UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

0325 5 APR 11 A10:18

April 5, 2005

Division of Dockets Management
Food and Drug Administration
5630 Fishers Lane
Room 1061 (HFA-305)
Rockville, Maryland 20852

Re: Response to Citizen Petition by IVAX Pharmaceuticals, Inc.
Docket No. 2005P-0008/CP-1

The United States Federal Trade Commission ("FTC" or "Commission") submits this response to the above-referenced Citizen Petition, dated January 5, 2005. In that Citizen Petition, IVAX Pharmaceuticals, Inc. ("IVAX") objects to the Food and Drug Administration's ("FDA's") delisting of two patents from the Orange Book for which IVAX had previously filed Paragraph IV certifications in its Abbreviated New Drug Application ("ANDA") to market generic simvastatin tablets. IVAX argues that subsequent ANDAs for simvastatin must submit certifications for the two patents and that FDA may not approve those ANDAs until at least 180 days after its first commercial marketing.

We submit this response to discuss the implications for consumers and competition in the pharmaceutical industry raised by IVAX's Citizen Petition and its flawed view of the 180-day marketing exclusivity as a right awarded to a first ANDA filer, rather than an incentive to challenge weak patents and design products that avoid infringing narrow ones.

Interest of the Federal Trade Commission

The Federal Trade Commission is an independent administrative agency charged with promoting the efficient functioning of the marketplace and protecting consumer interests. The Commission has developed significant expertise regarding the pharmaceutical industry and the operation of the Hatch-Waxman Act.[1] It has brought a number of antitrust enforcement actions affecting both branded and generic drug companies, alleging they had used certain provisions of

[1] The Drug Price Competition and Patent Term Restoration Act of 1984, P.L. No. 98-417 (codified at 15 U.S.C. § 68b, 21 U.S.C. §§ 301, 355, 360cc, and 35 U.S.C. §§156, 271, 282).

2005P-0008

EMC 1

Hatch-Waxman to impede competition.[2] In addition, the Commission released a study entitled "Generic Drug Entry Prior to Patent Expiration" ("*FTC Generic Drug Study*") in July 2002. That study found that certain provisions of Hatch-Waxman were susceptible to strategies to delay consumer access to generic alternatives to brand-name drug products.[3] Based on its findings in that study, the Commission provided comments to FDA regarding proposed amendments to its regulations governing Orange Book listings and administration of the 30-month stay provision.[4] Following Commission testimony on the operation of the Hatch-Waxman Act,[5] Congress adopted the study's two major recommendations in its recent amendments to Hatch-Waxman.[6] The Commission has gained expertise regarding competition in the pharmaceutical industry through other means as well. For instance, the Commission staff has conducted empirical analyses of competition in the pharmaceutical industry, including in-depth studies by the staff of the Bureau of Economics.[7]

The Role of the Orange Book

An explanation of the Orange Book's role in the approval of generic drugs under the 1984 Hatch-Waxman Act sets the stage for a discussion of IVAX's Citizen Petition and its

---

[2] For a recent listing and discussion of all FTC pharmaceutical enforcement actions, *see FTC Antitrust Actions In Pharmaceutical Services and Products* (Oct. 2004), *available at* <http://www.ftc.gov/bc/0410rxupdate.pdf>.

[3] *See Generic Drug Entry Prior to Patent Expiration: An FTC Study* (July 2002), *available at* <http://www.ftc.gov/os/2002/07/genericdrugstudy.pdf>.

[4] *Comments of the Federal Trade Commission, In the Matter of Applications for FDA Approval to Market a New Drug; Patent Listing Requirements and Application of 30-Month Stays on Approval of Abbreviated New Drug Applications* (Dec. 3, 2002), *available at* <http://www.ftc.gov/be/v030002.pdf>.

