THE AUSTRALIAN FEDERATION OF INTELLECTUAL PROPERTY ATTORNEYS
FICPI AUSTRALIA

29 September, 2006

Domestic Policy Section
IP Australia
PO Box 200
Woden ACT 2606

Attention: Anthony Murfett
Anthony.Murfett@ipaustralia.gov.au

Dear Sirs,

Re: Public Consultation Paper on the ACIP Report "Patents and Experimental Use"

PRESIDENT:
PETER HUNTSMAN
Level 15,
1 Nicholson St
Melbourne 3000
Australia

Telephone
(03) 9254 2777
International
+613 9254 2777
Facsimile
(03) 9254 2770
International Facsimile
+613 9254 2770
E-Mail
phuntsman@davies.com.au

SECRETARY:
GREG CHAMBERS
21st Floor
367 Collins Street
Melbourne 3000
Australia

Telephone
(03) 9614 1944
International
+613 9614 1944
Facsimile
(03) 9614 1867
International Facsimile
+613 9614 1867
E-Mail
greg.chambers@pof.com.au

This submission is in response to the IP Australia Public Consultation Paper, on behalf of the Australian Federation of Intellectual Property Attorneys (FICPI Australia).

FICPI Australia previously made submissions on this topic on 14 May 2004 and 17 March 2005 in response to the ACIP Issues and Options Papers, respectively.

In our 17 March 2005 submission we expressed our position that option C8 outlined in the ACIP Options Paper is the preferred model for codifying an exemption from patent infringement for experimental activity. Recommendation 1 from the ACIP Report is derived from option C8, but with modification of the language "experiment 'on' the subject matter of a patented invention" to instead refer to "acts done for experimental purposes relating to the subject matter of the invention". Recommendation 1 also clarifies that to be exempt the acts should "not unreasonably conflict with the normal exploitation of a patent", as derived from TRIPS Article 30. Further, we are pleased to note that recommendation 1 has replaced reference to the non-limiting permitted act of "developing an improvement to the invention" with "seeking an improvement to the invention", along the lines suggested in our previous submission.

FICPI Australia strongly supports the proposal for legislative amendment encompassed by recommendation 1 from the ACIP Report and believes that adoption of this legislation will provide the desired clarity for Australian researchers with regard to the potential for infringement of patent rights resulting from experimental activity.

FICPI Australia does, however, support the approach advocated by the Institute of Patent Attorneys of Australia (IPTA), and as adopted by the New Zealand Cabinet, of clarifying that "seeking an improvement to the invention"

encompasses "determining new properties of, or new uses of, an invention". FICPI Australia's position is that reference to the non-limiting permitted acts, including "determining new properties of, or new uses of, an invention", should be enshrined within the legislation, preferably within the regulations. As outlined in our 17 March 2005 submission we believe this approach will offer the maximum flexibility for modifying the non-limiting permitted acts, should experience demonstrate that such modification is necessary.

FICPI Australia is strongly of the view that recommendation 1 of the ACIP Report would, if introduced, be far more effective and appropriate than recommendation 13-1 of the ALRC-1999 Report.

We note that the Australian Patents Act 1990 has up until recently allowed limited springboarding, only in respect of pharmaceutical patents that are the subject of a pharmaceutical extension of term. By virtue of the Intellectual Property Laws Amendment Bill 2006 the springboarding provisions will shortly be expanded to encompass all pharmaceutical patents. It is FICPI Australia's position that the exemption from infringement of activities associated with obtaining regulatory approval erodes the legitimate rights of the patentee. We believe that such erosion of rights is not equitable in the case where the patentee does not receive adequate compensation in the form of extension of the patent term. Therefore, unless there is simultaneous consideration of offering patent term extensions in the case of regulatory delay for technologies other than pharmaceuticals (for example in relation to veterinary therapeutics and agrichemicals) we can see no justification for extending springboarding to other technologies.

We will be pleased to discuss or expand upon these comments if desired.

Yours faithfully,

PETER HUNTSMAN
President