Question Q238

National Group:	Netherlands
Title:	**Second medical use or indication claims**
Contributors:	Paul REESKAMP, John ALLEN, Ricardo DIJKSTRA, Tim ISERIEF, Mari KORSTEN, Gertjan KUIPERS, René John RAGGERS, Arjan REIJNS, Carreen SHANNON, Otto SWENS, Ruud VAN DER VELDEN, Francis VAN VELSEN, Claudia ZERI
Reporter within Working Committee:	Paul REESKAMP
Date:	25 April 2014

Questions[1]

I. Summary

Under Dutch patent law second medical indication claims are allowable.

There is limited case law on the issue how to assess infringement on a second medical indication claim. Should the courts look beyond the SmPC and the patient information leaflet ('PIL'), or is 'skinny labelling' (in which the patented indication is carved out from the SmPC and the PIL) in principle enough to escape infringement? Related open issues regard to burden of proof that there is infringement, despite skinny labelling. There are just a few Dutch court decisions on these topics.

Overall the Dutch group feels that skinny labelling should not be the end of the discussion. All merits of the case should be taken into account in order to assess how likely it is that the generics know or should have known that their generic drugs will be used for the patent indication, despite a carve out.

The Dutch group feels that it is both in the interest of originators and generics to have legal certainty on these issues. Allowing second medical indication claims on the one hand but requiring a high standard of infringement evidence on the other hand, may leave second medical indication claims difficult to enforce. If so, this may be a disincentive for the pharmaceutical industry to make investments to obtain second medical indication patents.

One of the issues is whether the solutions should be found in patent law. It may well be that adjustment of regulatory law is more appropriate. A main issue is that Dutch clinicians do not express the indication when prescribing a medicine. This makes it difficult if not impossible for the downstream market (pharmacists in particular) to establish whether the medicine is going to be used for a patent protected indication.

[1] In the answers below, the Dutch group has assumed that the second medical indication claim meets the normal requirements of patentability (allowable subject matter, novelty, inventive step, enablement).

1) Does your country permit patents covering any aspect of new uses of known pharmaceutical compounds (hereafter referred to as second medical use claims)?

If yes, please answer Questions 2) to 7) inclusive before proceeding to the questions in Parts I and II. If no, please proceed directly to the questions in Parts II and III.

Yes. Regarding the allowability of second medical use claims, the Dutch courts follow the European Patent Convention ('EPC') and the case law of the Boards of Appeal of the European Patent Office ('EPO').

This means that for European patent applications before 29 January 2011 'Swiss type claims' (using compound X for a method for manufacturing a medicine for the treatment of disease Y) are allowed. Hereafter referred to as Swiss-type claims.

For European patent applications filed after 29 January 2011 Swiss type claims are no longer allowed. Instead second medical use claims are allowed as purpose-limited product claims, according to the format 'compound X for the use in the treatment of disease Y'. Hereafter referred to as EPC2000 claims.

2) If the answer to Question 1) is yes, please answer the following sub questions.

a) What is the basis for patent protection?

For EPC 2000 claims, the basis is article 54(4) and (5) EPC 2000. Article 4(5) and 4(6) of the Dutch Patent Act ('DPA') are in line with these provisions.

For Swiss-type claims, the basis is G5/83 (decision by the Enlarged Board of Appeal). This has also been adopted in Dutch case law.

b) What types of second medical use are patentable? See, for example, paragraphs 14) - 17) above/WGLs.

Examples of EPC 2000 claims are (non-exhaustive):

- a known compound for (manufacturing a medicine for) treating disease Y
- a known compound for (manufacturing a medicine for) treating disease Y in a specific patient group
- a known compound for (manufacturing a medicine for) treating a known indication in a new dosage form or new dosage regimen
- combinations thereof.

The equivalent Swiss-type claims hereof are also patentable.

c) Are any types of second medical use impermissible subject matter? See, for example, paragraphs 14) - 17) above/WGLs.

In as far as these second medical uses relate to drugs, there are no second medical uses that appear impermissible subject matter.

d) What forms of second medical use claims are permissible? See, for example, paragraphs 26) - 33) above/WGLs.

The patentable second medical use claims mentioned above in the answer to Question 2 D are also permissible. Examples are:

As for patent applications filed before 29 January 2011, such claims are permissible, albeit in the Swiss-type format.

