



**EDITOR'S NOTE:** This document is subject to editorial revision before its reproduction in final form in the *Federal Courts Reports*.

## PATENTS

### INFRINGEMENT

Appeal from Federal Court decision (2022 FC 62) dismissing appellant's motion for summary trial — Underlying action brought pursuant to *Patented Medicines (Notice of Compliance) Regulations*, SOR/93-133 (Regulations), s. 6(1) — In that action, respondents sought declaration that appellant would infringe its Canadian Patent No. 2655335 ('335 patent) if it were to make, use or sell its generic version of patented medicine called INVEGA SUSTENNA — INVEGA SUSTENNA involving suspension of paliperidone palmitate for treatment of schizophrenia, related disorders — For non-renally impaired patients, first, second loading doses are 150 and 100 mg equivalent (mg-eq.), respectively, monthly maintenance doses are 75 mg-eq. each — For renally impaired patients, first, second loading doses are 100 and 75 mg-eq., respectively, monthly maintenance doses are 50 mg-eq. each — Appellant brought motion for summary trial on basis that its product would not infringe '335 patent since it would not provide the 75 mg-eq. dose, which is an essential element of all claims thereof — Legal test for finding of inducing patent infringement correctly stated by Federal Court, i.e. (1) direct infringement by third party; (2) inducer influenced third party to the point that infringing act would not have occurred without influence; (3) defendant knew that its influence would bring about infringing act — Federal Court found that each prongs of test satisfied — According to appellant, any activities falling within scope of claims of '335 patent would be licensed for prescribing physicians, therefore not infringing — Appellant argued that in absence of limitations imposed by respondents at time of sale, a 75 mg-eq. dose that respondents sell would include implied licence to use 75 mg-eq. dose in any way purchaser or prescribing physician chooses, including in claimed dosing regimens with other doses obtained from unlicensed source like appellant — Federal Court considered some of the case law on issue of implied licence, concluded that it did not apply to 75 mg-eq. dose — Reasoned that implied licence relates to patented article itself, 75 mg-eq. dose alone not patented article, merely one component thereof — In present appeal, appellant taking issue only with this portion of Federal Court's analysis on first prong of test for inducing — Whether Federal Court erred in failing to recognize extent of implied licence in this case — Federal Court not erring in any way in its finding that users of respondents' 75 mg-eq. dose with appellant's doses in other amounts would directly infringe '335 patent — Clear from *Eli Lilly & Co. v. Novopharm Ltd.*, [1998] 2 S.C.R. 129 that sale of patented article without restriction includes right to use that article as purchaser pleases — Context of transaction relevant — No reason to conclude that either respondents or its customers (prescribing physician or patient) would have understood that purchase of paliperidone palmitate in single dose from respondents would include implied licence to use entire dosing regimen of product in combination with other doses obtained from unlicensed sources, to practise invention of '335 patent — Difficult to accept that there could be such implied licence in circumstances where neither supposed licensor nor supposed licensee would have understood such licence to exist — *Distrimed Inc. v. Dispill Inc.*, 2013 FC 1043 not supporting principle that sale of mere component of patented invention includes implied licence to use patented invention without restriction, as appellant urging — Present appeal not distinguishable from *MacLennan v. Produits Gilbert Inc.*, 2008 FCA 35 — Nothing in *MacLennan* contemplating broad implied licence to use patented article — In fact, finding of inducement there indicates that purchasers of products from patentee did not obtain unlimited right to use them in patented combination — In *MacLennan, Angelcare Canada Inc. v. Munchkin, Inc.*, 2022 FC 507, patented invention constituted combination invention, therefore sale of

mere component of it insufficient to grant implied right to use entire combination — To grant implied licence, sale of entire combination had to occur — Finally, Federal Court not erring in not limiting its findings of inducing infringement to claims 17 to 32 of '335 patent, which concern use of dosage form according to claimed dosing regimens — Appeal dismissed.

PHARMASCIENCE INC. V. JANSSEN INC. (A-69-22, 2024 FCA 10, Locke J.A., public reasons for judgment dated January 12, 2024, 13 pp.)