

22 November 2017

Trans-Tasman IP Attorney Board

Attention: Jeff Carl

[MDB-TTIPABCodeofConduct@ipaaustralia.gov.au](mailto:MDB-TTIPABCodeofConduct@ipaaustralia.gov.au)

Dear Jeff

### **Phase 3 – Amended Draft Code of Conduct 2018, Amended Draft Guidelines to the Code of Conduct 2018**

With reference to the invitation to provide submissions on the Amended Draft Code of Conduct 2018 and Amended Draft Guidelines to the Code of Conduct 2018 released by the Trans-Tasman IP Attorney Board on 7 November 2017, the Institute of Patent and Trade Mark Attorneys of Australia offers the following submissions.

#### **Background**

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.

The IPTA Council is made up of the President, the Past President, two Vice Presidents and 10 Councillors being elected by IPTA members. IPTA Council comprises attorneys from a sole practice, traditional attorney private partnerships, corporate attorneys, and members of the three ownership groups listed on the ASX.

## Amended Draft Code of Conduct 2018

IPTA Council is pleased to note that the Trans-Tasman IP Attorney Board has considered favorably a number of suggestions provided in our submissions of 28 September 2017.

On review of the Amended Draft Code, IPTA proposes the following further changes to more clearly define the obligations and conduct of registered attorneys.

In order to assist the Board, marked-up changes (~~deleted~~; proposed) to the sections are provided below for consideration.

### Part 1—Preliminary

#### 4 Definitions

**client** means the principal on whose behalf a registered attorney is acting, ~~and includes any person for whom the registered attorney is the address for service for a patent, or trade mark right.~~

As there are situations where being recorded as the address for service is not a true indication that an IP owner is a client of a registered attorney, for simplification, we propose removal of any reference to an address for service from the Code.

### Part 3—Professional conduct

#### 16 Communication

(1) Prior to undertaking work for a ~~new or prospective~~ client, a registered attorney must ensure that the client is clearly informed in writing of the following matters:

- (a) that the registered attorney is registered as a patent attorney, a trade marks attorney or both, and is bound by this code; and
- (b) that the registered attorney has appropriate competency to perform the work, including by drawing on technical expertise; and
- (c) the procedures, timing and estimated cost of doing the work; and
- (d) whether the registered attorney is an incorporated company and, if it is, whether the company is public or private; and
- (e) where the registered attorney is a member of an ownership group – that fact and the identity of the other members of that group, unless the registered attorney has previously clearly informed the client in writing of those matters.

(2) Prior to undertaking materially different work for a client, a registered attorney must ensure that the client is clearly informed in writing of ~~the following: (a) the matters specified in paragraphs (1)(b) and (c); and~~  
~~(b) the matters specified in paragraphs (1)(d) and (e), but only if the registered attorney has not previously informed the client of those matters.~~

IPTA Council notes that the Board may have intended for all clients (current, new or prospective) to be clearly informed in writing that a registered attorney is a member of an ownership group and the identity of the other members of that group. It is unclear why such an obligation should only be limited to new or prospective clients or prior to undertaking materially different work for a client as presently required by the Amended Draft Code.

## 19 Loyalty

### *Client*

(1) A registered attorney is a fiduciary in respect of the registered attorney's dealings with a client on a matter, and owes a duty of loyalty to a client in relation to that matter.

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(4) Subject to subsection (5), a registered attorney must not act for a client in a matter knowing that the client's interests in that matter are adverse to the interests of another client of the registered attorney in that matter unless:

- (a) both clients in writing have given informed consent to the registered attorney acting in the matter; and
- (b) where the registered attorney holds confidential information relevant to the matter obtained from or on behalf of either client – the registered attorney has established an effective information barrier in relation to the relevant confidential information.

IPTA Council is of the view that being recorded as an address for service and not receiving ongoing instructions from that IP right holder should not be sufficient to bring in obligations of a fiduciary as set out in Section 19(1). The obligations of a fiduciary should be matter specific as it is believed to be the intention of the Board.

If you wish to discuss any of the proposals, please contact us.

Yours sincerely,



**Trevor J Davies, PhD**

IPTA Vice President

Convenor of Ethics & Disputes Committee