



International Trademark Association
Representing Trademark Owners Since 1878

Alan C. Drewsen
Executive Director

9 February 2010

Terry Moore
Director, Office of the Director General
IP Australia
P.O. Box 200
Woden ACT 2606
Australia

Dear Mr. Moore:

The International Trademark Association (INTA) is grateful for the opportunity to submit its comments with respect to the issues raised in IP Australia's draft paper entitled "Towards a Stronger and More Efficient IP Rights System".

INTA is a not-for-profit membership association of more than 5,600 corporations, law firms and other trademark-related businesses from more than 190 countries throughout the world. INTA is headquartered in New York with offices in Washington D.C., Brussels and Shanghai. Its membership crosses all industry lines, including manufacturers and retailers, and is united in the goal of supporting the essential role trademarks play in promoting effective national and international commerce, protecting the interest of consumers, and encouraging free and fair competition.

The enclosed submission was prepared by INTA with the assistance of its Legislation and Regulation and Trademark Office Practices Committees as well as members of INTA's policy staff. Additionally, we have included a copy of INTA's previous comments from 2009 as our new submission makes reference to this original document at several junctures. INTA would be happy to answer any resulting questions you may have on these comments. Should you require further information, please contact Mr. Mark Neighbors, INTA's External Relations Manager for the Asia-Pacific Region, at mneighbors@inta.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan C. Drewsen", is written over a white background.

Enclosures:

Comments on IP Australia's "Towards a Stronger and More Efficient IP Rights System"
Previous Comments on IP Australia's "Resolving Trademark Oppositions Faster"



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INTA COMMENTS ON IP AUSTRALIA'S CONSULTATION PAPER: "TOWARD A STRONGER AND MORE EFFICIENT IP RIGHTS SYSTEM", AND PROPOSED REFORMS TO AUSTRALIAN TRADEMARK OPPOSITION PROCEEDINGS

Introduction

INTA commends IP Australia in its overall aim to expedite trademark opposition proceedings. Additionally, the Association is grateful for IP Australia's careful consideration given to INTA prior comments on the initial consultation paper last year.

However, the Association continues to believe that the goal to quicken the pace of opposition procedures should not override the need to provide a fair and equitable system. Both parties in an opposition should be entitled to present their best possible case and this should not be compromised solely to achieve quicker processing times. The current Australian trademark opposition system is still considered to be relatively simple and cost effective when compared to opposition systems in other countries. Thus, when making changes to this system, care should be taken to ensure that the simplicity and cost effectiveness of the system is still retained.

The following comments take into account the initial consultation paper released by IP Australia entitled "Resolving Trade Mark Opposition Proceedings Faster" and INTA's response to that consultation paper.

The numbering follows the numbering in IP Australia's consultation paper, "Towards a Stronger and More Efficient IP Rights System" (pages 26-34).

Proposed Change 4.1 (3.1 in the original consultative draft)

- That IP Australia and not the Opponent will give notice of opposition to the Applicant.

Comments

INTA supported this change when proposed in the initial consultation draft in August 2009 and continues to support this change.

Proposed Change 4.2 (3.2 in the original consultative draft)

- That the period for filing a Notice of Opposition be reduced from three months from the date of advertisement to two months from the date of advertisement.
- That the grounds for extending the period for filing a Notice of Opposition based on conduct of genuine negotiations and undertaking research to decide whether to oppose or the grounds of opposition, be repealed.

- Allow for an extension of time to file a Notice of Opposition if the extension is required despite the person concerned having taken due care as required in the circumstances.

Comments

Reduction of Opposition Period

Overall, the Association's view is that reduction of the advertisement period from three to two months is acceptable, provided that adequate provision is made for extension of time. For example, an extension might be necessary when the two month period is too brief to obtain full instructions that are sought from an overseas trademark owner, or through an overseas agent.

IP Australia has proposed that the Opponent be allowed a period of one month following the lodgement of the Notice of Opposition to file a statement of grounds and particulars (see Proposed Change 4.3 below). If the current grounds for seeking an extension of time to file a Notice of Opposition are repealed, this additional one month period will be necessary, although INTA considers that it is important that an Opponent be provided with adequate opportunity prior to lodgement of Notice of Opposition to extend the period to either negotiate or conduct appropriate research.

