

**T R I B U N A L
D E G R A N D E
I N S T A N C E
O F P A R I S**



3rd Chamber
4th Section

Docket No.: **10/13380**

JUDGMENT
handed down on 12 May 2011

Original copy No. :

Summons dated:
13 September 2010

CLAIMANT

OMNIPHARM LIMITED

Suite 3, 24 High Street
Ruddington, Nottingham NG 11 6EA
UNITED KINGDOM

represented by Mr Grégoire DESROUSSEAUX-AUGUST & DEBOUZY,
attorney-at-law, member of the PARIS bar, court box #P0438

DEFENDANT

MERIAL

29 avenue Tony Garnier
69007 LYON 07

represented by Mr Pierre-Louis VERON - VERON & Associés, attorney-
at-law, member of the Paris bar, court box #P024 and pleading through
Ms Isabelle ROMET and Ms Blandine FINAS-TRONEL, attorneys-at-law,
members of the LYON bar

COMPOSITION OF THE COURT

Marie-Claude HERVE, Vice-Presiding Judge
Cécile VITON^{TN}, Judge
Rémy MONCORGE, Judge

Assisted by Katia CARDINALE, Court Clerk

DISCUSSION

At the hearing of 23 March 2011, held publicly before Ms Marie-Claude HERVE and Rémy MONCORGE, reporting judges, who, without the attorneys-at-law's opposition, held the hearing by themselves, and, after having heard the parties' counsels, reported to the Court, pursuant to the provisions of Article 786 of the French Civil Procedure Code.

**Enforceable
copies handed
over on:**

^{TN} The correct name is "VITON" and not "VTION" as written in the French decision.

JUDGMENT

Handed down by making it available at the Court Clerk's office
After hearing both parties
In first instance

PRESENTATION OF THE DISPUTE

On 13 September 2010, Omnipharm Limited, a company governed by the laws of England and Wales, served a summons on Merial to appear before this Court to see, on the basis of Article L. 613-25 of the French Intellectual Property Code, French patent FR-B-2 746 597 and French patent FR-B-2 746 594, entitled "*insecticidal combination effective against fleas on mammals, particularly cats and dogs*", entirely revoked for lack of inventive step.

It states that French patents FR-B-2 746 594 and FR-B-2 746 597 were granted to Merial on 28 August 1998 and on 6 November 1998 respectively.

It specifies that patent FR-B-2 746 597 served as the basis for the filing and the grant of the supplementary protection certificate No. FR 03C0027, covering the fipronil/methoprene proprietary veterinary medicine, the protection of which should expire on 23 January 2018 at the latest.

Omnipharm claims that it is an actor in the veterinary sector and that, accordingly, it has an interest in obtaining the revocation of the aforementioned patents, which do not meet the patentability criteria in this field.

In its 17 March 2011 pleading, Merial recalls that the two aforementioned patents, which it owns, protect an "*insecticidal combination effective against fleas on mammals, particularly cats and dogs*", composed of a combination of at least one insecticide, particularly fipronil, and of one ovicidal compound, an insect growth regulator, particularly methoprene, which blocks the development of parasites' eggs (which the insecticide cannot kill).

The patents also cover the use of the claimed compositions and a process employing them.

It exploits the patents in dispute by manufacturing and marketing the product called *Frontline Combo*, which is part of its *Frontline* product range.

Before any defence on the merits, Merial requests that the Court:

- find that Omnipharm does not justify an interest in the action for revocation of French patent No. 96 04208 and of French patent No. 97 03711 held by Merial;
- hold consequently Omnipharm's revocation action inadmissible for lack of interest;
- in the alternative, should Omnipharm's action be held admissible, refer the case to the judge in charge of the case preparation to allow Merial to file pleading on the claim for patent revocation;

- order Omnipharm to pay €50,000 to Merial pursuant to Article 700 of the French Civil Procedure Code.

In its 23 March 2011 pleading, Omnipharm argues that it has an interest in the action for revocation of the patents in dispute on the particular grounds that:

- its business mainly relates to generic veterinary medicines;
- at the European level, it was already granted two marketing authorisations on the veterinary market for the *Flexicam* and *Acticam* products, which are medicines intended for dogs marketed on the European market;
- accordingly, it is a company involved in the veterinary field and more specifically in the treatment of fleas and ticks in dogs and cats;
- it filed an international patent application WO 2010/106 325 claiming priority from a document dated March 2009, which relates to “*a parasitocidal formulation comprising Fipronil, or a veterinarily acceptable derivative thereof*”; the subject-matter of this patent is not only limited to fipronil alone but also covers the product combinations claimed by Merial’s patents;
- this international patent application shows that Omnipharm has an arisen, current and certain interest in the revocation of the patents in dispute, which relate to fipronil with S-methoprene;
- its intention to market fipronil with S-methoprene on the French territory is established by the filing, in 2010, of the *Fiprotek*, *Fiprotek Plus*, *Fiprotek +* and *Fiprotek Combo* Community trademarks and results from an adduced statement of its director, Mr Donnelly^{TN}.

GROUNDS

On the admissibility of the claim

The claimant to a court action must justify an arisen, direct and current interest in the success of his claim pursuant to Article 31 of the French Civil Procedure Code.

In the case of an action for patent revocation, it is established that the interest in the action is only recognised for current or potential competitors in the field of the manufacture and of the marketing of the patented products.

Merial argues that the information on Omnipharm, which is made available to the public, shows that this company set up in 1998 in England has no industrial or commercial activity in France and, in particular, that it has no website, that it has not filed any annual accounts with the UK Companies House since February 2007, that its latest accounts show a negative value of €345,991^{TN} and that, accordingly, it does not prove to be in a position to develop, manufacture or market itself a veterinary product in France.

