

The MHRD Chair on IPR
National Law School of India University

International Conference on
CHALLENGES FOR OBJECTIVE ANALYSIS
OF PATENTABILITY CRITERIA

17th December 2012

Naren Thappeta
US Patent Attorney/India Patent Agent

www.iphorizons.com
nt@iphorizons.com

Broad Overview

- **Sub-topic: Novelty and Non-obviousness in India—
Lessons learnt from prosecution before IPO**
- **‘Patentability Criteria’ as ‘sound public policy’**
- **Novelty/obviousness in India/USA**
- **Prosecution practices followed in India/USA**
- **End Goal: Extent of consistency**

Public Policy - General

- **Historically: *Quid Pro Quo* for Disclosure**
 - **No longer the driver**

- **Now:**

Ensuring ideas reach market place

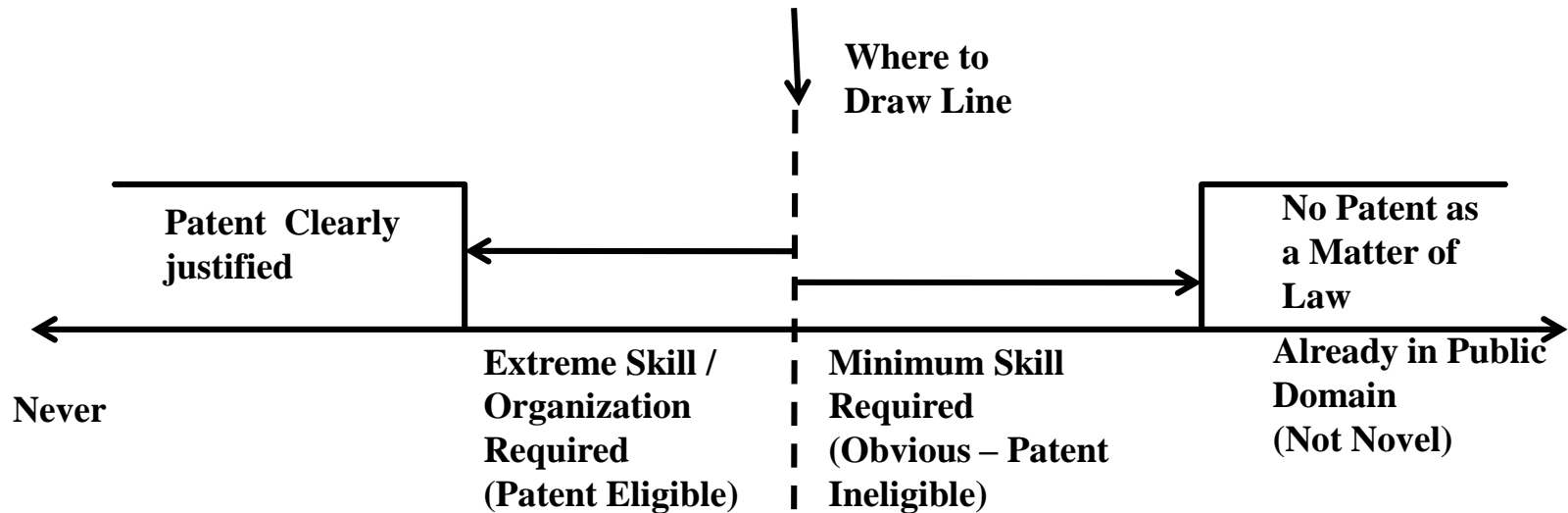
+ Discourage ‘Free Riders’

Vs.

Restraint on free flow of ideas

+ Ensuring ‘timely’ Access to people/needy

Public Policy - Conflict



- **PROBABILITY OF ‘INVENTION’ REACHING MARKET WITHOUT PATENT PROTECTION (ENSURING IDEAS REACH MARKET PLACE)**
- **‘Line’ resolved per understanding of ‘sound public policy’ = different concerns for functional/unpredictable/life sciences?**
- **Extreme Left: Stronger justification than ‘real property’ rights**

Public Policy – India/US

- **India**
 - **Utilize Patent for Industrial Development**
= India not 'yet' in the forefront of innovation
 - **Ensure poor not deprived of 'available' medicines**
 - **Extreme caution with pre-independence experience**
- **US – Capitalist view**
 - **Pro-innovators/businesses**
= Patent exclusionary right – almost absolute
 - **Strong anti-trust laws ensure competition**
= Access considered natural consequence
= Check against arguable 'oligarchies'

Public Policy – India Specific Concerns

“It is common knowledge that MNCs use all sorts of legal maneuvers and loopholes to keep extended monopoly for their expired patents by effecting minor and trivial modifications to the basic Invention, to prevent competition and keep the generics off the market. The law in section 3(d) is a small attempt of the legislature to curb and counter the practice of "ever greening of patents" (or perennial patenting, whereby the product is secured legal protection even after patent expiry) by ...”

