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OF AUSTRALIA

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17 February 2017

Attention: Ms Lisa Bailey

Dear Ms Bailey,

Exposure Draft of Intellectual Property Laws Amendment Bill (2017) and Intellectual Property Laws Amendment Regulations (2017)

I have pleasure in enclosing a submission which has been prepared by the Intellectual Property Committee of the Business Law Section of the Law Council of Australia.

If you have any questions in relation to this submission, in the first instance please contact the Committee Chair, Wayne Condon, on 03-9243 8344 or via email: wayne.condon@griffithhack.com

Yours sincerely,

Teresa Dyson, Chair
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Enc.

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Law Council of Australia – Business Law Section - Intellectual Property Committee (IPC)

Submission in relation to the Exposure Draft of the Intellectual Property Laws Amendment Bill 2017 and Intellectual Property Laws Amendment Regulations 2017

Introduction

Given the limited time available to the IPC to consider the detailed provisions of the Bill and the Regulations the IPC has made comment on those parts of the proposed legislative amendments which it considers to be of most pressing importance. To the extent that the Bill or the proposed Regulations are not addressed below the IPC is not in a position to provide comments at this stage.

Part 1 of Schedule 1 of the Bill – Renewals and terminology

Trade Marks

The IPC does not agree with the proposed amendments relating to the removal of the requirement for the Registrar to issue notices of renewal. This amendment could lead to the loss of rights for rights owners, particularly small to medium enterprises and individuals. There are a higher number of trade mark self-filers than is the case for patents, designs or plant breeders rights, where applicants for registration of rights are very often professionally represented. It may also be the case that small to medium enterprises and individuals will more likely lack professional representation than is the case for large enterprises. In addition, the IPC notes the frequent outbreaks of unauthorised services, often appearing to be “Official” services, purporting to offer “renewal” services and the confusion, if not fraudulent practices, these give rise to. In these circumstances, the requirement to send renewal notices assists those who do not have professional representation or access to sophisticated deadline reminder systems to preserve their trade mark rights.

Part 3 of Schedule 1 of the Bill – Extensions of time and protection of third parties

The IPC notes that the proposed changes to provisions dealing with intervening rights in circumstances where an IP right has ceased or has lapsed would establish a very different paradigm to the current way of dealing with such rights. The IPC notes that there are very real and immediate ramifications arising from any change to the law in this area given, for example, the fact that there are patent proceedings, in at least one matter, presently before the Federal Court in which alleged intervening rights are at issue.

For the reasons set out below the IPC has a preference, in the case of patents, for maintaining the status quo in relation to how intervening rights are dealt with, i.e. by way of an application

for a licence to permit continued exploitation of a restored patent. The IPC notes that if it were considered unduly burdensome on the scarce resources of the Commissioner to have to deal with such applications then consideration ought to be given to transferring that jurisdiction to the Federal Court.

Patents

Extensions of Time

For analogous reasons to those referred to below on this topic in relation to trade marks the IPC favours the retention of a discretion on the part of the Commissioner to refuse applications for extension of time greater than three months, even if a permitted ground is established.

Protection of Third Parties

No good reason has been demonstrated for changing the current procedure and it is submitted the present arrangement is satisfactory, and gives greater flexibility to deal with the different circumstances which may arise. There is no evidence known to IPC members or cited in the explanatory memorandum that suggests the current procedure has not been working.

Contrary to the explanatory note the proposals do not align with other jurisdictions in important respects.

If, despite the above submission, the proposed amendment is pursued, specific aspects of the exposure draft are problematic.

It is submitted that there should be a good faith requirement.

Additional protection is required in relation to use of products supplied by the third party. The suggested provision in its current form would expose the purchaser of those products to an infringement claim. At a minimum a provision similar to s 28A(6) of the UK Patents Act should be included:

Where a product is disposed of to another in exercise of a right conferred by subsection (4) or (5) above, that other and any person claiming through him may deal with the product in the same way as if it had been disposed of by the applicant.

