

Senate Standing Committee on Community Affairs
ANSWERS TO QUESTIONS ON NOTICE
Public Hearing of 20 August 2009
Senate Inquiry into gene patents
IP Australia

Nature of Question	Senator	Hansard Reference
Timeline and information about the consultation process for the IP Rights Reforms	Heffernan	CA41 and CA42

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Question

Agency: IP Australia

Topic: Senate Inquiry into gene patents

Reference: Hansard, 20 August 2009, extract at CA41 and CA42

CHAIR—When did you start the process? That is the easiest way to ask the question.

Mrs Beattie—I did have a brief that told me. I am sorry, I cannot put my finger on a timetable that I had. The closing time for the first paper was on 30 June so it would have been probably April-May when the first public consultation paper was issued. As you know, there is a whole lot of process that goes before that in terms of drafting those papers and in terms of getting ministerial approval. It would have been at least 12 months before that we would have been starting to do that work.

CHAIR—Perhaps we could have a time line.

Answer:

IP RIGHTS REFORMS

Background

On 22 January 2008 Minister Carr announced a review of the National Innovation system (NIS Review) and on 29 February 2008 a call was made for submissions to the review.

IP Australia's submission to the NIS review included various reform proposals identified by IP Australia from recent court actions, issues arising in administration of the IP system and from international developments, as well as those identified by the ALRC and ACIP. On 29 August 2008 the NIS Review report 'Venturous Australia: building strength in innovation' was presented to Minister Carr by Dr Cutler. Among the recommendations made in the report was a recommendation to review patent law to ensure that patentability standards for inventive step and disclosure of inventions were considerable.

In March 2009 IP Australia commenced public consultation on the IP reforms with an announcement by Senator Carr and a call for submissions to the first two of a series of papers.

The proposed patent reforms are described through seven thematic papers, which are summarised in **Attachment A**.

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Consultation

Comprehensive consultations on the proposed reforms have been planned to occur in three stages.

Stage 1 – March – October 2009

The first stage of public consultation has involved staged release of the seven consultation papers on IP Australia's website and a series of face-to-face meetings with stakeholder groups (including representatives from business, universities, research institutions, industry and legal professionals). The papers have been released in three stages: March, June and August 2009.

At the request of submitters, the final deadline for submissions to the March papers was extended from six weeks to three months. The deadline for submissions to the June and August papers is eight weeks.

IP Australia's strategy with this first phase of consultation has been to focus each paper on a different area of reform. This acknowledges that different areas of reform have different audiences, each with different levels of understanding of the IP system. This strategy has allowed IP Australia to pitch the papers at different levels. For example, the first two papers are written for an audience with a strong interest in the general operation and implications of the patent system, but not necessarily a good grasp of the technicalities of the system. This has been done to maximise readership and public engagement.

The two papers which propose changes of greatest interest to the wider innovation community were released first. This was done in order to capture the broadest level of interest at the start of the consultation process, and focus this interest on the more substantial changes. A number of the proposals in the first two papers complement recommendations made in earlier independent reviews of the IP system.¹ IP Australia has received over 70 submissions to the first two papers.

The later papers are all of a more technical nature and relate more to fine tuning to improve procedural aspects of the system and remove unnecessary differences. IP Australia does not expect the same widespread interest in the later papers: they will be primarily of interest to patent practitioners and legal professionals, rather than the wider academic, health and R&D sectors.

Following completion of this first stage of consultation and subject to relevant approvals, IP Australia will take specific proposals forward to Stage 2 of consultations.

¹ Australian Law Reform Commission review of Gene Patenting and Human Health (2004), Review of Intellectual Property Under the Competition Principles Agreement (2000 Ergas Report), Advisory Council on Intellectual Property review of Patents and Experimental Use (2005)

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Stage 2

A second stage of semi-public consultation will focus on the detail of the proposed changes, taking into account issues raised in submissions to the consultation papers and at face-to-face meetings. There will also be the opportunity for face-to-face meetings to discuss the specifics of the proposals.

Stage 3

Subject to relevant approvals a third stage of consultations is planned, perhaps with the release of an exposure draft of a Bill.

