

IP Australia Trade Marks and Designs Consultation Group Meeting 17 April 2018, Melbourne, Australia

GM's update

TM filings (by class) - increase of 3% compared with expected. Significant delays in examination of TM applications. There are currently 38,000 unexamined classes. Only 56% of applications are examined within 13 weeks. IPAU have hired further examiners to deal with delays. See further discussion below about Service Charter.

Design filings - increase of 4% compared with expected. Average time to examination - 8.8 weeks.

Hearings - issued 128 decisions plus 79 on the written record. 7.3 weeks to issue of decision.
1151 oppositions have been filed to date this FY. Delays in issue of "Notices to Produce" noted.

Update on policy and legislative activities

Government response to Productivity Commissioner has been split into 3 Bills which are at various stages.

Bill 1 introduced into Parliament 28 March 2018 - covers parallel imports, reduction of non-use period, issues with legal personality, and streamlining proposals including computerized decision make at IP AU. It does not include proposal to shorten examination response timeframe.

Bill 2 consultation complete - covers division of IRDAs - implement on same basis and timeframes for division of national applications (i.e. not change domestic practice). Will only require amendment of regulations and not Act. Regulation change expected before end of 2020. Bill with Office of Parliamentary Counsel for drafting.

Bill 3 proposed to contain proposals to improve design system. No ETA.

IPAU happy for feedback on Policy Register. Suggestions are prioritized by policy committee with final say by executive board.

Other ongoing work:

- considering joining Hague Agreement; and
- Non-legislative PC recommendations i.e. trade mark clutter, business names and geographical references.

Hague Agreement economic analysis

IPAU seeking feedback on methodology and assumptions on their analysis - this is just one piece of puzzle.

Currently there is low use of Hague Agreement by AU businesses. AU is a net importer. Does this affect AU designers' access to markets? What if China joins? Wait until other countries join i.e. CA? UK has only just joined. Should term be longer anyway? At last review of Designs Act advice was 15 year term but went with 10 years.

It was noted that there was no economic analysis before AU joined Madrid – it is possible that AU would not have joined if had done such analysis.

Design not create statutory monopoly -cf-patents as consumer can choose another product with same function.

Cost to IP professionals - loss of business; costs to comply (IT; training etc.)

Public's consultation until 31 May 2018.

Inclusion of IP in new draft convention on foreign judgments

Hague Conference Judgments Project - a draft convention by Hague Conference on Private International Law - includes a broad scope of IP matters. Inclusion of IP is contentious. Draft text [available](#).

Is being driven by Attorney-General's Department - IPAU has concerns. AGD to publish consultation papers

Customer Service Charter Commitments

IPAU has eight Customer Service Charter commitments for TMs. The one requiring that 85% of TMAs be examined within 13 weeks of filing has not been met since December 2017. As of end February 2018 level of compliance is only 61%.

IPAU is committed to reduce the time to examine - examiners have access to paid overtime; IPAU has aggressive recruitment strategy for examiners - 20 started in March 2018 and additional 40 planned for 2018/19 FY. The training model has been modified to accommodate the increased recruitment over the next two years,

Proposed IP attorney fast track telephone help line

IPAU to undertake user research and co-design with IP profession into viability of IP attorney fast track helpline. Deadline for nominations to participate closed 20 April

Recommendations of Productivity Commission (PC) Report and Govt response

Recommendation 12.1 of PC report:

IP Australia should require the Trade Marks Office to return to its previous practice of routinely challenging trade mark applications that contain contemporary geographical references (under s. 43 of the Trade Marks Act).

The Govt supported this recommendation subject to further work to determine the scope of the practice change. TMs containing GR can be misleading or deceptive as to provenance of the goods/services.

Proposed practice - refine the application of s43 where TMs contain name of a geographical place that has a reputation for the goods/services. Two step test - assess whether there is a connotation, if yes, then consider whether because of that connotation use of the GR in the TM will be likely to deceive or cause confusion. Examiner must consider whether other elements in the TM dispel the association between the connotation and any likely deception or confusion. Applicant may overcome the objection by limiting specification or applying a condition of registration

More discussion required and comments welcome.

General Business

Delays in correspondence delivery - affecting everyone. Seems to be two issues - delays by mail processing contractor (i.e. batching mail) and delays in delivery by AU Post/NZ Post. Not going to change until new IPAU Rights In One (RIO) system for trade marks implemented in November 2018.

Bronwen has asked Hearings Officers to email correspondence particularly time critical correspondence. Seriousness of issue acknowledged. Let Bronwen know the specifics of any issue.

Difficulties with Objective Connect noted. Extensions granted where there has been a real issue with filing via Objective Connect.

Trade Mark Defence Insurance (TMDI) - FICPI, IPTA and INTA reps were strongly against how this has been set up and seemingly promoted by IPAU. The tender was awarded before the new Code of Conduct took effect.

Representatives thought that IPAU should not be seen to favor one firm over another. This potentially lessens competition.

There are discrepancies in how the policy applies to different applicants and discriminates against smaller firms. Applicant has to use firm on panels (currently Griffith Hack and Watermark) or pay higher excess. Self-filer pays lower excess than someone with an attorney.

Group advised that IPAU is not affiliated with the product. Feedback to be passed to the Executive.

Discussion on minutes of meeting held 9 November 2017. IPAU is surprised that there has not been more uptake of appeals to Federal Circuit Court. Also have mediation system - only used once. There have been only two appeals. IPAU against IPEC system.

Julia Baird appointed to FCC in Sydney - no cases yet. Feedback that FCC Melbourne has dedicated judges with good knowledge of TM law for infringement. Described as cost efficient (no pleadings) and good for infringement proceedings by practitioner.

Policy Register item – Introduce legislation to require registration as a trade mark or patent attorney to conduct matters before IP Australia on behalf of others – is on Policy Register but on hold. IPTA stated that need safe harbour like Patent Attorneys. IPAU does not consider it has sufficient evidence of a problem to justify action – it is possible to give feedback on the policy.

Suggestion made to IPAU that it advise on examination reports who can act as an agent. IPTA referring unqualified people to Law Societies.

Discussion around IPAU TM examination practice:

- i) section 44(3)(b) and overcoming intervening citation - IPAU has been requiring evidence of continuing use of applicant's first mark. IPAU response - file simple declaration that use original TM - exercise of discretion.
- ii) Application of *Canterella* - not being consistently applied - IPAU - examiners must apply *Canterella* (HCt) - not change Clarke Equipment
- iii) Application of *Pham Global* - citation based on common element - IPAU response - need to look at combination - not overrule *Crazy Ron*.