

Via Email Onlyconsultation@ipaaustralia.gov.au

23 November 2017

The Commissioner of Patents
PO Box 200
WODEN ACT 2606

Attention: Lisa Bailey - Contact Officer
Re: **IP Australia Consultation Papers**

Dear Lisa,

We refer to the five Consultation papers in relation to which IP Australia commenced public consultation on 30 August 2017. The consultation papers were identified on the IP Australia website as follows:

- Paper 1: Amending inventive step requirements for Australian patents.
- Paper 2: Introduce an objects clause into the Patents Act 1990.
- Paper 3: Amending the provisions for crown use of patents and designs.
- Paper 4: Amending the provisions for compulsory licensing of patents.
- Paper 5: Introducing divisional applications for international trade marks.

The Institute of Patent and Trade Mark Attorneys of Australia (IPTA) makes the following submissions in connection with these consultation papers.

About IPTA

IPTA is a voluntary organisation presenting registered patent attorneys, registered trade marks attorneys and student members in the process of qualifying for registration as a patent and/or trade marks attorney in Australia. The membership of IPTA includes over 87% of reregistered patent attorneys located in Australia and it is believed that its members make up more than 90% of registered patent attorneys in active practice in Australia. The membership of IPTA includes registered patent attorneys in private practice as well as patent attorneys working in industry, universities, research institutes and others that practice as barristers. IPTA members represent large local and foreign corporations, SMEs, universities, research institutes and individual inventors. Since 24 February 2017 all Australian patent attorneys have become registered as Trans-Tasman patent attorneys, which also enables them to practice before the Intellectual Property Office of New Zealand. In addition to working with foreign applicants to assist them in obtaining and enforcing their intellectual property rights in Australia and New Zealand, IPTA members also work with clients in Australia and New Zealand to assist them in developing strategies for protecting and enforcing their intellectual property rights in Australia, New Zealand and overseas.

Paper 1: Amending inventive step requirements for Australian patents

Inventive step test

IP Australia has presented four options for amending the *Patents Act 1990* to introduce an inventive step test that implements recommendations made by the Productivity Commission. IPTA notes that the Productivity Commission was given specific terms of reference and only 12 months to review Australia's intellectual property arrangements. Given the economic backgrounds of the PC's members, the majority of its attention was focussed on economic factors, resulting in what we consider to be an unbalanced and incomplete view of Australia's IP systems. Whilst some of the PC's recommendations may be appropriate, we are of the opinion that many are not in the best interests of Australia's intellectual property arrangements.

In IPTA's opinion for example, none of the Productivity Commission's recommendations will provide an inventive step test (in the context of Australian patent law as it has developed over the recent decades) which better mirrors the European test than the test introduced with the *IP Laws Amendment (Raising the Bar) Act 2012* (Raising the Bar Act).

Prior to implementing the *Raising the Bar Act*, IP Australia conducted extensive consultation in relation to ways in which the *Patents Act 1990* (Patents Act) could be amended to bring Australia's inventive step test into closer conformity with the test applied by its major trading partners, including Europe. In this regard, based on experience with the test introduced with the Patents Act 1990 as modified on at least three occasions, the "ascertained, understood and regarded as relevant" language was removed from Section 7(3), and Section 7(2) was amended by removing the geographical limitation on common general knowledge. These amendments were made taking into account the historical development of AU patent law in relation to the assessment of inventive step. The result was the current law as introduced by the Raising the Bar Act which commenced recently on 15 April 2013.

At this point in time, there has been no judicial consideration of the law on inventive step as introduced by the *Raising the Bar Act*, and accordingly it is far too early to assess whether or not the *Raising the Bar Act* amendments have achieved their objective. It is also important to note that at the same time as the amendments to the inventive step test were introduced, the Patents Act was also amended to introduce enablement and support requirements closely based on European standards.

