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# Navigating the Complexities of Cellular Therapy Patents: Regulatory Challenges, Ethical Implications, and Global Trends

**Raymond R. Tjandrawinata[1)] & Henry Soelistyo Budi[2)]**
[1)] Center for Pharmaceutical and Nutraceutical Research and Policy, Atma Jaya Catholic University of Indonesia, Jakarta, Indonesia, E-mail: raytjan@yahoo.com
[2)] Faculty of Law, Pelita Harapan University, Tangerang, Indonesia, E-mail: henry.soelistyo@uph.edu

***Abstract.*** *New ways of therapeutic methods have now altered modern medicine. Modern cellular therapies, from stem cell and CAR-T therapies to CRISPR-based gene editing therapy, provide new ways to tackle difficult-to-treat diseases. These breakthrough therapies bring a complex web of regulatory, ethical, and legal challenges. These are also in relation to intellectual property. The patenting of such therapies raises a multitude of unresolved questions ranging from the challenges of balancing innovation with access and ensuring equity while incentivizing research to navigating the complex global patent systems. This article aims to investigate the diverse regulatory frameworks for patenting cellular therapy in major jurisdictions. Discussions on ethical concerns regarding the modification of human cells and seeks to balance innovation with access to life-saving treatments will be done at great length. This paper will also provide insight into the potential evolution of the global patent system to address the distinctive challenges posed by cellular therapies. Key cases and providing forward-thinking recommendations will also be discussed.*

***Keywords:*** *Cellular; Ethical; Patents; Therapy.*

## 1. INTRODUCTION

CAR-T, stem cell, and gene editing technologies such as CRISPR are revolutionizing the treatment of diseases that were previously difficult to treat. These include diseases with high mortality rates, such as cancer, genetic disorders, and neurodegenerative conditions Vahid Moradi and others, 'Progress and Pitfalls of Gene Editing Technology in CAR-T Cell Therapy: A State-of-the-Art Review', *Frontiers in Oncology*, 14 (2024). Nonetheless, these collective innovations have raised many ethical, legal, and regulatory questions in the context of intellectual property rights. The issue of ownership and whether these innovations should be patented is becoming increasingly controversial as more companies discover new methods to manipulate living cells and genetic material Jacob S Sherkow and Henry T Greely, 'The History of Patenting Genetic Material', *Annual Review of Genetics*, 49.1 (2015), 161–82.

Protection such as in the form of patents is indispensable for advancing biotechnological innovation. Patents grant many companies exclusive rights to their

inventions for a limited period of time. These protections also encourage investment in time-consuming and expensive research, which drives advancements in cellular therapies Trias Palupi Kurnianingrum, 'Pelindungan Hak Paten Atas Pengetahuan Obat Tradisional Melalui Pasal 26 UU No. 13 Tahun 2016 Tentang Paten', *Jurnal Negara Hukum*, 10.1 (2019), 49–65. Nonetheless, the risks for such research increase significantly when the "invention" in question involves living human cells. These cells have been genetically modified or reprogrammed. The current debate centers on the ethical question of whether companies should own and control life-saving treatments. If so, how can they guarantee that access to these innovative therapies is not limited to those who can afford them?

## Patent Landscape and Scope

### Key Patents in Cellular Therapy

One example of the many innovations typically covered by patents on cellular therapies involves methods for growing and delivering induced pluripotent stem cells (iPSCs). Another may involve genetic alterations used in CAR-T treatments. Transplanting a patient's T-cells, which have been genetically modified to target cancer cells back into the body specifically, is the core of CAR-T therapy Michaela Sharpe and Natalie Mount, 'Genetically Modified T Cells in Cancer Therapy: Opportunities and Challenges', *Disease Models & Mechanisms*, 8.4 (2015), 337–50. A related patent claim for this procedure is how the T-cells are produced, grown, and administered as well as the exact genetic alterations used (Xu et al., 2020).

Another complex phenomenon is the patent landscape covering stem cell therapies, specifically induced pluripotent stem cells (iPSCs). iPSCs are adult cells that are reprogrammed to become any cell type in the body by returning to their pluripotent state. This cell type holds great promise for regenerative medicine as it can repair injured tissues and even stimulate the development of new organs. Companies have vied to claim ownership of the various ways to obtain, grow and use these cells in medical treatments, further making iPSC patents controversial (Plomer, 2009).