Extension based on Genuine Negotiations

INTA continues not to support the removal of this ground for extension for the reasons provided on page 2 of INTA's previous submissions, and particularly given the proposal to reduce the advertisement period.

Excerpted from INTA's previous submission:

INTA believes that the overall proceedings should encourage the parties at all times to resolve oppositions and potential oppositions by negotiation. INTA strongly recommends that the parties be provided with the opportunity at the earliest possible time to negotiate a settlement. In particular, this opportunity should be provided to the parties prior to the filing of a notice of opposition because this will minimize the costs of both parties and the office. Particularly, if the grounds of opposition are to be supported by particulars...as this will increase the cost of the preparation of the notice of opposition as well as the cost of fully considering the notice of opposition.

Extension based on Undertaking of Research

INTA continues not to support the repeal of this ground for extension for the reasons provided on page 2 of INTA's previous submission and particularly given the proposal to reduce the advertisement period. The Association believes that prospective Opponents may be disadvantaged if there is no basis for extension on the grounds of the undertaking of genuine research. This is particularly so given the more onerous requirements on an Opponent in filing a statement of grounds and particulars following lodgement of a Notice of Opposition. A potential Opponent must be given proper opportunity to decide if opposition is justified.

It is acknowledged that IP Australia now proposes to allow amendments to the statement of grounds of particulars to include additional grounds of opposition, but it is considered preferable if the Opponent be given adequate opportunity to determine if opposition is justified before lodgement.

In INTA's previous submissions, under the sub-heading General Comments on page 2, the point was made that the basis for extension on the grounds of undertaking of genuine research could be "tightened up", by requiring the potential Opponent to provide further and more precise details of the nature of the research being conducted and the progress. INTA supports this position.

New ground for extension

IP Australia has proposed that a basis for extension be provided if the extension is required despite the person concerned having taken due care as required in the circumstances. The circumstances which would give rise to such an extension are unclear and if this is the only ground for extension, this does not contemplate the normal commercial setting in which such decisions are made, as discussed above.

Proposed Change 4.3 (3.3 in the original consultative draft)

- Require Opponent to, within one month of filing the Notice of Opposition, to lodge a statement specifying the grounds of opposition and setting out the particulars of each ground.

Comments

In its initial paper, IP Australia proposed that the statement of grounds and particulars be filed with the Notice of Opposition. Following submissions in relation to this point, IP Australia has modified its proposal to require the statement of grounds and particulars to be filed within one month of the lodgement of the Notice of Opposition. INTA's view is that a statement of grounds and particulars is desirable and that the allowance of a period of one month for the purpose of filing that document is fairer to Opponents.

Although INTA maintains that there is a need for provision of extension of time to lodge Notice of Opposition (see above), the allowance of a period of one month to file the statement of grounds of particulars, will provide prospective Opponents with a short period of time to conduct research. It is considered preferable, however, that Opponents be provided with an opportunity to determine if a research period is necessary prior to the lodgement of an opposition.

The Association suggests that the Registrar be responsible for serving the statement of grounds and particulars on the Applicant, in the same way as the Notice of Opposition.

Proposed Change 4.4 (3.4 in the original consultative draft)

- Amend the Trade Marks Regulations to provide that:
 - An Opponent would be able to request an amendment of a Notice of Opposition to correct a clerical error or obvious mistake by the Opponent or by his or her agent, or to change the name of the Opponent.
 - An Opponent would be able to request an amendment of a statement of grounds and particulars (SGP):
 - to correct an error or omission in the grounds
 - to amend the grounds consequentially if the application is amended
 - to amend the particulars
 - to add any ground of opposition, but only if the Registrar is satisfied that they are raised as a result of new information of which the Opponent could not reasonably have been aware at the time of lodgement of the SGP

Comments

IP Australia has modified its initial proposal to allow, on reasonable terms, amendments to include additional grounds of opposition in the statement of grounds and particulars. Under the new proposals, it will be possible to add any ground of opposition, provided that the failure to include the ground initially was due to information the Opponent did not know, or could not reasonably have known at the time of filing the statement of grounds and particulars.