It is IPTA's view that the recommendations included in the final report of the Productivity Commission were based on misunderstandings in relation to the way inventive step would be assessed under the law introduced by the *Raising the Bar Act*. One of these misunderstandings is highlighted in IP Australia's consultation paper. In this regard, the Productivity Commission clearly misunderstood what was meant by a "scintilla" of invention as a threshold standard for inventive step. The Productivity Commission also clearly misunderstood what was meant by the "obvious to try" test for inventive step, which clearly requires the necessary expectation of success.

Accordingly, we urge IP Australia and the Australian Government to reconsider the proposal to implement this recommendation of the Productivity Commission. Introducing yet another inventive step test for IP Practitioners to understand and appreciate based on case law as it develops over a time, in parallel with the earlier "new" test introduced by the *Raising the Bar Act* in 2013 and on top of the previously existing (and still relevant) inventive step tests applicable to patent applications filed since commencement of the *Patents Act*, will unnecessarily complicate and frustrate efforts to keep abreast of the Australian law in relation to inventive step as it applies to patents and patent applications, which they will be required to assess.

We do not believe that the Productivity Commission or the Government has given sufficient consideration to the extra cost and economic burden yet another inventive step test will have on users of Australia's patent system, including IP lawyers and litigators, as well as patent examiners. The Productivity Commission has also not given due consideration to the impact on those responsible for training and educating new Trans-Tasman patent attorneys and setting exams. These courses already need to deal with at least two inventive step tests for each of Australia and New Zealand (as well as covering the earlier AU tests that will apply to some in force patents that were filed on particular dates). The same difficulties will be encountered by IPONZ and IP Australia in the training of their examiners and hearing officers. Introducing yet another test for inventive step will also further undermine confidence, both locally and internationally, in Australia's IP system, since it reveals a lack of appreciation of the impact, including increased confusion and costs, that changes in the substantive patentability requirements have on firms and individuals seeking to protect and commercialise their innovations in Australia.

Thus, the proposed change to the inventive step threshold will introduce long-term uncertainty and unnecessary complexity into the patent system for both innovators and IP practitioners, which is clearly not in the best interest of the Australian public. Accordingly, we strongly urge IP Australia and the Australian Government to abandon this proposal to amend Australia's inventive step requirements yet again.

If, contrary to the submissions above, IP Australia and the Australian Government decide to continue with this proposal, then the option which would appear to cause the least damage is option IS-2. Of course, care would need to be taken to ensure that the "piece of information" is not an earlier filed but later published patent application, since the information in such an application should not be relevant to any assessment of inventive step.

In keeping with our argument that amending Australia's inventive step legislation to implement the recommendation of the Productivity Commission is unnecessary, we refer to our previous submissions of 14 February 2017 which explained that the expression "led directly as a matter of course to try" means "obvious" according to *Olin Mathieson Chemical Corp v Biorex Laboratories Ltd [1970] RPC 157*.

While the problem and solution approach has its place, it is important that the Explanatory Memorandum is worded in such a way that it clarifies that such an approach to the assessment of inventive step is not appropriate in all circumstances, especially where recognition of the problem forms part of the inventive step or where the invention is not aimed at solving any particular problem. Accordingly, if guidelines need to be provided in the Explanatory Memorandum the guidelines should also extend to situations where the problem and solution approach is not appropriate.

IPTA also has concerns generally about the EPO's approach to the assessment of inventive step, which involves a highly concocted "objective technical problem" approach that relies primarily on hindsight and does not in any way reflect the inventive process, which, in IPTA's view, is a more appropriate manner of assessing inventive step.

IPTA also remains concerned about the reference to "..... reasonable hope of solving the problem" which appears in the dot point at the top of page 8, which references Section 5.3 of the EPO Guidelines. Section 5.3 of the EPO Guidelines states (in part):

"The point is not whether the skilled person could have arrived at the invention by adapting or modifying the closest prior art, but whether he would have done so because the prior art incited him to do so in the hope of solving the objective

technical problem or in expectation of some improvement or advantage (See T 2/83)."

