

Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Bill

Government Bill

As reported from the Commerce Committee

Commentary

Recommendation

The Commerce Committee has examined the Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Bill, and recommends by majority that it be passed with the amendments shown.

Introduction

The Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Bill seeks to amend the Patents Act 2013. The main purpose of the bill is to implement a single trans-Tasman registration regime for Australian and New Zealand patent attorneys. The bill also proposes:

- an amendment to clarify the grounds on which a person may oppose the grant of a patent
- amendments to facilitate the implementation of a single patent application process and a single patent examination process with Australia.

This commentary covers the main amendments that we recommend to the bill. It does not cover minor or technical amendments.

Commencement

We recommend amending the commencement provisions in clause 2(1) to reflect the proposed changes discussed below.

Grounds for opposing the grant of a patent

Section 39(2)(a) of the Act requires claims for patent protection to relate to 1 invention only. Section 92, as enacted in 2013, allows a person to oppose the grant of a

patent on the ground that it would provide protection for more than 1 invention. This “lack of unity of invention” was not a ground for opposition under the original Patents Act 1953, and it was not the policy intention of the Patents Act 2013 to introduce such a ground.

Clause 4 of the bill therefore proposes to amend section 92 of the Act to remove lack of unity of invention as a ground on which a person may oppose the grant of a patent. This change would align with the original policy intent of the Patents Act 1953, and was generally supported in the submissions we received.

We recommend amending the bill so that the provision would apply retrospectively from the date the Patents Act 2013 entered into force (13 September 2014). While we acknowledge that retrospective provisions are usually undesirable in legislation, we consider that making the amendment retrospective would provide useful certainty for patent applicants, without negative consequences. We understand that no applications filed to date would be affected by this change, but believe it worth signalling to applicants that this change would take effect if the bill is passed.

Removal of single patent application and single examination processes

Clause 5 would insert new section 220A into the Act to facilitate the development and implementation of a single patent application process (SAP) and a single patent examination process (SEP) by the Intellectual Property Office of New Zealand (IPONZ) and IP Australia.

This provision provoked much concern, and we have examined it at length. For the following reasons, we recommend that clause 5 be deleted.

We consider that SAP and SEP are unlikely to provide significant benefits to New Zealand. This is reflected in concerns raised by the majority of submitters. The main reasons we decided that SAP and SEP should not proceed are:

- Lack of benefits either to businesses or to patent attorney firms making applications on their behalf: if a SAP was used, there would be only very small cost and time savings. A SEP would offer no benefits because differences in patent law and practice between New Zealand and Australia mean that applicants would still be required to consider separate objections to both applications, and to formulate different responses to those objections. As a result, applicants using a SEP would be unlikely to save any time or costs.
- Increased administrative costs to New Zealand businesses: there would be increased costs of IPONZ examination and filing fees.
- Significant costs: there would be significant IT infrastructure costs to establish and implement a SAP, and ongoing maintenance costs. Establishing a SEP would also entail significant costs, including for examiner training and IT.
- We understand that applicants are unlikely to use a SAP and a SEP, mainly for commercial reasons.

- Work-sharing: examiners in IPONZ and IP Australia already benefit from increased online availability of the examination reports that they and other patent offices produce, which reduces duplication of examination work. We are also aware of advancements in international patent examination work-sharing arrangements which aim to increase efficiencies between patent offices. They include global initiatives such as the “Global Patent Prosecution Highway”. These work-sharing initiatives provide alternative means of achieving the benefits of a SEP, without the need to amend the Act, and involve less cost to IPONZ.
- Recent developments have been proposed to the electronic procedures for filing patent applications under the Patent Cooperation Treaty (PCT), which is administered by the World Intellectual Property Organisation (WIPO). “ePCT” is an online system that allows registered users to upload documents relating to an international application directly into WIPO’s processing system. We are aware of a proposal being developed by WIPO to modify its ePCT system to allow filing of multiple national phase applications, seeking patent protection in a number of PCT member states. We understand that the modified ePCT system would provide similar benefits to a SAP, but at a much lower cost to IPONZ. We also understand that work is underway between WIPO and IPONZ to pilot the modified ePCT system.

We note that IP Australia has not undertaken any further work on the SAP and SEP proposal, pending the outcome of this bill. Given the significant costs to IPONZ in implementing a SAP and SEP; the low likelihood that they would be used; and the lack of substantial benefits in terms of time and cost savings to New Zealand businesses, we consider that it is difficult to justify proceeding further with these initiatives.

We therefore recommend that clause 5 be deleted to remove the empowering provisions regarding SAP and SEP.

Consultation and quantification of costs

We consider that there was a lack of consultation with patent attorneys and the rest of the industry before the development and proposal of these enabling provisions. Moreover, we consider that quantification of likely costs—that is, the costs of developing and implementing these processes, and the compliance costs to the industry and patent applicants—was inadequate.

Amendment to the Evidence Act 2006

Part 1 of Schedule 2 proposes consequential amendments to other Acts.

We recommend that Schedule 2 be amended to include a consequential amendment to section 51 of the Evidence Act 2006 to clarify the definitions of an “overseas practitioner” and a “registered patent attorney”.

