the validity of the rights which it originally asserted and their infringement. This in turn creates a tension with the requirements of the Civil Procedure Rules to communicate a litigant's case early before issuing proceedings.

The new Intellectual Property (Unjustified Threats) Act 2017, which has been granted royal assent but has yet to come into force, confirms what can be a threat whilst providing for "permitted communications" or communications for "permitted purposes" which cannot be threats. It harmonises the position across patent, trade mark and design rights (including providing for unitary patents and European patents under the proposed Unified Patent Court jurisdiction) and allows pursuit of information on primary infringers from secondary parties. It looks likely to come into force in October 2017.

**For more on this new legislation, please see [here](#) or contact [Rachel Montagnon](#)**

## 8. Decisions on patents

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
<b>English Court of Appeal (Civil Division)</b>						
AbbVie Biotechnology Limited and AbbVie Limited EP (UK) 1 406 656 EP (UK) 1 944 322	Fujifilm Kyowa Kirin Biologics Co., Ltd.	Humira (Adalimumab)	English Court of Appeal (Civil Division)	Floyd, Longmore and Kitchin LJ	Appeal from the High Court decision declining to strike out claim brought by FKB	Appeal dismissed <i>Fujifilm Kyowa Kirin Biologics Co, Ltd v AbbVie Biotechnology Ltd &amp; Anor</i> [2017] EWCA Civ 1 (12 January 2017)
Unilever UK Central Resources Limited EP (UK) 0170375	Prof Ian Shanks	Electrochemical Capillary Fill Device	English Court of Appeal (Civil Division)	Patten, Briggs and Sales LJ	Second tier appeal from the UK IPO's decision rejecting Shanks' claim for inventor's compensation under s.40(1) Patents Act 1977 as patent held not to be of 'outstanding benefit' to Unilever	Appeal dismissed <i>Shanks v Unilever Plc &amp; Ors</i> [2017] EWCA Civ 2 (18 January 2017)
Wobben Properties GmbH EP (UK) 0 847 496	Siemens Public Ltd Company Siemens Wind Power A/S Siemens AG Dong Energy A/S Westernmost Rough Ltd Dong Energy Gunfleet Sands Demo (UK) Ltd A2Sea A/S A2Sea Ltd	A method of operating pitch-controlled wind turbines in high wind speeds	English Court of Appeal (Civil Division)	Floyd, Longmore and Kitchin LJ	Appeal from High Court decision which found the patent to be invalid on grounds of obviousness	Appeal dismissed. The patent was held to be invalid in light of prior art. <i>Wobben Properties GmbH v Siemens Public Ltd Company &amp; Ors</i> [2017] EWCA Civ 5 (19 January 2017)

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
IPCOM GmbH & Co KG EP (UK) 1 841 268	HTC Europe Co. Ltd Ingram Micro (UK) Limited HTC Corporation	Control of access by mobile telephones in a UMTS network to a random access radio channel between the mobile and the base station	English Court of Appeal (Civil Division)	Floyd, Longmore and Kitchin LJ	Appeal from High Court decision revoking IPCOM's patent in light of amendments made to the claims	Appeal allowed. The patent was held not to add matter  <i>Ipcom GmbH &amp; Co KG v HTC Europe Co Ltd &amp; Ors</i> [2017] EWCA Civ 90 (28 February 2017)
Teva Pharmaceutical Industries Ltd EP (UK) 2 361 924	Synthon B.V.	Copaxone (Glatiramer acetate)	English Court of Appeal (Civil Division)	Kitchin, Briggs, Floyd LJ	Appeal from High Court decision upholding the validity of Teva's patent	Appeal dismissed. The judge had correctly approached the issue of obviousness and had been entitled to find that the patent was not invalid on this basis  <i>Synthon BV v Teva Pharmaceutical Industries Ltd</i> [2017] EWCA Civ 148 (21 March 2017)
Stretchline Intellectual Properties Ltd GB 2 309 038	H&M Hennes & Mauritz Limited	Tubular fabric, particularly for underwired garments	English Court of Appeal (Civil Division)	Floyd and McCombe LJ	Appeal from High Court relating to construction – whether H&M had breached a settlement agreement by starting to sell garments which infringed the patent in suit	Appeal dismissed. The judge's construction of the claim was correct  <i>Stretchline Intellectual Properties Ltd v H&amp;M Hennes &amp; Mauritz Ltd</i> [2017] EWCA Civ 199 (30 March 2017)
Unwired Planet International Ltd EP (UK) 2 229 744 EP (UK) 2 119 287 EP (UK) 2 485 514 EP (UK) 1 230 818 EP (UK) 1 105 991 EP (UK) 0 989 712	Huawei Technologies Co. Ltd Huawei Technologies (UK) Co. Ltd Unwired Planet LLC	Inventions related to poll triggers, self- configuring networks, inter-RAT handover, Hadamard codes and network messaging	English Court of Appeal (Civil Division)	Gross, Floyd and Arnold LJ	Appeal from High Court decision in relation to the time of publication of material on the internet in order for it to be a part of prior art	Appeal dismissed. The priority date is the 24 hour period of the day on which filing took place, in the time zone of the patent office where it was filed. In order to be considered as prior art, the publication must occur before that day, on a time basis, by reference to the time zone of the patent office of filing  <i>Unwired Planet International Ltd v Huawei Technologies Co Ltd &amp; Ors</i> [2017] EWCA Civ 266 (12 April 2017)

