

FICPI AUSTRALIA - RESPONSE TO ELECTRONIC COMMERCE QUESTIONNAIRE

Scenario 1

Box 1

- IP Australia (IPA) should act in a manner in which rights are retained. Therefore, the first renewal payment should be accepted and processed by IP Australia (IPA) regardless of who made the payment. There does not need to be any e-authentication (e-A) to prove to any level who is making the payment. There should be no barriers to anyone paying for a renewal. There may however need to be e-A to verify that payment has been received and processed from IPA to the payee so the payee has proof of payment and processing in the event of repudiation by IPA.
- If by "notify" it is meant that IPA is required to provide a proof of payment and processing to a party then it should be provided to the payee, i.e the entity whose renewal fee was received first. IPA would need to notify the other parties that the renewal fee has been paid and refund the monies with the appropriate level of security being applied to the refund e-transaction.
- If payment is made by a payee at an incorrect rate IPA should advise the payee only and provide a range of settlement actions including payment of the balance within a prescribed period while maintaining the rights of the rights holder.
- If rights holder's attorney firm uses a renewal agent, the renewal agent sends reminder to rights holder and rights holder instructs renewal agent to pay renewal fee. The attorney firm is not involved in payment of the renewal fee and no notification is required by the attorney firm. If the rights holder's attorney firm normally pays the renewal fee for the rights holder, the attorney firm should be notified that the renewal fee has been paid.

Box 2

- As for the first bullet point in Box 1 above.
- As indicated above, IPA should act in a manner in which rights are retained. Therefore, the first payment should be accepted and processed regardless of whether or not it originated from the AFS or previous PKI certificate.
- IPA should notify the payee that payment has been received and the action associated with the payment processed. IPA would need to notify the other parties that the renewal fee has been paid and refund the monies with the appropriate level of security being applied to the refund e-transaction.

- If payment is made by a payee at an incorrect rate IPA should advise the payee only and provide a range of settlement actions including payment of the balance within a prescribed period while maintaining the rights of the Right Holder. If renewal has already been paid, the payee should be advised so corrective action can be taken by the payee. The payee should be provided with a status report showing 'renewal paid' 'paid to'.
- If rights holder's attorney firm uses a renewal agent, the renewal agent sends reminders to rights holder and rights holder instructs renewal agent to pay renewal fee. The attorney firm is not involved in payment of the renewal fee and no notification is required by the attorney firm.

Scenario 2

Box 3

- Possibly, but there may be a reason that a Right Owner has chosen to have Attorney Firm B act as their agent. If notification is necessary then that will likely flow from Attorney Firm B to Attorney Firm A at the behest of the rights owner.
- Likely not as the whole idea of appointing Attorney Firm B is to settle the matter at issue. The use of an Attorney Firm by a Right Owner is a deliberate choice and separate notification just complicates the matter.
- If by credential changes, IPA means that if the AFS is not the attorney firm that communicates with IPA on behalf of a Right Owner, IPA needs to communicate its awareness of that to the Right Owner - apart from that notification is not considered necessary. It should be sufficient for IPA that a registered attorney has communicated their authority to act on behalf of a Right Owner, for that attorney to continue to act on the Right Owner 's behalf. If the above is not considered appropriate then there are potential difficulties in communicating direct with the Right Owner as the address for services will, in most cases, be Attorney Firm A while the address of the Right Owner may be incorrect over time, as may also be the address of the inventors who may no longer have any relationship with the Right Owner. Clearly, the time within which to provide notices and expect a response will be largely dependent on the nature of the matter in question and no single period may be suitable for all cases, especially if parties to be contacted and require responses are from overseas entities. Notices received by inventors from the European Patent Office often cause more concern, confusion and cause for unnecessary expense than they are expected to cause even when Rights are at issue. Perhaps a solution might be to accept action from 'B' and to send a letter to 'A' informing that 'B' has filed action and that in the absence of any action by 'A', IPA will continue to treat 'B' as the new address for service. In the case of dispute to 'A', the matter could be resolved by 'B' requiring to submit to IPA a letter from Right Owner confirm 'B's' appointment.
- IPA should act on an instruction received especially if it relates to a critical deadline or imminent loss of rights. If IPA feels that clarification is necessary, IPA should seek such clarification only after effect has been given to the

instruction. Generally such clarification should be sought from the AFS presently recorded against the right.