New Zealand Labour Party minority view

On the face of it, the Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Bill appeared straightforward. The passage of the bill through select committee, the reaction of submitters, and revelations of the lack of due process in crafting a substantive part of the bill have raised fundamental questions about the decision to place this bill before a select committee.

Labour is concerned that a lack of both pre-consultation with stakeholders and general due diligence taken before this bill was tabled in Parliament have resulted in wasted taxpayers dollars and a frustrating exercise.

This points to badly drafted legislation and raises questions about the adequacy of government policy directions that lie behind this bill, along with poor process in its drafting.

We are concerned that the debacle of process of this bill through select committee has become a trend under this Government.

Specifically

The proposals to correct an anomaly in the previous Patents Act of 2013 regarding the grounds on which a person can oppose the grant of a patent are sensible and uncontested.

The joint registration regime with Australia for patent attorneys received significant opposition from submitters on the grounds that it would impact on competitiveness of New Zealand patent attorneys, possibly increase costs to qualify as a patent attorney in New Zealand, and result in a lack of a level playing field with Australian patent attorneys. The proposed regime was based upon the existing Australian process.

Labour has taken into account these concerns from the patent attorneys but on balance believes that a joint registration regime is likely to ultimately benefit innovation businesses in New Zealand.

Labour's substantive concerns with the bill are with the proposed clause 5 which is to implement a single application patent process (SAP) and single patent examination process (SEP).

There was overwhelming opposition from submitters to these proposals. We heard that the SAP and SEP aimed to be implemented in law as a "pilot project" to see if such a system would work across the Australian and New Zealand jurisdictions. During the select committee hearings, we were informed that new electronic procedures for filing patent applications undertaken by the World Intellectual Property Organisation (WIPO) were preferred by the industry and that the SAP and SEP would be redundant.

Our major concerns are that a policy decision was taken to produce a parallel system to that being undertaken globally without the due diligence required. The SAP and SEP systems would require major costs which had not been adequately scoped.

We have been provided with no cost-benefit analysis which demonstrated the value of the SAP and SEP system.

There was no pre-consultation with New Zealand innovation businesses or the patent attorneys on the viability or need for the SAP and SEP system before the legislation was drafted.

We consider this has been a very sloppy, unedifying process of law drafting.

Labour will vote for the proposed amendments. We remain bemused at the dexterity required by the Government to justify a complete reversal of its original position.

Appendix

Committee process

The Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Bill was referred to the committee on 9 February 2016. The closing date for submissions was 24 March 2016. We received and considered 20 submissions from interested groups and individuals. We heard oral evidence from six submitters.

We received advice from the Ministry of Business, Innovation and Employment.

Committee membership

Melissa Lee (Chairperson)

Kanwaljit Singh Bakshi

Ria Bond

Dr David Clark

Hon David Cunliffe

Clare Curran

Gareth Hughes

Brett Hudson

Alfred Ngaro

Simon O'Connor

Hon Clayton Cosgrove replaced Hon David Cunliffe for some consideration of this item of business.

Mojo Mathers replaced Gareth Hughes for this item of business.

**Patents (Trans-Tasman Patent Attorneys and Other
Matters) Amendment Bill**

Key to symbols used in reprinted bill

As reported from a select committee

text inserted by a majority

~~text deleted by a majority~~

Hon Paul Goldsmith

Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Bill

Government Bill

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Schedule 2
Amendments to enactments

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Act **2015**.

2 Commencement

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(1) ~~Part 1 comes into force on the day after the date on which this Act receives the Royal assent.~~ is deemed to have come into force on 13 September 2014.

(2) **Part 2** comes into force on a date appointed by the Governor-General by Order in Council, and different dates may be appointed for different provisions.

(3) If any provision of **Part 2** is not in force at the close of **24 February 2017**, it is repealed on the day after that date. 10

3 Principal Act

This Act amends the Patents Act 2013 (the **principal Act**).

Part 1

~~**Amendments to principal Act including single patent application and examination process with Australia**~~ **Amendment to principal Act relating to opposition to grant of patent** 15

4 Section 92 amended (Opposition to grant of patent)

In section 92(1)(c), replace “subpart 2 (which relates to specification requirements)” with “any provision of subpart 2 (which relates to specification requirements) other than section 39(2)(a) (which requires claims to relate to ~~one~~ 1 invention only)”. 20

~~**5 New section 220A inserted (Single patent application process and single patent examination process with Australia)**~~

After section 220, insert: 25

~~**220A Single patent application process and single patent examination process with Australia**~~

(1) ~~The purpose of this section is to provide for a single patent application process, and a single patent examination process, shared between IPONZ and IP Australia for certain prescribed matters and documents, that~~ 30

