

The patent system

Introduction

This document gives a brief summary of the patent application process. The attached chart shows the most common patent protection routes.

Patents protect ideas and concepts embodied in things, methods and processes. Other forms of intellectual property (IP) protection may be used to protect the appearance of an article (design registration), the expression of an idea or artistic work (copyright) or a brand or trade name (trade marks). Please let us know if you wish to discuss other forms of IP protection.

Search

The first stage in obtaining patent protection is usually to perform a search to find out what has already been done. It is only possible to patent new and inventive ideas, so the search helps to establish what scope of protection may be available. The cost of an indicative international novelty search performed by an experienced patent searcher is generally around AU\$1500 to AU\$3500.

Whilst a search conducted by an experienced searcher will produce the most reliable results, inventors may choose to search the Internet and patent databases themselves. If you wish to undertake your own searching, we would be happy to provide you with a copy of our search guide.

Standard Patent protection in Australia

A **provisional application** is usually filed initially and must include a specification describing the invention in detail. The provisional application establishes a date, after which publication or release of a product will not generally result in loss of patent rights. Although a **grace period** is available in Australia where certain disclosures of the invention made within 12 months prior to filing do not invalidate a patent application, it is generally recommended that there is no publication, sale or use of the product before a patent application is filed. This is particularly important if foreign applications are to be filed, as many countries do not provide a grace period. If you would like to discuss a particular disclosure that has been made prior to filing, please contact us.

A specification for a provisional application is not required to include claims, which define the legal scope of protection being sought. However, we typically file a specification for a provisional application with claims as this provides a better basis for foreign priority and reduces the work required when completing the application as described below. Drafting and filing a provisional application usually costs around AU\$3000 to AU\$5000, although greater costs could be expected for complex inventions.

Developments of the invention may be covered by filing further provisional applications.

A **complete application** must be filed within 12 months of the provisional application. The specification in the complete application usually includes the disclosure filed with the provisional application and may also include any improvements made to the invention since the provisional application was filed. The cost of preparing and filing a complete application is around AU\$1000 to AU\$3000 (if a provisional application with claims was originally filed), depending on the extent of improvements and modifications.

After filing, the complete application is examined by IP Australia (The Australian Intellectual Property Office) to see if it complies with Australian patent law.

Although a period of 5 years from filing is generally provided to request examination, it is common practice for IP Australia to reduce this period by sending a direction to request examination. The date of this direction starts a 6 month period in which the applicant must request examination and pay the relevant fee.

After requesting examination, the specification in the complete application is examined by a patent examiner at IP Australia. The examiner may raise objections to the application and issue an examination report indicating those objections and the time limit in which the application is to be placed in order for acceptance. If all objections raised by the examiner are not overcome, the application is refused. If all objections are overcome, the application is accepted and published. Third parties have an opportunity to oppose the published application and if no opposition is lodged, a patent is granted.

Innovation Patent protection in Australia

A different form of patent protection to that described above is also available in Australia. This form of protection is known as an innovation patent and requires a lower inventive threshold than a standard patent.

A provisional application, followed by a complete application within 12 months, may be filed to obtain an innovation patent in a similar way as described above for a standard patent. However, the process and requirements for obtaining an innovation patent are generally simpler than those for a standard patent. In return however, the term of protection is less, i.e. 8 years for an innovation patent compared with 20 years for a standard patent. For further details on whether your ideas are more suited to a standard patent application or an innovation patent application, please contact us.

Patent protection outside of Australia

There are two main options for obtaining patent protection outside of Australia.

The first option is simply to file patent applications in each country where protection is desired. If these applications are filed within 12 months of the provisional application, the Applicant is entitled to retain the benefit of the provisional application filing date. The cost of filing each application varies across different countries, as indicated in the attached guide.

Each application is examined in the appropriate national Patent Office before a patent is granted in that country. As a rough guide, costs similar to the filing cost are generally incurred in each country during examination and grant procedures, although these vary greatly from country to country and are likely to be much higher in the US and Japan.

The second option for obtaining foreign patent protection is to file a PCT (Patent Cooperation Treaty) application. This application should again be filed within 12 months of the provisional application filing date to retain the benefit of that date and typically costs about AU\$6000 to AU\$8000. The main advantage of filing a PCT application is that the costs associated with filing in different countries are deferred until 30 months from the provisional filing date. It is important to note that a PCT application does not result in a world wide patent, but will result in individual patent applications in the PCT member countries of your choice.

The PCT application is searched and an international examiner provides an opinion on whether the application is patentable. If a favourable opinion is provided at the search stage, examination of the application is generally not required. If the opinion is not favourable, the applicant may have the application examined by filing amendments and/or arguments, requesting preliminary examination and paying a “demand” fee. If the subsequent preliminary examination report established is favourable, slightly less cost may be incurred during examination in the different countries. If filing in several countries (more than three or so) this route can therefore be more cost-effective. If the subsequent preliminary examination report established is not favourable, it is still possible to pursue protection in individual countries by submitting amendments and/or arguments in each country.

