Intellectual Property Law Exam Notes

- 1. COPYRIGHT
- 2. RIGHTS OF COPYRIGHT OWNER
- 3. COPYRIGHT INFRINGEMENT, EXCEPTIONS & REMEDIES
- 4. DESIGNS
- 5. INFRINGEMENT OF REGISTERED DESIGNS & REMEDIES
- 6. TRADEMARKS
- 7. TRADEMARKS: OPPOSITION, INFRINGEMENT and REMEDIES
- 8. PATENTS
- 9. PATENTS: PROCEDURE FOR REGISTRATION AND INFRINGEMENT
- 10.PROTECTING BUSINESS REPUTATION
- 11. REMEDIES, COMMERCIALISATION OF IP AND INTERNATIONAL PERSPECTIVES

1. COPYRIGHT

Existence of Copyright

- The right to reproduce or copy and pursue (and to pursue related rights concerning) an original expression of an idea (Collins & Forrest)
- Copyright protection is intended to protect the work of an author and allow them to exploit their work through reproduction and or public dissemination without others being allowed to copy their creative output (Stewart)
- Created by statute Copyright Act 1968 (Cth)
- International influences 1994 TRIPS agreement and 2004 AUST-US Free Trade Agreement Only take effect by passing of Australian law, usually in form of amendment to existing 1968 Act.

Two types of copyright

- o Part III works literary works, artistic works, dramatic works, musical works (s32)
- Part IV subject matter sound recordings (s89), cinematograph films (s90) television and sound broadcasts (s91) and published editions of works (s92). (sometimes termed non-works).
- Sound broadcasts = effectively radio broadcasts

Key concepts

- Copyright is distinct from the chattel that houses the copyright
- Copyright subsists in information embodied in a material form (e.g. if you go and sing to a
 record company your song and they record it cant say you have copyright because it did
 not exist in material form eg in a recording)
- Copyright subsists in the expression of ideas not the ideas themselves
- Different types of copyright can subsist independently and simultaneously
- (e.g. music copyright visual copyright in a film = independent + simultaneous as part of whole film)
- No registration requirement

Important Law Reform Discussion

• Australian Law Reform Commission, *Copyright and the Digital Economy*, Issues Paper August 2012.

 Australian Law Reform Commission, Copyright and the Digital Economy, Discussion Paper, May 2013

Recent reform

Online copyright infringement discussion paper July 2013- Australian government

- Intellectual Property Laws Amendments (Raising the Bar) Act 2012
- Schedule 5 Improving mechanisms for trade mark and copyright enforcement
- Commenced 15 April 2013
 - o Improves mechanisms for enforcement of Copyright Act Part V Division 7
 - o Amendments to mechanisms for customs seizure
 - (Not covered in this course)

Other reforms

- There have been some other minor amendments to the Copyright Act after the publishing of the text book such as
- Acts Interpretation Amendment Act 2011 (No. 46 2011) and
- Therapeutic Goods Legislation Amendment (Copyright) Act 2011 (No. 39, 2011)
- These relate to areas not covered in LAW 473

Distinction between copyright and chattels

Pacific Film Laboratories Pty Ltd v Commissioner of Taxation (1970) 121 CLR 154

- Commissioner of Taxation sought to tax the prints made by Pacific Films from negatives provided by customers (small and tangible)
- PF argued property owned by customers and therefore pacific films shouldn't be taxed
- HC rejected PF argument –copyright in negatives was owned by customers.
 However, PF had general property in the print.
- o Company had to pay tax on the prints sold

Princess Diana love letter case

o In 2003 James Hewitt attempted to sell love letters written by Diana. It was noted that although Hewitt owned the physical letters, Diana owned the copyright (and after her death, her estate). Hence anyone buying from Hewett could not publish them without infringing Diana's copyright.

Material Form (s10)

Victoria Park Racing and Recreation Grounds Co Ltd v Taylor (1937) 58 CLR 479

o Copyright is not in information but in the material expression of information

Apple Case – HC really struggled with computer software

- Law has adapted
- o Computer programs are literary works
- o Sound and television broadcasts one exception

Donoghue v Allied Newspapers Ltd –Interviews about racing career

- material form requirement
- interview not reproduced = no material form
- donoghue agreed to give interviews about racing career

- published in allied newspapers
- journalist then sought newspaper permission to publish in another newspaper
- Court said journalist was owner of the copyright had the material form.
- Something that clothes the idea in form
- No protection for great ideas

Concurrent subsistence of copyright

- Published novel = copyright in original literary work is owned by author and publisher owns copyright in published edition
- Film: copyright in script (literary work) and soundtrack (musical work) and also as cinematograph film.

