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**FEDERAL COURT OF AUSTRALIA  
PRINCIPAL REGISTRY**

A.B.N. 49 110 847 399

LEVEL 18  
LAW COURTS BUILDING  
QUEENS SQUARE  
SYDNEY NSW 2000

Your Ref:  
Our Ref:

25 September 2001

Ms Kay Collins  
Secretary  
Australian Council of Intellectual Property  
PO Box 200  
WODEN ACT 2606

Dear Ms Collins

**Extension of jurisdiction of patent, trade mark and design matters to the Federal Magistrates Service**

I refer to the Issues Paper published by the Australian Council of Intellectual Property (“ACIP”) in July 2001.

The Court does not wish to comment on whether the Federal Magistrates Service (“FMS”) should be given jurisdiction in patent, trade mark and design matters as this is, ultimately, a question of Government policy.

However, I would draw ACIP’s attention to the following points that are relevant to any consideration of this issue:

1. Intellectual property law is acknowledged, both nationally and internationally, as a specialist jurisdiction – a point expressly recognised by the Government in its response to recent reviews by ACIP and the Intellectual Property and Competition Review Report – and the Federal Court is recognised as having the necessary expertise (see, for example, Professor Weisbrot’s comments to the Foundation ICO Conference in Madrid in October 2000).
2. The ACIP Issues Paper contains a number of generalisations and suggests, without substantiation, that the FMS will be a “faster, cheaper and fairer” means of resolving intellectual property disputes than the Federal Court – in this regard it should be noted that:
  - (a) of the 161 intellectual property matters (excluding Copyright Act matters) finalised by the Federal Court in 2000-01, 45% were finalised in less than 6 months, 74.5% in less than 12 months and 85% in less than 18 months;
  - (b) the Federal Court, through its Individual Docket System, vigorously case manages the matters that come before it (including the use of assisted dispute resolution as

- an alternative to a full hearing) – this case management, among other things, aims to quickly identify the issues and evidence in dispute, and to prevent “litigation by attrition”;
- (c) the expense and duration of many intellectual property cases is due to the complexity of the issues in dispute or the need for expert evidence (often from overseas);
  - (d) in simpler cases, the legal costs allowed under the Federal Magistrates Rules will be similar in amount to those allowed under the Federal Court Rules;
  - (e) the reference to the FMS being “fairer” is objectionable if the suggestion is that the Federal Court is “unfair” to litigants.
3. The complexity, or potential complexity, of an intellectual property matter can not be determined simply by referring to the amount of damages sought or the particular statutory provision relied upon.
4. If the FMS is to be given intellectual property jurisdiction then:
- (a) it must be concurrent with (and not replace) the intellectual property jurisdiction of the Federal Court, and consideration should be given to empowering the Federal Court, on application by the respondent to a proceeding in the FMS, to order removal of the proceeding to the Federal Court; or
  - (b) consideration should be given to limiting the FMS’s jurisdiction to proceedings transferred from the Federal Court (as is the case for appeals from the Administrative Appeals Tribunal).

I hope the above comments are of assistance. Please feel free to contact me on 02 9230 8533 should you require further information.

Yours sincerely

Warwick Soden  
**Registrar and Chief Executive Officer**