

Abstract – *Strategic and defensive patenting: anticompetitive underpinnings and a possible (patent law) solution.*

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Today, the already complex interplay between competition law and IPRs seems to be moving to a new phase with new types of conduct posing more and more sophisticated issues to assess. This is the case for a series of practices consisting in the abuse of regulatory procedures and, in particular, abuse of the rules dictated by the patent system. In the pharmaceutical sector particularly, due to the current difficulties envisaged by pharmaceutical companies in bringing about new promising compounds to build new drugs, competition on innovation has become extremely fierce, with an increased attitude of originators to engage in all form of defensive and strategic conduct to delay entrance from generic companies.

In the Sector Inquiry Report of 2009 ⁽¹⁾, the European Commission used to term ‘strategic patent filings’ to refer to “all strategies of a company concerning the *use of the patent system to the benefit of the company* in relation to *generic competition*”, including in particular “strategies on the timing and scope of filing as well as the manners in which patents are applied for” ⁽²⁾. In this very broad category of practices, the Commission highlighted the creation of *patent clusters* or *thickets*, arising from multiple filing presented simultaneously or soon after the filing of the ‘main’ patent, each filing elaborating on a sliver of knowledge embedded in the first patent; and the so called *evergreening* of the patent ⁽³⁾, described as the filing of dependent patents after the filing of the primary patent and typically when the latter is about to expire.

The intriguing aspect concerning those practices is that they are completely legal under a patent law perspective. In fact, both in the pharmaceutical sector and in other intensive-innovation sectors (i.e. the information technologies) it is very common to either create patent clusters (in the first one) or to revert to derivative patents (in both of them). Hence, while the European Commission has correctly pointed out the potential anticompetitive effects such conduct may exert on competition dynamics, their assessment in practice is far from easy.

The aim of this paper is twofold. First of all, the author wishes to provide an in-depth analysis of the potential anticompetitive potential inherent to each practice that can be termed as “strategic patenting”. This will help the reader to dissect the different anticompetitive potentials enshrined into such practices, which often happen to be confused one with the other. The second part of this study will focus on the likely application of antitrust tools to such practices, focusing on the recent *Servier* decision of the European Commission ⁽⁴⁾. In this part, the author will highlight the correctness of the rationale embraced by the EU competition authority in sanctioning the firm conduct specifically referring to the circumstance that the (defensive) patent(s) had not been reduced to practice (i.e. no new product had been marketed relating to such patent).

This crucial point in the reasoning of the competition authority will lead to the third part of the study which is in turn centered on the possibility to find a remedy to contrast strategic patenting within the

¹ See *Pharmaceutical Sector Inquiry, Final Report*, 8 July 2009, available at <http://ec.europa.eu/competition/sectors/pharmaceuticals/inquiry/index.html>, chap. B, para 1.1.2.4., §§ 79 and ff..

² Cfr. *Pharmaceutical Sector Inquiry, Final Report*, chap. C, para. 2.1. § 467.

³ *Ibidem*, cap. 2.1., § 480.

⁴ Dg Comp, case AT.39612 – Perindopril (Servier), 9.07.2014, C(2014) 4955 final, provisional version published on 14.07.2015.

realm of patent law. At this regard, the author will elaborate on the possibility of revitalizing a patent law tool that has been put to rest a long time ago: namely, the forfeiture of the patent.

Unlike trademark law, where the non-use of the distinctive sign may lead to the forfeiture of the exclusive rights on the sign (when certain conditions are met), most national patent laws -- which have complied with art. 5,A,3) of the Paris Convention for the Protection of Industrial Property -- have deactivated such tool by conditioning its practical application to the circumstance that a competitor must have asked for a compulsory license first and then that some other time (the range changes among national patent laws) must have elapsed with no one working the patent.

It will be argued that the instrument of the forfeiture of the patent could be precious in all those cases where patents are filed and obtained validly from a patent law perspective, but are then just kept in the drawer, ready to be brought into light only for defensive purposes. It will be demonstrated, infact, that forfeiture of the patent could be successfully employed not only against so called (patent) sham litigation cases, but also in all cases where the defense of the patent is aggressively pursued just for strategic scopes and not to protect a real innovation, as patent law requires.