



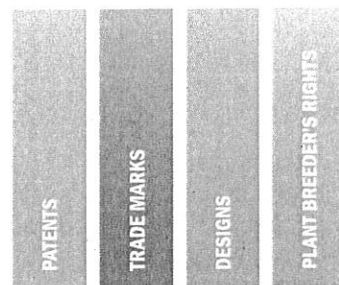
Australian Government

IP Australia



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Australian Law Reform Commission Issues Paper 42 – Copyright and the Digital Economy

IP Australia welcomes this opportunity to provide comment on the Australian Law Reform Commission (ALRC) Inquiry into Copyright and the Digital Economy.

IP Australia is a prescribed agency within the Department of Industry, Innovation, Science, Research and Tertiary Education but operates independently and reports directly to the Minister. Our interest in this matter arises from the fact that we are the Australian Government agency responsible for administering intellectual property (IP) rights covering patents, trade marks, designs and plant breeder's rights (PBR). In the course of administering these rights, we make use of copyright material.

We receive and process patent, trade mark, designs and plant breeder's rights applications, conduct hearings and decide on disputed matters relating to granting or refusing registrable Australian IP rights. Applicants for these rights are individuals and businesses in Australia and overseas. We maintain the registers of patents, designs, trade marks and plant breeder's rights and regularly produce journals detailing new applications and registrations.

IP Australia makes use of copyright material owned by third parties when administering IP rights. A large proportion of this material is relied on when making decisions about whether to grant patent rights. This includes journal articles, books and other technical material. The information in these documents may be required to assist patent examiners to decide if an invention is new and inventive. IP Australia also accesses evidence of trade mark use, as well as evidence of prior art in relation to designs.

IP Australia makes available to the public certain documents from patent, design, trade mark and PBR case files which have been received or generated in the application process. Providing easy public access to these documents enhances transparency by making IP Australia's decisions on IP rights readily available to the community. The documents help explain the reasons for IP Australia's decisions, and contain the evidence on which decisions to grant or refuse rights are based.

Recent developments

Increased transparency

Since 2010, the availability of documents relating to Australian patent rights has been enhanced through two online tools on IP Australia's website - AusPat and eDossier. AusPat is a free, comprehensive, text-searchable patent search tool providing a single point of enquiry for the large majority of Australian patent specifications dating back to 1904. eDossier provides customers with access to a suite of documents relating to the prosecution of Australian patent applications dating back to 2006 and which are open to public inspection (OPI).

The documents published in these online databases include material generated by IP Australia staff members¹ and material created by patent applicants or their representatives². Material created by others, including patent literature

¹ Any copyright in material generated by IP Australia staff members is vested in the Crown and released under the conditions of IP Australia's Copyright Notice.



Robust intellectual property rights delivered efficiently



(patent specifications and other patent-related documents) and non-patent literature (including extracts from journals, books or catalogues) is often provided by applicants or their representatives during the examination process, but is not generally published on these online databases³.

Work-sharing

Patent offices around the world are working towards sharing information and reports in order to remove duplication and make their patent search and examination processes more efficient and accessible ('work-sharing'). For example, the World Intellectual Property Organization (WIPO) has developed a technology platform called "WIPO CASE" which allows for the sharing of search and examination information between IP offices, including confidential information relating to applications that are not yet OPI, and is already being used or evaluated by patent offices from other countries.

Current arrangements

Subsection 183(1) of the *Copyright Act 1968* (Copyright Act) provides for Crown use⁴ of copyright material (eg, literary and artistic works, films, music). The Commonwealth, State and Territory governments, as well as any person authorised in writing by those governments, are able to use copyright material for the services of the Commonwealth, State and Territory.

IP Australia can use this provision to use and publish copyright material which is relevant to its decisions. However, a number of obligations are imposed:

- IP Australia is required to notify the copyright owner of the 'Crown use' as soon as possible after that use, unless it would be contrary to the public interest to do so;
- IP Australia is also required to give the copyright owner information about the use that the owner reasonably requires; and
- IP Australia and the copyright owner may agree to terms, including potential remuneration for the use. If they cannot agree, the Copyright Tribunal of Australia has jurisdiction to set terms

In addition to the provisions of the Copyright Act, section 226 of the *Patents Act 1990* has been recently amended to provide that the release of documents open to public inspection under section 55, namely a provisional specification, a complete specification or a prescribed document, does not infringe third party copyright in a literary or artistic work under the Copyright Act. The OPI-related release may involve reproducing the documents in two-dimensional form, communicating the documents to the public or translating the documents. This includes making documents available via the internet. Regulation amendments that will commence in April 2013 will specify the prescribed documents, which will include the documents normally associated with the case file of a patent application. Non-patent literature (including documents such as journal, book and other technical material) will, however, be excluded. Normal rules of copyright will apply to these documents.

The *Trade Marks Act 1995*, the *Designs Act 2004* and the *Plant Breeder's Rights Act 2003* do not contain an express general exemption from copyright infringement. Nevertheless, some documents may be released under the *Freedom of Information Act 1982* (FOI Act). We receive a few hundred FOI requests each year – mainly seeking information on trade mark case files. Section 90 of the FOI Act provides the Commonwealth with blanket immunity against copyright infringement for *bona fide* FOI releases.