The Dutch court decided that newly introduced Swiss type claims via limitation and introduced after the entering into force of EP2000 are allowable for reasons that the patent was already issued before 31 December 2007 when the new article 54(5) EPC2000 became into force[2].

e) What forms of second medical use claims are not permissible? See, for example, paragraphs 26) - 33) above/WGLs.

For patent applications filed on or after 29 January 2011, Swiss-type claims are no longer allowed, since these will be regarded as relating to a method for treatment explicitly excluded from patentability under article 53(c) EPC2000.

f) Has any guidance been provided by courts or the national patent office in relation to the meaning, scope and/or effect of 'treatment', 'treating' or 'use to treat' integers in second medical use claims? See, for example, paragraphs 34) - 39) above WGLs.

No, although it is fair to assume that the Dutch court would attribute the ordinary meaning to the term “treatment”. As to the interpretation of the terms ‘treatment’ or ‘treating’, the Dutch case law[3] suggests that there is no single, general meaning for these terms. The terms must be interpreted on the basis of what the description and examples in the patent teach.

3) If your country permits second medical use claims:

a) Who may be liable for infringement of such claims? For example:
- **i) the party marketing the drug with label instructions which describe the patented use;**
- **ii) the physician prescribing the drug for such use;**
- **iii) the pharmacist dispensing a drug for such purpose;**
- **iv) the patient using the drug for such purpose?**

b) Are any parties exempt from infringement or liability for infringement of such claims. If so, what classes of party?

---

2 District Court The Hague 13 November 2013, Sanofi v. Amylin, point 5.27.

3 E.g. District Court The Hague 17 April 2013, Mylan v. Wellcome, District Court The Hague 19 June 2013, Glenmark v. Wellcome.

c) Are such claims enforceable on the basis of direct or indirect infringement? Please provide details.

There is very little case law in the Netherlands in relation to the question of infringement of second medical use claims. Current Dutch case law all relates to the Swiss-type claims. There is no case law (yet) regarding the infringement of EPC 2000 claims.

Under Dutch law, the owner of a second medical use patent can act against an alleged infringer on the basis of:

1. Direct infringement
2. Indirect infringement (contributory infringement)
3. Civil tort

Article 53 (a) Dutch Patent Act provides for protection of product claims and shall confer on its owner the exclusive right to make, use, put on the market or resell, hire out or deliver the patented product, or otherwise deal in it in or for his business, or to offer, import or stock it for any of those purposes (direct infringement). Article 53 (1) (b) provides for a similar protection for process-claims, including products directly obtained by applying the patented process.

Article 73 Dutch Patent Act provides that the patentee can act against any person who in the Netherlands supplies or delivers to or for his business, in respect of an essential part of the invention, to persons other than those who are authorised to work the patented invention, the means for the application of the patented invention in the Netherlands, provided that that person knows, or that it is evident considering the circumstances, that those means are suitable and intended for that application (indirect infringement).

In exceptional circumstances, the patentee can also rely on the general provision on civil tort, in particular in relation to inducing infringement or taking unfair advantage thereof[4].

When assessing whether the requirements of direct infringement, indirect infringement and/or civil tort have been met, the court should take all relevant facts into account. The Summary of Product Characteristics (SmPC) and patient information leaflet (PIL) will normally be taken into account. The court may also take other factors into account, such as advertising materials, market information and any acts the generic may or may not have taken to prevent the generic drug being sold, delivered or used for the patented use.

In view of the wording of article 53 (a) (b) Dutch Patent Act, the patentee can act against the manufacturer of the infringing product on the basis of direct infringement, if it can be shown that the infringing product is manufactured (specifically) for the patented use. The District Court The Hague has considered that, for Swiss-type claims, the SmPC needs to be taken into account[5]. If the SmPC indeed mentions the patented use ('full labelling'), manufacturing the drug constitutes a direct infringement.

The patentee can also take action against (i) the party marketing the drug with label instructions encompassing the patented use. As mentioned above, the District Court

4 See for instance Dutch Supreme Court 18 February 1949, NJ 1949/357 (State v. Bonda), Court of Appeal The Hague 24 July 2012, ECLI:NL:GHSGR:2012:BX6075 (Pfizer v. Uvit) and Provisions Judge District Court Utrecht 15 August 2012, IEF 11673 (Boehringer v. Teva).

