

## The History of Pre-Acceptance Publication in Australia

Apart from a few of the older members of the patent attorney profession in Australia most Australian patent attorneys will not be aware that publication of patent applications 18 months from the earliest priority date is only a recent invention. Up until the 1970s, most countries only published patent applications upon acceptance or grant. In view of difficulties in achieving international harmonisation in relation to other aspects of patent law, it is quite surprising that 18 month publication is now almost universally accepted.

As it turns out, Australia was one of the first countries, if not the first country, to introduce a system for publishing patent applications prior to the acceptance or grant. From 1903 to the present Australia has implemented various pre-acceptance publication regimes which have ranged from publishing applications on filing, to publishing applications two years from filing. The various regimes can be summarised as follows:

**1903-1946:** Applications claiming priority from foreign applications were automatically published 12 months after filing if not accepted within that period.

**1946-1954:** Australian complete applications, including those claiming priority from foreign applications, were publishing on filing. In view of objections raised by Institute of Patent Attorneys, the Chartered Institute of Patent Agents and the British Board of Trade, the Patent Office agreed to defer the publication of complete specifications until no earlier than 2 months after lodgement.

**1954-1960:** Complete applications, including those claiming priority from foreign applications, were published 6 months from filing. This secrecy period corresponds substantially with present day 18-month publication.

**1960-1962:** Complete applications, including those claiming priority from foreign applications, were published 2 years after filing, if not accepted by that time.

**1962-1978:** During this period complete applications, including those claiming priority from foreign applications, were published 18 months from the filing date.

**1978 to present:** Australian Patent Law was amended to introduce provisions which reduced the secrecy period to 18 months from the earliest priority date.

It is interesting to consider the reasons behind the various changes to the secrecy period since 1903. A summary of those reasons and the various factors taken into consideration is set out below. In brief, the main factors taken into account were Examiner's work load, the secrecy periods operating in foreign countries, particularly in the United Kingdom and the United States, the importance to manufacturers of learning at an early stage subject matter which is likely to form the basis of a patent, and the relationship between the publication date and the date from which patents can be enforced.

From 1903 to 1946 Australian patent applications were published on acceptance under Section 50. At that time the deadline for acceptance was 12 months from filing, although extensions were available in particular circumstances. Under Section 121 Australian

applications which claimed priority from foreign applications were automatically published after 12 months if they were not accepted within that period.

The Patents Act was amended in 1946 to insert Section 38A which required complete specifications to be published on filing. This provision had a retrospective effect on complete applications which were pending at the time, but which were not accepted or otherwise published. The principal object of this amendment was to address problems caused by delays in examination work at the Patent Office. Due to an unpredictable increase in the number of patent applications filed after the war, staff numbers were low in the Patent Office as many had left the Patent Office to assist the war effort. Although the Patent Office was making every effort to recruit new Examiners, the length of time it took to train an Examiner fully, which was considered to be more than three years, meant that it would take considerable time for the backlog of applications to be reduced. The delay in examination was felt to reduce the effective term of patents granted to inventors, and also extend the secrecy period which was considered detrimental to manufacturers. Publishing applications on filing was believed to address both of these problems, as granted patents would be enforceable from their publication dates and manufacturers would become aware of the subject matter of patent applications at an early stage. The leader of the opposition, at that time, Bob Menzies, urged that applications should not be published until at least 3 months after filing as he recognised that early publication of an application could interfere with the ability of an inventor to obtain patent protection for his invention overseas. Unfortunately, this recommendation was not accepted and the Bill was passed in a form which provided for publication upon filing of a complete application.

Section 38A caused significant concern for The Institute of Patent Attorneys, as well as The Chartered Institute of Patent Agents and The British Board of Trade. Following representations to the Commissioner of Patents and the Secretary of the Attorney General's Department a compromise was reached such that complete specifications would be published 2 months after lodgement, except in the case of Convention applications, where publication would occur at the end of the convention period where that occurs earlier than 2 months after lodgement. If requested by an applicant, publication could occur at an earlier date. An unforeseen consequence of the introduction of Section 38A was that many applications amended after publication were not subject to opposition because the amended specifications were not published on acceptance.

Interestingly, New Zealand introduced a similar pre-acceptance publication measure in 1946, but this was omitted from the New Zealand Patents Act of 1953.

