# Cornerstones for Harmonisation: a B+ Sub-Group / Industry Symposium Munich, Tuesday, 20th June 2017

**Summary of Position of Australian/NZ Users** 

#### **GENERAL COMMENTS**

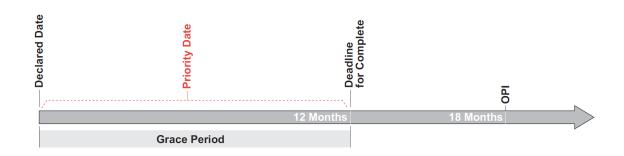
- 1. We generally prefer an approach, which favours simplicity over complexity, so as to encourage use of the system.
- 2. That is particularly so where additional complexity provides marginal or speculative benefit, or where it produces undesirable results.
- 3. Consistently with this, we favour a "safety net" approach to the grace period, and prior use rights, which correspond to this approach.
- 4. Similarly, in relation to secret prior art, we prefer an approach, which does not involve a necessity for anti-self-collision or related mechanisms.
- 5. The following tables provide suggestions in relation to particular issues in respect of the grace period, prior user rights and conflicting applications topics respectively.

### **GRACE PERIOD**

ELEMENT	AU/NZ POSITION	REASON
Туре	Safety net	Grace period should not provide any advantages beyond removal of PFD as prior art
Duration	Up to12 months, ceased by filing date	For all reasons set out in B+ background paper, but it is also important for GP to notionally align with priority period. There needs to be a date declared by the patent applicant which is the date from which the 12 month GP begins, which is preferred over priority date because there will be no extension of patent term and because there is no harmonisation of priority entitlement and so loss of priority will not lead to loss of GP protection. See diagram below.
Burden of proof	Applicant/Patentee	The applicant or patentee is in the best position to establish entitlement to GP
Scope	All disclosures by or on behalf of the inventor or successor in title including republication, but excluding patent publication	This extends scope of GP and avoids need to consider whether or not disclosures are authorised. Once applicant has filed a patent application for the invention, the GP should not be used to extend patent term.
Declaration / Statement	Declaration to take the form of non-prejudicial identification as to whether the grace period is relied on and identifying the date/s and location of disclosure, to be made on filing of the priority document.  This could form part of bibliographic data associated with an INID code for each of the declared date – commencement of the GP and the country code - indicating which country	Further detail in a statement may be undesirable because, in many cases, it is difficult to know whether an act or disclosure made prior to patent filing does constitute relevant "enabling" prior art for a particular jurisdiction, or it may be unclear whether it is public or confidential. There is also a risk that statements will be used as a basis for speculative discovery or be deployed as admissions against interest by the applicant in ways that are difficult to foresee.  Administrative fees may apply to encourage promptness and accuracy in the filing of the suggested declaration.

or countries the GP act or publication took place.

Early publication	The arrangement proposed above could also involve a form of early publication.	The arrangement proposed above could additionally include forcing publication 18 months beyond the declared date of commencement of the GP, which will be earlier than 18 months from the priority date created by the filing of the first patent application. Third parties would be no worse off than under current system. See diagram below.
Defence for intervening user	No	Unduly complex and not warranted



## **PRIOR USER RIGHTS**

ELEMENT	AU/NZ POSITION	REASON
Time period	Any time before priority date	The priority date is the date the patentee has first filed an application to protect the invention. Activities commenced after that date by a third party should not give rise to a PUR
Use required	Actual use or serious and definite preparations for use	It should be acknowledged that the activities by the prior user might fall short of actual use
Derived knowledge from PFD	Use can be based on derived knowledge, if not contrary to law or breach of confidentiality	This should be a risk associated with a PFD, consistent with idea that GP is a safety net, and the PFD should not give any other rights to applicant, including a right to prevent accrual of PUR
Loss of PUR	Abandonment of use or use ceasing prior to priority date	If prior use ceases or is abandoned prior to priority date, then PUR should be lost. The prior user should not be able to restart use or preparations after successful commercialisation by patentee
Territory	Only territory for which use has occurred or for which serious and definite preparation for use as occurred	The PUR must be a limited right, or it will interfere with the ability of the patentee to commercialise the invention successfully. The PUR holder should not be able to extend into new territories where the patentee has created a market
Exceptions	None	Any person who satisfies the requirements should be eligible for a PUR
Burden of proof	Party seeking PUR	Since a PUR effectively represents a "free" licence under a patent, the party seeking or relying on the PUR should be required to prove entitlement
Changes in activity	Limited - restricted to embodiments used or for which serious preparation have been made to use and limited variants thereof.  Proposed infringement test not appropriate.  Changes in volume permissible.	The PUR must be a limited right, or it will interfere with the ability of the patentee to commercialise the invention successfully. While scope should be allowed for legitimate variations in embodiments of a product or process the PUR holder should not be able to expand product or service range to cover new products and services for which the patentee has created a market. The proposed infringement test is too broad, since the activity on which

PUR is based will most likely infringe broadest claim.

Transfer	Cannot be licensed. Must be transferred	The PUR must be a limited right, or it will interfere with the ability of the patentee to commercialise the invention successfully. Allowing PUR holder to licence will create numerous competitors for patentee.

# **CONFLICTING APPLICATIONS**

ELEMENT	AU/NZ POSITION	REASON
Content citable	Whole of contents	While it is only necessary to consider prior claims to avoid double patenting, examination of the later application cannot be completed until fate of earlier application is known. Also the prior claiming tests (including notional rewriting of broad claims to encompass claims to preferred or disclosed embodiments) were overly complex.
Test	Novelty only	This avoids double patenting in a way that gives priority to the first applicant, but takes into account that the first and second applicants have both made effectively the same invention over the same prior art, and have both allowed their inventions to be published using the patent system. While we see a possible case for enlarged novelty, we do not see a basis for extension to a full inventive step test.
Terminal disclaimer	No	The added complexity of a terminal disclaimer system, including determining relationship between first and second applicant, is not warranted to avoid the later expiry (up to 18 months) of second patent. Not required in a system that treats same applicants and different applicants equally (see below)
Protection against self collision	None beyond recognition of partial or multiple priorities	In a whole of contents novelty system where applicants are treated equally and where multiple and partial priorities are fully recognised there is no need for protection against self collision.
PCT applications	Only citable if national phase entered	If application does not enter national phase then no danger of double patenting in that jurisdiction. Although a PCT application is notionally an application in all designated countries, this is something that must be confirmed by national phase entry.