No Need for registration

- no need for © symbol (rather used as a deterrant)
- contrast to designs, patents and trade marks

The originality requirement

- o requirement threshold is very low (not a narrow requirement)
- s32 refers to copyright subsisting in original works (part 3 works)
- 32 (1) Subject to this Act, <u>copyright</u> subsists in an original literary, dramatic, musical or <u>artistic work</u> that is unpublished and of which the <u>author</u>
- No definition of "originality" in Act
- Part IV copyright
 - o No express reference to originality
 - o However implied requirement
 - Act uses terminology of first publication in determining duration of copyright an connection to Australia for purposes of determining eligibility for protection in Australia

University of London Press Ltd v University Tutorial Press Ltd 1916

- o Exam papers
- o Discussion of judge if you haven't copied it from someone else its original.

Sands & McDougall Pty Ltd V Robinson

- o 1st real HC Consideration of this issue
- o map was original
- o independent intellectual effort judgement and discrimination test

Compliations

- Works that comprise bits of other copyright protected work
- o Complicated in digital age mash ups, remixes, etc
- o Is this remix original?
- o No definition of complications in the Act

Macmillian & Co v Cooper

- o MM owned copyright in a book
- Cooper was publisher- used bits of this book and published a textbook for indian students

- (annotated text)
- o whether copyright in MM had been breached
- o If new creation = no infringement such that it itself is a copyright protected work
- o TEST: Privy council = labour, sound judgment and literary skill were all needed to create this new text book and this was enough to attract copyright for this new text

Kalamazoo (Australia) Pty Ltd v Compact Business System Pty Ltd

- blank accounting forms with little bits of text which could be filled in and receipt system -
- o court said sufficiently original

Australia v Rutando

- o didn't follow Kalamazoo
- o computer programs analyse betting statistics
- o defendant used columns and lines (visual elements) which were similar to another
- o court said no copyright claim failed on originality.

Fiest Publications Inc v Rural Telephone Co Inc

- US Case, context of a database
- o Pre-empts what subsequently happened in AUS
- o Us supreme court looked at material
- o Investment of time money alone shouldn't be basis of originality
- o White pages telephone book didn't have originality yes effort and work but no originality

Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd

- o Aus case that considered and rejected Fiest
- o Hardwork is enough copyright subsisted in white pages and yellow pages
- o = total disharmony between US and AUS

IceTV v Nine Network Aust Pty Ltd (2009) 83 ALJR

- o same issue reconsidered by HC
- court found that a weekly timetable did have copyright to say that the sweat of the brow test which is hard work alone is not enough for originality (effort not only requirement – questioned desktop marketing)
- o did find that there was copyright

Telstra Corp Ltd v Phone Directories Co Pty Ltd (2010) 264 ALR 617

- o tried to defend copyright in telephone directories
- o followed Ice TV
- o no copyright in phone directories.

LITERARY WORKS

- Section 10(1) "*literary work*" includes:
 - (a) a table, or compilation, expressed in words, figures or symbols; and
 - (b) a <u>computer program</u> or compilation of <u>computer programs</u>.

Need for meaning and sense

Exxon Corp v Exxon Insurance Consultants International Ltd

 shows how low the need for meaning and sense is. Word exxon as literary work – invented word • Court denied copyright protection because even though it was original and new it had no innate sense, copyright only protects works which have substance and meaning.

Victoria v pacific Technologies (Aust) Pty Ltd (No 2) 2009

- Help help driver in danger call police phone number it was a slogan, seems to have meaning
- Borderline case

Elwood Clothing Pty Ltd v Cotton On Clothing Pty Ltd 2008

 Tshirt designs made up of numbers and words which suggested prep school jacket likeness – could get designs protection but not copyright

Computer Program

Section 10(1) - "computer program" means a set of statements or instructions to be used <u>directly</u> or <u>indirectly</u> in a computer in <u>order</u> to bring about a certain result.

