FICPI Australia Response to Exposure Draft of the Intellectual Property Laws Amendment Bill & Regulations 2017

Feb 2017
Summary of FICPI Australia response February 2017

On behalf of FICPI Australia the following summary of our response is provided to highlight what is otherwise considered uncontroversial changes to the relevant Acts and Regulations.

Where there is no comment provided adjacent an item, which uses the Explanatory Memorandum item numbering system, it is to be assumed there is “No Comment”. The table of contents highlights in red those items, which have been commented on by FICPI Australia, which will make locating them easier for the reader.

The major issues of concern to FICPI Australia are in regards to extensions of time under s.223, the rights of third parties in the event of applications lapsing or patents ceasing, decision making by a computer system and self amendment by the applicant. We address these in turn in the immediately following pages and in detail in the relevant items.

Items 142 and 143 – Extensions of time – new provisions

FICPI Australia is comfortable with a time limitation for seeking an extension of time under new sub-sections 223A(1) and (2), but considers it more appropriate that the period be three months. Further, we consider it necessary to ensure that the period is taken from either the applicant becoming aware of the error or omission or from the circumstances which prevented the act from being done in time ceasing to exist, whichever is the later.

Items 135, 136, 138 and 139 – Protection of third parties

FICPI Australia agrees that there should be protections for persons who exploit an invention reasonably believing that the applicant has abandoned its rights.

However, we do not agree that third parties taking steps to exploit an invention or actually exploiting an invention immediately following the inadvertent lapsing or ceasing of a case should be automatically protected for the duration of any patent right.

In particular, FICPI Australia does not agree that the protections should apply in the case of a short lapse. If a patent, for example, is in a state of lapse for only one month, but a third party immediately commences some form of exploitation during that one month period, FICPI Australia does not agree that such a person should be entitled to exploit the invention otherwise covered by the patent for the full patent
term. The protection to third parties would not be, in FICPI’s view, commensurate with the period of lapsing or ceasing. We consider that the protection of third parties should apply only in cases where the lapsing or ceasing has been for a period of three months or more. This demarcation would sit well with the fact that the applications for extension of time under s.223B and s.223C are separated in this way.

FICPI Australia considers that the rights of third parties would be adequately protected, in the cases of short extensions, if they were protected only during the period in which an application was lapsed or a patent ceased.

Consistent with s.119, FICPI Australia also submits that s.223H should not apply if, on the day on which details in relation to the application for an extension of time are published, the relevant third party had stopped (except temporarily) exploiting the product, method or process in the patent area; or had abandoned (except temporarily), the steps to exploit the product, method or process in the patent area.

In addition, we consider the defence should be available only for those who start to exploit or who first took definitive steps by way of contract or otherwise to exploit during the relevant lapsing or ceasing period. This would mean that s.223H(2) would commence with the words

“a person (the initial person) who started to exploit, or who first took definitive steps by way of contract...”

In the explanatory document it is stated “limiting protection to parties that begin exploiting the invention after the lapsing of the patent application ensures the parties who infringe on the patent at other times are not protected. Whilst this intention is expressed in the explanation, it does not find its way into s.223H(2). FICPI Australia considers that the position would be clarified by introducing the word “first” as suggested above.

FICPI agrees that the right to exploit the invention under s.223H should be an assignable right.

Items 390 to 392 – Computerised decision-making

FICPI Australia understands that computerised decision-making may be, in some limited instances, useful for the efficient operations of IP Australia. Nonetheless, FICPI Australia considers that obligations to be determined by a computer program as a proxy for the Commissioner should be set out in the legislation, rather than
being determined in a legislative instrument made by the Commissioner from time to time. FICPI Australia understands the reasons for wishing to use a simplified process for determining applications for an extension of time under s.223 where the extension is for a period of less than three months. However, we cannot currently envisage many other decisions which are amenable to computer decision and as such, we consider that it would be best to identify in the Act those decisions which can be made by a computer program as a proxy for the Commissioner.

Further, if any decisions are to be made by a computer and deemed to be a decision of the Commissioner, we consider that there should be an unambiguous right of applicants and patentees who challenge the decision so made, to require the Commissioner to determine the matter afresh personally or through a human delegate. As drafted, the only appeal right is to the AAT and FICPI Australia considers that it would be fairer to applicants and patentees if there were an intervening adjudication by a real person within IP Australia before any action is required under the AAT. We acknowledge that proposed s.223J(4) enables the Commissioner to substitute a decision for a decision made by a computer program, but the proposed provision does not give to applicants and patentees an unambiguous right to have the matter considered by a human. FICPI Australia considers that the Commissioner should be obliged to reconsider any adverse computer decision if called on by an applicant or patentee.

The exposure draft also indicates, “applicants’ may make self-amendments” using an online system. There is some concern that spurious amendments such as change of applicant may be entered without correct entitlement etc. There are also concerns that changes such as change of agent will be permissible without the incumbent and new agent being advised of the change.

Generally, the changes work to enhance the current legislation in relation to Plant Breeders Rights and the Olympic Insignia Protection Act 1987.

The general changes to notification are noted and supported. These appear to relate to a move towards changing the landscape and electronic communications that make the working of the Acts more efficient in both costs and time.

We thank you for the opportunity to submit our views in this important matter.

If for any reason you wish to discuss our submission please direct that query to the President of FICPI Australia Mr Stephen Krouzecky c/o Stephen.krouzecky@ficpi.org
Yours truly,

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Division 1 – Amendments

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Item 474: Additional damages

Olympic Insignia Protection Act 1987

Items 475 to 478: Replace groundless threats with unjustified threats

Patents Act 1990

Item 479: Additional damages

Plant Breeder’s Rights Act 1994

Item 480: Definition of legal practitioner

Item 481: Relief from Unjustified threats

Trade Marks Act 1995

Items 482 and 483: Replace groundless threats with unjustified threats

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Schedule 1—Amendments

Part 1 - Renewals and terminology

Division 1 - Amendments

Introduction

Part 1 of Schedule 1 contains a number of amendments to better align the renewal regimes across the four IP rights administered by IP Australia. For example, at present designs, patents and trade mark applicants may pay renewal fees up to six months after the renewal date, as long as late fees are also paid. However, PBR applicants have no such renewal grace period and must pay renewal fees by the anniversary. The amendments also better align the terminology used for the status of IP rights. The four IP rights sometimes use different terminology for what is essentially the same status or process. The amendments reduce the complexity of the IP system for users.

Designs Act 2003

Items 1 and 2: Renewal of registration

[s 47]

FICPI does not object. The proposed changes mean it will no longer be possible to pay the renewal fees early, for example immediately after registration. Some design registration owners have found this to be desirable, as it negates the need to monitor the renewal deadline, although anecdotal evidence suggests that in practice, few design owners renew early.

Item 3: Status of renewed registered design

[s 47]

No specific objection however, if the design registration owner has not paid the renewal fees by the deadline, and late pay them, presumably the design is not in force in the intervening period. It is not clear what the intention of the proposed change is.

Patents Act 1990

Items 4 and 5: Lapsing of a standard patent

[s 142]
Items 6 to 8: Ceasing of a standard patent
[s 143]

Items 9 to 11: Ceasing of an innovation patent
[s 143A]

Plant Breeder’s Rights Act 1994

Items 12 and 13: Duration of dependent PBR
[s 22]

Items 14 to 18, 23: Refusal of an application
[s 30]

Items 19 to 21: Ceasing of PBR
[s 51]

Items 22 and 24: Revocation on surrender of PBR
[ss 52, 77]

Trade Marks Act 1995

Item 25: Reader’s Guide
[Summary of this Act]

This item clarifies in the Reader’s Guide to the Act that Parts 7, 8 and 9 also deal with how the registration of a trade mark may be revoked.