5 District Court The Hague 10 November 2010, IEF 9210, Schering v. Teva.

of The Hague has considered that the SmPC needs to be reviewed. If the SmPC mentions the patented use, marketing the drug with such instructions likely constitutes direct infringement, i.e. an infringing offer for sale of the product for the patented use in the Netherlands. Alternatively it would constitute an indirect infringement as said party markets essential means for the application of the invention (the drug) to persons other than those who are authorised to work the invention, and provided that said party knows, or it is evident considering the circumstances (in view of the label instructions in particular), that those means are suitable and intended for that application.

In principle the patentee cannot take action against (ii) the physician prescribing the drug for the patented use. Articles 53(c) EPC and 3(1)(f) Dutch Patent Act exclude the possibility of obtaining a patent for a method of treatment. In decision G 2/08, the Enlarged Board of Appeal considered: *"In fact physicians should be free to take all actions they considered suitable to prevent or to cure a disease, and in this exercise they should remain uninhibited by patents."* This statement of the Enlarged Board of Appeal appears to exclude the possibility to take action against a physician, if the physician is taking actions he/she considers suitable to prevent or cure a disease. Dutch courts tend to follow such decisions by the EPO. There is no Dutch case law on this very issue. If a physician avails of two alternative medicines having the same therapeutic effect, one of which would infringe the patent and one not, under Dutch patent law the physician might be blamed for patent infringement if he prescribes the infringing medicine.

In particular, the patentee can take action against (iii) the pharmacist dispensing a drug for the patented use, as the pharmacist conducts the infringing act of selling and delivering the product for the patented use. Under Dutch law, pharmacists are not exempted from patent infringement. Such acts constitute a direct infringement, or otherwise an indirect infringement, for the same reasons as provided for (i) the party marketing the drug with label instructions describing the patented use. A practical 'show stopper' here is however that it is difficult to prove that the pharmacist was aware of the intended use of the medicine, since Dutch clinicians do not explicit the indication on their prescriptions.

The patentee cannot take action against (iv) the patient using the drug for the patented purpose, as said use is not conducted *"in or for his business"* in the sense of article 53(1)(a) Dutch Patent Act.

Another question is whether the patentee can take action against a health insurance company if said company has as a policy to only reimburse the least expensive drug, i.e. the generic. This likely does not constitute direct or indirect infringement, as the health insurance company does not offer, sell or deliver the drug itself. It may however qualify as an inducement of infringement or benefitting from infringement, if said policy results in pharmacists delivering the infringing drug for the patented use and the health insurance company can save money by only having to reimburse the (less expensive) infringing drug.

4) If a drug is approved for more than one indication, one or more of which (but not all) falls within the claims of a patent, is it an infringement if a party makes, supplies or uses a generic version of the drug for any use?

Only if a party makes or supplies the generic version of a drug for a use that falls within the claims of a (second medical use) patent, these acts will constitute an infringement.

However, if a party makes or supplies a drug for a use that is not within the claims of a (second medical use) patent and for which no reference is included in the SmPC or PIL to the patented use, in principle such acts are not infringing as the scope of protection of second medical use patents is limited to the patented use.

Although Dutch case law on this point has hardly developed, this might be different if a party makes or supplies a generic version of a drug for a non-patented use thereof (mentioned in chapter 4 of the SmPC), whilst the SmPC contains a reference to the patented use in chapter 5 - the discussion of pharmacological properties and results - and the medical practitioner will prescribe the generic version of the drug for the patented use on the basis of such reference. Under those circumstances, making or supplying a generic version of the drug might constitute an infringement.

Offering or supplying the generic version of a drug for a non-patented use, whilst knowing that the medical practitioners will (also) use the drug for an application protected by a second medical use patent can constitute infringing acts if the alleged infringer knows, or it is evident considering the circumstances, that the drug is suitable and intended for the patented use. The burden of proof for the existence of such facts and circumstances lies with the patentee.

Arguably, the patentee could also act against the generic on the basis of civil tort, if the generic is made aware of the infringing use of the drug in practice, but does not take any steps to prevent this infringing use (for instance by warning doctors or pharmacists of the infringing nature of such acts). There is however no case law available on this point.

5) If the answer to Question 4) is yes, please answer the following sub questions in that context.

a) Is each of the acts of making, supplying and using a form of infringement? If not, please specify which (or any other) acts which constitute infringement.

Yes. However, the application of the drug for the patented use in a patient by a medical practitioner or by the patient, does not, as methods of medical treatment are excluded from patentability under article 3(1)(f) Dutch Patent Act.

b) Is it necessary for a finding of infringement that the party making, supplying or using the generic version of the drug does so in connection with the infringing use?

