



EXCO MEETING, CAPE TOWN 13 & 18 APRIL 2015

COUNTRY REPORT	
TITLE:	Country report for <i>Australia</i>
DRAWN UP BY:	<i>Greg Chambers</i>
TABLED TO:	FICPI delegates
PURPOSE:	For information and consideration
SNIPPET:	News from and activities of the FICPI national group in <i>Australia</i> since the Barcelona ExCo in November 2014.

SECTION A: ACTIVITIES OF FICPI ASSOCIATION/SECTION

The information supplied in Section A will remain confidential on FICPI's website after the ExCo (will require a password).

SECTION B: CHANGES IN LAW

Information supplied under Sections B and C will be published on FICPI's website after the ExCo and will be available to the public.

B1. LEGISLATION

- Please provide details of any changes to IP legislation (patent, trade mark, design and other) in your country implemented or due to be implemented since you reported last in October 2014. *The Intellectual Property Laws Amendment Act 2015 received royal assent on 25 February 2015. The Act amends several pieces of IP legislation in Australia. In particular it:*
 - implements the TRIPS protocol regarding the manufacture of patented pharmaceuticals for export to countries experiencing health crises under a compulsory licence regime;
 - extends the jurisdiction of the Federal Circuit Court to include plant breeders rights;
 - allows for a single trans-Tasman patent attorney regime and a single patent application and examination process for both Australia and New Zealand;*Most parts of the legislation have not yet commenced. The TRIPS protocol provisions will commence on 25 August 2015. The provisions allowing for a single patent application and examination process for both Australia and New Zealand will not come into force for some time. Under the Act the commencement date is to be fixed by proclamation, but must be before 25 February 2017.*

B2. MAJOR CASES

- Please provide brief details of any new case law in the field of patents, trademarks, design or other IP of general interest.
D'Arcy v Myriad Genetics Inc [2015] HCATrans012
In the country report for the Barcelona ExCo it was reported that the Full Court of the Federal Court of Australia had confirmed that isolated DNA was patentable under Australian law. The applicant Yvonne D'Arcy has filed an appeal with the High Court of Australia. An appeal to the High Court is available only on special leave. Special leave was granted on 13 February 2015. It



is expected that the High Court will review the law relating to “manner of manufacture” and in particular whether the position remains as stated by the High Court in the seminal decision of NRDC issued in the 1950’s.

Damorgold Pty Ltd v JAI Products Pty Ltd [2015] FCAFC31

In this decision of the Full Court of the Federal Court, the principal issue for determination was the relevance to the novelty of a patented invention of a prior commercial use of a product which had but did not disclose all of the features of the claimed invention. The relevant patent concerned a spring-assisted blind mechanism. The Respondent had displayed a product for sale having all of the relevant features of the claimed invention prior to the priority date. However, there had been no sale made and no customer had asked to inspect the internal workings of the roller blind product that had been offered for sale. The Full Court determined that the public display of the roller blind was not in itself a novelty destroying disclosure. Even though the Judge at first instance found that members of the public would have been given access to the product if asked, the Full Court found that the only relevant question was whether the internal workings of the blind had been disclosed to a member of the public prior to the priority date of the patent in question. The Full Federal Court confirmed that prior commercial use is not novelty destroying unless that use makes publicly available all of the information which is the subject of a relevant patent claim.

Despite the decision, a prior secret use of an invention by a patentee continues to be invalidating under Australian law.

Alphapharm Pty Ltd v H Lundbeck A/S [2014] HCA42

This decision of the High Court of Australia confirmed that the Commissioner of Patents practice of allowing extensions of time for filing extension of term applications in relation to pharmaceutical patents. The Court found that the powers conferred on the Commissioner under s.223 of the Australian Patents Act were sufficient to grant extensions of time for the filing of an extension of term application. Whilst s.223 does proscribe the granting of an extension of time for the filing of an extension of term application once a patent has expired, the High Court found that the Commissioner did have power to grant an extension of time for the filing of such an application if it was beyond the usual period dictated for the filing of such applications, namely within 6 months of the relevant TGA registration, provided that it was before the patent had ceased.