Items 26 to 50, 53 to 63: Refusal of applications
[Appendix, ss 11, 31, 33, 35, 39, 40 to 44, 57, 58A, 63, 84C, 176, 177, 187]
Item 51: Notice of renewal due
[s 76]

Item 52: Cancellation of registration
[s 84]

Division 2 – Application and transitional provisions

Item 64: Designs
[subsection 47(2) and (3)]

Item 65: Patents

Item 66: PBR
Item 66(1) [section 30]

Item 66(2) [subsection 51(2)]

Item 67: Trade marks
Item 67(1) [section 11, 31, 33, 39, 40, 41, 42, 43, 44 and 63]

Item 67(2) [ section 31]
Item 67(3) [section 35]

Item 67(4) [section 84]

Items 67(5) and (6)

Item 67(7) [84C(5)]

Item 67(8) [section 176 and 177]

Item 67(9)

Item 67(10) [section 187,]

item 67(11) [section 3]
Part 2 - Examination, re-examination and reconsideration

Division 1 - Amendments

Introduction

Part 2 of Schedule 1 contains a number of amendments to improve IP Australia’s processes for reviewing IP rights applications and registrations. The designs, patents, plant breeder’s rights and trade mark systems have mechanisms for the Registrar or Commissioner to review an accepted application or a registered/granted/certified right. Re-examination is a formal process for reviewing an IP right. Revocation is the act of cancelling the registration of the right, and may be the result of a re-examination. These mechanisms allow for review on the Registrar’s or Commissioner’s own initiative, or at the request of a third party.

The review mechanisms of the different IP rights essentially have the same purpose: to enable reconsideration of certain aspects of an accepted application or a granted IP right without the expense and delay in bringing opposition or court proceedings. However, the legislation and practices governing the review mechanisms have a number of problems and vary between the rights in a number of aspects, including:

- the steps in the process;
- the transparency of the process; and
- the payment of fees.

Unsuitable processes and unnecessary differences between the IP rights create inefficiencies for users of these mechanisms and increase administration costs for IP Australia. These items address these problems through a number of amendments.

Designs Act 2003

Items 68 to 84: Designs Act

Item 68: Definition of examination

[s 5]

Item 69: Definition of re-examination

[s 5]

Item 70: Definition of relevant parties

[s 5]
Item 71: Simplified outline
[s 9]

Item 72: Ceasing of registration
[s 48(1A)]

Item 73: Ceasing of registration
[s 48]

Item 74: Chapter 5 – Examination and re-examination of designs
This item provides a new heading for Chapter 5 to reflect that it covers both the examination process and

Items 75 to 77: Simplified outline
Item 75 [s 62]

Item 76

Item 78: When examination is to be conducted

Item 79: Examination of design
[s 63]

Item 80: How examination is to be conducted
Item 81: Re-examination

[ss 68A, 68B, 68C, 68D, 68E, 68F, 68G]

[s 68A]

[s 68B]

[s 68C]

[s 68D]

[s 68E]

Subsection 68E(1)

Subsection 68E(2)

Subsection 68E(3)

.

Subsection 68E(4)

Subsection 68E(5)

Subsection 68E(6)

Subsection 66(6)

Subsection 68E(7)
Section 68G

Subsection 68G(1)

Subsection 68G(2)

Subsection 68G(3)

Subsection 68G(4)

Subsection 68G(5)

Items 82 and 83: Certain material may be provided to Registrar

[s 69]

Item 82

Item 83

Item 84: Amendments of Registrar

[s 115]

Patents Act 1990

Items 85 to 100: Patents Act

These items amend the Patents Act to improve the re-examination process.

Re-examination is available for both standard and innovation patents. Re-examination may be initiated by the Commissioner at any time, or requested by third parties at any time after grant (for standard patents)
or certification (for innovation patents). Re-examination involves a report being issued to both the applicant/patentee and the requestor, with the applicant being given the opportunity to provide a written statement before the Commissioner decides the outcome of the re-examination. After re-examination the Commissioner may refuse an accepted application or may revoke a granted patent. Re-examination of a standard patent is completed when certain conditions are met. However, no conditions exist for the conclusion of re-examination of an innovation patent other than the possibility of the Commissioner initiating revocation proceedings.

There are several problems with this approach:

- the process is unrealistic in that it assumes that only a single re-examination report is issued by the Commissioner, and that the applicant has a single opportunity to respond;
- the timeframes for re-examination and means by which issues are to be resolved are not clear; and
- there is no equivalent mechanism to complete re-examination on an innovation patent in the same manner as a standard patent.

These items amend the re-examination process for standard and innovation patents to allow for multiple reports and responses from the applicant within a fixed time period. This provides a realistic iterative process with a clear fixed timeframe to resolve issues.

**Items 85 and Item 86: When re-examination ends**

[subsection 97(3)]

**Items 85 and 98: Court directed re-examination**

[ss 97, 101K]

**Items 86 and 94: Re-examination of specifications**

[ss 97(3A), 101G(1A)]

**Item 87: Re-examination of complete specifications**

[s 97]

**Items 88 to 90 and 95: Reports on re-examination**

[ss 98, 101G]
Item 91: Statement by applicant or patentee
[s 99]

Item 92: Refusal to grant patent
[s 100A]

Item 93: Revocation of patent
[s 101]

Item 96: Statement by patentee
[s 101H]

Item 97: Revocation of innovation patent
[s 101J]

Item 99: Relevant proceedings and re-examination
[s 101K(3)]

Item 100: Copies of report to be given to court
[s 101L]
Plant Breeder’s Rights Act 1994

Items 101 to 114: Plant Breeder’s Rights Act

The PBR Act does not have explicit provisions for re-examination, although re-examination is the usual result of pre- or post-grant oppositions, particularly if a further test growing is required under paragraph 37(1)(c). The PBR Act allows for revocation of a granted PBR and outlines in section 50 a number of steps to be followed. However, the process is not as transparent as it could be and is not aligned with the review mechanisms of the other IP rights.

These items amend the PBR Act to create a formal re-examination process that may result in revocation of a granted right under section 50. Additionally, in accordance with Part 21 of this Bill, the relevant powers of the Secretary of the Department of Industry, Innovation and Science under the PBR Act are devolved to the Registrar of PBR.

Item 101: Definitions
[s 3]

Items 102 to 107: Terminology
[ss 37, 48]

Item 108: Re-examination of Plant Breeder’s Right
[ss 49A, 49B, 49C]

This item inserts new provisions setting out the process for re-examination.

Section 49A
Subsection 49A(1)

Subsection 49A(2)

Subsection 49A(3)

Subsection 49A(4)

Section 49B
Subsection 49B(1)

subsection 49B(2)
Subsection 49B(3)

Subsection 49C(1)

Subsections 49B(4)

Subsection 49C(2)

**Item 109: Revocation of PBR**

[s 50]

Subsection 50(1)

Subsection 50(1A)

Subsections 50(4) and 50(5)

**Item 110: Revocation of PBR**

[s 50]

**Item 111: Revocation of PBR**

[s 50]

**Items 112 and 113: Revocation of PBR**

[s 50]

**Item 114: Revocation of PBR**

[s 77]
Trade Marks Act 1995

Items 115 and 116: Revocation of acceptance and registration

[ss 38, 84A]

Item 115

Item 116

Division 2 - Application, saving and transitional provisions

Item 117: Designs

Item 117(1)
If the proposed, new re-examination provisions will apply to all designs registered before or after the legislation amendments take effect FICPI does not object.