It is important that any guidance in the Explanatory Memorandum refers to at least "a reasonable hope", since this presumably means that the "hope" is based on some reason or disclosure in the prior art. However, IPTA also believes that the proposed guidance should be expanded to include a reference to an expectation of success, similar to the current threshold and also to be consistent with Section 5.3 of the EPO Guidelines. It will also be important to clarify in the Explanatory Memorandum that providing a useful alternative to something in the prior art is a sufficient aim.

Technical features

IPTA disagrees with the proposed amendment of the *Manual for Patent Practice and Procedure* (MPP) to state that the Commissioner will consider the technical features of an invention for the purpose of the inventive step test. First, it is not exactly clear what is meant by technical features of the claims and, secondly, it is most likely a redundant amendment if, for example, technical features are the features which contribute to the technical character of the invention, as considered under European law. This is what happens currently, and so it is not clear why this amendment to the MPP needs to be made.

In relation to the recommendation of the Productivity Commission to require applicants to identify technical features in claims, IPTA does not support any amendment which would introduce new requirements for patent applicants. Accordingly, while three options have been suggested, IPTA believes that option TF-2 is the only option that is in any way acceptable and workable.

In the background section, on page 11, it is stated that in contrast to the EPO, there is no requirement for the applicant to explicitly set out the technical features of a claimed invention that distinguish it from the closest prior art. This is misleading because, based on our understanding, there is no requirement under European patent practice to explicitly set out the technical features of the claims. This incorrect view appears to have led to some misunderstanding about applications drafted to a European standard. There is certainly no requirement under European patent law for patent applicants to carry out the role of the Examiner, identifying all relevant prior art and technical features that distinguish the claimed invention from that prior art. Any suggestion that this is a current requirement of European patent law is simply wrong.

There is also an issue in relation to overseas originating applications that enter national phase in a format that would arguably not identify the technical features in the claims as required under TF-1. It is stated under TF-1 that there would be a strong incentive for applicants to adequately identify the technical features at the filing stage. However, Australian national phase applications must enter national phase as they exit international phase, and accordingly there would be no opportunity to make amendments, if required, before filing. Further, making any amendments under TF-1 or TF-3 will also place a burden on the applicant and impose additional costs. It is also by no means certain amendments to introduce or identify the technical features would be allowable under the current amendment provisions, particularly since it is no longer possible to add subject matter after the filing date, which for a PCT application, is the international filing date. Accordingly, options TF-1 and TF-3 would place Australian patent law completely at odds with the laws of our major trading partners, and would cause substantial difficulties for foreign applicants seeking to protect their inventions in Australia. Accordingly, IPTA strongly objects to any suggestion that options TF-1 or TF-3 should be introduced.

Transitional provisions

With regard to the transitional provisions, IPTA believes that option TA-3 (based on the Australian filing date) is the preferred option, since any of the other options would run a serious risk that rights could be lost through reasonable confusion over the overly dynamic inventive step landscape. The difficulty will be magnified if steps are taken to introduce a new "technical feature" requirement, since applications prepared prior to the Australian filing date would not have been drafted in a manner to meet such an unusual requirement. Given these difficulties and associated costs which would likely be substantial, option TA-3 is likely the closest position to cost neutral.

Paper 2: Introduce an objects clause into the *Patents Act 1990*

As explained in previous submissions, IPTA is convinced that an objects clause is not required, and that the introduction of an objects clause could have unintended adverse consequences. Accordingly, IPTA is opposed to both object clause options on the basis that if introduced into the legislation they will create significant confusion and an issue for dispute, in particular during litigation proceedings. This is clearly undesirable for innovators in Australia.

IPTA believes that there is a significant clarity issue in relation to the term "technological innovation" used in both options A and B.