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
<b>English High Court (Patents Court)</b>						
Aspirate N Go Limited GB 2523591B PCT/GB 2015/050538 PCT/GB 2015/050539	NGPOD Global Limited	Aspirator	English High Court (Patents Court)	Mann J	Appeal against the refusal of the UK IPO to decline to hear the case on the basis that the High Court would be the appropriate forum. NGPOD had made a claim in relation to ownership of the patent and two patent applications held in the name of Aspirate N Go Limited	Appeal allowed. The patents were very valuable to the patentee and in general the High Court is the more appropriate place to deal with high value matters. There were also complex issues of employment and contract law which would need to be resolved  <i>NGOPD Global Ltd v Aspirate N Go Ltd</i> [2016] EWHC 3124 (Pat) (2 December 2016)
Warner-Lambert Company LLC EP 0 934 061 B3	Sandoz Gmbh Sandoz Limited	Lyrica (Pregabalin)	English High Court (Patents Court)	Arnold J	Application to vary an interim injunction already granted against Sandoz	Application dismissed. Granting the relief sought by Sandoz would create a greater risk of irreparable harm than refusing it  <i>Warner-Lambert Company LLC v Sandoz GmbH &amp; Anor (Rev 1)</i> [2016] EWHC 3317 (Pat) (21 December 2016)
Abraxis Bioscience LLC SPC application number GB/09/046	Comptroller General of Patents	Abraxane (nab-paclitaxel)	English High Court (Patents Court)	Arnold J	Appeal against the decision of the Comptroller General of Patents which refused application for non-compliance with the SPC Regulations	Referral made to the CJEU on the question:  <i>"Is Article 3(d) of the SPC Regulation to be interpreted as permitting the grant of an SPC where the marketing authorisation referred to in Article 3(d) is the first authorisation within the scope of the basic patent to place the product on the market as a medicinal product and where the product is a new formulation of an old active ingredient?"</i>  <i>Abraxis Bioscience LLC v The Comptroller-General of Patents</i> [2017] EWHC 14 (Pat) (13 January 2017)

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
Gilead Sciences Inc SPC/GB05/041	Teva UK Limited Accord Healthcare Limited Lupin Limited And Lupin Europe Limited Generics (UK) Limited trading as Mylan	Truvada (Tenofovir disoproxil and Emtricitabine)	English High Court (Patents Court)	Arnold J	Challenge to the validity of the SPC on grounds of non-compliance with article 3(a) of the SPC Regulations	Referral made to the CJEU on the question: <i>What are the criteria for deciding whether 'the product is protected by a basic patent in force' in Article 3(a) of the SPC Regulation?</i>  <i>Teva UK Ltd &amp; Ors v Gilead Sciences Inc</i> [2017] EWHC 13 (Pat) (13 January 2017)
Warner-Lambert Company LLC EP 0 934 061 B3	Sandoz GmbH Sandoz Limited	Lyrica (Pregabalin)	English High Court (Patents Court)	Arnold J	Costs of an application by Sandoz regarding an interim injunction (see <i>Warner-Lambert Company LLC v Sandoz GmbH &amp; Anor (Rev 1)</i> [2016] EWHC 3317 (Pat) (21 December 2016))	Sandoz was ordered to pay costs of Warner Lambert for the application to vary the injunction  <i>Warner-Lambert Company LLC v Sandoz GmbH &amp; Anor</i> [2017] EWHC 216 (Pat) (13 February 2017)
Boston Scientific Scimed Inc EP (UK) 2 749 254 EP (UK) 2 926 766	Edwards Life Sciences LLC Edwards Lifesciences Corporation Edwards Lifesciences AG (also known as Edwards Lifesciences SA) Edwards Lifesciences Limited	Repositionable heart valve	English High Court (Patents Court)	Hacon HHJ (sitting as a High Court Judge)	Challenge to the validity of the patents on grounds of novelty, obviousness, insufficiency, added matter	The 766 patent was held to be inventive and valid. The 254 patent was held invalid for lack of inventive step, but it would have otherwise been infringed  <i>Edwards Lifesciences LLC v Boston Scientific Scimed, Inc. &amp; Ors</i> [2017] EWHC 405 (Pat) (3 March 2017)
AbbVie Biotechnology Limited EP (UK) 1 406 656 EP (UK) 1 944 322	Fujifilm Kyowa Kirin Biologics Co., Ltd. Samsung Bioepis UK Limited Biogen Idec Limited	Humira (Adalimumab)	High Court (Patents Court)	Henry Carr J	Seeking declarations that the claimant's products in so far as the relevant dosing specimens are concerned were obvious as at priority date claimed by the defendant's pending patent applications	The obviousness declarations were granted.  <i>Fujifilm Kyowa Kirin Biologics Company Ltd v AbbVie Biotechnology Ltd (Rev 1)</i> [2017] EWHC 395 (Pat) (3 March 2017)

