

13 February 2015

Lisa Bailey
IP Australia

Dear Ms Bailey

NZIPA submissions to IP Australia on Regulation Changes Proposed to Implement Trans-Tasman Initiatives

Introduction

These submissions have been prepared by the New Zealand Institute of Patent Attorneys Inc. (NZIPA). The NZIPA was incorporated in 1912 and represents most patent attorneys registered under the New Zealand Patents Act 1953 who are resident and practicing in New Zealand. Many of our patent attorneys are also registered in Australia.

The present membership of the Institute comprises 146 fellows (2013: 154), 68 students (2013: 62), 11 associates (2013: 14), 23 non-resident members (2013: 21), 4 retired members (2013: 4) and 2 honorary members (2013: 2). The honorary members are Justice Gault and Bill Howie.

The following submissions utilise the same numbering system for the headings as used in the Discussion Paper published by IP Australia.

A - TRANS-TASMAN PATENT ATTORNEY REGIME

2.2 Registration requirements

2.2.3 Residency requirement for registration

Clause C.2 of the Arrangement Relating to Trans-Tasman Regulation of Patent Attorneys ("the Arrangement") states that one of the objectives of the arrangement is to provide a joint registration regime for patent attorneys to practice in Australia or New Zealand and between Australia and New Zealand.

A requirement that a registered patent attorney be a citizen of either Australia or New Zealand, or ordinarily resident in Australia or New Zealand, and proof of the same, is an appropriate prerequisite to registration.

2.2.4 Employment requirements for registration

The Intellectual Property Laws Amendment Bill 2014 ("the Bill") reduces the required duration of employment from New Zealand's current requirement of three years' work experience to two years' work experience within the previous five years.

NZIPA strongly supports the retention of three year's work experience as a prerequisite to registration as a patent attorney.

In terms of a candidate receiving the relevant experience and training to qualify as a patent attorney, it is appropriate that the employment be by a patent attorney, IP Australia or IPONZ.

Justifiably the employment experience requirements are broad but that potentially presents an issue for some candidates whose experience in some areas may not be so far reaching. Limitations on the candidates' experience may be due to them being employed in a small firm with little scope for work in the other jurisdiction or working in a specialized team within a larger firm (i.e. a team that specialises in NZ registration or litigation).

With a requirement of three year's work experience as a prerequisite to registration as a patent attorney candidates will have another 12 month period in which to acquire the necessary broad range of experience.

NZIPA envisions that flexibility will be required in the assessment of the candidate's employment experience.

2.2.6 Incorporated patent attorneys - company registration in Australia or New Zealand

Currently the Patent Attorneys Bill (NZ) requires that all directors of a patent attorney company are patent attorneys. This contrasts with the Patents Act 1990 (Cth) which only requires one director be a patent attorney. Thus in Australia mixed disciplinary practices are allowed. The equivalent situation would not be allowed in New Zealand (Zealand a high proportion of patent attorneys are also lawyers) under either Patent Attorneys Bill or Lawyers and Conveyancers Act 2006.

New Zealand patent attorneys who are also legally qualified and hold current practising certificates, are mindful of our obligations under the Lawyers and Conveyancers Act and the restrictions it imposes on our practices.

The situation is different in Australia - where a large number of patent attorneys are not also qualified as lawyers and therefore do not face the same constraints.

The Lawyers and Conveyances Act 2006 may be problematic for patent attorneys in both Australia and New Zealand. For example, an Australian patent attorney/lawyer who holds a New Zealand practising certificate and who practices in New Zealand as a lawyer, if they are part of a firm that shares income with non-lawyers e.g. directors or shareholders. Such a situation is permitted in Australia but would not be in New Zealand under the current provisions of the Lawyers and Conveyances Act 2006.

The proposed joint registration regime for patent attorneys to practice in Australia or New Zealand and between Australia and New Zealand would not operate seamlessly as there are different requirements relating to incorporation.

2.3 Transitional arrangements

2.3.2 Transitional registration of New Zealand patent attorneys as Australian trade marks attorneys

The Bill provides for the transitional registration of a New Zealand patent attorney as an Australian trade marks attorney, provided certain criteria are met.

There is a one-off one year transitional period proposed for New Zealand patent attorneys wishing to be registered as an Australian trade mark attorney to apply and satisfy the Designated Manager of their competency to call themselves a 'registered trade marks attorney'. NZIPA submits that the transitional period is too short and in unfair when the interests of candidates currently sitting exams to qualify as New Zealand patent attorneys are considered. NZIPA proposes that in addition to the initial one year transitional period, that the regulations be revised to allow candidates currently sitting exams and who complete them during the transitional period allowed of four years following the implementation of the Act, be permitted within one year of qualifying as a New Zealand Patent Attorney to apply for registration as a registered trade mark attorney in Australia, should they wish to do so and provided that the competency criteria is met to the satisfaction of the Designated Manager.

Clause 84 of Schedule 4 to the Bill states that the individual must satisfy "the Designated Manager, in accordance with the regulations, that the individual's level of competency in trade marks law and practice is sufficient to warrant the individual becoming a registered trade marks attorney".

The Discussion Paper specifies that the statement of experience should detail the extent of the applicant's experience in:

- searching trade mark records; and
- preparing, filing and prosecuting trade marks applications in New Zealand, in Australia and in other countries regarding as those countries' major trading partners; and
- advising on the validity and infringement of registered trade marks.

