Comparison of Examination Practice in Respect of Contrary Public Interest Among CN, EP and US

In China, although it is not common to raise a question of detriment to public interest as stipulated in Article 5.1, Patent Law of China, in substantive examination procedure or invalidation procedure, there are still some cases refused to be granted or invalidated, if granted, under Article 5.1. The expression "detriment to public interest" means that the exploitation of an invention may cause detriment to the public or the society or may disrupt the normal order of the country and the society. The invention is possibly detrimental to public not in its abuse, [1] while in itself or in the sole use.

I. Provisions in CN, EP and U.S

In China, article 5.1, Patent Law of China, reads:

Article 5. *No patent right shall be granted for any invention-creation that is contrary to the laws or social morality or that is detrimental to public interest.*

The purpose of the provision is to protect an invention the exploitation of which may induce public disorder, lead to criminal or other general offensive behavior to be granted a patent right.[2] It is provided some examples belonging to circumstances of detriment to public in the Guideline for Patent Examination, such as seriously polluting the environment, seriously wasting energy or resources, disrupting ecological balance, or impairing the health of the public.[3]

EPO has similar provisions. Art. 53(a) of EPC reads:

European patents shall not be granted in respect of: inventions the commercial exploitation of which would be contrary to "ordre public" or morality……[4]

Furthermore, in European Guideline for Examination, it is described that the purpose is to deny protection to inventions likely to induce riot or public disorder, or to lead to criminal or other generally offensive behavior [5]

In the U.S, this issue is reflected in the utility requirement. In LOWELL v. LEWIS，1817, the circuit in New England opined that if a method to poison or assassinate, it would be unpatentabl.[6] It complies with public policy doctrine or ordre public.

II. CN, EP and the U.S. share similar legislative principles

According to the provisions in China and Europe, and the U.S. case law, it can be seen that the legislative principles or gist are the same, i.e., excluding inventions which may interrupt public order or lead to public disorder from granting, which reflect soundly the combination of protecting the monopoly of patentability with protecting public interest and public health .

Meanwhile, inventions belonging to circumstances of detriment to public interest do not include those the exploitation of which is prohibited by other law. In accordance with Article 2, TRIPS, it prescribes that members may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect order public or morality……, provided that such exclusion is not made merely because the exploitation is prohibited by their law. In other words, the inventions the commercial exploitation of which are prohibited merely for protecting public interest or morality, not for others. Rule 10 of Implementing Regulations, Patent Law of China, provides similar provisions. Likewise, Article 53(a) of EPC provides the provisions that such exploitation shall not be deemed to be so contrary

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1 "Guideline for Patent Examination", 3.1.3, Chapter I, Part II

2 "Introduction to the Patent Law of China", page 13

3 "Guideline for Patent Examination", 3.1.3, Chapter I, Part II

4 Article 53 Exceptions to patentability

European patents shall not be granted in respect of:

inventions the commercial exploitation of which would be contrary to "ordre public" or morality; such exploitation shall not be deemed to be so contrary merely because it is prohibited by law or regulation in some or all of the Contracting States;

5 Matter contrary to "ordre public" or morality

Any invention the commercial exploitation of which would be contrary to "ordre public" or morality is specifically excluded from patentability. The purpose of this is to deny protection to inventions likely to induce riot or public disorder, or to lead to criminal or other generally offensive behaviour (see also F II, 7.2).

6 "All that the law requires is, that the invention should not be frivolous or injurious to the well-being, good policy, or sound morals of society. The word "useful," therefore, is incorporated into the act in contradistinction to mischievous or immoral. For instance, a new invention to poison people, or to promote debauchery, or to facilitate private assassination, is not a patentable invention. "

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18th Floor, Tower B, Grand Place, No 5, Huizhong Road, Chaoyang District, Beijing 100101,P.R. China
Tel: 0086-10-84891188 Fax: 0086-10-84891189
LTBJ@lungtin.com www.lungtin.com

merely because it is prohibited by law or regulation in some or all of the Contracting States.

