

Lessons from the Lion City: Singapore shows why Australia should reject the doctrine of equivalents.

By Brendan Nugent, Michael Buck IP

The 2017 decision of the Supreme Court of the United Kingdom (UK) in the case of *Actavis v Lilly*¹ marked a quantum shift in the patent law of that country. While Australian law has diverged significantly from UK law over the past 40 years, could an Australian Court take a similar approach?

The UK Case

The claims of Eli Lilly's patent define a combination therapy of an anti-cancer agent, pemetrexed, and vitamin B12 which is said to be effective in the treatment of cancer but exhibits reduced toxicity compared to administration of pemetrexed alone. The claims cover only a single and specific salt of pemetrexed, pemetrexed disodium. Actavis developed products containing either pemetrexed diacid or different pemetrexed salts (pemetrexed dipotassium and pemetrexed ditromethamine). In finding that the Actavis products infringed Lilly's patent despite the difference, the Supreme Court effectively introduced a doctrine of equivalents to UK law.

The law in Australia

Australian law has long acknowledged the possibility that the claims defining an invention may be interpreted in a way that extends their scope beyond the literal meaning of the words employed by the drafter. On occasion, integers of a claim deemed not to be essential have been omitted or replaced by a mechanical equivalent². Furthermore, just as in UK law, the terms used in a claim must be given a "purposive" construction³. To give a purposive construction, one asks what the person skilled in the art would understand the patentee to be claiming having regard to the precise language used in the claim. By way of example, a claim defining a galvanised steel lintel which included "a rigid support member extending vertically" was held to cover a variant in which the lintel was offset six or eight degrees from vertical.

The difference

The infringing lintel functioned in the same way as the patented lintel and could be regarded as being "vertical" within the meaning of the claim. However, when one considers the Actavis product, a potassium salt, for example, is not a variant of a sodium salt. Pemetrexed dipotassium, while similar in most properties, is chemically distinguishable from pemetrexed disodium. Therefore to find infringement requires more than a purposive construction.

Why could the UK Supreme Court extend the scope of the claim?

The new approach finds basis in a Protocol⁴ establishing the bounds of protection conferred by a patent that was agreed by the members of the European Patent Convention, including the UK, in 1973. The relevant portion was added in 2000, and reads as follows:

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

In fact, the Actavis products, just like pemetrexed disodium, are dissolved in a saline solution to enable them to be administered to patient. The Actavis products, like pemetrexed disodium, dissociate when they dissolve to produce a solution which contains a pemetrexed anion, and it is the pemetrexed anion that is active. Thus, the UK Court said that the Actavis products achieve substantially the same result in substantially the same way as the invention i.e. through the action of the pemetrexed anion on cancer cells.

In terms of the law, the Actavis products are not variants of pemetrexed disodium, and so would not infringe under the old law, but they are equivalent to pemetrexed disodium. Therefore, under the law as it now being applied, with the new doctrine of equivalents, Actavis infringed the Lilly patent.

A significant decision in Singapore

The Courts in Singapore generally follow UK or European precedent because of the similarity of the governing legislation in Singapore and the UK Patents Act. However, in the case of *Lee Tat Cheng v. Maka GPS Technologies Pte Ltd*⁵ the Singapore Court of Appeal decided not to adopt the approach taken by the UK Supreme Court in *Actavis v Lilly*.

The Court of Appeal first observed that the UK Supreme Court is bound to give effect to the Protocol mentioned above, but Singapore is not. Moreover, the Singapore legislation specifically states that the extent of the protection conferred by a patent is to be determined by what is specified in the claims, interpreted in the light of the description and any drawings contained in the patent specification. This does not permit the scope of the protection conferred by a patent to extend beyond what is specified in the claims.

The Singapore Court took the view that the patentee should be bound by the language chosen to frame the claims of his patent. Finally, the Court expressed a concern that importing the doctrine of equivalents into Singapore law may give rise to undue uncertainty concerning the scope of the monopoly granted to a patentee.

The future for Australia

The UK Supreme Court took the approach they did because they were obliged to by the Protocol, but, like Singapore, there is no similar Protocol in effect in Australia. Warnings that the patentee is bound by the words of his choosing, like the warning in *Lee Tat Cheng*, occur frequently in Australian case law. Specifically, in ascertaining the width of a particular claim it is not permissible to vary or qualify the plain and unambiguous meaning of the claim by reference to the body of the specification⁶.

The view in Australia has always been that all essential features of a claim must also be present in the alleged infringement for infringement to be found⁷. As in Singapore, terms used in the claims are interpreted in the light of the description and any drawings contained in the patent specification⁸. While a purposive construction is undertaken, it is not legitimate to construe the claim with reference to the alleged infringement⁹.

A doctrine of equivalents extends the scope of the protection conferred by a patent beyond its claims. In the authors' view, this tilts the balance too far in favour of the patentee for an Australian Court to adopt the approach of the UK Supreme Court in *Actavis v Lilly*.

[1] *Actavis UK Ltd and others v Eli Lilly and Company* [2017] UKSC 48

[2] *Populin v HB Nominees Pty Ltd* (1982) 41 ALR 471

[3] *Catnic Components Limited v Hill and Smith Limited* (1982) RPC 183

[4] Protocol on the Interpretation of Article 69 EPC

[5] *Lee Tat Cheng v. Maka GPS Technologies Pte Ltd* [2018] SGCA 18

[6] *Welch Perrin & Co. Pty. Limited v Worrell* (1961) 106 CLR 588 per Dixon C.J., Kitto and Windeyer JJ. at 610

[7] *H Lundbeck A/S v Alphapharm Pty Ltd.* (2009) 177 FCR

[8] *Décor Corp Pty Ltd. v Dart Industries Inc* (1988) 13 IPR 385

[9] *CCOM Pty Ltd & Anor v. Jiejing Pty Ltd & Ors* (1994) 28 IPR 481