There are several known major patent disputes in the field of cellular therapy involving CRISPR-Cas9 technology. CRISPR-Cas9 has been used for gene editing, which enables precise modification of genetic material in living beings. The patent landscape surrounding CRISPR for its ability to treat genetic diseases remains highly controversial. The dispute involving the Broad Institute and the University of California is one of many examples Sherkow and Greely. The dispute revolves around the question of who can patent the use of CRISPR in eukaryotic human and animal cells. point out that this case illustrates the broader issue of defining the boundaries of patentable innovation regarding genetic material and living cells.

### Stem Cell Patent Challenges

The patenting of stem cells, particularly embryonic stem cells, raises significant ethical and legal issues. The European Patent Office (EPO) ruled in 2008 that patents on technologies involving human embryonic stem cells violate ethical principles. In the ruling, the EPO was able to grant patents for these cells in Europe Brian Salter, 'Patents and Morality: Governing Human Embryonic Stem Cell Science in Europe', *Global Biopolitics Research Group, Centre for Biomedicine and Society, King's College London*, 2009. The decision highlights the ethical dilemmas that exist in the field of

commercialization of human biological material. Japan has adopted a more permissive approach by promoting the advancement of iPSC research in the field of regenerative medicine Audrey R Chapman, *The Ethical Challenges of the Stem Cell Revolution* (Cambridge Scholars Publishing, 2020). The Japanese government has committed to speeding up the regulatory approval pathway.

Stem cell patents in the United States continue to be a controversial issue. The case of Association for Molecular Pathology v. Myriad Genetics, which occurred in 2013, had a significant impact on the biotechnology industry. The decision at the time was that naturally occurring DNA sequences cannot be patented (Sherkow, 2014). The patentability of cDNA synthesized in the laboratory was determined. The legal framework established by this ruling has far-reaching implications for stem cell therapy as it makes it more difficult to patent cells and tissues derived from human biology (Liu & Jia, 2019).

### Emerging Patent Disputes in CAR-T and Gene Therapy

The number of companies entering the CAR-T therapy market has resulted in an increase in patent disputes. Often, the subject of patent claims for CAR-T therapies are the genetic constructs used to modify T-cells, and the processes for producing and managing these cells (Song et al., 2021). The highly fragmented nature of the CAR-T patent landscape has resulted in the formation of patent thickets. This exacerbates innovation challenges and increases the costs associated with the introduction of new therapies (Xu et al., 2020). Gene therapy, including CRISPR-based technologies, also faces comparable obstacles. Patenting gene editing technologies involves a complex process. The University of California and the Broad Institute are currently involved in a legal dispute over CRISPR patents. The potential monopolization of life-saving treatments has been a source of concern as a result of this dispute Sherkow and Greely.

## 2. RESEARCH METHODS

This research uses descriptive and juridical-normative analysis methods with a literature study approach from various sources. The main sources included books on civil law systems, articles from law journals published by law faculties in US universities and other countries with common law legal systems. This juridical-normative approach is used to understand and analyze data by applying hermeneutic interpretation, which is the process of exploring understanding from unknown concepts to become clearer and understood in depth. This approach is also conceptual in nature, allowing this research to explore the relevant legal rules and normative principles underlying the issues under study.

## 3. RESULTS AND DISCUSSION

### 3.1. Regulatory and Legal Challenges

### Cross-Jurisdictional Regulatory Barriers

The regulation of cellular therapies varies widely across different jurisdictions. Different countries have implemented different patenting strategies for biological materials. The patent system in the United States is generally more permissive by allowing patents on various biotechnological innovations as long as the innovation involves significant human intervention (Feldman & Furth, 2010). This position is consistent with the

utilitarian philosophy that patents encourage innovation by giving inventors exclusive rights to their creations. This means that inventors can recoup their research and development costs Luis Gil Abinader and Jorge L Contreras, 'The Patentability of Genetic Therapies: CAR-T and Medical Treatment Exclusions around the World', *Am. U. Int'l L. Rev.*, 34 (2018), 705.