Apple Computer Inc v Computer Edge Pty Ltd

- Evolution in concept of originality
- Apple went to court to get injunction and damages to stop computer edge which was selling computer called wombat – some of the software apple claimed was being copied
- o Apple claimed some of computer edge Integrated ciruit literary work –
- o Trial judge said none of the programs were literary works
- o Federal court said apple had a claim
- This case predated s10(1) definition of computer program)
- o High court restored trial judge decision computer program not literary work
- Long standing dispute federal court and high court have traditionally been different on IP and IT law.
- This case lead to 1984 amendment of Act to include computer program within definition of literary work
- o 2000 amendment to definition of "computer program"

DRAMATIC WORKS

- Section 10(1) "dramatic work" includes:
- (a) a choreographic show or other dumb show; and
- (b) a scenario or script for a <u>cinematograph film</u>;
- but does not include a <u>cinematograph film</u> as distinct from the scenario or script for a <u>cinematograph film</u>.

Tate v Thomas – mood and staging not dramatic work

- o Dispute arose over play lads of the village
- o Def had worked on making the play into a film
- o Plaintiff had written music lyrics and dialogue
- Def claimed had supplied the ideas and supplied scenic effects, ideas about staging, ideas about scenery and backdrops. He said he was creator of the mood – therefore he could protect it under dramatic work.
- o For dramatic work need material form mood and staging doesn't constitute

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4. DESIGNS

REGISTRATION

- o Different to copyright designs create system of registration
- o About visual appearance very superficial
- Not about functionality/how something operates or works just about visual appearance.
- o Functionality is something that IP law protects through patents.
- o Designs Act 2003 (Cth)
- o If you want to register something it MUST be a design
- The design sought to be registered must be registrable subject matter Must fall within definition of "design" in s 5
- o Then it must be a registrable design The design must be new and distinctive

Summary of provisions relation to designs registration

- o Chapter 2 sets out matters relating to <u>design</u> rights.
 - Simplified outline provided in Act, s 9:
- o Part 2 specifies the exclusive rights of the <u>registered owners</u> of a <u>registered design</u>.
- o Part 3 specifies:
 - (a) who is entitled to be <u>registered</u> as the owner of an unregistered <u>design</u>; and
 - (b) who is the registered owner of a registered design.
- Part 4 defines the key concepts of <u>registrable design</u>, <u>newness</u>, <u>distinctiveness</u> and <u>substantial similarity</u>.

These concepts are important because:

- (a) in examining a <u>design</u> under Chapter 5, the <u>Registrar</u> must decide whether it is new and distinctive when compared to the <u>prior art base</u>; and
- (b) in deciding whether a person has infringed a <u>registered design</u> under Chapter 6, a court must consider whether the allegedly infringing <u>design</u> is substantially similar in overall impression to the <u>registered design</u>.

Section 5: design" in relation to a <u>product</u>, means the overall appearance of the <u>product</u> resulting from one or more <u>visual features</u> of the <u>product</u>

Section 7: "visual feature", in relation to a <u>product</u>, includes the shape, configuration, pattern and ornamentation of the <u>product</u>.

- (2) A visual feature may, but need not, serve a functional purpose.
- (3) The following are not <u>visual features</u> of a <u>product</u>:
 - (a) the feel of the product;
 - (b) the materials used in the product:
 - (c) in the case of a product that has one or more indefinite dimensions:
 - (i) the indefinite dimension; and
- (ii) if the <u>product</u> also has a pattern that repeats itself--more than one repeat of the pattern.

Inclusive definition

• e.g. knob or button or lever – can still be a visual feature (need not be purely decorative) – appearance of this functional feature will be protected but not the actual function of it. E.g. the arch shape of a lever – protected as design but what it actually does (linked to other gears) not protected.

- Shag pile rug the fact that its soft is not a visual feature or that it is made out of cotton
- Patterns be careful
- Scent or aroma of something is not part of its design unlike perfume in trademarks for example
- No reference to colour but colour is implicit because colour is a visual feature,

Section 6(1) "Product"

