

March 1999

INFORMATION FOR CLIENTS, No 5

This Information for Clients handout contains two parts – Part A covers policy decisions made by the Office; Part B covers proposed changes to procedures.

The Intellectual Property Office is considering the introduction of the practices contained in Part B. The proposals are being issued at this time to practitioners and other interested parties for comment by 28 April 1999.

Please address all feedback to Siân Roberts, Team Leader Client Services, at the Intellectual Property Office (email – roberts@iponz.govt.nz).

Contents

This document contains the following subjects:

Part A

- Patent applications – Swiss style claims
- Copies of Patent Specifications and Amended pages

Part B

- Access to Information Held on IPONZ Files
 - Registration of Internet Domain Names as Trade Marks
 - Review of the Hearings Office – Discussion Document
-

PART A

COPIES OF PATENT SPECIFICATION S AND AMENDED PAGES

The Office has recently reviewed the requirement for applicants to supply duplicate copies of provisional and complete specifications (Patents Forms Nos. 4 and 5) and also duplicate copies of any amended pages to those specifications.

In order to simplify the process for applicants, the Office will require only one copy of any specification or amended pages to those specifications. This also applies in respect of amended pages for Treaty applications.

This practice applies from 29 March 1999.

**PATENT
APPLICATIONS
– SWISS STYLE
CLAIMS**

The judgment of Gallen J in the case between Pharmaceutical Management Agency Limited (Pharmac) and The Commissioner Of Patents upheld the previous decision of the Commissioner to allow claims in the Swiss style, providing the requisite novelty could be found.

In this case, Gallen J held that it is legitimate in principle to allow claims directed to the use of a substance or composition for the manufacture of a medicament for a specified new and inventive therapeutic application, even in a case in which the process of manufacture as such does not differ from known processes using the same active ingredient, provided the requisite novelty can be found.

The Office now intends to proceed with processing those patent applications that have been held in abeyance pending this decision. They will be processed through to acceptance and publication but, pending the further order of the High Court, not to sealing.

Starting 19 April 1999, the Office intends to process Swiss-type applications as follows:

- Applications will be drawn in numerical order, with the oldest applications processed first.
- Where the only outstanding matter is the acceptance of Swiss-type claims, and the requisite novelty is present, the applications will be processed to acceptance and publication.
- Where the only outstanding matter is the acceptance of Swiss-type claims, and the requisite novelty is not present, then this objection will be noted if it has not already been raised. If this objection has been raised previously then the applicant will be reminded of what is required.
- Applications containing claims to human medical treatment, with no Swiss-type claims, will have an action issued giving the applicant time to amend the claims to Swiss-type claims, if appropriate, and given they meet the criterion of requisite novelty.
- Applicants will be reminded of any other outstanding objections that need to be resolved within the time to be allowed.
- All pending Swiss-type claims will be reviewed by one Advisor to ensure that there is consistency in applying the standard of requisite novelty.
- No patent applications containing Swiss-type claims will be sealed pending the further order of the High Court and until further notice.

No applications will continue to be held in abeyance. Justice Gallen's judgment did not alter the law pertaining to claims to methods for the treatment of humans. As such, the decision in *Wellcome Foundation Limited v Commissioner of Patents* 1983 NZLR 385 stands and the Office will continue to apply the law set down in that case when dealing with claims involving methods of treatment of humans. Guidelines of the Office approach to such claims were included in the *Intellectual Property Office Information for Clients* dated October 1998.

PART B – PROPOSED PRACTICES

Comments relating to these proposed practices are invited. All comments should be addressed to Siân Roberts, Team Leader Client Services (Email – roberts@iponz.govt.nz) by 28 April 1999.

ACCESS TO INFORMATION HELD ON IPONZ FILES

It is proposed that information held on IPONZ files which cannot be retrieved via the database system will be made available through the photocopy system.

The past practice of making files available through the Information Centre for viewing and/or copying represents a significant security risk. IPONZ needs to retain control over their files at all times.

Any information ordinarily only available to agents for the applicant, will be posted to the agents address on the file. This ensures that the information is only made available to the appropriate party.

REGISTRATION OF INTERNET DOMAIN NAMES AS TRADE MARKS

The Intellectual Property Office of New Zealand is receiving an increasing number of applications to register domain names, the address of an Internet website, as trade marks. The Office is proposing to adopt the following guidelines for the examination of domain names.

A domain name is a combination of standard address code material, such as 'www' and '.com', and an identifier.

The standard address code material is considered devoid of distinctive character. Therefore single elements such as 'www.' are considered prima facie ineligible for registration.

Since these standard address code elements are non-distinctive, examination of domain names will focus on any identifier, as the distinctive part of the mark.