The right to licence third parties should be excluded without wholly prohibiting licensing

Proposed changes to Australian third party protection provisions

The proposed amendments to the Patents Act 1990 (Cth) with regard to third party protection are:

- the removal of the compulsory licence application process contained in reg 22.21 of the Patents Act Regulations; and
- the addition of new third party protection provisions which will confer automatic rights to exploit the invention concerned.

The proposed third party protection provisions appear in s 41, s 150 and s 223H of the draft Bill in this form:

Protection of third parties

- (5) *A person (the initial person) who started to exploit, or who took definite steps by way of contract or otherwise to exploit, the invention concerned during the period mentioned in paragraph (4)(c) may, at any time after so starting or after taking the definite steps, do either or both of the following:*
- (a) *exploit the invention concerned;*
 - (b) *dispose of the right to exploit the invention concerned to another person.*
- (6) *However, paragraph (5)(a) ceases to apply in relation to the initial person if the initial person disposes of the right to exploit the invention concerned to another person.*
- (7) *A person (the later person) who, under subsection (5) or this subsection, acquires the right to exploit the invention concerned, may, at any time after the acquisition, do either or both of the following:*
- (a) *exploit the invention concerned;*
 - (b) *dispose of the right to exploit the invention concerned to another person.*
- (8) *However, paragraph (7)(a) ceases to apply in relation to the later person if the later person disposes of the right to exploit the invention concerned to another person.*
- (9) *The initial person, or the later person, must not grant a licence to another person to exploit the invention concerned.*
- (10) *If, apart from this subsection, the doing of a thing in accordance with subsection (5) or (7) would infringe a patent for the invention concerned, then the doing of the thing does not infringe the patent.*

The current mechanism for protecting third parties who begin to exploit a lapsed patent involves an application by the third party to the Commissioner for a licence to exploit (reg 22.21 Patents Regulations). Under the proposed provisions (ss 41(5)-(10), 150(6)-(11) and 223H) the protection arises automatically in any case where the exploitation begins between the expiry and restoration of the patent.

The Explanatory Memorandum states that the proposed changes are to give greater certainty to third parties and reduce an unreasonable burden on third parties who acted reasonably and made no error. It also states that the current approach is inconsistent with the approach of other major jurisdictions.

Detailed consideration

While the proposed changes would give greater certainty to third parties, it would also result in much less flexibility as to the terms of any licence granted.

While few parties make use of the current mechanism by making a formal application to the Commissioner, it must be recognised that commonly such matters can be expected to be dealt with by negotiation before a formal application is made or becomes necessary. Negotiation between parties is inevitably conducted with knowledge of the existence of the right of a third party to apply for a licence. The present legislation can therefore be effective simply by providing the framework within which the parties can negotiate an agreement. The IPC believes that the fact that the present legislative provisions are rarely used may be testament to their effectiveness.

The IPC believes that moving to a prescriptive and automatic right to exploit could result in undesirable outcomes in particular circumstances. Examples of the factors not taken into account by the proposed amendments are as follows:

- The third party may have taken a minor step or may on the other hand have invested in expensive research, plant or equipment.
- The third party may have started to exploit the patent across its scope or in only a minor aspect.
- The third party may have contemplated broad use or only a narrow specific use.
- The third party may have acted with its eyes open knowing the patentee had made a mistake or alternatively in the belief that the lapse was intended.
- The third party may not have acted in good faith.
- The third party may have been implicated as a causative agent in the ceasing of a patent (this possibility was raised briefly as a factor relevant to whether a licence should be granted in *HRC Project Design v Orford* (1997) 38 IPR 121, 125).
- The patent may naturally be capable of exploitation only by licensing others (for example a method of medical treatment).
- The patentee's responsibility for the lapse may vary widely, for example, they may be blameless (the error might be that of someone else), grossly negligent or may even have deliberately let the lapse occur, changing their mind only after finding out about the third party's use.

As a general rule it is desirable to have procedures which minimise cost and maximise certainty. The IPC accepts that in many instances the power to exercise a discretion is apt to lead to cost and uncertainty. However, in the case of the protection of third party rights, the potential circumstances are so diverse that it is submitted that an automatic one size fits all option is not appropriate. A discretion enables the Commissioner to take into account factors like those outlined above and also to tailor the terms of the licence/right to exploit including:

- whether the licence should extend to the whole patent or should be restricted to any particular form of the invention, and
- whether and to what extent the third party should be entitled to sub-licence and any other general terms necessary (see *HRC Project Design v Orford* (1997) 38 IPR 121).

