

GILEAD SCIENCES, INC. v. NATCO PHARMA LTD., Appeal No. 2013-1418 (Fed. Cir. April 22, 2014). Before Rader, Prost and Chen. Appealed from D.N.J. (Judge Wigenton).

Background:

Gilead sued Natco, alleging that Natco's Abbreviated New Drug Application infringed the claims of Gilead's '483 Patent. Natco in turn asserted that the '483 Patent was invalid for obviousness-type double patenting in view of the claims of Gilead's '375 Patent, which was filed before the '483 Patent but issued after the '483 Patent.

At trial, the district court concluded that a later-issued but earlier-expiring patent (e.g., the '375 Patent) cannot serve as a double-patenting reference against an earlier-issued but later-expiring patent (e.g., the '483 Patent). The district court thus granted summary judgment in favor of Gilead on Natco's double patenting defense. Natco appealed.

Issue/Holding:

Did the district court err by holding that a patent that issues after but expires before another patent cannot qualify as a double patenting reference for that other patent? Yes, vacated and remanded.

Discussion:

Citing numerous prior decisions, the Federal Circuit opined that it is a bedrock principle of the United States' patent system that when a patent expires, the public is free to use not only the same invention claimed in the expired patent but also obvious or patentably indistinct modifications of that invention. The Federal Circuit also opined that this bedrock principle is violated when a patent expires but the public is nevertheless barred from practicing obvious modifications of the invention claimed in the expired patent because the inventor holds another, later-expiring patent with claims for obvious modifications of the invention.

The Federal Circuit thus concluded that in the present situation, the expiration dates of the patents, not the issuance dates, are the relevant dates for the double patenting inquiry. Because the '483 Patent expires after the '375 Patent and thereby extends the patentee's term of exclusivity on obvious variants of the '375 Patent past the expiration date of the '375 Patent, the Federal Circuit held that the '375 Patent can qualify as an obviousness-type double patenting reference for the '483 Patent.

Judge Rader dissented. He first argued that this holding of the Federal Circuit expands a judge-made exception to a statutory grant when judicial restraint was more appropriate. He also argued that because the subsequently-issued '375 Patent did not extend the term of the earlier-issued '483 Patent and because the '375 and '483 Patents are commonly owned, the policy concerns underlying obviousness-type double patenting are not raised in the present case.

