

A GUIDE TO PATENTS IN AUSTRALIA & NEW ZEALAND



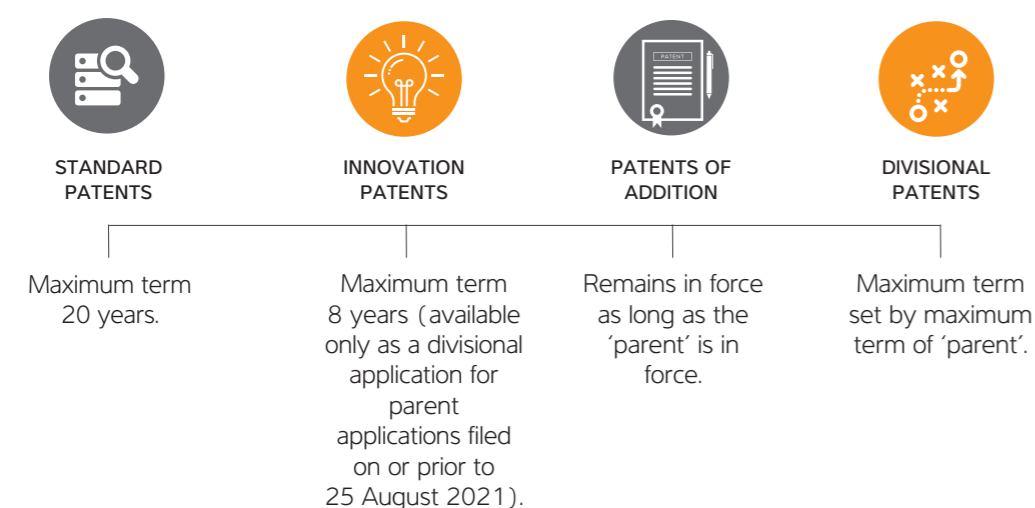
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As you explore the myriad of variances in the global patent landscape across jurisdictions, this guide provides you with an overview of the key features of the patent systems in Australia and New Zealand.

Australia

Australia has several types of patents available. These include:



Patentable Subject Matter

Australia has a broad range of patentable technologies, including software and business methods, although only in certain circumstances and conditions. The law in Australia continues to develop in this regard. Methods of treatment of human beings and 'second medical use' claims are also acceptable (Swiss type claims).

Grace Period

Australian patent law provides a 12 month grace period in respect of disclosures by the Applicant. The grace period excuses disclosures by the Applicant within 12 months prior to the date of filing a complete (standard or innovation) application. However, the grace period has limited application and should only be relied on as a last resort

Novelty & Inventive Step

Australian standard, innovation and addition patents require absolute novelty in Australia. Inventive step (non-obviousness) is required for standard patents and innovation patents require a lower threshold, called innovative step.

The prevailing novelty test in Australia is strict. That is, to anticipate a claim, a prior art document must clearly "teach, in the sense of direct, recommend or suggest" the claimed invention.

The prevailing test for inventive step in Australia is onerous. For a claim to be considered obvious, a person skilled in the art must be directly led to the invention (that is by following routine steps) in the expectation that performing the invention will provide a useful result. If it can be argued that a skilled person in the art is faced with a large number of alternate paths, then an examiner may

have difficulty in sustaining an objection based on an argument that the person would be directly led to follow the path of the invention.

Innovative step requires only that the differences from the prior art make a 'substantial contribution to the working of the invention'. This is a low hurdle.

Claims

There is no limit on claim number in Australia for standard patents/patent applications. Australia allows multiply-dependent claims, and allows as many independent claims as desired.

However, Innovation Patents may have only 5 claims, although each may be independent.

Renewals

Annual renewals are payable for Australian standard applications from the fourth anniversary of the filing of the application (being either the Australian filing date of a Paris Convention filing, or the International filing date for PCT applications).

PCT

Australia is a 31 month PCT country.

Amendments cannot be made 'at' entry to the national phase in Australia. However, amendments can be made, and are often recommended, after national phase entry. Such amendments are often best made at the same time as, or shortly after, the filing of the request for examination.

