

Patent Law Treaty

Introduction

- 2.1 The proposed treaty action is that Australia accede to the Patent Law Treaty (PLT).¹ The Treaty was done at Geneva on 1 June 2000 and came into force generally on 28 April 2005.
- 2.2 The PLT seeks to harmonise, on a worldwide basis, formal patent procedures relating to national and regional applications for obtaining and maintaining a patent. The aim is to make filing and processing procedures for patent applications more user-friendly.
- 2.3 Australia has been a member of the *Patent Cooperation Treaty*² (PCT) since 31 March 1980. Under the PCT, inventors seeking patent protection must meet certain formal requirements in order to avoid rejection and a loss of rights. These formal requirements vary from one country to another.

Reasons for Australia to take treaty action

- 2.4 The PLT offers inventors and national and regional patent offices a number of advantages, including:

1 Full title: Patent Law Treaty, done at Geneva on 1 June 2000.

2 [1980] ATS 6.

- Use of standardised forms and simplified procedures for obtaining and maintaining a patent that reduce the risk of error;
- Cost reductions for patent protection;
- Enhanced legal certainty for applicants filing in their home country and abroad;
- Established safeguards against loss of rights on procedural grounds; and
- Procedures which are more user-friendly and widely accessible.

2.5 By acceding to the treaty, Australia would provide a positive example to its trading partners, enhancing our reputation as a leading member of the intellectual property community in the region. Australia would be able to encourage non-members to simplify and harmonise their domestic patent systems to be consistent with the PLT.

Australian patent holders seeking to protect and commercialise their inventions in foreign markets will benefit from greater harmonisation, flexibility and scrutiny.³

2.6 The Committee raised concern about the fact that several significant Asian trading partners of Australia, including China, India, Japan and South Korea, had not yet signed the PLT. In addition to the positive example Australia's accession would provide to its trading partners the Committee was informed that IP Australia actively encourages other countries to join.

There are always expectations that other economies and other jurisdictions would join to the Patent Law Treaty. It is harmonising the administrative processes for patent applications and we certainly encourage those economies to continue to pursue and to accede to these. ... We encourage and will continue to encourage other economies to join.⁴

We are certainly encouraging [countries of] the Asian region to join as much as any other country. We are doing a lot of work in Asia.⁵

3 Mrs Fatima Beattie, *Transcript of Evidence*, 17 September 2007, p. 1.

4 Mrs Fatima Beattie, *Transcript of Evidence*, 17 September 2007, p. 4.

5 Mrs Joanne Rush, *Transcript of Evidence*, 17 September 2007, p. 4.

Provisions of the PLT

- 2.7 The PLT does not oblige the protection of patents, nor does it set out any substantive aspects of patent protection (Article 2(2)). Rather, the PLT provisions relate to the procedural aspects of a Contracting Party's system for applying for and maintaining patent rights.
- 2.8 With the significant exception of the filing date requirements, the PLT provides maximum sets of requirements, which the patent office of a Contracting Party may apply (Article 6). A party is free to impose less than the listed requirements, though it may require no more.
- 2.9 The most important provisions of the PLT are as follows:
- Requirements for filing dates are standardised in order for applicants to minimise the loss of the filing date, which is of utmost importance in the entire procedure. Under the PLT, a filing date must be given to an application if the applicant complies with three formal requirements:
 1. the papers submitted include an express or implied indication that the documents being filed are intended to be a patent application;
 2. there is information allowing the identity of the applicant to be established or allowing the applicant to be contracted; and
 3. there is text which on the face of it appears to be a description of an invention.

No additional elements can be required for a filing date to be accorded. These requirements are not maximum requirements, but constitute absolute requirements, so that a Contracting Party would not be allowed to accord a filing date unless all those requirements are complied with (Article 5).

- No Contracting Party may impose requirements as to the form or content of an application different from or additional to those of the PCT (Article 6(1)).
- Patent offices are prohibited from routinely requiring evidence of matters asserted in a patent application unless there is reason to doubt the veracity of a matter or the accuracy of a translation (Articles 6(6) and 8(4)(c)).

- A patent office must notify the applicant when an application does not comply with the requirements and provide an opportunity for rectification (Article 6(7)).
- Any person is entitled to pay maintenance fees. Patent offices may not require the applicant to appoint a local agent or legal representative for certain procedures, including payment of fees and filing an application for the purposes of obtaining a filing date (Article 7).
- The implementation of electronic filing is facilitated, while ensuring the co-existence of both paper and electronic communications. Contracting Parties can generally choose how they receive communications, whether they accept electronic or paper correspondence or both. However, Parties must accept paper communications for the purposes of complying with a time limit or establishing a filing date (Article 8).
- Non-compliance with the formal requirements in Articles 6(1), (2), (4) and (5) and 8(1) to (4) with respect to an application may not be a ground for invalidity or revocation of a granted patent unless the failure in compliance was “the result of a fraudulent intention”. So a patent office will not be able to revoke a patent once it is granted merely due to the applicant’s failure to meet any formal requirement that was not noticed by the patent office during the application process (Article 10).
- Contracting Parties must provide for the possibility of reinstatement of rights in a patent or application which the applicant or owner has lost by failure to meet a time limit if:
 - ⇒ a request for reinstatement of rights is properly made; and
 - ⇒ the patent office in question determines that the failure to comply with the time limit “occurred in spite of due care required by the circumstances having been taken” or was unintentional (Article 12).
- Regulations annexed to the PLT provide extra details about implementation and administrative requirements. The Regulations also provide for the establishment of Model International Forms which must be accepted by all Contracting Parties. The Regulations are binding on all Parties. However, in the case of conflict between the Regulations and the provisions of the PLT, the latter prevails (Article 14).