Item 117(2)

Item 118: Patents

Item 119: PBR

Item 119(1)

Item 119(2)

Item 119(3)

Item 120: Trade marks

Item 120(1)
Part 3 - Extensions of time and protection of third parties

Division 1 - Amendments

Introduction

IP rights holders and applicants can apply to extend a number of time periods in the IP legislation under various circumstances. Some extensions are required under international treaties. The extension of time system needs to balance the interest of IP applicants and rights owners, who may risk losing their rights by not completing actions on time, with the interests of third parties, who need certainty about whether IP rights are in force.

There are three broad issues with the extension of time system. The first issue is the differences in the number and types of extensions available between the IP rights. This increases complexity and confusion as to which extension is applicable and what evidence is required for supporting the request in a given situation. The second issue is the administrative burden placed on customers and IP Australia. Short extensions rarely have a significant impact on third parties, yet require the same declarations from applicants and assessment by IP Australia as long extensions. The third issue is that the protection for third parties that used an invention or trade mark while the IP application or right was lapsed or ceased can be inadequate or burdensome to obtain.

These items address these issues through a number of amendments.

The main changes are:

- repeal the ‘despite due care’ extension for patents;
- remove the Commissioner’s and Registrar’s discretion for all general extensions, for all rights. This will simplify the process and ensure compliance with the Patent Law Treaty and Patent Cooperation Treaty;
- require all requests for extensions to be filed within two months of the removal of the cause of the failure to comply, to ensure there are no unreasonable delays;
- improve the compensation for third parties that use inventions when a patent lapsed or ceased to reduce the burden on third parties;
- expand the protection against infringement for third parties that use a trade mark while it was ceased to include while a trade mark application was lapsed;
- introduce a streamlined process for short extensions, but ensure IP Australia can review and remake a decision on an extension of time;
- prevent applicants from obtaining consecutive ‘short’ extensions for the same action;
- provide general extensions and corresponding third party protection for PBRs.

Designs Act 2003

Item 121: List of definitions

[s 5]
Items 122 and 123: Period of lapsing and review by AAT
[s 33, s 136]

Items 124 to 126: Extensions of time - errors/omissions by the Registrar etc
[s 137]

Items 124

Item 125

Item 126

Item 127: Extensions of time - new provisions

[s 137A, s 137B, s 137C, s 137D, s 137E]

Item 127 replaces current subsections 137(2) to (7) repealed by item 126 above with new general extension of time provisions.

• Extensions of time – errors/omission by applicant or agent or circumstances beyond control

New section 137A

Subsections 137A(1) and (2)

• Extensions of time – extension sought is 3 months or less

New section 137B

Subsection 137B(1)

No objections
subsection 137B(4)

Subsection 137B(5)

*Objections*

Subsection 137B(6)

Subsection 137B(7)

*Grounds for extension*

Subsection 137B(8)

*Beginning of extension*

Subsection 137B(10)

*Extension of time – extension sought is more than 3 months*

New section 137C

New subsection 137C(1)

subsection 137C(2)

subsection 137C(4)

*No opposition*
Subsection 137C(6)

— Opposition
subsection 137C(3)

Subsection 137C(7)

Subsection 137C(8)

Grounds for extension
subsection 137C(9)

subsection 137C(10)

Beginning of extension

subsection 137C(11)

Extensions before or after time for doing relevant act expired

new section 137D

Giving notice of extension

New section 137E

Items 128 to 131: Consequences of extension and protection of third parties

[s 138, s 139]
Patents Act 1990

**Items 132 to 134: List of definitions**

[s 3]

**Items 135, 136, 138 and 139: Protection of third parties**

[s 41, s 150]

FICPI Australia agrees that there should be protections for persons who exploit an invention reasonably believing that the applicant has abandoned its rights. However, we do not agree that third parties taking steps to exploit an invention or actually exploiting an invention immediately following the inadvertent lapsing or ceasing of a case should be automatically protected for the duration of any patent right.

In particular, FICPI Australia does not agree that the protections should apply in the case of a short lapse. If a case, for example, is in a state of lapse for only one month, but a third party immediately commences some form of exploitation during that one month period, FICPI Australia does not agree that such a person should be entitled to exploit the invention otherwise covered by the patent for the full patent term. The protection to third parties would not be, in FICPI’s view, commensurate with the period of lapsing or ceasing. We consider that the protection of third parties should apply only in cases where the lapsing or ceasing has been for a period of three months or more. This demarcation would sit well with the fact that the applications for extension of time under s.223B and s.223C are separated in this way.

FICPI Australia considers that the rights of third parties would be adequately protected, in the cases of short extensions, if they were protected only during the period in which an application was lapsed or a patent ceased.

Consistent with s.119, FICPI Australia also submits that s.223H should not apply if, on the day on which details in relation to the application for an extension of time are published, the relevant third party had stopped (except temporarily) exploiting the product, method or process in the patent area; or had abandoned (except temporarily), the steps to exploit the product, method or process in the patent area.

In addition, we consider the defence should be available only for those who start to exploit or who first took definitive steps by way of contract or otherwise to exploit during the relevant lapsing or ceasing period. This would mean that s.223H(2) would commence with the words

“a person (the initial person) who started to exploit, or who first took definitive steps by way of contract...”

In the explanatory document it is stated “limiting protection to parties that begin exploiting the invention after the lapsing of the patent application ensures the parties who infringe on the patent at other times are not protected. Whilst this intention is expressed in the explanation, it does not find its way into s.223H(2). FICPI Australia considers that the position would be clarified by introducing the word “first” as suggested above.

FICPI agrees that the right to exploit the invention under s.223H should be an assignable right.

**Item 137: Consequential Amendments**

[s 42]
Items 140 and 141: Extensions of time - errors/omissions by Commissioner etc.
[s 223]

Item 140

Item 141

Items 142 and 143: Extensions of time - new provisions
[s 223A, s 223B, s 223C, s 223D, s 223E, s 223F, s 223G, s 223H]

Items 142 and 143

FICPI Australia is comfortable with a time limitation for seeking an extension of time under new subsections 223A(1) and (2), but considers it more appropriate that the period be three months. Further, we consider it necessary to ensure that the period is taken from either the applicant becoming aware of the error or omission or from the circumstances which prevented the act from being done in time ceasing to exist, whichever is the later.

Item 144: Review of decisions
[s 224]

Item 145: Dictionary
[Schedule 1]

Plant Breeder’s Rights Act 1994

Item 146: Definition of new terms
[s 3]

Items 147 to 152: Extension of period to meet certain requirements
[s 34, s 40, s 44]
Item 153: New extension of time provisions
[s 76B, s 76C, s 76D, s 76E, s 76F, s 76G, s 76H]

This item inserts sections 76B to 76H to introduce the new general extensions of time provisions for PBR.

Extensions of time – errors/omissions by the Registrar or person assisting Registrar

New section 76B

Extensions of time – errors/omissions by applicant or agent or circumstances beyond control

- Application requirement
  section 76C(2)
  paragraph 76C(3)(a)
  Paragraph 76C(3)(b).

- Processing of requests
  Subsection 76D(1)
  subsection 76D(4)
  subsection 76D(2),
  section 76J
  76C(2)

No objections
  subsection 76D(5).
  Subsection 76D(6)
**Objections**

subsection 76D(3)

Subsection 76D(7)

Subsection 76D(8)

**Grounds for extension**

Subsection 76D(9) and (10)

**Beginning of extension**

Subsection 76D(11)

**Extensions before or after time for doing relevant act expired**

section 76E.

