



## PATENTS AREA 'BEST METHOD'

### s.40(2)(aa) *Patents Act 1990 (Cth)*

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#### A. Introduction

1. In relation to the obligation to disclose the “best method”, we shall consider how the courts and IP Australia have responded to the amendment by the *Intellectual Property Laws Amendment (Raising the Bar) Act 2012 (Cth)* (the “Raising the Bar Act”) to the *Patents Act 1990 (Cth)* (the “Patents Act”), by adding s.40(2)(aa).
2. Best method had been seen as perhaps something which had some impact on credibility and did not often attract the centre stage as a ground for revocation. Recent decisions would seem to indicate that that position is no longer sustainable and in fact, the cases take up the Government’s intention to “flush” out disclosure and make patents stronger, as was the impetus behind the *Raising the Bar Act*.
3. This paper suggests that the pre-amendment inclusion of best method in s.40(2)(a) led to the argument that if you satisfied sufficiency then you satisfied the best method requirement.

#### B. The “best method” Pre-*Raising the Bar*

4. Before the *Raising the Bar* amendment, by s.40(2)(a) of the *Patents Act*, a complete specification was required to “describe the invention fully, **including** the best method known to the applicant of performing the invention”. (My emphasis)
5. The Explanatory Memorandum for the *Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 (Cth)* (the “EM”), concerning s.40 of the *Patents Act*, stated that the existing requirement for a provisional application was “quite low” in terms of not providing for an enablement requirement:

Currently a provisional application need only ‘describe’ the invention generally in its rough state, and does not need to ‘enter into all the minute details as to the manner in which the invention is to be carried out’.<sup>1</sup> In

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<sup>1</sup> *Anaesthetic Supplies v Rescare* [1994] FCA 1065; (1994) 122 ALR 141 (1994); AIPC 91-076 (5 May 1994); 26 IPR 383.

contrast, a complete specification must ‘describe the invention fully’ (noting that this requirement is being strengthened by item 8 to include a ‘enablement across the width of the claim’ requirement). The descriptive requirement for a provisional application is therefore quite low and does not include an enablement requirement.<sup>2</sup>

... Consequently the item amends subsection 40(1) to require a provisional specification to disclose the invention in a manner which is clear enough and complete enough for the invention to be performed by a person skilled in the relevant art.<sup>3</sup>

6. Apart from aligning with the approach in other jurisdictions, the amendments were seen as addressing a fundamental principle of the patent system – a period of monopoly is given in exchange for disclosure of the invention or as stated in the EM:

...in exchange for the exclusive rights given to the patentee, the patentee must share with the public the information necessary to make and use the invention.<sup>4</sup>

7. Although the EM stated that the existing requirement for a complete specification to include the best method known to the applicant of performing the invention remained unchanged,<sup>5</sup> the problem identified in the EM, was that case law at the time, clarified this to mean that the skilled person reading the specification, only needed to produce something within each claim, which may or may not be the best method and which, as perceived by Government, is not full disclosure. Relevantly the EM says:

“Recent case law has clarified the extent of the current description requirement. It is met if the applicant discloses enough to enable the person reading the specification to produce *something* within each claim without new inventions or additions or prolonged study of matters presenting initial difficulty.<sup>6</sup> Despite the fact that multiple examples or embodiments of the invention may be claimed, enabling only one is sufficient. There are two problems with this:

- a patentee may gain protection over something which they have not sufficiently disclosed: the monopoly extends beyond the knowledge that the patentee has shared with the public; and
- other innovators do not have the information necessary to allow them to improve on embodiments that have not been disclosed: this hinders follow-

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<sup>2</sup> In *Coopers Animal Health Australia Ltd v Western Stock Distributors Pty Ltd* (1987) 11 IPR 20 at 27, Fox J cited with approval the statement by Lloyd-Jacob J in *Imperial Chemical Industries Ltd (Clark's) Application* [1969] RPC 574 at 583 that ‘there is no real need for a description that would enable the reader to make the embodiment for himself’.

<sup>3</sup> The EM Schedule 1 Item 7 p.45.

<sup>4</sup> The EM Schedule 1 Item 8 p.46.

<sup>5</sup> The EM Schedule 1 Item 8 p.48.

<sup>6</sup> *Kimberly-Clark Australia Pty Ltd v Arico Trading International Pty Ltd* (2001) 207 CLR 1 at 17; *Lockwood Security Products Pty Ltd v Doric Products Pty Ltd* (2004) 217 CLR 274 at 297; *Pfizer Overseas Pharmaceuticals v Eli Lilly and Company* (2005) 225 ALR 416; [2005] FCAFC 224 at [330].

on innovation and denies to the public the benefits of subsequent improvements on the invention.”