On the other hand, an invention the exploitation of which shall be regarded as detriment to public interest does not result from the abuse but the mere use. It is definitely stipulated in the Guideline in China and Europe. [7]

III. Practice in CN, EP and the U.S.

The examination practice in China, Europe and the U.S. are somewhat different although the legislative principles in detriment to public interest are similar. Based on the database of the Board of Reexamination ("Board") in China, we notice that a number of applications in the field of cosmetics, food, feedstuff or pesticide are rejected or invalidated due to contrary to public interest. The applications or patents are concluded as such mainly based on some administrative regulations of China Food and Drug Administration, Agricultural department, and Department of Health, etc.. We consulted in the database of EPO and could not find any similar cases. Neither the U.S. has such cases.

i. Practice in the U.S.

In Juicy Whip, Inc. v Orange Bang, Inc. (Fed. Cir. 1999), Orange Bang, the defendant, requested invalidating the patent owned by Juicy Whip on the grounds that the patent intendedly deceived consumers. The local court announced the patent invalid. However, the appellant court overturned the case. The appellant court opined that there was no basis for holding that an invention was unpatentable simply because it has the capacity to fool some members of the public. The Court noted that "Juicy Whip's drink machine was perfectly legal, and if Congress didn't like it, they were free to change the law. However, it was not the job of the USPTO to displace the police powers of the States and promote the health, order, peace, and welfare of the community. Additionally, the patent system is not a regulatory body, it only gives you the right to exclude others. It is for other agencies to determine if the invention can be legally marketed. For example, even if you can get a patent on a drug, you can't sell the drug until you get approval by FDA."

ii. Practice in Europe

In EPO, most of the cases refused by the Board of Appeal under EPO Art. 53(a) is in the field of biotechnology, for example, inventions relating to commercial exploitation of human embryos, which belong to the circumstances as stipulated in Rule 28. [8] Only a couple of cases concern with other circumstances out of Rule 28, for example, T0149/11 and T0866/01.

In T0149/11, claim 13 the exploitation of which contravene human fundamental values and rights and therefore violate ordre public, which falls into the scope of exclusion to patentability.[9] T0866/01 is in regard with the application of EP92902903.1, wherein claim 1 claims a composition containing lethal amount of anaesthetic and claim 4 defines the dosage for administration which is calculated based on a mammalian body weight. Board of Appeal opined that claim 4 falls into the circumstance of contrary to ordre public under Art. 53(a). In the opposition procedure, patentee amended claim 4 by replacing mammal with lower mammal and the issue is moot. [10]

iii. Practice in China and Comparison among CN, EP and the U.S.

i) Case I

In Chinese application (Application No. 200680026451.6) with title of method for rejuvenating aged food oils, claim 1 relates to a method of rejuvenating aged food oil or a composition containing PUFAs or such oil by the addition of ascorbyl palmitate to such oil or composition. In the substantive procedure, the examiner finally rejected the application under Article 5.1. In the reexamination procedure, the

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[7] Offensive and non offensive use

Special attention should be paid to applications in which the invention has both an offensive and a non-offensive use, e.g. a process for breaking open locked safes, the use by a burglar being offensive but the use by a locksmith in the case of emergency non-offensive. In such a case, no objection arises under Art. 53(a).

[8] Rule 28Exceptions to patentability

(1) Under Article 53(a), European patents shall not be granted in respect of biotechnological inventions which, in particular, concern the following:

(a)processes for cloning human beings;

(b)processes for modifying the germ line genetic identity of human beings;

(c)uses of human embryos for industrial or commercial purposes;

(d) processes for modifying the genetic identity of animals which are likely to cause them suffering without any substantial medical benefit to man or animal, and also animals resulting from such processes.

(2) Under Article 53(b), European patents shall not be granted in respect of plants or animals exclusively obtained by means of an essentially biological process.

[9] The Board considers that "ordre public" must be seen in particular as defined by norms that safeguard fundamental values and rights such as the inviolability of human dignity and the right of life and physical integrity.