Initially, in the Productivity Commission's draft report, the objects clause proposed referred simply to "promoting innovation". However, in response to this initial suggestion, a single economist proposed that the objects clause be amended to refer to a "technological innovation", because in her view currently "a patentable invention in Australia is simply something artificial from which an economic return can be made" which "radically extends the boundaries of the patent system beyond technology". The Productivity Commission subsequently amended the proposed objects clause in the final report to refer to "technological innovation", apparently in response to the opinion of a single person.

IPTA submits that the difference between "innovation" and "technological innovation" is not clear. As such, the Government's support of the objects clause on the basis that it would provide "a clear statement" of legislative intent for guidance of the Courts in the interpretation of the Patents Act is not satisfied by either of the proposed options.

The Consultation Paper also states that an objects clause will provide benefits by influencing the granting of patents through the interpretation of patent criteria, including the manner of manufacture test. It is also stated that an objects clause "could help shield the system against further expansion in the scope and strength of rights". The implication is that currently, the scope of rights for innovators is too great and it should be narrowed on a basis not contemplated by current international arrangements such as TRIPS. Accordingly it is clear that the reference to "technological innovation" in the objects clause is intended (surreptitiously) to change/narrow the patent eligibility threshold, which we understand was not really considered in detail by the Productivity Commission. As such, the objects clauses as proposed in options A and B represent with section 18(1)(a) a further collateral attack on certain information and communication technology (ICT) and life sciences technologies, which some economists believe should not be patent eligible, i.e incentivised through the patent system. Given the importance of both types of technology to Australian wellbeing and the risks to investment in the future economy, IPTA considers this an unwise conclusion to draw.

IPTA is also particularly concerned that alleging failure to satisfy the objects clause will become a default and additional ground of opposition/revocation when a challenging party cannot satisfy any other ground, akin to (but worse than) the inappropriate use of

manner of manufacture (and particular the old ground of new manner of manufacture) when the ground of lack of inventive step could not be made out. Such a standard would be unacceptably subjective since "like for like" comparisons would be impossible to make without extraordinarily expensive evidence presented time and time again.

IPTA is also concerned that, if the objects clause is thrown in to any challenge on validity, the cost of preparing evidence addressing compliance with the objects clause could be excessive – what type and extend of evidence would be required to establish that an invention enhances the wellbeing of society (particularly when it might not yet have been commercialised to any great extent by the time it is challenged) and whether interests are balanced? IPTA considers that the evidence required would likely be in excess of that required for competition law cases which are notoriously expensive and time consuming to analyse. A comparison can also be made with the old and costly "inadequate remuneration" cases which were so costly as to draw abolition and which led to patent term extensions as a matter of right. It is also not clear how such issues could be considered objectively by IP Australia or the courts.

IPTA believes the objects clause, if we need to have one at all, must be clearer and fairer, preferably by referring to "innovation" rather than "technological innovation". In this regard it is worth pointing out that in New Zealand the "purposes clause" refers only to "innovation" and not "technological innovation". Accordingly it is not clear why Australian innovators or applicants seeking protection for innovations in Australia face a potentially greater "objects clause" threshold compared with New Zealand (see section 3(a) *NZ Patents Act 2013*). Thus IPTA believes that any objects clause introduced should refer to "innovation" not "technological innovation". This will have a dual benefit of improving clarity as well as aligning us with New Zealand, our closest trading partner.

If, despite IPTA's submissions, an objects clause is introduced which does refer to "technological innovation" the Explanatory Memorandum to the Bill should make clear the precise meaning of the term "technological innovation". It should also be clear that the current patentability threshold will not be impacted by the objects clause, which would potentially adversely effect Australia's international applications under the TRIPS Agreement.

As noted above, the Productivity Commission's review was constrained in a number of respects and has resulted in what we consider to be an unbalanced and incomplete view of Australia's IP systems, with some recommendations not being in the best interests of Australia's IP arrangements. Another example of this is that, while there was a focus on promoting innovation, it was not evident that the PC had a good understanding of what the term "innovation" encompasses. Although IPTA does not believe that any objects clause needs to be included in the Patents Act, IPTA believes that option B is preferable to option A for the reasons stated in Paper 2. However, as discussed above, any reference to "technological innovation" should be replaced with a reference to "innovation".

