

REVIEW OF PATENTABLE SUBJECT MATTER

Submission by F. P. Old

The writer is basically of the view that there should be no change to the current arrangements which determine what is or is not able to be patented. If there is to be any change at all, it would be the deletion of the concept of "generally inconvenient".

The writer's particular concern relates to inventions which are implemented by means of a computer. There is considerable variation internationally in relation to this topic. At one extreme is the current practice of the US Patent Office which may be described as lenient or favourable towards inventors (although moves are afoot to make US practice less lenient). At the other extreme is the current practice of the UK Patent Office which is particularly obstructive in its attitude towards inventors. The European Patent Office approaches the UK Patent Office but is not as extreme. The Australian Patent Office approaches the US Patent Office but is not as lenient.

The British engineering and computing industries suffer from the enormous disadvantage that they are of the view that computer implemented inventions "are not patentable" without making any distinction as to the jurisdiction in respect of which this view has arisen. Because this view has arisen in their local jurisdiction of Britain, the British engineering and computing industries assume that computer implemented inventions "are not patentable" in all jurisdictions. Thus the British engineering and computing industries do not file basic applications in this area of technology which could be used to claim convention priority in, for example, the USA even if the British basic application was itself allowed to lapse.

As things currently stand in Australia, in view of the IBM decision (22 IPR 417 single judge Federal Court) and the CCOM v JIEJING decision (28 IPR 481 Full Bench Federal Court) the Australian engineering and computing industries are of the view that computer implemented inventions "can be patented". As a consequence, these industries seek professional help from the Australian patent attorney profession and thus have explained to them the above-mentioned range of patent office practices. As a result, an Australian basic application can be lodged and an informed decision can be made about the possibility of patent protection in the lucrative and enormous US market.

There is a danger that if the current position in Australia is changed so as to be more restrictive, then the Australian engineering and computing industries will not have the same opportunities to make an informed decision about the possibility of foreign patent protection.

As an example of the potential of Australian industry, consider the patent applications filed at the Australian Patent Office in the name of Waratek Pty Ltd. The origin of this company name is "Waratah Technology". The company is in the process of migrating to the USA in order to be close to the centre of world computing and within the next 12 months will release a combined hardware and software product which incorporates over

100 inventions. If the same technology had been conceived in Britain, it is highly likely that no attempt to patent the technology would have been made, and that investors would not have backed the company financially because they would not have had the prospect of patent protection to ensure adequate recoupment of their principal and an adequate return. The almost certain consequence of such lack of financial investment would be failure of the inventions to come to market.

A particular problem, with which most patent offices unsuccessfully grapple, is that in the engineering and computing fields, an invention is generally a concept which is able to be put into practice in a number of different ways. It is by no means uncommon for a single inventive idea to be able to be implemented in a hardwired circuit, in software, in an application specific integrated circuit, or as an array of logic gates. Which implementation is selected is generally based upon cost. Current costs indicate software is by far the cheapest option. It is completely illogical for the question of patent protection to be determined upon which implementation the inventor chooses. An analogy in the mechanical field is to say that inventions fabricated from metal are patentable, but inventions fabricated from plastics are not.

Furthermore, the TRIPS Agreement provided that there should be no restriction as to fields of technology in respect of which patents could be obtained and for Australia to now introduce a restriction in this area would, in the writer's opinion, be contrary to TRIPS.

The writer is an electrical engineer and patent attorney with over 25 years experience in the profession, acted for IBM in the above-mentioned IBM litigation, and acted in a pro bono capacity for the inventor in the above-mentioned CCOM litigation. The writer was also the Convenor of the Institute committee relating to computer implemented inventions at the time the current arrangements were introduced in Australia following the IBM and CCOM decisions.