

1. Manner of manufacture should be retained (Option A)

1.1 The concept of "manner of manufacture" should be retained. That is Option A. To remove it is a fundamental change that potentially creates something different from the patent system; something that fails to balance economic with social and other considerations when deciding whether society (as apposed to the inventor) will benefit from the patent.

1.2 Everyone seems to have forgotten that the *Statute of Monopolies* was enacted to prevent monopolies. It is, as I recall, a piece of social legislation aimed at anti-competitive behaviour (possibly even consumer protection) and s 6 was an exception. Was it not a socially responsible enactment at the time that tried to get the balance right?

2. The role of statutory authorities

2.1 However worded this review is about the roles of the Commissioner of Patents, IP Australia and the Patents Office and patent examiners; as I understand it public servants under a statutory authority. The issue is simply stated as whether or not public servants and public authorities should be required to consider social and ethical issues when making decisions and whether or not they are, or should be, qualified to balance social and moral issues against economic ones.

2.2 The answer must be yes. On one view to argue the opposite would be to allow decision makers in IP Australia to do half their job; to do the easy part whilst ignoring the hard part.

2.3 What is special about IP Australia that it should be allowed to avoid social and public morality considerations in its determinations. Other public authorities such as in health, education, corrections, environment and so on, are required to deal with social and morality issues. In fact, there are few public authorities, almost by definition, that do not do so to a more or less extent; notably applying privacy and anti-discrimination laws, for example.

2.4 That being the case the question is how best to ensure that such a role is defined and legislated for with clarity and certainty. The need for this review and issues addressed in the Options Paper point to the need for legislative intervention to ensure clarity and certainty. Equally though the basic requirements must exist in the current legislative and common law regimes or there would be no need for clarification.

3. A general filter should be legislated for (Options G and J)

3.1 It follows, to my mind, that the primary change required is to legislate for a general social filter that would, first "exclude patents for inventions that would be contrary to public policy or morality" and secondly "exclude inventions from being patentable where the use of the invention would be 'contrary to *ordre public* or morality or generally inconvenient' ". That is Option G and both limbs are required.

3.2 Examiners and IP Australia should not be required to make assessments of social and moral issues without proper support. Guidelines and an advisory panel (Option J) are essential to a workable general filter.

3.3 The general filter must be available at all three levels; examination, opposition and revocation. Post-grant misuse, anti-social, illegal or immoral use of the patented invention, should be open for revocation of the grant. New uses that are within the ambit of broad claims, are quite likely to come to light during the life of a patent and some may well be anti-social or immoral.

3.4 To that end though the legislation dealing with post-grant new misuses should, in my view, allow for a limitation to the acceptable uses envisaged at grant; that is to say a "conditional monopoly". That would seem particularly necessary where the patented invention has been sold and used appropriately for some time.

3.5 Possibly the advisory panel could require use-restrictive conditions to the grant where both acceptable and unacceptable uses are envisaged.

4. Comment on the weaknesses of Option G

4.1 The inherent uncertainty with conceptual tests referred to is addressed first by the removal of any uncertainty surrounding the existence of the general filter by express enactment and secondly by proper guidelines and a properly constituted advisory body.

4.2 In my view it is a reasonable person test and effective definitions should be incorporated in the legislative provisions. Reasonable person tests are common in Australian law and subjective inconsistencies should be minimal where properly trained adjudicators are involved. Any uncertainty should be no more than for examiners assessing novelty, copyright substantial part or design or trademark similarities, for examples.

4.3 The fear of uncertainty is, in my view, also misplaced because the test should not be whether or not the invention or its use would be immoral or anti-social but whether or not a substantial group of the public would reasonably believe that the invention or its use should not be allowed on morality or social grounds. That is readily quantifiable by surveys, for example. Requirements for survey data are

found in other areas of intellectual property law such as evidence of misleading and deceptive conduct or substantial similarity, for examples.

4.4 The over-exclusiveness argument is also weak. It is unlikely that such a general filter would be necessary for the vast majority of inventions. It is also unlikely that any legitimate inventor would be dissuaded from his invention by any issue of its ultimate patentability. The invention will be published irrespective of its exclusion from patentable subject matter because of the general filter.

4.5 Rather, the uncertainty suggested may be advantageous to the present purpose because it places an onus on the inventor to consider the social and morality aspects of the invention before wasting time and money on developing it or seeking a patent for it.

4.6 Whilst changing social values may alter to make the invention acceptable subject matter, that takes time and patents have finite lives. Possibly a provision for periodic review by the advisory panel, upon application, could be enacted.

4.7 Refusal to grant a patent on grounds of not patentable subject matter, does not prevent its manufacture or sale. It only precludes a monopoly.

5. Exceptions and exclusions are still useful (Options E and F)

5.1 Option E to retain current exceptions and filters and Option F for a list of specific subject matter exclusions, should coexist happily with Option G for a general filter.

5.2 A list of exclusions would be useful and would be most effectively achieved by regulation after advice from the advisory panel and examination, oppositions or revocation of specific patents or applications.

5.3 The suggestion that it is better to target use rather than patentability is fundamentally flawed. The letters patent is a high acknowledgement by, in our case, the Government; the same Government that makes laws and enforces them. For the Government to take the substantial money and grant the patent only to then say that it cannot be used legally is obviously not right; particularly when usefulness is a criterion for the patent grant. If the invention cannot be used then it is hardly within the concept of the "useful arts".

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