An alternative to the existing Australian description requirement is the more stringent requirement that the skilled person reading the specification must be able to perform the invention across the whole width of the claims, not merely in relation to one among other embodiments within their scope. This requirement is consistent with the principle that the description accords with the scope of the monopoly granted.

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The item is intended to modify the wording of paragraph 40(2)(a) of the Act so as to require enablement across the full width of the claims, while adopting language that is consistent with that used in other jurisdictions.” (Underline added)<sup>7</sup>

8. In relation to specifications, the *Patents Act* relevantly provided:

BEFORE the *Raising the Bar*:

- (2) A complete specification must:

(a) describe the invention fully, including the best method known to the applicant of performing the invention;

NOW after the *Raising the Bar*

- (2) A complete specification must:

(a) disclose the invention in a manner which is clear enough and complete enough for the invention to be performed by a person skilled in the relevant art; and

(aa) disclose the best method known to the applicant of performing the invention;

...

9. We will consider two cases where the best method ground has been a critical ground.

***Les Laboratoires Servier v Apotex Pty Ltd***<sup>8</sup>

10. Servier considered carefully the best method requirement, specifically, whether there was a residual requirement to identify the best method of performing invention. The

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<sup>7</sup> The EM Schedule 1 Item 8 pp.47- 48.

<sup>8</sup> *Les Laboratoires Servier v Apotex Pty Ltd* [2016] FCAFC 27 (8 March 2016, Bennett, Besanko and Beach JJ) (“*Servier*”).

appeal by the patentee and its exclusive licensee, was in respect of four separate decisions, of which the best method appeal was included.<sup>9</sup>

11. Les Laboratoires Servier was the patentee of Australian Patent No. 2003200700 (the Patent) entitled “New salt of perindopril and pharmaceutical compositions containing it”. The claims of the Patent relevant to the appeal from the best method decision are claims 1 and 2, namely:

Claim 1:

*The arginine salt of perindopril and its hydrates.*

Claim 2:

*Pharmaceutical composition comprising, as active ingredient, the arginine salt of perindopril and its hydrates, in combination with one or more pharmaceutically acceptable excipients.*

12. The claimed invention related to a new salt of perindopril, a compound known especially for the treatment of arterial hypertension and heart failure.<sup>10</sup>
13. The claimed invention, the arginine salt of perindopril (preferred to be the salt of natural arginine (L-arginine),<sup>11</sup> was said to have ‘entirely unexpected advantages over all the other salts studied’.<sup>12</sup> The specification stated that numerous salts were studied and that the salts normally used in the pharmaceutical sector proved to be unusable.<sup>13</sup>
14. The Court specifically noted: “As to the preparation of the arginine salt, the specification states:

“The arginine salt used in this study is the L-arginine salt. It has been prepared according to a classical method of salification of organic chemistry.”

Relevantly to the appeal from the best method decision, it can be noted that there was no other detail of the preparation of the claimed arginine salt and that the reference is to ‘a’ classical method of salification, with no specific method referred to by way of citation or otherwise.”<sup>14</sup>

15. Recalling, the relevant provision was s.40(2)(a), before the amendment and provided that the complete specification must:

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<sup>9</sup> [2013] FCA 1426 (the best method decision); (2014) 107 IPR 95 (the declaration decision which dealt with the form of the declaration resultant on the findings in relation to the best method decision); (2015) 111 IPR 160 (the amendment decision) and (2015) 324 ALR 549 (the costs decision): *Servier* at [2].

<sup>10</sup> *Servier* [7].

<sup>11</sup> *Servier* [8].

<sup>12</sup> *Ibid.*

<sup>13</sup> *Ibid.*

<sup>14</sup> *Servier* [9] and [10].

“(a) describe the invention fully, including the best method known to the applicant of performing the invention;