- **Giving notice of extension**

section

**Consequences of extension and protection from infringement proceedings**

section 76G

Subsection 76G(1)

Subsection 76G(2)

Subsection 76G(3)

**Protection of third parties**

section 76H

223H

subsection 34(2),

section 76C.

**Items 154 and 155: Review of extension decisions**

[s 77]
Item 156: Application fees for extension of time
[s 80]

Trade Marks Act 1995

Items 157 to 160: Definition of new terms

Item 161: Lapsing of application
[s 37]

Item 162: Protection against infringement for third parties
[s 128] including subsection 128(4) and including subsection 128(5)

Item 162 proposes to amend section 128 (as for late-renewed trade mark registrations) to provide that an action cannot be brought for infringement during any period in which an application has lapsed, including as a result of a failure to file a notice of intention to defend an opposition or during prosecution.

Firstly, FICPI notes that while present section 128 applies to conduct, which may occur in a window of 6 or 10 months duration, it does not appear to have been relied upon in any reported case and this suggests it is of limited use. By the same token, the proposed amendments would only apply to those rare registrations which:

• lapsed during prosecution; and
• where sufficiently persuasive grounds existed under section 224 (or proposed new sections 224A-C) to revive the application thereafter, and
• where infringing acts subsequently arose within the period for which the application had lapsed (which under proposed new Regulation 21.25 is unlikely to be a lengthy period as noted above).

The utility of the proposed amendments is therefore likely to be even more limited than those of existing section 128, and FICPI therefore does not believe the proposed legislative amendments are required.

FICPI submits that a preferable alternative to the proposed amendments (which should be applied to section 128 as a whole) would be a simple provision that damages are not recoverable for acts occurring solely within the relevant period of lapsing or expiry, as appropriate. This would be sufficient to protect the public interest.
However, if the proposed amendments are to be included, the wording of the amendments (and the remainder of section 128) should be clarified to ensure that relevant acts are only non-infringing for the period of lapsing (i.e. that continuing acts continue to infringe if occurring outside the non-infringement period), for example:

162  At the end of section 128
Add:
   (4) If:
      (a) an application for the registration of a trade mark lapses as mentioned in subsection 37(1); and
      (b) the Registrar extends under section 224, 224B or 224C the period within which the application may be accepted; and
      (c) the application is accepted within the extended period; and
      (d) the trade mark becomes a registered trade mark;
            then an action may not be brought in respect of an act that:
      (e) infringed the trade mark; and
      (f) was done after the application lapsed and before the end of the day on which the extension was granted, but an action may be brought in relation to any such acts to the extent they occurred before the application lapsed or continue after the day on which the extension was granted.

See also our submission on the related issue under the Patents Act and addressed in the overview.

Item 163: Lapsing of application
[s 222]

Items 164 and 165: Extensions of time relating to errors or omissions by the Registrar and Trade Mark Office
[s 224]

Items 166 and 167: New extension of time provisions
[s 224A, s 224B, s 224C, s 224D, s 224E]

Item 166

Item 167  includes section 224B and includes section 224C

Item 167 of the Bill introduces proposed new sections 224A, B and C which will represent the bulk of extensions of time for trade mark applications in Australia under the proposed regime.

FICPI has the following concerns regarding the proposed new sections:

   a) Abolition of “Easy” Extensions of Time
FICPI does not support this proposal and submits that the current regime under which an applicant may secure an “easy” extension of time should be maintained. FICPI submits that applicants should be entitled to at least one “easy” extension of time of up to three months, which would be allowed as of right and without an objection procedure. We submit that this would be consistent with the position overseas (including OHIM – 2 months, UK – 3 months, Ireland – 3 months).

b) Grounds

These proposed sections provide for extensions of time on the basis of:

i) An error or omission, or circumstances beyond the control of the applicant – these represent established principles of Australian law which are generally well understood; and

ii) Special circumstances. As the Explanatory Memorandum notes at page 49, this is a new provision and is also not reflected in patent or design law. The Explanatory Memorandum indicates that IP Australia will issue a notifiable instrument to “clarify which circumstances may constitute special circumstances” and “assist applicants in differentiating between special circumstances and circumstances beyond the applicant’s control.”

FICPI is not aware of the content of the proposed notifiable instruments, and therefore the scope of the “special circumstances” ground remains unclear. If the addition of a new ground for extensions of time is intended to partially compensate applicants for the loss of “easy” extensions under the Regulations, the proposed scope of this should be clarified now (rather than after the passage of the Bill) so that interested parties have opportunity to comment. It is not possible to meaningfully comment on the current proposals without this information and we submit that the criteria for “special circumstances” should be included in the regulations.

It also should be noted that the interpretation of "special circumstances" in provisions in trade marks legislation in other countries (such provision exists in the UK, Singapore and New Zealand Trade Marks Acts for example) has been left open to judicial interpretation. Accordingly, if categories of special circumstances are identified, these should be non-exhaustive and this should be made clear in the Regulations.

c) Mechanics for Objection

It is not entirely clear how the mechanics of the advertisement and objection process will operate. For example, will all details of an extension of time application be published in the Official Journal, through eServices or by some other method and will this contain full details of the extension request including the grounds nominated? Moreover, it is not clear how the Office intends to handle requests for information in extensions of time, which may be commercially sensitive.
Further, it is not clear what details are required in order to lodge an objection or the
grounds for lodging such an objection. For example, will the fact that a competitor has
an interest in the same or similar mark form a sufficient basis for it to object to an
extension of time?

d) Publication and Objection Process

Item 167 of the Bill provides for all extension of time requests to be published for third
party objection before determination by the Registrar, whether of greater than three
months’ duration ("Long Extensions") or less than three months duration from the
original deadline ("Short Extensions"). While the current Act and Regulations provide
for a publication and opposition period for extensions of time greater than three
months, FICPI is not aware of a single instance where they have been utilised. The
reason for this is that trade mark applicants wish to avoid the cost and uncertainty of
an opposition period.

The above proposal is a substantial departure from the current provisions and FICPI
does not support the proposal.

FICPI is concerned that adding the publication requirement for all extension of time
requests while removing “easy” extensions of time under the Regulations risks putting
applicants at the mercy of vexatious objections to even straightforward extension of
time requests. It also risks exacerbating examination delays and uncertainty for
applicants as outlined in further detail below, while possibly simultaneously increasing
the administrative burden on IP Australia (both in publishing extension requests and in
determining whether extension requests are to be granted).

On the other hand, because the proposed publication regime involves publication
followed by a determination by the Registrar whether the extension request is to be
granted or not (s224B(4),(6) and s224C(4),(6)), concerned parties may be put to the
expense of objecting to the extension of time even where the Registrar would never
have granted the extension in the first place (particularly for Short Extensions). FICPI
is concerned that the proposed publication regime therefore also places an undue
burden on the market as a whole in relation to monitoring, and objecting to, extension
of time requests.

FICPI does not believe a publication process is necessary for Short Extensions.
However, if it is to be adopted, it would clearly be more efficient for the Registrar to
decide whether the extension is to be granted prior to advertisement and advertise only
those extension of time requests that the Registrar proposes to grant, as third parties
should not be put to the expense of opposition in relation to extensions which will not
be granted, and there does not appear to be any public interest in putting applications
in protracted “limbo” periods after an objection while additional review occurs.

