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Dry eye patent held invalid when viewed through proper lens

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The claims of a Canadian patent are the numbered paragraphs at the end that define the scope of the legal exclusivity conferred by the patent. When inventors formulate these claims, they are faced with a dilemma. If the claims are too narrow, the defendant may have a workaround. If the claims are too broad, the defendant may be able to successfully argue that the claims are invalid because they cover old or obvious subject matter. The patentee must sometimes walk a tightrope.

In the Federal Court of Appeal's June decision in Tearlab Corp. v. I-MED Pharma Inc. [2019] F.C.J. No. 693, the patentee fell off the tightrope. TearLab had a patent relating to an osmolarity measuring system capable of detecting dry eye disease based on the electrical energy in tear fluid. The patent claims focused on a "sample receiving chip" that receives tears and detects the energy properties in the tears subjected to an electrical signal. These energy properties form the basis of an osmolarity measurement that is used to diagnose dry eye disease.

In a patent infringement action, TearLab tried to assert its patent against the defendant I-Med's i-Pen, which involved using a single-use electrical sensor placed against the inner surface of an eyelid. Unlike TearLab's system, which required that tear fluid be placed on a chip, the i-Pen involved placing the sensor in the eye. The key question was whether the patent claims could be read to cover i-Med's implementation.

The court was receptive to TearLab's arguments that the i-Pen infringed TearLab's patent claims. But in arriving at this result, the court interpreted the patent claims so broadly as to put them in danger of being found invalid. In the end, the court found that several prior art documents taught the claimed solution before TearLab applied for its patent. The Federal Court therefore found TearLab's patent invalid. TearLab appealed.

At the Federal Court of Appeal, TearLab focused on the claim term "sample receiving chip." They argued that the trial judge interpreted this term too broadly, as covering anything having a surface that could receive a fluid sample. Instead, TearLab argued, the judge should have understood this chip to be a "microchip" having the properties of planarity and rigidity. If the claim could be interpreted this narrowly, TearLab may have managed to overcome the prior art.

The Federal Court of Appeal was unwilling to save the patent because the patent, purposively construed, did not support the interpretation advanced by TearLab. The court noted that the claims refer to a chip, not a microchip, despite the term "microchip" being used elsewhere in the patent. Nor did the patent mention rigidity of the chip, and planarity was mentioned only in one narrow situation. None of these terms appeared in the claims.

TearLab also attempted to justify its interpretation by resorting to the patent's "inventive concept," purported to be the ability to measure osmolarity in a volume-independent

manner. The court rejected this approach. The court stated that the concept of volume independence was not made explicit in the claims at issue, despite appearing in an unasserted patent claim. The court reaffirmed that the emphasis must be on the claim language and on the inventive concept that can be derived from the wording of the claim, as opposed to some more general concept that could be derived from the patent specification as a whole.

The court's caution regarding the inventive concept reflects a growing concern at the Federal Court of Appeal that cases should be resolved based on the language in the claims rather than general concepts that are argued to permeate the patent. This approach has solidified over the past two years after a decade in which the court routinely interpreted patents based on "promises" found throughout the patent. The court is now signalling a more literal, and potentially more predictable, approach to patent claim interpretation.

In finding against TearLab, the court could not help but comment on the myopia in TearLab's argument. The court's finding of infringement was premised on a broad reading of TearLab's patent. Had the patent been interpreted narrowly, this finding of infringement would be called into question. In fact, the trial judge had specifically stated that a narrow interpretation of the claim would have caused none of the claims to be infringed.

There is a long history of patentees and patent challengers, in Canada and elsewhere, attempting to dazzle judges with fine arguments to enlarge and narrow patent claims by resorting to arguments based on promises, inventive concepts, the essence of the invention and other such doctrines. The TearLab decision is another reminder that none of these arguments is likely to be as effective as simply focusing on the words of patent claims, that is, on the terms of the bargain the patentee struck in the first place.

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