[5] *Prepared Statement of the Federal Trade Commission Before the Committee on Judiciary, United States Senate* (Aug. 1, 2003), *available at* <http://www.ftc.gov/os/2003/08/030801pharmtest.htm.>; *Prepared Statement of the Federal Trade Commission Before the Committee on Judiciary, United States Senate* (June 17, 2003), *available at* <http://www.ftc.gov/os/2003/06/030617pharmtestimony.htm>.

[6] Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Title XI, Access to Affordable Pharmaceuticals, PL 108-173, 117 Stat. 2066 (Dec. 8, 2003) (hereinafter, "MMA").

[7] Bureau of Economics Staff Report, Federal Trade Commission, *The Pharmaceutical Industry: A Discussion of Competitive and Antitrust Issues in an Environment of Change* (Mar. 1999), *available at* <http://www.ftc.gov/reports/pharmaceutical/drugrep.pdf>; David Reiffen and Michael R. Ward, *Generic Drug Industry Dynamics*, Bureau of Economics Working Paper No. 248 (Feb. 2002), *available at* <http://www.ftc.gov/be/econwork.htm>.

implications for competition in the pharmaceutical industry. A brand-name drug manufacturer seeking to market a new drug product must first obtain FDA approval by filing a New Drug Application ("NDA"). At the time the NDA is filed, the brand-name company must provide FDA with information regarding patents that cover the drug that is the subject of its NDA.[8] FDA lists these patents in a publication entitled "Approved Drug Products with Therapeutic Equivalence," commonly known as the "Orange Book." To obtain approval of a generic version of a brand-name drug, a generic applicant files an Abbreviated New Drug Application ("ANDA"). The ANDA must contain, among other things, a certification regarding each patent listed in the Orange Book for the relevant NDA.[9] One way to satisfy this requirement is to provide a "Paragraph IV certification," asserting that a listed patent is invalid or not infringed. An ANDA applicant filing a Paragraph IV certification must serve notice on the patent owner and the NDA holder.[10]

By listing a patent in the Orange Book, a brand-name drug company begins the process that may potentially trigger two provisions of the Hatch-Waxman Act – the 30-month stay provision and the 180-day exclusivity provision. Under the 30-month stay provision, if a patent holder brings an infringement suit within 45 days of receiving notice of an ANDA filer's Paragraph IV certification, that suit triggers an automatic 30-month stay of FDA approval of the ANDA.[11] Under the 180-day exclusivity provision, subsequent generic applicants filing ANDAs for the same drug containing a Paragraph IV certification may not receive final FDA approval until 180 days after either (1) the first ANDA applicant that submitted a Paragraph IV certification begins commercial marketing, or (2) a court decision holding that the relevant patent is invalid or not infringed.[12]

The 30-month stay provision and the 180-day exclusivity provision of the 1984 Hatch-Waxman Act were amended by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA).[13] Under sections 1101(1) and 1102(b) of the MMA, the 1984 version of these provisions applies to IVAX's ANDA, which was filed with the relevant Paragraph IV certifications before the effective date of the revised statue. Although we focus on the 1984 version of the statute for that reason, the principles we discuss are equally valid for the MMA's revised provisions, as explained below.

---

[8] 21 U.S.C. § 355(b)(1).

[9] *Id.* § 355(j)(2)(A)(vii); 21 C.F.R. § 314.94(a)(12)(i)-(iii).

[10] 21 C.F.R. § 314.95(a).

[11] 21 U.S.C. § 355(j)(5)(B)(iii) (2002).

[12] *Id.* § 355(j)(5)(B)(iv) (2002).

[13] Title XI, Access to Affordable Pharmaceuticals, PL 108-173, 117 Stat. 2066 (Dec. 8, 2003).

IVAX's Citizen Petition

Merck & Co., Inc. holds the NDA for the drug Zocor, which contains the active ingredient simvastatin and is used to treat high cholesterol. FDA approved the NDA in 1991 and listed U.S. Patent No. 4,444,784 (the '784 patent), claiming simvastatin and the use of simvastatin to treat high cholesterol, in the Orange Book. In 2000, Merck listed two additional patents under Zocor, RE 36,481 (the '481 patent) and RE 36,520 (the '520 patent). Both patents claim compounds related to simvastatin and the use of those compounds to treat high cholesterol, but neither patent claims simvastatin itself or its use.