The examination of a domain name will be subject to the usual criteria under the Trade Marks Act 1953. For instance, if the identifier is descriptive or generic, an objection may be raised under section 14/15 of the Act. Therefore *http:www.super.co* would attract an objection on the grounds that *super* is a laudatory word.

Similarly, if the identifier is identical or confusingly similar to an earlier application, an objection may be raised under section 17. Objections may also be raised under sections 16 and 17 if the identifier is identical or confusingly similar to a mark which is well known in New Zealand.

REVIEW OF HEARINGS OFFICE – DISCUSSION DOCUMENT

CONTENTS

This paper contains the following subjects:

- Overview
- Awards of costs
- Filing of written submissions prior to hearings
- Extensions of time in opposition/revocation/rectification cases
- Notices of Opposition in multiple class trade mark oppositions

OVERVIEW

As part of the ongoing review of the practices and processes of the Intellectual Property Office of New Zealand, a review of the Hearings Office is being carried out. The aim of the review is to address some concerns raised regarding the Hearings Office process, with a view to making Office practice more efficient and effective for all concerned.

This consultation document sets out proposed amendments to current practices regarding extensions of time, awarding of costs and the filing of submissions.

Comment is sought regarding the amendments outlined in this document. Comments should be forwarded to the Office by 9 April 1999.

Award Of Costs

The method of determining the appropriate award of costs following a hearing should be, and should be seen to be, consistent from case to case.

In an effort to ensure consistency the Office intends to formulate a schedule of standard costs that apply to the various stages of opposition proceedings.

As a general rule, costs will be awarded in accordance with the schedule. It is intended that discretionary items will not be added to the award of costs unless the concerned party submits evidence. Parties are encouraged to make submissions as to the appropriate level of costs in each case.

In special circumstances the Hearings Office may reduce an award or deem an award to be inappropriate. An example, in trade mark cases where an opponent fails to warn the other side of their objection before starting proceedings

It is normal practice that costs are awarded to the successful party. However, where the successful party's actions have caused some unnecessary complications, such as adjournment, that party may have to pay costs arising from that part of the proceedings.

Where an opposition is not wholly successful but as a result of the opposition the application is accepted with some restriction or modification then, dependant on the circumstances, all of the costs may be awarded to the opponent or, alternatively, each party may be found to be responsible for their own costs.

In all instances related to an award of costs, the Hearings Office will give all parties reasonable opportunity to make representations concerning the matter before coming to a decision.

Schedule

The Office proposes the schedule of set costs (see Appendix I) for; the notice of opposition; the counter statement; the submission of evidence and the examination of evidence.

Filing of Written Submissions Prior to Hearings

It is the current practice of some parties to file written submissions 2 or 3 days prior to the date of a hearing. This practice allows the Hearing Officer to review and become familiar with submissions prior to the hearing, which in turn allows the hearing to focus on the key issues and improves the level of discussion within the hearing. The Hearings Office strongly encourages this practice as standard for all parties to hearings.

In inter-partes hearings, each party will receive the other party's submissions at the time of the hearing, as is current practice.

The Office wishes the practice to be standardised to improve the efficiency and effectiveness of the hearings process for all concerned.

EXTENSION OF TIME IN OPPOSITION, REVOCATION AND RECTIFICATION CASES

Extensions of time are provided to meet exceptional circumstances where, despite acting diligently, the party concerned cannot meet the regulated deadline.

The following guidelines set out the requirements for the granting of extensions of time. It is intended that these guidelines will introduce an increased level of certainty in Hearing Office practices regarding extensions of time.

In cases where regulated time spans are not being met, the Office may direct that a specific timetable be adhered to, in the interest of ensuring that the proceedings are completed within a reasonable time frame.

Patent Opposition - initial extension under Section 21(2)

The Assistant Commissioner's decision in *The Grated Cheese Company Case* affirmed that initial extensions of one month, under Section 21(2) are an exercise of the Commissioner's discretion. The case also signalled that the expectation that such extensions will be granted as a matter of course would continue. The justification for an extension at this stage of proceedings need not be as detailed or compelling as for extensions at other times. For example, the mere indication that the potential opponent is investigating whether it should oppose will be adequate justification for a Section 21(2) extension.

Justification for Extensions in Respect of Trade Marks, Patents and Designs

In making a request for an extension of time, a party must give full and detailed reasons for the request. The onus is on the party seeking an extension to justify the extension, and this will require a minimum of:

- the reasons why it has not been possible to complete the required action within the required time. (including details demonstrating that there has been no lack of diligence on the part of the applicant);
- the present status in completing the required action;
- what actions are outstanding to meet the deadline now sought;
- an anticipated timetable.