The IPC therefore believes that preserving the present process whereby the Commissioner is empowered to set the terms of a licence allows for account to be taken of the type of invention and appropriate licensing and assignment arrangements.

Detailed issues regarding the proposed amendments

Even if the concerns expressed above are not accepted the IPC suggests that the proposed amendments as currently drafted will, for practical purposes, often be ineffectual.

Exploitation of a product patent includes the use of the product and exploitation of a patent for a method or process includes the use of a product which results from the use of the method or process. Unless a third party, who acquires the right to use under the proposed amendments, can licence the right to exploit to those who purchase its products, the right to make and sell the product will be

rendered ineffectual. Commonly, a licence to use in such circumstances is implied, but such an implication would not survive the express statutory prohibition in proposed s41(9) of the Patents Act. It is suggested that an appropriate course would be to include protection for purchasers of protected third party products. An example is the UK approach (see s28A(6) of the Patents Act):

- (6) *Where a product is disposed of to another in exercise of the rights conferred by subsection (4) or (5), that other and any person claiming through him may deal with the product in the same way as if it had been disposed of by the registered proprietor of the patent.*

The drafting of the proposed amendments is also unsatisfactory in that it purports to prohibit absolutely the third party from licensing others. Rather than prohibition, the more appropriate course is to specify only that the section does not confer the right to sub-licence. The UK legislation (see s28A(4)(b): "...but this right does not extend to granting a licence to another person to do an act.") is an example of this approach.

This is important because there will be circumstances where there is uncertainty as to the scope and validity of claims in relation to a particular product and there will be circumstances where licences are granted in relation to a product which embodies other intellectual property rights. It is one thing for the parties in such a case to enter into a licence in relation to the product knowing of the risk that the licence might be ineffective if, and to the extent, it relies on the statutory protection. It is another to purport to prohibit such a licence being granted at all.

Consistency with major international jurisdictions

The proposed changes do not bring Australia into alignment with other major international jurisdictions. The present procedures would in fact allow a consistent outcome to be achieved if the Commissioner adopted an approach that achieved that result in a typical case, but the new prescriptive rules are different in language and effect from those in other jurisdictions

For example, the New Zealand protection precludes the bringing of an action in respect of patent infringement only to the extent that the third party continues to avail themselves of the invention in the manner in which they did so prior to the patent's restoration, or in the manner that the third party contemplated doing so upon the completion of their definitive steps (reg 121(3), Patent Regulations 2014 (NZ)). The approach in the UK also differs in a number of important respects including the requirement for good faith (s28A(4)) which is not part of the proposed amendments and also in relation to licensing and product use as already noted.

If, despite the above submission, the proposed amendments are introduced, the IPC believes that specific aspects of the exposure draft are problematic:

- The IPC suggests that there should be a good faith requirement;
- Additional protection is required in relation to use of products supplied by the third party. The suggested provision in its current form would expose the purchaser of those products to an infringement claim;
- The right to licence third parties should be excluded without wholly prohibiting licensing.

Trade Marks

The IPC agrees with the proposed amendments relating to short extensions of time in proposed section 224B. Given the short time frame involved, the IPC considers that the proposed provisions achieve a satisfactory balance between the interests of trade marks owners and applicants and the interests of third parties.

The IPC is less confident that the provisions in proposed section 224C relating to extensions greater than 3 months achieve a satisfactory balance of the various interests as they clearly favour the interests of trade marks owners and applicants. This is because there is no limit on the length of the extension that can be granted under this section and the Registrar has no discretion to refuse to grant extensions if a permitted ground is established. The proposed new subsections 128(4) and (5), while necessary safeguards, do not provide adequate protection for third parties. To protect third parties in appropriate circumstances where long extensions are sought the IPC considers that the Registrar should continue to have the discretion the Registrar currently has not to grant an extension of time and that section 224C should be accordingly redrafted to achieve this result.

