



9 August 2019

Senate Standing Committees on Economics
PO Box 6100
Parliament House
CANBERRA, ACT, 2600

Attention: Committee Secretariat

Re: Intellectual Property Laws Amendment (Productivity Commission Response
Part 2 and Other Measures) Bill

I am the managing director of Earthsafe. Earthsafe was established in 1953 in Newcastle. In 1985 Earthsafe commenced production of the D10 Aerated Septic System which was accredited by NSW Health Department for above ground irrigation. This was a major breakthrough. Since then Earthsafe has made continual improvements to its product line. With a well-earned reputation for dedicated customer service Earthsafe has become the market leader in the Newcastle – Hunter Valley Region.

Earthsafe treatment systems are viable alternatives for wastewater treatment for rural and urban sites not connected to central sewage treatment plants. Earthsafe customers enjoy the same 'flush and forget' benefits of centralised sewage at considerable savings in capital and running costs. The treated water is clear, odourless and disinfected so that it can be recycled for garden irrigation (subject to your local council requirements).

On June 2, 2017, I sent a letter to Craig Laundy, the then Assistant Minister for Innovation, Industry and Science. That letter expressed my significant concerns regarding the Government's decision to abolish the innovation patent system. In response, Mr Laundy sent me a letter, which showed a lack of understanding of my concerns and the importance of the innovation patent.



I now understanding that a new Bill, the Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Bill 2019 includes provisions that will result in abolition of the innovation patent system. At this stage, however, the Government has not clearly indicated what schemes, if any, will be introduced to support innovators that may wish to protect inventions for which standard patent protection is not suitable. For example, commercially significant inventions that build on existing concepts and that require rapid, affordable and short-term protection.

To my mind the major advantage of the Australian Innovation Patent is the simplicity and speed of the process and the relatively low costs involved to achieve some measure of IP protection at the early stage in the product development cycle. Given the relatively small size of the Australian market place a local SME can capture a window of opportunity to introduce a new concept or idea within a very short time frame.

In Earthsafe's case, the reason for seeking innovation patent protection on our Solar Septic products is to use the existence of the Innovation Patent, supported with product certification from a third party, as a stronger basis for licencing and/or joint venture negotiations for the technology with two major Australian manufacturers. The Australian innovation patent provides a measure of strength in the negotiations and also becomes the basis of a future marketing strategy for the proposed new product.

I am aware that certain issues exist in relation to the current format of the innovation patent system. However, abolition of innovation patents without an alternative option(s), appears to be an extreme and premature measure. For this reason, I oppose the removal of the innovation patent system and urge the Government to consider revision of the present system with a view to addressing the issues. Alternatively, I believe that the Government should propose viable and specific alternatives in conjunction with a public consultation process prior to the removal of the current innovation patent system.

In the absence of any alternative(s) to the current innovation patent system, specific intellectual property generated by companies, such as Earthsafe, will simply not be protectable. I therefore believe that simply abolishing the innovation patent system will be damaging to the commercialisation of Australian inventions. I therefore reiterate my opposition to the proposed abolition of the innovation patent system.

Yours sincerely,



Owen Hill BE MBA FIE(Aust).
Managing Director
Earthsafe Australia Pty Ltd