- (1) For the purposes of this Act, a thing that is manufactured or hand made is a <u>product</u> (but see subsections (2), (3) and (4)).
- (2) A component part of a <u>complex product</u> may be a <u>product</u> for the purposes of this Act, if it is made separately from the <u>product</u>.
- (3) A thing that has one or more indefinite dimensions is only a <u>product</u> for the purposes of this Act if any one or more of the following applies to the thing:
- (a) a cross-section taken across any indefinite dimension is fixed or varies according to a regular pattern;
 - (b) all the dimensions remain in proportion;
- (c) the cross-sectional shape remains the same throughout, whether or not the dimensions of that shape vary according to a ratio or series of ratios;
 - (d) it has a pattern or ornamentation that repeats itself.
 - (4) A kit which, when assembled, is a particular product is taken to be that product.
 - Unlike concept of artistic work one off, original
 - Not the same in design can be manufactured or hand made or mass produced
 - Components of products can themselves be a product e.g. air conditioning unit and you have a knob and the knob is made separately from the product this knob may have separate designs registration from the air conditioning unit as a whole.
 - e.g. grill of bmw car
 - or Volvo tyre insert etc
 - sometimes you can have design registration for whole product but usually specific

Visual Features

o visual features are judged by the eye

King Features Sindicate Inc v Owen M Cleanman

- o *under designs act 1906
- o but concept of designs hasn't changed
- Concept of product
- o Product has to have some sort of function other than merely carrying design

Clarkes Registered Designs Case

• Not article itself that is protected but its visual appearance

Valenski

 Neck tie support couldn't be registered because the whole shape was the article – didn't have visual feature separate from the product

Kestos Ltd v Kempac

- o 1935 case
- o bra couldn't be registrable design couldn't be distinguished from visual appearance
- o (although bras have probably progessed from this)

Functional aspects of design

1. Section 7(2) – Fact that visual features serve a function is not a bar to registration

Ogden Industries Pty Ltd v Kis (Australia) Pty Ltd

- o must still appeal in appearance (312S)
 - o Key blanks court said sufficiently individual and separate from product
 - o Had a visual appearance separate from function

Step 1: is it a design? (s5 and s7(1) (2) and (3) and s6 product consideration)

*nb just because design doesn't mean it's a registrable design

Step 2: is it a registrable design? S15, s16 and 19

Registrable designs

Section 15(1) A <u>design</u> is a <u>registrable design</u> if the <u>design</u> is new and distinctive when compared with the <u>prior art base</u> for the <u>design</u> as it existed before the <u>priority date</u> of the <u>design</u>.

- (2) The *prior art base* for a <u>design</u> (the <u>designated design</u>) consists of:
 - (a) designs publicly used in Australia; and
 - (b) designs published in a document within or outside Australia; and
 - (c) <u>designs</u> in relation to which each of the following criteria is satisfied:
 - (i) the design is disclosed in a design application;
 - (ii) the <u>design</u> has an earlier <u>priority date</u> than the <u>designated design</u>;
- (iii) the first time documents disclosing the <u>design</u> are made available for public inspection under section 60 is on or after the priority date of the <u>designated</u> design.

Main concept s15(1): Must be new and distinctive when compared with the prior art base

When assessing prior art base – its assessed as it existed before it existed before the priority date of the design – date which you lodge and application for registration. (not date when application is accepted).

Prior art base very important concept

S15(2) gives definition of prior artbase

- Designs publicly used in Australia (not necessarily registered in Australia but used in Australia – will form part of prior art base).
- o Designs published in a document within or outside Australia
- o Broadly in line with obligations under TRIPS

Potential Essay:

importance of registration – copyright doesn't, designs does

Sophisticated answer: some limited protection for designs given prior art base – not necessarily registered but used – can block other people getting their designs registered.

Potential Essay: should IP be liberalised?

1906 compared with 2003 act

raised the bar of what is registrable but

easier to sue for infringement

designs and patents = liberalisation of cultural exchange – can use other peoples designs more because harder to register designs.

World of technologies Australia pty ltd v tempo Australia pty ltd

- o Fed court case 2007
- o Shows how IP relates with lots of other areas contracts, torts, validity of registration
- o Question of novelty whether design was novel
- o Whether publicly used in Australia
- o S16 and 19 also relevant
- o S15 (2) (1)(b)
 - Advertising brochure depicting picture of vacuum cleaner in Australia (although not used in Australia) part of the prior art base

"New"

- Section 16(1) A <u>design</u> is new unless it is identical to a <u>design</u> that forms part of the <u>prior art base</u> for the <u>design</u>.
- o has to be identical
 - o world of technologies case said not equivocal
 - o even minor differences will mean something can be new
 - o newness is very rarely a problem
 - e.g. register a design for vacuum cleaner design yes, registrable design yes, new yes – problem – is it distinctive (most complex part of argument).
 - o most designs will be new (because its not identical to something else)

"Distinctive"