In contrast, the European approach is more conservative. The European Patent Office's (EPO) decision to deny patents on technologies involving human embryonic stem cells demonstrates its deep concerns regarding the modification of human life (Plomer, 2009). Somehow, the EPO may have decided based on social contract theory, which states that the law should strike a balance between the collective good and individual rights. The goal of European regulators is to prevent technological innovation from jeopardizing the fundamental values of society Dinorah Hernández-Melchor, Esther López-Bayghen, and América Padilla-Viveros, 'The Patent Landscape in the Field of Stem Cell Therapy: Closing the Gap between Research and Clinic', *F1000Research*, 11 (2023), 997.

Japan and China have adopted a pragmatic approach to patenting cellular therapies in Asia. The Japanese government has promoted the advancement of regenerative medicine by offering regulatory incentives by accelerating the approval pathway for new treatments (Cyranoski, 2019). In this regard, the Japanese government is proactive in encouraging innovation in cellular treatments. At the same time, it ensures that patients have access to advanced therapies in a timely manner. At the same time, the Chinese government's goal is to establish the country as a global leader in cellular therapy (Liu & Jia, 2019). As a result, patent filings have increased substantially in China. There are persistent concerns regarding the enforcement of intellectual property rights, particularly among foreign companies operating in China (Xu et al., 2020).

### Legal Precedents that Shape the Industry

In the case of Association for Molecular Pathology v. Myriad Genetics, the US Supreme Court decision (2013) set a high precedent in biotechnology patent law. The Court set limits on the scope of potential intellectual property claims for naturally occurring biological materials (Sherkow, 2014). The Court also prohibited the patenting of DNA sequences. This ruling has implications for cellular therapies that involve the manipulation of naturally occurring cells or DNA. The ruling also distinguishes between what is considered "natural" and man-made inventions Sherkow and Greely.

In Europe, the EPO's decision to block patents on human embryonic stem cells reflects an equally cautious approach to the patenting of biological materials (Plomer, 2009). This decision is rooted in ethical concerns about the commodification of human life. Moreover, it underscores the ongoing tension between innovation and ethics in cellular therapy Hernández-Melchor, López-Bayghen, and Padilla-Viveros.

## Harmonization vs. Divergence

### Global Trends in Patent Harmonization

Due to the globalization of the biotechnology industry, various attempts have been made to harmonize patent laws across different jurisdictions. Companies must establish a consistent regulatory framework along with the growing availability of cellular therapies to facilitate successful navigation of the global patent landscape

without facing unnecessary obstacles (Plomer, 2009). The ethical implications of patenting human cells and genetic material will require resolving substantial legal and cultural differences to achieve harmonization Sherkow and Greely.

For example, European regulators have adopted a more cautious approach to patenting human biological materials, while the United States has adopted a pro-innovation approach Hernández-Melchor, López-Bayghen, and Padilla-Viveros. China and Japan have established regulatory frameworks that prioritize rapid innovation. However, despite such intentions, these countries face difficulties in enforcing intellectual property rights, particularly of foreign companies (Song et al., 2021).

## 3.2. Ethical and Social Considerations

### Ethical Issues in Human Cell Patents

One of the most controversial issues in cellular therapy patents is the ethical question of the appropriateness of granting exclusive rights over living human cells Click or tap here to enter text. This discussion raises fundamental questions regarding access, commodification, and ownership. Similarly to patents for gene editing technologies such as CRISPR, should companies be allowed to "own" a portion of the human genome? On the other hand, should these technologies be considered public domain accessible to all for the benefit of society (Plomer, 2009)?

Natural rights theory offers a view in favor of patenting human cells. This theory argues that individuals have an inherent right to control the products of their labor (Sherkow, 2014). However, critics also say that ownership becomes problematic when it comes to human biological material, especially when patents have the potential to limit access to life-saving treatments (Xu et al., 2020). The potential to create healthcare disparities further complicates the ethics of human cell patents. Patents can limit the availability of new therapies to those who can afford them (Shapiro, 2020).

