The Institute of Patent and Trade Mark Attorneys of Australia

A.C.N. 004 194 263
A.B.N. 78 004 194 263

The Australian Federation of Intellectual Property Attorneys

22 February 2010

BY EMAIL

Ms Terry Moore
Director, Office of the Director General
IP Australia
PO Box 200
Woden, ACT 2605

Dear Ms Moore

Proposed Amendments to Patent & Trade Marks Attorney Privilege and Discipline Regimes

We refer to recent correspondence from Phillip Noonan concerning proposed amendments to the Patents Act 1990 and the Trade Marks Act 1995 in relation to attorney privilege and discipline.

As you know from our previous submissions and discussions, both IPTA and FICPI Australia consider reform in relation to client/attorney privilege to be much needed and we strongly support the direction of the proposed reform.

With respect to the details, we have concerns similar to those that have been raised by AIPPI and APAA in their joint submission of 18 January 2010. In most respects, we agree and support those submissions. In particular, we agree with the AIPPI / APAA submissions as they relate to oral communications with third parties. We also agree that it remains a viable and superior way to proceed by amending the Patents Act 1990 and the Trade Marks Act 1995 in accordance with the advice of Neil Young QC dated 15 January 2007. In particular, we prefer a statutory regime where the content of the privilege is defined by reference to the common law privilege which exists in cases where a communication is between a solicitor and client. With respect to communications with overseas non-lawyer patent and trade mark attorneys or agents, we are concerned that the draft drafting instructions suggest definitions for “patent practitioner” and “trade marks practitioner” which go beyond what is required or desirable to correct the anomalies which arise in light of the Federal Court decision in *Eli Lily v Pfizer*.

We note, for example, that under the IP Australia proposal the term “trade marks practitioner” would be defined in an analogous way to that proposed for “patent practitioner”. This would mean that “trade marks practitioner” would be defined to mean:

(a) a registered trade marks attorney;
(b) a natural person who is permitted to engage in trade mark practice before IP Australia or the Patent Office of another jurisdiction; and
(c) an employee or agent of a person referred to in paragraph (a) or (b).

Of course, this definition is broad enough to cover qualified and non-qualified persons alike. This could have quite unintended consequences. For example, a person who does no trade marks work at all could arguably meet the definition of "trade marks practitioner" (i.e. being a natural person who is permitted to engage in trade marks practice before IP Australia). A communication with such a person in relation to patents would then be privileged - as a communication in relation to an intellectual property matter (see section 229 of the Trade Marks Act). Similarly, and as is pointed out in the AIPPI / APAA submission, there are several countries of the world where there is no limitation on who is permitted to engage in patent practice before the relevant Patent Office. Therefore, the proposed definition of "patent practitioner" suffers from the same problems. We submit that it is inconsistent with public policy considerations relating to privilege that privilege would attach to communications with non-qualified advisors.

Whilst IPTA and FICPI Australia do not advocate a full review of qualifications and regulatory schemes applying in different countries of the world, we do believe that there should be appropriate restrictions on those practitioners for whom the privilege would be applicable. In Australia, we submit that there is no public policy reason for expanding the categories of persons with whom communications should be privileged. In the draft IP Australia drafting paper, the term "patent practitioner" is defined to include natural persons permitted to engage in patent practice before IP Australia in addition to registered patent attorneys. We see no reason for doing this. If a communication is with a lawyer, the communication is already privileged and if the communication is with a registered patent attorney, it would be covered by sub (a) in the proposed definition. Accordingly, in the proposed definition we see no reason to extend the group to persons who are not registered patent attorneys but otherwise are permitted to engage in patent practice before IP Australia. We note in passing that any natural person is permitted to engage in patent practice before IP Australia provided that it is not for gain (see section 201(7)).

We suggest that the term "patent practitioner" be defined so that for Australia the term is limited to those persons that are registered as patent attorneys, and for overseas to those persons that are registered as patent attorneys or patent agents, or otherwise (in order to cover those countries where there is not a registration system or where persons are not described as patent attorneys or patent agents) to natural persons suitably qualified and permitted to do those tasks directly associated with being a patent attorney. For example, the term "patent practitioner" could be defined to mean:

(a) a registered patent attorney;
(b) a natural person registered in a country or region other than Australia as a patent attorney or patent agent;
(c) a natural person qualified and permitted to prepare patent specifications for gain under the laws of a country or region other than Australia; and
(d) an employee or agent of a person referred to in paragraph (a), (b) and (c).

We note from the draft drafting instruction (towards the bottom of page 3) that it is considered by IP Australia to be desirable that the privilege would not apply to a

communication from a person who is acting as a patent agent in a developing country who is not subject to a meaningful regulatory regime. We do not consider that the proposed definition of "patent practitioner" would achieve that end. If that is desired, an addition to the proposal above would be to prescribe relevant countries for the purposes of sub paragraphs (b) and (c).

With respect to the definition "trade marks practitioner" we consider that a similar definition could be adopted, e.g. trade marks practitioner means:

(a) a registered trade marks attorney;
(b) a natural person registered in a country or region other than Australia as a trade marks attorney or trade marks agent;
(c) a natural person qualified and permitted to prepare applications for the registration of trade marks for gain under the laws of a country or region other than Australia; and
(d) an employee or agent or a person referred to in paragraph (a), (b) or (c).

We note that in a number of countries it may be a moot point whether a person is qualified to prepare applications for the registration of trade marks. In some countries there is no qualification process. In those countries where there is not a qualification process it may be said that a person with non trade mark qualifications (such as a Bachelor of Arts) may be sufficiently qualified under the laws of that country or region to prepare applications for the registration of trade marks. As such, we consider it more important in the case of trade mark practitioners that consideration be given to prescribe specific countries or regions under sub-paragraph (c), or if this is not done, to remove sub (c) altogether.

As you will appreciate from the foregoing, IPTA and FICPI Australia strongly support the direction outlined in the draft of the drafting instructions for amendments to both the Patents Act 1990 and the Trade Marks Act 1995. We are concerned however, to ensure that any amendments made to the respective Acts do not have the effect of conferring privilege on communications with unqualified persons.

Finally, with respect to the proposed amendments to the attorney discipline regime, we fully support the proposals to deal with attorneys who have been charged with serious criminal offences.

We would welcome the opportunity to discuss these issues further with you if it would assist in finalising the proposed drafting instructions.

Yours sincerely

Michael Caine
Convenor – Legislation Committee
Institute of Patent & Trademark Attorneys of Australia

Greg Chambers
President
FICPI Australia