Re-examination

Re-examination is available in Australia. This will typically occur due to a third-party submission of prior art. Re-examination is limited to considerations of novelty and inventive step based on prior art documents. Re-examination may occur during opposition, although this will usually only occur with the consent of the parties.

Pharmaceutical Patent Extension of Term

An extension of term is available for pharmaceutical patents if certain specific preconditions are met.

The patent must include at least one claim covering a pharmaceutical substance, per se, or at least one claim covering a pharmaceutical substance produced by a process that involves the use of recombinant DNA technology. The extension is provided to compensate for the time it can take to obtain regulatory approval in Australia, by way of the Australian Register of Therapeutic Goods. The extension cannot exceed 5 years..

Oppositions

Australia has a pre-grant opposition procedure for standard patents, in which an interested third party may oppose the grant of an accepted patent application. The grounds available at opposition are the same as those available post-grant for revocation of a patent in Australia, including lack of novelty and/or inventive step, and a variety of 'internal' points, including lack of clarity and/or sufficiency. The Australian opposition system is evidence based and often takes 2 or more years to resolve. The decision in the opposition may be appealed to the Australian Federal Court.

There is also opposition for innovation patents, although this procedure applies post-certification (examination).

Extensions of Time

Australia has relatively generous extension of time provisions, by which extensions may be obtained where, due to an error or omission from the

Applicant or their agent, an action that was due was not taken. In general terms, if the Applicant had determined to take a particular step in respect of an application, and an error or omission occurred that frustrated that intention, then an extension will typically be available. Extensions should always be sought without delay.

Enforcement

Australian patent law provides the patentee with the exclusive right to exploit the invention. Largely, this provides the patentee with the exclusive right to make, use, sell or license the claimed invention.

Both the federal and state courts have jurisdiction to hear patent infringement cases, however the Federal Court is nearly always selected due to its greater experience in hearing patent matters.

When proceedings for infringement are commenced, it is routine that the defendant will deny infringement and to make a cross-claim for revocation of the patent. Infringement and validity issues are nearly always tried together. In the first instance, such matters will be heard by a single judge of the Federal Court. Technical expertise is provided by expert witnesses retained by the respective parties. A successful plaintiff will usually be entitled to an injunction prohibiting the infringing activity and either an award of damages or an account of profits.

An appeal 'as of right' to the Full Court of the Federal Court against a judgement at first instance is available. An appeal to the Full Court requires special leave to be granted.

Revocation

In Australia, a third party may apply to a court to have the patent revoked. It is not necessary that there be a threat of infringement prior to the making of an application for revocation. However, applications for revocation are usually made as a cross-claim pursuant to an infringement claim.

The grounds available for revocation in Australia include:

- The patentee is not entitled to the patent.
- The invention is not a patentable invention (manner of manufacture, novelty, inventive step, utility, secret use).
- The patent was obtained by fraud, false suggestion, or misrepresentation.
- An amendment was obtained by fraud, false suggestion, or misrepresentation.
- The specification does not fully describe the invention, including the best method, or that the claims are not clear and fairly based.



New Zealand

Types of Patents

A New Zealand patent offers protection up to 20 years. Additional protection can be filed, such as "patents of addition" (where the patent of addition remains in force as long as the 'parent' is in force) and divisional patent applications (if filed before acceptance).

Patentable Subject Matter

New Zealand also has a broad range of patentable technologies, such as software and business

methods, although only in certain circumstances and conditions (for example, computer programs are only patentable if the actual contribution does not lie solely in it being a computer program).

Specific exclusions to patentability include inventions contrary to public order or morality, human beings and processes, methods of treatment and diagnosis of human beings, and plant varieties developed through traditional breeding techniques.

Grace Period

In New Zealand, a 12 month grace period is provided for limited public disclosure, such as an unauthorised disclosure may be disregarded as prior art. There also exists a 6 month grace period for disclosures at prescribed exhibitions. However, the grace period has limited application and should only be relied on as a last resort.