INTA supports the modified position of IP Australia in relation to amendments of Notices of Opposition to add new grounds.

Proposed Change 4.5 (3.5 in the original consultative draft)

- Dismissal of Opposition

Comments

INTA generally supports the idea of giving the Registrar the power to dismiss opposition if the opponent does not serve the SGP within a month but has some reservations concerning the other grounds for dismissal. The requirement that the opponent “file the SGP as soon as practicable after serving the copy on the applicant” is imprecise, as is the requirement that the opponent “particularise the grounds of opposition in the statement.” Combining these two vague grounds for dismissal with the proposal to give the applicant the ability to request dismissal is an invitation to the applicant to “take a shot” at obtaining dismissal by making a request on the basis that one or both of these vague requirements has not been met. If an applicant makes such a request, who will decide whether the SGP was served “as soon as practicable” or – more ominously – whether the grounds of opposition were sufficiently particularized in the SGP? And on what basis would this decision be made? INTA believes the applicant should only be able to request dismissal if the SGP is not timely served. If the Registrar believes (whether prompted by the applicant or not) that the SGP is not sufficiently precise, the section should provide

the Registrar with the power to demand further and better particulars within say 14 days or any time period deemed reasonable under the circumstances.

Proposed Change 4.6 (3.6 in the original consultative draft)

- Notice of Intention to Defend Opposition

Comments

INTA supports the insertion of a provision requiring the applicant to file a Notice of Intention to Defend as well as the concomitant provision lapsing the application if such a Notice is not filed. INTA made the point in its previous submission that the Notice of Intention to Defend must be accompanied by a fee, to avoid the Applicant simply "ticking a box." The Association maintains that this is the preferred position. The fee need not be substantial, but it will turn an Applicant's mind to whether or not it will defend the opposition.

Proposed Change 4.7 (3.7 in the original consultative draft)

- Reduction in time to serve evidence in reply from three months to two months.
- Extension of time only available where party has acted promptly and diligently since the opposition proceedings began but cannot serve the evidence in that period, or because of some other compelling circumstance.

Comments

INTA generally supports reduction in the time available to serve evidence in reply from three months to two months. However, the Association considers that it is important that an extension of time, on reasonable grounds, be available. In many circumstances, the initial two-month period may not be adequate in view of the need to: (1) seek instructions from an overseas trademark owner or overseas trademark agent; (2) make arrangements for collection and preparation of appropriate evidence; and (3) execute that evidence. The proposed extension provisions do not seem to take into account the commercial realities in dealing with overseas entities. The current extension provisions for lodgement of evidence in reply are considered preferable.

INTA supports that evidence in reply should be strictly in reply to the evidence in answer and not be an opportunity to file further evidence.

Proposed Change 4.8 (3.8 in the original consultative draft)

- Cooling-off Period

Comments

INTA supports the provision but believes the 12 month limitation to be too onerous. There are many instances where negotiations will continue longer, sometimes far longer, than 12 months. To force the parties to proceed with the opposition as if

negotiations were not in progress seems unproductive, particularly if the parties preparing the opposition have no direct influence on the negotiations. INTA believes the number of suspensions should not be limited and suggests that the initial 6 month period is appropriate but that perhaps more flexibility could be had if subsequent suspensions were for 3 or 6 months, as the parties mutually agree.

Proposed Change 4.9 (3.9 in the original consultative draft)

- Repeal of Regulations allowing for lodgement of further evidence
- Parties will be able to provide any information to the Registrar at any stage following completion of normal evidentiary procedures; however, they would not be entitled to serve this information as "further evidence".

Comments

INTA strongly believes that the provisions relating to the lodgement of further evidence should be maintained.