16. The primary judge found that s.40(2)(a) of the Patents Act, included a requirement that the patentee disclose the best method known to the patentee of performing the invention **over and above** the requirement of sufficiency and that Servier had failed to comply with that obligation.<sup>15</sup>
17. The parties agreed that Servier satisfied the sufficiency test. This test was set out by the High Court in *Kimberly-Clark*,<sup>16</sup> namely that s 40(2)(a) required a disclosure that would allow the addressee of the specification to produce something within each claim without new inventions or additions or prolonged study of matters presenting initial difficulty (the ‘*Kimberly-Clark test*’).<sup>17</sup>
18. Of particular interest to the Court, was that variable precipitates (the solid form separated in a substance from a solution), would form if perindopril and arginine were subjected to a classical method of salification. The nature of the precipitate formed could be influenced by the solvent or solvents used and the temperatures of the process.<sup>18</sup>
19. Apotex’s case was that there was an absence in the specification of a method of preparing a pharmaceutical composition containing perindopril arginine, in order to be able to achieve the results of the long-term stability study described in the specification.<sup>19</sup>
20. Servier’s submission was there was no separate, additional or “residual” best method requirement. Instead, the best method requirement was a subset of sufficiency and enablement.<sup>20</sup> Accordingly, the only obligation to disclose a method is if it requires something which would not be understood by the skilled addressee.<sup>21</sup>
21. The Court acknowledged that there were not many cases on best method and that sufficiency dominated the attention of the Court:

“Many of the cases that purport to deal with s 40(2)(a) do not consider, and make no reference to, the question of the obligation to provide the best method. However, that does not mean that there is no such obligation. It means that the issue was not raised and that the argument was limited to the sufficiency requirement, the subject of the attack. This does not lead to the conclusion that those cases determined that the only obligation under that

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<sup>15</sup> *Servier* [12].

<sup>16</sup> *Kimberly-Clark Australia Pty Limited v Arico Trading International Pty Limited* (2001) 207 CLR 1.

<sup>17</sup> *Servier* [48].

<sup>18</sup> *Servier* [20].

<sup>19</sup> *Servier* [25].

<sup>20</sup> *Servier* at [61].

<sup>21</sup> *Servier* at [102].

section was to comply with the Kimberly-Clark test, being a test of sufficiency.”<sup>22</sup>

22. The Court reiterated the section:

“A complete specification must describe the **invention** fully, **including** the best method known to the applicant of **performing the invention.**” (the Court’s emphasis)<sup>23</sup>

23. Not assisting the distinct nature of the best method obligation in the pre-amended provision, was the fact the total section had been considered by reference to the “two limbs” of s.40(2)(a):

“The characterisation of s 40(2)(a) (or its predecessor s 40(1)(a) of the 1952 Act, in the same terms) as consisting of a first ‘limb’ and a second ‘limb’, with the patentee required to comply with each limb, has been a feature of a number of cases where the **totality of the obligation** was considered.” (My emphasis)

24. The Court noted some cases where the Court considered the limbs separately, including:

(a) in *Pfizer*,<sup>24</sup> where the Full Court explained s 40(2)(a) in terms of “two limbs”, where the first limb, that the invention be described “fully”, imported the requirement of sufficiency of description, the Kimberly-Clark test. Accordingly, their Honours considered sufficiency and best method separately and relevantly said:

“[d]isclosure of the best method known to the applicant of performing the invention’ (a subjective notion) is a part of describing the invention ‘fully’.”<sup>25</sup>

The Full Court in *Servier* referred to basic patent principles identified in *Pfizer*:

“As their Honours observed, the requirement to disclose the best method known to an applicant safeguards against an applicant’s holding back with a view to obtaining the benefit of the patent monopoly without conferring on the public the full consideration for the granting of the monopoly.”<sup>26</sup>

(b) *Expo-Net*<sup>27</sup> where Bennett J considered that s 40(2)(a) imposed two requirements:

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<sup>22</sup> *Servier* at [68].

<sup>23</sup> *Servier* at [60].

<sup>24</sup> *Eli Lilly & Co v Pfizer Overseas Pharmaceuticals* (2005) 64 IPR 506 (*Pfizer*).

<sup>25</sup> *Pfizer* [374].

<sup>26</sup> *Servier* at [97].

<sup>27</sup> *Expo-Net Danmark A/S v Buono-Net Australia Pty Ltd (No 2)* [2011] FCA 710.

- i. that the description in the specification be sufficient, which her Honour noted had been described as the first limb of the section (sufficient instruction to enable the person of ordinary skills to work the invention without inventive step or undue experimentation); and
- ii. the further requirement, the second limb, that the specification include the best method of performing the invention known to the inventor.<sup>28</sup>

Relevantly, her Honour referred to *Pfizer* and adopted an analysis whereby an applicant for revocation on the ground of failure to disclose the best method must show that:

- i. The method which the patentee failed to disclose is a method of performing the invention.
- ii. The method is in fact a better method of performing the invention than the method disclosed in the specification.
- iii. The method was known to the patentee at the time when the application for the Patent was lodged at the Patent Office.
- iv. The method is not disclosed in the specification.
- v. The patentee knew that the method was better than the method(s) described in the specification.<sup>29</sup>

