

FC/FCA DECISIONS REGARDING OBVIOUSNESS (2017-2018)

Ciba Speciality Chemicals Water Treatments Limited v SNF Inc., 2017 FCA 225

- **Facts**

- At trial, SNF was successful in invalidating Ciba's patent based on obviousness
 - Ciba's patent claimed a process for treating waste material from mining operations
 - SNF argued that Ciba's patent was obvious in view of the Gallagher reference (WO-A-0192167)
- Ciba appealed the trial decision regarding obviousness

Ciba Speciality Chemicals Water Treatments Limited v SNF Inc., 2017 FCA 225

- **Issues**

1. What is the scope of prior art that may be relied upon in an obviousness analysis?
2. Should courts determine the inventive concept, or just construe the claims?

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1. Analysis: scope of prior art for an obviousness analysis

- Recall the *Windsurfing/Pozzoli* framework from the SCC decision in *Sanofi*:
 - 1)
 - (a) Identify the notional "person skilled in the art";
 - (b) Identify the relevant common general knowledge of that person;
 - 2) Identify the inventive concept of the claim in question or if that cannot readily be done, construe it;
 - 3) Identify what, if any, differences exist between the matter cited as forming part of the "state of the art" and the inventive concept of the claim or the claim as construed;
 - 4) Viewed without any knowledge of the alleged invention as claimed, do those differences constitute steps which would have been obvious to the person skilled in the art or do they require any degree of invention?

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- FCA in *Ciba*:

[56] ... the words “state of the art” in step 3 of the *Windsurfing/Pozzoli* framework are a reference to the prior art. In *Plavix*, the Supreme Court did not specifically comment on the meaning of “the state of the art”, but in the course of its discussion of the *Lundbeck* factors it said the following:

It is true that obviousness is largely concerned with how a skilled worker would have acted *in the light of the prior art*. ... if the inventor and his or her team reached the invention quickly, easily, directly and relatively inexpensively, *in light of the prior art* and common general knowledge, that may be evidence supporting a finding of obviousness. ... Their course of conduct would suggest that a skilled person, using his/her common general knowledge and *the prior art*, would have acted similarly and come up with the same result. *Plavix*, at paragraphs 70-71

[57] I conclude from this that the Supreme Court took the same view of the role of the prior art in the obviousness analysis as the English Courts. It would be surprising if it were otherwise given the provisions of section 28.3 of the Act ...

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- FCA in *Ciba*:

[60] To conclude, a word about “the matter cited as forming part of the prior art”, the phrase used in *Pozzoli and Plavix*. The matter cited as forming part of the prior art is simply the prior art relied upon by the person alleging obviousness. Obviousness is not determined by reference to the prior art at large. The person alleging obviousness must point to one or more elements of prior art which make the impugned invention obvious. The choice of those elements of prior art is entirely in the hands of the party alleging obviousness, limited only by section 28.3 of the Act which sets out the cut-off date for opposable prior art. In fact, the challenger may rely on a combination of pieces of prior art under the “mosaic” theory of obviousness: *Wenzel Downhole Tools Ltd. v. National-Oilwell Canada Ltd.*, 2012 FCA 333 at paragraph 87, [2014] 2 F.C.R. 459.

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- But, how has this been interpreted?

[54] With respect to step 3, the Defendant suggests that *Ciba* altered the *Windsurfing-Pozzoli* test so that establishing the state of the prior art is entirely in the hands of the person alleging obviousness. In fact, the FCA was clarifying that once the state of the prior art is established, it is one or more elements of that prior art, rather than the prior art at large, which may render a claim obvious. While it is the responsibility of the person alleging obviousness to point to those specific elements of the prior art, this does not give them free rein to define the state of the prior art.

[55] With respect to step 4, the FCA was again clarifying, at paragraph 92, that it is not the prior art at large that is relevant, but rather those elements of the prior art which the POSITA could find by conducting a reasonably diligent search.

Frac Shack Inc v AFD Petroleum Ltd, 2018 FC 1047

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2. Analysis: inventive concept vs. construe the claims

- According to the FCA in *Ciba*, Courts should skip defining the inventive concept when it leads to confusion and wastes resources:

[77] There may be cases in which the inventive concept can be grasped without difficulty but it appears to me that because “inventive concept” remains undefined, the search for it has brought considerable confusion into the law of obviousness. That uncertainty can be reduced by simply avoiding the inventive concept altogether and pursuing the alternate course of construing the claim. Until such time as the Supreme Court is able to develop a workable definition of the inventive concept, that appears to me to be a more useful use of the parties’ and the Federal Court’s time than arguing about a distraction or engaging in an unnecessary satellite debate.

