

HOW HIGH HAS THE BAR BEEN RAISED? THE AUSTRALIAN PATENT OFFICE ISSUES ITS FIRST OPPOSITION DECISION ON A POST 'RAISING THE BAR' PATENT APPLICATION

21 January 2016 | Australia, Brisbane, Melbourne, Perth, Sydney
Legal Briefings - By **Rebekah Gay** and **Reginald Leones**

In the first opposition decision of the Australian Patent Office to apply the post-'Raising the Bar' disclosure and support requirements, the hearing officer applied principles derived from UK and European case law to find that the opposed application did not meet the new requirements.

- Under the new requirements, the specification must provide an enabling disclosure to allow a person skilled in the art to perform the invention across the whole scope of the claim without undue burden - i.e. as a matter of reasonable trial and error. The financial cost of the trial and error may render it unreasonable, such that it constitutes an undue burden.
- For the claims to be properly 'supported' by the disclosure in the specification, the scope of the claims must correspond to the technical contribution to the art as described in the specification. Where a claim is broadly drafted, the specification must teach a general principle by which the invention will be achieved in order for the support requirement to be met.

BACKGROUND

Some of the most significant changes to Australian patent law introduced under the 'Raising the Bar' legislation¹ were changes intended to set higher thresholds for the level of disclosure and support required in a patent specification.

The Australian Patent Office (APO) has now issued its first opposition decision on a [patent application](#) under these new provisions in *CSR Building Products Limited v United States Gypsum Company* [2015] APO 72 (**CSR**).² The APO rejected the claims as being too broad for the level of disclosure and support provided in the specification. This article examines the reasons for the rejection, and the decision's implications.

WHAT HAS CHANGED?

Historically, Australian patent law required that a patent specification describe the invention fully and that the claims be fairly based on the matter described in the specification. If a person skilled in the art could perform the invention by making something within the scope of the claims, this was considered a sufficient level of disclosure.³ The fair basis requirement was considered satisfied if the specification contained a 'real and reasonably clear disclosure' of what was claimed.⁴

However, the 'Raising the Bar' reforms amended the *Patents Act 1990* (Cth) to require that:

1. a complete specification must disclose the invention in a manner which is clear enough and complete enough for the invention to be performed by a person skilled in the relevant art(s 40(2)(a)), and
2. the claim(s) must be supported by the matter disclosed in the specification (s 40(3)).

These amendments were intended to bring Australia in line with overseas jurisdictions (such as the UK and Europe) by ensuring that 'the person skilled in the art can extend the teaching of the specification to produce the invention across the **full width** of the claims',⁵ and that the scope of the claims is 'not broader than is **justified** by the extent of the description, drawings and contribution to the art.'⁶ (emphasis added)

THE PATENT APPLICATION AND CLAIMED INVENTION IN CSR

The patent application in issue in *CSR* involved fire resistant building panels made from a gypsum core that includes high expansion particles (such as high expansion vermiculite). These particles provide the core with a defined density and hardness.

The specification provided example compositions of 20 different sample panels having high expansion vermiculite. The specification also provided fire resistance test results for each of these samples according to particular industry standards. However, some of these samples failed to pass any of these standards.

Critically, since each claim is directed to a 'fire resistant' panel, the APO held that the person skilled in the art would understand that this means the panel must meet some recognised fire resistance standard. Therefore, the claims were construed to define gypsum panels having high expansion particles, and other defined properties, and fire resistance (i.e. that it meets a relevant industry standard).

THE PATENT OFFICE DECISION IN CSR

The requisite level of disclosure under s 40(2)(a):

The hearing officer, after referring to UK case law, summarised the relevant question as 'Can the skilled person readily perform the invention over the whole area claimed without undue burden and without needing inventive skill?'.⁷ To answer this question, the hearing officer adopted a three-step approach, namely:

1. construe the claims to determine the scope of invention as claimed,
2. construe the description to determine what it discloses to the skilled person, and
3. decide whether the specification provides an enabling disclosure of all the things that fall within the scope of the claims.⁸

Applying this approach, the hearing officer held that the specification did not meet the requirements of s 40(2)(a) as it did not provide an enabling disclosure across the full width of claim 1.

In particular, the hearing officer held that the specification failed to provide an enabling disclosure for panels having the defined parameters for fire resistance. This was because there were a number of variables in relation to process and starting materials that affected whether a panel met the defined parameter. However, the specification did not disclose how to adjust the process and materials so as to achieve with certainty a fire resistant panel.⁹

In addition, the evidence showed that it was prohibitively expensive (up to US\$50,000 or more) to test whether a sample fire panel met one of these standards. The hearing officer considered that the work involved in adjusting the composition of the panels to meet the parameters therefore did not amount to 'reasonable trial and error',¹⁰ in the absence of a high expectation that the sample will pass. The hearing officer therefore concluded that it would be an undue burden to develop compositions of fire retardant panels with the defined properties, other than those compositions used as examples in the specification.