If an objects clause were to be introduced, its role in assessing validity would need to be made clear and IPTA believes it should be made clear in any implementing legislation that failure to satisfy the object is NOT to be made a ground for examination, opposition or revocation. In other words, any objects clause must be educative only and benign.

Paper 3: Amending the provisions for crown use of patents and designs

IPTA notes that the problems with Australia's Crown use provisions have been known for sometime. These problems were well documented in the report published by the Advisory Council on Intellectual Property (ACIP) in 2005. IPTA completely disagrees with option 1 (public awareness campaign) and option 3 (Bandt amendment), preferring instead the options set out within option 2. With regard to the various sub-options, IPTA

prefers sub-option 2(c). In this regard IPTA does not believe that it should be necessary to produce a list of services to which Crown use could be applied, and IPTA does not believe that there should be any possibility of a waiver of the requirement for ministerial approval.

However, IPTA remains concerned about IP Australia's motivation for departing from the Productivity Commission's recommendation for the alignment of the remuneration standard for compulsory licensing with the remuneration standard for Crown use. This seems to be based on an understanding, with which IPTA disagrees, that "efficient exploitation of the invention" is not relevant to Crown use, and that it may not be appropriate for the Crown to compensate the patentee based on a commensurate return on investment for IP owners in emergency situations. IPTA is not convinced that the Crown should get a "bargain" at the expense of the IP owner in such circumstances.

IPTA also has some concerns in connection with Australia's international obligations, particularly those under the Australia-United States Free Trade Agreement (AUSFTA). While IP Australia believes it is not necessary to limit Crown use to non-commercial public use as recommended by the Law Council of Australia (LCA), IPTA believes that making such an amendment could be useful to clarify that the Crown use provisions do not contravene the provisions of the AUSFTA. Another option would be to introduce a provision similar to Section 136 (compulsory licenses) to ensure that international agreements are not breached by any implementation of the Crown use provisions. IPTA supports the proposal to prepare a set of guidelines for Ministers to ensure that the provisions are only used in a manner consistent with international obligations.

Paper 4: Amending the provisions for compulsory licensing of patents

Overlap with the Competition and Consumer Act 2010

IPTA does not believe that the competition test should be moved from the *Patent Act 1990* to the *Competition and Consumer Act 2010*. In this regard IPTA agrees that there is insufficient evidence of any particular problems that would be addressed by the Productivity Commission's recommendation.

Reasonable requirements of the public

The first part of this consultation paper presents three options for reforming Australia's compulsory licensing provisions. Of the three options, IPTA supports option 1, believing that the current "reasonable requirements of the public" test is the appropriate test for the grant of a compulsory licence. In this regard, we disagree that the "reasonable requirements" of the public "test" is unclear, particularly in view of the clarification provided in Section 131(1).

IPTA is also of the view that the current test better balances the interests of the patentee, the public and any party wishing to take advantage of the patented invention. IPTA is also concerned that the proposal to change the reasonable requirements of the public test to a general "public interest" test may also contravene the AUSFTA, which only allows exploitation without authorisation of the patentee where there is anti-competitive conduct, or "in cases of public non-commercial use, or of national emergency, or other circumstances of extreme urgency", by the Government or a third party authorised by the Government. IPTA also believes that public interest issues are dealt with adequately under the Crown Use provisions.

However, if the Government does decide to proceed with a public interest test, IPTA believes that option 3 is preferable to option 2.

Compulsory licensing for dependent patent owners

For reasons outlined in the consultation paper, and set out in previous submissions made by IPTA, IPTA support option 1, namely amending subsection 133(3B) so that it applies only to dependent patent owners.