[10] The composition of claim 4 wherein the dosage form provides between 0.15 and 0.35 ml per kg of a maximum body weight of a lower mammal.

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LTBJ@lungtin.com www.lungtin.com

Board upheld the rejection. The Board stated, the claimed method is used for treating aged food oil which has been deteriorated or regarded as deteriorated whose nutrition value has lowered and would produce detrimental material to human health. The rejuvenating method can only improve the sensory quality, i.e. masking off-flavor of aged oil but cannot remove the detrimental material in the aged oil. It would do harm to human health if consuming such oil for a long time. Thus, the claimed method for rejuvenating aged food oil would contravene public interest belonging to the circumstance exclusion to patentability under Article 5.1 of the Patent Law of China.

The EP counterpart had never confronted with such a rejection. Instead, a notice of allowance was issued dated July 8, 2015. The allowed claim 1 is the same with that examined in China. Although the US counterpart has not yet been granted a patent right, the reason for rejection is lack of inventiveness rather than contrary to public interest.

ii) Case II

Chinese application (Application No. 201080055926.0) with the title "use of benzyloxy-ethylamine derivatives as a preservative, preservation method, and composition" was finally rejected by examiner on Oct. 17, 2014. The ground for rejection is, claim 2 relates to use of a compound of the formula (I), or the salts thereof, as a preservative, in particular in a cosmetic, dermatological, or pharmaceutical composition, while the compound of formula (I) and the salts thereof is not within the scope of the allowable preservatives listed in table 4 in the regulation of "Hygienic standard for cosmetics" issued by the Department of Health on 2007. The examiner also cited a prior art document wherein a known bezyloxy-ethylamine derivative demonstrated the irritation effect on skin, eyes and respiration system. Based on the regulation and the prior art document, the examiner held that one skilled in the art would not anticipate the claimed derivatives could be used as a preservative. Furthermore, examiner stated it is not described in the specification that in what amount the claimed derivatives are safe to consumers and no hints show the claimed derivatives can be used safely in any amounts. Thus, the exploitation of claim 2 will do harm to public health and thus contrary to public interest under Article 5.1. The Board upheld the decision of rejection on June 12, 2016.

Both of the EP and US counterparts are granted a patent right and the allowed claims cover the use of the compound of formula (I) in cosmetics without any limitation to the amount of the compound.

iii) Case III

In Chinese application (Application No. 200880118847.2) with the title "pesticidal compound mixture", claim 1 relates to a composition comprising ethiprole and methamidophos. The examiner concluded claims 1 to 4, the description and the abstract concerning with methamidophos contrary to public interest based on the regulation No. 632 wherein five organophosphorus pesticides with high toxicity had been prohibited to be used in agriculture since January 1, 2007 issued by several departments including department of agriculture, and issued the decision of rejection dated December 9, 2014. In the procedure of reexamination, the applicant amended claim 1 by replacing methamidophos with chlorpyrifos, and the Board revoked the decision of rejection based on the amended version.

This Chinese application has no US counterpart, while the EP counterpart was rejected for lack of unity.

iv) Case IV

In Chinese patent (Patent No. 03806097.3), the allowed claims relate to feed supplement concentrate containing L-carnitine and ractopamine as well as a method for improving the quality of the meat produced by a finishing pig fed with the supplement concentrate. The whole set of claims of the patent were invalidated dated Oct. 17, 2011. The Board held that ractopamine belongs to lean meat powder which, as well known, may do harm to human health by residue in the meat and the gut of pigs. The Board stated Lean meat powder is prohibited in a notice issued by department of agriculture, CFDA and department of health, and thus ractopamine should be prohibited accordingly. To the end, the claimed method and supplement containing ractopamine were concluded to be detrimental to public health and therefore detrimental to public interest. Based on this, all the claims are invalidated under Article 5.1.