- (a) ~~may apply if an application is filed seeking patent protection in New Zealand for an invention and an application is filed seeking patent protection in Australia for the same invention; and~~
- (b) ~~would enable processing of the applications to be shared between IPONZ and IP Australia, but with each application to be processed according to the law of the country in which the application seeks patent protection.~~ 5
- (2) ~~In this section, unless the context otherwise requires, —~~
- ~~**Australian Commissioner** has the same meaning as **Commissioner** has in the Australian Patents Act, and includes the Deputy Commissioner within the meaning of that Act~~ 10
- ~~**Australian Patents Act** means the Patents Act 1990 (Aust) (as amended by Schedule 4 of the Intellectual Property Laws Amendment Act 2015 (Aust))~~
- ~~**IP Australia** means the Patent Office established under the Australian Patents Act~~ 15
- ~~**IP Australia official** has the same meaning as **employee** has in the Australian Patents Act~~
- ~~**New Zealand patents official** has the same meaning as in the Australian Patents Act.~~
- (3) ~~For the purpose of this section, the Commissioner may delegate a matter under section 220 to the Australian Commissioner or any IP Australia official, in which case —~~ 20
- (a) ~~a prescribed document or fee is treated as having been received by the Commissioner if it is received by the Australian Commissioner or an IP Australia official in accordance with the delegation; and~~ 25
- (b) ~~a prescribed matter under this Act or the regulations is treated as having been done by the Commissioner if it is done by the Australian Commissioner or an IP Australia official in accordance with the delegation and this Act or the regulations.~~
- (4) ~~A New Zealand patents official may receive, on behalf of the Australian Commissioner, any prescribed document or fee relating to a patent application under the Australian Patents Act.~~ 30
- (5) ~~A New Zealand patents official may accept a delegation made under section 209 of the Australian Patents Act.~~
- (6) ~~A New Zealand patents official may act on behalf of the Australian Commissioner in respect of any prescribed document or prescribed matter in accordance with the delegation.~~ 35

~~(7) The Governor-General may, by Order in Council, make regulations for the purpose of this section, which regulations may include any matter for which regulations may be made under subpart 5 of Part 5.~~

~~Compare: Patents Act 1990 ss 209, 214, 227, 227AA (Aust)~~

Part 2

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Amendments to principal Act including joint registration regime with Australia for patent attorneys

6 New Part 6 inserted

After Part 5, insert:

Part 6

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Joint registration regime with Australia for patent attorneys

Preliminary provisions

268 Purpose of this Part

The purpose of this Part is to regulate the provision of patent attorney services by giving effect to the joint registration regime in accordance with the Arrangement.

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269 Interpretation of this Part

(1) In this Part, unless the context otherwise requires,—

Appeals Tribunal means the Administrative Appeals Tribunal established by section 5 of the Administrative Appeals Tribunal Act 1975 (Aust)

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Arrangement means the arrangement entitled the *Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys* signed in March 2013, as published by the Commissioner under **section 272(2)**

Australian Patents Act means the Patents Act 1990 (Aust) (as amended by Schedule 4 of the Intellectual Property Laws Amendment Act 2015 (Aust))

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Board means the body continued in existence as the Trans-Tasman IP Attorneys Board by section 227A of the Australian Patents Act

Code of Conduct means—

(a) the code known as the *Code of Conduct for Patent and Trade Marks Attorneys 2013* made under the Australian Patents Act and the Trade Marks Act 1995 (Aust) by the Professional Standards Board for Patent and Trade Marks Attorneys (Aust); or

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(b) the replacement for that code, or any subsequent code, that is issued by the Board under the joint registration regime

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company means a company within the meaning of the Companies Act 1993	
designated manager has the same meaning as in section 200A of the Australian Patents Act	
Disciplinary Tribunal means the tribunal established by regulation 20.61 of the Patents Regulations 1991 (Aust) and to be known as the Trans-Tasman IP Attorneys Disciplinary Tribunal	5
incorporated law firm has the same meaning as in section 6 of the Lawyers and Conveyancers Act 2006	
incorporated patent attorney means a company that is registered as a patent attorney	10
joint registration regime means the joint regime for patent attorneys to register and practise in Australia and New Zealand as constituted by—	
(a) Part 1 of Chapter 20 of the Australian Patents Act and any regulations made for the purposes of that Part; and	
(b) this Part; and	15
(c) any other Acts of the Parliament of Australia or New Zealand, and any regulations made under them, that give effect to the Arrangement; and	
(d) the Arrangement	
lawyer has the same meaning as in section 6 of the Lawyers and Conveyancers Act 2006	20
limited partnership means a limited partnership that is registered under section 51 of the Limited Partnerships Act 2008	
ordinarily resident in New Zealand has the meaning given in section 270	
patent attorney or attorney means an individual or a company that—	
(a) carries on business in New Zealand or Australia or both; and	25
(b) undertakes patent attorney services	
patent attorney director , in respect of an incorporated patent attorney, means an individual who is both a registered patent attorney and a director of the company	
patent attorney services means the undertaking of any of the following services in Australia or New Zealand, or both, for gain:	30
(a) applying for or obtaining a patent in Australia or New Zealand or elsewhere on behalf of another person; and	
(b) preparing or amending specifications or other documents for the purposes of the patent law of Australia, New Zealand, or any other country on behalf of another person; and	35
(c) giving advice (other than of a scientific or technical nature) as to the validity of patents or their infringement—	

and **providing patent attorney services** has a corresponding meaning
professional misconduct means—

- (a) unsatisfactory professional conduct that involves a substantial or consistent failure to reach reasonable standards of competence and diligence; or
- (b) any other conduct, whether occurring in connection with practice as an attorney or otherwise, that shows that the attorney is not of good fame, integrity, and character; or
- (c) any contravention of a law that is declared by the joint registration regime to be professional misconduct

registered patent attorney means an individual or a company that is registered as a patent attorney under the joint registration regime

unsatisfactory professional conduct includes conduct, in connection with practice as a registered patent attorney, that falls short of the standard of competence, diligence, and behaviour that a member of the public is entitled to expect of an attorney.

