

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Budget Estimates Hearing 2010-11
31 May 2010

AGENCY/DEPARTMENT: IP AUSTRALIA

TOPIC: Patent fees

REFERENCE: Written Question – Senator Heffernan

QUESTION No.: BI-153

According to the IP Australia Cost Recovery Impact Statement (2010) in 2010 fee review was conducted by IP Australia which concluded “that a decrease in Trade Marks fees was not appropriate” because if that were to happen “a much larger increase in Patents fees would need to be required to keep IP Australia sustainable financially”. In the context of this statement:

- (a) Is it true that IP Australia’s very financial viability depends upon patent fee revenues?
- (b) How much of the patent fee revenue in 2009 was derived from patents owned by or controlled by foreigners?
- (c) How much of the patent fee revenue in 2009 was derived from patents owned by or controlled by Australians?
- (d) What is was the cost to IP Australia of administering and maintaining the Australian patent system in 2009?
- (e) Of those costs, how much are attributable to legal costs incurred by IP Australia in the defence of, or in support of, decisions made by its examiners and officers in accepting or rejecting patent applications?

Of those costs, how much are attributable to legal costs incurred by IP Australia in the defence of, or in support of, decisions made by its examiners and officers in revoking a granted Australian patent?

ANSWER

- (a) As a cost recovery agency, IP Australia seeks to balance the expenses incurred from operations with revenues from IP applicants (predominantly patents and trade marks customers). To remain financially viable in the long term, as a cost recovery agency with limited funding from government, this balance must be monitored and maintained.
- (b) Answered at the hearing (Hansard 31 May 2010, page E44).
- (c) Answered at the hearing (Hansard 31 May 2010, page E44).
- (d) For the period 2008-09, 70 per cent of IP Australia’s expenses were attributed to activities undertaken in relation to administering the Patents Act.
- (e) For the period 2008-09, \$73,372 (GSTexclusive) was in supporting a decision to refuse an application. There were no legal costs incurred in relation to the revocation of a granted Australian patent.