Freehills
Patent Attorneys

FURTHER EVIDENCE IN AUSTRALIAN PATENT OFFICE PROCEEDINGS: MERIAL LTD V ELI LILLY AND COMPANY [2012] APO 69

Date: 2012-07-11
Author: Nicole Watling

This is an interesting Australian Patent Office decision insofar as it reveals the deliberations of the Office in deciding whether to allow a party to patent opposition proceedings to serve further evidence on another. In what was admittedly a 'line ball' decision, it becomes clear how critical it is for there to be a clear explanation of the significance of evidence, particularly in circumstances where there is seen to be delay in preparation and service of further evidence.

The decision

In this decision Eli Lilly made its application to serve further evidence under regulation 5.10 some eight months after Merial had completed its evidence in reply. Merial objected to the service of further evidence, and the matter was heard on the basis of written submissions.

The Delegate considered whether it was appropriate to exercise his discretion to allow the service of the further evidence. In making this consideration, the Delegate considered the following criteria:

a) whether there had been an explanation of delay;
b) the public interest (including the nature and significance of the evidence sought to be served); and
c) the interest of the parties.

The Delegate stated that prior considerations of these criteria are not binding rules. For example, while the explanation of the delay is a relevant consideration, a satisfactory explanation is not a mandatory requirement.

Explanation of the delay

In this case, Eli Lilly provided 'only a minimal explanation' of why it had taken eight months from the completion of evidence in reply to serve further evidence. It is appears that Lilly considered delay to be irrelevant because as there is no set period for service of further evidence, "there can be no delay as such". The Delegate disagreed with this and also decided that what was provided was not a satisfactory explanation of the delay.

The public interest

Eli Lilly also did not explain the nature of its further evidence other than to state that the nature and importance of the evidence was 'self-evident'. Interestingly, in spite of this lack of detail, the Delegate took it upon himself to consider significance of the evidence and he identified expert testimony on a prior art document as being possibly of significance in the opposition, and contrasted this with other parts of the further evidence which he said not to be significant because it was a submission regarding quality of evidence rather than evidence itself. So while 'short on detail', after inspecting the evidence himself, the Delegate found that the evidence sought to be served was 'capable of being significant'. Thus, the Delegate decided that the public interest supported allowing the further evidence to be served,' but not strongly.'

Despite considering that it had not provided a satisfactory explanation of the delay, and an explanation of the significance of the evidence - a situation the Delegate found to be 'both surprising and regrettable' - the Delegate allowed Lilly to serve further evidence on Merial. The Delegate made

no award as to costs due to his finding that Eli Lilly's case was 'far from self-evident,'

Key message

This decision shows that the Patent Office can be fairly generous to the applicant in its considerations under regulation 5.10, even where the applicant has not provided an adequate explanation for a number of the criteria set out above. However, this broad approach is discretionary, so care should be taken to ensure a satisfactory explanation of the issues to be considered is included in any application for which the above criteria apply (eg, extensions of time during opposition proceedings, applications to serve further evidence). Finally, as far as further evidence is concerned, if you expect that significant time will be required to prepare this, it will be particularly important to discuss in an application to serve further evidence, the significance of that evidence to the opposition proceedings.

CONTACT

Nicole Watling

BSc(Hons), PhD(Chem), Grad Dip IP Law

+61 3 9288 1503
Contact | **View profile**
Follow me on LinkedIn