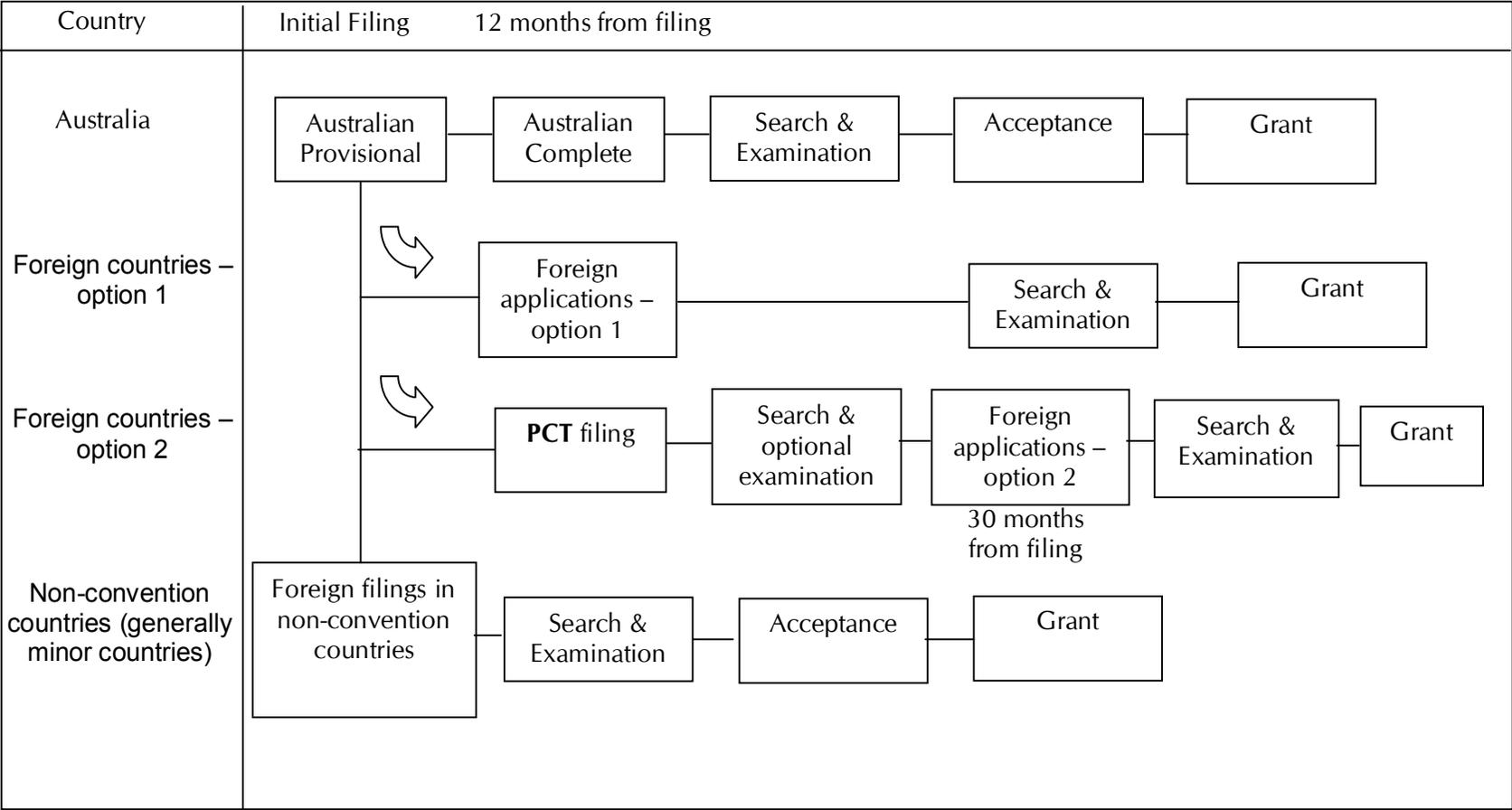
Note that some (generally minor) countries are “non-convention” countries, such as Taiwan. Therefore, patent applications in “non-convention” countries cannot claim an earlier Australian filing date and must be filed independently, ideally at the same time as filing the Australian provisional application. Similarly some countries are not members of the PCT and so this route is closed for those countries, such as Taiwan and Argentina. We therefore recommend that you discuss countries of interest with us at an early stage.

Maintaining a patent

Once a patent has been granted, maintenance fees must be paid throughout the life of the patent to keep it in force. In some countries, including Australia, maintenance fees are payable before grant. In Australia these fees become due on the 5th anniversary of the filing date of a complete application.

Standard patents last for twenty years, counted from the time of filing the complete, PCT or national application. Once a patent expires, or is allowed to lapse by non-payment of a maintenance fee, others are free to make, use or sell the invention.

Patent Timeline



INDICATIVE COSTS FOR
NATIONAL PHASE FILINGS

Country	AU\$ Typical Filing Cost
New Zealand	1,500
Canada	3,500
China	6,500
Europe (all states designated)	9,000
Hong Kong (within 6 months of Chinese or European publication)	3,000
India	2,500
Japan	8,000
Korea (South)	6,500
Mexico	6,500
Russian Federation	7,500
Singapore	3,000
South Africa	3,000
United States	5,500

Please note that these costs are not fixed quotes, but are indicative costs based on previous filings. The actual cost may vary and if accurate estimates are required please let us know.