IP Australia's proposal to allow the lodgement of any evidence, following normal evidentiary timeframes will lead to uncertainty for the decision maker and potential unfairness in the proceedings. In this regard, IP Australia should rely on Regulation 21.19 as justifying the inclusion of any additional information. Although this Regulation does entitle the Registrar to take into account information that is available, it should be noted that before making any decision in the matter, the Registrar must provide the information to the party and give the party a reasonable opportunity to make representations about the information. This requirement on the Registrar may in fact lead to additional time being spent on informal evidence being referred to each party for comment, which may lead to the possibility of further informal evidence being provided. The intent of Regulation 21.19 is for the Registrar to inform him or herself of information which is relevant to a particular decision, and not to allow a party to potentially "ambush" another party with last minute informal "evidence."

Proposed Change 4.10 (3.10 in the original consultative draft)

- Production of documents or articles, summoning of witnesses.

Comments

IP Australia now proposes not to proceed with amendments to the Regulations relating to the production of documents or articles and summoning of witnesses. IP Australia may reconsider an approach to such amendments in the future.

Although INTA generally supported the proposed changes by IP Australia, INTA raised significant concerns in relation to those amendments and will carefully review, and where appropriate, provide comments on any further amendments proposed by IP Australia.



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Response to IP Australia Consultation Paper “Resolving trademark opposition proceedings faster”

Introduction

INTA commends IP Australia in its overall aim to resolve trademark opposition proceedings in a faster manner. However, the Association believes that this goal should not override the need to provide a fair and equitable system. Each party in an opposition should be entitled to present its best possible case and this should not be compromised merely to achieve quicker processing times. The current Australian trademark opposition system is considered to be relatively simple and cost effective when compared to opposition systems in other countries. Thus, when making changes to this system, care should be taken to ensure that the simplicity and cost effectiveness of the system are retained.

Proposed Change 3.1

- *IP Australia, and not the opponent, would give the notice of opposition to the applicant.*

Response: INTA supports this proposed change.

Comments

If this proposal is implemented, INTA believes that this will result in a simpler and faster administrative process.

Proposed Change 3.2

- *The following grounds for extending the period for filing a notice of opposition would be removed:*
 - *conduct of genuine negotiations*
 - *undertaking research to decide whether to oppose or the grounds of opposition*
- *An extension of the period for filing a notice of opposition would only be available in the case of:*
 - *an error or omission on the part of IP Australia, the person concerned, or his or her agent or attorney*
 - *circumstances beyond the control of the person concerned*
 - *an extension being required despite the person concerned having taken due care as required in the circumstances.*

Response: INTA does not support this proposed change for the reasons set forth below.

Comments Relating to Negotiations

As acknowledged in section 3.8 of the Consultation Paper, negotiated settlements can result in a more expeditious resolution of proceedings. Therefore, INTA believes that the overall proceedings should encourage the parties at all times to resolve oppositions and potential oppositions by negotiation. INTA strongly recommends that the parties be provided with the opportunity at the earliest possible time to negotiate a settlement. In particular, this opportunity should be provided to the parties prior to the filing of a notice of opposition because this will minimize the costs of both parties and the office. Particularly, if the grounds of opposition are to be supported by particulars (see Proposed Change 3.3) as this will increase the cost of the preparation of the notice of opposition as well as the cost of fully considering the notice of opposition.

Comments Relating to the Need to Undertake Research

It has been reported to INTA by a number of Australian attorneys that on occasion, trademark owners resident outside of Australia provide notice relatively late in the process that they have a possible interest in opposing another party's trademark application. Under these circumstances, further time is required to undertake the necessary research. The reasons why a potential opponent will seek late advice from a local attorney are generally due to a combination of factors such as the timing of watching services and the chain of persons that may need to be consulted before action is taken. INTA believes there is a risk these reasons may not fall within the scope of justified reasons, which reflect practical problems faced by trademark owners, outlined in the second bullet point of this proposal. Since this proposal now requires the Opponent to also provide particulars in support of each ground of the opposition (see Proposed Change 3.3), INTA believes it is fair to allow for a deadline extension for filing a notice of opposition to allow time to undertake research concerning the potential opposition.