This patent has no EP counterpart. The US counterpart was rejected for lack of inventiveness, while was never questioned with contravening public interest.

v) Patent Examination is different from Administrative Examination

According to the cases we identified, Chinese examiners drew a conclusion on an invention in the field of food, cosmetics, feedstuffs, or pesticides, the exploitation of which would be detrimental to public interest mainly on the basis of regulations issued by the administrative departments, for example, the department of health, CFDA and the department of agriculture. If a material is prohibited in the regulations,

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Tel: 0086-10-84891188 Fax: 0086-10-84891189
LTBJ@lungtin.com www.lungtin.com

examiners would conclude the exploitation of the material contrary to public interest, as shown in the above case III and IV.

Frankly, it is rational for examiners to make a decision based on the administrative regulations. As an examiner, he has no definite operative criteria to evaluate whether or not an invention contravenes pubic interest although some circumstances are listed in the Guideline for patent examination. On the other hand, generally, administrative regulations are issued discreetly after carefully reviewing experimental data and fully consulting with technical experts in this art. To artisan's knowledge of the days during which the administrative regulations are effective, the regulations actually provide examiners with assistance in assessing the prohibited material would be detrimental to public interest.

Examiners should avoid, however, performing an examination on an invention in replacement of administrative officers in the light of market approval rather than granting a patent. As well known, in terms of safety and effectiveness, food, cosmetics and pesticides are required to be approved by administrative examination for marketing. While, granting a patent aims to encourage creating new technology and providing patentees with right to exclude others. In one word, the purpose of patent law and the administrative regulations are different and the criteria for the examinations are different accordingly.

Comfortingly, the Board of Reexamination ("the Board") has correctly realized this difference. In the decision of reexamination with respect to Chinese application (Application No. 200710307789.5), the Board opined that the purpose of enacting article 5.1 is preventing inventions the exploitation of which cause detriment to the public or the society or may disrupt the normal order of the State and the society rather than controlling the commercial exploitation of the invention which should be performed by the related administrative departments. Nevertheless, we have noticed the claimed derivatives in the above case II are not prohibited in any regulations although they are not listed in the allowable preservatives in the regulations "Hygienic standard for cosmetics". The application of case II is in the procedure of administrative litigation initiated by the applicant and the court's viewpoints are well expected.

IV. Some Advice

Considering inventions regarded as contrary to public interest will result in no patent right granted, or being invalidated, if granted, it is necessary for applicants to ponder how to avoid or overcome claims falling into the scope of exception to patentability. In view of it, we provide some advice as follows.

i. When drafting specification regarding an invention might be regarded as being detrimental to public interest, practitioners shall describe various technical solutions in various aspects with various working examples to leave space for amendments during examination, for example, to pursue a patent right by deleting the unpatentable matters.

ii. Along with social development, public interest would have different intention and extension. The knowledge of situations of detriment to public interest would be changed with the development. An invention is currently concluded to be detrimental to public interest might be patentable in someday. As to some inventions particularly those depending heavily on a patent right in view of business, which have been questioned by being detrimental to public interest, the applicant may consider placing these applications in a pending condition as long as possible to expect any changes to the examination criteria.

iii. In view of the different practice in China, European and American applicants may as well make preparations in drafting a specification by having some fallback positions for amendments in the future.

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For further information, please contact the attorney listed below. General e-mail messages may be sent using LTBJ@lungtin.com which also can be found at www.lungtin.com

WU, Xiaoying, Partner, Senior Patent Attorney: LTBJ@lungtin.com

WU, Xiaoying

(Partner, Senior Patent Attorney)

Ms. Wu is a partner and senior patent attorney at Lung Tin, and the head of the firm's Chemistry & Life Sciences Department, where she focuses on patent matters, primarily on patent application preparation and prosecution in the fields of pharmaceutical and medical science, organic chemistry, material science and biotechnology, and also on providing patent opinions and strategic patent counseling, as well as on patent reexamination, invalidation and litigation. She is very experienced in advising Chinese individuals and enterprises on expending their patent portfolios overseas. Ms. Wu joined Lung Tin in 2002. Prior to joining Lung Tin, Ms. Wu was engaged in research and development in medicinal chemistry and pharmacology.

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