

To the Senate,

I wish to express my reservations about the effect the Free Trade Agreement will have on intellectual property (IP) in Australia. It appears that the Australian negotiators did not fully appreciate the consequences of harmonising Australian and American IP law.

IP is an integral part of most new and growing industries - biotechnology, IT and the media to name a few. Many of the world's most valuable corporations are IP companies - companies such as Microsoft, Pfizer, Cisco and Johnson & Johnson. The importance of IP-rich industries is likely to continue to grow, and for the sake of Australia's future prosperity we must seek to increase our market share in these industries.

Increasing the coverage of IP law poses dangers to Australian IP, and of particular concern is patent law. Litigation in patent cases is prohibitively expensive for many firms so it is easy for wealthy corporations to kill competition by aggressive use of the patent system. The situation is aggravated in the USA by the loose requirements the US law imposes on inventions for them to be patentable, and by the overly generous granting of patents by the US Patent Office.

Pro-patent lobby groups claim that patents are required to protect and encourage investors, but often they merely protect the market position of established businesses. This aspect of the patent system is not often raised because typically only wealthy stake-holders have lobby groups. Increasing the breadth of Australian patent law would restrict competition and inhibit rather than promote genuinely free trade.

There is a huge disparity between Australia and the USA in terms of wealth and IP ownership. The USA has many wealthy IP corporations, whereas Australia has many small IP firms. Increasing the coverage of IP would have the effect of transferring wealth from Australians to wealthy American corporations. The concessions offered by the USA in the Free Trade Agreement are not worth this price.

Benjamin Briedis

#### Credentials

- BA(Hons)/LLB from UNSW, with an emphasis on IP, IT and communications law.
- PhD from UNSW in Computer Science.
- Employment in a biotechnology start-up company, in various IT companies and in the ABC.
- Taking my own IT product to market.