- Section 16(2) A <u>design</u> is distinctive unless it is substantially similar in overall impression to a <u>design</u> that forms part of the <u>prior art base</u> for the <u>design</u> (see <u>section 19</u>).
- o (3) Subject to paragraph 15(2)(c), the newness or distinctiveness of a <u>design</u> is not affected by the mere publication or public use of the <u>design</u> in <u>Australia</u> on or after the <u>priority date</u> of the <u>design</u>, or by the registration of another <u>design</u> with the same or a later priority date.
 - o distinctive unless substantially similar in overall impression to a design that forms part of the prior art base.
 - o if clients design is deemed substantially similar to something that is already in prior art base = not distinctive.
 - o S16)3) on or after priority date
 - 15(2)(c) says something that is earlier in the que for registered application (that will be part of prior art base)

New and Distinctive cases

Saunders v Weils

 spoon handle was designed in shape of Westminster abbey – defined to be novel distinctive

Review 2 and redbry

- o design for sleeveless wrap dress
- cross over feature = distinctive/innovative
- o also looked at shape of skirt/colour/pattern created visual impression that was not substantially similar to prior art base.
- Standard of the informed user

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6. TRADEMARKS

- More commercial area both parties usually commercial operators –usually one trademark owners rights against another
- o Very commercially valuable

Registration

What is a trademark?

- o Trade Marks Act 1995 (Cth)
- Section 17 A *trade mark* is a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person.

Campomar Siedad ltd v Nike International 2000

- o HC said well known tradeworks have taken on commercial significance
- Significant role in commercial discourse

Examples

- o Apple sign,
- o Google sign colourful/compelling imagery
- Qantas flying kangaroo

Cases have evolved to take a very expansive view of what 'sign' constitutes.

Existing brand is very valuable – whereas if you are entering the market you need to build trust in your new brand etc.

Elements of s 17 definition

- Three basis requirements need to be satisfied before trade mark can be registered
 - Must be a "sign"
 - Must be "used or intended to be used"
 - Must "distinguish" goods or <u>services in commercial activity</u> from goods or services of another trader
 - (in the course of trade)

Function of trade mark

- ☑ Indication or badge of origin e.g. this drink is created by pepsi,
- May communicate certain level of quality e.g. nike people assume certain levels of quality and performance not just saying it is from nike but also high quality product.
- Means of differentiating product –helps ensure that goodwill generated as a result of substantial investment in marketing (e.g. nike advertising) will be directed towards specific product (clear that this is nike and this is adidas adidas case)
- Taken on broader cultural significance because of increased commercial use –

1. First requirement - "Sign"

- Sign – s 6 - includes the following or any combination of the following, namely, any letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent.

- (one letter can be a sign registrable though will have trouble on its own) letter will be a sign but whether capable of being distinctive of goods and services separate issue (below)
- e.g. Mcdonalds M m on its own may not be distinctive but in a particular yellow and font = distinctive for mcdonalds
- o E.g. shape of original coca cola curvaceous bottle (registered since 1920s)
- o E.g. purple in Cadbury (cases that darell lee has been found to infringe that colour)
- Search engines which have distinct sounds when you click search (can be component of trademark – also on its own if its distinctive. – also important for mobile phones – e.g. crazy frog.
- Chanel no 5 has had trademark for very long time as distinctive scent (scent is trademark on its own)
- o Includes a combination of such elements often where success lies when these elements are combined = higher likeliness of distinctiveness.
- This idea of sign complies with trips agreement Based on Article 15 of the TRIPS Agreement

Signs - sounds and smells

- ☐ In practice difficult to register due to need for distinctiveness
- Examples "sproing" (sprining sound) wrt carpets (someone rolls out carpet and springy sound = trademark) and Happy Little Vegemites jingle
- ≈ *can have both musical copyright protection & tm protection

2. Second requirement - use or intended use

Section 27(1)(b) -(1) A person may apply for the registration of a trade mark in respect of goods and/or services if:

- (a) the person claims to be the owner of the trade mark; and
- (b) one of the following applies:
- (i) the person is using or intends to use the trade mark in relation to the goods and/or services;
- (ii) the person has authorised or intends to authorise another person to use the trade mark in relation to the goods and/or services; (license situation)
- (iii) the person intends to assign the trade mark to a body corporate that is about to be constituted with a view to the use by the body corporate of the trade mark in relation to the goods and/or services. (assignment situation)

***most likely is b(i) intends to use trade mark in relation to goods or services.

• Key is – is there ownership of mark and is there intention of the person to use the trade mark in relation to goods and or services.

