

Proposed amendments to Australian patent law: Infringement exemption for experimental use

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In brief

- | A Bill to amend Australia's patent law is currently being considered that proposes a number of changes to Australian patent law, including exemptions to patent infringement for experimental use of a patented invention.
- | The provisions of the Bill relevant to infringement exemptions may be implemented as early as by the end of 2011.

An exemption to Australian patent infringement is proposed where the predominant purpose of the relevant act is to gain new knowledge, or to test a principle or supposition regarding a patented invention. Further, the exemption is to apply irrespective of whether the person undertaking the relevant act had in mind to later commercialise, for example, an improvement arising from the act, or whether that person was aware of the patent at the time the relevant act was undertaken.

Law at present

Presently, the Australian patents legislation does not provide for an infringement exemption for experimental use of a claimed invention, and the common law that applies in the relevant circumstances is uncertain.

Impact of proposed amendment

According to the proposal, a person may undertake an act that would otherwise be an infringement of a patent claim 'if the act is done for **experimental purposes relating to the subject matter of the invention**'.

'**Experimental purposes**' is non-exhaustively defined as including:

- | determining the properties of an invention
- | determining the scope of a claim relating to the invention
- | improving or modifying the invention
- | determining the validity of the patent, or of a claim relating to the invention, and
- | determining whether the patent for the invention would be, or has been infringed by the doing of an act.

Interestingly, it is proposed that an act that improves or modifies an invention would be exempted from infringement, even if the improvement or modification was proposed for later commercialisation.

Further, the amendment proposes that the experimental activities be '**related to**' the subject matter of the invention. The intention here is to achieve two outcomes:

- i. that the exemption is to apply to experiments that include the claimed invention, so that the person undertaking the relevant work is not required to conduct patent searches before starting an experiment, and
- ii. that the exemption is to apply to experimentation on a patented invention, ie it does not cover experimentation **using** a patented invention. Importantly, it does not follow that infringement of a research tool patent is to be exempted merely because of the proposed amendment.

Acts that remain outside the proposed infringement exemption include those where the purpose is commercialisation. These include:

- | 'market research' – testing the likely commercial demand for a product, and
- | manufacture for the purpose of sale or use for commercial purposes.

For further information on these developments, the Exposure Draft of the Explanatory Memorandum for the Bill can be found on the IP Australia website.¹

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Endnotes

1. Exposure Draft of the Explanatory Memorandum for the Bill

More information

For information regarding possible implications for your business, contact



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