IVAX submitted its ANDA for generic Zocor in December 2000. The ANDA contained a Paragraph III certification for the '784 patent and Paragraph IV certifications for the '481 and '520 patents. IVAX believes it filed the first ANDA containing a Paragraph IV certification for at least some dosage strengths of Zocor. Merck has not sued IVAX for patent infringement. IVAX expects to begin marketing generic Zocor on June 23, 2006, when the pediatric exclusivity associated with the '784 patent expires.[14]

In August 2003, FDA revised its regulations to clarify that a listed drug substance patent must claim the active ingredient of an approved drug product and not a metabolite or intermediate of that active ingredient.[15] Following that revision, in about September 2004 and presumably at Merck's request, FDA removed the '481 and '520 patents from the Orange Book. In spite of this, IVAX has not amended its ANDA to omit its Paragraph IV certification for both patents, as required by FDA's regulations.[16] Instead, IVAX submitted the above-referenced Citizen Petition to FDA, arguing that the applicable statute and regulations require that the patents remain listed in order to support IVAX's continuing eligibility for the 180-day exclusivity. Specifically, IVAX petitioned FDA to:

1. Not approve subsequent ANDAs for simvastatin tablets for 180 days from the date of first commercial marketing of simvastatin tablets under IVAX's ANDA No. 76-052.

2. Reinstate the '481 and '520 patents in the Orange Book and require subsequent ANDAs for simvastatin tablets to contain certifications to the '481 and '520 patents.[17]

---

[14] IVAX Citizen Petition at 12-13.

[15] 68 Fed. Reg. 36676, 36697 (June 18, 2003) (revising 21 C.F.R. § 314.53(b)).

[16] 21 C.F.R. § 314.94(a)(12)(viii)(B) ("If a patent is removed from the list, any applicant with a pending application . . . who has made a certification with respect to such patent shall amend its certification.").

[17] IVAX Citizen Petition at 2.

Were IVAX's petition to be granted, it would prevent additional generic simvastatin products from reaching consumers until 180 days after expiration of the '784 patent's pediatric exclusivity period.

In support of its petition, IVAX points to FDA's regulation at 21 C.F.R. § 314.94(a)(12)(viii)(B) prohibiting the delisting of certain patents that had been the subject of a lawsuit. That regulation states:

> A patent that is the subject of a lawsuit under § 314.107(c) shall not be removed from the list until FDA determines either that no delay in effective dates of approval is required under that section as a result of the lawsuit, that the patent has expired, or that any such period of delay in effective dates of approval is ended.[18]

This regulation prohibiting delisting does not apply here because the '481 and '520 patents were never "the subject of a lawsuit." In spite of this, IVAX argues that the requirement of a lawsuit should be read out of the regulation because it refers to a "lawsuit under § 314.107(c)" and 21 C.F.R. § 314.107(c) no longer pertains to a lawsuit.

In its current formulation, § 314.107(c) follows the 180-day exclusivity provision of the 1984 Hatch-Waxman Act by stating that a subsequent ANDA containing a Paragraph IV certification will not be approved until at least 180 days after either the first ANDA filer begins commercial marketing or a court decision on the relevant patent. However, as IVAX notes, FDA's original version of § 314.107(c) required that a first ANDA applicant "successfully defend" a Paragraph IV patent infringement lawsuit to be eligible for the 180-day exclusivity.[19] After the court struck down the "successful defense requirement" in *Mova v. Shalala*,[20] FDA removed the reference to a lawsuit in §314.107(c) to eliminate the "successful defense requirement."[21] FDA did not, however, revise the delisting regulation, which continues to prohibit the delisting of patents that are the "subject of a lawsuit under §314.107(c)."