- All Contracting Parties must comply with the provisions of the *Paris Convention for the Protection of Industrial Property*⁶ that relate to patents⁷ (Article 15).
- The Contracting Parties will have an Assembly, to be made up of one delegate from each Party (Article 17).

Future treaty action

2.10 Subject to one exception, the PLT may only be revised by a conference of the Contracting Parties. The Assembly will decide which Parties will be involved (Article 19(1)). Any such amendments would be subject to Australia's normal treaty making process.

Accession to the Patent Law Treaty will also enable Australia to influence further enhancement of the treaty through participation in the assembly.⁸

2.11 Provisions dealing with the tasks of the Assembly (Article 17(2)) and the frequency of the Assembly's meetings (Article 17(6)) may be revised by either:

- a conference of the Contracting Parties, or
- the Assembly itself (Article 19(2)).

2.12 In the latter case, the amendment must be adopted by a three-fourths majority of the Assembly and will enter into force for all Contracting Parties one month after notification of the adoption (Article 19(3)).

2.13 The Regulations may be amended by a three-fourths majority of the Assembly (Article 14(2)). Amendments to the Regulations will come into effect immediately and become binding on Australia once adopted by the Assembly.

2.14 Finally, due to the PLT operating closely with the PCT, the Assembly may decide, by a three-fourths majority, whether any relevant amendments made to the PCT will apply to Contracting Parties for the purposes of the PLT (Article 16(1)).

6 [1972] ATS 12.

7 As Australia is already a party to this convention, Australia already complies with its provisions.

8 Mrs Fatima Beattie, *Transcript of Evidence*, 17 September 2007, p. 3.

Implementation and Costs

- 2.15 Australia already provides a patent system that is substantially PLT compliant. No Commonwealth, State or Territory action is required to implement the treaty.⁹ Legislation and IP Australia's current practices are already compliant with the Treaty.¹⁰
- 2.16 As a result, there will be no costs for either the Australian Commonwealth or State Governments in acceding to the PLT. Nor will the treaty action increase costs for industry. In fact, the treaty may potentially reduce costs for Australians wanting to protect their patents in other countries.¹¹
- 2.17 Some enhancement of IP Australia's computer system is necessary to comply with the PLT but this is currently being addressed and will be completed shortly.¹² Costs related to computer enhancements and of attendance by IP Australia officials at any working group meetings will be met within IP Australia's existing budget.¹³

Entry into force and withdrawal

- 2.18 It is proposed that Australia accede to the PLT as soon as practicable, and if this were to occur, the treaty would enter into force for Australia 3 months after Australia deposits its instrument of ratification (Article 21(2)).
- 2.19 Under Article 24, any Contracting Party can denounce the Treaty by notification to the Director-General of the World Intellectual Property Organization (WIPO). The denunciation takes effect one year from the date on which the Director General has received the notification.¹⁴

9 National Interest Analysis (NIA), para. 26.

10 NIA, para. 25.

11 NIA, paras 28 and 30.

12 NIA, para. 27 and see *Transcript of Evidence*, 17 September 2007, pp. 5 & 6.

13 NIA, para. 29.

14 NIA, para. 37.

Consultation

- 2.20 In addition to regular consultation with industry and professional organisations regarding international patent law activity, IP Australia placed on its website a Public Consultation Notice in May 2007 regarding Australia's consideration of the Patent Law Treaty. In the same month, IP Australia notified approximately 1200 people¹⁵ via email of the potential treaty action. These consultations were also listed on the www.business.gov.au website.
- 2.21 Public Information Seminars were held around Australia in June 2007. Attendees at these seminars were in favour of Australia joining the PLT.

Conclusion and Recommendation

- 2.22 The Committee supports the objective of the PLT to harmonise and simplify requirements for patent administration procedures and the advantages achieving that provides to patent applicants. The Committee is also supportive of IP Australia's efforts to encourage wider membership of the PLT amongst Australia's major trading partners and other countries.

Recommendation 1

The Committee supports the *Patent Law Treaty* and recommends that binding treaty action be taken.

¹⁵ Including intellectual property professionals, academics, intellectual property owners and potential applicants, as well as staff of State and Federal government departments and agencies.

