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Session Three-Introduction by Alberto BERCOVITZ (Chair)

Ladies and gentlemen, dear colleagues,

As highlighted during the two sessions that have taken place this morning, research is significantly affected by Patent Law and the purpose of this session is to establish how effective research exemptions in patent law are.

With a view to focussing on the question we have to discuss, it is essential to take the general principles that are the basis of Patent Law as the starting point. Regarding this issue, the prime objective of Patent Law is clearly to encourage technological progress in a market with free competition; hence, the encouragement to produce and to publish inventions, providing the holder of a patent with the exclusive right to market a patented invention for a limited period of time.

This implies that a patent cannot prevent actions aimed at becoming familiar with a patented invention or experimenting with it, improving it or developing it. Neither may a patent prevent the development of other inventions that invade the scope protected by a patented invention.

The patent gives the holder the exclusive right to exploit in the market the patented invention while the patent is in force. Therefore, actions that do not affect the marketing of the patented invention do not affect the said exclusive rights.

This approach, which is the basis of Patent Law, requires that we reconsider the title of the session we are now commencing. This is so because it is extremely dubious that the experimental use of a patented invention entails an exception in Patent Law. Rather, the right to use patented inventions in research should be upheld as a general principle of Patent Law. This approach is important because, in Law, exceptions have to be interpreted restrictively when compared with generally applied principles. Consequently, if the experimental use of patented inventions is a general principle of Patent Law; the right of the patent holder to prevent or limit that use is what would have to be interpreted restrictively.

If we accept the fact that the right to research related to the subject-matter of patented inventions is a general principle enshrined in Patent Law, there seems to be little doubt concerning the legality, without requiring any authorisation from the patent holder, of any investigation involving tests on a patented invention in order to judge the possibility of implementing or patenting it or to verify its properties, of performing purely scientific tests or tests to improve technical aspects.

Of course, it is clear that third parties have the right to research on the subject matter of a patented invention in order to obtain new developments of such invention which can present inventive level and therefore be patented. If this is so, the consequence of this legal possibility should be, for being coherent with the encouragement of technical progress, to establish the possibility of having a compulsory licence in favour of the subsequent owner of the dependent patent which is the result of the research on the subject-matter of the prior patented invention.

On the other hand, a patented invention may not be used as a research tool or for trials of an economic, commercial or market related nature without the authorisation of the holder of the patent.

We could say that experiments on a patented invention do not affect any exclusive rights unless directly aimed at marketing the patented object or at using it in a company's production process.

These principles, however, entail significant problems concerning their application.

Firstly, because experimental use is legal if the patented object is not used as an instrument for the research itself. In such a case, it seems clear that the use of the patented object falls within the scope of the patent's protection. But this creates a very serious problem for research, as research is hindered by the existence of exclusive rights, especially when the patented invention is an essential instrument for research in certain scientific or technological fields. In this case, we have to consider other solutions because the use of the patented invention falls within the exclusive rights of the patent.

When referring to the problem related to the use of patented inventions as research tool one important distinction has to be made, depending on the fact that the patented invention is able of being commercialised as a material product or not. In the case where the patented invention can be commercialized through the marketing of tangible products, this does not create an obstacle to the use of the patented product in the research, considering the possibility of acquiring the patented products from the patentowner or his licensees. The situation is different when the patented invention does not refer to a product which can be bought, for instance when the subject-matter of the patent is a process. In this case we have

to consider other solutions. In general referring to the problem of research use of patented inventions, the possibility to apply antitrust law rules could be considered in certain cases, such as those which refer to the access to essential facilities.

Secondly, and even accepting that the freedom to use patented inventions for experimental purposes is a general principle of Patent Law, we cannot ignore that the vast proliferation of patents, many of which are of a low inventive level, place those who wish to base their research on the freedom of use of patented inventions for investigation in a very difficult situation.

This is so because, if the holder of a patent exercises legal actions, research teams have to dedicate time, money and personal resources to defend themselves. If, given the proliferation of patents, the number of lawsuits against researchers should also increase, even if the said researchers have the right to use the patented inventions for experimental reasons, they would not have sufficient financial and personal means to defend themselves against an increase in the number of lawsuits, even if such lawsuits were unfounded.

And, finally, we must stress that the recognition of the right to investigate on patented inventions differs significantly from one legislation to another, which is important if we consider that research may be performed in certain countries depending on the more or less favourable criteria endorsed by existing legislation or jurisprudence concerning the freedom to use patented inventions for experimental purposes.

Therefore, the session we are now starting will be of greater interest if we take into consideration all these complex aspects. We are honoured with the presence of prominent experts, which will enable us to consider the problems and the practical application in different and significant legal systems concerning the freedom to use patented inventions for research purposes.

We shall start with the intervention of Trevor Cook who will give us a general picture of the problem in different legal systems. The second speaker will be Prof. Straus, who will explain the cases already solved by the German Courts on this issue and will give, I have no doubt, his own opinion. Andrew Christie and Nikolaus Thumm will refer to the discussions and problems raised for considering the introduction of the so-called “research-use exemption” in two legislations, in Australia and Switzerland, where this exemption does not exist so far.