- (2) Any terms that are used but not defined in this Part, but defined in the joint registration regime, have the meanings given in that regime.
- (3) A reference in, or in any regulations made under, this Part to a repealed Australian enactment is a reference to an Australian enactment that, with or without modification, replaces, or corresponds to, the Australian enactment repealed.
- (4) **Subsection (3)** does not limit section 22 of the Interpretation Act 1999.
Compare: 2010 No 108 s 5; Patents Act 1990 s 198, Schedule 1 (Aust); Patents Regulations 1990 (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 1

270 **Meaning of ordinarily resident in New Zealand**

- (1) For the purposes of this Part, an individual is taken to be **ordinarily resident in New Zealand** if—
 - (a) the individual has his or her home in New Zealand; or
 - (b) New Zealand is the country of his or her permanent abode even though he or she is temporarily absent from New Zealand.
- (2) However, the individual is taken not to be ordinarily resident in New Zealand if he or she resides in New Zealand for a special or temporary purpose only.

Joint registration regime applies in New Zealand

271 **Patent attorneys must comply with joint registration regime**

- (1) A person providing patent attorney services must be registered under, and comply with, the joint registration regime.

- (2) Without limiting **subsection (1)**, the following apply to a person who is ordinarily resident in New Zealand:
- (a) no person may provide patent attorney services unless the person is a registered patent attorney; and
 - (b) a company may provide patent attorney services as long as the company is an incorporated patent attorney; and 5
 - (c) a partnership other than a limited partnership may provide patent attorney services as long as at least 1 member of the partnership is a registered patent attorney; and
 - (d) a limited partnership may not provide patent attorney services; and 10
 - (e) the joint registration regime applies to the person and the person may be registered as a patent attorney under the regime; and
 - (f) a registered patent attorney must co-operate with a request for information from the Board if the Board is investigating whether or not to commence proceedings against a registered patent attorney; and 15
 - (g) acts or omissions in New Zealand of the person have the same effect for the purposes of the joint registration regime as if they were acts or omissions in Australia; and
 - (h) if the person's registration as a patent attorney is suspended or cancelled under the Australian Patents Act, the person's registration is suspended or cancelled (as the case may be) for the purposes of this Part; and 20
 - (i) the person must pay the fees to the designated manager that are prescribed under the joint registration regime.
- Compare: 1953 No 64 s 103(1); 1997 No 60 s 17; Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3 25

272 Commissioner must provide information about joint registration regime

- (1) The Commissioner must provide information about the joint registration regime on an Internet site maintained by or on behalf of the Commissioner, including information about— 30
- (a) the role of the designated manager (including registration requirements and processes):
 - (b) the role of the Board (including the Code of Conduct):
 - (c) the consequences of professional misconduct and unsatisfactory professional conduct: 35
 - (d) how a person in New Zealand may make a complaint to the Board about a registered patent attorney in New Zealand:
 - (e) the role and decisions of the Disciplinary Tribunal:

<p>(f) how the Trans-Tasman Proceedings Act 2010, the Evidence Act 2006, and the Trans-Tasman Proceedings Act 2010 (Aust) apply to the joint registration regime:</p> <p>(g) the role of the Appeals Tribunal:</p> <p>(h) the application of the Administrative Decisions (Judicial Review) Act 1977 (Aust).</p> <p>(2) The Commissioner must publish, on an Internet site maintained by or on behalf of the Commissioner, a copy of the Arrangement and Internet links to the Acts and regulations that comprise the joint registration regime.</p>	<p>5</p> <p>5</p>
<p>273 Interface with Lawyers and Conveyancers Act 2006</p>	
<p>(1) Section 271 does not prohibit lawyers—</p> <p>(a) from providing legal services; or</p> <p>(b) from taking part in proceedings under the Patents Act 2013 to the extent that they were entitled to do so before the commencement of this Part.</p> <p>(2) However, this section does not limit sections 277(1) and 279.</p> <p>Compare: 1953 No 64 ss 101, 103(5)</p>	<p>10</p> <p>15</p>
<p><i>Offences and penalties</i></p>	
<p>274 Offences: unregistered persons practising, etc, as patent attorneys</p>	
<p><i>Individuals</i></p>	
<p>(1) An individual commits an offence, and is liable on conviction to a fine not exceeding \$6,000, if—</p> <p>(a) the individual carries on business, practises, or acts as a patent attorney; and</p> <p>(b) the individual is not a registered patent attorney or a lawyer.</p> <p>(2) An individual commits an offence, and is liable on conviction to a fine not exceeding \$6,000, if—</p> <p>(a) the individual describes himself or herself, or holds himself or herself out, or permits himself or herself to be described or held out, as a patent attorney or an agent for obtaining patents; and</p> <p>(b) the individual is not a registered patent attorney.</p>	<p>20</p> <p>25</p> <p>30</p>
<p><i>Companies</i></p>	
<p>(3) A company commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if—</p> <p>(a) the company carries on business, practises, or acts as a patent attorney; and</p> <p>(b) the company is not a registered patent attorney or an incorporated law firm.</p>	<p>35</p>