In 1950 a committee was appointed to review Australian patent legislation. The Committee included a Supreme Court Judge, the Commissioner of Patents, a parliamentary draftsman and two patent attorneys, one of whom was Leslie Bartlett Davies, a founder of Davies Collison Cave. In 1952 they delivered their report (the Spicer Report) which included a recommendation that patent applications should not be published until 6 months after lodgement of the complete specification. This publication period substantially corresponds to the present 18 month publication period. Although the report did not discuss the issue in great detail, the Committee accepted the principle that a complete specification should not have to await acceptance before publication, and that there were disadvantages in publishing an application too early. This recommendation became the subject of Clause 43 of the Patents Bill 1952, which became Section 43 of the Patent Act 1952. The Patents Act 1952 commenced on 1 May 1954.

The fact that the Committee did not provide any specific reasons for changing the secrecy period from 2 months to 6 months was pointed out in Parliament by the leader of the Opposition, however the opposition did not object to the introduction of the measure. During the second reading speech the Minister stated the following:

*"The advantage which industry may obtain in one direction by the earlier publication, under Section 38A of the present Act, of any restrictions which patents placed upon its activities have to be weighed against the disadvantages which industry may suffer in another direction and the disadvantages to the patentee. Early publication from the patentee's point of view restricts the nature of any amendment that he may make to his specification, prevents him dividing his patent into independent patents and more important still may invalidate a patent obtained by him in a foreign country."*

The amendment was supported by The Institute of Patent Attorneys in Australia as indicated in the 32<sup>nd</sup> Annual Report 1950-1951 of the Institute.

On 21 January 1957 the Attorney General convened a patent law review Committee that had previously made recommendations to the Government that led to amendments to the Patents Act in 1955. The Committee was asked to consider a number of further possible amendments, including amendment of Section 43. This report (the Dean Report) included a recommendation that Section 43 should be repealed. The report pointed out that Australia was unique in its practice of publishing applications which had not yet been accepted or granted. The report indicated that the practice of publishing applications before acceptance had been strongly criticised overseas, and was also the subject of criticism by Australian patent attorneys. The report explained why Section 38A was introduced in 1946 and explained that a backlog in the Patent Office at the time the 1952 Act was being prepared made it desirable to continue early publication of patent specifications, although the secrecy period was increased to 6 months. The report went on to explain that examination of patent applications at the Patent Office was nearly up to date, such that the necessity for publication of patent applications prior to acceptance had diminished. A number of other reasons were given to support a repeal of Section 43 including the following:

1. It restricted the scope of amendments and divisional applications.
2. Publication of the application would invalidate subsequent non-convention applications in many countries, particularly since the printed publications were sent to other countries and became published there.
3. It enable manufacturers and others to obtain information about inventions from the Australian Patent Office at a much earlier stage than they could from other sources, thereby disadvantaging those that apply for patents in Australia. Not only was this detrimental to foreign applicants but also to Australian inventors and manufacturers.
4. The maximum secrecy period of Section 43 (18 months) is much shorter than the secrecy period which applied in the United Kingdom and the United States where applications were not published until acceptance or grant.

5. A disadvantage to manufacturers was that publication before acceptance resulted in a risk of liability for infringement at a time where the facilities available for locating relevant patent applications were much less adequate than provided for after acceptance, when specifications were printed.
6. Further uncertainty would be created because of amendments which might be made to the specification after publication but before acceptance.
7. Publication before acceptance also reduced incentive for the diligent prosecution of applications because liability for infringement commenced at the publication date.
8. Publication before acceptance also involved significant work and expense on the part of the Patent Office.

The advantages to Australian manufacturers, in that early publication allowed them to ascertain at an early stage whether they are free to use or manufacture methods or products, were considered to be outweighed by the disadvantages mentioned above. Repeal of Section 43 was also considered to bring Australian law into closer conformity with the laws of other countries.

As a result of this report, the Patents Act 1952-1955 was amended in 1960 to repeal Section 43. As a result of this amendment publication of applications occurred at acceptance or 2 years from lodgement, whichever date was earlier.

The Parliamentary discussion leading to this amendment provides for interesting reading. On 2 June 1960, Sir Garfield Barwick, the Attorney General, discussed the Patents Bill 1960 and the repeal of Section 43. He explained that early publication under Section 43 was advantageous to applicants because it brought forward the date from which an infringer becomes liable for damages. It also had the advantage to Australian manufacturers that it gave them an opportunity to ascertain at an early stage whether or not processes and products used in their manufacturing processes were likely to be the subject of patent grants. Following introduction of Section 43, he explained, a number of disadvantages became evident. These disadvantages included a restriction on the right of the applicant to make amendments, premature disclosure to competitors, and a lack of uniformity with the laws of other countries. A further disadvantage for Australian applicants was that early publication interfered with the ability of the applicant to file non-Convention applications in overseas countries. He indicated that another minor disadvantage of early publication was that it reduced the incentive for applicants to diligently prosecute their applications to grant, since liability for infringement commenced at the publication date. The early publication was also believed to create additional work and expense within the Patent Office. In effect, the Attorney General summarised the disadvantages set out in the Dean Report discussed above. With repeal of Section 43 (and a consequential amendment to Section 52), the result would be that applications would be published immediately after acceptance.