Such a broad range of experience requirements will potentially present an issue for some candidates whose experience in some areas may not be so far reaching. Limitations on the candidates' experience may be due to them being employed in a small firm with little scope for work in the other jurisdiction or working in a specialized team within a larger firm.

NZIPA envisions that flexibility will be required in the assessment of the candidate's practice experience.

Unlike the situation in Australia, Canada, Europe and the United Kingdom, New Zealand does not have a qualification of Trade Mark Attorney. Therefore, there is not parity between Australia and New Zealand.

NZIPA recommends that this absence of parity be examined and remedied.

2.4 Address for Service

It is imperative that an electronic address for service in either Australia or New Zealand be accepted for any reason that an address for service is required.

2.6 Trans-Tasman IP Attorneys Disciplinary Tribunal

2.6.1 Continuing Disciplinary Tribunal – effect and reconstitution

Clause 6.3 of the Arrangement specifies that the Disciplinary Tribunal is to be comprised of one experienced legal practitioner and two experienced registered or formerly registered patent attorneys appointed by the Australian Minister.

The Discussion Paper expands on the composition of the Disciplinary Tribunal, stating that the three-person hearing panel convened for each disciplinary proceeding, will consist of the President and two other members selected by the President from the pool of members to the Disciplinary Tribunal.

The requirement that the President be a currently enrolled legal practitioner in Australia, and have been enrolled for at least seven years, means that a New Zealand resident President is not possible. The President has an important role, including convening the Disciplinary Tribunal.

The Discussion Paper also proposes that the pool will contain trade marks attorneys, for the purposes of disciplinary matters concerning trade mark attorneys.

That trade mark attorney will either be also a patent attorney or the President (if the President is also a registered trade marks attorney). Thus, it is unlikely that the trade mark attorney representative on the Tribunal will be solely a trade mark attorney.

2.6.5 Commencement of Disciplinary Proceedings

Disciplinary proceedings can have significant impact on the practice and livelihood of the patent attorney the subject of the proceedings.

The proposal of earlier notice of the commencement of the proceedings is welcome. NZIPA recommends that the opportunity be taken to strengthen the process even further to require that the notice be served on the patent attorney's given address for services as noted on the Trans-Tasman Register of Patent Attorneys and that any further process or time lines commence from the date of receipt of that notice, not the date of posting the notice.

B - SINGLE PATENT APPLICATION AND EXAMINATION

4. Filing Australian patents documents in New Zealand

New provisions are proposed for both the Australian and the New Zealand patents regulations to prescribe the Australian patents documents that could be filed in New Zealand. These documents are likely to be 'all those necessary for the filing and examination of an application for a standard patent'.

We acknowledge the need for the Australian patent regulations to reflect the fact that New Zealand patents regulations express a preference for patents documents to be filed electronically by means of the online case management system currently operated by IPONZ.

It is proposed that the Australian regulations would deem the date and time of filing of an Australian patent document in IPONZ online case management system to be the time and date in Canberra at which the electronic communication of the information in the document reaches IPONZ online case management system.

The IPONZ online case management system is subject to unscheduled outages. In some cases these outages occur during a working day. In these circumstances some applicants have already filed documents at IPONZ prior to the outage. Other applicants are unable to file documents at IPONZ after the outage.

The Australian regulations need to deal with situations where Australian patents documents are unable to be filed using the IPONZ online case management system.

The Australian regulations also need to deal with situations where the Australian Patent Office is closed and the IPONZ online case management system is available. These situations occur for example due to national or state holidays, and differences in time zones.

Furthermore, the regulations need to specifically deal with classified applications. The documents relevant for classified patent applications impose secrecy obligations on

applicants, agents, and patent examiners handling them. If the documents relevant for classified applications are not excluded from the list of prescribed documents, then the bilateral arrangement between the Australian and New Zealand governments will need to provide for the exchange of state secrets.

5. Filing of New Zealand patents documents in Australia

IP Australia proposes that no change would be needed to the Australian patent regulations to permit Australian patents officials to receive New Zealand patents documents on behalf New Zealand.

As mentioned above, the documents relevant for classified patent applications impose secrecy obligations on applicants, agents, and patent examiners handling them. If the documents relevant for classified applications are not excluded from the list of prescribed documents, then the bilateral arrangement between the Australian and New Zealand governments will need to provide for the exchange of state secrets.

6. Paying Australian patents fees in New Zealand

The Bill is proposed to be amended to permit fees prescribed in the Australian legislation to be paid in New Zealand currency to New Zealand patents officials. Money received is to be held in trust and reconciled periodically.

We assume that the prescribed fees will be those relating only to the Single Application Process (SAP) and the Single Examination Process (SEP). If it is proposed to relate to all fees then the amount of reconciliation required will be significant.

The new regulations will empower the Australian and New Zealand Commissioners of patents to jointly determined the amount of the specified fees in Australian dollars. This would allow them to vary the Australian dollar amounts of those fees when there is a significant change in the Australian or New Zealand dollar exchange rate.

It is also proposed to require the fee determinations to be published online.

We ask that the regulations require IP Australia and IPONZ to publish any fee changes in advance. This would be preferable to simply publishing a daily spot price. Applicants would then have less chance of accidentally short paying any fees.

One suggestion is for IP Australia and IPONZ to review the fees periodically, for example quarterly, and announce any changes following a quarterly review.

7. Paying New Zealand patents fees in Australia

The Bill is proposed to be amended to permit officials and employees and IP Australia to receive specified New Zealand patents fees in Australian dollars. Money received is to be held in trust and reconciled periodically.

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Yours faithfully,



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