Yes. If the drug is protected by a second medical use claim, the scope of protection only extends to the protected use. Making, supplying or using the generic version of the drug, by itself, does not constitute an infringement.

c) If yes to b), is it necessary that the party knows that their actions are in connection with the infringing use?

In general, knowledge is not a requirement for a finding of patent infringement. In principle, this is also the case for second medical use claims. However, it will need to be established whether the product is manufactured, sold and/or delivered for the patented second medical indication.

Dutch case law is somewhat ambiguous on the establishment of infringement of second medical use claims. A decision by the District Court The Hague (in summary proceedings), implies that the patentee has to prove that the product is actually manufactured (etc.) for the patented use[6].

However, in another decision[7], the District Court seems to open the door to the possibility that making and supplying a generic version of a drug can be infringing even if its SmPC excludes the patented use in chapter 4 (on therapeutic indications). This can be the case if medical practitioners will prescribe the drug for the patented use on the basis of information in the SmPC that does not relate to the therapeutic indications listed in chapter 4, but on the basis of chapter 5 of the SmPC (the discussion on the pharmacological properties). This might even be the case when the patented use has been removed from the chapter on therapeutic indications ("carve out" or "skinny labelling").

If the SmPC contains no reference to the patented use, the making or supplying of the generic version of the drug will not be infringing without either actual knowledge, or without it being evident considering the circumstances, that the generic version of the drug is suitable and intended for the patented use.

d) If yes to c), what standard of knowledge is required? See, for example, paragraphs 38) and 47) above.

As a matter of principle, knowledge is not a prerequisite for establishing infringement (for claiming damages however, it is). Given that a second medical use claim is limited to its purpose, for proving direct infringement the patentee should at least make it sufficiently plausible that the third party knows or should have known that the drug is going to be used for the patented indication. Because Swiss type claims are considered process claims by the Dutch courts and regard compounds that as such are not new, the burden of proof that the compound is likely to be used for the patented second medical indication is on the patentee (see per analogy article 70 (8) Dutch Patent Act). For indirect infringement, it is required that the alleged infringer knows or it is evident considering the circumstances of the case that the product is suitable and intended for the patented use (see article 73 (1) Dutch Patent Act).

6) How do the courts determine infringement of a second medical use claim? What are the legal tests and evidentiary requirements?

Under Dutch law, the scope of protection is determined by the claims, and the description and drawings serve to interpret those claims (article 53 (2) Dutch Patent Act). For European patents, Dutch courts often directly refer to article 69 of the EPC and the Protocol on the interpretation of article 69 EPC.
In the context of assessing infringement, any and all circumstances can be taken into account. Specifically in the context of second medical use claims, the Dutch courts have taken the following circumstances into account when assessing infringement:

- The fact that a generic product featured in the G-Standard (a database containing information on pricing and availability of pharmaceuticals, used by pharmacists) which considered an infringing offer, even if it is expressly stated that the product will be sold and supplied only after patent expiry. It was deemed relevant that the

6 Judge District Court The Hague 2 December 2002, Melles cs. v. Alfa Intes, cons. 9.
7 District Court The Hague 10 November 2010, Schering v. Teva.

G-Standard also contained information on the pharmacotherapeutic information, which includes the patented indication[8];

- The fact that the Market Authorisation, referred to in the G-Standard (see above) discloses the patented medical use[9];
- An indication in the SmPC is **not** sufficient for a finding of infringement, if this use is carved out in the therapeutic indications in the SmPC. However, this assessment may be different if it is proven that the generic product would also be prescribed for the patented use because of this information on clinical trials in (chapter 5 of the) SmPC[10];
- The mere suitability for the patented (second) medical use is insufficient for finding infringement[11];
- The fact that a particular dosage of a pharmaceutical compound is used for the patented medical use[12].

It is up to the patentee to substantiate that all the claim features have been met and that there is a case of infringement. If certain facts are sufficiently disputed by the generic, the burden of proof regarding these facts lies with the patentee. Under Dutch law, facts can be proven through all possible means. It is up to the court to balance the evidence (article 152 Dutch Code of Civil Procedure). Facts can inter alia be proven by submitting documents (such as the SmPC, patient leaflet, advertising materials, market information, etc.), witness and/or expert statements.

