

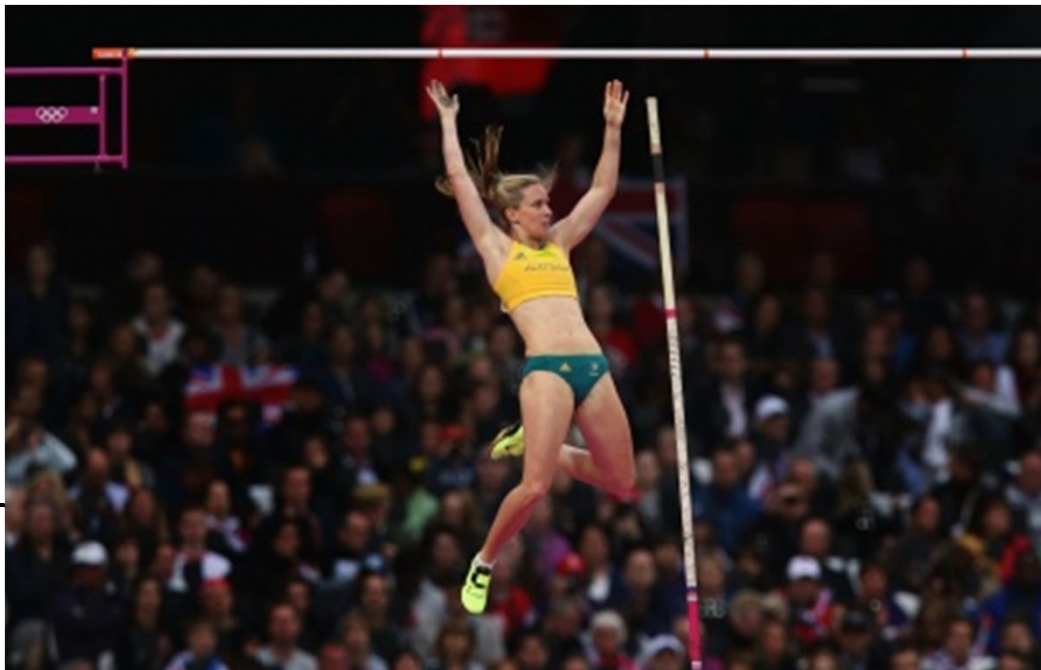


“Raising the Bar”

New patent laws in Australia

Overview – Raising the Bar

- Commencement dates
- Inventive step / Obviousness
- Utility / Usefulness
- Full description / Sufficiency
- Fair basis / Support
- Other amendments
- Regulations
- Preparing for commencement





Commencement Dates

- *Intellectual Property Laws Amendment (Raising the Bar) Act 2012*
- Substantive provisions commence on **15 April 2013**.
- The date of requesting examination on an application will govern which laws will apply.
- Note – if action required must be taken by **Friday, 12 April 2013**.
- Note – some provisions had effect from 15 April 2012.



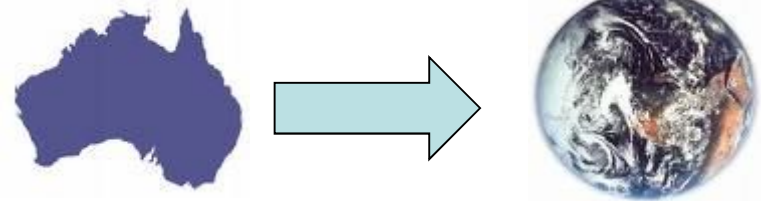
Intentions

- Wide ranging changes to IP laws and practice (not just patent law).
- To “harmonise” with other patent systems (e.g. Europe, US, Japan, UK).
- To increase standards to obtain a patent.
- To overcome some problems in Australian patent law.
- To speed up parts of the patent process.

Inventive step / Obviousness

- Inventive step is assessed on the basis of the common general knowledge (CGK) in the art in Australia.
- Can combine CGK with prior art that the skilled person could have ascertained, understood and regarded as relevant.

Change: Extend CGK to include knowledge anywhere in the world.



Change: Remove requirement that information could be ascertained, understood and regarded as relevant.

(but understood and regarded as relevant still inherent in existing tests?)

➤ **Outcome:** Will increase the standard of inventive step required.



Utility / Usefulness

- An invention as claimed must be useful, in the sense of meeting the promise of the invention as described in the specification.

Change: Additional, new requirement that complete specification discloses a “specific, substantial and credible use” for the invention.

Change: Examination and re-examination will include examination of utility.

- **Outcome:** Attempting to apply US concept of utility. But is actually a USPTO interpretation, not in US statute. Application by Australian Courts difficult to predict.
- **Outcome:** Now a ground of examination, and will increase the standard of utility required.



Full Description / Sufficiency / Enablement

- Currently the specification must teach how to perform one embodiment within each claim scope.
- Sufficiency is assessed at the time of grant of the patent.



Full Description / Sufficiency / Enablement

Change: Specification must “*disclose the invention in a manner which is clear enough and complete enough for the invention to be performed by a person skilled in the relevant art*”.

Change: Specification must teach how the invention can be performed over the full scope of a claim without undue burden.

Change: Will be assessed as at the date of filing.

