

Insights

EXPERIMENTAL-USE AGREEMENTS: TIPS TO AVOID ON-SALE BAR TO PATENTABILITY

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SUMMARY

Associate LiJen Shen and Partners Cory Smith and George Chen [authored an article published Sept. 14 in *Law360*](#) concerning the U.S. Court of Appeals for the Federal Circuit recently revisiting the application of the experimental-use exception to the on-sale bar to patentability.

In *Sunoco Partners Marketing & Terminals LP v. U.S. Venture Inc.*,^[1] the court found that the experimental-use exception did not apply for two reasons.

First, the transaction was a commercial sale of the patented equipment, even though the transaction did not include a payment requirement for the equipment, because the transaction for the equipment was related to a commitment by the same purchaser to pay for something other than the equipment.

Second, the testing of the equipment that was alleged to support the experimental-use exception to the sale of the equipment was not necessary to show that the equipment worked because, among other things, subsequent sales of the equipment – that were not alleged to be experimental use – also included the same testing of the equipment.

The article continues with sections on best practices for satisfying the experimental-use exception to the on-sale bar.

[Read the full article in *Law360*.](#)

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