It concludes that Omnipharm does not justify a personal interest in the action for revocation of the two Merial French patents and that it only initiated these proceedings as an intermediary to conceal real competitors, who really have an

^{TN} The correct name is “*Mr Donnelly*” and not “*Mr Donnelly*” as written in the French decision.

^{TN} The sum of €345,991 should be read “£345,991”.

interest in claiming the revocation of the said patents and who have themselves to bring a revocation action.

In the present case, Omnipharm does not dispute that it has no website, that it is domiciled at a chartered-accountant firm's address and that it has not filed its annual accounts with the UK Companies House since 2007 but it argues that these elements are immaterial to appraise its interest in the action for revocation of the patents in dispute.

However, it alleges that its capacity and its intention to manufacture and to market generic products covered by Merial's patents at issue are established by several pieces of evidence, which should be successively examined.

- the marketing authorisations (MA) relating to the *Flexicam* and *Acticam* veterinary products show, for *Flexicam*, that the MA's holder is the Danish company called Dechra Veterinary Products and that the manufacturers of the batches are either the latter or third companies and, for *Acticam*, that the MA's holder is the Belgian company called Ecuphar NV, which also is the manufacturer thereof.

It results therefrom that Omnipharm's role was limited to the grant of these MAs on behalf of third parties, to which it then transferred the said authorisations, and that it kept no responsibility in the manufacture or marketing of the two products at issue.

- PCT patent application No. WO 2010/106 325, filed by Omnipharm on 17 March 2010 and designating its director, Mr Donnelly, as the inventor, is closely inspired from PCT patent application No. WO 2010/092 355, filed one month earlier, on 15 February 2010, by the Indian company Cipla in co-ownership with the English company Qed Etal, and designates Mr Donnelly as the inventor with two other Indian inventors.

In fact, these two patent applications relate to a parasitocidal formulation containing fipronil and their comparison shows strong similarities, in particular an identical definition of the technical problem relating to the flash point.

It results therefrom that particularly close links are established between Omnipharm and Cipla, which are confirmed by the examination of the priority documents claimed by the two aforementioned patent applications.

It turns out that Omnipharm's PCT patent application claims priority from US patent application No. 61/161 361, filed on 18 March 2009 by Mr Donnelly as the inventor, then assigned to Qed Etal, whereas Cipla and Qed Etal's PCT patent application claims priority from the aforementioned US patent application and from an Indian patent application filed by Cipla one month earlier, on 16 February 2009, designating two Indian inventors.

It is recognised that the aforementioned US patent application dated 18 March 2009 includes substantial parts of the Indian patent application dated 16 February 2009 – whereas this patent application was not published yet – since the text of the US patent application contains three examples of formulations, which are identical to three out of the six examples of Cipla's prior Indian patent application, of which Mr Donnelly could not be aware unless being directly informed by this company.

These elements sufficiently show that Omnipharm – which only filed its PCT patent application No. WO 2010/106 325 on 17 March 2010, *i.e.*, six months before initiating this revocation action, and which does not justify its capacity to personally exploit this title – in reality acts on behalf of the Indian company Cipla, which is one of Merial's direct competitors.

- the *Fiprotek*, *Fiprotek Plus*, *Fiprotek +* and *Fiprotek Combo* Community trademarks were filed by Omnipharm shortly before the initiation of these proceedings by the 13 September 2010 summons since the *Fiprotek* trademark was filed on 4 February 2010 and the other trademarks on 18 August 2010.

Furthermore, the aforementioned trademarks show again the close links uniting Omnipharm to the Indian company Cipla, which manufactures generic medicines.

It is established that Cipla Vet, Cipla Medpro's South-African subsidiary, already holds the *Fiprotek* trademark to market generic veterinary medicines containing fipronil.

It is also established that Omnipharm filed the *Protektor* and *Terminator* trademarks, which correspond to two names used by Cipla Vet to designate parasitocidal veterinary products.

- Mr Donnelly's statement of intention, which seems to be Omnipharm's one and single shareholder, lacks probative force since nobody can produce evidence for oneself.

It follows from the above that Omnipharm, far from proving to be a current or even simply a potential competitor to Merial, in reality acts on behalf of third companies, which do not want to appear in this dispute, and that it is a shell company hiding other companies, including the Indian generic manufacturer Cipla, which is one of Merial's direct competitors likely to develop business in France, which could be hindered by the patents, the revocation of which is sought.

Under these conditions, since Omnipharm does not prove to be in a position to develop, manufacture or sell itself in France a product for veterinary use, in compliance with Merial's patents in dispute, and in particular to have the required means (infrastructure, staff and installations) to develop such business, its action for patent revocation should be held inadmissible for lack of interest pursuant to Article 31 of the French Civil Procedure Code.

Fairness demands that Merial be granted €10,000 pursuant to Article 700 of the French Civil Procedure Code.

ON THESE GROUNDS

The Court, in first instance, after hearing both parties, handing down a judgment filed with the Court Clerk's office,

Pursuant to Article 31 of the French Civil Procedure Code,

Finds that Omnipharm Limited does not justify an interest in the action for revocation of French patents No. 9604208 and No. 9703711 held by Merial.

Consequently, holds Omnipharm Limited's claim for revocation of the patents in dispute inadmissible for lack of interest.

Orders Omnipharm Limited to pay €10,000 to Merial pursuant to Article 700 of the French Civil Procedure Code.

Orders it to pay the costs of the proceedings, which will be collected in compliance with the provisions of Article 699 of the French Civil Procedure Code.

Done and judged in Paris on 12 May 2011

The Court Clerk

The Presiding Judge