Novelty & Inventive Step

In New Zealand, all patents now require absolute novelty in contrast to the previous local novelty standard. 'Absolute novelty' expands the prior art base to include matter available to the public anywhere in the world. Prior art documents filed before but published after the filing date are assessed using a 'whole of contents' approach.

Inventive step is now considered during examination. The test applied during examination is that set out in several cases, both in New Zealand and in the UK Court of Appeal. The test considers the differences between the invention and what's disclosed previously in any document, and whether the invention is obvious over the document when considered in light of the common general knowledge held by a person skilled in the art. To avoid an objection, the invention must be patentable on the 'balance of probabilities'.

Utility

Usefulness is also a requirement to patent an invention in New Zealand. This requirement is satisfied when an invention has a specific, credible, and substantial use.

Claims

There is no limit on claim numbers in New Zealand for patents/patent applications, allowing as many independent and dependent claims as desired.



Renewals

In New Zealand, annual renewals are payable for patent applications from the fourth anniversary of the filing of the complete specification (being either the New Zealand filing date of a Paris Convention filing, or the International filing date for PCT applications).

PCT

New Zealand is also a 31 month PCT country.

Amendments may be made when submitting a request to enter the national phase, requiring a statement of support and marked-up pages of the proposed amendment.

Re-examination

Re-examination is also available in New Zealand and can be filed by any person at any time after acceptance and post-grant, or may also be ordered by the courts. The grounds available under re-examination are the same as for oppositions pre-grant, and the same for revocations post-grant.

Pharmaceutical Patent Extension of Term

No extensions of patent term are available in New Zealand.

Oppositions

New Zealand has a pre-grant and post-grant (also referred to as post-grant revocation, further discussed below) opposition procedure for patents, in which any person may oppose the grant of an accepted patent application. Pre-grant opposition is only available between advertisement of acceptance and three months (or four if an extension is granted) thereafter. The grounds available at opposition include lack of novelty and/or inventive step, subject matter not an invention, claims lack fair basis or clarity, or are not succinct, lack of entitlement, secret use and contrary to law. All pre-grant opposition proceedings are evidence based.

Extensions of Time

In New Zealand, extensions of time are available in certain circumstances. Typically, these require that the applicant and their attorneys have acted with 'due diligence and prudence' in efforts to meet deadlines. Failures in delivery methods are suitable basis for an extension. Unlike Australia, there is no specific focus on 'error or omission' as the basis for an extension, although these circumstances may be covered by a catchall provision relating to the Commissioner being able to grant extensions on 'any terms or conditions' they see fit.

Enforcement

In New Zealand, patent law provides the patentee with the exclusive right to exploit the invention.

Largely, this provides the patentee with the exclusive right to make, use, sell or license the claimed invention.

The majority of litigation, including patent infringement litigation, is conducted before the High Court rather than the District Court. Both the High and District courts have jurisdiction to hear patent infringement cases, although the High Court is

nearly always selected due to its greater experience in hearing patent matters.

When proceedings for infringement are commenced, it is routine that the defendant will deny infringement and to make a cross-claim for revocation of the patent. Infringement and validity issues are nearly always tried together. In the first instance, such matters will be heard by a single judge of the High Court. Technical expertise is provided by expert witnesses retained by the respective parties. A successful plaintiff will usually be entitled to an injunction prohibiting the infringing activity and either an award of damages or an account of profits.

Revocation

The grounds available for revocation in New Zealand include:

- Not an invention (manner of manufacture, novelty, inventive step, utility).
- Lack of entitlement.
- Non-compliance (for specification requirements).
- Obtaining (false suggestion or representation).
- Secret use.
- Contrary to law.

Revocation proceedings may proceed through the Intellectual Property Office of New Zealand (IPONZ) or the court at any time after a patent has been granted.

The above information is provided as a guide only and we encourage you to contact us to discuss your specific circumstances.



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Working with start-ups to multinationals since 1920, we are one of Australia & New Zealand's largest independent IP specialist firms.

Intellectual property lawyers, attorneys and advisors all under one roof, ready to protect, grow and defend your valuable assets, locally and globally.

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