The IPC believes that trade marks can be distinguished from the other IP rights as far as longer extensions of time are concerned. In particular, in addition to provisions similar to the new subsections 128(4) and (5), there are further provisions existing or proposed in relation to designs and patents protecting third parties who are prejudiced by the grant of an extension of time for doing a relevant act. Section 139 of the *Designs Act 2003* allows a person who took definite steps to use a design commercially after the registration of the design ceased because of a failure to do a relevant act to continue to use the design after the registration is restored or to sell the right to use the design. Proposed new s 223H of the *Patents Act 1990* allows a person who started to exploit an invention after the lapsing of a patent application or the ceasing of a patent because of a failure to do a relevant act to continue to exploit the invention after the application or registration has been restored or to dispose of the right to so exploit. The IPC appreciates that given the nature of a registered trade mark, it is not desirable to introduce trade marks provisions to the same effect as section 139 of the Designs Act and proposed new section 223H of the Patents Act – the likelihood of confusion is too great. But the absence of such third party protection provisions distinguishes trade mark rights from the other IP rights and clearly justifies the retention of the Registrar’s discretion when considering whether to grant extensions pursuant to the new section 224C.

Registered Designs

The IPC agrees with the proposed amendments relating to short extensions of time in proposed section 137B. Given the short time frame involved, the IPC considers that the proposed provisions achieve a satisfactory balance between the interests of designs owners and applicants and the interests of third parties.

The IPC is less confident that the provisions in proposed section 137C relating to extensions greater than 3 months achieve a satisfactory balance of the various interests as they clearly favour the interests of designs owners and applicants. This is because there is no limit on the length of the extension that can be granted under this section and the Registrar has no discretion to refuse to grant extensions if a permitted ground is established. In order to protect third parties in appropriate circumstances where

long extensions are sought the IPC considers that the Registrar should continue to have the discretion the Registrar currently has to refuse to grant an extension of time and that section 137C should be accordingly redrafted to achieve this result.

The IPC also notes that the provisions in section 139 of the Designs Act are less generous to third parties than the provisions in proposed section 223H of the Patents Act. Persons who acquire the right to exploit the invention pursuant to section 223H are permitted under subsection 223H(4) to dispose of the right to so exploit, whereas a purchaser of the right to use a design is prohibited under subsection 139(4) of the Designs Act from selling the right to use the design. The IPC is not aware of the reasons for so limiting the powers of purchasers of the right to use a design and considers that section 139 should be amended to enable such purchasers to sell the right to use the design. The IPC is also not aware of the reasons for prohibiting persons who acquire the right to use a design from granting licences to others to use the design and thus considers section 139 should be amended to allow the grant of such licences.

There is no general definition of “use” in relation to a design in the Designs Act and the absence of a definition of “use” at least in relation to section 139 is unsatisfactory. The IPC considers that the meaning of “use” in section 139 should be clarified. It appears that any such definition of use should cover the acts currently set out in section 71 as constituting an infringement of a registered design.

However, from the terms of subsections 139(3) and (4) it is clear that third parties have no power to grant a licence to another person to use the design in question. The IPC considers that an express total prohibition on licensing is inappropriate. At the very least there should be no doubt as to the following:

- (a) that persons who acquire the right to use a design pursuant to section 139 can arrange for others to make on their behalf products embodying a design identical or substantially similar in overall impression to the registered design;
- (b) that where products are made in accordance with the rights granted by section 139, any person may deal with the products without infringing the registered design; and
- (c) that, if the importation of products does not constitute an infringement of a registered design due to the rights granted by section 139, any person may deal with the imported products without infringing the registered design.

While the protection of third parties in relation to designs is not as potentially complex as that in relation to patents, if it is determined that the flexible approach currently set out in regulation 22.21 of the Patents Regulations should be retained, the IPC considers it would be useful to consider whether such an approach is preferable to the automatic right to use the design set out in section 139.

Part 4 of Schedule 1 of the Bill – Written requirements

Patents

The IPC agrees that the legislation should permit the Commissioner to use efficient and appropriate means of communication but the IPC considers it is important that all notifications are in a visible form that can be stored and retrieved in the event that there is any subsequent dispute regarding the notification. Thus, the IPC considers that proposed section 220A is drafted too broadly. In particular,

the terms "by any means of communication" do not require notifications in a visible (reproducible) form and would permit an oral notification.