Support under s 40(3):

The hearing officer, after referring to UK and European cases, concluded that 'support' required that the scope of the claims 'should correspond to the technical contribution to the art'.¹¹ In assessing this requirement, the hearing officer again followed a three-step approach, namely:

1. construe the claims to determine the scope of invention as claimed,
2. construe the description to determine the technical contribution to the art, and
3. decide whether the claims are supported by the technical contribution to the art.¹²

In applying this approach, the hearing officer concluded that only some of the sample preparations using high expansion particulars produced a low density, fire resistant gypsum panel. As a result, the technical contribution to the art was limited to the particular examples shown to produce panels having the desired properties.

Comparing this technical contribution to the scope of the claims, the hearing officer held that the scope of the claims were to 'gypsum panels that contain high expansion particles AND are fire resistant'.¹³ As there was no general principle disclosed for achieving the result of a low density, fire resistant gypsum panel, the claims travelled beyond the matter disclosed in the specification and therefore failed to comply with s 40(3).

CONSEQUENCES FOR POST 'RAISING THE BAR' PATENT APPLICATIONS

Had the patent application in this case been assessed according to the pre-Raising the Bar disclosure and fair basis requirements, it is likely that the decision would have been different. Since a person skilled in the art could have made something within the scope of the claims by making a panel according to one of the samples that *did* pass a recognised fire resistance test, the application would have satisfied the 'old' sufficiency requirement. Similarly, the claims also could have satisfied the fair basis requirement, since there was consistency between the invention as described and claimed, and a 'real and reasonably clear disclosure' of the claimed invention.

This decision therefore demonstrates the change wrought by the Raising the Bar legislation and provides long-awaited guidance on the revamped approach of the APO to the new disclosure and support requirements. In particular, it confirms the relevance of UK and European case law. It is also an indicator of the APO's view that the specification must include sufficient information for the person skilled in the art to be able to diverge from the examples and produce something that falls within the scope of the claims, without undue burden. The APO may consider the claim invalid if it is unreasonably difficult or costly to verify whether new embodiments fall within the scope of the claims.

The new support and disclosure requirements have yet to be considered by the Australian courts. Although it is to be expected that the Courts will adopt a similar approach to the APO, the extent to which Courts will rely on overseas case law remains to be seen.

ENDNOTES

1. *Intellectual Property Laws Amendment (Raising the Bar) Act 2012*.
2. Available at this [website](#).
3. *Kimberly-Clark Australia Pty Ltd v Arico Trading International Pty Ltd* (2001) 207 CLR 1, 17; *Lockwood Security Products Pty Ltd v Doric Products Pty Ltd* (2004) 217 CLR 274, 297.
4. *Lockwood Security Products Pty Ltd v Doric Products Pty Ltd* (2004) 217 CLR 274, [69].
5. Explanatory Memorandum, Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 [2012], 47.
6. *Ibid*, 49.
7. CSR, [91]-[94] (citing *Novartis AG v Johnson & Johnson Medical Limited* [2010] EWCA Civ 1039, [74]; *Eli Lilly & Co v Human Genome Sciences, Inc* [2008] RPC 29, [239]; *Kirin-Amgen Inc v Hoechst Marion Roussel Ltd* [2005] RPC 9, [103]).
8. CSR,[98].

9. CSR, [102].
10. CSR, [104].
11. CSR, [109]-[110] (citing *Fuel Oils/EXXON (T409/91)* [1994] OJ EPO 653, 659 and *Generics (UK) Ltd v H Lundbeck A/S* [2009] RPC 13).
12. CSR, [115].
13. CSR, [118].

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



REBEKAH GAY
PARTNER AND JOINT
GLOBAL HEAD OF
INTELLECTUAL
PROPERTY, SYDNEY
+61 2 9225 5242
Rebekah.Gay@hsf.com

LEGAL NOTICE

The contents of this publication are for reference purposes only and may not be current as at the date of accessing this publication. They do not constitute legal advice and should not be relied upon as such. Specific legal advice about your specific circumstances should always be sought separately before taking any action based on this publication.

**SUBSCRIBE TO STAY UP-TO-DATE WITH LATEST THINKING, BLOGS, EVENTS, AND
MORE**

Close

© HERBERT SMITH FREEHILLS LLP 2021