- (4) A company commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if—
- (a) the company describes itself, or holds itself out, or permits itself to be described or held out, as a patent attorney or an agent for obtaining patents; and 5
 - (b) the company is not a registered patent attorney.
- Partnerships other than limited partnerships*
- (5) A partner in a partnership commits an offence, and is liable on conviction to a fine not exceeding \$6,000, if— 10
- (a) the partner carries on business, practises, or acts as a patent attorney; and
 - (b) none of the partners in the partnership is a registered patent attorney or a lawyer.
- (6) A partner in a partnership commits an offence, and is liable on conviction to a fine not exceeding \$6,000, if— 15
- (a) the partner describes the partnership, or holds the partnership out, or permits the partnership to be described or held out, as a patent attorney or an agent for obtaining patents; and
 - (b) none of the partners in the partnership is a registered patent attorney or a lawyer.
- Limited partnerships* 20
- (7) A limited partnership commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if the limited partnership carries on business, practises, or acts as a patent attorney.
- (8) A limited partnership commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if the limited partnership describes itself, or holds itself out, or permits itself to be described or held out, as a patent attorney or an agent for obtaining patents. 25
- Interpretation*
- (9) For the purposes of this Part, a person is taken to carry on business, practise, or act as a patent attorney if, and only if, the person does, or undertakes to do, patents work in New Zealand. 30
- (10) In this Part, **patents work** means 1 or more of the following done, on behalf of someone else, for gain:
- (a) applying for or obtaining patents in New Zealand or anywhere else:
 - (b) preparing specifications or other documents for the purposes of this Act or the patent law of another country: 35

- (c) giving advice (other than advice of a scientific or technical nature) about the validity, or infringement, of patents.

Compare: Patents Act 1990 ss 201, 201A (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e)

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275 Exceptions for legal representatives and employees

Exception: legal representatives of deceased patent attorneys

- (1) **Section 274(1), (3), and (5)** does not apply in relation to the business of a registered patent attorney who is deceased if the business—

(a) is carried on, within 3 years after the death of the patent attorney or any further time allowed by a court, by the legal representative of the deceased registered patent attorney; and

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(b) is managed by a registered patent attorney on behalf of the legal representative.

Exception: employees

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- (2) **Section 274(1) and (2)** does not apply in relation to anything done by a person, as an employee,—

(a) for his or her employer; or

(b) if the person's employer is a member of a related company group, for another member of the group.

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- (3) **Section 274(3) and (4)** does not apply in relation to anything done by a member of a related company group for another member of the group.

Evidential burden

- (4) The defendant must adduce or point to evidence that suggests a reasonable possibility that a matter in this section exists or does not exist, in order to rely on this section.

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Whether company is related to another company

- (5) In this section, **related company group** means a group of companies that comprises a company and its related companies within the meaning of section 2(3) of the Companies Act 1993.

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Compare: Patents Act 1990 s 201 (Aust)

276 Incorporated patent attorney must have patent attorney director

Offence: failing to notify lack of patent attorney director

- (1) An incorporated patent attorney commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if the incorporated patent attorney—

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(a) does not have a patent attorney director; and

(b) does not notify the designated manager of that within 7 days.

Offence: acting after 7 days without patent attorney director

- (2) An incorporated patent attorney commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if the incorporated patent attorney—
- (a) does not have a patent attorney director; and
 - (b) has not had a patent attorney director during the previous 7 days; and
 - (c) carries on business, practises, or acts as a patent attorney.

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Compare: Patents Act 1990 s 201B (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e)

277 Documents prepared by lawyers 10

- (1) No lawyer may prepare a specification or a document relating to an amendment of a specification (or make a representation, or permit another person to represent, that the lawyer is entitled to do so) unless the lawyer is—
- (a) also a registered patent attorney; or
 - (b) acting under the instructions of a registered patent attorney; or
 - (c) directed to do so by a court of New Zealand or elsewhere.

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- (2) A person who contravenes **subsection (1)** commits an offence and is liable on conviction to a fine not exceeding \$6,000.

Compare: Patents Act 1990 s 202 (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e)

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278 Documents prepared by member of partnership

- (1) A partner in a partnership (other than a limited partnership) who is not a registered patent attorney must not prepare a specification, or a document relating to an amendment of a specification, unless—
- (a) the person is acting under the instructions or supervision of a registered patent attorney; or
 - (b) the amendment has been directed by an order under section 89.

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- (2) A partner in a limited partnership who is not a registered patent attorney must not prepare a specification, or a document relating to an amendment of a specification.

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- (3) A person who contravenes **subsection (1) or (2)** commits an offence and is liable on conviction to a fine not exceeding \$6,000.