Trade Marks

The IPC agrees that the legislation should permit IP Australia to use efficient and appropriate means of communication but the IPC considers it is important that all notifications are in a visible form that can be stored and retrieved in the event that there is any subsequent dispute regarding the notification. Thus, the IPC considers that proposed section 214A is drafted too broadly. In particular, the terms "by any means of communication" do not require notifications in a visible (reproducible) form and would permit an oral notification.

Registered Designs

The IPC agrees that the legislation should permit IP Australia to use efficient and appropriate means of communication but the IPC considers it is important that all notifications are in a visible form that can be stored and retrieved in case there is any subsequent dispute regarding the notification. Thus the IPC considers that proposed section 144D is drafted too broadly. In particular, the terms "by any means of communication" do not require notifications in a visible (reproducible) form and would permit an oral notification.

Part 5 of Schedule 1 of the Bill – Filing requirements

Patents

The proposed amendments allow for the Commissioner to determine methods by which documents may be filed with the Patents Office.

In determining those methods, it will be important for the Commissioner to identify methods that ensure that an accurate record is kept of precisely what documents are filed and the time when those documents are filed. Since the time of filing of documents may affect the rights and liabilities of both patentees and third parties, it is critically important, especially in the context of disputes, to have a publicly available record of documents filed, including the date and time of filing.

Trade Marks

The IPC supports these provisions provided the various Determinations and Directions of the Registrar are readily available including copies of superseded Determinations and Directions.

Registered Designs

The IPC supports these provisions provided the various Determinations and Directions of the Registrar are readily available including copies of superseded Determinations and Directions.

Part 6 of Schedule 1 of the Bill – Official Journal

Trade Marks

It is difficult to comment on the proposed provisions in this Part as it is not clear what, in practice, is intended by the new process of publishing or giving information via IP Australia's website or by any other electronic means as provided in proposed section 230A. The IPC considers it is imperative that all relevant information continue to be made publicly available in a form that effectively archives the information and allows for electronic searching in a manner equivalent to that currently provided by the electronic Official Journal of Trade Marks. For example, it should remain possible for persons to search for what trade mark applications have been filed or what trade marks have been registered during a particular period of time.

Registered Designs

It is difficult to comment on the proposed provisions in this Part as it is not clear what in practice is intended by the new process of publishing or giving information via IP Australia's website or by any other electronic means as provided in proposed section 148A. The IPC considers it is imperative that all relevant information continue to be made publicly available in a form that effectively archives the information and allows for electronic searching in a manner equivalent to that currently provided by the electronic Official Journals of Designs. For example, it should remain possible for persons to search for what designs applications have been filed or what designs have been registered during a particular period of time.

Part 7 of Schedule 1 of the Bill – Amendments of applications and other documents

Trade Marks

The IPC does not support applicants being able to amend the applicant's name as set out in proposed section 62B and proposed regulation 6.1A. There is a risk of such amendments resulting in a change of identity of the applicant and this is clearly unsatisfactory. The IPC is aware that amendments are not permitted under the proposed provisions in a way that changes the identity of the applicant, but this does not mean that persons will not make such changes and indeed many applicants may not appreciate what constitutes a change in a legal person's identity. The IPC also appreciates that any person may file a trade mark application and that section 27 of the Trade Marks Act provides that the applicant for a trade mark registration must claim to be the owner of the trade mark. Given that the applicant must be the owner of the trade mark, it is important that any changes to the applicant's name be assessed by IP Australia to ensure they do not effect a change in the identity of the applicant.

The IPC also considers that all amendments made pursuant to proposed section 62B should be searchable on the trade marks database, that is, persons should be able to ascertain what the particulars in the application were before the first and any subsequent amendments were made.