It could be said that the EPC 2000 enjoy a broader scope of protection than Swiss-type claims, because EPC 2000 claims may place restrictions on the freedom of medical practitioners. This is observed in the G 2/08 decision: "It appears that the rights conferred on the patentee by the claim category under article 54 (5) EPC are likely broader and could, in particular, lead to possible restrictions on the freedom of medical practitioners to prescribe or administer generics". Amongst the Dutch group however, it remained unclear whether, from a practical point of view, there is any significant difference in the scope of protection between Swiss-type and EPC 2000 claims.

7) What relief is available for infringement of a second medical use claim:

a) at a preliminary / interim / interlocutory level?

Under Dutch law, there is no difference between any kind of preliminary relief granted on the basis of a second medical use claim or on the basis of a different type of patent claim. Relief can be granted on the basis of direct or indirect infringement (see answer to question 8).
In preliminary relief proceedings an infringing party is normally ordered to cease and desist from any infringement, direct or indirect, on the patent. The injunction is usually reinforced by penalty sums to be paid to the plaintiff. Furthermore, the losing party in preliminary proceedings is ordered to pay the reasonable legal costs (including those of patent attorneys and experts) of the winning party.
For reasons of procedural efficiency, ancillary relief will be given in preliminary relief proceedings, provided that there is an urgent interest in getting the injunction and provided the ancillary relief is closely related to the injunction itself[13]. In Dutch case law, this has been held for recall, information regarding the source of the

8 Court of Appeal The Hague 2 November 2010, Glaxo v. Pharmachemie, upheld by the Dutch Supreme Court on 22 June 2012.
9 Court of Appeal The Hague 2 November 2010, Glaxo v. Pharmachemie.
10 District Court The Hague 10 November 2010, Schering v Teva.
11 District Court The Hague 2 December 2003, Melles v. Alfa Intes.
12 District Court The Hague 7 April 2010, Mundipharma v. Sandoz.
13 Dutch Supreme Court 25 October 2013, S&S v. Esschert.

infringing products and the distribution channels. Under certain circumstances, Dutch courts also grant an advance payment of damages. Dutch courts tend to be more cautious however, in destruction of allegedly infringing products. In Dutch preliminary relief proceedings (as well as other interlocutory decisions) it is not possible to seek invalidation of a patent. In preliminary injunction proceedings the court will however asses the validity of the patent. If it deems that there is a serious, non-negligible chance that a patent will be invalidated in proceedings on the merits or revoked in opposition proceedings. In principle the court will refuse to grant preliminary relief. Also in preliminary relief proceedings, the court will carry out a relatively thorough assessment on the validity of the patent. Under Dutch patent law, there is no presumption of validity of the patent. However, the burden of proof that the patent is likely to be invalid is on the defendant.

b) by way of final relief?

There are no differences between final relief that is available for infringement of a second medical use claims and final relief for infringement of other types of patent claims. Such final relief can consist of one or more of the following measures: injunction[14], recall of infringing products, destruction of infringing products (in stock or returned following recall), destruction of advertising materials, rectification measures (e.g. advertisements in relevant magazines or letters to distributors and/or customers and arguably measures to actively inform relevant parties that a drug may not be prescribed, distributed, sold or compensated for the patented indication), damages and/or surrender of profits. Normally, a defendant is ordered to submit a statement of a certified accountant regarding the distribution channels, the amount of infringing sales, the profits made by it, and the exact way profits have been calculated (plus insight into infringing sales data).

8) In respect of Question 7)a), can a preliminary / interim / interlocutory injunction be granted solely upon the statements provided in the product packaging or based on the writing of a prescription? If not, what is the basis for relief?

The approach of the Dutch courts is quite practical. A court will look at all the facts of the case, including the actual use made of a product. In view thereof, if product packaging and/or prescriptions contain relevant information the court will include this in its assessment. Under Dutch law, information leaflets can be evidence of infringement and will be analysed to see whether they contain indications that the product can (also) be used for a patented indication.[15]
The District Court of The Hague has held that a carve out SmPC in principle leads to dismissing an injunction if no further evidence of infringement existed. The sole carve out was considered sufficient basis to discuss relief, even considering that the patient information leaflet or the SmPC did not contain any warning or contra-indication regarding the infringing use of the product.[16] Since so far this is the only court decision on this issue, this approach can not yet be considered established case law.
It is established case law that the mere possession of a marketing authorization, without further signs of market entry, is not considered sufficient evidence for assuming (threat of) infringement. However, publication in the so-called G-