On 8 September 1960 the Attorney General proposed an amendment to the Bill which, as an interim measure, would provide that patent applications could not be published before 12 months had elapsed from the date of filing, and in the case of a Convention application, not before the date on which it was expected that the invention would be published in the Convention country. The idea of proposing the interim measure was so that the passage of

the Patents Bill 1960 would not be delayed while the difficult issue of determining the optimal secrecy period was resolved. The Attorney General intended to consult widely with interested parties following passage of the Bill to ascertain the most appropriate secrecy period, and at that time a further amendment was to be proposed.

On 1 December 1960 the Attorney General proposed a further amendment to the Patents Bill 1960. Before explaining the further amendment he summarised the chief advantages and disadvantages of early publication as follows:

*"Chief advantages of early publication are:*

- (a) the applicant's right of protection from infringement dates from publication; and*
- (b) manufacturers are able to ascertain at an early date whether they are infringing or likely to infringe an invention which is the subject of an application for a patent.*

*On the other hand, the main disadvantages of early publication are:*

- (a) an applicant's right to amend his complete specification is considerably restricted after publication; and*
- (b) early publication enables competitors of applicants, particularly overseas applicants, to ascertain, at a much earlier date than in overseas countries, inventions in fields in which the applicant is interested."*

He explained that he had considered oral and written representations made to him, but remained convinced that Section 43 should not remain in its present form. He then proposed a new interim measure, according to which *"the documents accompanying a patent application would become open to public inspection at acceptance of the application or at the expiration of 2 years from the lodgement of the complete specification, whichever is the earlier"*.

His justification for this amendment was that interested parties required some certainty as to the date of publication. The previously proposed scheme by which applications would be published no earlier than 12 months from lodgement, or no earlier than publication overseas, left considerable doubt as to the actual date of publication. A second reason was that at the time the Patents Law Review Committee made its recommendations, patent applications were, on average, being accepted 2 years after lodgement. A third justification related to the average time of publication in the United States and Great Britain which was also in the order of 2 years. The Attorney General reiterated the fact that the provision was to be an interim measure, and that further consultation would follow passage of the Bill so that a permanent scheme could be subsequently incorporated. The Attorney General conceded that shorter period could be introduced as an interim measure, but believed that it was preferable for any subsequent amendment to reduce the period rather than increase the period. It was his expectation that a secrecy period greater than 24 months from lodgement would not be favoured.

On 8 December 1960 Mr Gough Whitlam spoke for the Opposition and criticised the Attorney General for making any adjustment of the secrecy period on an interim basis. It was his view that Section 43 should be retained in its present form until a permanent scheme was finalised. He did not see why 2 years was better than 6 months and believed it would cause

less disruption if a single change was made when the correct period is finally determined. Interestingly, Mr Whitlam made reference to the situation in Belgium which, he said, provided for publication 6 months from the date of filing. In any event, the Bill was passed and came into effect on 27 February 1961.

It is apparent from the 42<sup>nd</sup> Annual Report (1960-1961) of The Institute of Patent Attorneys that there was considerable dialogue between the Institute and the Attorney General in relation to the appropriate secrecy period. It was the view of the Institute at the time that Section 43 should be retained in the Act, but that the secrecy period should have been increased from 6 months to 12 months. According to the submission of the Institute to the Attorney General: *"This compromised plan has the merit of simplicity as, in effect, it merely extends the existing secrecy period from 6 to 12 months, which is the earliest publication date envisaged by the scheme outlined in your statement. Thus, if this proposal was adopted, it would not significantly affect the existing routines or practices of the Patent Office and patent attorneys and will require the minimum of amendments to the existing Bill"*.