"Use" - s 7 (2), (3), (4)

Section 7 (4)

- o "use of a trade mark in relation to goods" means use of the trade mark upon, or in physical or other relation to, the goods (including second-hand goods).
- Fixed there on product

Section 7 (5) In this Act:

o "use of a trade mark in relation to services" means use of the trade mark in physical or other relation to the services.

"Use" - Need for genuine commercial use

- Must be genuine use can't stock pile
- Advertising clearly constitutes "use"

"Use" Cases:

Imperial Group Ltd v Philip Morris & Co

- o Ghost marketing pretend sham marketing campaign to get trade mark
- o Court will look for genuine commercial use
- Secret company wished to launch brand of cigarettes, used word 'merit'
- o Court found ghost market to make it look like they were going to use it.

Rawhide Trade Mark ex parte

- o Stockpiling with hope of selling down the line not genuine use –
- Court found that intention or motif for application was not use or intended use but stockpiling with the hope of future sale. = doesn't satisfy requirement for use.

Michael Sharwood v Faddruckers Inc

- o Pre-emptive registration for future use also not genuine use –
- Business model and concept had not yet been progressed to affirm position so court said too early – possibility of commencing business ops in future not enough to constitute use
- o Don't want to restrain use of words and marketing

"Use" must be course of trade

Re Application by NY Yacht Club (600S)

- Sought to register the sign consisting of words 'americas cup' intending to register in Australia
- Sign because words
- But found not used in the course of trade was going to be used for art gallery promotions, saling matches etc - no goods or services to which the mark could legitimately apply because no course of trade existed.
- o Would also confuse public because it passes from winner to winner

3. Third requirement - Must distinguish goods or services

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8. PATENTS

Registration - Patentable Inventions

Patents Law

- **★** Patents Act 1990 (CT)
- **×** Economic rationale for patents
 - + Incentive for innovation in society
 - + Reward to inventor
 - + Provides return on Research & Development investment
 - + Variety of reviews Industrial Property Advisory Committee (IPAC) 1984, and 1994.
 - + Patents are commercially significant monopoly protection for patents

TWO TYPES: Standard and Innovative Patents

Criteria for validity of patent - Standard patent

- Standard patent protects an invention (higher threshold than for innovation more difficult to get this registered but once you have it greater protection and longer term)
 - o patent can only be granted for a Manner of manufacture (very old phrase) within meaning of s 6 of Statute of Monopolies,
 - is novel,
 - involves inventive step,
 - is useful; and
 - not subject of prior secret use

Criteria for validity of patent -Innovative patent

- Innovative patent protects innovation
 - Same as for standard patent except need "innovative step" instead of "inventive step"
 - o Manner of manufacture within meaning of s 6 of Statute of Monopolies,
 - is novel,
 - involves innovative step,
 - is useful; and
 - not subject of prior secret use

When is validity assessed?

- o Criteria for validity relevant to:
 - o Initial process of examination
 - Opposition to application
 - o Re-examination
 - Revocation application (eg may arise independently or be cross-claim in infringement proceeding)
 - See below for procedure for patents application

Standard patents - s 18(1)(a) - "manner of manufacture"

- (1) Subject to subsection (2), an invention is a <u>patentable</u> invention for the purposes of a standard <u>patent</u> if the invention, so far as claimed in any claim:
- (a) is a manner of manufacture within the meaning of section 6 of the Statute of Monopolies; and reasonable body of Australian case law on manner of manufacture

Standard patents - s 18(1)(b) - "novel" "involves an inventive step"

- (b) when compared with the prior art base as it existed before the priority date of that claim:
- (i) is novel; **and** (ii) involves an inventive step; **and** prior level of knowledge judge prior art base at time application lodged

Standard patents - s 18(1)(c) - "useful"

(c) is useful; **and** capable of being put to some use

Standard patents - s 18(1) (d)- not in secret use before priority date

- (d) was not secretly used in the <u>patent</u> area before the priority date of that claim by, or on behalf of, or with the authority of, the <u>patentee</u> or nominated person or the <u>patentee</u>'s or nominated person's predecessor in title to the invention.
 - Not in secret use before priority date

Innovative patents - s 18(1A)

Identical provision except need for "innovative step" instead of "inventive step"

- (1) Subject to subsection (2), an innovation is a <u>patentable</u> inovation for the purposes of a standard <u>patent</u> if the invention, so far as claimed in any claim:
- (a) is a manner of manufacture within the meaning of <u>section 6</u> of the Statute of Monopolies; and

1. "Manner of manufacture" - what constitutes?