Bennett J noted in *Expo-Net* at [18]:

“The Full Court [in *Firebelt*] emphasised (at [48]) that a patentee acting **uberima fide** must give the best information in his or her power on how best to carry out the invention and noted that the inventor is not limited to claiming only the best way of carrying out the invention.” (My emphasis)

25. The Court noted the EM at Item 8 concerning s 40 of the *Patents Act*, particularly the requirement for a complete specification, to include the best method known to the applicant of performing the invention remains unchanged.<sup>30</sup>
26. The Full Court set out the Trial Judge’s summary of the relevant parts of the specifications, which are comments relevant to the variables which can arise from the classical method.<sup>31</sup>
27. Relevantly, the Full Court noted the Trial Judge’s finding that both the inventor, Gerard Damien, and Servier knew that perindopril arginine had been prepared in 1986

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<sup>28</sup> *Servier* at [98].

<sup>29</sup> *Expo-Net* [16] referred to in *Servier* [99].

<sup>30</sup> *Servier* at [107].

<sup>31</sup> *Servier* [21].

and 1991, using slightly different classical salifications but neither of those methods, known to the Patentee, were referred to in the specification.<sup>32</sup>

28. In some cases, it may be relatively easy to show that the patentee knew a method better than the one disclosed in the specification. However, I would think such matters come to light unexpectedly. In a case I was involved it was a single statement in the historical background to the invention in an affidavit for preliminary disclosure.

29. In *Servier* the Trial Judge found:

“The inventor, Gerard Damien, and Servier knew that perindopril arginine had been prepared in 1986 and 1991 using slightly different classical salifications. Apotex had obtained leave to amend its particulars of invalidity to rely on the allegation that the complete specification did not describe the best method known to the patentee on the basis that it could not rely at the hearing on evidence other than the face of the specification and the evidence of Servier’s internal methods. That is why Apotex pleaded that the specification failed to describe, *first*, either of those two methods to prepare the invention each of which, clearly enough, was a method known to the patentee and, *secondly*, a means to prepare a pharmaceutical composition containing perindopril arginine (including which form or forms to use in that composition) so as to achieve the results of the long term stability study described in the table in the specification.”

30. The Full Court distilled a number of principles from the authorities after noting the post *Raising the Bar Act* provision dividing s.40(2)(a) into two distinct paragraphs as follows:

“(2) A complete specification must:

(a) disclose the invention in a manner which is clear enough and complete enough for the invention to be performed by a person skilled in the relevant art; and

(aa) disclose the best method known to the applicant of performing the invention...<sup>33</sup>

31. The Court identified different policy reasons supported the obligation to describe the invention fully and the obligation to provide the best method. The Full Court concluded:

(a) The new s.40(2)(a) obligation to describe the invention fully, is to circumscribe the monopoly granted to the patentee.

(b) the purpose of the obligation now in s.40(2)(aa), to provide the best method known to the patentee of performing the invention, is to allow the public the full benefit of that invention when the monopoly expires.

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<sup>32</sup> *Servier* at [25] referring to the primary judgment at [145].

<sup>33</sup> *Servier* [108].



32. The first is the exchange, the performance of the contract between State and inventor, the monopoly has a price and that price is full disclosure
33. The second is the fruit of full disclosure – that the public may improve on and advance legitimately on the disclosure.
34. The following matters may be identified from *Servier*:
- (a) Although a patentee might not be explicitly required to act in good faith, principles of good faith underlie the best method requirement.
  - (b) Even where legislation has not included an explicit ‘best method’ requirement, courts have considered it to be a separate and additional requirement to the obligation to a sufficient description of the invention.
  - (c) The nature and extent of the disclosure required to satisfy the best method requirement will depend on the nature of the invention itself.
35. The Full Court determined that the separate or additional nature of the best method requirement has been confirmed, including by the Full Court, and there was no need to depart from that view.<sup>34</sup> Accordingly the Full Court dismissed the appeal and found “*Servier* failed to describe the best method known to it of performing the invention.”<sup>35</sup>
36. The primary judge expressed the opinion that the power in s 105(1) conferred upon the Court an unfettered discretion to permit or refuse such amendments as were allowable and which may make the Patent allowable or enforceable. Nonetheless, his Honour said, a patentee must make out a case in favour of the exercise of that discretion.<sup>36</sup>
37. *Servier* had not established relevant error on the part of the primary judge in the exercise of the discretion under s 105 of the *Patents Act* to refuse the application to amend the Patent to overcome the finding that the Patent failed to disclose the best method known to the patentee of performing the invention.<sup>37</sup>
38. As to the date at which the patentee should disclose the best method known in the specification, the Full Court noted, that some controversy accompanied this question. *Servier* was not required to determine the issue of the relevant date because the parties seemed to agree for the purposes of the appeal, that any best method requirement is the best method known to the patentee as at the date of filing, although there was contest in relation to the *Servier* s.105 application for leave to amend the specifications.<sup>38</sup>

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<sup>34</sup> *Servier* [109].

