# "Improving" the test for assessing patent infringement involving equivalents

- Actavis seeks declaration of non-infringement in relation to a patent owned by Elli Lilly
- Proposed product does not fall within the literal wording of the patent
- Supreme Court reformulates the *Improver* questions and tackles the interpretation of the wording of patent claims

## What's it about?

Eli Lilly (**Lilly**) owns patents in relation to pemetrexed (a cancer treatment), including a European patent due to expire in 2021, concerning the use of pemetrexed disodium in combination with vitamin B12. On expiry of that patent, Actavis intended to launch its own generic pemetrexed product (not in a disodium formulation), and sought a declaration of non-infringement in connection with Lilly's patent.

The High Court held that Actavis' formulation did not infringe Lilly's patent directly or indirectly. The Court of Appeal agreed that there was no direct infringement, but disagreed as regards indirect infringement. Both parties appealed to the Supreme Court.

## Why does it matter?

Direct patent infringement occurs when, without the owner's consent, the infringer makes or sells a product using the invention that is set out in the patent (section 60, Patents Act 1977). However, UK patent law must be read in the context of the European Patent Convention, which provides guidance on the extent to which the wording in a patent claim should be interpreted literally, as well as how to assess component parts of a product (being a "variant" to the patent owner's product) which are "equivalent" to elements of a patent.

Previous case law has grappled with the issue of how to determine whether something is "equivalent" to a feature of a patent, and the extent to which the Court should look beyond the plain words of a patent claim. Since 1990, the way of approaching equivalents has been to apply the *Improver* questions (from the Patents Court case of *Improver Corp v Remington Consumer Products*). These involve asking if a variant which falls outside of the literal wording of the patent has a material effect on the way the invention works. If no, would this be obvious to a skilled person at the date of publication? And would that person have understood that literal compliance with the patent was an essential part of it?

Agreeing with Lilly, the Supreme Court in this case found that Lilly's patent was directly infringed by the Actavis product. Although that was not clear from a literal reading of Lilly's patent (which was for pemetexed disodium only, and not Actavis' formulation), it was necessary to take a purposive (rather than a strict linguistic) approach to the interpretation of the scope of the claims in the patent. In doing so, the Supreme Court analysed the *Improver* questions in detail, and produced its own formulation. Specifically, the Supreme Court changed the emphasis on the second *Improver* question: rather than asking if a notional skilled person would find it obvious that the variation would have no material effect, it asks whether, on being told what the variant did, the notional person would consider it obvious that the variant achieved substantially the same result, in substantially the same way.

## Now what?

This case is significant: the Supreme Court's reformulation of the *Improver* questions will become the standard test for assessing whether something is an "equivalent" to an element of a patent claim. In particular, the Supreme Court sought to clarify the issue of how the notional skilled person would compare the patent with the equivalent.

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

For further information on this or any other IP related matter please contact Georgina Powling on 0113 209 7662

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