



AusBiotech response to
Consultation on an Objects Clause and
an exclusion from patentability
(July 2013)

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27 September 2013

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Introduction

AusBiotech provides this submission in response to IP Australia's 'Consultation on an Objects Clause and an exclusion from patentability (July 2013)'.

AusBiotech has a keen interest in the Australian patent system to the extent that it supports (or undermines) innovation, and its ability to provide appropriate incentives for companies to develop and bring new technologies to patients.

AusBiotech is a well-connected network of over 3,000 members in the life sciences, including therapeutics, medical technology (devices and diagnostics), food technology and agricultural, environmental and industrial biotechnology sectors; working on behalf of members for more than 25 years to provide representation to promote the global growth of Australian biotechnology.

Please find following AusBiotech's comments, based on feedback from its membership, in response to the questions posed in the consultation (shown in grey below).

1. Do you have a preference for either of the two options proposed for the Objects Clause?

AusBiotech has preference that the wording remains consistent with the Trade Related Aspects of Intellectual Property Rights Agreement (TRIPS) wording:

*"The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations."*¹

AusBiotech therefore does not support either of the options proposed and believes that no compelling rationale to moving away from the TRIPS language has been articulated.

Biotechnology is a global industry and the extent to which already complex web of patent laws and provisions can be harmonised globally is substantially more helpful for technology developers to traverse.

2. Do you agree with the wording proposed by ACIP for the patentability exclusion?

AusBiotech agrees with ACIP, which argued against specific exclusions, stating:

"This mechanism lacks flexibility, because changes to technology or to Australian society's values would require that the list of specific exclusions be updated.....This mechanism could also work against the objectives of the patents system, because wholly pre-empting an area of technology from being patented would remove an incentive for any future innovation in that area, whether or not it is undesirable."²

¹ Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), Article 7, 'Objectives'.

² Advisory Council on Intellectual Property ('ACIP'), *Patentable Subject Matter* (2010), page 14, paragraph 2.

Notwithstanding the comments above about harmonising with international trade obligations and TRIPS language, ACIP's recommended exclusion language does not appear to change the meaning and therefore AusBiotech does not object to the recommended exclusion language:

"... exclusion for an invention the commercial exploitation which would be wholly offensive to the ordinary reasonable and fully informed member of the Australian public."

3. Do you agree with amending the Patents Act to explicitly provide the Commissioner of Patents with powers to seek advice on ethical matters?

AusBiotech agrees that the "consideration of ethical issues is not a routine exercise for patent examiners" and they "may also not be equipped to consider whether the commercialisation of an invention would be offensive to the Australian public."

AusBiotech also agrees that the Patents Act should be amended to provide an appropriate process when applying the patentability exclusion, which is not reliant on patent examiners. However AusBiotech does not agree that the responsibility to determine such a decision should sit with one individual. AusBiotech recommends instead that the Patents Act be amended to provide for a panel that includes the Commissioner.

A suggestion for the panel's construction could be to appoint three people to join the Commissioner, with due regard to the relevant scientific and intellectual property (as it relates to patent) expertise and a well informed general member.

The decision to exclude a technology from patentability in Australia, on a case basis, is a serious undertaking that could potentially result in the stifling of innovation. In the medical context, in which the majority of AusBiotech's members work, this translates to damaging the development of a treatment or a diagnostic that has the potential to extend and enhance people's lives. Careful consideration needs to be given to how such decisions ought to be made and by whom, and what avenue of appeal is available.

Conclusion

AusBiotech represents Australian biotechnology developers, which are working in a global context and find harmonisation between jurisdictions wherever possible is preferential. Unless there is a compelling reason to differentiate, AusBiotech would prefer that Australia's IP provisions remain consistent with the World Trade Organization Trade Related Aspects of Intellectual Property Rights Agreement.

AusBiotech does not believe that the decision to exclude a technology from patentability should sit with any one individual, whether that be a patent examiner or other. AusBiotech recommends that a process, which includes an appointed decision-making panel convened by the Commissioner, be designed.