<sup>35</sup> *Servier* [178].

<sup>36</sup> *Servier* [222].

<sup>37</sup> *Servier* [251].

<sup>38</sup> *Servier* [116].

39. The Full Court noted<sup>39</sup> the following views (citations excluded):

- (a) In *Illinois Tool Works*, Graham J concluded that the relevant date was the date of publication of the specification.
- (b) In *Van Der Lely*, Nicholls LJ expressed the view that the requirement was to disclose the best method known to the applicant at the time the complete specification was filed.
- (c) In *Eli Lilly*, Heerey J concluded that the relevant date for assessing best method is, at the earliest, the date of grant and not the date of filing of the application.
- (d) In *Rescare*, Gummow J concluded that the date upon which the best method was to be disclosed was the date of filing of the application.

40. Based on these views, if there was a feature or features which were known at the date of filing, their inclusion would be best, in my opinion, to be made at the date of filing. Its presence in the specification will filter through the various stages. Its omission may be fatal and not a matter upon which would assist an applicant for leave to amend the specification and the exercise of the discretion.

41. Issues will arise if, after the date of filing, a better method is discovered. The question will then be whether to seek to amend based on a good faith disclosure or not?

#### ***Sandvik IP v Quarry Mining & Construction***<sup>40</sup>

42. The appellants were the owner and exclusive licensee respectively of Australian Patent No 744870 (the ‘Patent’) titled “Extension Drilling System”.

43. The invention, the subject of the Patent, related to an extension drilling system used to drill holes in underground mining operations, specifically coal mines. The drill was extended by the use of extension rods which had a ‘male’ threaded coupling at the one end and a ‘female’ threaded coupling at the other end, thereby extending the drill by these connecting rods.<sup>41</sup>

44. This was said to overcome a problem associated with the removal of extension rods from the drill rod string after drilling had been completed.

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<sup>39</sup> *Servier* [113].

<sup>40</sup> *Sandvik Intellectual Property AB v Quarry Mining & Construction Equipment Pty Ltd* [2017] FCAFC 138 (Greenwood, Rares and Moshinsky JJ) (“Sandvik”)

<sup>41</sup> *Sandvik* at [1].

45. Sandvik claimed infringement of the Patent and Quarry Mining cross-claimed, inter alia seeking revocation of the Patent on the ground that Sandvik failed to describe the best method known to it to carry out the invention.
46. Since the 1970s, roof bolting and cable bolting systems replaced the old timber frames, which prevented roofs collapsing in the voids which constituted the pathway or “roadways” underground.<sup>42</sup>
47. *Roof bolting* involves the insertion of long solid bolts which are driven into the roof above the roadways. Holes are drilled firstly into the roof of the roadways according to the diameter and length to cater for the bolts, usually the range of 1.5-2.4 m.<sup>43</sup>
48. The bolt is inserted into the drilled hole and secured, and then the lower end of the bolt is threaded to take a nut, which is tightened against the surface of the roof. A metal plate or washer is often placed between the nut and the roof surface to spread the load against the roof surface. Once tightened, the roof bolts lock the strata material together.<sup>44</sup>
49. Cable bolts, made of twisted wire strands are long flexible bolts, used in the same way as roof bolts, but particularly used where the roof bolts are considered insufficient to hold the roof. They are usually around 4-12 m in length.<sup>45</sup>
50. The present appeal is not concerned with roof bolts and cable bolts per se, but with drilling systems for making the holes into which these bolts can be inserted, specifically the systems for making the long holes required for the insertion of *cable bolts*.<sup>46</sup>
51. The appeal is specifically concerned with systems for making the long holes required for the insertion of cable bolts. The same power source is commonly used for both roof bolts and cable bolts for drilling roof holes in underground mines.
52. The components of machine-mounted roof bolter are the drilling rig, or mast, and the drill. The Court likened this to a handyperson’s drill – it has a chuck which receives and secures the drill bit.
53. In roofbolt drilling, there is also a drill with a chuck, and the chuck receives the drill bit, referred to as a ‘rod’ since it will generally be at least long enough to facilitate the drilling of a hole to receive a roof bolt of 1.5 m in length.<sup>47</sup> In evidence was the following schematic:

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<sup>42</sup> *Sandvik* at [10].

