Kluwer Patent Blog

Escitalopram – revisited, again

Brian Cordery (Bristows) · Monday, April 29th, 2013

On 12 April 2013, Mr Justice Arnold gave judgment in the English High Court in *Resolution Chemicals Limited v H Lundbeck A/S* ([2013] EWHC 739 (Pat)). Resolution (a generic supplier company) sought revocation of Lundbeck's SPC/GB02/049 (the "SPC") for escitalopram, alleging invalidity of the basic patent EP (UK) 0 347 066 ("the 066 patent"). Although readers of this blog will be familiar with recent escitalopram litigation – a quick recap of the background facts:

escitalopram is the (+) enantiomer of citalopram (an anti-depressant drug of the selective serotonin re-uptake inhibitor type, first synthesised by Lundbeck in the early 1970s). Lundbeck then devised the method for synthesising escitalopram described and claimed in the 066 patent and discovered that escitalopram was the active enantiomer of the racemate. Escitalopram has been a very successful product for Lundbeck since its launch in 2002. In addition to the UK, the 066 patent has been litigated in various countries such as Belgium, France, Germany, Hungary and the Netherlands and been held valid in all countries bar the Netherlands.

On 3 January 2013, in response to Resolution's application for revocation of the UK designation of the 066 patent, Lundbeck issued an application seeking:

i) summary judgment on the ground that Resolution was precluded from bringing its claim by reason of estoppel;

ii) alternatively, summary judgment on the ground that Resolution's claim had no real prospect of success; and

iii) in the further alternative, a conditional order that Resolution provide security for Lundbeck's costs of these proceedings.

Regarding its first argument, Lundbeck argued that the validity of the 066 patent had been previously unsuccessfully challenged in the UK by parties including Arrow Generics and Teva. Since Arrow was a member of the same corporate group as Resolution at the time of the previous proceedings and Teva belongs to the same group as a company that Resolution now has commercial dealings with, Lundbeck argued Resolution should be estopped from bringing its claim.

Mr Justice Arnold reviewed various UK authorities on the law as to privity of interest and the law as to joint tortfeasance. The judge concluded that Resolution had no interest in escitalopram at the time of the previous proceedings so there was no privity of interest between Resolution and Arrow.

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Further, under established case law, an agreement between Resolution and Teva did not make Teva a joint tortfeasor. Accordingly, Resolution was not prevented from challenging the validity of the 066 patent, and hence the SPC.

Lundbeck's second argument was that the 066 patent was previously held valid not only in the UK but in various other European countries. Even if Resolution is not bound by these previous decisions, there would be no real prospect that it could demonstrate that the 066 patent (and hence the SPC) is invalid. The judge held that Resolution had a real prospect of successfully contending that all the claims of the 066 patent were obvious over the cited prior art. Accordingly, Lundbeck's application for summary judgment was dismissed and Resolution's application for permission to amend its Grounds of Invalidity was allowed.

As for costs, Resolution would not be ordered to provide security for Lundbeck's costs.

Commentary

Given the English court's reluctance to grant summary judgment in patent cases, even in this case where the patent had been held valid in numerous cases before, it is not too surprising that Lundbeck attempted to rely on an estoppel argument. However, it would seem that that argument is also a difficult road to navigate given the narrow scope of the concept of privity of interest.

This case provides factors for potential relitigants to consider before bringing an action in the UK: whilst generally a party will not be bound by a decision to which they were not a party, it appears that there is an exception especially where the party knew about or had a legal interest in the outcome of the previous litigation but took a back seat to allow the earlier party to run the action. A direct commercial interests in the outcome of a case is not enough to establish privity of interest.

It is understood that the full trial is scheduled to be heard in November 2013. Should the 066 patent be held valid, it is very likely that Lundbeck will be awarded its costs on an indemnity basis.

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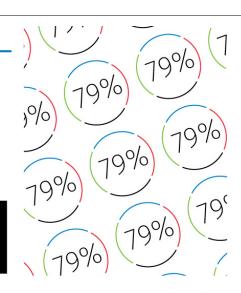
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