[14] In respect of indirect infringement an injunction will merely prohibit the infringer from offering and/or delivering the means forming an essential element of the invention, whereas in the case of direct infringement injunctive relief can be granted for the full range of infringing activities (including use, (re)sale, delivery, offering, keeping in stock, importing).
[15] District Court The Hague 2 December 2003, Oftalblu.
[16] District Court The Hague 10 November 2010, Schering v. Teva Pharma.

standaard[17] of a product is generally considered a sufficient basis for relief. A company that plans to put a medicinal product on the market and wishes its medicine to be reimbursed by insurance companies, is obliged to include the data on that product in the G-Standaard one month before market introduction and pharmacies can only effectively sell a product when it has been included in the G-Standaard. Therefore, publication in the G-Standaard is viewed as a clear sign to a market introduction on short term and thus considered to be "offering for one or another" (infringing uses) in the sense of the Dutch Patent Act.[18]

9) In respect of Question 7)b), what level of proof is required to obtain a final injunction?

The patentee should submit evidence that the alleged infringinger has manufactured the product for the patented second medical use.[19] Such evidence can, for example, consist of specific references to the patented indication in the SmPC, in the PIL or on the product packaging or label. It has been held on one occasion that the mere fact that the product is suitable for the patented indication and that medical professionals may also use the product for the patented indication, does not constitute sufficient proof.[20]
If a seller (distributor) is claimed to directly infringe a second medical use claim, the patentee should submit evidence that (i) the product is offered for sale and/or sold for the patented indication (e.g. proven by the patented indication being mentioned in the SmPC, PIL or on the product packaging or label), or (ii) that the product is in practice prescribed and used for the patented indication even though that indication is not listed as one of the authorized indications in the product information.[21]
Alternatively, the patentee could sue a party selling a product for contributory (indirect) infringement, in which case the patentee must show that said party knew or should have known (it being obvious in view of the circumstances), that the product is suitable for the patented indication and that (some of) the purchasers/users intend to use the product for the patented indication.

When trying to prove that the medicine is likely to be used for the patented indication, despite carve outs in the SmPC and/or the PIL, presumably Dutch courts may find patent infringement if the patentee can – amongst others – substantiate the following circumstances:

- internal documents of the generic company revealing their intention;
- the relative size of the markets for the different indications in relation to the number of sales of a medicine;
- the likelihood of cross-label prescriptions;
- lack of steps taken by the generic company and/or insurance companies to prevent patented use.

II. Policy considerations and proposals for improvements to your current law

10) If your country permits second medical use claims, please answer the following sub questions.

---

17 The G-Standaard is a monthly updated database which contains information on all the products that are dispensed by or used in the healthcare sector (pharmacies, hospitals etc.). This information includes pricing information and reimbursement prices of medicinal products.

18 District Court The Hague 25 July 2007,Abbott v. Teva, Court of Appeal The Hague 2 November 2010,Pharmachemie v. Glaxo, upheld by the Supreme Court 22 June 2012.

19 District Court The Hague 2 December 2003, Oftalblu.

20 District Court The Hague 2 December 2003,Oftalblu.

21 District Court The Hague 10 November 2010,Schering v. Teva Pharma.

a) What are the policy reasons behind permitting such claims?

By allowing further medical use claims, R&D into the use of known medical substances for different indications is likely to be encouraged, as well as research into more favourable dosage forms, dosage regimes or new patient populations for the same indication. Moreover, desirability of harmonization of patent law in the EU has also been a driving factor for the Dutch courts to rule in line with the case law of the boards of the EPO. This is supposed to be in the interest of consumers' health eventually.

b) Are such claims as are currently permissible in your country considered to strike the right balance between the interests of relevant stakeholders?

Striking a fair balance between the interests of the relevant stakeholders (i.e. the patent holder and third parties) is a cornerstone of the (Dutch) patent system. Thus, it is generally accepted that granting further medical use patent claims strikes a fair balance between the interests of the relevant stakeholders.

c) Is it considered that such claims better serve the interests of some stakeholders and/or are detrimental to other stakeholders?

According to the Dutch Group, second medical use claims are considered to strike a fair balance between the interests of the relevant stakeholders.
However, as long as it is difficult for patentees to prove infringement in cases of skinny labelling in particular and hence to effectively enforce their second medical use claims, originators may be discouraged to make the R&D investments which may well be in the range of hundreds of millions of Euro's.

d) If there is any empirical or anecdotal data available, please address the following.

i) What is the prevalence of second medical use claims in your country?

