

Drug Licensees Subject To Federal Price Regulation In Canada – Law360

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Canada has long regulated the price of patented pharmaceutical products with the intent to protect consumers from excessive prices. In recent years, there have been questions about the jurisdiction of the Patented Medicine Prices Review Board (PMPRB) over generic drug companies who receive authorization from a patentee to sell a drug product in Canada. As the PMPRB's jurisdiction is limited to patentees, who is a "patentee" is important for manufacturers, distributors, wholesalers, retailers and pharmacies to understand to determine the extent of their regulatory obligations towards the PMPRB.

The subject of Canada's federal price regulation is explored in depth by Osler's [Vincent M. de Grandpré](#), partner, [Intellectual Property](#), and [Lillian Wallace](#), associate, [Intellectual Property](#) in their article, "Drug Licensees Subject To Federal Price Regulation In Canada" for Law360. They provide an overview of recent twin decisions of the Federal Court of Appeal regarding the jurisdiction of the PMPRB. They also explore the PMPRB's jurisdiction more generally and how legislative and judicial pronouncements have steadily expanded the definition of a "patentee."

In addition to explaining relevant sections of the *Patent Act* and applicable case law, this article offers valuable insight to businesses and individuals involved in the sale of pharmaceuticals to Canadians, even when sales occur outside of Canada. Other topics highlighted include the following:

- the application of the reasonableness standard and legislative purpose of the PMPRB
- the issue of ex-factory prices
- when a licence could be implied

While it is clear the PMPRB's jurisdiction now includes patent licensees, there is less clarity around precisely which types of licenses will face federal price regulation.

To learn more about the scope of the PMPRB's jurisdiction over pharmaceutical products read the whole article, "[Drug Licensees Subject To Federal Price Regulation In Canada](#)" on [law360.com](#).