### Emerging Trends and Future Directions

### Innovative Approaches to Intellectual Property Protection

Innovative intellectual property (IP) models are emerging as the landscape of cellular therapies continues to evolve. The aim of these models is to strike a balance between the moral obligation to ensure equitable access to life-saving treatments and the need for innovation. The formation of patent pools, where multiple companies agree to share their patents, is one of the more promising trends. This encourages collaborative research and reduces barriers to entry. In other biotechnology sectors, such as the development of antiretroviral therapies for HIV, patent pools have been successfully implemented, and they have the potential to become a model for cellular therapies (Arti et al. 2020). Companies can concentrate their resources on research progress and clinical applications, avoid patent complexities, and reduce litigation costs by pooling patents.

Another emerging trend is the growing interest in the open-source model for biotechnology. The open-source approach, which is more prevalent in the software industry, encourages free access to intellectual property, thus allowing researchers and companies to innovate without the constraints of exclusive patents (Contreras, 2016). The concept of open source biotechnology is to accelerate the pace of innovation by allowing various stakeholders to develop existing technologies without worrying about

infringement. Although Open Source Pharma and other open-source initiatives in the biotechnology industry are still in their infancy, they have the potential to foster collaboration and reduce monopolization of important healthcare technologies (Xu et al., 2020).

### 3.3. Impact of CRISPR and iPSC on the IP Framework

Gene editing technologies such as CRISPR and induced pluripotent stem cells (iPSCs) are pushing the boundaries of what can be considered patentable, raising new questions about the future of intellectual property in cellular therapy. CRISPR, in particular, has made it possible to edit the human genome with unprecedented precision, thus opening up opportunities to cure genetic diseases at their source Doudna and Charpentier. However, as the technology develops, so do concerns about who owns the rights to these innovations. The fight over CRISPR patents, particularly between the University of California and the Broad Institute, has highlighted the challenges of applying existing patent law to revolutionary technologies Sherkow and Greely.

The ethical debate surrounding iPSCs is somewhat less controversial than the debate surrounding embryonic stem cells, as iPSCs do not involve the destruction of embryos. However, iPSC patents still raise important questions about access and equality. Given that iPSCs can be used to create personalized therapies tailored to individual patients, this technology could result in very expensive treatments for many patients (Plomer, 2009). Ensuring that patents on iPSCs do not create insurmountable barriers to life-saving treatments will be one of the key challenges for regulators and policymakers moving forward (Sherkow, 2014).

### AI and Machine Learning in IP for Cellular Therapy

Artificial intelligence (AI) and machine learning are beginning to play an increasingly important role in the field of intellectual property, particularly in the areas of patent search and innovation forecasting. AI technology can assist researchers in identifying potential patentable innovations, predicting trends in IP filings, and streamlining the patent filing process (Song et al., 2021). In cellular therapy, AI can be used to analyze large datasets of clinical trials, genetic information, and patent filings to identify new opportunities for innovation while avoiding existing patents.

The use of AI in the patent system also raises its own set of ethical and legal questions. For instance, as AI is increasingly capable of generating new inventions, the question arises as to who holds the rights to the patents generated by AI. In addition, the potential for AI-driven patent issues-where many overlapping patents make it difficult for innovators to navigate the IP landscape-must be carefully managed to avoid stifling innovation (Xu et al., 2020).

### The Role of Collaborative Innovation Models

As the cost of developing new cellular therapies continues to rise, collaborative innovation models are increasingly in demand as a way to share resources and intellectual property. These models, which include public-private partnerships, academic-industry collaborations and consortia, allow multiple stakeholders to bring together their expertise and resources to advance the development of new therapies (Arti et al., 2020). In addition to reducing costs and avoiding duplication of effort,

collaborative innovation models can also help ensure that the benefits of new therapies are shared more widely.

One example of a successful collaborative innovation model is the collaboration between academic institutions and biotechnology companies to develop CAR-T therapies. By working together, these entities were able to overcome some of the significant technical challenges associated with CAR-T therapies, including improving treatment safety and efficacy (Song et al., 2021). Similarly, collaborations between public research institutions and private companies have been instrumental in advancing iPSC research, with both parties benefiting from shared intellectual property and research findings (Liu & Jia, 2019).

### 3.4. The Future of Global Patent Harmonization

The push for better harmonization of patent laws across jurisdictions is driven by the increasing globalization of the biotechnology industry. As more companies seek to commercialize cellular therapies on a global scale, a consistent regulatory framework will become increasingly important. Harmonization will not only reduce the legal and administrative burdens associated with navigating various patent systems, but will also help ensure that patients around the world have equitable access to new therapies (Plomer, 2009).