Paper 5: Introducing divisional applications for international trade marks

IPTA understands that in 2016 the Madrid Union approved changes to the Common Regulations allowing for the division of IRDAs in accordance with Rule 27bis(1) and these regulations will come into force on 1 February 2019.

IPTA notes that IP Australia proposes amendments to the Trade Marks Act 1995 ('Trade Marks Act') and the Trade Marks Regulations 1995 ('Trade Marks Regulations') to introduce a new process for dividing International Registrations Designating Australia ('IRDA's) and proposals to amend the existing practice in Australia for dividing domestic trade mark applications to align with the process adopted for IRDAs. Our comments in relation to the proposed amendments are set out below:

Proposal to allow for division of IRDAs

IPTA supports the proposal to implement the division of IRDAs per se as this will provide applicants using the Madrid Protocol with greater flexibility during the prosecution of their trade mark applications.

Timeframes and Status

IPTA notes that it is proposed that the creation of a Madrid divisional would not lead to a new date of effect or a new refusal period before the International Bureau. Further, we note that IP Australia is planning to change the domestic trade mark divisional application system so it aligns with the proposed changes to introduce the division of International Registrations on the basis of equal treatment across both systems and to harmonise the law, practice and administration with that of Australia's major trading partners. In a recent TMDCG meeting, the examples of the USA and the UK were cited as jurisdictions which do not provide a new response timeframe for divisional applications.

IPTA does not support the proposal not to create a new refusal timeframe and status for both IRDAs and domestic divisional applications.

Currently, the Trade Marks Act provides for a divisional application to be examined in the same fashion as its parent application in that upon examination it is given a new period of 15 months to respond to and overcome any grounds for rejections. From an Australian applicant's perspective, this additional period has proven to be extremely advantageous in being able to either overcome the grounds for rejection by means which are usually time consuming, for example, by collecting evidence of use of acquired distinctiveness or honest/prior continuous use or negotiating with a prior trade mark owner to obtain a consent agreement to the registration of subsequent similar trade mark.

The proposed change to provide no additional refusal timeframe to overcome the grounds for rejection has the potential to significantly disadvantage users of the system in Australia both in terms of timeframe pressures as well as additional financial costs. For example, if a parent trade mark application is itself already in an extension period, under the proposed scheme, any new divisional application based on the parent application will also be subject to the payment of extension fees which currently at the amount of \$100 a month have the potential to be quite significant. Therefore, in

addition to paying the application fees for filing the divisional itself, the applicant also has to pay monthly extension of time fees in order to keep the divisional application alive.

Further, if the divisional application is filed whilst the parent is subject to the payment of extension fees, the applicant will not be able to take advantage of any deferment period for any of the reasons articulated in Regulations 4.13 in the case of domestic applications or Regulation 17A.21 in the case of IRDAs without having to file an application for a late extension of time under section 224 and pay additional extension fees, again at \$100 per month.

If the parent application itself is already in the extension period by virtue of section 224, the total extension of time fees have the potential to be very significant making the entire cost of proceeding with the strategy of filing divisional applications burdensome and prohibitive especially to small business applicants.

From the experience of IPTA's members, the ground of rejection which often causes the most concern and which usually takes the most amount of time to overcome is that based on the existence of a prior similar trade mark. If a prior trade mark citation cannot be overcome by argument and/or by amendment to the description of goods/services, the only options available to the applicant is by lodging evidence of honest or prior continuous use or by seeking a consent agreement from the cited trade mark owner or filing a cancellation action for non-use. All these options take time and the proposed new timeframe for divisional applications does not take this into consideration.

One of IP Australia's supporting arguments for the proposal is that it wants to harmonise Australia's trade mark law, practice and administration with that of Australia's major trading partners, for example, the USA and UK. IPTA contends that this reasoning is flawed and not well considered because the laws in both jurisdictions are very different to that of Australia.