General Comments

Overall, INTA believes that the current grounds for extending the period for filing a notice of opposition are appropriate. Further, anecdotal evidence from Australian attorneys suggests that the current provisions are not being misused. However, if there is evidence that parties are using the current provisions inappropriately, then it would be preferable to fine tune the current procedures. For example, if an extension of time is being requested on the basis of negotiations, then this could be provided if the consent of the Applicant is obtained. Finally, if an extension of time is being requested on the basis of research, then it would be appropriate for this only to be provided on the basis of a full and open disclosure. For example, an Australian attorney could be required to disclose on what date the potential opponent first indicated that it may be interested in opposing and to provide details of the research to be conducted and the progress to date.

Proposed Change 3.3

- *At the time the notice of opposition is filed, the opponent would have to specify:*
 - *the grounds on which the application is being opposed - as is currently required*
 - *particulars of those grounds—that is, the material facts on which each ground of opposition is based*

Response: INTA supports this proposed change subject to the comments below.

Comments

INTA notes that this proposed change will increase costs to the Opponent and also increase the initial costs of an Applicant that seeks advice regarding the grounds and particulars. It is important that the parties be provided with an opportunity to extend the due date for the filing the Notice of Opposition to minimize costs. Please note that this proposed change is being supported on the assumption that the Opponent is being provided with the opportunity to amend the grounds and particulars at a later time (see notes under Proposed Change 3.4).

Proposed Change 3.4

- *An opponent would be able to request an amendment of a notice of opposition to correct a clerical error or obvious mistake by the opponent or by his or her agent, or to change the name of the opponent.*
- *An opponent would be able to request an amendment of a statement of grounds and particulars:*
 - *to correct an error or omission in the grounds*
 - *to amend the grounds consequentially if the application is amended*
 - *to amend the particulars*
 - *to add the following grounds of opposition, but only if the Registrar is satisfied that they are raised as a result of new information of which the opponent could not reasonably have been aware at the time of lodgement of the notice of opposition:*
 - ◆ *that use of the trade mark would be contrary to law*
 - ◆ *that the applicant is not the owner of the trade mark*
 - ◆ *that the applicant does not intend to use the trade mark*
 - ◆ *that the application for registration of the trade mark is defective*
 - ◆ *that the application for registration of the trade mark was made in bad faith*
- *In each case, the Registrar would:*
 - *have the power to grant the request on specified terms*
 - *give the parties an opportunity to make representations concerning the proposed amendment*
 - *give the applicant a copy of the notice or statement as amended.*

Response: INTA supports this proposed change in principle but has concerns about certain details of the proposal. Specifically, INTA is concerned about the limited range of new grounds which can be added depending on new information.

Comments

INTA agrees that the Opponent should be required to set out the basis of an opposition as early as possible and thus supports the proposed change to introduce a Statement of Grounds & Particulars. However, it is important that the outcome of the opposition be decided on the basis of all relevant grounds and particulars. Therefore, it is important that a relevant Ground or Particular not be omitted from consideration merely because of an administrative objection. It is recommended that the Opponent be provided with the unlimited right to amend the Statement of Grounds & Particulars. However, in providing this right the Registrar should be encouraged to exercise the rights detailed in the final bullet point. For example, if the request to amend the Statement of Grounds & Particulars is filed late during the opposition proceedings, then depending on the circumstances, this could be allowed subject to a consideration of any possible award of costs.

Proposed Change 3.5

- *The Registrar would have the power to dismiss an opposition if the opponent does not supply the statement of grounds and particulars in accordance with proposal 3.3.*

Response: INTA supports this proposed change.

Proposed Change 3.6

- *An applicant would be required to provide a notice indicating its intention to defend its trade mark application—a 'notice of intention to defend'.
 - *The applicant would simply have to indicate that it intends participating in the opposition, that is, 'tick the box'.*
 - *The applicant would not be required in the notice of intention to defend to provide a detailed counterstatement, or to admit or deny any allegations raised by the opponent.**
- *This would be required 1 month after the opponent has filed its statement of grounds and particulars.*
- *If the applicant did not provide this statement in time, the application would lapse.*

Response: INTA supports this proposed change subject to the comments below.

