

Ms Collins
Director
Intellectual Property & Competition Review Secretariat
Attorney General Department
Robert Garran Offices
Barton ACT 2600

[by email]

Dear Ms Collins

Re: Intellectual Property & Competition Review Committee Interim Report

The following brief comments are provided by the Plant Breeder's Rights office (PBRO). The PBRO is a statutory office responsible for the administration of the *Plant Breeder's Rights Act 1994* (the PBR Act) and in certain circumstances the repealed *Plant Variety Rights Act 1987* (the PVR Act). The primary function of the PBRO is to provide for the granting of proprietary rights to breeders of certain new varieties of plants and fungi.

The PBR/PVR Acts are based on and conform with the International Convention for the Protection of New Plant Varieties (UPOV). Australia is a signatory to the 1991 revision of UPOV. Acknowledging the difficulties of applying patent law to plant varieties, the UPOV system (as an off shoot of WIPO) has been specifically developed to deal with the circumstances of assessing and protecting plant varieties. It includes a range of very stringent "biologically based" criteria for testing whether a variety is new, distinct, uniform and stable.

The PBRO is located within the Department of Agriculture Fisheries and Forestry (AFFA). The following represents the views of the PBRO and may not necessarily reflect a comprehensive portfolio position.

Innovation Patents (page 46)

The report supports the introduction of an Innovation Patent (to replace the current Petty Patent system). Such a scheme is likely to have a lower threshold test than the standard patent. The 1995 Review of Petty Patents also suggested that in an Innovation Patent Scheme, the period of protection would probably be much less (in the order of 6 to 9 years), it would be low cost, simpler, quicker and attractive to small-medium sized businesses. We note that eligible subject matter for Innovation Patents is currently not restricted nor is there a mandatory examination requirement.

If such a scheme were to allow the patenting of plant varieties, then not only is there a potential for confusion with the rights granted by PBR, but there is likely to be strong opposition to granting of monopolies over "life-forms" without a rigorous and comprehensive examination. Even if the Innovation Patent system was to include a mandatory examination, the criteria would almost certainly be different from those used by PBR/UPOV.

Such an outcome would be undesirable. Further, the rational underpinning the introduction of Innovation Patents may be weakened as it appears to be partially predicated on examples where the patenting of plant varieties per se is not generally accepted.

The current proposal for Innovation Patents appears not to align with the Committee's key objective that there is "... a requirement for rigorous screening prior to grant" (page 49).

Accordingly the Committee is invited to consider modifying its support for the introduction of Innovation Patents to exclude their use for plant varieties per se.

Benefit of Doubt (page 51)

The report suggests that the Patents Act is amended to require a "balance of probabilities" approach rather than "benefit of doubt" during examinations. It also suggests that the Patent Act is amended to ensure the onus is on the opponent to prove the invalidity of a patent once granted. In the experience of the PBRO, adopting a "balance of probabilities" approach to examinations becomes extremely problematical where the assertions of the applicant and those of the opponent are evenly matched. Requiring the applicant to provide evidence in support of every claim can significantly add to the costs of completing an application for rights.

In addition, a change to a balance of probabilities requires Patent examiners to undertake a more onerous quasi-judicial role for which considerable legal skill/training is required.

Applying the balance of probabilities is more difficult in biological situations where the underlying statistical probability of an event occurring can be extremely small. For example, in developing a new variety using cross pollination, the chances that a specific combination of traits will appear in the progeny, may be extremely unlikely (ie less than 1 in a million). Equally the identification, purification and maintenance of the desired progeny may also be unlikely. Therefore applying balance of probabilities to new plant varieties may, and probably will, lead to a very high level of type 2 errors.

The UPOV Convention representing international best practice for 44 countries, operates on the benefit of doubt.