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
Liqwd Inc Olaplex, LLC Anglo International Management Limited Star Qualities Limited	L'Oréal (UK) Limited, L'Oréal SA	Hair products known as bond builders	High Court (Patents Court)	Mr R Wyand QC (sitting as Deputy Judge of Chancery Division)	Considering whether a wide grant of disclosure in relation to prior use was justified	Wide disclosure ordered which was not limited to the supply to named third parties  <i>Liqwd Inc and others v L'Oréal (UK) Ltd and another</i> [2017] EWHC 679 (Pat) 16 March 2017
Merck Sharp & Dohme Corporation SPC number: SPC/GB/08/022)	Teva UK Limited Accord Healthcare Limited Generics (UK) Limited trading as Mylan	Atripla (tenofovir disoproxil, emtricitabine and efavirenz)	High Court (Patents Court)	Arnold J	Challenge to the validity of the SPC on grounds of non-compliance with article 3(a) and 3(c) of the SPC Regulations	SPC held to be invalid under both Article 3(a) and Article 3(c) of the SPC Regulations  <i>Teva UK Ltd &amp; Ors v Merck Sharp &amp; Dohme Corporation</i> [2017] EWHC 539 (Pat) (21 March 2017)
Yeda Research and Development Company Ltd EP (UK) 2 949 335	Teva Pharmaceutical Industries Ltd (exclusive licensee) Generics (UK) Limited (trading as Mylan) Synthon BV	Copaxone (Glatiramer acetate)	High Court (Patents Court)	Arnold J	Application for expedition of claim for revocation of the patent	Expedition allowed. The claimants wanted to clear the way for the launch of their own product, and expediting the trial would cause no prejudice to the proprietor of the patent or to its exclusive licensee  <i>Generics (UK) Limited (trading as Mylan), Synthon BV v Yeda Research and Development Company Limited v Teva Pharmaceutical Industries Limited</i> [2017] EWHC 708 (Pat) (31 March 2017)
Unwired Planet International Ltd EP (UK) 2 229 744 EP (UK) 2 119 287 EP (UK) 2 485 514	Huawei Technologies Co. Ltd Huawei Technologies (UK) Co. Ltd Unwired Planet LLC	Inventions related to poll triggers, self- configuring networks, inter-RAT handover, Hadamard codes and network messaging	High Court (Patents Court)	Birss J	The court considered several key issues: the proper characterization of the FRAND declaration to ETSI; the legal effect of a FRAND undertaking; whether an injunction is available as a remedy; whether insisting on a worldwide licence is FRAND; the	The High Court gave judgment on the method for determining FRAND royalties for standard essential patents in the telecommunications field  <i>Unwired Planet International Ltd v Huawei Technologies Co. Ltd &amp;</i>