On 3 October 1961 the Attorney General was asked whether he had decided to introduce a permanent scheme for the publication of patent applications. The Attorney General responded by confirming that he had completed his consideration and would soon be bringing before the House a Bill to introduce a permanent scheme. The Patents Bill 1962 was presented to the House on 12 April 1962 in a form which included a provision to reduce the secrecy period from 2 years from the complete filing date, to 18 months from the complete filing date. The Bill also provided applicants with an opportunity to request early publication and included a number of provisions to guard against some of the disadvantages of early publication. For example, one provision ensured that an amendment would not be made public until it had been examined and allowed. Another provision extended the period for filing divisional applications from the publication date to the earlier of the date of acceptance or the expiration of 12 months from the publication date. A further provision in the Bill removed the possibility that a patent could be held to be invalid because of amendments made to the application before the Patent Office. This would be achieved by providing that where, as a result of an amendment, a claim claimed subject matter first disclosed as a result of the amendment, the priority date of the claim would be the date of the amendment. This amendment was particularly important to the Attorney General because in 1956, prior to becoming Attorney General, Garfield Barwick QC was unsuccessful in an appeal to the Privy Council (*Martin v Scribal Pty. Limited – 1956 RPC 215*) where the patent was considered invalid because of disconformity between the granted patent specification and the complete specification as filed. Also, in view of the complexity of some of the provisions, the Attorney General provided an explanatory memorandum to the Bill which he sought leave to incorporate in Hansard. Although there was some objection as this had never been done before, the Speaker of the House granted leave for the incorporation of the explanatory memorandum into Hansard.

Debate on the Bill was resumed on 8 November 1962 with Mr Gough Whitlam offering support for the Bill. Interestingly, Gough Whitlam stated the following in relation to secrecy periods which operated in other countries:

*"To quote the time in the principal countries with which Australia is concerned as regards patents, in Great Britain the average period was 2 years 6 months, and in the United States the average was 3 years. In countries of the common market, there was also a very great variation. In France, the period was 1 to 2 years, in Western Germany 1 to 5 years, in*

*Belgium at that time an average of 1 year, in the Netherlands publication took place after an Examiner's clear report; in Italy 3 months after grant; and in Luxembourg, on grant; in those three cases, the attorney was not able to say how long a lapse between lodgement and grant."*

This information had been provided to Gough Whitlam by the Attorney General in response to a question he raised in Parliament on 8 December 1960. Another Member of Parliament, Mr Crean, referred to a representation made by the Australian Manufacturers' Patents, Industrial Design, Copyright and Trademark Association to the effect that the 18 month period should be 12 months. However, Mr Crean believed that 18 months represented a reasonable compromise between 12 months and 2 years. The Bill was passed and came into effect on 1 May 1963.

It is apparent that the Institute of Patent Attorneys supported the change from 2 years to 18 months, provided there was a suitable transition period for foreign applicants. In a letter dated 23 July 1962 the Institute recommended that the existing secrecy period of 2 years should continue to apply for a period of 6 months after the date on which the amended Act would come into force. This was to provide time for foreign applicants to become aware of the reduction of the secrecy period and to take any action which may be necessary in light of that reduction. In his letter dated 15 August 1962 informing the Institute that this recommendation would not be adopted, the Attorney General indicated that he "*must try to bring the new provision into force at an early date*".

On 16 August 1978 the Minister for Productivity, Mr McFee, presented the Patents Amendment Bill 1978 to the House. In his second reading speech he stated that it is "*clearly desirable that the present excessive delay in the publication of Australian complete specification should be removed*". Accordingly, the Bill included an amendment to Section 54A of the Patents Act to reduce the secrecy period from 18 months from the complete filing date to 18 months from the earliest priority date. The delay of 2½ years between the filing of a priority application and publication of the complete specification was thought to disadvantage industry for two reasons. The first reason was that during the 2½ year period they were unable to determine what they were entitled to do without infringing an Australian patent. The second disadvantage was that the technical information in patent applications became available to foreign industries before it was disclosed in Australia. This was considered to represent a discrimination against Australian industry and in favour of foreign-based industry. The amendment was supported by the Opposition. On 28 September 1978 in the Senate it was explained that there was a recent and increasing trend in the Patent laws of the major overseas industrial countries to require publication of patent specifications at a date earlier than provided for in Australia. Since more than 90% of Australian patent applications were based on overseas applications, it followed that the technical information in relation to the inventions was available to foreign industry before being disclosed in Australia. The provision was also said to make the Australian patent system consistent with the national patent systems of many overseas countries. In particular, reference was made to the European Regional patent system which had adopted publication at 18 months from the priority date. It was also confirmed that the provision would not deprive Australian inventors of the opportunity to withdraw a complete patent application prior to publication, thereby preserving the right to file subsequent patent applications in respect of that invention. Debate was resumed in the Senate on 24 October 1978 where it was passed without amendment. The Patents Amendment Act 1978 entered into force on 31 October 1978 and Australia has had a secrecy period of 18 months from priority date ever since.

It is interesting that an issue which has been the subject of so much debate and legislative reform in Australia, capturing the interest of at least two former Australian Prime Ministers, has been the subject of so little debate in international forums. It is also interesting that pre-acceptance publication at 18 months is now almost universally accepted throughout most jurisdictions, including to some extent the United States which resisted pre-acceptance publication for so long.

**Michael Caine**

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