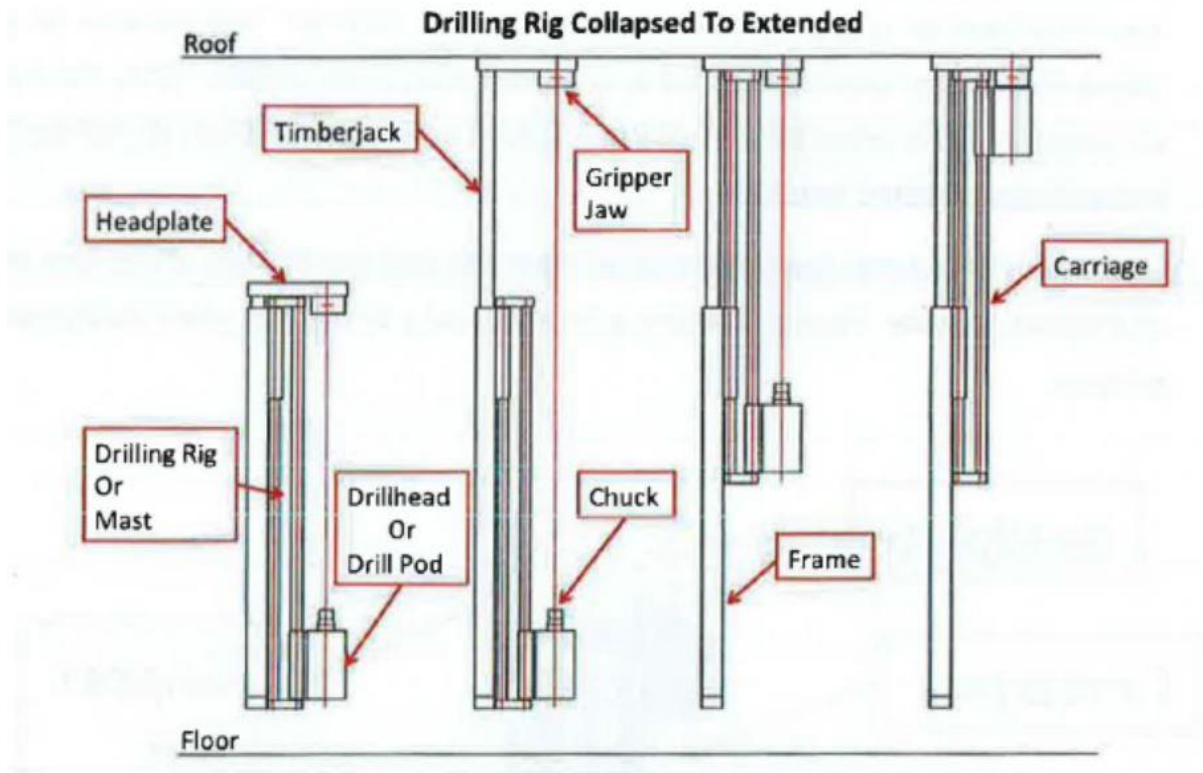
<sup>43</sup> *Sandvik* at [11].

<sup>44</sup> *Ibid.*

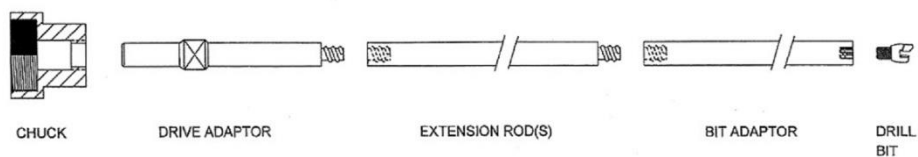
<sup>45</sup> *Sandvik* [12].

<sup>46</sup> *Sandvik* [13].