The High Court decision was welcomed by the profession as an adverse finding would have placed the validity of many pharmaceutical patents in doubt. The decision in favour of the Patentee was narrow, there being three Judges finding in favour of Lundbeck and two finding in favour of Alphapharm.

Cantarella Bros Pty Ltd v Modena Trading Pty Ltd [2014] HCA48

In another decision of the High Court the fundamental requirements for registrability under the Trade Marks Act were examined. More particularly, the High Court examined the question of distinctiveness in the context of foreign word trade marks. The case turned on the validity of two registrations, both registered with respect to coffee. The first was ‘CINQUE STELLE’ (meaning ‘five stars’ in Italian), and ‘ORO’ (meaning ‘gold’ in Italian).

In both cases the High Court found that the expressions were inherently adapted to distinguish and were properly registered as trade marks under the Australian Trade Marks Act. In making this finding, the High Court indicated that it was necessary to consider the ‘ordinary signification’ of the word or words to persons in Australia who are concerned with the goods to which the



trade mark is applied.

Ultimately, the Court found that if a foreign word contains an allusive reference to goods, registration could be granted appropriately. However in cases where the foreign word is directly descriptive, the Court indicated that registration rights should not be granted.

Even though the Court recognised that Italian was a broadly spoken language in Australia, the High Court did not consider that there was sufficient evidence to show that either of the Italian terms would be understood by the general Australian populous as being descriptive of the character or quality of coffee products. There was a strong dissenting decision by Justice Gageler.

ARB Engineering Pty Ltd v Roberts [2014] VSC635

In this unusual case, a Mr Roberts developed a locking differential system and had sought patent protection. Under a sale agreement with ARB Engineering Pty Ltd all rights in the technology (including the patent applications) were sold to ARB. The purchase price for the technology was an upfront payment and ongoing royalties based on net sales. Once the patents expired, ARB ceased paying royalties. Further, ARB commenced proceedings against Mr Roberts seeking return of royalties that had been paid after the patents had expired. Under the Australian Patents Act, s.145 provides that a contract relating to the lease of, or a licence to exploit, a patented invention may be terminated by either party on giving three months' notice in writing at any time after the relevant patent or patents have expired. s.145 did not apply in this case as the patents had been sold and part of the consideration was an ongoing royalty. The Court took the view that the proper construction of the contract was that part of the consideration was the payment of a royalty in perpetuity and that the royalty clause was valid and enforceable.

Research Affiliates LLC v Commissioner of Patents [2014] FCAFC150

The Full Court of Australia in this decision considered the patentability of computer implemented methods. The Full Court affirmed the decision of the single Judge of the Federal Court that a computer implemented method for the construction and use of passive portfolios and indexes for securities trading is not patentable subject matter. The Full Federal Court noted that the specification did not require computer implementation for the inventive step to be carried out and the details of any such implementation were absent from the specification.

Bristol-Myers Squibb Company v Apotex Pty Ltd [2015] FCAFC2

The Full Court of the Federal Court considered the meaning of the term 'exclusive licensee' under the Patents Act in this recent decision. Bristol-Myers Squibb brought proceedings for patent infringement against Apotex Pty Ltd. BMS brought the proceedings as exclusive licensee. Apotex argued that whilst BMS was a licensee, it was not an exclusive licensee under Australian law and therefore not in a position to bring patent infringement proceedings.

Under Australian Law an exclusive licensee is a licensee with the right to exploit the patented invention throughout Australia to the exclusion of the patentee and all other persons.

Under the licence held by Bristol-Myers Squibb the company had the exclusive right to sell the patented pharmaceutical in Australia. However, the Bristol-Myers Squibb licence excluded the right to manufacture the product in Australia.

The Full Federal Court found that the "right to exploit" was a single indivisible right. As the licence agreement did not exclude the patentee from manufacturing the product in Australia, Bristol-Myers Squibb was not an exclusive licensee under Australian law and therefore did not have standing to bring infringement proceedings.