- Not such a clear cut area of law
- o Required for both standard and innovation patents
- o Reference to 1624 statute. In 1952 Australian Patents Act and repeated in 1990 Act.
- Rationale? To import traditional principles of patents law without need to codify all subtleties

Threshold requirement:

NV Philips Gloeilampenfabrieken v Mirabella Internaional Pty Ltd (368S)

- Considered a manner of manufacture:
- A product that can be produced by following the instructions in the patents specifications; or
- A process or method that can be achieved by following the instructions in the patents specifications.
- Such products, processes or methods must be capable of "industrial application"

MoM: Morton Rules

Re GE's Application

- Justice Morton process or patent if it leads to the production, improvement or preservation of a vendible product (like a tradeable product)
 - Need for "vendible product" limits grant
 - o Very limited formulation of manner of manufacture

Consideration of "manner of manufacture" in NRDC case

National Research Development Corp v Commissioner of Patents (1959) 102 CLR 252 (HC) (368S)***important case

- Such products, processes or methods must be capable of "industrial application"
- o Industrial application broad concept
 - o Facts: applicant applied for patent for method of killing weeds in crops
 - o Inventive thing about it killed weeds but left good plants untouched
 - Manner of manufacture looks at vendible product and this wasn't one need vendible product and processes – this was just a process with no vendible product and therefore want invention

- Went on appeal because this process provided useful physical result it was a manner of manufacture – hC said relevant inquiry should be into the breadth of the concept rather than the meaning of particular words
- o Manufacture can be taken to be the production of tangible goods
- Case law on subject suggests we are dealing not only with product but with processes.
- o Looked at Morton requirement of vendible product
- o Recognised this restricts development of the concept
- Hc: necessary to look beyond vendible product, what is meant by product in relation to a product is only something new and useful – need not be a physical thing, what it needs is a physical phenomenon which in this case is the killing of the weeds.
- This has meant it has been able to use for discoveries which change chemical compositions etc. wont just justify 'mere discoveries' (not patentable)>
- o "Product" need not be an article. It may be a physical phenomenon in which the effect, be it creation or alteration, may be observed

Categories excluded from patentability

- o Agricultural and horticultural processes
 - o NRDC
- Discoveries

Kirin-Amgen Inc v Board of Regents of University of Washington (372S)

- Claim directed to naturally occurring DNA would likely be no more than discovery per se and not manner of manufacture
- However if you could say it was not just discovery as to naturally forming phenomenon but if you then go and purify a DNA sequence (intervention) = artificially create a state of affairs – this is

Can information be patented?

Mere formation of existing information = not patentable

Neilson v Minister of Public Works (NSW) (374S) -

o Needs to add to the sum of human art

Hayasibara Co's Patent -

 Need to have some application of theory or information to economically significant ends

Pitmans application

- o 1969 English case
- o presentation for functional purpose can be patentable

Virginia-Carolina Chemical Corp's Application -

- o Similar to pitman
- o Patentable where presentation or arrangement for functional purpose
- Existing information arranging in different way and has functional purpose = patentable

Can computer programs be patented?

 If computer program is merely "reciting a mathematical algorithm" – not patentable: Application by Honeywell Bull Inc (374S)

IBM Corporation v Commissioner of Patents (374S)

- o If algorithm is applied for a functional purpose, it can be patented
- Invention allowing production of improved curved images in computer graphics was patentable

Can business and financial systems be patented?

- One of most problematic areas
- Mindset that business processes shouldn't be given de facto patent protection merely because its an electronic product

Grant v Commissioner of Patents (375-376S) 2006

- o Overview of principles governing business, commercial and financial schemes
- Method to protect asset against claims of unsecured creditor in circumstances where owner of asset found to be liable
- Method involved taking of pre-emptive "due diligence" steps using legal arrangements involving creation of certain trust arrangement
- Full FC Not patentable as it did not produce a "tangible...or observable effect."
 Method resulted in "abstract, intangible situation."
- o No physical phenomenon referencing NRDC
- One of the hardest line cases

Pharmaceutical products

• Australian position - Substances used in treatment are patentable

Bristol-Myers Squibb Co v Baker Norton Pharmaceuticals Inc (380S)