Because of this incongruity in the delisting regulation, IVAX argues that the regulation must be interpreted to prohibit the delisting of a patent whenever a generic company has established its "right" to the 180-day exclusivity by being the first ANDA applicant to submit a Paragraph IV certification, regardless of whether the patent was the subject of successful litigation or the reasons for the delisting:

---

[18] 21 C.F.R. § 314.94(a)(12)(viii)(B).

[19] *See* 59 Fed. Reg. 50,338, 50,367 (Oct. 3, 1994).

[20] 955 F. Supp. 128 (D.D.C. 1997), *aff'd*, 140 F.3d 1060 (D.C. Cir. 1998).

[21] 63 Fed. Reg. 59,710 (Nov. 5, 1998).

> When the right to a 180-day exclusivity period has accrued to an ANDA applicant, however, FDA's regulations prohibit the removal of a patent from the Orange Book for as long as the ANDA applicant remains eligible for the 180-day exclusivity, the patent expires, or the 180-day exclusivity period has elapsed. § 314.94(a)(12)(viii)(B). The prohibition against delisting a patent in this circumstance is for the sole purpose of enforcing an ANDA applicant's right to180-day exclusivity, and is not based on the accuracy or relevance of the patent information. Therefore, the NDA applicant has no say in the listing of a patent to enforce 180-day exclusivity after an ANDA applicant becomes eligible for it.[22]

The Negative Implications of IVAX's Citizen Petition

Were FDA to adopt IVAX's interpretation of the pertinent regulations, an NDA holder could no longer correct an improper Orange Book patent listing following the submission of a Paragraph IV certification for that patent, regardless of whether the delisting was motivated by a clarification or better understanding of the listing requirements, an FDA inquiry, an FTC investigation, or even an FTC or district court order requiring the delisting. Such a rule would have significant, negative implications for competition in the pharmaceutical industry, to the detriment of consumers.

Because Orange Book listing serves as the predicate for the 30-month stay and the 180-day exclusivity provisions of Hatch-Waxman, it is critical that only those patents meeting the statutory and regulatory criteria for inclusion in the Orange Book be listed. Improper listings create the potential for those patents to unduly delay generic entry through an unwarranted 30-month stay or 180-day exclusivity period, a result that harms consumers by preventing access to lower-cost generic drugs.

Consumers have benefitted greatly from sales of lower cost generic versions of prescription drugs.[23] Moreover, competition among generic manufacturers typically increases the price savings. One study found that, as the number of approved generic versions of a drug increased from one to 10, the average price for the generic version fell from 60% to just 34% of

---

[22] IVAX Citizen Petition at 2-3.

[23] Consumers saved roughly $8-10 billion by purchasing generic equivalents of brand-name drugs in 1994 alone. Congressional Budget Office, *How Increased Competition from Generic Drugs Has Affected Prices and Returns in the Pharmaceutical Industry*, ix (July 1998), *available at* <ftp://ftp.cbo.gov/6xx/doc655/pharm.pdf>.

the price for the brand-name version.[24] Consequently, even a modest delay in the entry of a first generic product or subsequent generic products may impose substantial costs on consumers.

The Commission has brought a number of enforcement actions involving the improper listing of patents in the Orange Book by brand-name companies, which allegedly delayed generic drug approval and resulted in consumer harm. The Commission charged Biovail Corporation with unlawfully acquiring a license to a patent and improperly listing it in the Orange Book to delay approval of generic Tiazac. Biovail entered a consent agreement with the Commission in which it agreed to dismiss its patent infringement suit that supported the unwarranted 30-month stay.[25] The Commission also charged Bristol-Myers Squibb ("BMS") with improperly listing patents in the Orange Book that delayed approval of generic versions of two cancer drugs, Taxol and Platinol, and its anti-anxiety drug, BuSpar, causing significant harm to consumers. Like Biovail, BMS entered a consent agreement with the Commission in which it agreed, among other things, to list only patents complying with applicable law.[26] In addition to these matters, the Commission has publicly announced investigations of two other instances of potentially improper Orange Book listings, but has explained that it closed those investigations for practical reasons. In particular, the Commission closed its investigation involving Paxil only after GlaxoSmithKline plc voluntarily delisted three patents from the Orange Book, removing the 30-month stay on generic approval.[27]

