### Question: What happens when a patent is obtained based on traditional knowledge?

- 1. The patent should be revoked.
- The patent should be maintained, but the "owners" of the traditional knowledge should be compensated.
- The patent should be maintained, and the owners of the traditional knowledge need not be compensated.

#### Burning issues

- Was the patented idea "stolen" from the practitioners of traditional medicine?
- Do first-world countries "owe" third-world countries if they financially benefitted from their knowledge/resources?
- Can patents be used to stop traditional medical practices?

Important to note: a new patent cannot, by definition, prevent the ongoing practice of traditional medicine

If it did cover the traditional medicine, it would be invalid by definition.

# The ethical underpinnings of the patent system

- The patent system was established to reward <u>disclosure of innovations</u> to society.
- Without patents, most great innovations would remain trade secrets.
- The patent system <u>balances the rights</u> of inventors and the general society by granting limited exclusivity (20 years).

Importantly: Inventions that have already been disclosed cannot be patented (except in jurisdictions with a grace period)

# Stradivarius violins: can they be patented today??

# The patent system also encourages progressive innovation

- Without the sharing of ideas, everyone would be "starting from scratch".
- With the sharing of ideas, people try to build on each other's ideas.
- As soon as an invention is published, competitors race to try to further improve the idea.

For the same reason that patents encourage innovation, allowing the patenting of <a href="improvements">improvements</a> encourages <a href="ongoing">ongoing</a> innovation.

#### A case study: Shlomo and Rachel.

- In the year 2008, Shlomo invents the bicycle. He receives a patent for a bicycle, expiring in 2028.
- In 2010, Rachel reads Shlomo's patent and decides to add brakes to the bicycle. She also receives a patent with brakes, which expires in 2030 (2 years after Shlomo's).
- Shlomo has no rights in Rachel's patent.

#### While both patents are in force:

- Shlomo is allowed to sell a bicycle <u>without brakes</u>, and to prevent others from selling <u>any bicycle</u> (with or without brakes). He <u>cannot</u> sell a bicycle with brakes, without Rachel's permission.
- 2. Rachel is not allowed to sell <u>any bicycle</u> (even one with brakes) without Shlomo's permission. She has the right to prevent others from selling a bicycle <u>with brakes</u>.
- Note that <u>neither Shlomo or Rachel</u> is allowed to sell a bicycle with brakes, without the other's permission!

## After Shlomo's patent expires, but Rachel's is still in force:

- 1. Shlomo is still allowed to sell a bicycle without brakes, but can no longer prevent others from doing the same. As before, he <u>cannot</u> sell a bicycle with brakes, without Rachel's permission.
- 2. Rachel is allowed to sell <u>any bicycle</u> (with or without brakes). As before, she has the right to prevent others from selling a bicycle with brakes.

#### Question:

Is it fair that Rachel has all the remaining patent rights, while Shlomo has none? Without Shlomo, Rachel would have never thought of her idea!!

#### Modified scenarios

 What if Shlomo did not (or could not) get a patent on the bicycle?

 What if Rachel's uncle lent her NIS 100,000 to conduct the research? Should he be given rights in her patent?

### Application to traditional knowledge scenarios

 Question #1: Should traditional knowledge prevent attainment of a patent?

### Hypothetical case study #1: Rimonacure Ltd.

- Rimonacure Ltd. performs a controlled study to confirm the traditional knowledge that pomegranate extracts work to treat skin inflammation. They try to (broadly) patent use of pomegranate extracts to treat skin inflammation.
- Result: No patent. The traditional knowledge is novelty-destroying prior art.

### Hypothetical case study #2: Rimonacure Ltd.

 Rimonacure Ltd. develops a <u>new</u> <u>formulation</u> from pomegranate extracts for treating skin inflammation.

 Result: The new formulation is patentable if it exhibits unexpected properties.

### Hypothetical case study #3: Rimonacure Ltd.

- Rimonacure Ltd. discovers a new therapeutic use for pomegranate extracts... or combines them with extracts from another plant... or isolates the active compound from the extracts.
- Result: A patent covering the advance only may be obtained if it exhibits unexpected properties.

### In other words, traditional medicine is viewed no differently from any other prior art

And that's the way it should be

# Question #2: Should the originators of the traditional medicine be compensated?

It sounds like a nice idea. But they are not inventors. Can Rimonacure Ltd. be compelled to give them rights without changing the rules?

#### Conclusions

- To be fair to all, any system has to have clear rules that are applied consistently, whether or not they seem equally fair in all circumstances.
- It's true that the patent system has limitations- not everyone is compensated.
- For the time being, as far as I know it's the best system we've got.