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## Patent Ever-Greening: Not So Obvious

Although the Federal Circuit recently affirmed a district court's decision on patent invalidity based on obviousness-type double patenting, the case provides an impetus to review terminal disclaimer practice within a patent family.

AbbVie Inc. and affiliates ("AbbVie") sued The Mathilda and Terence Kennedy Institute of Rheumatology Trust ("Patentee") for declaratory judgment of patent invalidity of Patentee's U.S. Patent No. 7,846,442 ('442 patent), which was directed toward a method of treating a rheumatoid arthritis patient whose active disease is incompletely controlled. AbbVie had already licensed Patentee's U.S. Patent No. 6,270,766 ('766 patent), which is directed toward a method of treating rheumatoid arthritis in a patient in need thereof, but Patentee requested that AbbVie secure an additional license for the later issued '442 patent.

The district court determined that the asserted claims in Patentee's '442 patent were an obvious variant of the invention claimed in Patentee's prior issued '766 patent. Therefore, the district court concluded that the asserted claims of the later issued '442 patent were invalid for obviousness-type double patenting. On appeal, the Federal Circuit applied a two-prong test for the obviousness-type double patenting analysis. First, the court construed and compared claims of the earlier patent and the later patent to determine differences. Second, the court "determine[d] whether those differences render[ed] the claims patentably distinct."

The Patentee argued that the '442 patent claimed a "narrower species" of the genus claimed in the '766 patent, and moreover, the claimed species exhibited unexpected results. The court disagreed and, looking to the specification of the '766 patent, held that since the Patentee relied on the same clinical study to demonstrate utility for their claimed invention in the '766 patent and unexpected results in the '442 patent, the later issued patent "does not claim a species with unexpected results." Despite established case law suggesting that the specification of a prior patent cannot be used in the obviousness-type double patenting analysis, the court pointed out that "in certain instances [disclosure] may be used ... as required to answer the ... question whether claims merely define an obvious variation of what is earlier disclosed and claimed ... [and] ... examination of the disclosed utility of the invention claimed in an earlier patent ... [is one such instance]."

The Patentee also argued for abrogation of the obviousness-type double patenting doctrine due to enactment of the Uruguay Round Agreement Act (URAA). The Patentee contended that URAA eliminated the policy concerns called "submarine patenting" by implementing the earliest claimed priority date for patent term. The Federal Circuit disagreed citing other rationale for the doctrine, i.e., the doctrine "prevent[s] an inventor from securing a second, later expiring patent for the same invention." The court grounded the doctrine's policy rationale into 35 U.S.C. § 101.

Although this case demonstrates the vitality of the obviousness-type double patenting doctrine and its benefit to potential licensees, it is important to consider whether a different outcome would have been reached if the case was reviewed under the America Invents Act (AIA) rules. For example, AIA updated 35 U.S.C. § 102 to specifically define "prior art," and importantly, created exceptions in certain instances. 35 U.S.C. § 102 (b)(2)(C) mandates that "[a] disclosure shall not be prior art to a claimed invention . . . if . . . the subject matter disclosed and the claimed invention . . . were owned by the same person." Since the AbbVie court reiterated that "the second step of the [doctrine's] analysis is analogous to an inquiry

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into the obviousness of a claim under 35 U.S.C. § 103,” and the inquiry under 35 U.S.C. § 103 involves determining the “differences between the claimed invention and the prior art,” it appears that under AIA the specification of the ‘776 patent would not have been available as art during the court’s determination. The court’s correlation between analyzing obviousness-type patenting and analyzing obviousness under 35 U.S.C. §103, in light of AIA’s changes to the statute, suggests that terminal disclaimer practice under AIA may change.

*This document is intended to provide you with general information regarding obviousness-type double patenting. The contents of this document are not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact the attorneys listed or your regular Brownstein Hyatt Farber Schreck, LLP attorney. This communication may be considered advertising in some jurisdictions.*

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