Box 2

- With respect to the first two bullet points, Attorney Firms in the main keep each other informed of hand-over matters. At other times and in some circumstances there is no exchange of information with the other Firm on instructions from the Right Holder. At times the Right Holder may wish to sever all contact with Attorney Firm A, especially when monies are still owing. Sometimes when a conflict of interest has arisen, contact is deliberately minimized by the relevant attorney firm. The issues of responsibilities is very much a matter between the Right Holder and the Attorney Firm being instructed and details may not be readily exchanged with external firms or IPA, except if it is those roles and responsibilities that are mentioned in the most general terms. In general, the rights of the Right Holder are foremost in such situations and the appointed Attorney Firm will act in the best interest of their client.
- If the notification from the Right Holder is that Attorney Firm B has taken over representation of the matter permanently, it would generally be Attorney Firm B that notifies IPA that it has become the AFS. If it is only in respect of that one transaction, Attorney Firm A may advise IPA accordingly.
- If by credential changes, IPA means that if the Attorney of Record is not the attorney that communicates with IPA on behalf of a Right Holder and then IPA believes it needs to communicate its awareness of that to the Right Holder, then that action by IPA is not considered necessary. It should be sufficient for IPA that a registered attorney has communicated their authority to act on behalf of a Right Holder, and for that attorney to continue to act on the Right Holder's behalf.
- In the circumstances of a Right Holder communicating directly with IPA and they have previously been represented by an Attorney Firm, the fact that the Right Holder has made that communication is their fundamental right and IPA has no duty to inform anyone. IPA does however have a duty to advise a Right Holder of the option to obtain assistance from a Registered Attorney and direct them to the IPA Register of Attorneys and where the advice is of a nature requiring a solicitor than IPA has a duty in that regard as well.
- If the AFS or PKI certificate does not match, IPA should accept the instruction but advise Attorney Firm A as there are times when an address for service changes where it is contrary to the Right Owner's wishes.
- Clearly, the time to provide notices within and expect a response will largely be dependent on the nature of the matter in question and no single period may be suitable for all cases, especially if parties to be contacted and require responses from are overseas entities.
- In our experience the above scenario is rare compared to the volume of matters dealt with by Attorney Firms involving IPA.

Box 3

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- Any notification to Attorney firm A or IPA will likely be within the instructions provided by the Right Holder and typically as recommended to the Right Holder by Attorney Firm B.
- If by credential changes, IPA means that if the Attorney of Record is not the attorney that communicates with IPA on behalf of a Right Holder and then IPA believes it needs to communicate its awareness of that to the Right Holder, then that action by IPA is not considered necessary. It should be sufficient for IPA that a registered attorney has communicated their authority to act on behalf of a Registered Holder, and for that attorney to continue to act on the Right Holder's behalf. The requirement to maintain an Australian address for service is the lynch pin for identifying the party responsible for receiving notices from IPA as well as for service of legal proceedings and this should be maintained. The need to keep an up-to-date address for service is of benefit to the Right Holder and necessary for the workings of a legal system supporting IP rights. IPA needs to maintain the address for service associated with an IP right for at least the maximum period of the life of the right.

Scenario 3

Box 1

- When and if a Right Holder communicated with IPA it would typically keep its attorney informed or has done so on the instructions of its attorney. Sometimes there is a dispute between the Right Holder and Attorney Firm A leading to the Right Holder acting directly. The Right Holder may not understand that its correspondence with IPA will cause confusion. IPA should seek confirmation from the Right Holder before a change of AFS occurs.
- Unless the AFS is explicitly amended by the Right Holder IPA should continue to send notifications to the AFS.

Box 2

- That will depend on the current relationship with Right Holder. In some instances that relationship may be strained and the Right Holder has decided to act on its own behalf in which case IPA may need to advise them of various options regarding representation, in some instances the attorney has requested

the Right Holder to communicate direct with IPA and in others the Right Holder has communicated with IPA and kept the attorney informed.

- Clearly, not all information communicated from a Right Holder to an attorney is communicated to IPA and where there has been communications from a Right Holder to IPA that the attorney believes needs to be added to or modified then in consultation with the Right Holder the attorney will make further contact with IPA on behalf of the Right Holder.
- Ideally, the entity recorded as the AFS should be informed. However, it may be that the Right Holder does not wish that to be the case and that should be the first enquiry made by IPA to the Right Holder along with the supply of general information regarding the option of the Right Holder seeking professional assistance.
- Unless the AFS is explicitly amended by the Right Holder, IPA should continue to send notifications to the AFS.