No, there is no such empirical or anecdotal data available, except for a limited amount of case law.

ii) What is the profile of patentees for second medical use claims in your country?

Normally, the profile of patentees for second medical use claims are originators.

11) If your country does not permit second medical use claims, please answer the following sub questions.

a) What are the policy reasons behind not permitting such claims?

b) Would such claims serve the interests of relevant stakeholders?

c) Would such claims be considered to better serve the interests of some stakeholders and/or be detrimental to other stakeholders?

Since under Dutch law second medical indication claims are allowable, we have left this question unanswered.

12) To what extent does your country's law in relation to second medical use claims affect the pharmaceutical industry (originator and generic) in your country?

There is no (empirical) data available with respect to the effects of allowing further medical use claims on the pharmaceutical industry. However, the amount of Dutch case law with respect to further medical use claims is rather limited (as opposed to 'other' pharmaceutical patent proceedings in the Netherlands). This may indicate that the effects of allowing further medical use claims on the pharmaceutical industry are marginal. It may also be an indication that originators are sceptical regarding their chances to effectively enforce their second medical indication claims in case of skinny labelling (any sophisticated generic company will use a carve out).

Given that Dutch clinicians in general do not express the medical indication on their prescriptions, in practice and pharmacists do not record the medical indication for which the drug is sold in their systems either, it is difficult for a patentee to prove infringement in cases of skinny labelling. Consequently, it is difficult to enforce the patent in the down stream market (against pharmacists in particular).

For this reason, the Dutch group suggests considering to adjust regulatory laws to the effect that clinicians are obligated to express the medical indication when prescribing a drug and that pharmacists should record the medical indications for which the drug is sold in their systems. Of course, it should be carefully considered whether this is in compliance with the professional confidentiality obligation of clinicians and the protection of patients data.

III. Proposals for harmonisation

13) Is it desirable to permit second medical use claims?

Yes. By allowing second medical use claims, research is likely to be encouraged with respect to the use of a known medical substance for different indications, as well as the use of a known medical substance for a known indication but with different dosage forms, dosage regimes or patient populations.

14) Is harmonisation of laws relating to second medical use claims desirable?

Yes. Given the fact that innovative pharmaceutical companies seek to tap into global markets, the international patent system should provide consistent and cost-effective possibilities to obtain and enforce reliable patent rights in multiple jurisdictions. The European patent system, although not fully harmonized, proves that patent harmonization efforts have been successful *inter alia* in terms of uniform patentability standards. The (international) harmonization of laws relating to further medical use claims would be beneficial to creating an effective international patent system for innovative pharmaceutical companies and moreover enhance (international) legal certainty for both patentees and generic companies.

15) Please provide a standard that you consider to be best in each of the following areas relating to second medical use claims.

a) Types of second medical use constituting permissible subject matter. See, for example, paragraphs 14) - 17) above/WGLs.

The Dutch group believes the EPC 2000 type claims sets an acceptable standard.

b) Types of any second medical use constituting impermissible subject matter. See, for example, paragraphs 14) - 17) above/WGLs.

Should remain impermissible.

c) Form of permissible claims. See, for example, paragraphs 26) - 33) above/WGLs.

We believe it would be helpful if all countries require applicants to use the same format for second medical use claims. The use of different formats may create uncertainty as to the scope of protection, as one format may be interpreted differently than another format. In this respect, we favor the purpose-limited product claim format ("*Substance X for the use in the treatment of condition disease Y*").

d) Form of impermissible claims. See, for example, paragraphs 26) - 33) above/WGLs.

Should remain impermissible.

e) Who may be liable for infringement?

Any party conducting a prohibited act, any party unlawfully inducing a prohibited act and/or any party taking undue advantage of infringing activities. The Dutch group takes the view that in principle[22] clinicians and patients always should remain exempted from liability for infringement.

f) Any parties/institutions that should be exempted from infringement or liability for infringement.

See our answer under (e).

g) Where a drug is approved for more than one indication, one or more of which (but not all) falls within the claims of a patent, the acts that should constitute patent infringement, and in particular, the standard of knowledge of the alleged infringer.

