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Intellectual Property Law including trade mark/patent registration, duration/process and whether Australia has signed worldwide treaties, licence agreements and other forms of IP Commercialisation

(a) Worldwide Treaties

Australia is party to the main international treaties relating to IP being the World Intellectual Property Organisation ('WIPO'), the Berne Convention for the Protection of Literary and Artistic Works ('Berne Convention'), Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), Patent Cooperation Treaty and Madrid Protocol. Some background to these and the significance of these is:

- a. The Berne Convention was formed in 1886 and currently binds 164 States, including Australia. The Berne Convention sets basic standards regarding works originating in member states which must be recognised and applied by other signatories. The Berne Convention was incorporated in Australian domestic law in 1969 with the enactment of the Copyright (International Protection) Regulations (Cth). The Regulations ensure that the works of authors who are citizens or residents of signatory states, or the works are first published in those states, are protected by the Australian Commonwealth Copyright Act 1968.
- b. WIPO, established under a 1967 Convention to which Australia is a signatory, is a specialised agency of the United Nations that operates as the secretariat Berne Convention members. It is dedicated promoting the protection of intellectual property across the globe.
- c. The TRIPS Agreement endeavours to lessen the trade barriers that have emerged as a result of the inadequate protection of intellectual property rights provided by some states by building on the standards contained in the Berne Convention. The Agreement sets a minimum standard of patent and intellectual property protection that a member state must provide in its domestic laws. When legislating, the Australian government aims to pass laws which reflect relevant component of the TRIPS Agreement subject to policy constraints.
- d. The Patent Cooperation Treaty allows for a patent application on a single invention to be filed simultaneously in multiple jurisdictions. An application is able to file a single international application with the IP Australia and simply nominate the other jurisdictions in which they wish to obtain a patent.
- e. Similarly, the Madrid Protocol provides for a centralised system for trade mark registration, enabling an application to file a single international application. In Australian this is done through IP Australia.

(b) Registration of Intellectual Property Rights in Australia

There is no registration process in Australia for copyright, but there is through IP Australia for trade marks and patents and also for registered designs.

Such registrations may gain priority date according to lodgement date in treaty countries if appropriately notified on application.

Brief outline of steps to achieve registration of trade marks in Australia

The length of the trademark registration process in Australia depends on the particular application, any complications or issues raised, and whether there are objections. In the case of pending infringement or other urgency factors it is possible to obtain expedition.

It takes IP Australia between three and four months to assess a trade mark application. The application will either receive confirmation of acceptance or a report identifying issues that must be addressed by the applicant in order for IP Australia to approve the application.

IP Australia provides an additional service (for an additional fee) called the 'Head Start' service, which enables applications to have the registrability of their proposed trade mark assessed within five working days.

This report gives you a non-binding indication as to whether the trade mark application will be accepted and is useful in circumstances where the client wishes to start using the trade mark immediately as most major issues will be identified within 5 days of application rather than waiting the usual three months for a response. If the applicant is happy to proceed after receiving the "registrability" report then he will pay an further fee and the application will fall into the normal queue.

After an application is accepted, the trade mark application is publically advertised in the Australian Official Journal of Trade Marks for a period of two months.

After the end of this period, provided third parties have not lodged any opposition to the registration of the trade mark, IP Australia will send the applicant a Notice of Acceptance.

An application for a Defensive Trade Mark registration can also be lodged with IP Australia. A Defensive Trade Mark registration may be obtained where the trade mark is well known and if successful, will result in the registration covering all goods and services.

Brief outline of Steps to achieve registration of a design in Australia

To achieve registration a design must be new and distinctive (never published).

Either the designer, the employer of the designer (where the employee created the design in the course of their employment) and an assignee of the intellectual property in the design may apply for registration of the design.

An applicant will be in the usual course receive from IP Australia an initial response to their request for assessment of their application within 3-4 months of lodgement.

An applicant has six months from lodgement (priority date) to register or publish (by IP Australia) their design, failing which the application lapses.

A successful application will be advertised on the Australian Official Journal of Designs.

An alternative to registration is to request publication by IP Australia. Although publication does not provide the applicant with registration rights, it has strategic benefits in situations where you cannot register your design (eg where it is no longer new and distinctive) as publication prevents third parties from registering the same design.

The design will be published, once checked, on the Australian Official Journal of Designs.