Change: New requirement applies to both provisional and complete specifications (and therefore standard and innovation patents).

A problem or just a speed hump?



Uluru



Full Description / Sufficiency / Enablement

- **Outcome:** Stricter requirement than currently exists. Problem may arise if only narrow examples described.
- **Outcome:** According to the Explanatory Memorandum the intention is for the UK / European approach to be adopted.
- Explanatory Memorandum does not state that full scope enablement is required, but it indicates that sufficiency will require:
 - the skilled person to be able to “extend the teaching of the specification to produce the invention across the full width of the claims without undue burden or the need for further invention”.



Fair basis / Support

- Currently requires claims be “fairly based” on description.
- Currently only requires conformity between what is described as being the invention and what is claimed (“real and reasonably clear disclosure”).
- No real assessment of whether examples, data, etc., support breadth of claim.
- *Lockwood v Doric* 2004 HCA 58 (High Court decision) – Patent Office does not like as too lenient on patentee.



Fair basis / Support

- **Change:** Replaced by the requirement that “*the claims be supported by the matter described in the specification*”.
- **Change:** Applies to validity of a claim with reference to description, priority entitlement, and allowability of amendments.
- **Change:** According to the Explanatory Memorandum the new support requirement has two aspects:
 - (1) There must be basis for each claim in the description.
 - (2) The scope of claims must not be broader than is justified by the extent of description, drawings and contribution to the art.



Fair basis / Support

- **Outcome:** The meaning of “*fair basis*” is well established by the Australian Courts. A clear interpretation of “*support*” could take a long time to resolve.
- **Outcome:** Drafting intention is to align with European law on “support”.
- **Outcome:** New support test seems to include overlap with sufficiency and inventive step requirements? Not clearly separated tests.



Are the tests corrupted by each other?



Great Barrier Reef



Amendments to Description

- Current “relaxed” approach allows new matter to be added if not claimed.
- Can be used to fix a lack of sufficiency problem.
- If new matter is claimed, then the priority date of the claim is the date of the amendment.

Change: No new matter may be added after complete filing date at all, unless clerical error or obvious mistake.

➤ **Outcome:** Cannot fix description problems after filing. The new preclusion against added matter is more consistent with other jurisdictions, such as before the EPO.



Examination of Patent Applications

- During examination, the “benefit of the doubt” standard currently applies.
- **Change:** new “balance of probabilities” standard to be applied to all grounds of examination, re-examination and opposition (same standard as used in Court proceedings).
- **Change:** Modified examination (based on foreign granted patent) to be removed.
- **Outcome:** The standard of examination will increase for an application to be allowed.



Other Changes

- **Entitlement of patentee:** patent not invalid merely because granted to wrong person.
- **Omnibus claims:** no longer generally allowed (e.g. A system substantially as hereinbefore described). Currently added in all applications.
- **Grace period:** 12 month grace period also applies to secret use.
- **Divisional application:** must file within 3 months of publication date of acceptance (previously before grant of patent).
- **Privilege:** extended to cover communications between foreign registered patent attorneys and their clients.



New Regulations (Patent Office can implement)

- Draft Regulations released (to be finalised in March 2013)
- **Change:** Reduce time period for requesting examination from date of Direction from 6 months to 2 months.
- **Change:** Reduce acceptance deadline from date of exam report – from 21 months to 12 months.
- **Change:** Make it very difficult to get extensions of time to file/serve evidence in patent oppositions.
 - Extensions of time will not be allowed if required solely due to delay by patent attorney or agent, or if witness not available.
 - Exceptional circumstances required.

Experimental Use Infringement Exemption

- Already in force from 15 April 2012.
- Infringement status of research activities was unclear.

Change: “if the act is done for experimental purposes relating to the subject matter of the invention”, then act will be exempt from infringement. (sec. 119C)

- Example experimental purposes listed, but are not limited to (e.g. determining the properties of the invention; determining the validity of the patent; improving or modifying the invention).
 - Research can have commercial flavour but commercial trials are not intended to be covered.
- **Outcome:** Some concerns about the wording of the exemption and how it will end up being applied by Courts.



Regulatory Infringement Exemption

- Already in force from 15 April 2012.
- New regulatory exemption introduced to also cover non-pharmaceutical activities (sec. 119B).
- A person may do an act that would otherwise infringe a patent if the act is done solely for purposes connected with obtaining a Government (Australian or foreign) approval required by law to exploit a product, method or process.
- E.g. safety standards approval.
- “Solely” – e.g. not for stockpiling, market testing or manufacture for export.



Preparing for Commencement of New Law

Top three actions to consider by **12 April 2013**:

1. Request examination of pending applications prior to commencement of new law?
2. File any intended divisional applications prior to commencement with request for examination?
3. Enter national phase early or file Convention application in Australia early with request for examination?
 - Is inventive step questionable or the description a concern?



Thank You!

About Davies Collison Cave

- Largest specialist IP firm in Australia
- We are New Zealand patent attorneys as well
- 80 attorneys / total 250 staff
- Ranked in Top Tier in Australia for both patent contentious and patent prosecution work (*2013, Managing Intellectual Property*)
- Offices in Sydney, Melbourne, Brisbane, Newcastle and Canberra