

24 November 2017

Lisa Bailey
IP Australia

Dear Ms Bailey

NZIPA submissions to IP Australia on Public Consultation: Amending the inventive step requirements for Australian patents

Introduction

These submissions have been prepared by the New Zealand Institute of Patent Attorneys Inc. (NZIPA).

The NZIPA was established in 1912. It is an incorporated body representing most Patent Attorneys registered under the New Zealand Patents Act, and who are resident and practising in New Zealand.

The current membership of NZIPA comprises 158 Fellows, 1 Honorary, 36 Students, 17 Non-resident, 15 Associates and 6 Retired.

PART 1: INVENTIVE STEP

There is a proposal to raise the threshold for inventive step to meet the highest threshold set by any country with which Australia conducts substantial technology trade. The Productivity Commission (PC) recommends matching the threshold used by the European Patent Office (EPO).

IP Australia presents four options for amending Australia's inventive step threshold. These four options are:

- Option IS-1 – Implement the PC recommendation
- Option IS-2 – Implement IS-1 with clarification of prior art base and interpretation
- Option IS-3 – Implement IS-2 with amendments to codify that the Commissioner must determine if an invention is a solution to a technical problem
- Option IS-4 – Enshrine the EPO problem-and-solution approach in the Patents Act

Each of the options above involves amendments to legislation. Amendments to legislation inevitably result in unintended consequences. We are not convinced that the perceived harm identified with the existing legislation by the PC outweighs the potential harm arising from the unintended consequences of legislative amendment.

We are not strongly in favour of any of the options presented. However, Option IS-2 appears to be the option that would minimise the potential for unintended consequences.

We agree with the observation in the Consultation paper on Option IS-1 that 'removal of an explicit definition of "prior art base" in the Act could result in additional uncertainty around its scope for the purposes of assessing inventive step'.

The main driver for Option IS-3 appears to be a concern that there is 'room for Australian prosecution outcomes to be different from the EPO'. The intention is to provide 'clearer and more predictable outcomes for examination, while allowing the courts to diverge if they consider the EPO's approach is not appropriate in a particular case'.

There is a risk here that the assessment of inventive step by IP Australia during examination will be different to assessment of inventive step by the courts. The term 'allowing the courts to diverge' acknowledges that there will be uncertainty caused by this potential for two different standards. It would be burdensome for applicants, and not in the public interest, to cause applicants to seek assessment of inventive step by the courts instead of IP Australia.

We do not agree with IS-4 that seeks to enshrine the problem solution approach in Australian legislation.

We agree with the comments in the Consultation paper regarding IS-2 that there should be some 'adaptability for the Commissioner to use other tests where the EPO problem-and-solution approach is not considered appropriate'. We suggest that guidelines as to what other tests should be applied, and when, would be useful.

PART 2: TECHNICAL FEATURES

The consultation document records that, in contrast to the EPO approach, 'there is no requirement for the applicant to explicitly set out the "technical features" of the claimed invention that distinguish it from the closest prior art'.

The PC considered three options to improve the information available to examiners when making assessments of inventive step.

We can appreciate the need for EPO examiners to require applicants, in some cases, to identify the technical features of a patent claim. European patent applications are filed in huge volumes in one of three official languages. There is a potential for European patent examiners to be examining patent applications that are written in a language that is not the examiner's native language.

Australian examiners already have a well-developed 'manner of manufacture' test with which to identify whether or not an alleged invention is patentable subject matter. Alleged inventions that lack any technical features fail the manner of manufacture test. Therefore non-technical inventions would not need assessment for inventive step.

Furthermore, Australian examiners would normally have available to them the examination results of a corresponding EPO application. In this way the Australian examiner can seek guidance from correspondence on file with the corresponding EPO application.

We believe that there is already sufficient information available to examiners when making assessment of inventive step.

We don't support any of the three proposals set out in the consultation paper. We believe any requirement for applicants to set out the technical features of the claimed invention would unnecessarily add time and cost to the patent application process in Australia.

In most cases, satisfying an objection that the application does not set out the technical features of the claimed invention would be addressed by minor, administrative amendments rather than substantive amendments that aid in the examiner's understanding of the invention.

PART 3: TRANSITIONAL ARRANGEMENTS

We prefer Option TA-3 over the other two options. The proposed changes, if any, should only apply to patent applications with filing dates on or after the date of commencement. Sufficient notice as to when these changes will take effect should also be provided.

Yours faithfully,



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