In the USA, it can be easier to overcome cited prior trade marks by argument or amendment to the goods and services simply because, due to a very crowded Register, small differences between the marks themselves and/or goods and services have the potential to overcome a rejection based on those prior marks. Further, in the USA, the period given by the USPTO following an Official Action is a period for responding to the Official Action and not for placing the application in order for acceptance as is the case in Australia.

In the UK, trade marks are only examined on relative grounds. Prior trade marks considered to be confusingly similar are identified by the UK Trade Mark Office but are not a barrier to acceptance. Instead, the UK Trade Mark Office is required to notify the owner of identified prior trade mark of the acceptance of any later filed mark considered to be confusingly similar. Therefore, because of the very significant difference in the law and practice, applicants of a UK trade mark application do not have to concern themselves with the burden of collecting and lodging of evidence of honest concurrent or prior continuous use or dealing with the vagaries of trying to negotiate a consent agreement with the prior trade mark owner or filing a cancellation action for non-use during the examination timeframe.

Additionally, applicants in Australia are required by the Trade Marks Office to ensure a response to an Examination Report is filed at least 4 to 6 weeks before the due date to provide the Examiner with sufficient time to consider and act on the response. Unlike some other jurisdictions, the timeframe in Australia does not pause upon the filing of a response, and continues on with time taken by the Trade Mark Office also eating into the

timeframe. This factor should also be taken into consideration on the argument of harmonisation.

In support of its proposal, IP Australia has also raised the argument that some applicants have used the current divisional facility simply to replicate and perpetuate their trade mark applications on the trade mark database with its earlier priority date and this practice is not equitable from the perspective of other traders and not in the public interest. IPTA is not aware of the scope of this practice or the actual size of the problem as no statistics have been provided by IP Australia in support of its argument.

In any event, IPTA argues that this possible issue does not on its own warrant the overwhelming change IP Australia has proposed to the divisional system and is an issue that is best addressed separately and distinctly by adopting other measures, for example, by possibly limiting the number of times a parent application and its priority date can be used in divisional applications.

In relation to IP Australia's concern about the filing of divisional applications during the opposition appeal period or late in an opposition proceeding, IPTA believes that this issue is also best dealt with separately perhaps by either a) applying its current proposal not to provide an additional timeframe in any cases where the divisional application is filed after the Statement of Grounds of Particulars or Evidence in Support is filed or b) to only allow a period of one month for the filing of a divisional application after the Statement of Grounds of Particulars or Evidence in Support is filed.

In conclusion, IPTA considers that the preferred position is as follows:

- a) It would be ideal if the process for divisional applications from IRDAs and domestic applications for each member country were the same as that provided by each country's national laws and the Common Regulations amended accordingly.
- b) However, for the reasons articulated in this submission IPTA does not support a situation where the status and timeframes for all divisional application were to be exactly the same as that for the parent with no new timeframe (15 months currently) being provided.
- c) If the Common Regulations cannot be amended as outlined in a) above, then IPTA believes that the current system in place for divisional applications divided from domestic applications (except for divisionals filed late in opposition proceedings) should remain unchanged notwithstanding a different process in place for divisional applications divided from IRDAs.

Harmonisation of fees

IPTA's view is that IP Australia cannot justify the requirement to pay divisional applications fees calculated on a per class basis if divisional applications based on IRDAs or domestic applications are not to be treated in the same manner as the parent application with a new timeframe provided for overcoming grounds for rejection, particularly since as there is a high potential for the applicant to be burdened with extension of time fees after filing.

Mergers

Although little detail on the possible process has been provided in the consultation paper, IPTA does see benefit in being able to merger divisional applications with its parent (if still alive) largely from an administrative and management perspective.

IPTA would be very pleased to provide further information or clarification in relation to any of the submissions discussed above.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Michael J Caine', written in a cursive style.

Michael J Caine

Vice President and Convenor - Legislation Committee
Institute of Patent and Trade Mark Attorneys of Australia