ATTACHMENT A –

SUMMARY OF IP RIGHTS REFORMS CONSULTATION PAPERS

PAPER 1 - GETTING THE BALANCE RIGHT

Released March 28 2009 - final deadline for submissions 14 July 2009

This consultation paper sets out proposals directed at improving the fit and function of the Australian patent system as a vehicle to support innovation.

The proposals are directed at ensuring that there is a proper balance between the patent system, public interest and competition. At present Australia's patentability standards are set at a level that is lower than standards set in countries who are our major trading partners. This potentially compromises the balance by allowing the grant of broader patents in Australia than are granted elsewhere.

The paper focuses on the following areas for reform.

1. Full description and Fair Basis

The proposed changes seek to:

- raise thresholds for disclosure in patent specifications to ensure that the public are provided with sufficient information to make and use the inventions that are claimed;
- require that this information is in the specification at the filing date; and
- ensure that the scope of claims is consistent with the details of the invention provided in the specification, and in the priority document.

2. Inventive Step

The proposed changes seek to raise the inventive step threshold. The changes focus on three areas:

- Expanding common general knowledge to common general knowledge anywhere in the world. Currently common general knowledge is restricted to common general knowledge in Australia.
- Removing the requirement that prior art is restricted to documents that could have been found by the skilled person. In other jurisdictions prior art is any published document.
- Replacing the existing test for inventive step, which is whether the skilled person would be 'led directly as a matter of course to try a particular approach with a reasonable expectation of success', with whether it was 'obvious to the skilled person to try a suggested approach with a reasonable expectation of success'.

3. Giving greater certainty in the validity of granted patents

The proposed changes seek to:

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- improve consistency between the grounds considered during examination and re-examination, the grounds considered during opposition and the grounds that can lead to revocation in the courts; and
- ensure that all patentability requirements considered during patent examination and opposition will be assessed against the higher standard of proof, namely 'balance of probabilities'.

PAPER 2 - EXPERIMENTAL USE

Released 28 March 2009 – final deadline for submissions 14 July 2009

This consultation paper sets out proposals for introducing an explicit experimental use exemption in the *Patents Act 1990*. The proposed change supports recommendations made in the Australian Law Reform Commissioner 2004 report 'Genes and Ingenuity: Gene Patenting and Human Health' and the Advisory Council on Intellectual Property 2005 report 'Patents and Experimental Use'.

PAPER 3 – RESOLVING DIVISIONAL APPLICATIONS FASTER

Released 18 June 09 – final deadline for submissions 24 August 2009

This consultation paper sets out proposals for reducing the time taken to resolve divisional applications. These proposals aim to minimise the period of uncertainty during which rival innovators remain uncertain about where they have freedom to operate and potential licensees remain uncertain as to whether they will be required to enter into licensing negotiations to use patented technology.

PAPERS 4 & 5 – RESOLVING OPPOSITION PROCEEDINGS FASTER (PATENTS AND TRADE MARKS)

Released 18 June 2009 – final deadline for submissions 24 August 2009

This consultation paper sets out proposals for improving patent opposition proceedings (and trade mark opposition proceedings). The proposed changes seek to re-establish opposition as a low cost and efficient mechanism for third parties to challenge the grant of a patent while preventing those parties from unduly delaying the grant of valid patents. This will also provide earlier certainty to all parties and to the public. In particular the proposals focus on reducing delays associated with extensions of time to serve evidence and amendments of the patent application and changes to requirements for notices to produce documents.

PAPER 6 – FLEXIBLE OPTIONS FOR EXAMINATION

Released 17 August 2009 – deadline for submissions 16 October 2009

This consultation paper sets out proposals for better tailoring examination options and examination costs to suit applicants need, increasing transparency of the

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patentability of pending applications and for reducing the time taken to finalise examination proceedings.

PAPER 7 – STREAMLINING THE PATENT PROCESS

Released 17 August 09 - deadline for submissions 16 October 2009

This consultation papers includes two groups of proposals.

- A first group directed at removing unnecessary differences in law between Australia and overseas jurisdictions; and
- A second group directed at simplifying and modernising systems for processing patent applications and removing other procedural obstacles for patent applicants.