IP Alert: Endo v. Teva: Courts Continue to Invalidate Patent Claims Without Construing Them

Endo v. Teva: Courts Continue to Invalidate Patent Claims Without Construing Them

By Sarah A. Kagan

Endo Pharmaceuticals Inc., and Mallinckrodt LLC sued for patent infringement against multiple defendants who had filed Abbreviated New Drug Applications (ANDAs) to market generic versions of Endo's Opana® ER products (extended release oxymorphone). The suits have been consolidated in various permutations related to different defendants and different patents at issue. In an appeal argued December 6, 2018, at the Court of Appeals for the Federal Circuit under docket numbers 17-1240, -1455, and -1887, Endo challenged the district court's partial dismissal of

the case based on its opinion that U.S. Patent 8,808,737 (’737) is invalid for lack of patent-eligible subject matter under § 101. Teva Pharmaceuticals USA, Inc., and Actavis Pharma, Inc., defended the propriety of the district court’s dismissal.

In its briefs, Endo argued that the district court was wrong on the substance and wrong on the process. With regard to substance, Endo argued that the ’737 claims were patent eligible as they are directed to a patent-eligible method of treatment. Regarding process, Endo argued that factual disputes precluded dismissal based on the pleadings alone. The alleged factual disputes related to whether certain elements of the claim were known or conventional.

The subject matter of the ’737 patent is a method of treating pain in a renally impaired patient. First, a kidney function test is performed. Then, an altered dosage of the drug is administered. In Teva’s brief, it urged that the ’737 claims were indistinguishable from the claims the Supreme Court held subject-matter ineligible in Mayo Collaborative Services v. Prometheus Laboratories, Inc., 566 U.S. 66 (2012). In contrast, Endo’s briefing urged that the ’737 claims were indistinguishable from the claims in Vanda Pharmaceuticals Inc., v. West-ward Pharmaceuticals Int’l Ltd., 887 F.3d 1117 (2018), which the Federal Circuit found subject-matter eligible on April 13, 2018, in the midst of the briefing for the Endo v. Teva appeal. Interestingly, then, the issue turns on how the ’737 claims are construed, even though the district court never construed the claims.

Vanda’s claim is shown side-by-side with claims from Mayo and Vanda below (with emphasis added):

Mayo, U.S. Patent 6,355,623 (Ineligible)	Endo, U.S. Patent 8,808,737 (At issue)	Vanda, U.S. Patent 8,586,610 (Eligible)
1. A method of optimizing therapeutic efficacy for treatment of an immune-mediated gastrointestinal disorder, comprising:	1. A method of treating pain in a renally impaired patient, comprising the steps of:	1. A method for treating a patient with iloperidone, wherein the patient is suffering from schizophrenia, the method comprising the steps of:
(a) administering a drug providing 6-thioguanine to a subject having said immune-mediated gastrointes- tinal disorder; and	a. providing a solid oral controlled release dosage form, comprising: i. about 5 mg to about 80 mg of oxymorphone or a pharmaceutically acceptable salt thereof as the sole active ingredient; and	

ii. a controlled release matrix;

b. measuring a creatinine clearance rate of the patient and determining it to be

(a) less than about 30 ml/min,

(b) about 30 mL/min to about 50 mL/min,

(c) about 51 mL/min to about 80 mL/min, or

(d) above about 80 mL/min; and

determining whether the patient is a CYP2D6 poor metabolizer by:

obtaining or having obtained a biological sample from the patient; and

performing or having performed a genotyping assay on the biological sample to determine if the patient has a CYP2D6 poor metabolizer genotype; and

(b) determining the level of 6-thioguanine in said subject having said immune-mediated gastrointestinal disorder,

wherein the level of 6-thioguanine less than about 230 pmol per 8×108 red blood cells indicates a need to increase the amount of said drug subsequently administered to said subject and wherein the level of 6-thioguanine greater than about 400 pmol per 8×108 red blood cells indicates a need to decrease the amount of said drug subsequently administered to said patient.

c. orally administering to said patient, in dependence on which creatinine clearance rate is found, a lower dosage of the dosage form to provide pain relief; wherein after said administration to said patient, the average AUC of oxymorphone over a 12-hour period is less than about 21 nghr/mL.

if the patient has a CYP2D6 poor metabolizer genotype, then internally administering iloperidone to the patient in an amount of 12 mg/day or less, and

if the patient does not have a CYP2D6 poor metabolizer genotype, then internally administering iloperidone to the patient in an amount that is greater than 12 mg/day, up to 24 mg/day,

> wherein a risk of QTc prolongation for a patient having a CYP2D6 poor metabolizer genotype is lower following the internal administration of 12 mg/day or less than it would be if the iloperidone were administered in an amount of greater than 12 mg/day, up to 24 mg/day.

The panel of the Federal Circuit hearing the oral arguments comprised judges Wallach, Clevenger, and Stoll. Endo gave a surprising opening argument of less than one minute. It announced its belief that the Federal Circuit's recent Vanda decision controls the case because the court held in Vanda that methods of treatment are subject-matter eligible. Endo ceded its remaining time.

Teva urged that Vanda did not control because it did not provide a blanket, get-out-of-jail pass for methods of treatment. Rather, it is a more nuanced decision, Teva stated. Additionally, Teva urged that the Endo and Vanda claims were meaningfully different, particularly in the administering portion of the claims. Teva argued that Vanda's claims were very specific whereas Endo's claims contained the equivalent of an instruction merely to apply a law of nature. Vanda's claims, it said, provided a flow chart, whereas Endo's claims did not specify what dose to use or how the dose correlates with the kidney function (creatinine levels).

Teva tried to interest the court in additional cases that discussed or pertained to the '737 claims. Judge Clevenger quickly shut down this discussion after ascertaining that these cases had not been cited to the court in the parties' briefs.

The absence of a claim construction permitted each side to characterize the claims in its own way. Endo stated that the '737 claim has two administering steps, but inspection of the claim does not immediately support that assertion. Endo asserted that "a lower dosage" meant lower than the dosage for a healthy (not renally impaired) population. Does the asserted second administration refer to administration to a healthy person? In response to questioning regarding the "wherein" clause, Endo indicated that the clause requires titration of the dosage. Does the titration process supply the second administration in Endo's view? Teva stated that the '737 claims do not teach how much the dosage should be lowered. Yet inspection of claim 1 indicates that it recites reduction to a certain AUC (area under the curve) level.

The willingness of courts to invalidate claims without construing them seems inconsistent with the post-Markman focus on determining the correct meaning of a claim before analyzing its scope for patentability over prior art and for assessing infringement. Nonetheless, this practice has become common. In 2017, Blue Spike, LLC petitioned for certiorari to the Supreme Court on precisely this issue after a dismissal on the pleadings and a Rule 36 affirmance (with no opinion) from the Federal Circuit. The Supreme Court denied the petition. It is certainly curious that courts take such care in deciding other issues of patent validity but decide subject-matter eligibility using approximations.

Click here to listen to the arguments in Endo Pharmaceuticals Inc. v. Teva Pharmaceuticals USA, Inc.

Click here to download a printable version of this article.

Posted: December 21, 2018