Registered Designs

The IPC does not support applicants being able to amend the applicant's name as set out in proposed section 27A and proposed regulation 3.08A. There is a risk of such amendments resulting in a change of identity of the applicant and this is clearly unsatisfactory. The IPC is aware that amendments are not permitted under the proposed provisions in a way that changes the identity of the applicant, but this does not mean that persons will not make such changes and indeed many applicants may not appreciate what constitutes a change in a legal person's identity. The IPC also appreciates that any person may file a design application and that section 21 of the Designs Act provides that a design application must specify the entitled person or persons in relation to the designs disclosed in the design application. However, the IPC understands that in practice the original applicant will usually be the same as the entitled person, and notes that at least the pdf application form available on IP Australia's website provides "The applicant is entitled to be entered on the Register as the registered owner of the design(s)". Given that the applicant can be the entitled person, it is important that any changes to the applicant's name be assessed by IP Australia to ensure they do not effect a change in the identity of the applicant.

The IPC also considers that all amendments made pursuant to proposed section 27A should be searchable on the designs database, that is, persons should be able to ascertain what the particulars in the application were before the first and any subsequent amendments were made.

Part 9 of Schedule 1 of the Bill – Computerised decision-making

Trade Marks

The IPC considers that it should be made clear on the trade marks database whether a particular decision or exercise of any power or compliance with any obligation was made by a computer program pursuant to proposed section 222A. The IPC also considers that persons should have the right to request the Registrar to review a decision made by use of a computer program and that the Registrar should be required to substitute a decision if the Registrar is satisfied that a decision made by the operation of a computer program is incorrect. In regard to this latter point, the word "must" should replace the word "may" in proposed subsection 222A(4).

The IPC also notes that the appropriate appellate procedures may depend on the type of decisions, powers and obligations in relation to which section 222A will apply.

Registered Designs

The IPC considers that it should be made clear on the designs database whether a particular decision or exercise of any power or compliance with any obligation was made by a computer program pursuant to proposed section 135A. The IPC also considers

that persons should have the right to request the Registrar to review a decision made by use of a computer program and that the Registrar should be required to substitute a decision if the Registrar is satisfied that a decision made by the operation of a computer program is incorrect. In regard to this latter point, the word "must" should replace the word "may" in proposed subsection 135A(4).

The IPC also notes that the appropriate appellate procedures may depend on the type of decisions, powers and obligations in relation to which section 135A will apply.

Part 15 of Schedule 1 of the Bill - Unjustified Threats

Copyright

The IPC notes that Part 15 of the Exposure Draft Bill proposes the introduction of a remedy of additional damages for persons who are victims of unjustified threats. The proposal is stated to be modelled on s 115(4) of the *Copyright Act 1968*.

The proposal intends to introduce the remedy for each of the Designs Act, the Olympic Insignia Protection Act, the Patents Act, the Plant Breeders' Rights Act and the Trade Marks Act. It does not, however, introduce the remedy for the Copyright Act.

The IPC considers that the remedy of additional damages for unjustified threats should also be introduced into the Copyright Act.

It would be quite anomalous for a corresponding amendment not to be made to the Copyright Act. All the more so, as the IPC notes that the exposure draft does include a proposal to amend the Copyright Act in relation to notices (or notifications) given by the Comptroller-General of Customs in Part 18.

Plant Breeders Rights

The IPC notes the amendment proposed by the addition of sections 57A – E to the Plant Breeders Rights Act (PBR Act).

In the view of the IPC these provisions exacerbate a long-standing problem with enforcement of plant breeders rights.

The problem stems from section 54(1) of the PBR Act which states that:

“An action for infringement of PBR in a plant variety may be begun in the Federal Court or the Federal Circuit Court only by the grantee.”

It is an anomaly that, of all of the intellectual property rights, it is only in the case of PBRs that an exclusive licensee has no right to commence proceedings for infringement of the right.

The IPC sees no reason why an exclusive licensee of a PBR ought not have the right to commence proceedings for infringement and the IPC submits that section 54 of the PBR Act should be amended to provide that right.

As currently drafted the proposed section 57A of the PBR Act permits a person threatened with proceedings for infringement of a PBR in a plant variety to seek relief for unjustified threats.

Section 57A(3) states;

“Subsection (1) applies whether or not the Respondent [the threatener] is the grantee of the PBR in the plant variety.”

Accordingly this subsection contemplates that the party threatening infringement of a PBR in a plant variety may not be the grantee.