FICPI further submits that if the Registrar proposes to separately determine whether or
not the extension is to be granted after publication (see below), publication should not
be required for Short Extensions. If, however, the Bill is revised to provide that
unopposed Short Extensions are to be automatically granted, the prejudice to
applicants and burden on IP Australia associated with publication and possible objection
may be acceptable.
e) Inefficient/Repetitive Determination Process and Inconsistency between the Bill and the Explanation Memorandum

Some aspects of the Bill, for example the notes to new section 230A regarding computerised decision making, suggest that unopposed Short Extensions will automatically be granted (see also Explanatory Memorandum pages 49, 74). However, the current drafting of Item 167 of the Bill expressly requires the Registrar to grant or refuse to grant extension requests which are not objected to (regardless of duration), and also to determine the duration of the extension (if it is to be granted) – see, for example, proposed sections 224B(4) and 224C(4). Contrary to the Explanatory Memorandum, the Bill does not appear to provide for automatic granting of unopposed Short Extensions.

The primary distinction between Short Extensions and Long Extensions in proposed sections 224B and 224C is that the Registrar may refuse the latter outright prior to advertisement where the Registrar must decide whether the extension request would clearly not be granted under section 224C(3) before proceeding to publication. Indeed, in the case of Long Extensions, the Registrar is required to consider whether or not the extension request is to be granted twice – once prior to advertisement under section 224C(3), and once after advertisement under section 224C(4) (unopposed extensions) or section 224C(6) (opposed extensions). Both decisions appear appealable to the AAT (see, for example, proposed section 224C(11)) and presumably also subject to the requirement of a reasonable opportunity of being heard under S.203. Even in the case of Short Extensions, the Registrar must decide whether or not to grant the extension after the publication period, which appears to place an undue burden on the market to object to extensions, which may not be granted, as noted above.

Under the current section 224 extensions of time regime, disputed extensions can take many months to resolve. Appeals to the AAT can result in further delays. It is not uncommon for the extension of time request to take longer to resolve than the requested extension period. Under the proposed publication regime, the further one month objection period risks substantially longer delays while objections are resolved by IP Australia, in addition to any AAT appeals. That is not consistent with the overall objective of speeding up the examination process.

f) Uncertainty

FICPI is concerned that the proposed extension of time regime introduces unwarranted uncertainty:

- as to whether an extension of time will be granted at all, particularly given the opposition and delayed Registrar consideration process. As noted above, the new regime provides that the Registrar may refuse an unopposed extension request, and of course an applicant is not in a position to anticipate whether or not third parties will object to a Long or Short Extension;

- as to how long an extension will be granted, since this is left to the Registrar to determine under sections 224B(4) and (6), and 224C(4) and (6), regardless of the length of extension requested (and whether the extension request has been opposed).
It goes without saying that if the deadline passes while the extension request is pending, the applicant cannot be certain of the validity of the affected application. This uncertainty may continue for some time if objections and/or AAT appeals are filed. This uncertainty is not desirable, particularly as extensions of time are generally short in duration (particularly Short Extensions). The potential disadvantage to the applicant far outweighs the public interest in the swift resolution of the application process, which is in any case not served by introducing protracted decision-making processes for extension of time requests. By comparison, current regulation 4.12 extension requests are decided in a matter of days or weeks.

To resolve the uncertainty associated with the proposed extension of time regime, FICPI submits that the proposed wording of at least section 224B should be amended to provide for an automatic grant of Short Extensions which are not opposed, for the time period requested, as contemplated by the Explanatory Memorandum. If, however, the separate Registrar determination process is to be applied for Short and Long Extensions, we submit the objection process for Short Extensions of time is onerous, inefficient and should be removed.

g) Transitional Provisions

Under Item 172 of the Bill, the proposed amendments to section 224-224D apply to any act where there is a deadline on or following commencement of the Bill, unless that deadline has already been extended by section 224. It is not clear whether this is also intended to carve out extensions of time previously secured under existing regulation 4.12. Item 437 of the Explanatory Memorandum suggests the new provisions will apply only to trade marks filed after commencement (or if acceptance is revoked after acceptance). This should be clarified.

Any retrospective operation of the section is likely to substantially disadvantage applicants facing complex prosecution issues with imminent deadlines. In some cases, those deadlines may fall within days or weeks of commencement, leaving applicants with limited options. This is likely to disproportionately affect self-represented applicants. We note the exposure draft already requires the Registrar to adopt differential regimes for deadlines prior to and following commencement. FICPI therefore suggests a formal delay (for example, 6 months after commencement), for all applications, may be more appropriate.

h) Deferment

Items 426 to 433 of the Regulations provide for an additional ground of deferment on the basis the applicant is seeking to overcome an section 41 objection. This is a welcome amendment.

As regulation 4.13 proposed to be amended, FICPI suggests this would be an opportune time to review other problematic aspects of the current deferment provisions:

i) Current regulation 4.13(1)(c)(iii),(iv) provides for deferment on the basis the applicant has filed a non-use application or rectification proceedings. Where another party has applied for removal or rectification, but the applicant has not,
deferment is technically not available on this ground. However, the logical basis for the deferment is the same in that case (i.e. the applicant is awaiting finalisation of proceedings regarding a cited mark). In practice, IP Australia will typically grant deferment where a cited registration is subject to proceedings filed by a third party. We submit the regulation should be amended to reflect IP Australia’s practice and include more neutral language corresponding to sub-regulation 4.13(c)(i) (where deferment is available where the applicant “is awaiting the finalisation of proceedings in respect of the application for registration of the other trade mark or the IRDA”, irrespective of who filed those proceedings), particularly as there is virtually no prospect of a contested proceeding of this kind being resolved in less than the new shorter 9 month acceptance period (which is opposed by FICPI Australia); and

ii) Deferment is not currently available for the many objections (e.g. under section 42(b) which require applicants to seek Ministerial or other third party consents, e.g. from the Minister of Defence in relation to GREEK CROSS marks (particularly following General Motors LLC [2015] ATMO 114), or from APRA in relation to “bank” marks. These consent requests can be time-consuming, with the Minister of Defence typically taking many months to consider Geneva Convention consent requests for “Greek cross” trade marks. However, deferment is not currently available on these grounds so applicants can be unnecessarily forced to seek extensions of time. By comparison, deferment is automatically granted under regulation 4.13(3) for certification trade mark applications pending ACCC review of the certification rules. FICPI therefore proposes an additional deferment ground should be included in regulation 4.13 where an applicant is seeking to satisfy the Registrar as to the consent of a third party being provided in relation to a s42(b) objection.

iii) There should be an additional ground for deferment for IRDAs in cases where the Holder is waiting for WIPO to action an amendment to the International Registration, which will have a flow on effect to the IRDA and address objections raised during examination. In some cases, a classification objection is raised where it is not possible to overcome this objection unless the claim is transferred to the correct class. However, a request to transfer claims cannot be made before IP Australia, and instead, the Holder is required to request the amendment through WIPO. WIPO can take a significant amount of time to make such amendments and often, more than 6 months. Allowing deferment in these cases would substantially benefit Holders of IRDAs as well as reduce the administrative burden on IP Australia having to process extensions filed to keep an IRDA alive while waiting for WIPO to action changes.

Item 168: Regulations

[s 231]
Division 2 - Application, saving and transitional provisions

Item 169: Designs

Item 170: Patents

Item 171: Plant breeder’s rights

Item 172: Trade marks
Part 4 - Written requirements

Division 1 - Amendments

Introduction

Designs Act 2003

Items 173 and 174: Minimum filing requirements for design applications
[s 24]

Items 175 to 184, 186: Notification requirement
[ss 41, 42, 43, 66]

Items 190 and 191: Other notification provisions

Items 185, 187 to 189: Notifying the relevant person of the final outcome of examination
[ss 52, 67, 68]

Item 192: Notifications by Registrar under this Act or regulations
[s 144D]

Patents Act 1990

Items 193 and 194: Notifying matters affecting validity of standard and innovation patents
[ss 27, 28]
Items 195 to 198: Other written notification provision
[ss 49, 74, 76]

Items 199 and 200: Deciding to certify an innovation patent
[s 101E]

Item 199

Item 200 is consequential upon item 199.