The *FTC Generic Drug Study* examined the potential for abuse of the Hatch-Waxman process for Orange Book listings and 30-month stays. The data received by the Commission showed that brand-name companies were increasingly listing multiple patents in the Orange Book, and suing on these patents. The FTC Study also found that later-issued patents frequently

---

[24] R. Caves, et al., *Patent Expiration, Entry and Competition in the U.S. Pharm. Indus.*, Brooking Papers on Economic Activity: Microeconomics, 36, table 9 (1991).

[25] *In the Matter of Biovail Corp.*, No. 011-0094, *available at* <http://www.ftc.gov/os/2002/04/biovaildecision.htm> (complaint); <http://www.ftc.gov/os/2002/04/biovaildecision.htm> (decision).

[26] *In the Matter of Bristol-Myers Squibb Co.*, Nos. 001 0221, 011 0046, and 021 0181, *available at* http://www.ftc.gov/os/2003/03/bristolmyerscmp.pdf (complaint); <http://www.ftc.gov/os/2003/03/bristolmyersdo.pdf> (decision).

[27] *Statement by Federal Trade Commission Chairman Timothy J. Muris on Generic Paxil Launch* (Sept. 11, 2003), *available at* <http://www.ftc.gov/opa/2003/09/paxillaunch.htm>. The Commission closed its investigation of Organon USA, Inc.'s listing of a patent for the drug Remeron only after the attorneys general of several states entered a settlement with Organon reached through their combined efforts with the FTC. *Statement of the Federal Trade Commission Regarding the Decision to Close Its Investigation into the Conduct of Akzo Nobel, NV and Its Organon Subsidiaryy* (Oct. 20, 2004), *available at* <http://www.ftc.gov/opa/2004/10/organon.htm>.

raised listability or validity concerns.[28]

Although the source of consumer harm identified through investigations and the *FTC Generic Drug Study* related to the problem of multiple 30-month stays on generic approval, and Congress amended the Hatch-Waxman Act through the MMA to allow only one 30-month stay,[29] these matters remain relevant to fully understanding the competitive implications of IVAX's Citizen Petition. They show that NDA holders may improperly list patents in the Orange Book that generate a 30-month stay that delays generic entry. They also show that an antitrust action by either the FTC or other litigants may seek to remedy the consumer harm by seeking delisting of that patent and future compliance with the regulatory listing criteria. In addition, an NDA holder may voluntarily delist a patent in the face of an FTC investigation. Were FDA's regulations to prohibit delisting as IVAX argues, there would be no means by which to stop the on-going consumer harm caused by an unwarranted 30-month stay.

The *FTC Generic Drug Study* also explained that the 180-day exclusivity period has proven susceptible to strategies to delay generic competition. First ANDA applicants have entered into agreements with brand-name drug manufacturers that required the first ANDA applicant to delay entering the market until a predetermined future date, thereby having the effect of "parking" the 180-day period. This "parking" delays generic entry not only by the first ANDA applicant, but also by any subsequent generic until 180 days after the first ANDA applicant enters, the relevant listed patents expire, or a subsequent ANDA applicant can itself trigger the running of the 180-day period.[30] This problem can be particularly acute if subsequent ANDA filers are unable to trigger the running or forfeiture of the 180-day exclusivity period by obtaining a court decision on the patent because they have not been sued for patent infringement.[31] Thus, "parking" a 180-day exclusivity based on an improperly listed patent can generate substantial consumer harm beyond the 180-day period. Were FDA's regulations to prohibit delisting as IVAX argues, there would be no means by which to stop the on-going consumer harm caused by a "parked" 180-day exclusivity period.

