



**THE AUSTRALIAN FEDERATION OF INTELLECTUAL PROPERTY ATTORNEYS  
FICPI AUSTRALIA**

14 May, 2004

Advisory Council on Intellectual Property  
Secretariat  
PO Box 200  
Woden ACT 2606

Attention: Dr Rod Crawford

Dear Sirs,

The following submissions in response to the ACIP Issues Paper "Patents and Experimental Use" are made on behalf of the Australian Federation of Intellectual Property Attorneys (FICPI Australia). We thank the Secretary for the extended opportunity to make our submissions.

FICPI Australia is an organisation drawing its members from registered patent attorneys in Australia that are proprietors or partners in patent attorney firms conducting business in Australia. FICPI Australia does not directly represent intellectual property owners but its members work directly and closely with such persons and the following comments are based on our members' experience in representing these users of the Patent system.

FICPI Australia is a national association of The Fédération Internationale Des Conseils En Propriété Industrielle (FICPI International), a non-political, world-wide organisation of intellectual property attorneys in private practice.

It is noted that both the Issues Paper and the recent Australian Law Reform Commission (ALRC) Discussion Paper 68 on Gene Patenting and Human Health (4 March 2004) provide some comparison on exempting experimental use from patent infringement in overseas countries. The Work and Study Commission (CET) of FICPI International recently circulated a questionnaire to its members on the Experimental Use Exemption. Its report on the replies from 15 countries including Australia was presented to the FICPI International Executive Committee meeting in Singapore from 31 January to 3 February 2004. The report EXCO/SG04/CET/1503 accessible on the FICPI International website [www.ficpi.org](http://www.ficpi.org), but a copy is attached for the convenience of ACIP.

It may be seen that the Australian entries for the report EXCO/SG/04/CET/1503 are all based on the assumption that a common law experimental use exemption for patent infringement exists in this

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country. FICPI Australia is strongly of the view that clarity is required on whether or not such an exemption does exist and the form of that exemption.

An advantage of such clarity is that it would enable both researchers and patentees to have a better understanding of whether or not a particular research activity does or would infringe a patent.

In preparing these submissions, FICPI Australia has the advantage of having sighted the submissions by the Institute of Patent and Trade Mark Attorneys (IPTA) to the Issues Paper. We agree with the suggestion in those submissions and in the ALRC Discussion Paper 68 that a preferred statutory experimental use exemption would follow the European model of distinguishing between research on a patented invention (exempted), whether or not that research ultimately has a commercial purpose, and research with or using a patented invention (not exempted).

In supporting the European model, we are of the view that:

- there are no overwhelming arguments for consideration of pre-grant conditions for patents as a complement or alternative to an experimental use exemption under Australian law (question 5).
- there are very limited analogies between copyright and patent rights and that there are no useful lessons to be learnt for experimental use provisions in Australian patent law from the fair dealing provisions in copyright law (question 6).
- one way of distinguishing between basic and applied or hybrid research is by using the non-commercial/commercial test. However, this test itself has considerable difficulties, as discussed in, for example, the ALRC Discussion Paper 68 and the IPTA submissions. For this reason, as well as the ever-closer relationship between basic and applied research, we are of the view that it is not practical to attempt to distinguish between the two and that the European model offers the best compromise (question 7).
- any moves to give special treatment under the patent law to particular areas of technology should be strongly resisted unless there are exceptional arguments in support of such moves. We do not believe there are exceptional arguments to support such moves in relation to an experimental use exemption in the fields of biotechnology and genetic technology or any other area of technology. In the light of this, any such moves would also appear to conflict with Article 27 of the TRIPS Agreement requiring that member states make patent protection available without discrimination by field of technology (questions 3 and 9)
- improved licensing practices by research organisations are not a practical partial or complete alternative to the proposed European model for the reasons set out in the ACIP Issues Paper and because organisations cannot be forced to issue licenses except by way of compulsory license provisions or their equivalent. Given the lack of usage of the compulsory license provisions under the various Patents Acts in Australia, FICPI Australia believes that they are not an appropriate way of dealing with the experimental use exemption issues. We do not believe that the issue of "Patents and Experimental Use" is an appropriate forum to consider the very specific topic of reform of the compulsory license provisions of the Patents Act 1990 (questions 15, 16, 19 and 20)
- patent pools and/or open source principles are not realistic partial or complete alternatives to the proposed European model for experimental use exemptions, except where a particular research organisation freely and unilaterally elects to adopt these principles in respect of one or more of its developments (questions 17, 18, 21(19) and 22(20)).

FICPI Australia would be pleased to be involved in further discussions with ACIP on the proposed experimental use exemption to patent infringement and on these submissions.

Yours faithfully

A handwritten signature in black ink, appearing to read 'P. Huntsman', with a long horizontal flourish extending to the right.

PETER HUNTSMAN

**President**  
**FICPI AUSTRALIA**