Item 201: Notifications by Commissioner under this Act
[s 220A]

Plant Breeder’s Rights Act 1994

Items 215 to 217: Notifying the relevant person of the final outcome of examination
[s 30]

Items 202 to 214, 218 to 229, 236, 237 to 239, 254 to 263: Other written notification provisions
[ss 19, 21, 32, 37, 39, 41, 44, 50]

Items 230 to 235, 265: Other notifications
[ss 37, 77]

Items 240 to 253: Applications for declarations of essential derivation
[s 40]

Item 264: Notifications by Registrar
[s 72A]
Trade Marks Act 1995

Item 267: Notifying of the final outcome of examination
[s 34]

Items 266, 268 to 270, 274: Other notification
[ss 34, 77, 80C, 80E, 111]

Items 271 and 272: Revocation of registration
[s 84A]

Item 273: Notification of application for removal of trade mark from Register
[s 95]

Item 275: Other written notification provisions
[s 176]

Item 276: Notifications by Registrar
[s 214A]

Division 2 - Application and saving provisions

Item 277: Designs

Item 278: Patents

Item 279: Plant breeder’s rights
Item 280: Trade marks
Part 5 - Filing requirements

Division 1 - Amendments

Introduction

Part 5 contains a number of amendments to streamline how documents are filed with IP Australia including how fees are paid across all IP rights. A key change is empowering the Commissioner and Registrars to determine the preferred means for filing and fee payments.

Designs Act 2003

Items 281, 283, 284 to 286: Alignment of filing and fee payment requirements between IP Rights

[ss 5, 130, 130A, 144, 144A, 144B]

Item 282: Physical articles

[s 69]

Item 286: Filing of evidence

[s 144C]

Item 287: Regulations

[s 149]

Patents Act 1990

Items 288 to 293 and 295: Alignment of IP Rights - Filing and fee payment requirements

[ss 3, 214, 214A, 214B, 227, 227AAA]
Item 291: Filing of evidence
[s 214C]

Item 294: Regulations
[s 228]

Plant Breeder’s Rights Act 1994
Items 296 to 300, 304 and 305: Alignment of IP Rights - Filing and fee payment requirements
[ss 3, 26, 34, 40, 72B, 72C, 80, 80A]

Items 301 to 303: Regulations
[s 80]

Trade Marks Act 1995
Items 306 to 315: Alignment of IP Rights - Filing and fee payment requirements
[ss 6, 52, 52A, 54A, 96, 213, 213A, 213B, 223, 223AA]

Item 313: Filing of evidence
[s 213C]

Item 316: Regulations
[s 231]

with the requirements issued by the Registrar, and the filing of evidence as specified by the Registrar.
Division 2 - Application, saving and transitional provisions

Item 317: Designs

Item 318: Patents

Item 319: PBR

Item 320: Trade Marks
Part 6 - Official Journal

Division 1 - Amendments

Introduction

Designs Act 2003

Items 321, 322, 329, 330, 334, 335 and 337: Publication requirements
[ss 25, 31, 52, 68, 136A]

Items 323 and 328: Publication of information
[ss 32, 50]

Items 324 to 327, 331 to 333, 336 and 338: Publication requirements
[ss 33, 45, 67, 116, 138]

Item 339: Electronic publication
[s 148A]

Olympic Insignia Protection Act 1987

Items 340 to 343: Publication requirements
[ss 10, 11, 11A, 14A]

Item 344: Electronic publication
[s 14B]
Patents Act 1990

Item 345

Trade Marks Act 1995

Item 346 to 349: References to and definition of Official Journal
[Readers guide, s 6]

Item 350: Publication of notice of decision
[s 34]

Items 351 and 352: Amendment after particulars of application have been published
[ss 65, 65A]

Items 353 to 363: Publication requirements
[ss 65A, 71, 83A, 95, 110, 175, 176, 223A]

Items 364 to 366: Publication and sale of documents
[s 226]

Item 367: Electronic publication
[s 230A]

Division 2 - Application provisions

Item 368: Designs
Item 369: Olympic Designs

Item 370: Trade marks
Part 7 - Amendments of applications or other documents

Division 1 - Amendments

Introduction

Designs Act 2003

Item 371: Amendment of particulars

[s 27A]

The exposure draft indicates, “applicants’ may make self-amendments” using an online system. There is some concern that spurious amendments such as change of applicant may be entered without correct entitlement etc. There are also concerns that changes such as change of agent will be permissible without the incumbent and new agent being advised of the change.

Item 372: Headings

[s 28]

Item 373: Amendments to any other document

[s 28]

Item 374: Limitations to amendments

[s 28]

Item 375: Publication of amendments

[s 31]

Trade Marks Act 1995

Item 376: Amendment of particulars

[s 62B]
Item 377: Headings
[s 63]

Item 378: Limitations to amendments
[s 63]

Items 379 and 380: Correction of obvious or clerical errors
[s 66]

Division 2 - Application and transitional provisions

Item 381: Designs

Item 382: Trade Marks
Part 8 - Signatures

Division 1 - Amendments

Introduction

Patents Act 1990

Items 383 and 384: Signatures in relation to PCT and international patent requests
[ss 151, 176]

Division 2 - Application and transitional provisions

Item 385: Application provision
Part 9 - Computerised decision-making

Introduction

Designs Act 2003

Item 386: References to computerised decision-making

[s 129]
Please see the comments provided below in respect to items 390 to 392, 397 and our overview comments at the beginning of this submission.

Items 387 to 389: Computerised decision-making

[ss 135A, 136]
As per 386.

Patents Act 1990

Items 390 to 392: Computerised decision-making

[ss 223J, 224]
FICPI Australia understands that computerised decision-making may be, in some limited instances, useful for the efficient operations of IP Australia. Nonetheless, FICPI Australia considers that obligations to be determined by a computer program as a proxy for the Commissioner should be set out in the legislation, rather than being determined in a legislative instrument made by the Commissioner from time to time. FICPI Australia understands the reasons for wishing to use a simplified process for determining applications for an extension of time under s.223 where the extension is for a period of less than three months. However, we cannot currently envisage many other decisions which are amenable to computer decision and as such, we consider that it would be best to identify in the Act those decisions which can be made by a computer program as a proxy for the Commissioner.

Further, if any decisions are to be made by a computer and deemed to be a decision of the Commissioner, we consider that there should be an unambiguous right of applicants and patentees who challenge the decision so made to require the Commissioner to determine the matter afresh personally or through a human delegate. As drafted, the only appeal right is to the AAT. FICPI Australia considers that it would be fairer to applicants and patentees if there were an intervening adjudication by a real person within IP Australia before any action is required under the AAT. We acknowledge that proposed s.223J(4) enables the Commissioner to substitute a decision for a decision made by a computer program, but the proposed provision does not give to applicants and patentees an unambiguous right to have the matter considered by a human. FICPI Australia considers that the Commissioner should be obliged to reconsider any adverse computer decision if called on by an applicant or patentee.
Item 393 to 396: Computerised decision-making

[ss 76J, 77]

As per Item 390 to 392 and 397 in regards the Plant Breeder’s Rights Act.