Congress intended the Hatch-Waxman Act to increase the flow of pharmaceuticals into the marketplace by balancing incentives for innovation with opportunities for market entry by

---

[28] *FTC Generic Drug Study* at 39-40, 48-50.

[29] MMA § 1101(a).

[30] *See FTC Generic Drug Study* at vii-viii, 34, 57, 63.

[31] For an in-depth discussion of this issue, *see* Brief of Amicus Curiae, Federal Trade Commission, *Teva Pharms. USA, Inc. v. Pfizer, Inc.*, *available at* <http://www.ftc.gov/os/2004/04/040331amicusbrieftevavpfizer.pdf>; *see also Teva Pharms. USA, Inc. v. Pfizer, Inc.*, 395 F.3d. 1324 (Fed. Cir. 2005) (subsequent ANDA filer who was not sued for patent infringement may not bring a declaratory judgment act against NDA holder).

generic drugs.[32] Delays in generic entry produced by the inability to delist patents from the Orange Book are contrary to that policy. Therefore, it is important that a viable mechanism for correcting erroneous Orange Book patent listings exist. An NDA holder that realizes it erred in submitting patents for listing, as Merck presumably did, should be able to correct that error. To avoid consumer harm, an NDA holder seeking to delist a patent in compliance with an FTC or court order must also be allowed to do so.

IVAX is Mistaken in Its Characterization of the 180-Day Exclusivity

IVAX characterizes its eligibility for the 180-day exclusivity as a right, established upon filing a first ANDA containing a Paragraph IV certification, which cannot be divested even when that eligibility is based on an erroneously listed patent. In doing so, IVAX errs. The nature of the 180-day exclusivity, as established by the 1984 Hatch-Waxman Act and confirmed in the MMA, is that of an incentive to challenge weak patent claims and design products that avoid infringing narrow ones. The 180-day exclusivity is better viewed as an incentive, rather than a right, because neither the statute nor the regulations guarantee the first ANDA filer that it will reap the benefit of the exclusivity period once FDA approves its generic product.

The Hatch-Waxman Act and its MMA amendments include numerous mechanisms by which the first ANDA filer can lose its eligibility for the 180-day exclusivity. For instance, a first ANDA filer may lose the exclusivity as the patent certifications of subsequent filers change. Although the statute is commonly described as granting a 180-day exclusivity period to the first ANDA filer, in fact, it actually prevents approval of subsequent ANDAs containing a paragraph IV certification for 180 days.[33] The distinction is subtle but important. If subsequent ANDAs do not include Paragraph IV certifications, the statute expressly contemplates that their approval will

---

[32] *See* H.R. Rep. No. 98-857(I), at 14-15 (1984), *reprinted in* 1984 U.S.C.C.A.N. at 2647-48.

[33] The 1984 version of the 180-day marketing exclusivity provision provided:

> If the [subsequent ANDA] contains a [paragraph IV certification] and is for a drug for which a previous [ANDA] has been submitted [containing a paragraph IV certification], the [subsequent ANDA] shall be made effective not earlier than one hundred and eighty days after - (I) [the first filer's commercial marketing] or (II) [a court decision], whichever is earlier.

U.S.C. § 355(j)(5)(B)(iii) (2002). The MMA limited the trigger for the 180-day exclusivity to commercial marketing, but also established several "forfeiture events," including a court decision, by which the first ANDA filer could lose its exclusivity. MMA § 1102(a). Significantly, the MMA, like the 1984 version of the 180-day provision, delays approval of only those subsequent ANDAs containing a Paragraph IV certification.

not be delayed by the first filer's status as such. Subsequent ANDAs may lack the Paragraph IV certification contained in the first ANDA for several reasons, including that the patent has expired. In that case, the subsequent ANDAs would include Paragraph II certifications (certifying that the patent has expired) and the statute would not require that FDA delay approval because of the first ANDA filer's status.[34] Likewise, the subsequent ANDAs may lack the Paragraph IV certification because the patent has been removed from the Orange Book. Instead, they would include Paragraph I certifications (no patent information is listed) and, again, the statute would not require that FDA delay approval. The first ANDA filer may lose the benefit of the 180-day exclusivity through other mechanisms as well. For instance, a court decision obtained by either the first or a subsequent ANDA filer[35] may trigger the 180-day exclusivity (under the 1984 version of the statute) or a forfeiture event (under the MMA) before FDA has approved the ANDA, in which case the exclusivity may run or be forfeited before the first ANDA applicant can take advantage of it.