However, achieving global patent harmonization is no easy feat. Differences in legal traditions, cultural attitudes towards biotechnology, and ethical concerns about patenting human cells make a one-size-fits-all solution unlikely to be achieved in the near future. For example, while the United States and Japan have generally embraced a more permissive approach to patenting cellular therapies, European regulators have taken a more cautious stance, especially when it comes to human biological materials Hernández-Melchor, López-Bayghen, and Padilla-Viveros. Similarly, China's rapid rise as a leader in biotechnology has led to an increase in patent filings, but concerns about the enforcement of intellectual property rights remain, especially for foreign companies operating in the country (Xu et al., 2020).

One potential solution to this challenge is the development of regional patent treaties that reflect the ethical and legal norms of different jurisdictions while allowing for harmonization. For example, the European Union's Unified Patent Court is a step towards simplifying the patent process across member states, making it easier for companies to protect their intellectual property in different countries Sherkow and Greely. Similar initiatives can be explored in other regions, such as Asia and North America, to help bridge the gap between different legal systems.

### Policy Recommendations

To navigate the complex patent landscape of cellular therapies, policymakers must strike a fine balance between incentivizing innovation and ensuring that the benefits of new therapies are equitably shared. Based on the analysis presented in this paper, we offer the following recommendations:

1. Encourage Collaborative Innovation: Policymakers should promote collaborative innovation models, such as patent pools and public-private partnerships, to reduce the costs and risks associated with developing new cellular therapies. By sharing intellectual property and research findings, companies and research institutions can

advance the field while ensuring that the benefits of new therapies are widely distributed (Arti et al., 2020).

2. Explore Alternative IP Models: In addition to the traditional patent model, alternative intellectual property frameworks, such as open-source biotechnology and patent pools, should be explored to foster equitable access to life-saving treatments. These models have the potential to accelerate innovation while ensuring that new therapies are accessible to everyone Tomáš Vaverka, 'Intellectual Property Protection for Startups: A Law and Economics Perspective', 2023.

3. Harmonize Global Patent Law: Efforts to harmonize patent laws across jurisdictions should be accelerated to reduce the legal and administrative burden on companies seeking to commercialize cellular therapies globally. This will require greater cooperation between countries with different legal traditions and ethical standards Chrisstar Dhini, Novika Maharani, and Reza Amarulloh, 'Harmonisasi Buku III Kitab Undang-Undang Hukum Perdata Dengan Convention on Contracts for the International Sales of Goods Dan United Nation Commission on International Trade Law Terhadap Kontrak Dagang Internasional', *Privat Law*, 3.2 (2016), 163537.

4. Integrate AI into the Patent System: Policymakers should consider integrating AI and machine learning into the patent system to improve the efficiency of patent searches and reduce the chances of patent infringement. However, the ethical implications of AI-generated inventions should be carefully considered Yang Song and others, 'Solving Inverse Problems in Medical Imaging with Score-Based Generative Models', *ArXiv Preprint ArXiv:2111.08005*, 2021.

5. Ensure Ethical Oversight: The regulatory framework should include ethical oversight mechanisms to ensure that the patenting of human cells and genetic material does not commodify human life or exacerbate healthcare disparities. This could include establishing ethics boards to review patent applications in sensitive areas such as gene editing and stem cell research Hernández-Melchor, López-Bayghen, and Padilla-Viveros.

## 4. CONCLUSION

Cellular therapy patents present a unique set of challenges at the intersection of law, ethics and science. While patents are important for incentivizing innovation, they can also create significant barriers to access, particularly for life-saving therapies involving human cells and genetic material. As the field of cellular therapy continues to develop, there is a growing need for a regulatory framework that balances the need for intellectual property protection with the broader goal of ensuring equitable access to healthcare. The future of cellular therapy patents will depend on the ability of policymakers, companies, and researchers to address these complicated challenges. By promoting collaborative innovation, exploring alternative IP models, and harmonizing global patent laws, the global community can ensure that the benefits of cellular therapies are shared fairly while encouraging continued innovation in this rapidly evolving field. Ultimately, the goal is to create a patent system that incentivizes innovation, promotes ethical practices, and serves the public interest.

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