Compare: Patents Act 1990 s 202A (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e)

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279 Documents prepared by incorporated patent attorneys and incorporated law firms	
An incorporated patent attorney or an incorporated law firm commits an offence, and is liable on conviction to a fine not exceeding \$30,000, if—	
(a) an employee or a member of the incorporated patent attorney or incorporated law firm prepares a specification or a document relating to an amendment of a specification; and	5
(b) the employee or member is not a registered patent attorney; and	
(c) the specification or document is not prepared—	
(i) under the instructions or supervision of an individual who is a registered patent attorney; or	10
(ii) as directed by an order under section 89.	
Compare: Patents Act 1990 s 202B (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e)	15
280 Attendance at patent attorney's office	
A registered patent attorney commits an offence, and is liable on conviction to a fine not exceeding \$6,000, if—	
(a) the registered patent attorney practises, acts, or holds himself, herself, or itself out as practising or acting, as a patent attorney, at an office or place of business where specifications or other documents are prepared for the purposes of this Act; and	20
(b) there is not an individual who is a registered patent attorney—	
(i) in regular attendance at that office or place; and	
(ii) in continuous charge of the patents work done at that office or place.	25
Compare: Patents Act 1990 s 203 (Aust); Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e)	
281 Time limit for filing charging documents for offences	30
Despite anything to the contrary in section 25 of the Criminal Procedure Act 2011, the limitation period in respect of an offence under this Part ends on the date that is 5 years after the date on which the offence was committed.	
Compare: Patents Act 1990 s 204 (Aust)	

*Provisions that apply if Disciplinary Tribunal and Appeals Tribunal sit in
Australia***282 Provisions that apply if Tribunals sit in Australia**

- (1) The purpose of this section is to give the Disciplinary Tribunal and the Appeals Tribunal powers in respect of a person or persons that ordinarily reside in New Zealand to enable proceedings to be conducted in Australia. 5
- (2) For that purpose, the Disciplinary Tribunal is deemed to have been declared by the Minister of Justice to be an Australian court under section 152 of the Evidence Act 2006. 10

Examples

Disciplinary Tribunal subpoenas may be served in New Zealand.

The Disciplinary Tribunal may take evidence, and receive related examination and submissions, by audio link or audiovisual link from New Zealand.

- (3) The Disciplinary Tribunal and the Appeals Tribunal are declared to be tribunals to which subpart 5 of Part 2 of the Trans-Tasman Proceedings Act 2010 applies, and all decisions of those Tribunals that are made in connection with proceedings to review decisions made under the joint registration regime are declared to be orders to which that subpart applies. 15

Example

Certain Tribunal orders may be recognised and enforced in New Zealand. 20

Compare: Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(c)

*Provisions that apply if Disciplinary Tribunal sits in New Zealand***283 Provisions that apply if Disciplinary Tribunal sits in New Zealand**

- (1) The Disciplinary Tribunal may, at a sitting of that Tribunal in New Zealand that involves a patent attorney that is ordinarily resident in New Zealand, exercise all the powers of that Tribunal as if it were a sitting in Australia. 25
- (2) Without limiting **subsection (1)**, the Patents Regulations 1991 (Aust) that are applicable in relation to proceedings in Australia apply to the practice and procedure of the Disciplinary Tribunal at any sitting of that Tribunal in New Zealand. 30
- (3) Without limiting **subsection (1)**, the Disciplinary Tribunal may, at any sitting of the Tribunal in New Zealand,—
- (a) direct that the hearing or any part of the hearing be held in private: 35
 - (b) require any person to leave the Tribunal:
 - (c) prohibit or restrict the publication of evidence or the name of any party or any witness.

- (4) Nothing in **subsection (2) or (3)** applies in relation to—
- (a) the prosecution of any person for an offence committed as a witness; or
 - (b) the enforcement or execution of any judgment, order, injunction, writ, or declaration given, made, or granted by the Disciplinary Tribunal.
- (5) A decision made under **subsection (3)** may be enforced by a Judge of the High Court of New Zealand who, for that purpose, has and may exercise the powers, including the power to punish for contempt, that would be available to enforce the decision if it were an order that had been made by a Judge of the High Court in New Zealand. 5
- Compare: 1908 No 89 s 56J; ~~2010 No 108 s 87~~; Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(c) 10
- 284 Issue of summons by Disciplinary Tribunal**
- (1) This section applies if the Disciplinary Tribunal, by instrument in writing signed by the President of the Disciplinary Tribunal, issues a summons that requires a person in New Zealand to appear before the Tribunal to give evidence and to produce documents or articles for the purposes of a sitting of the Tribunal in New Zealand. 15
- (2) The summons may be served on a person in New Zealand by leaving a copy of the summons with that person personally, together with a statement setting out the rights and obligations of that person, including information as to the manner in which application may be made to that Tribunal to have the summons set aside. 20
- (3) A person who has been served with the summons under **subsection (1)** may not be compelled to comply with the summons unless, at the time of service of the summons or at some other reasonable time before the hearing, allowances and travelling expenses or vouchers sufficient to enable that person to comply with the summons are tendered or paid to that person. 25
- Compare: 1908 No 89 s 56K; ~~2010 No 108 s 88~~
- 285 Failure of witness to comply with summons** 30
- (1) This section applies if the Disciplinary Tribunal, by instrument in writing signed by the President of the Disciplinary Tribunal, issues a certificate stating that a person named in the certificate has failed to comply with a summons referred to in **section 284(1)**.
- (2) The High Court may issue a warrant requiring any constable to arrest that person and bring that person before the court. 35
- (3) The High Court may, on the appearance of that person before the court, impose a fine not exceeding \$1,000 unless the court is satisfied that the failure to comply with the summons, the onus of proof of which lies with that person, should be excused. 40