B3. OFFICIAL PRACTICE

3. Please provide details of any changes in official patent and trade mark office practice which would be of general interest to other members.
None.
-

B4. PROPOSALS FOR CHANGES

4. Please provide details of any proposed changes in IP laws or practice and indicate if your National Association/Section is involved in providing comments to such changes.
Would it be of assistance to have input from the CET on any proposed changes?
IP Australia has recently engaged in a public consultation with respect to a number of proposals said to streamline IP processes and support small business. The proposals include:
- introducing a right to third parties to participate at the hearing on re-examination of a granted patent;
 - limit extensions of time for taking a step required under any of the IP legislation to a maximum of 12 months in cases where the extension is sought due to an error or omission by the applicant or owner;
 - remove the legislative requirement to publish Journals;
 - allow IP owners to correct certain details on the Register themselves through eServices (such as address);
 - abolish Certificates of Registration and Patent Deeds;
 - remove from IP legislation a specific address for correspondence requirement whilst retaining an address for service requirement;
 - permit colour drawings in patent specifications;
 - reduce the time frame for acceptance of trade mark applications from 15 months to 6 months;
 - making changes to unjustified threats provisions in all IP legislation
-

SECTION C: OTHER INFORMATION

Please provide details of any other information pertaining to your country or region that would be of general interest to FICPI members and other IP practitioners browsing FICPI's website.

C1. QUALIFICATION AND THE RIGHT TO REPRESENT CLIENTS BEFORE A COURT

- 1.1 Please describe the qualification process for becoming a patent attorney in your country/region.
Require a science or engineering degree. In addition required to pass 9 specialist subjects relating to intellectual property. Finally must have been employed by an Australian patent attorney for at least two years.
- 1.2 Has the patent attorney qualification process changed in any way in the past 5 years?
Yes. The introduction of the requisite to provide a statement of skills from a registered patent attorney of at least 5 years standing.
- 1.3 Does qualification as a patent attorney permit you any right of representation before any Court in your country? No
- 1.4 If so are there any special requirements or restrictions? Not relevant
- 1.5 Are qualified lawyers in your country permitted to work in the patent field without any further qualification? Yes
If so are there any restrictions on what they may do? Yes



If so, please describe those restrictions.

Lawyers who are not patent attorneys cannot draft or amend patent specifications for a fee and cannot hold themselves out as patent attorneys.

- 1.6 Please describe what privilege attaches to patent attorney communications including any restrictions.

The same privilege as exists for communications between lawyers and their clients at common law (i.e. confidential communications between patent attorneys and their clients for the dominant purpose of securing intellectual property advice is protected against forcible disclosure).

- 1.7 Please describe the qualification process for becoming a trade mark attorney in your country/region.

Required to pass 4 specialist subjects relating to trade marks and intellectual property. Must also hold a higher education qualification.

- 1.8 Has the trade mark attorney qualification process changed in any way in the past 5 years? No.

- 1.9 Does qualification as a trade mark attorney permit you any right of representation before any Court in your country? No.

If so are there any special requirements or restrictions? Not relevant.

- 1.10 Are qualified lawyers in your country permitted to work in the trade mark field without any further qualification? Yes.

If so are there any restrictions on what they may do? No.

If so, please describe those restrictions. Not relevant.

- 1.11 Please describe what privilege attaches to trade mark attorney client communications including any restrictions. Same as for patent attorneys. See 1.6 above.

C.2 CET AND PEC SPEAKERS

- 2.1 Would your National Section/Association be interested in obtaining assistance from FICPI, through either the CET Work and Study Group or the Professional Excellence Commission (PEC), in providing speakers for seminars organized by your national group in your country?

Colleen Morrison attended the FICPI Australia AGM last year to outline the role of FICPI in international matters. This contribution was valuable, particularly for those Australian members who had not been involved in FICPI other than at a local level. CET or PEC member assistance and attendance at our AGM would assist us in promoting our local meeting. FICPI Australia would welcome one or more speakers from either a CET Work and Study group or the PEC for its meeting in August 2015.

- 2.2 If your group does, or in the future might, require such assistance, please identify topics that might be of interest to your members, with a view to raising FICPI's profile and providing added value from membership of FICPI in your country.

- FICPI's role in the development of ePCT
- FICPI's role in the future development of PPH
- FICPI's role in European Patent Law reform
- FICPI's role in US Law reform

C.3 TOPICS OF INTEREST

- 3.1 Please list three IP topics that are of particular interest to you and/or your national section members.

- Subject matter for patents
- Poisonous priorities
- Sufficiency of disclosure