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
EP (UK) 1 230 818 EP (UK) 1 105 991 EP (UK) 0 989 712					implications of the <i>Huawei Technologies</i> decision of the CJEU; whether the FRAND obligations are reciprocal; and what is a FRAND rate	<i>Anor</i> [2017] EWHC 711 (Pat) (05 April 2017)
Varian Medical Systems International AG EP (UK) 0 963 218	Elekta Limited Elekta Holdings Limited	Radiotherapy machine including magnetic resonance imaging system	High Court (Patents Court)	Birss J	Claim for infringement of the patent and challenge to the validity of the patent on grounds of insufficiency, obviousness and added matter	Patent revoked on grounds of obviousness and added matter <i>Varian Medical Systems International AG v Elekta Ltd &amp; Anor</i> [2017] EWHC 712 (Pat) (6 April 2017)
G.D. Searle LLC SPC/GB07/038	Sandoz Ltd Hexal AG Janssen Sciences Ireland UC (exclusive licensee)	Prezista (Darunavir)	High Court (Patents Court)	Arnold J	Challenge to the validity of the SPC under article 3(a) of the SPC Regulations	The SPC was held to be valid under article 3(a) of the SPC Regulations <i>Sandoz Ltd &amp; Anor v G.D. Searle LLC &amp; Anor</i> [2017] EWHC 987 (Pat) (03 May 2017)
UCB Pharma SPRL US 7556771	Chugai Pharmaceutical Co. Ltd.	RoActemra (Tocilizumab)	High Court (Patents Court)	Carr J	Strike out proceedings in relation to a claim for a declaration of non-liability for royalties under a license	The Court concluded that it had jurisdiction over Chugai's claims and dismissed UCB's applications to strike out the disputed parts of the claim.- <i>Chugai Pharmaceutical Co Ltd v UCB Pharma SA</i> [2017] EWHC 1216 (Pat) (26 May 2017)
Unwired Planet International Ltd EP (UK) 2 229 744 EP (UK) 2 119 287 EP (UK) 2 485 514 EP (UK) 1 230 818 EP (UK) 1 105 991 EP (UK) 0 989 712	Huawei Technologies Co. Ltd Huawei Technologies (UK) Co. Ltd Unwired Planet LLC	Inventions related to poll triggers, self-configuring networks, inter-RAT handover, Hadamard codes and network messaging	High Court (Patents Court)	Birss J	Judgment on remedies following from decision in the case dated 5 April 2017	A novel injunction was granted, which was stayed pending appeal. It was too late in the proceedings for Huawei to offer undertakings as an alternative to the grant of an injunction <i>Unwired Planet International Ltd v Huawei Technologies Co Ltd &amp; Anor</i> [2017] EWHC 1304 (Pat) (07 June 2017)

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
<b>Intellectual Property Enterprise Court</b>						
OCV Intellectual Capital, LLC EP (UK) 1 831 118 B1	Jushi Group Co., Ltd	Fibre glass products	Intellectual Property Enterprise Court	Hacon HHJ	Claim for declaration of non-infringement and revocation of a patent and counter-claim for threatened infringement. The attacks were based on lack of novelty and lack of inventive step over a single piece of prior art	The patent was held to be valid <i>Jushi Group Co, Ltd v OCV Intellectual Capital, LLC</i> [2017] EWHC 171 (IPEC) (6 February 2017)
AP Racing Limited GB 2 451 690	Alcon Components Limited	Disc brake calipers for motor vehicles, particularly racing cars	Intellectual Property Enterprise Court	Hacon HHJ	Claim that eight callipers of the defendant were infringing the claimant's patent	Infringement found in relation to one of the callipers and not in relation to the other seven <i>AP Racing Ltd v Alcon Components Ltd</i> [2017] EWHC 248 (IPEC) (15 February 2017)
Epoch Company Limited GB 2498410B	Character Options Limited	Toy comprising children's decorative beads made of water soluble resin	Intellectual Property Enterprise Court	Hacon HHJ	Claim for patent infringement and counterclaim for invalidity on grounds of lack of inventive step, aesthetic creation	Patent revoked due to lack of inventive step. If the patent had been valid, it would have been infringed by the defendant's product <i>Epoch Company Ltd v Character Options Ltd</i> [2017] EWHC 556 (IPEC) (22 March 2017)
Richard Perry GB 2 390 104B	F H Brundle Betafence Limited Britannia Fasteners	Brackets for securing a fence panel to a fence post and being adapted to embrace a corner of a fence	Intellectual Property Enterprise Court	Hacon HHJ	Reasons given for granting a general civil restraint order ("GCRO") against a Mr Perry who had previously been found to have made	GCRO granted for 2 years <i>Perry v F H Brundle &amp; Ors</i> [2017] EWHC 678 (IPEC) (30 March 2017)

Patentee / patent no.	Other party/ies	Product (Active ingredient)	Court	Judge/s	Legal issue	Outcome
	Limited	panel			unjustified threats of patent infringement against the same defendant in 2014	
Abbott Godfrey Victor Chasmer EP (UK) 1 816 931	Design & Display Limited Eureka Display Limited	Display panel with inserts made of a resilient metal, typically aluminum	Intellectual Property Enterprise Court	Hacon HHJ	The case involved assessment of account of profits following a decision where the patent in suit was held to be infringed	The court set out the principles based on which the account of profits should be calculated and invited the parties to calculate the profit  <i>Abbott &amp; Anor v Design &amp; Display Ltd &amp; Anor</i> [2017] EWHC 932 (IPEC) (26 April 2017)
Fameccanica Data SpA EP(UK) 1 355 604	Curt G. Joa, Inc	Disposable Absorbent Garment such as a Diaper or Training Pants and a Process of Making the Same	Intellectual Property Enterprise Court	Hacon HHJ	Claim for revocation of patent on grounds of novelty and inventive step over three items of prior art	Patent revoked due to lack of novelty and inventive step  <i>Curt G. Joa, Inc v Fameccanica Data SpA</i> [2017] EWHC 1251 (IPEC) (24 May 2017)

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