FDA's regulations also treat the 180-day exclusivity as an incentive rather than a right. Its delisting regulation (§ 314.94(a)(12)(viii)(B)) prohibits the delisting of "[a] patent that is the subject of a lawsuit under § 314.107(c)." FDA promulgated this regulation to prevent an NDA holder, whose patent had been invalidated through a successful challenge by an ANDA filer, from removing the patent from the Orange Book. Without that prohibition, the delisting would provoke a perverse result by extinguishing the first ANDA filer's 180-day exclusivity based on its bringing a successful patent challenge. FDA was concerned that such a result would undermine the incentive to challenge weak patent claims provided by the 180-day exclusivity.[36] That concern is legitimate and unchanged by elimination of the successful defense requirement from the original version of § 314.107(c). It is best addressed by continuing to read the delisting regulation as it was written, to prohibit delisting of only those patents that had been the subject of a successful patent challenge by the first ANDA filer. Any broader prohibition on delisting is inconsistent with other FDA regulations recognizing that the exclusivity is not a right conferred when the first ANDA is filed because patent certifications may change and the exclusivity may be lost.[37]

---

[34] 21 C.F.R. § 314.94(a)(12)(viii)(C) (when patent expires, applicants must amend ANDAs to delete paragraph IV certifications and include Paragraph II certifications).

[35] A court decision triggering the 180-days includes a decision obtained by a subsequent ANDA applicant, through declaratory judgment or otherwise. *Teva Pharms., USA, Inc. v. FDA*, 182 F.3d 1003, 1008-10 (D.C. Cir. 1999).

[36] 59 Fed. Reg. 50,338, 50,348 ("If a patent were removed from the list immediately upon a court decision that the patent is invalid or unenforceable, an applicant with a subsequently filed application might seek to certify that there is no relevant patent and seek an immediately effective approval. To ensure that this does not occur, the agency has required that a patent remain on the list after being declared invalid or unenforceable until the end of any applicable 180-day exclusivity period.")

[37] *See, e.g.*, 21 C.F.R. § 314.94(a)(12)(viii)(B) (requiring that patent certifications be amended when a patent is removed from the Orange Book).

Thus, the statute and regulations do not support IVAX's premise that the 180-day exclusivity be treated as a right that cannot be altered by changed circumstances such as delisting of the patent. Certainly, nothing in the statute prevents removing improperly and erroneously listed patents from the Orange Book. On the contrary, the structures of both the 1984 Hatch-Waxman Act and the MMA recognize that circumstances change over time and exclusivity may be lost. The MMA goes farther by allowing ANDA applicants to challenge patent listings in a counterclaim and by listing withdrawal of a patent from the Orange Book as a forfeiture event for the 180-day exclusivity.[38] The pertinent regulation prevents delisting only of those patents that have been successfully challenged by the first ANDA filer, in order to protect the incentive to challenge weak patents provided by the 180-day exclusivity.

Conclusion

Because IVAX's proposed rule preventing the delisting of patents from the Orange Book is based on a flawed view of its entitlement to the 180-day exclusivity period, and because that rule would have significant negative implications for competition in the pharmaceutical industry, to the detriment of consumers, we urge FDA to reject it.

We appreciate your consideration of this matter.

By direction of the Commission.

Donald S. Clark
Secretary

[38] MMA §§ 1101(a)(2)(C), 1102(a)(2).