EDITORIAL

A RETURN TO PATENT GOOD SENSE

The industry has been waiting anxiously for the US Supreme Court's ruling on the Festo case to signal the future status of patent protection. The decision preserves a healthy dose of uncertainty.

The language of patent law seems determinedly complex, and reveals little to those not versed in its mysteries. We outside the art accept that the trade-off for this impenetrability is that the language is designed to be precise, giving lawyers a formula with which they can unambiguously decide what does, and what doesn't, legally belong to one party or another. It is all the more interesting, therefore, that the recent decision of the US Supreme Court in the long-running case of *Festo Corporation v. Shoketsu Kinzoku Kogyo Kabushiki Co.* (known more simply as SMC) is designed to maintain a degree of flexibility in one aspect of intellectual property; the question of what constitutes an 'equivalent' invention.

Festo originally filed suit against SMC in 1989 for infringing the patent it held on the design of a magnetic piston (for further details on the case, see the Patent Watch article on page 490 of this issue). Not at first glance an issue of great relevance to drug discovery, but, as it turned out, a case that rose to sudden prominence in the eyes of the business community two years ago, when the US Court of Appeals for the Federal Circuit handed down a highly surprising decision. It ruled that changes made to the patent application during its progress through the review process at the US Patent and Trademark Office had made the protection from infringement under the doctrine of equivalents unavailable. The doctrine of equivalents is a 150-year-old piece of judicial doctrine that is designed to prevent competitors from copying patented items by changing minor details and claiming the invention as their own. As most patent applications are amended during the give and take of the application process, all eyes were on the Supreme Court as it considered an appeal to the ruling of the Federal Circuit Court.

The Supreme Court rarely gets involved in patent cases, and when it does, it is usually because it suspects that the Federal Circuit, which otherwise has sole responsibility over patent law in the United States, is not applying the correct standards. Its decision was therefore always unlikely to be a straightforward affirmation of the decision of the Federal Circuit Court. Ultimately, it threw out the attempt of the lower court to impose an absolute rule that would have been easy to enforce, but would have left patent holders who submitted amendments unprotected under the doctrine of equivalents. Instead, its ruling leaves us with a more sensible, but undeniably more complex situation, in which amendments might or might not affect protection under the doctrine of equivalents, depending on what they are. This basically restores the balance between the doctrine of equivalents and prosecution history estoppel, a doctrine for determining the scope of patent claims. It also upholds the Supreme Court's decision in the Warner Jenkinson case five years ago, which was made more memorable by the elegant phrasing of the opinion delivered by Justice Thomas: "Petitioner, which was found to have infringed upon respondent's patent under doctrine of equivalents, invites us to speak of the death of that doctrine. We decline that invitation".

So, patent applicants can return to submitting the full breadth of their claims with the understanding that they can be amended during prosecution with some restored hope that the amendment will be interpreted with a degree of common sense. The Court's restatement of the fact that it is incumbent on applicants to prove that their amendments do not negate their right to protection under the doctrine of equivalents could help to refine future patent filings.

The decision is a particular relief for holders of some of the pioneering biotech patents that were filed in the late 1980s, many of which took a long time to move through the Trademark and Patent Office and consequently received many amendments. Some of these are still under review, and as the length of their prosecution history testifies, they are likely to be among the most valuable patents around. For these to have lost protection under the doctrine of equivalents would have been unthinkable.

"The decision is a particular relief for holders of some of the pioneering biotech patents…"