- (4) In determining whether the failure to comply with the summons should be excused, the High Court may have regard to—
- (a) any matters that were not brought to the attention of the Disciplinary Tribunal, if the High Court is satisfied that—
 - (i) the Disciplinary Tribunal would have been likely to have set aside the summons if those matters had been brought to the attention of that Tribunal; and 5
 - (ii) the failure to bring those matters to the attention of the Disciplinary Tribunal was not due to any fault on the part of the person alleged to have failed to comply with the summons or was because of an omission by that person that should be excused; and 10
 - (b) any matters to which the High Court would have regard if the summons had been issued by the High Court.
- (5) For the purposes of this section, but subject to **subsection (4)**, a certificate from the Disciplinary Tribunal stating any of the following matters is conclusive evidence of the matters stated in it: 15
- (a) that the summons was issued by that Tribunal:
 - (b) that the witness failed to comply with the summons:
 - (c) the decision of that Tribunal, or any orders or findings of fact made by that Tribunal, in relation to any application made to that Tribunal to have the summons set aside. 20
- (6) Subject to **subsection (4)**, no findings of fact made by the Disciplinary Tribunal on an application to that Tribunal to have the summons set aside may be challenged by any person alleged to have failed to comply with the summons unless the Tribunal was deliberately misled in making those findings of fact. 25
- Compare: 1908 No 89 s 56L; ~~2010 No 108 s 89~~

286 Other provisions about proceedings

- (1) The provisions in **subsection (2)** apply with the following modifications if the Disciplinary Tribunal sits in New Zealand:
- (a) references to the Federal Court of Australia must be treated as references to the Disciplinary Tribunal: 30
 - (b) references to the court must be treated as references to the Disciplinary Tribunal:
 - (c) references to a Judge of the court must be treated as references to a member of the Disciplinary Tribunal: 35
 - (d) references to an Australian proceeding must be treated as references to a proceeding before the Disciplinary Tribunal in New Zealand.
- (2) The provisions are the following provisions of the Judicature Act 1908:
- (a) section 56M(1)(a) and (2) (power to administer oaths in New Zealand):

- (b) section 56N (orders not subject to review):
- (c) section 56O (contempt):
- (d) section 56Q(1), (2)(a), (3)(a), and (4)(a) (privileges and immunities of Judges, counsel, and witnesses).

Miscellaneous provisions 5

287 Territorial scope and jurisdiction

- (1) A registered patent attorney who is ordinarily resident in New Zealand is within the jurisdiction of the Disciplinary Tribunal and the Appeals Tribunal and must co-operate with an investigation by either Tribunal into his or her conduct. 10
- (2) This Part does not apply to a person or company that is part of the patent attorney profession of a country outside New Zealand if—
 - (a) the person or company—
 - (i) is resident or incorporated in a country other than Australia or New Zealand; or 15
 - (ii) has a principal place of business for undertaking patent attorney services in a country other than Australia or New Zealand; and
 - (b) the patent attorney services provided by the person or company are in respect of the patent law of a country other than New Zealand or Australia. 20

Compare: 1961 No 43 s 7; Therapeutic Products and Medicines Bill 2006 cl 29; Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(d)

288 Rights of patent attorney over documents and client property

A registered patent attorney has the same right of lien over documents and property of a client as a lawyer or incorporated law firm, as the case may be, has. 25

Compare: Patents Regulations 1991 (Aust) r 20.53

289 Investigations under Australian Acts

A member of the Disciplinary Tribunal who is ordinarily resident in New Zealand must co-operate with an investigation that is undertaken under the Freedom of Information Act 1982 (Aust) or the Privacy Act 1988 (Aust). 30

290 Regulations under this Part

The Governor-General may, by Order in Council, make regulations for all or any of the following purposes:

- (a) prescribing matters that are necessary or desirable for the implementation of the Arrangement: 35

- (b) increasing or decreasing the fines for an offence under this Part to an amount that is consistent with the fines that apply under the joint registration regime after any alteration of the amount of penalty units under section 4AA of the Crimes Act 1914 (Aust):
- (c) prescribing any other matters that are required or permitted by the joint registration regime to be prescribed: 5
- (d) providing for any other matters contemplated by this Act, necessary for its administration, or necessary for giving it full effect.
- Compare: Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 3.3(e), (f) 10

7 **New Schedule 1AA inserted**

Before the Schedule, insert as Schedule 1AA the Schedule 1AA set out in **Schedule 1** of this Act.

8 **Repeal of Patents Act 1953**

- (1) The Patents Act 1953 (1953 No 64) is repealed. 15
- (2) However, the Patents Regulations 1954 continue in force (as amended by **Part 2 of Schedule 2** of this Act) and may continue to be amended or revoked under section 114 of the Patents Act 1953 as if it had not been repealed.

