



The Evolving State of the Law on Utility

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Intellectual Property Laws Amendment (Raising the Bar) Act 2012

No. 35, 2012

**An Act to amend legislation relating to intellectual
property, and for related purposes**

Usefulness/Utility

- The new law established under Schedule 1 increases the requirements for a patentable invention by requiring that an invention be useful.
- To prevent the grant of patents for speculative inventions that require further research to reasonably confirm a real world use.

Usefulness/Utility

- Patents cannot be granted for inventions that are not useful, that have no practical utility or do not work.
- The claimed invention must achieve what is promised by the patentee.

Usefulness/Utility

- The law is expected to have limited application and in particular, an application to those patent claims that define inventions that are speculative with regard to possible use.

Usefulness/Utility

- The requirement is intended to bring Australian patent law into line with the requirements of US patent law.
- The Free Trade Agreement which was executed between Australia and the U.S. in 2004 requires that “each party shall provide that a claim invention is useful if it has a specific, substantial, and credible utility.”

Usefulness/Utility

- Effective Date
 - The law applies to all patents/applications which are filed after 15 April 2013; or for which examination is requested after this date. It does not apply to patents/applications for which examination is requested prior to this date.

Usefulness/Utility

- According to the new law, an invention is to be taken not to be useful unless a **specific, substantial and credible use** for the claimed invention is disclosed in the complete specification. Further, the disclosure in the complete specification must be sufficient for that **specific, substantial and credible use** to be appreciated by a person skilled in the relevant art.

Usefulness/Utility

- **'SPECIFIC'** means a use specific to the subject matter claimed and can 'provide a well-defined and particular benefit to the public.'

Usefulness/Utility

- **‘SUBSTANTIAL’** means the claimed invention does not require further research to identify or reasonably confirm a ‘real world use’. ‘An application must show that an invention is useful to the public as disclosed in its current form, not that it prove useful at some future date after further research.’

Usefulness/Utility

- An asserted use will be **'CREDIBLE'** 'unless there is evidence that the invention is inoperative (i.e., does not operate to produce the results claimed by the patent application) or there is a reason to doubt the objective truth of the statements in the specification.'

Usefulness/Utility

- When should it be disclosed?
 - There must be “a specific, substantial and credible use” in the specification on the date of the filing.
 - Additional data may be provided during prosecution if requested by the Examiner.
 - In the United States, a Declaration under 37 C.F.R. § 1.132 may be filed.

Usefulness/Utility

- Supplemental Data
 - Can only prove the utility identified on the filing date
 - Cannot provide additional utilities during prosecution

Usefulness/Utility

- United States
 - 35 U.S.C. § 101
 - 35 U.S.C. § 112 (pre-AIA) or 112(9)
 - M.P.E.P. 2107-2107.03
 - Utility Examination Guidelines, Federal Register, Vol. 66, Po. 4, January 5, 2001

Usefulness/Utility

- United States
 - Specific Utility
 - Need a **specific and well-defined utility** that provides a benefit to the public.
 - Cannot merely indicate that an invention is useful without saying **why it is useful**.

Usefulness/Utility

- United States
 - Substantial Utility
 - An asserted use must show that the claimed invention has a significant and presently available benefit to the public.

Usefulness/Utility

- United States
 - Wholly inoperable inventions;
“Incredible” Utility
 - Perpetual motion
 - Cold fusion
 - Cures common cold
 - Cure a wide variety of cancers.

Usefulness/Utility

- Patent Drafting
 - It is important to note that the specific, substantial and credible use must be **disclosed in the specification**. According to the legislative materials this can take the form of an explicit disclosure, or if the skilled person could appreciate the use, with their background knowledge in the art and without undue burden then the disclosure need not be explicit.

Usefulness/Utility

- In Practice
 - It is expected that this new law will not have a significant impact on the majority of patent applications and how they are drafted. The amendments will show their usefulness by **eradicating the claiming of speculative inventions**, thereby strengthening the requirement that patented inventions are useful.

Usefulness/Utility

- The Australian Courts
 - While the new law does not apply to old Act patents, it is important to remember that inventions of both new and old Act patents are subject to the requirement that they have utility, i.e., that the claims actually achieve what is promised by the patentee in the specification. The Australian courts have been quite clear that where a single claimed embodiment does not meet this requirement, the relevant claim is likely invalid.

Usefulness/Utility

- Helpful Considerations
 - The usefulness of an invention involves a **qualitative** rather than a quantitative assessment, and it is clear from the decided cases that a very small amount of utility will be sufficient.
 - It is necessary that the invention enable the public to achieve the result asserted to be attainable by the patentee. Hence, any variation between what is promised and what is achievable can invalidate a patent. The clear lesson for applicants is to **not promise more than what can be achieved by the invention.**
 - Utility can sometimes be an issue in arts such as **biotechnology** where the dividing line between discovery and invention is unclear.

Thank you.

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