(c) Enforcement of Intellectual Property Rights

(i) Trade Marks/Brands (registered and unregistered)

Owners of trade mark registrations in Australia under the Trade Marks Act 1995 (Cth.) (Owners) have power to enforce their rights against infringers under this Act. To be successful in enforcement proceedings, Owners need to establish that:

- (A) third parties have used the Owner's trade mark or a trade mark which is deceptively similar to the Owner's trade mark as a trade mark in trade or commerce in respect of the same or similar goods and/or services in respect of which the Owner's trade mark is registered, and
- (B) that the infringement action is likely to deceive or cause confusion.

Well known trade marks receive a higher level of protection, namely, Owners of well known trade marks can succeed in enforcement proceedings where the third party infringer has used the infringing trade mark in respect of goods and services which are unrelated to the goods and services in respect of which the well known trade mark is registered.

Remedies under the Act include damages, account for profits and injunctive relief. A trade mark registration may be removed for non-use at any time which is three years after the priority date where the owner has not used it as a trade mark in Australia or has not used it in good faith as a trade mark in Australia.

Additionally, in Australia the common law doctrine of passing off and the Australian Competition and Consumer Law (2010) Cth protect owners of brands/trademarks (whether they are registered or unregistered) where misleading or deceptive conduct or false representations are made provided the owners can establish that they have the requisite reputation/goodwill in the brand/trademark. Remedies include damages, account for profits and injunctive relief.

(ii) Domain Names

In Australia, operating a domain constitutes trade mark use of the domain name. Where a party's domain name is the same or deceptively similar to a third party's trade mark/brand name, the domain name could be found to infringe the third party's trade mark/brand name. Accordingly, the party could seek the removal or transfer to it of an infringer's domain when seeking to enforce its brand against an infringer through .au Domain Administration Ltd (auDA) or The Internet Corporation for Assigned Names and Numbers (ICANN). These entities operate in respect of domains registered worldwide.

AuDA or ICANN can order that a domain name may be transferred if a complainant, who wishes to use

that domain name, can establish that the domain name is identical or confusingly similar to a mark to which the complainant has rights, and that the registrant has no rights to or legitimate interest in the domain name and that the registered domain name has been used in bad faith.

Registration of internet domain names in Australia operates on a first come first serve basis.

(iii) Patents

Registered patents are enforceable in Australia under the Patents Act 1990 (Cth.) or elsewhere in the world if registration is achieved in that jurisdiction. Remedies available under the Act include injunctive relief, either account for profits or damages and in cases where there has been a flagrant breach or an example needs to be set additional damages can be awarded.

An inventor may apply under the Act for registration of one of three types of patents.

A 'provisional patent application' does not itself give protection to a patent, but does give an applicant time to determine whether their invention should be patented.

A 'standard patent' protects a patent for 20 years, or 25 years if a pharmaceutical substance.

An 'innovation patent' is granted where the criteria for 'standard patent' is not met and provides patent protection for 8 years.

Inventions that have not been protected by patent registration may be protected by imposing on a third party a duty of confidence for example by having the third party enter into a Non-Disclosure Agreement.

Once an invention has been disclosed to the public or used in commercial applications it can no longer be eligible for patent registration as it no longer has the characteristic of novelty.

(d) Intellectual property commercialisation

In Australia intellectual property commercialisation (including licensing) is common and Carroll & O'Dea Lawyers has extensive international and local IP commercialisation experience including in respect of IP commercialisation activities in the pharmaceutical, IT, telecommunications, education, wine and food, agricultural and in the retail industries.

Our intellectual property team has extensive experience with:

- a. Brand and copyright Licensing within Australia and South East Asia, including advising on Franchising Agreements, Distribution Agreements, Marketing Agreements which include licensing provisions as well as stand alone Licensing Agreements.
- b. Patent Licensing for processes, programs and apps.
- c. Co-existence and Co-Ownership arrangements where two or more parties own intellectual property rights.
- d. Stand alone assignments of Intellectual Property rights.
- e. Commercial transactions where a component of the transaction involves either the licensing or assignment of Intellectual Property rights such as reorganisations, business sales and mergers and acquisitions.
- f. Due diligence of IP assets.

Company and Commercial Law

- (a) A non resident company wishing to carry on business in an active way needs to be registered in Australia (passive ownership of property may not require registration).
- (b) A resident company can be formed without difficulty provided that you can find a local director. The registration process is quick. You need a local registered office and the capital need be no more than \$1, but obviously this will reflect on your credit standing.
- (c) Sometimes other structures are preferable – in Australia there are some advantages of trust structures and, in some circumstances limited partnership structures, so the corporate form is not the only option.