- Leave to appeal to SCC was denied

Shire LLC and Shire Pharma Canada ULC v Apotex Inc., 2018 FC 637

- **Facts**

- Apotex unsuccessfully brought an action claiming Shire's VYVANSE patent was invalid for obviousness
 - Patent claimed LDX, a prodrug for the treatment of ADHD and that is resistant to abuse
- Apotex argued that the court should construe the claim instead of determining the inventive concept

Shire LLC and Shire Pharma Canada ULC v Apotex Inc., 2018 FC 637

- **Issues**

- Since *Ciba*, should Courts determine the “inventive concept” during an obviousness analysis?
- Was the VYVANSE patent obvious?

Shire LLC and Shire Pharma Canada ULC v Apotex Inc., 2018 FC 637

- **Analysis:**

- “Inventive concept” is still good law:

[117] In my view, this is a misreading of *Ciba*. As a matter of *stare decisis*, *Ciba* cannot be understood to have overruled *Sanofi-Synthelabo*. Furthermore, the patent in issue in *Ciba* pertained to a process, while *Sanofi-Synthelabo* concerned bare chemical compounds and therefore bears a closer resemblance to the present case. Here, there is no need to resort to the “alternative course” endorsed by *Ciba*, because the inventive concept may be grasped without difficulty, and there is no danger of distraction or engaging in unnecessary satellite debate.

- Patent was not invalid due to obviousness

- The prior art did not suggest making (and in fact taught away from) the compound at issue, and the compound’s properties were unpredictable

Pfizer Canada Inc. v Apotex Inc., 2017 FC 774; *Pfizer Canada Inc. v Teva Canada*, 2017 FC 777

- **Facts**

- Apotex and Teva brought actions seeking to invalidate a Pfizer patent
 - Patent claimed Form 1 ODV succinate for the treatment of depression
- Both defendants argued the patent was invalid due to obviousness
 - This included arguing that the patent was “obvious to try”
- Both defendants argued the law regarding “inventive concept” had changed as a result of *AstraZeneca Canada Inc. v Apotex Inc.*, 2017 SCC 36
 - Defendants argued the inventive concept must be determined for the claims as a whole, not individual claims

Pfizer Canada Inc. v Apotex Inc., 2017 FC 774; Pfizer Canada Inc. v Teva Canada, 2017 FC 777

- **Issues**
 - Should the Court determine the inventive concept of individual claims? Or of the patent as a whole?
 - Was the patent invalid because it was “obvious to try”?

Pfizer Canada Inc. v Apotex Inc., 2017 FC 774; ***Pfizer Canada Inc. v Teva Canada, 2017 FC 777***

- **Analysis: Does the court have to determine the inventive concept of individual claims? Or of the patent as a whole?**
 - Courts can determine the inventive concept of individual claims:

[203] ... Nothing in *AstraZeneca* says that different claims may not have different inventive concepts, and indeed the Supreme Court of Canada said that it is possible for each claim in a patent to disclose a separate invention: *Teva Canada Ltd v Pfizer Canada Inc*, 2012 SCC 60 at para 64. Claims construction allows the Court to read the claim in the context of the patent as a whole, including the description and other claims, and the disclosure may be considered to assist in understanding the claims or to dispel ambiguity.

Pfizer Canada Inc. v Apotex Inc., 2017 FC 774; ***Pfizer Canada Inc. v Teva Canada, 2017 FC 777***

- **Analysis: Was the patent invalid because it was “obvious to try”?**

- “Worth a try” is not the test for “obvious to try”:

[210] ... “[F]or a finding that an invention was ‘obvious to try’, there must be evidence to convince a judge on a balance of probabilities that it was more or less self-evident to try to obtain the invention. Mere possibility that something might turn up is not enough.”

[208] According to *Sanofi*’s guidance, obvious to try “must be approached cautiously.” The obvious to try test “...is only one factor to assist in the obviousness inquiry.”

[200] In my view, the new composition of matter being the crystalline Form I ODV succinate, was ‘worth a try’. In addition, there were ‘possibilities’ that the Skilled Person would find the invention claimed in the 668 Patent through difficult experimentation particularly in respect of crystallization and polymorph screening. However, mere possibilities are not enough, and it is established that being ‘worth a try’ is not the test for obvious to try.

- Patent was found to be valid

QUESTIONS?