Trade Marks Act 1995

Item 397: Computerised decision-making

[s 222A] including subsections 222A(2); 222A(4); and 222A(5)

Item 397 of the draft Bill proposes to insert a new section, section 222A, which will provide for computerised decision-making by computer programs for any purpose for which the Registrar may or must:

(a) make a decision; or
(b) exercise any power or comply with any obligation; or
(c) do anything else related to making a decision to which paragraph (a) applies or related to exercising a power, or complying with an obligation, to which paragraph (b) applies.

The delegation of the Registrar’s powers under the proposed section is overly broad and provides for delegation of decision-making powers, which require analysis. Such a delegation is arguably beyond current computer capabilities.

FICPI understands that the intention is to allow for computerised approval of "decisions resulting from straightforward and simple analysis of undisputed facts" but is unable to support a provision, which appears to allow delegation of any power of the Registrar to a computerised system. We submit it would be preferable for the wording of this section to be amended to limit the delegation of decision-making powers arising under specific provisions of the Act and Regulations.

FICPI understands that powers delegated to computer systems will be subject to public consultation and will be pleased to provide comment in due course.

Please also see our submission in regards to this issue, in our comments on items 390 to 392 above and in our overview comments at the beginning of this submission, which suggest that the affected party have the right to request a further review of the computerised decision by a person before having the further right to appeal the final decision before the AAT.
Part 10 - Addresses and service of documents

Division 1 - Amendments

Introduction

Plant Breeder’s Rights Act 1994

Item 398: Electronic address

[s 3]

Items 399 to 401 and 404 to 407: Addresses for notifications and service

[ss 19, 21, 31, 73]

Items 402 and 403: Applicant’s address for service

[s 26]

Division 2 - Application and transitional provisions

Item 408: Application provisions
Part 11 - Examination of standard patent requests and specifications

Division 1 - Amendments

Introduction

Patents Act 1990

Items 409 to 415: Request for examination
[s 44]

Item 416: Examination
[s 45]

Items 417 and 418: Lapsing of applications
[s 142]

Division 2 - Application and transitional provisions

Item 419: Application and saving provisions
Part 12 - Requirements for patent documents

Division 1 - Amendments

Introduction

Patents Act 1990

Item 420: Application for patent - general rules
[§ 29]

Item 421: Application for patents - special rules for PCT applications
[§ 29A]
Item 422: Specifications
[s 40]

Items 423 and 424: International applications treated as standard patent applications under this Act
[ss 151, 176]

Items 425 and 426: Regulations on formalities of innovation patents
[s 228]

Items 427 and 428: Regulations on formalities of PCT applications
[s 228]

Item 429: Regulations on provisional applications
[s 228]

Items 430 and 431: Regulations on standard patents
[s 228]

Item 432: Instrument on formalities requirements
[s 229]

Item 433: Dictionary
[Schedule 1]

Division 2 - Application and transitional provisions

Item 434: Application and saving provisions
Part 13 - Acceptance of trade mark applications

Division 1 - Amendments

Introduction

Trade Marks Act 1995

Items 435 and 436: Lapsing of applications

[s 37]
The Regulations reduce the acceptance period for Australian trade mark applications and International Registrations Designating Australia (“IRDA”) from 15 months to 9 months.

For the following reasons, FICPI does not support this proposal:

i) This amendment is inconsistent with a primary stated purpose of the Bill and Regulations, namely to harmonise IP protection regimes. While we do not agree with the stated desire to harmonise the patent and trade mark regimes given the fundamentally different nature of the rights and respective processes, we note that the acceptance period for patent applications is 12 months. FICPI submits that a 12 month period for trade marks is therefore more appropriate and this is also consistent with the position in New Zealand where much work has been done at a governmental level to harmonise the practice of the respective Trade Mark Offices.

ii) The proposed Bill and Regulations do not set any deadlines for re-examination by IP Australia. The Customer Service Charter proposes a 4week benchmark for examination responses, but it has no legislative force. The proposed restriction on acceptance timeframes will limit the number of examination responses able to be filed by a trade mark applicant. This makes timely re-examination critical. In that regard, we note that IP Australia’s Customer Service Charter Report for the third quarter of 2016 claims IP Australia is responding to correspondence regarding trade mark examination within a rolling four-quarter average of 10.3 days. In view of this it appears it would not place an undue administrative burden on IP Australia for the current Customer Service Charter benchmark of 4 weeks for re-examination to be enshrined in the Act or Regulations, and/or for the failure for IP Australia to re-examine within the stated period to be grounds for an immediate extension of time under new section 224 as an omission on the part of the Registrar. That would be consistent with the stated goal of expediting the examination process generally, and would also avoid placing the entire responsibility for expediting prosecution on applicants (who have no control over re-examination timeframes).

iii) In most countries, prosecution deadlines relate to the date by which a response must be filed so provided a response is filed by the deadline, no further action is required by the applicant and the Trade Marks Office will allow additional time in the event that a
further official report is issued. The position in Australia is inconsistent with most other countries because the official deadline relates to actual acceptance of the application and a period of around three weeks before the deadline needs to be allowed for the application to be processed by the Trade Marks Office. If the acceptance period is shortened as proposed, FICPI strongly advocates changing the practice so that the filing of a response meets the official deadline. Note that the extension of time provisions discussed elsewhere (item 421 of the Regulations EM) is also relevant.

**Division 2 - Application and transitional provisions**

**Item 437: Application provision**
Part 14 - Registration of designs

Division 1 - Amendments

Introduction

Designs Act 2003

Items 438 to 441, 443: Design applications
[ss 20, 23, 24, 32]

Item 442: Design applications that meet the minimum filing requirements
[s 24]

Item 444: Lapsing of design applications
[s 33]

Item 445: Lapsing of design applications
[s 33]

Items 446 to 451, 453, 461 to 465: Registration of Designs
[ss 34, 35, 60, 61]

Item 452: Request for registration
[s 35]

Item 454: Request for registration
[s 35]
Item 455: Request for registration
[ss 35]

Item 456: Request for registration
[ss 36, 37]

Items 457 and 458: Formalities check
[ss 39, 40]

Item 459: Registrar must give applicants an opportunity to correct deficiencies
[ss 39, 40]

Item 460: Publication
[Part 4 of Chapter 4]

Items 466 to 472: The Crown and Miscellaneous
[ss 108, 136, 137, 146, 149]

Act.

Division 2 - Application and transitional provisions

Item 473: Application and saving provisions
Part 15 - Unjustified threats of infringement

Division 1 - Amendments

Introduction

Designs Act 2003

Item 474: Additional damages
[s 77]

Olympic Insignia Protection Act 1987

Items 475 to 478: Replace groundless threats with unjustified threats
[Division 3, ss 64, 65]

Patents Act 1990

Item 479: Additional damages
[s 128]
Plant Breeder’s Rights Act 1994

**Item 480: Definition of legal practitioner**

[s 3]

**Item 481: Relief from Unjustified threats**

[ss 57A, 57B, 57C, 57D, 57E]

See comment regarding Item 484 below.

Trade Marks Act 1995

**Items 482 and 483: Replace groundless threats with unjustified threats**

[s 129]

Aligning the wording so that it is streamlined across legislations will make it clear with the interpretation of similar provisions in the designs and patents legislation. This change is noted and supported.

**Item 484: Additional damages**

[s 129]

Item 484 of the draft Bill proposes to allow for the award of additional damages for unjustified threats and Courts in considering the award of additional damages are to have regard to:

- the flagrancy of the threat; and
- the need to deter similar threats; and
- the conduct of the defendant that occurred after the defendant made the threat; and
- any benefit shown to have accrued to the defendant because of the threat; and
- all other relevant matters.