Comments

INTA is concerned the Notice of Intention to Defend ("NID") will simply become a formality and will achieve nothing unless it is accompanied by an official fee. The rationale behind the NID is to rid the system of oppositions where it is clear that the

applicant will not participate. However, if an applicant merely has to 'tick a box' then an applicant may do this and then wait for the decision of the Registrar. In this scenario the opponent will still have to go to the expense of lodging evidence and proving their case. In view of the above, INTA believes a fee attached to the NID can remedy this problem. The regulations should also be amended such that the applicant can recover the fee if the opposition is successfully defended.

Proposed Change 3.7

- *The existing opposition extension-of-time provisions would be repealed.*
- *Any extension of the periods to serve evidence would be by direction of the Registrar.*
- *The Registrar would be able to direct that a period to serve evidence in an opposition be extended only if he or she is satisfied that:*
 - (a) the party entitled to serve evidence in that period has acted promptly and diligently at all times since the opposition proceedings began but, despite that, cannot serve the evidence in that period*
or
 - (b) because of some other compelling circumstance, he or she should give the direction.*
- *The Registrar would not be able to extend periods unless at least one of these conditions was made out.*
- *The party seeking the direction would bear the onus of convincing the Registrar of this.*
- *In applying this test, a party would not be able to obtain an extension as a result of delays caused by an agent or a legal representative such as a trade marks attorney or legal practitioner: all such persons would be expected to act promptly and diligently at all times after the proceedings commence.*

Response: INTA does not support for the reasons set forth below.

Comments

INTA believes that the current grounds for extending the periods for filing the evidence during the opposition proceedings are appropriate. While INTA appreciates that from some perspectives, the law regarding the current extension of time provisions has narrowed the Registrar's discretion to disallow requests for extensions, the same law will most likely be applied to any new provisions.

INTA also notes that over the last 12 months there has been a change in the practice of the Registrar with regard to extensions of time. In particular, the Registrar now considers in more detail the reasons being provided for the extension of time and will question the reasons being provided for extensions of time when appropriate. Based on anecdotal feedback from Association membership, it appears that the change of

practice of the Registrar has improved the time to resolve an opposition. Therefore, INTA recommends that any changes to the extension of time provisions be delayed pending an assessment of the recent changes in the practice of the Registrar.

Proposed Change 3.8

- *A ‘cooling-off’ period would be introduced. This could be requested at any time after the notice of opposition and statement of grounds and particulars is filed.*
 - *Both parties and the Registrar would have to agree to the ‘cooling-off’ period.*
 - *The ‘cooling-off’ period could be terminated at the request of either party at any time should negotiations break down.*
- *Under this proposal:*
 - *The opposition would be suspended for an initial period of 6 months.*
 - *The suspension could be extended for a further 6 months, up to a maximum of 12 months, with the agreement of both parties.*
 - *After the suspension, if the negotiations are unsuccessful, the formal opposition proceedings would re-commence from the start of the period that was interrupted by the suspension.*
 - *If more than one party was opposing a particular application for registration, all parties would have to agree to the cooling-off period.*
- *At the commencement of the cooling-off period, the Registrar would give directions setting out steps that would apply after the period has expired, should the negotiations prove unsuccessful.*

Response: INTA supports this proposed change subject to the comments below.

Comments

INTA believes that if this proposal is implemented it is expected to result in a simpler and more timely administrative process. However, the Association strongly recommends that the “cooling-off” period should not be limited to a total time of 12 months, since negotiations between the parties often involve global considerations. These negotiations can be very complicated and/or may depend on an action being taken in another jurisdiction which may not be resolved within the arbitrarily set 12 month period. Overall the proposed change is supported subject to the suspension period being extendable by unlimited periods of 6 months with the agreement of both parties. Furthermore, for cases where there are 2 or more Opponents, INTA recommends that the “cooling-off” period not be subject to agreement by all parties as this could potentially discourage a possible settlement between the other parties.

Proposed Change 3.9

- *The further evidence provisions would be repealed.*
- *Parties would be able to provide any information they desire to IP Australia at any stage—however, they would not be entitled to serve this information as ‘further evidence’ in an opposition.*

Response: INTA does not support this proposed change for the reasons set forth below.

