

Hi Sean

Some brief comments on the Options Paper, which I received from the Advisory Council on IP in December 2004.

Overall I welcome the examination of the Experimental Use provisions, and I thought the paper was a well-considered contribution on an important topic.

With regard to the Council's preferred options, my comments are:

Option B – No Change

I do not support this option and I believe that, if the council goes this way, it will be a major lost opportunity. There are so many myths and misunderstandings on this issue that clarity is urgently needed.

I have been involved in negotiating research contracts for many years and every time a contract is prepared, the parties must construct some terms about access to new IP created (specifically patentable inventions and rights to confidential information). Inevitably this comes down to some kind of "non exclusive licence for teaching and research purposes" for the research institution. Also inevitably, a great deal of time is wasted in debating something which could easily be clarified in the statute. Moreover, the contractual agreements usually do not properly clarify whether the new invention can be used for "commercial" research.

A bigger problem that such a licensing provision is always seen as a concession to the researcher, when it should not be a concession at all. This puts a researcher at an immediate disadvantage in a commercial negotiation, as one is always expected to offer up some unjustified concession in return. (Usually, the opening gambit is an insistence that the researcher uses the new IP for only "non competitive" research.)

Option C1 – Modify definition to not include experimental use.

This seems the simplest and best way forward. It does not try to be over-precise, inventive or prescriptive, but critically reinforces the notion that there are limits to a patentee's exclusive rights. Hopefully this also reinforces the common law (and common sense) assumption that disclosure is a fundamental part of the patenting process, and that anyone is free to experiment with patented subject matter.

Options C7 and C8.

Generally these (and several other options) go too far down the path of making unique new law for Australia. Australia should always look first to the patent law of the important economies of the world, and provisions of international treaties. It is totally inappropriate for Australia to go about inventing new concepts in the IP arena (eg the Innovation Patent). This can only generate unnecessary confusion, wasted time, and more fees for patent attorneys.

Hope this is of some use

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