- o New substance patentable; and
- New therapeutic application of old substance is also novel (Swiss Style claims based on practice of Swiss IP Office) (New application of old substance is patentable) e.g. dosage different = physical phenomenon is that the person would get better. – healthy rather than sick

2. "Novelty"

- essentially asking is it new (novelty)
- Required for both standard and innovation: (standard is same for both just different references as below)
- \circ s 18(1)(b)(i)
- o S 18(1A)(b)(i)

• • •

10.PROTECTING BUSINESS REPUTATION

- · works with IP law
- confidentiality
- passing off
- unfair competition
- not competition and consumer law

Often work together with a statement of claim/argument in IP

- trade marks, design - competition and consumer law overlap (we are not doing this though)

Ambit of this module

- Examination of variety of other areas of law of relevance to intellectual property law
- Passing off, including character merchandising
- Tort of unfair competition
- Competition and Consumer Act 2010 provisions as to misleading or deceptive conduct Not dealt in LAW 473 and not assessed as part of LAW 473 as this area is dealt with in Trade Practices Law unit.
- Breach of confidence (in brief)

Tort of passing off

o Elements of the tort

Erven Warnick v J Townsend & Sons (Hull) Ltd (the 'Advocaat case') 1979

- o 5 elements
- o need for misrepresentation
- o by trader in course of trade
- o directed at prospected customers of trader in goods and services
- o must cause causal nexus
- o injury to business or good will of proprietor must be economic damage (cant be remote) –

Consorzio del Proscuitto di Parma Marks & Spencer plc 1991

- More streamline definition of passing off
- Establish reputation or good will of the plaintiff used for purpose of assessing damage.
- o Conduct of defendant in leveraging off that good will
- o Then the damage
- o (this is the modern formulation to follow).

Establishing Reputation

Establishing reputation - "Commercial activities"

e.g. company nike (trademark) then someone uses trademark Niki in relation to shoes – say there is some problem with trademark infringement, Nike for some reason didn't have registration for Nike trademark therefore trademark proceedings unavailable – but bc passing off is common law action would be available Q: Has niki somehow passed off their shoes as having some relation to Nike – leveraging off nikes established reputation, causing damage to nike – e.g. loss of sales.

Dr Barnado's Homes v Amalgamated Industries Ltd

Charity not commercial activity

Holy and Apostolic Catholic Church of East (Assyrian) Aust NSW Parish Assoc v AG (NSW)

 Central activity isn't commercial but if commercial good will attaching to some facet = satisfies reputation

Reputation - Relevant section of the public

Must show reputation of public to whom this reputation is exposed – must be same area of public which has gone to other proprietor

Cadbury Schweppes Pty Ltd v Pub Squash Pty Ltd

- Tort of passing off is not confined to use of trade mark of company of business look at wider reputation in the market place
- o Test: whether product has derived a distinctive character that the market recognises

. . .

11. REMEDIES, COMMERCIALISATION OF IP AND INTERNATIONAL PERSPECTIVES

International Framework

- isn't going to be a topic which will be focused on in self contained q in take home
- this course focuses on Australian IP law
- use international examples and discussion to add sophisticated examples to law reform
- integrate with essays! Essay question

Harmonisation of global IP Law

- o TRIPS prescriptive requirements
- o By ratifying TRIPS = level of harmonisation acquired
- o TRIPS is still broad brushed however
- o Bilateral agreements increasingly have IP terms
- o Free trade zones waiving IP rights
- o Or prescribe certain licensing arrangements

How do we enforce rights in other jurisdictions?

- Application of principles of private international law -
- Problem wrt enforcement of IP laws
 - IP statutory laws do not ordinarily have extraterritorial application

How do we enforce rights in other jurisdictions?

- International arrangements
 - o TRIPS
 - Essentially was a landmark
 - Push in 1980s towards harmonsiation driven by desire to facilitate international trade
 - *trade related aspects of intellectual property rights
 - negotiated as part of Uruguay round on GATT
 - incorporated into GATT
 - enforcement of national IP rights
 - 2001 doha round process of negotiation multilateral trading environment more ambitious in its standard and IP transfer –has not progressed as intended.
 - FTAs typically have one chapter on IP law .- these are usually require parties to agree to the IP systems and policies of the country in which they are dealing with.

Strategies for applying for overseas protection of IP