Public Policy – India Specific Concerns

Shri Kamal Nath , Minister of Commerce and Industry , while answering the concerns voiced by the other members of Lok Sabha (Lower House) in relation to the 'ever greening' of Patents, quoted section 3(d) and said 'In regard to evergreening, I just want to read out section 3(d) ... There is no question of evergreening.'
(Lok Sabha Debates, March 2005)

- **Evolving: Export/import imbalance in hardware**

Novelty/obviousness – USA/USPTO

- **Novelty/anticipation – single document/product**
- **Obviousness – multiple documents/products**
 - = **Codified in 1950s**
 - = **Fair amount of guidance from judiciary**
- **Iterative communications until agreement reached**
 - = **No limit on number of iterations with USPTO**
- **Typical prosecution closure in functional arts**
 - = **New combination/operation tied to new benefit**
 - = **Inventor given benefit of ‘discovering’ problem**

Novelty/obviousness – USA/USPTO (Cont...)

- **Resolving Obvious vs. not-obvious**
 - = **Level of skilled practitioner: documents mostly**
 - **Serious mental effort of Examiner**
 - = **Each/every element shown in a document**
 - = **Motivation/suggestion to combine**
 - = **Examiner charged with the duty to make case**
 - = **Precautions against ‘hindsight’ construction**
 - = **Affidavits practice under 37 CFR 1.132**
- **Notice Requirement to public**
 - = **Clear written record for public notice**
 - = **‘Inequitable Conduct’ a serious concern**

USPTO – Hypothetical Facts of India Section 3(d)

A. USPTO shows in record two prior art material:

1. ‘known substance’

2. claimed substance is ‘new form’ of 1

B. Burden now on applicant to show why unobvious

- novel benefit ‘inherent’ to ‘new form’?

= works as intended?

- Affidavit practice

= long felt need (tied clearly to invention)

= combination not the one, normally pursued

= Unexpected properties

= Not limited to ‘enhancement of known efficacy’

USA/USPTO – Conclusions

- **Material Observations**

- = **Many ‘broad’ software patents granted**

- = **Going into ‘public domain’ soon**

- = **Stronger challenges by USPTO now**

- = **Established standards for procedural burdens**

- **KSR Vs. Teleflex**

- = **Backlogged 1-4 years**

- = **USPTO a ‘Profit centre’ for US Government**

General Considerations – India

- **Historical backdrop**

- = **Patents Act 1970 as primary source of guidance**
- = **Section 3 – defines what are not inventions**
- = **‘inventive step’: First reference in 2002**
- = **Biswanath Prasad Radheshyam v. Hindustan Metal Industries, AIR 1982 SC 1444**

- **Burdens of the Controllers**

- = **In many areas, left to Controller’s judgment**
- = **Controllers confronted with ‘non-India logic’**
- = **Charged with many administrative tasks also**

Inventive Step – India

- **India MPEP provides substantial similar approach**
 - d) Invention as a whole shall be considered. In other words, it is not sufficient to draw the conclusion that a claimed invention is obvious merely because individual parts of the claim taken separately are known or might be found to be obvious.**
 - e) If an invention lies merely in verifying the previous predictions, without substantially adding anything for technical advancement or economic significance in the art, the inventive step is lacking.**
 - f) For the purpose of establishing obviousness of the invention, citing a mosaic of prior arts is permissible, provided such prior art is enabling.**

Patent Eligible Subject Matter – India

- **Section 3(d)**
- **Section 3 (k): software per se/ business methods**
 - = **Focus on technical character of subject matter**
 - = **Apply to specific problem**
 - = **Tool or a tool used in a business (method)**
 - = **Software tools to create software tools**
 - = **System software: Better platform for applications**
 - = **User interfaces: Ease of use**
 - = **Concede ‘computer readable medium’ claims**

Interactions with IPO

- **Rejections reflect intuitive exercise in FERs**
 - = **Speaking orders more likely in final**
- **Section 8: a powerful source for decision making**
 - = **Notify non-India filings within 6 months**
 - = **Share with IPO requested details**
 - **USPTO&E/JPO reports requested routinely**
- **Controllers deference to decisions in non-India**
 - = **More likely on novelty/obviousness**
 - = **Less likely on patent eligible subject matter (3K)**
 - = **Software based cases: More aligned with EPO**

Interactions with IPO (Cont..)

- **Time limit for placing applications in condition for grant**
 - **One-year from FER (first examination report)**
- **Post one year process**
 - **Oral hearing to reach agreement**
 - **safe guards: liberal pre/post grant opposition**
 - = **Interested persons oppose critical patents**
- **Ex parte relief**

THANK YOU!

Naren Thappeta
US Patent Attorney/India Patent Agent
www.iphorizons.com
nt@iphorizons.com