



NEW ZEALAND INSTITUTE OF PATENT ATTORNEYS INC

Confidential Email

Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
Mail Stop OPEA
PO Box 1450
Alexandria
VA 22313-1450
United States of America

9 November 2011

Attention: Elizabeth Shaw

IP.Policy@uspto.gov
BY EMAIL ONLY

Dear Director Kappos

Request for Comments on the Study of Prior User Rights

These submissions are made by the New Zealand Institute of Patent Attorneys Inc. (NZIPA).

The NZIPA represents almost all registered patent attorneys who are resident in New Zealand. Our members regularly advise New Zealand business on intellectual property rights available in New Zealand and in those countries that are New Zealand major trading partners. Those countries include the United States of America.

New Zealand has, like most countries, a first to file patent system. New Zealand also recently reviewed its Patents Act including the issue of prior user rights.

In New Zealand, prior user rights have been asserted only once in reported cases (*NJ Phillips PTY Limited v Forlong & Maisey Limited & Anor* HC HAM CIV 2005-419-565 [3 February 2006]). However, in that case it was determined that an allegation that an invention was not novel was not a separate defence to a claim of infringement. Consequently, the current situation in New Zealand in infringement proceedings is that prior use must be pleaded in a counterclaim seeking revocation of the patent in question. It is not possible to determine how many times prior user rights have been asserted in non-reported cases.

The current prior user rights regime is determined by the New Zealand Patents Act 1953 (the Act), which is based on the United Kingdom Patents Act 1949. United Kingdom cases *Gillette Safety Razor Co v Anglo-American Trading Co* 30 RPC 465 at 480 and *Page v Brent Toy Products Ltd* 67 RPC 4 provide guidance to New Zealand Courts on the issue of prior user rights.

It should be noted that in August 2000 the New Zealand Government agreed to a review of the Act. A discussion document entitled *Boundaries to Patentability* was released in March 2002 as part of the review. As a result of submissions to the discussion document, prior user rights will be introduced into New Zealand law as an exemption to patent infringement.

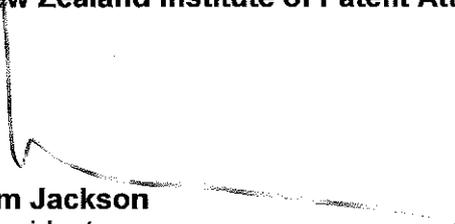
This letter and any accompanying documentation may contain privileged and confidential information. If you are not the intended recipient, your use of this information is strictly prohibited.
301976918_1 TJ507883NZMS

This will create a scenario where prior users have an exemption to infringement as long as the use was not by, or derived from, the patentee. Conversely, a patentee will not be able to obtain patent protection if the patent application is based on prior use by, or derived from, the patentee

We believe that prior user rights are important in a first-to-file patent system as they ensure that a grant of a patent will not deprive a person from doing what they were freely doing before the patent was granted. It is however important to make the distinction between prior use by, or derived from, the patentee as opposed to prior use by another person to ensure that monopolies are not extended.

Yours sincerely

New Zealand Institute of Patent Attorneys Inc



Tim Jackson
President

Direct Dial: +64 9 359-7702
Email: tim.jackson@baldwins.com