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Dear Mark and Warren

Addressing the issue of “poisonous divisionals”/ “self-collision”

The New Zealand Law Society (Law Society) understands that at the 18 February 2014 meeting of the Patents Technical Focus Group at IPONZ, there was a general discussion about the issue of “poisonous divisionals”. The Law Society’s Intellectual Property Law Committee considers that this issue is now relevant in the New Zealand context and needs to be addressed at the earliest opportunity. The Committee suggests below how that might be achieved.

The term “poisonous divisional” was coined to describe the relationship between a divisional application and its parent, where a claim in the divisional is not entitled to the priority date of the parent application but nevertheless is anticipated by what is disclosed in the parent application. The UK decision in *Nestec v Dualit*, [2013] EWHC 923 (as summarised in paragraph 111) is an example of where some claims of a divisional application were held to be invalid on these grounds.

While the relationship in the *Nestec* case was between a divisional European patent and its parent, the same issue could arise under the New Zealand Patents Act 2013 between a New Zealand patent application (accompanied by a complete specification) and its antecedent provisional application or foreign priority application.

The reason for the result in *Nestec* is the “whole contents” approach to novelty. The 2013 Act, in section 8(2), introduces a whole contents approach to replace the previous “prior claiming” approach of section 14 of the Patents Act 1953. The intention of both the whole contents approach and the prior claiming approach is to avoid two or more patents issuing for the same invention.

A poisonous divisional is an example of a wider class of relationships (“self-collision”) between applications with a common inventorship. When an earlier such application is cited against a later such application it is referred to as “self-collision”. During the WIPO discussions in the 1980s and 1990s on a comprehensive patent harmonisation treaty, a part of the negotiation was to find a satisfactory way to avoid self-collision. The negotiation on this issue was among those abandoned when WIPO proceeded with the more modest Patent Law Treaty, but the issue remains.

If the *Nestec* decision were to be followed in New Zealand it would produce a result that would be irreconcilable with section 39(3) of the 2013 Act, which reads:

*A complete specification filed after a provisional specification, or filed with a convention application, **may include claims concerning developments of, or additions to, the invention that was described in the provisional specification or the basic application (as the case may be)** if those developments or additions are developments or additions for which the nominated person would be entitled to the grant of a separate patent under this Act. [emphasis added]*

On the one hand section 39(3) invites an applicant to include claims “concerning developments of, or additions to, the invention that was described in the provisional specification or the basic application” in a complete specification; while on the other hand section 8(2) provides that those claims might be invalid if they are drafted in the manner of the invalid claims in *Nestec*. This inconsistency is not desirable and needs to be addressed.

Recommendation

The Law Society recommends that, in order to avoid self-collision and to reconcile section 8(2) with section 39(3), section 8(2) needs to be amended as follows (suggested additional wording in bold):

*For the purpose of deciding whether or not an invention is novel, the prior art base, in relation to an invention so far as claimed in a claim, also includes the information contained in a complete specification filed in respect of another patent application **(other than the applicant’s own provisional or other priority application)** if all of the following circumstances apply: ...*

The words “another patent application” in lines 4 and 5 of the subsection should be followed by “(other than the applicant’s own provisional or other priority application)”, or words to that effect.

At the Patents Technical Focus Group meeting on 18 February, officials advised that the Patents (Trans-Tasman Patent Attorneys) Amendment Bill was still with the Parliamentary Counsel Office. The Law Society suggests that this would be an appropriate vehicle for amending the 2013 Act to introduce the change suggested above. If there is not enough time to amend the Bill before it is introduced into Parliament, the change could be done by a Supplementary Order Paper.

We note that Supplementary Order Paper 120 of 28 August 2012 introduced 21 pages of amendments to the Patents Bill more than two years after it had been reported back from the Commerce Select Committee. Many of the changes were to correct drafting anomalies that had been noted in the interim. The Law Society is suggesting the correction of just such an anomaly.

We look forward to hearing from you. Please direct your response to Jo Holland, the Intellectual Property Law Committee secretary, at jo.holland@lawsociety.org.nz.

Yours sincerely



Chris Moore
President