Proposal for change in practice – Notice of Entitlement

FICPI Australia does not agree with the proposal of IP Australia to abolish the requirement to file a Notice of Entitlement.

Whilst the current obligation of IP Australia gives rise to further case handling, it is the view of FICPI Australia that the Notice of Entitlement is one of the key documents relevant to the proper assessment of a person's application for the grant of monopoly rights under the Patents Act. FICPI Australia considers that public confidence in the patent system is predicated on robust and thorough examination of applications – this includes an assessment of whether an alleged invention meets the requirements of patentability and if so whether the grant is being made to the right person. It is FICPI Australia's position that these are the core responsibilities of the Commissioner.

Section 15 of the Patents Act is in unambiguous terms. It provides that a patent may only be granted to a person who falls into one of the categories identified in paragraphs 15(1)(a) to (d). This provision is not in terms of validity but is expressed in terms which indicate, we submit, that the Commissioner must be satisfied on the issue of entitlement before proceeding to grant. The Notice of Entitlement is the only documentation currently called for by IP Australia to be satisfied on this issue. Whilst the Notice of Entitlement does no more than identify the basis on which the applicant claims to be entitled, it does put before the Commissioner material on which she can be appropriately satisfied that a patent is being granted to the appropriate person and in accordance with section15.

Further, the Notice of Entitlement becomes part of the public record and this enables third parties to identify how it is that a patentee claims to be entitled to the rights in an invention.

FICPI Australia considers that the current Notice of Entitlement obligation is important in maintaining public confidence in the processes of the Patent Office, particularly in the present environment where there has been adverse press regarding patents found to be invalid due to entitlement issues. In this respect we attach a copy of an article which appeared in the Melbourne Age on 31 January 2008.

FICPI Australia would not have the same reservations concerning this issue if the Act were amended to allow for correction of entitlement, post grant, through an appropriate application to the Commissioner.

FICPI Australia

14 February 2008

per Greg Chambers
Secretary

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...d worked with the AFL ...ract sponsorship for the ...atch, which now includes

In South Australia, too, the match in the UAE is seen as an important part of the state's trade development program. State Department of Economic Development chief executive Ray Garrand says they will use

Japan.

"At current rates, there will be as many AFL footballers in South Africa as in Tasmania by 2009. We've run a successful Auskick program in South Africa (known as footywise) that has

Pretoria on Saturday, a week before the Dubai game.

Indigenous football legend Michael Long has been influential in promoting the game in South Africa — pointing out the

game.

Besides the Dubai clash and the South African development, the Melbourne Football Club led a business mission to China last year, so there is plenty

Tim Harcourt is chief economist of the Australian Trade Commission and author of *Beyond Our Shores*. See: www.austrade.gov.au/economistscorner

World-class innovation needs robust, reliable patent system

Technicalities can harm faith in intellectual property rules, writes Dimitrios Eliades.

IN AN environment in which innovation is encouraged as a means of maintaining Australia's international competitiveness and improving the quality of life, it seems incredible the main instrument for the protection of innovation, a patent, may be undermined by a technicality such as the correct naming of the inventor.

The matter becomes further exacerbated when the challenge is made not by a person claiming an interest in the invention, but by commercial rivals who have an interest in having the protection revoked.

This is the case in relation to an invention by two inventors for a water meter assembly, which was the subject of a petty patent that has now been revoked.

The invention disclosed in the petty patent is being made for the largest local council in Australia by commercial competitors of the inventors, and because the grant of the petty patent was made to only one of the two inventors, the patent was deemed invalid.

Recently, in associated litigation, a judge of the Federal Court determined that the court did not have power under the relevant legislation to cure such a defect by amendment of the document.

In this regard, the US and British governments recognised 60 years ago and 30 years ago, respectively, that it was not only inequitable that a patent's validity depended on absolute accuracy in naming the correct party entitled, but that it was an impediment to the encouragement of innovation.

In addition, both countries, allowed these matters to be rectified administratively by the equivalent of our Commissioner of Patents, and that such challenges could only be made by people actually claiming an interest in the patent.

In another case, two patentees of several patents dealing with stent devices faced the prospect of their three patents being declared invalid because one patentee took title by transfer from people they thought were inventors and were not, and the other took by transfer from the actual inventors.

The party obtaining title correctly faced the prospect of invalid patents. In both cases, our courts felt bound by old English decisions, some more than 100 years old.

The Government, through IP Australia, encourages Australians to seek to protect their innovations through the use of the patent system.

The patent has been promoted as a repository of rights, like real property, which gives the innovators confidence their invention may be protected.

Patents also promote the progress of science. In the hope of securing monopoly rights to exploitation, inventions are disclosed in exchange for a right to commercialise the invention for a fixed period.

This activity promotes improvement and advances in science, as the essence of the invention is required to be publicly disclosed.

This in the opinion of anti-trust (anti-monopoly) officials in the US, who believe it is vital to promote a "dynamic economy" rather than a "static economy".

It follows that in an environment in which patents may be held invalid after costly litigation through the courts on technical matters such as the party entitled to the patent, this lack of enforceability must undermine the confidence in the system of patents and proliferates a scepticism in investing in research projects.

Are these instances remote?

In an environment in which collaborative research is prolific, these laws threaten any patent where there may be teams of inventors, and either someone is omitted as the inventor or someone who has not made an inventive contribution has been named as a patentee.

Dr Dimitrios Eliades is from the faculty of law at Queensland University of Technology.

① The Age 31/1/08 p.B10

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...y, at the Adelaide Football Club, we take