Comments

INTA believes the current grounds for filing further evidence are appropriate. It is inappropriate for either party to be entitled to file any information that does not meet the requirements of formal evidence. Additionally, a party should not be allowed to provide any information that they desire to IP Australia without the other party having (a) a right to object to the information, or (b) the right to file counter information.

Proposed Change 3.10

- *The Registrar would only be able to exercise the powers to summon witnesses or require production of documents or articles if he or she was satisfied that this would substantially contribute to making the correct decision in the proceedings. The onus would be on the person making the request to satisfy the Registrar of this.*
- *The Trade Marks Act would be amended to put beyond doubt the powers of the Registrar to require production of documents or articles from, or summon witnesses who are, parties directly involved in the proceedings before the Registrar, whether or not those parties are within Australia.*
- *The existing criminal sanctions for non-compliance would be repealed.*
- *A new non-criminal sanction for non-compliance would be introduced, under which the Registrar would be able to draw a reasonable inference from a person's failure:*
 - *to comply with a requirement to produce documents or articles*
 - *to appear in response to a witness summons*
 - or*
 - *to refuse to give evidence when appearing as a witness.*

Response: INTA supports this proposed change in part subject to the comments set forth below.

Comments

INTA agrees that this amendment to clarify the powers of the Registrar to require production of documents or articles or summon witnesses may be desirable. The Association also agrees that failure to provide documents or articles or to appear when summoned should allow the Registrar to draw adverse inferences to a party's case in some circumstances. However, the Registrar's powers under s.202 are already discretionary. While it is appropriate that the Registrar exercise those powers only when satisfied that it is appropriate to do so, there may be occasions where the Registrar wishes to call a witness or obtain documents independently of a request from a party. An amendment limiting the Registrar's powers to situations where a party has requested an exercise of the Registrar's discretion and met the onus of

satisfying the Registrar that the witness or documents will substantially contribute to the proceedings is not supported.

INTA has additional concerns regarding the level of the burden that a party would be required to meet in this proposed change. In order to satisfy the Registrar that a witness or document *will* substantially contribute to the correct decision, the party would need to already have access to the information given by the witness or contained in the document. This renders the ordering of attendance or production moot. As a practical matter, it is appropriate that the Registrar should require a party requesting that the Registrar exercise discretion under s.202 to satisfy the Registrar that it is **likely** that the witness or document will substantially contribute to the outcome of the matter, but the burden should go no higher than this. Therefore, INTA cannot support the proposal in its current form.

With regard to the removal of criminal sanctions for failure to produce or attend when ordered, it is envisioned that a person receiving such an order may not be a party to the proceedings, (e.g. a former employee of one of the parties) and may have no interest in the outcome of the proceedings. In such circumstances, the non-criminal sanction proposed is unlikely to promote compliance with the Registrar's order, and it may be beyond the control of the party whose case may be adversely affected by any inference drawn by the Registrar to enforce or even encourage compliance. Accordingly, INTA does not support the removal of criminal sanctions; they should be retained, but may be usefully reinforced by additional provisions relating to possible adverse inferences being drawn, where appropriate.

Proposed Change 3.11

- *Parties appearing before the Registrar would be required to provide a summary of submissions prior to the hearing.*
 - *For the opponent—the submissions would be required to be filed and served on the other party at least 5 business days before the date set for the hearing.*
 - *For the applicant—submissions would be required at least 2 business days before the hearing.*
- *Each party would serve its submissions on the other party: IP Australia would not be responsible for doing this.*
- *These time periods could not be extended. Failure to comply would be a matter that may be taken into account in any award of costs.*

Response: INTA supports this proposed change subject to the comments below.

Comments

While INTA agrees this proposal will improve the overall opposition process, the Association believes further consultation needs to be undertaken regarding the proposed time periods for providing the summary. For example, based on the case provided in the Consultation Paper, the Applicant would have one week to consider the submissions filed by the Opponent. INTA is concerned that this will provide the Applicant with an unfair advantage. Issues such as a potential unfair advantage to one party demonstrate a clear need for further study of this issue before these proposed changes are implemented.