Commercial Contract Law (including arbitration, language, key terms, pitfalls)

- (d) Australian law pays less regard to pre contractual communications/context than say English law, but in the case of ambiguity these can come into play.
- (e) Australian English is commonly used.
- (f) It is important to distinguish what are essential terms, the breach of which may allow for termination, and what are not.
- (g) There are a number of statutes including the Australian Consumer and Competition Law, which can then impact upon contracts, including in applicable cases making them unenforceable or liable to court variation.
- (h) Suitably drafted arbitration clauses and choice of law clauses will generally be given effect.
- (i) There is foreign arbitration awards legislation, including to give reciprocal enforcement rights with arbitrations in other countries where they are also subject to mutual arrangements.
- (j) As in other areas, tax considerations are significant.
- (k) In some areas there are also foreign investment review board requirements (see table which is depicted on the following pages).

1	Website for Company Registry search	WWW.ASIC.GOV.AU
2	Website for Foreign Investment related	WWW.FIRB.GOV.AU
3	Website for IP related search	
	- Trademark	WWW.IPAUSTRALIA.GOV.AU
	- Patent	WWW.IPAUSTRALIA.GOV.AU
	- Copyright	NOT APPLICABLE
	- Industrial Designs	WWW.IPAUSTRALIA.GOV.AU
4	Is there a necessity for incorporating the corporate name of the Company in Contracts?	Yes
5	Is there a necessity for incorporating the corporate identity number of the Company in contracts?	Yes. Companies registered outside Australia must also obtain an Australian Resident Body Number if they carry on business in Australia
6	Is there any local convention of signing of contracts?	Except for deeds, parties can agree on means of execution. There are presumptions a local company is bound if certain forms of execution clause are duly completed
7	Any requirement of notorisation / legalisation of contracts?	Notorisation not applicable. Certain dealings relating to land and securities require registration.
8	Sectors where no foreign investment can be made?	Residential property (other than newly developed). Approvals may be required depending upon the amount and sector. More difficult in media, telecommunications, transport, HR, military and military technology, security, uranium and plutonium sectors.
9	Sectors where there is a cap on foreign investment?	Not applicable but Treasurer may reject or impose conditions on any foreign investment proposals which are against Australia's national interest - see Foreign Acquisitions and Takeovers Act 1975. There are thresholds in other sectors under which approval may not be required.
10	What are the rates of tax?	
	Corporate Tax Rate	
	- resident	30%
	- non resident	30% see http://www.austrade.gov.au/Invest/Doing-business-in-Australia/Investor-Guide/Running-a-business/Understanding-Australian-taxes/Australian-business-taxes

	On Dividend	www.asic.gov.au
	- resident	30% for company, various for individuals. Franking credits for tax paid available if applicable
	- non resident	Franked amount of dividends exempt from Australian income and withholding taxes. Unfranked dividends - if conduit foreign income: not assessable income and is exempt from withholding tax. Otherwise subject to withholding tax deducted at 30% (or 15% if shareholder resident in country with agreement with Australia).
	On Royalty	
	- resident	30% for company, various for individuals
	- non resident	Similar treatment as unfranked dividends above (subject to withholding tax).
	On sale of shares in local Company	WWW.IPAUSTRALIA.GOV.AU
	- resident	Capital gains treated as income and subject to tax at applicable income rate (30% for company, various for individuals). Capital gains discount available if shares held >1 year. Capital losses may offset future capital gains
	- non resident	Capital gains treated as ordinary income and subject to tax at applicable income rate (30% for company, various for individuals). Capital gains discount may not be available.
11	Is your Country a signatory to the following International Treaties related to IP?	Except for deeds, parties can agree on means of execution. There are presumptions a local company is bound if certain forms of execution clause are duly completed
	- Berne Convention on Copyrights	Yes
	- Patent Cooperation Treaty	Yes
	- Madrid Protocol – Trademark	Yes
12	What are the safeguards to be taken to enforce JV Agreement / Shareholder's Agreement?	Space does not permit these to be listed here.
13	Are Foreign Arbitration Awards enforceable?	Yes with other countries with reciprocal arrangements, as listed under the applicable conventions.

14	Is your Country a signatory to the following International Treaties related to Dispute Resolution?	www.asic.gov.au
	- Geneva Convention	1927 - No. 1961 - No.
	- New York Convention	Yes - see http://www.uncitral.org/uncitral/en/uncitral_texts/arbitration/NYConvention_status.html