

INTRODUCTION TO PATENTS



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Patents protect technical inventions. Essentially, they are a deal between governments and inventors. In exchange for the disclosure of their idea in a patent application, inventors are given a temporary monopoly over the exploitation of their invention.

This information sheet provides some introductory information on patents. Please see our other information sheets or contact one of our attorneys if you require more specific information.

What is a patent?

Patents protect technical inventions. They are a deal between governments and inventors. In exchange for the disclosure of their idea in a patent application, inventors are given a temporary monopoly over the exploitation of their invention.

A granted patent is a legal right granted in respect of a technical invention. The commercial benefit of a granted patent is that it gives the owner the right to prevent others from exploiting, without his consent, the invention for which a patent has been granted.

A granted patent is a property right which can be bought, sold, licensed to others or used as security. The owner of a granted patent might use it to protect a product or service which he sells. Alternatively, or as well, he may grant a licence to one or more parties, usually in exchange for royalties.

Patents are territorial rights. For example, patents granted by the UK Intellectual Property Office give rise to rights in the UK only. Patents granted by the European Patent Office can give rise to a collection of rights in individual states which are members of the European Patent Organisation.



Patents are of limited duration. Granted UK and European patents, and patents in most countries abroad, have a maximum duration of twenty years from their filing date. Most countries require renewal fees to be paid periodically to maintain a patent in force. Many countries allow extended protection for pharmaceutical products which have been delayed in experimental trials and obtaining regulatory approval.

In order to achieve grant of a patent, it is necessary first to file a patent application with the relevant Patent Office. Most countries examine patent applications in depth to determine whether they pass the tests for patentability and issue a granted patent only if a patent application successfully passes these tests.

What can be protected by a patent?

A UK or European patent can only be granted for an invention which is (1) new, (2) involves an inventive step and (3) is capable of industrial application. In addition, some types of innovation are not considered to be inventions for which a patent can be granted. These criteria are discussed in more depth below.

(1) The invention must be new.

This means that the invention must have some difference, however trivial, over everything known to the public, anywhere in the world (the "prior art") at the relevant date.

An important implication of the requirement for novelty is that you must not disclose your invention in a non-confidential fashion at least until you have filed a patent application, and often for longer. This is because a non-confidential disclosure can make the invention known to the public and so no longer new. Links to more detailed discussions of issues relating to disclosure can be found in the menu on the right hand side of this page.

(2) The invention must involve an inventive step.

This means that the difference between the invention and the prior art must not have been obvious to a person skilled in the field of the invention at the relevant date. There is no requirement that the inventive step be particularly high. There is also no need for the invention to be complex. Some apparently trivial ideas can be inventive.

(3) The invention must be capable of industrial application.

This criterion is rarely a factor as the term "industrial application" is interpreted very broadly and includes both simple gadgets and complex technologies.

Excluded fields

Most countries of the world define certain fields of invention which are explicitly excluded from patentability. As we will explain, this is one of the areas of patent law which is most commonly misunderstood in the general business community.



In the UK and Europe, the following, as such, are not regarded as inventions for which a patent can be granted:

- a discovery, scientific theory or mathematical method;
- a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever;
- a scheme, rule or method for performing a mental act, playing a game or doing business, or a program for a computer; or
- the presentation of information.

The reason why these exclusions are frequently misunderstood is that they are narrower in practice than is suggested by the above wording. For example, you cannot patent a discovery but may be able to patent technology resulting from that discovery; you cannot patent a method of playing a game but may be able to patent apparatus for playing a game; you cannot patent a mathematical method but many algorithms with important technical implications have been patented.

In the case of computer software, you cannot patent a program for a computer which is devoid of any technical implications. However, in Europe, you can patent computer software and computer implemented inventions which have technical character and which provide an inventive technical solution to a technical problem.

Methods for treatment of the human or animal body by surgery or therapy and diagnostic methods carried out on the human or animal body are also excluded from patentability. Nevertheless, these exclusions are interpreted narrowly and it is routine to patent drugs and many types of devices used in surgery, therapy and the study of the human or animal body.

Other exclusions include inventions the publication of which would be contrary to public order or morality and a number of specific exclusions relating to biotechnology, e.g. processes for cloning human beings.

We recommend always seeking professional advice on patentability before concluding that an idea is not patentable as the law governing patentability is complex and has many special cases.

International variations

The above discussion relates to the UK and Europe only. Patent law varies substantially between countries. Different countries have different requirements for novelty and inventive step. Some countries have different excluded fields.

Furthermore, some commercially important countries have other intellectual property rights which resemble patents but may have less stringent patentability requirements. These “utility model” or “petty patent” rights are found in countries such as Germany, Australia and Japan. For example, Australia has an “innovation patent” which has a lower requirement for inventive step than a conventional patent and a duration of up to eight years. These rights are not well known in the UK as



we do not have equivalent rights here but they can be useful for protecting some types of invention abroad.

Why should I apply for a patent?

Patents are commercial tools. A granted patent can be valuable due to the rights it gives the patent holder to monopolise exploitation of the patented invention for the duration of the patent. For example, if you or an employee of your company makes an invention and you are intending to commercialise it yourself, then a granted patent is valuable if it enables you to enforce useful exclusivity in the marketplace. A granted patent can present a formidable barrier to market entry for your competitors.

A patent may also be valuable in that it can be sold or licensed to others. Sometimes a company will use a granted patent to enforce exclusivity in one marketplace and sell or license patent rights they have obtained in other marketplaces where they do not operate.

Patents can also be valuable assets if you are seeking outside investment in a business or are intending to sell a business in the future. Investors will often consider a business to be more valuable if it has patent rights which it can use to enforce market exclusivity and generate a higher return on investment.

In addition, some companies use the grant of a patent as a marketing angle, to show that their products are innovative.

For more information, please visit our [website](#).

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