The above considerations are essentially the same as those, which exist in the Trade Marks Act 1995 in assessing the award of additional damages for infringement. The intention to mirror existing considerations on the award of additional damages for unjustified threats as those which exist for infringement is clear, see: draft Explanatory Memorandum item 474. However, it is unclear how relevant the cases on additional damages in the context of infringement will be in the context of unjustified threats.

While we support the general proposal to allow for the award of additional damages for unjustified threats, greater clarity is required on the types of conduct, which would justify the award. While examples where additional damages may be awarded in the context of designs are provided, no examples are provided under the proposed changes to the Trade Marks Act. In addition, to the extent the examples provided in the context of designs may also be applicable to trade marks, those examples are not sufficiently detailed and do not assist in forming a view of what conduct may be considered sufficiently “flagrant”.


For example, it is presently unclear:

- the extent to which legitimate differences in opinion as to whether marks are deceptively similar or goods/services are of the same description or closely related are factored into the assessment of flagrancy. The assessment of deceptive similarity is highly subjective and Courts have specifically noted that it is something on which reasonable minds may differ. Any assessment of “flagrancy” must sufficiently take into account the legitimate possibility of such differences. In our view, only cases where the marks or goods/services are obviously different should be considered flagrant and examples of obviously different marks and goods/services should be provided for guidance.

- whether failing to take legal advice before making a threat of infringement may give rise to a “flagrant”. For example, it is not uncommon that self-represented litigants do not realise that an application for registration does not confer registration rights. In this scenario, if a self represented litigant wrote to a third party alleging infringement of a pending application, it is clear that it would have no prospects of success in an infringement action, but would that threat be considered flagrant?

- whether issuing, failing to issue, or issuing with delay, proceedings adds to or mitigates the flagrancy of the threat, particularly in light of the proposed repeal of section 129(5).

- whether merely notifying a third party of the existence of a trade mark registration constitutes an actionable threat which may warrant the award of additional damages.

Accordingly, to provide greater clarity we consider it desirable to provide, perhaps in the Explanatory Memorandum, some guidance on what conduct would and would not warrant the award of additional damages.

Further it would be consistent with the public policy of encouraging dispute resolution before litigation and the requirements under the Civil Disputes Resolution Act, to take "genuine steps" to resolve the dispute. As noted by Dowset J, in CQMS Pty Ltd v. Bradken Resources Pty Ltd, [2016] FCA 147 there is currently tension between that Policy and the risk of action for any unjustified threats.

Finally, we note a discrepancy between the unjustified threats provisions in the Trade Marks Act and those of the Patents (section 131 Patents Act 1990), Designs (section 80 Designs Act 2003), Copyright (section 202(2) Copyright Act 1968), Circuit Layout (section 46(2) Circuit Layouts Act 1989) and proposed Plant Breeders Rights legislation (item 481 and proposed section 57D Plant Breeder’s Rights Act 1994). This discrepancy relates to the omission of an express provision in the Trade Marks Act stating that merely notifying a third party of the existence of a registration is not a threat. Item 481 explains that the proposed inclusion of this section into the Plant Breeder’s Rights Act 1994 is to “to avoid the perverse situation of it being in a PBR owner’s best interest to not inform other parties about its PBR rights in order to avoid possible actions for unjustified threats”. Yet, such a “perverse situation” seems to exist within the Trade Marks Act and is most concerning having regard to the possibility of additional damages being awarded. Accordingly, now would be an opportune time to correct this discrepancy and clarify that the mere notification of a trade mark registration does not constitute a threat in the Trade Marks Act. Such an inclusion would also fulfil the stated goal of aligning the various intellectual property regimes.
Item 485: Repeal of provisions preventing an unjustified threats action

[s 129]

Item 486: Heading

[s 130]

Division 2 - Application and transitional provisions

Item 487: Application and savings provisions

Designs
Item 487(1)

Olympic expressions
Item 487(2)

Patents
Item 487(3)

Plant breeder’s rights
Item 487(4)

Trade marks
Item 487(5)

Item 487(6)
Part 16 - Ownership of PBR and entries in the Register

Division 1 - Amendments

Introduction

Plant Breeder’s Rights Act 1994

Items 488 to 490: Grant of PBR to multiple breeders
[§ 45]

Item 491: Registrar’s power to rectify the Register
[§ 62A]

Item 492: Review of the Registrar’s decision
[§ 77]

Item 493: Power to make regulations
[§ 80]

Division 2 - Application and transitional provisions

Item 494: Application Provision
Part 17 - Trade mark oppositions

Division 1 - Amendments

Introduction

Trade Marks Act 1995

Item 495: Security for costs

[s 222]

Item 496: Regulations

[s 231]

Division 2 - Application and transitional provisions

Item 497: Application provision
Part 18 - Seizure notices

Division 1 - Amendments

Introduction

Copyright Act 1968

Items 498 and 499: Customs notices of seizure

[§ 135AC]

Olympic Insignia Protection Act 1987

Items 500 and 501: Customs notices of seizure

[§ 55]

Currently there is a requirement that notices be provided either personally or by post to the objector/rights owner. The requirement that personal information be included in the seizure notices means that this information must be provided even where there are concerns about the confidentiality of the parties involved. The amendments remedy these problems by providing the Comptroller-General with flexibility on how seizure notices are provided and whether to include the name and address of the importer and objector in the notice. In theory, this amendment appears to address the issue with confidentiality, cost efficiency and timeliness, however, as the delegation lies with the Comptroller-General, there may be room for inconsistencies with regards to the issuance of notices. Therefore we consider that the Explanatory Statement should be expanded to ensure that the Comptroller-General issues Notices that are consistent and follow a pro forma approach to the extent that this is possible.

Trade Marks Act 1995

Items 502 and 503: Customs notices of seizure

[§ 134]

Division 2 - Application and transitional provisions

Item 504: Application Provisions

Copyright
Item 504(1)

Olympic expressions
Item 504(2)
Trade marks
Item 504(3)
Part 19 - Publishing personal information of registered patent or trade marks attorneys

Division 1 - Amendments

Introduction

Patents Act 1990

Items 505 and 506: Disclosure and publication of personal information of patent attorneys
[ss 183, 227B]

Trade Marks Act 1995

Items 507 and 508: Disclosure and publication of personal information of trade mark attorneys
[ss 229AA, 229B]
Division 2 - Application and transitional provisions

Item 509: Application Provisions
Part 20 - Prosecutions

Division 1 - Amendments

Introduction

Patents Act 1990

Items 510 and 511: Time for starting prosecutions
[s 204]

Trade Marks Act 1995

Item 512: Subsection heading
[s 156]

Item 513: Time for starting prosecutions
[s 157A]

Division 2 - Application provision

Item 514: Application Provision
Part 21 – Secretary’s role in the Plant Breeder’s Rights Act

Division 1 – Amendments

Introduction

Plant Breeder’s Rights Act 1994

Items 515 to 574: Devolution of Secretary’s powers and obligations to the Registrar

[ss 3, 8, 12, 19, 24, 26, 28 to 41, 44 to 51, 54, 58 to 61, 68, 70, 71, 73, 75, 77, 80]

Division 2 – Application and transitional provisions

Item 575: Saving and transitional provisions
Part 22 - Updating references to the Designs Act

Olympic Insignia Protection Act 1987

Items 576 to 585: References to the Designs Act
[ss 2, 10, 12, 13, 18, 20]

Part 23 - Other amendments

Division 1 - Amendments

Introduction

Plant Breeder’s Act 1994

Items 586 to 595: Plant Breeder’s Rights Advisory Committee
[ss 3, 42, 49, 63 to 67, 69, 85]

Item 587: Redundant bridging provision
[ss 42]

Division 2 - Application and transitional provisions

Item 596: Transitional provisions