Consent

The consent of the other party is not of itself sufficient justification for the grant of an extension of time. Parties seeking extensions with the consent of the other side must also set out the circumstances that justify the extension. Written consent to the extension of time, from the other party, must accompany the extension of time application.

Where parties are in negotiation and extra time is needed to reach settlement the Office will in general grant an extension. However, even where parties are negotiating the Office will expect the overall regulated time span (6 months) to be adhered to.

Period of Extensions

The Regulations provide for specific time lines at all stages of proceedings. It is expected that no extensions will be sought which exceed the regulated period unless extremely clear documentary evidence is submitted at the outset.

The following is a guide only to what the Office considers to be reasonable periods for extensions at various stages of proceedings, where the extension has been justified.

- For opposing a Patent, Trade Mark or Design - a period not exceeding one month.
- For filing Statement of Case in Patent, Trade Mark or Design Proceedings - one month, or with consent, three months.
- For filing evidence in Patent, Trade Mark or Design Proceedings - a period not exceeding two months, unless there is evidence of exceptional circumstances.
- For filing evidence in reply in Patent, Trade Mark or Design

Proceedings - a period not exceeding one month, unless there is evidence of exceptional circumstances.

Transparency in proceedings

All parties to inter-parte proceedings will copy any of their correspondence to the Office, including extension of time applications, to the other party(ies) involved. A party that may be disadvantaged by the grant of any extension should promptly advise the Office of any concerns it may have.

Extensions sought after the time for taking action has passed

The Regulations provide that an extension may be granted after the time has passed for taking the action. The Office considers that this situation is a rare exception, and that it should only occur where there is an adequate explanation of lateness. It is expected that there be no evidence of lack of diligence on the part of the applicant for the extension.

Fees for extension applications

Fees are payable on all extensions of time in inter parte proceedings. The Office will allow one extension, and one fee, to be filed where several identical trade marks are being opposed at the same time.

Abeyance

Where proceedings are held in abeyance, formal extension of time fees will not be required. The terms and conditions on which the Office is prepared to allow abeyance are as follows:

- The parties must be involved in meaningful negotiations, with a realistic expectation of achieving settlement, for which they require further time.
- Proceedings must have been initiated, by at least the filing of an initial extension of time application. Patent Opposition proceedings must have been initiated by the filing of Notice of Opposition.
- Both parties must request/agree to the proceedings being placed in abeyance. The onus is on the party initiating the request for abeyance to obtain and file the written consent of the other party. Until this is filed no party may regard the proceedings as being in abeyance, and formal extension of time must be sought in the usual way. Neither party is to ask or rely on the Office to obtain or seek the other side's consent.

- Once abeyance has been agreed to the proceedings will be "stayed" at the point they were at when placed in abeyance, without the need to file formal extension of time applications of fees.
- The period of abeyance is not to exceed six months. The Office expects that settlement negotiations will be concluded within the six month abeyance period.
- Either party may withdraw their consent to the stay in proceedings at any time, by advising the Office (and the other party) in writing. Proceedings must then recommence.
- The Office will direct that proceedings are to re-commence at the stage they were when suspended, with the Office allowing one month for the taking of the next action.
- The Office reserves the right to direct that proceedings re-commence at any time, but will not normally do so unless it is apparent that an interest of a third party, or the public interest, is being affected by the stay in proceedings, or that the period of abeyance has exceeded six months.

**NOTICES OF
OPPOSITION TO
MULTIPLE
CLASS TRADE
MARKS**

Present practice requires the filing of a separate Notice of Opposition, including the associated fees, for each trade mark being opposed.

In future, where an opposition relates to several trade marks that are essentially identical but that fall in multiple classes, the opposition may be incorporated into a single Notice of Opposition with the fee being \$180 for the first mark and \$50 for every additional mark.

APPENDIX I
SCHEDULE OF COSTS

Item Number	Matter	Cost (Trade Marks)	Cost (Patents)
1	Notice of Opposition	\$500	\$500
2	Counter-statement	\$500	\$500
3	Evidence in support	\$800	\$800
4	Receiving and perusing evidence in support	\$400	\$400
5	Evidence in answer	\$800	\$800
6	Receiving and perusing evidence in answer	\$400	\$400
7	Evidence in Reply	\$200	\$200
8	Receiving and perusing evidence in reply	\$100	\$100
9	Preparation of cases for hearing	\$500	\$500
10	Attendance at hearing by counsel	\$180 an hour or \$810 a day.	\$180 an hour or \$810 a day.



Neville Harris
Commissioner of Patents, Trade Marks and Designs