9 **Consequential amendments**

The enactments specified in **Schedule 2** are amended in the manner set out in that schedule. 20

Schedule 1
New Schedule 1AA inserted

s 7

Schedule 1AA
Transitional, savings, and related provisions

5

s 11A

Part 1

Transitional and savings provisions arising from Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Act 2015

- 1 Existing patent attorneys** 10
- (1) **Subclause (2)** applies to every person who, immediately before the commencement of **Part 6**, is registered as a patent attorney under the Patents Act 1953.
- (2) The person is, immediately after the commencement of **Part 6**, a registered patent attorney under the joint registration regime. 15
- Compare: Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 9.1
- 2 Existing training and minimum knowledge requirements**
- Clause 9.2 to 9.7 of the Arrangement applies to persons in New Zealand. 20
- Compare: Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 9.2–9.7
- 3 Existing disciplinary proceedings**
- (1) Despite **section 9** of the **Patents (Trans-Tasman Patent Attorneys and Other Matters) Amendment Act 2015**, the disciplinary regime under section 102 of the Patents Act 1953 continues to apply after the commencement of **Part 6** for actions and behaviours of patent attorneys in New Zealand before the commencement of **Part 6**. 25
- (2) The Commissioner must advise the designated manager if a New Zealand court determines that a person should not practise as a patent attorney in New Zealand. 30
- Compare: Arrangement between the Government of Australia and the Government of New Zealand Relating to Trans-Tasman Regulation of Patent Attorneys, 2013 cl 9.12

Schedule 2

Amendments to enactments

s 9

Part 1

Amendments to Acts

5

Evidence Act 2006 (2006 No 69)

In section 51(1), definition of **overseas practitioner**, replace paragraph (b) with:

- (b) a person who is entitled to practise in Australia as a registered trade marks attorney; or

In section 51(1), after the definition of **overseas practitioner**, insert:

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registered patent attorney has the meaning given to it by **Part 6** of the Patents Act 2013.

Lawyers and Conveyancers Act 2006 (2006 No 1)

In section 6, replace the definition of **patent attorney** with:

patent attorney has the same meaning as **registered patent attorney** in **Part 6** of the Patents Act 2013

15

After section 36(4), insert:

(4A) A patent attorney does not commit an offence against any provision of sections 32, 33, and 35 by reason only of—

- (a) preparing documents, transacting business, and conducting proceedings for the purposes of the Patents Act 2013;
- (b) exercising any other rights and privileges as may be prescribed under the joint registration regime provided for in **Part 6** of the Patents Act 2013.

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In section 36, compare note, after “(2)(a), (c)”, insert “; 1953 No 64 s 101(3)”.

Replace section 47(j) with:

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- (j) the provisions of the joint registration regime for patent attorneys in **Part 6** of the Patents Act 2013; or

Patents Act 2013 (2013 No 68)

In section 3(e), after “countries”, insert “; and”.

After section 3(e), insert:

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- (f) regulate the provision of patent attorney services by giving effect to the joint registration regime with Australia.

In section 4(1)(e), after “matters”, insert “; and”.

After section 4(1)(e), insert:

Patents Act 2013 (2013 No 68)—*continued*

- (f) **Part 6** contains provisions relating to a joint registration regime with Australia for patent attorneys.

Repeal section 4(3).

In section 5(1), replace the definition of **patent attorney** with:

patent attorney has the same meaning as **registered patent attorney** in **section 269(1)**

5

In section 5(1), repeal the definition of **register of patent attorneys** or **patent attorneys register**.

After section 11, insert:

Transitional, savings, and related provisions

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11A Transitional, savings, and related provisions

Schedule 1AA contains transitional, savings, and related provisions relating to amendments made to this Act.

Repeal section 218(d).

In section 247(1), delete “(except as set out in section 248)”.

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Repeal sections 248 and 249.

Privacy Act 1993 (1993 No 28)

In Schedule 2, Part 1, ~~delete~~ repeal the item relating to the Patents Act 1953, section 100.

Part 2

20

Amendments to legislative instruments

Lawyers and Conveyancers Act (Lawyers: Income sharing with Patent Attorneys) Regulations 2008 (SR 2008/220)

In regulation 3(1), revoke the definitions of **patent attorney** and **patent attorney firm**.

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In regulation 3(1), insert in their appropriate alphabetical order:

patent attorney has the same meaning as **registered patent attorney** in **Part 6** of the Patents Act 2013

patent attorney firm means either of the following:

- (a) an incorporated patent attorney within the meaning of **Part 6** of the Patents Act 2013:
- (b) a partnership (other than a limited partnership) of which at least 1 member ~~of the partnership~~ is a registered patent attorney within the meaning of that Part

30

Lawyers and Conveyancers Act (Lawyers: Income sharing with Patent Attorneys) Regulations 2008 (SR 2008/220)—*continued*

In regulation 4(e), replace “in a company carrying on business as a patent attorney pursuant to section 103(2) of the Patents Act 1953” with “in an incorporated patent attorney within the meaning of **Part 6** of the Patents Act 2013”.

Patents Regulations 1954 (SR 1954/211)

Revoke regulations 152, 153, 154, 161, 162, and 163. 5

In Schedule 1, revoke items 10, 11, and 12.

Trade Marks Regulations 2003 (SR 2003/187)

After regulation 23(a), insert:

- (b) whose registration as a patent attorney is suspended or cancelled for the purposes of **Part 6** of the Patents Act 2013; or 10

Legislative history

3 November 2015

Introduction (Bill 83–1)

9 February 2016

First reading and referral to Commerce Committee