1) The acts to make, use, put on the market or resell, hire out or deliver the product for the patented use, or otherwise deal in it in or for his business, or to offer, import or stock it for any of those purposes (direct infringement). Knowledge is not a requirement; and

2) the acts of offering or delivering the product for any use (possibly including non-patented use) to persons other than those who are empowered to work the patented invention, and that person knows, or it is evident considering the circumstances, that the product is suitable and intended for that use (indirect infringement).

When establishing infringement a court should look at all relevant circumstances of a case that indicate infringing use despite skinny labelling.

[22] See our answer to question 3.

h) Relief available upon a finding of infringement:

i) at a preliminary / interim / interlocutory level; and

ii) by way of permanent relief.

both i) and ii)

In general, the Dutch group feels that the relief, either preliminary or permanent, as currently given by the Dutch courts, is satisfactory. In addition, we would advocate that proportionate relief (both in preliminary relief and permanent relief proceedings) should be available in cases in which it is likely that the generic medicine will be used for the patented indication, despite a carve-out in the SmPC and/or PiL. For example, it could be considered to order the generic company to limit its production in proportion to the market size of the unpatented medical indications (provided of course this does not violate competition law).

In one case[23], the Dutch court was satisfied with the defense by the allegedly infringing party, that as all obligations with respect to carve out/skinny labelling had been met, there was no ground for any (indirect) infringement claim. We found this ground of the decision to be questionable. After all, carve out and skinny labelling provisions have been adopted within the regulatory legislation framework to prevent from 'automatic' second medical use claims patent infringement. However, complying with regulatory legislation, does not automatically mean there is no patent infringement (an invalid *a contrario* reasoning). Also in this case, the court required proof of actual prescription for the patented second medical use, which could not be presented by the patentee. Given the fact that clinicians normally do not express the indication on recipes, the Dutch group believes this is a *probandum diabolicum*. We believe that second medical use claims patent infringement should be assessed on the basis of all facts of the case. If there is sufficient reason to conclude that the manufacturer of a product knows or should have known that a significant part of its product can be used for the patented second medical use claims (and will be used eventually in a significant number of occasions), an order to cease and desist such an infringement should be given by the courts. After all, threat of infringement is sufficient for claiming (injunctive) relief.

We believe that an effective measure to safeguard against second medical use claims infringement could be to order the infringing party to exercise control in the chain of supply. For example: the manufacturer could be ordered to actively take measures in order to prevent that the down stream market will distribute the drug for the patented indication, warn the customer not to market the product for the patented second medical use claims and to impose the similar obligation on the customer of the customer, etc. (in case of a multi-layer whole sale supply chain).

under ii)

Apart from the final relief as currently granted by the Dutch court, the damage could be established by assessing the market size of the patented indication (X%) and to subsequently assume that X% of the generic sales regard infringement. The market size can be assessed through databases and/or by expert statements. Alternatively, it may be considered to have the distribution of the product continued, be it with a periodical compensation by the infringing party to the patentee. If, by means of an example, it can be established that a certain

[23] District Court The Hague 10 November 2010, Schering v. Teva Pharma.

product ends up in a ratio: 90% non-patented use / 10% patented use, the 'infringing party' could be ordered (with respect to the 'infringing' 10%) to periodically surrender its profits or to periodically compensate the patentee for its lost profits. As experts will need to be involved to (periodically) assess the significant second medical use claims percentage, we believe this type of relief is only available in proceedings on the merits.

i) In each case for h)i) and h)ii), the level of proof for the granting of such relief.

Some concerns already came up with respect to the required level of proof.
The first concern relates to the level of proof for actual second medical use claims (in particular the indications mentioned in the SmPC and the PIL). We believe that a serious threat of infringement is sufficient to get a restraining order, and that submitting an expert opinion (confirming that it is likely that the product will have 'significant' patented use) should be sufficient level of proof. Of course, the expert opinion could be countered by the allegedly infringing party, by submitting an expert opinion stating the opposite.

In proceedings on the merits, the same goes for the determination of significant use (percentages) and determining damages as a result of it. As it is, almost by definition, not doable to exactly determine the exact percentage of second medical use claims infringement, it is not fair to require the patentee to provide the court with such an exact determination (let alone actual numbers of prescriptions). A calculated guess should suffice, if left unrebutted. If parties disagree on the exact percentages, the court should assess the percentage according to justice and fairness, in agreement with the principles of fairness (*ex aequo et bono*). Although the current civil law provides for the possibility to assess damages this way, the option is rarely used, and the normal standard of proof (the claimant is to prove its case) is often maintained.