Scenario 4

Box 1

- The audit trail capability of firms will vary. When an attorney firm uses PKI authentication there will be procedures and systems in place to control the use of such facilities and auditing will be an integral feature of those procedures and systems. It would seem single PKI is sufficient as it is akin to say one section of an attorney firm writing letters to IPA. There could be many PKI's for each attorney firm (for each department for example) and one department would not know the PKI of the others.
- All electronic correspondence with IPA outgoing and incoming will be part of the audit record and thus individual transaction traceable to operator, time and equipment. Clearly, the amount and type of information provided back from IPA will determine the traceability of the transaction being referred to. Whether the operator (staff member) concerned is an important fact will be dependent on the nature of the communication.
- User ID if supplied by the attorney firm would be a useful field to return to the attorney firm in IPA correspondence, just as is the Reference field, but User ID would not be the only data item of interest to an attorney firm using PKI with electronic communication to and from IPA.
- Most attorney firms have a case/matter reference associated with the IP right being dealt with by IPA where the attorney reference is used in addition to the official code (typically application and other numbers allocated by IPA). In all cases the case/matter reference would ideally be provided back in the same format as it was supplied. Most likely the attorney firm's electronic correspondence software will populate various fields of the electronic correspondence being sent to IPA and it would make sense to have one or more other identifying fields of information included in any correspondence returned to the attorney firm, (assuming that IPA includes all relevant official codes in a format that matches or that can be matched to those same fields in

the attorney's records). Fields in addition to the case/matter ID could include client name (if supplied); attorney responsible (if supplied); department responsible (if supplied). One way to deal with this requirement is to allow a free form text field supplied by the attorney firm to be returned by IPA with each item of electronic correspondence. Clearly there may need to be limits in size to the field but its content is free form thus allowing the inclusion of specialised codes (e.g. hash values) and other uniquely identifying codes.

Scenario 5

Box 1

- In most attorney firms the use of the firm's PKI certificate for IPA communications will be controlled and audit facilities will allow oversight of their use. Thus it would be of concern if Staff member S were to perform a transaction ostensibly on behalf of Attorney Firm A without using the firm's PKI certificate and instead used their own. However, for an emergency transaction after hours when the firm's facilities are not available, a trusted staff member may be authorised to create the necessary personal user-id, password and shared secrets so they can access IPA. If that occurred it would be expected of the staff member to advise the firm and then there would be a need to incorporate the transaction and/or communication into the firm's records system and other systems so the file record is made complete and uniform. There would also need to be a mechanism (preferably automated) to re-align the contact details recorded by IPA back to the attorney firm if the staff member's transaction disturbed that alignment. A problem of the above scenario is that anyone posing as a staff member of a firm would be able to make that type of communication.
- It seems that an automatic communication from IPA to the attorney firm is needed requesting legitimization of the transaction. IPA needs to make the responsible firm fully aware of such a situation. Such a mechanism would allow for legitimization without re-alignment being required. Although if the submission was made by the Right Holder the submissions made previously will apply.
- Prior created credentials should be able to be disavowed by IPA, made inoperable or deleted under different circumstances. For example by way of instructions from the Attorney Firm using the prior credentials those credentials can be made inoperable and a transfer of authority to the new PKI certificate registered with IPA to deal with a relevant matter on the IPA records. By way of further example, a separate shared information authority held by a person or entity should also be disavowed, made inoperable or deleted by the person who uses that shared information authority. IPA should also have the right (with AAT oversight) to make any of the various identity mechanisms inoperable with their systems.

General Comments

While we have used our best endeavours to answer the questions posed in respect of each of the scenarios as comprehensively as possible, it must be borne in mind that the questions are very far reaching in nature and it is impossible to provide a definitive answer for each question. The firms of our members have vastly different

practice procedures, record-keeping procedures, electronic transaction procedures etc. Also, the answers to some of the questions will differ depending, for example, on the type of transaction being effected, the identity of the Right Owner, the reasons for an action, etc. A number of these scenarios would be dealt with on a case-by-case basis and one would not necessarily want generalised rules governing all situations.

FICPI Australia
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