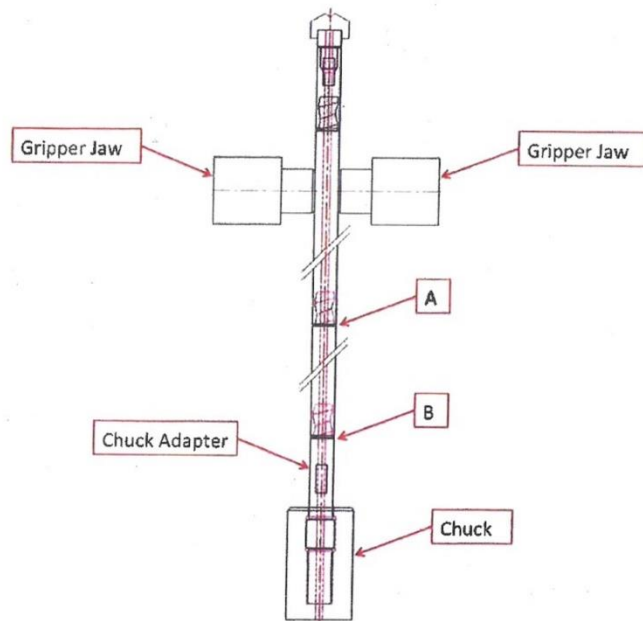
<sup>47</sup> *Sandvik* [20].



54. Also in evidence was this diagram of a conventional extension drilling system:



55. In order to remove the extension rod, there are “gripper rods” which will hold the rods in place, thereby allowing the unscrewing of the chuck and thereby adaptor which receives the first extension rod, until the end adaptor receives the actual drill bit. The following was in evidence:



56. Once the depth required is reached, it is to remove the drill string, which now consists of a number of extension rods connected together.<sup>48</sup> In the unscrewing process, one of the threaded locations A or B will unscrew.

57. The Court noted the following relevant to the alleged invention:

*“Between the gripper jaws and the chuck, there are now two points of threaded connection in the string, one between the adaptor and the lower rod (marked “B” in the above diagram) and the second between the lower rod and the rod above it (marked “A” in the above diagram). When the direction of the rotation of the chuck is reversed, one of those connections will come unscrewed. It may be either of them. The other connection must then be unscrewed manually, using a spanner.”* (the Court’s emphasis)

58. The Court also noted the use in Australia of a flushing of water to the drill point to remove debris which would otherwise clog the drill bit.<sup>49</sup>

59. The Court referred to the specification and the two problems in the existing art:

*“This invention relates to an extension drilling system, and more particularly, but not exclusively, to extension drilling systems for use on a semi-automatic drilling rig and used to drill holes (bores) in subterranean [sic] mining operations such as coal mining where the structure of the roof of a tunnel is to be rendered more secure by the insertion of rock bolts into holes drilled into the roof structure.*

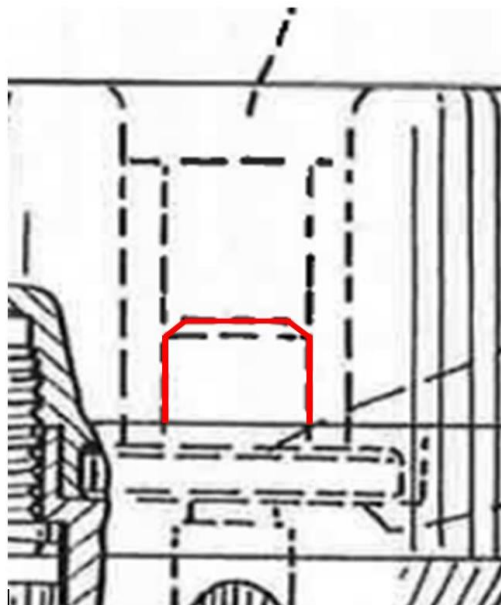
<sup>48</sup> Sandvik [35].

<sup>49</sup> Sandvik [37].

The primary problem with conventional drill rods for extension drilling systems, when used with semi-automatic drill rigs is that, when the drill string (a series of drill rods coupled together) are to be uncoupled **there are two threaded couplings between the grippers and the chuck**. As the grippers are operated, and the chuck spun slowly in reverse, **the threaded joint between the drive adaptor and the bottom extension rod can become uncoupled which is undesirable as distinct from the desired uncoupling between the bottom and second bottom extension rods**.

A secondary problem is that the use of a drive adaptor takes up valuable boom height on the rig thus reducing the length of the extension rods that can be used. (the Courts emphasis).

60. One issue involving the best method ground, had to do with the composition surrounding the gripper jaw.<sup>50</sup>
61. Quarry Mining contended before the primary judge that, when Sandvik filed the complete specification for the invention, it did not disclose what was then known to it as the best method of performing the invention.<sup>51</sup>
62. This issue was whether the relevant figure disclosed only a sealing member with a flat washer-type seal, or a sealing member that included both a flat part and an upwardly extending cylindrical part as shown in the enlarged diagram below (as contended by Sandvik:



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<sup>50</sup> Sandvik [42].