Section 57B effectively gives the Respondent (the threatening party) the ability to defend an unjustified threats claim but only if;

- the threatening party is the grantee of the PBR of the plant variety; and
- the acts about which the threats were made infringe or would infringe the PBR in the plant variety.

As presently drafted, therefore, section 57B only permits the grantee of a PBR in a plant variety to defend an unjustified threats claim. Consequently, if for example, an exclusive licensee of a PBR in a plant variety were to threaten a third party with infringement of the PBR the exclusive licensee would have no right to defend an unjustified threats claim, even if the actions undertaken by the third party would amount to an infringement of the PBR because;

- (i) the exclusive licensee is not the grantee of the PBR; and
- (ii) the exclusive licensee has no standing to sue for infringement and would not, itself, be able to establish that the acts about which the threats were made would infringe the PBR.

The IPC therefore submits that section 54(1) of the PBR Act should be amended to permit infringement proceedings to be commenced by an exclusive licensee of a PBR in a plant variety and that section 57B of the Act should be drafted so as to remove subsection (a).

Trade Marks

The IPC observes that no addition has been proposed to the Trade Marks Act equivalent to section 131 of the Patents Act, section 202(2) of the Copyright Act, section 80 of the Designs Act or the proposed section 57D of the Plant Breeder's Rights Act (which each provide that the mere notification of the existence of a right does not constitute a threat of proceedings for the purposes of the unjustified or groundless threats provisions of those statutes). The IPC submits that an equivalent provision should be inserted into the Trade Marks Act, to provide for consistency between the unjustified threats regimes in the intellectual property statutes.

Part 18 of Schedule 1 of the Bill – Seizure Notices

Trade Marks

The IPC does not support the proposed amendments to paragraphs 134(3)(c) and (d) of the Trade Marks Act. The proposed amendments will change provisions in the Act, which were introduced only recently as part of the *Raising the Bar* amendments in 2012 and which are working effectively and providing trade marks owners with useful means of protecting their trade marks rights, for no apparent reason. The IPC considers that the Comptroller-General should not be given any discretion to refuse to provide the particulars referred to in those paragraphs as a refusal will undermine the ability of trade mark owners to pursue infringement action in appropriate cases in a meaningful way. This is particularly so given the short period of 10 working days prescribed in Regulation 13.1 of the *Trade Marks Regulations 1995* in which a trade mark owner may commence an action for trade mark infringement in relation to seized goods. An investigation to endeavour to identify an importer and the importer's address for the

purposes of commencing court proceedings could well exceed the action period, and goods seized could be released to the importer before the trade mark owner is able to commence such proceedings. The information required to be provided to the trade mark owner by section 134(3)(c) is necessary for the trade mark owner to utilise effectively the regime in Part 13 of the *Trade Marks Act*.

Other matters

The IPC observes that no amendments to the Trade Marks Act have been proposed to address the potentially anomalous interactions between sections 58, 59, 108(2) and the definition of "applicant", and to ensure consistency with section 27(1)(a). The recent decision of Davies J in *Insight Radiology Pty Ltd v Insight Clinical Imaging Pty Ltd* [2016] FCA 1406 at [67] – [69] observes that there may be a conflict in Full Federal Court authority between *Food Channel Network Pty Ltd v Television Food Network GP* [2010] FCAFC 58; (2010) 185 FCR 9 and the earlier decision in *Crazy Ron's Communications Pty Limited v Mobileworld Communications Pty Limited* [2004] FCAFC 196; (2004) 209 ALR 1. The IPC considers it would be desirable for these matters to be resolved sooner rather than later by amendments to the Trade Marks Act.

The IPC also observes that no amendments to Regulation 21.19 of the Trade Marks Regulations have been proposed to limit the use of this provision by hearing officers in opposition proceedings to receive evidence filed after the deadlines specified in Regulation 9.16. The IPC considers the use of Regulation 21.19 to circumvent the operation of Regulation 9.16 is undesirable (particularly where no extension of time under Regulation 9.18 has been granted) and contrary to the intent the "Raising the Bar" amendments which put Regulation 9.16 in its current form.