Finally, IP Australia also has a number of licensing agreements with various publishers, which allow us to use copyright material, according to the terms of the licensing agreement.

Sections 176 and 177 of the *Copyright Act 1968* provide that Crown copyright subsists in original works created or first published under the direction or control of the Commonwealth.

IP Australia's Copyright Notice (at <http://www.ipaustralia.gov.au/about-us/about-this-site/copyright-notice/>) states: 'We permit you to download, display, print and reproduce this material [Commonwealth copyright] in an unaltered form only for your personal, non-commercial use or for use within your organisation. Apart from any use permitted under the *Copyright Act 1968*, all other rights are reserved'.

² Section 226 of the *Patents Act 1990* provides that the release of these documents does not infringe third party copyright in a literary or artistic work under the *Copyright Act 1968*.

³ Occasionally, these documents are submitted by an applicant as part of their correspondence. IP Australia's policy is to flag these documents so that they are not published on AusPat and eDossier. However, there may be rare instances where such flagging is inadvertently missed.

⁴ In addition to the general Crown use provisions, there are also government statutory licence schemes. These allow government agencies to pay declared collecting societies (Copyright Agency Ltd for literary works and Screenrights for broadcasts) for multiple copies of material made for the services of the Government.

Practical problems with the current arrangements

The introduction of the AusPat and eDossier tools has enabled the public to access information about IP Australia's decision-making process much more readily. In addition, work-sharing between IP Australia and IP offices from other countries may lead to significant increases in the volume of copyright material being transmitted by IP Australia to patent offices in other countries.

Both of these developments have highlighted the difficulties with the current provisions of the Copyright Act.

IP Australia would like to be able to publish all relevant non-patent literature such as journal, book and other technical material on eDossier where they form part of a case file. Providing easy public access to these documents enhances transparency by making IP Australia's decisions on IP rights readily available to the community. The documents help explain the reasons for IP Australia's decisions, and contain the evidence on which decisions to grant or refuse rights are based.

IP Australia would also like to be able to share non-patent literature with other IP offices. This would form part of the information that is shared between IP offices internationally to help enhance the quality and efficiency of search and examination and minimise unnecessary duplication of work. The aim here is to improve the efficiency of the international patent system for the benefit of Australians who want to protect their intellectual property in other countries, as well as to reduce search and examination costs for Australian patent applicants.

However, in the case where licence agreements are not involved, under the current provisions of the Copyright Act this would involve an onerous and complex copyright notification and reimbursement process. An added difficulty is that it is not always easy or possible to identify and locate the owners of some copyright material – indeed, in some cases it is not even clear who owns the copyright in relevant material.

Purpose of the Copyright Act

In our view, the Copyright Act should provide a net social and economic benefit for Australia. The author of a creative work should indeed be rewarded for their efforts, and the creation of further creative works should be encouraged. However, these considerations should be balanced against other factors. These include the benefits to society of increased transparency in Government decision-making and of more efficient Government work processes.

We agree that there are instances where the Government should not be able to use copyright material without advising the copyright owner and compensating them for that use. However, section 183 of the Copyright Act requires notification and compensation for almost all uses. In respect of the non-patent literature associated with the prosecution of patent applications, we believe that the interests of the public in there being transparency around the decisions made by Government outweigh the need to advise and compensate copyright owners where their material is made available to the public.

We believe that it is inappropriate for the Copyright Act to constrain the Government as it seeks to explain its decisions. Citizens need to be able not only to access, but also to fully understand, regulatory decisions by Government. In order to fully understand a decision which turns on copyright material, the public need to access the copyright material itself. We therefore believe that non-patent literature such as journal, book and other technical material should be able to be published on eDossier without the current complex notification and reimbursement process required by the Copyright Act.

We do not believe that this access would undermine the commercial value of the copyright material. Nobody will use eDossier to search for journal articles on a topic - it is not set up to facilitate that. People accessing non-patent literature on eDossier will be doing so for the purposes of better understanding the decision about whether or not to grant the patent.

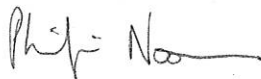
We also believe that the current arrangements constrain IP Australia's ability to improve its work practices. In order to have a successful work-sharing arrangement with other IP offices, all the relevant search and examination information should be able to be shared in the most efficient way. Requiring other offices to obtain their own copies of non-patent literature could make them less inclined to use IP Australia's search and examination information, and less inclined to share their own search and examination information with IP Australia. This will reduce efficiency, as IP Australia will be forced to duplicate search and examination processes that have already been undertaken elsewhere.

Proposal

IP Australia proposes that the Copyright Act be amended to include a broad exemption for certain use by Government, such as that identified by IP Australia. This exemption would remove the current obligations to notify the copyright owner of crown use, to provide them with information, and to agree to terms including remuneration, where the use by Government is for the purpose of increasing the transparency of Government decision making, or to improve the efficiency of the international patent system.

Please contact Mr Brendan Bourke, Director, Domestic Policy Section on (02) 6283 2148 if you wish to discuss this submission further.

Yours Sincerely

A handwritten signature in black ink, appearing to read "Philip Noonan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Philip Noonan
Director General