<sup>51</sup> Sandvik [74].

63. The primary judge considered that Sandvik's description in the relevant figure, Fig 3 was not the best method known to it. The Full Court referred to the primary judge's reasons at [228]:

“When the complete specification was filed in May 1998, [Sandvik] had developed, to the detailed technical drawing stage, a sealing member that was better than any described in the specification.”<sup>52</sup>

64. The sealing member, relevant to the flushing fluid to clear the debris flowing from the drilling was an important aspect of the invention.

65. In this respect the Full Court observed that the primary judge's unchallenged findings were:

- (a) Sandvik had developed, at the time of filing the complete specification, a sealing member with upper and lower sections, which was an improvement on a purely horizontal sealing member; and
- (b) The specification did not disclose a sealing member with upper and lower sections, but only a horizontal sealing member.<sup>53</sup>

66. The primary judge described the evidence of one of the inventors, Mr Weaver, in the following passage in [104] of the primary judge's reasons:

“Mr Weaver said that, in the development of the applicants' extension drilling system which became the subject of the Patent, designing of an effective water seal was a real issue which needed to be overcome...”<sup>54</sup>

67. Of that evidence the Full Court said, that:

“In light of that evidence, it was certainly open to his Honour to conclude that the use of an adequate water seal was a critical (rather than a minor or incidental) aspect of the best method of performing the invention.”<sup>55</sup>

68. Sandvik submitted that details of the sealing member did not relate to the promised advantages of the invention.<sup>56</sup>

69. The Full Court rejected that submission, saying:

- (a) It was necessary to identify the invention described in the specification as a whole, as distinct from the invention as claimed in the claims.
- (b) That even accepting that the water seal was not itself part of the invention described in the specification, the use of an effective water seal was

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<sup>52</sup> *Sandvik* [80].

<sup>53</sup> *Sandvik* [116].

<sup>54</sup> *Sandvik* [119].

<sup>55</sup> *Sandvik* [122].

<sup>56</sup> *Sandvik* [92].

nevertheless necessary and important to perform the invention (or carry it into effect).<sup>57</sup>

70. The Full Court in *Sandvik* did not consider that performing the invention was limited to the promise in the Patent for the purpose of best method. Their Honours said:

“However, we do not think the requirement to describe the best method known to the applicant of performing the invention is to be assessed by reference merely to the promise of the invention (in relation to the problem)...[referring to *Servier*] the judgment as a whole emphasised the relationship between the obligation on the patentee and the invention as described in the whole of the specification (see, eg, *Servier* at [124]). Thus, in assessing whether it was incumbent on Sandvik to describe the best form of sealing member known to it, one looks to the invention described in the specification. The invention is an extension drilling system as set out in [117] above. The question is whether the specification described the best method known to Sandvik of performing *that invention*. For the reasons given above, in our view, it did not.”<sup>58</sup>

71. The Court took a practical view. The invention was an extension drilling system and the relevant question was whether the specification described the best method known to Sandvik of performing that invention.<sup>59</sup>

## Conclusion

72. Understandably, because of its inclusive definition before the Raising the Bar amendments, best method could be viewed as an aspect of fully describing the invention:

“‘[d]isclosure of the best method known to the applicant of performing the invention’ (a subjective notion) is a part of describing the invention ‘fully’.”<sup>60</sup>

73. This view cannot now hold, as best method stands as an independently expressed ground.

74. The Full Court (differently constituted) in *Sandvik*, has identified by reference to *Servier*, the most important consideration in relation to best method:

“The authorities that have dealt with s 40(2)(a), its precedents and equivalents, must be understood in context. **The first, and most important, factor is the nature of the invention being described and claimed.** *Servier* divides this simply into products and processes but that is not sufficient. **It is necessary to understand the invention itself in order to appreciate what is required of an inventor by way of disclosure in the specification in order to secure a**

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<sup>57</sup> *Sandvik* [125].

<sup>58</sup> *Sandvik* [127].

<sup>59</sup> *Ibid.*

<sup>60</sup> *Pfizer Overseas Pharmaceuticals & Ors v Eli Lilly & Co* (2005) 225 ALR 416 at [327].



**monopoly from the public.** In some cases, the claim to a product will require no description of the method of obtaining it and it can be left to the skilled worker (as in *AMP v Utilux*). In other cases, the product claim, properly understood, will require sufficient directions in order to obtain the monopoly.<sup>61</sup>

(the Court's emphasis)

Dimitrios Eliades

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<sup>61</sup> *Sandvik* [107] referring to *Servier* [103].