



Copyright in Patent Specifications

The question of who owns copyright in patent specifications has arisen in several complaints before the Trans-Tasman IP Attorneys Board (the **Board**). Of particular relevance is the specification for a provisional application for a patent (a **provisional specification**). This Practice Note is published by the Board to help registered attorneys understand their rights and obligations, and to facilitate the protection of a client's invention in a reasonable timeframe and at a reasonable cost to the client. This Practice Note may change from time to time.

Legislative requirements

Copyright provides the owner of an original copyright work the exclusive right to do certain acts and authorise others to do those acts with the work.¹ The Board understands that similar principles apply to copyright ownership in Australia and New Zealand.

Copyright can subsist in a patent specification

The Board considers that the specification for a patent application (the **specification**) can meet the test for copyright protection where the specification is an original work. The Board notes that the specification is likely to comprise a number of discrete elements, each of which can separately qualify for copyright protection. For example:

- i. the written text of the specification could constitute a literary work; and
- ii. any drawings, photographs or diagrams could constitute an artistic work.

The default position under copyright law is that the author of the work is the first owner of copyright, unless there is a contract to the contrary between the author and the person commissioning the work (the **commissioning rule**) and, in New Zealand, subject to any statutory provisions regarding first ownership of copyright in certain categories of commissioned works (see below).

The preparation of the specification can involve different authors, which may lead to multiple persons owning copyright in the different elements of the specification. For example copyright ownership in the different elements may reside with:

- a. the attorney who drafted the text of the specification;
- b. the person who prepared any diagrams or drawings of the invention, or the photographer(s) who took photographs of the invention; and
- c. the inventor where they themselves drafted any of the text, prepared diagrams or drawings, or took photographs (either as co-owner where, for example, they collaborated with the attorney in drafting the text and/or as outright owners in the

¹ Section 31 of the Australian *Copyright Act 1968* and section 16 of the New Zealand *Copyright Act 1994*.

elements of the specification they supplied to the attorney like text, drawings, diagrams and photographs).

Attorneys should also be aware of the differences between Australian and New Zealand copyright law regarding the commissioning rule. In New Zealand, the person who commissions a diagram, drawing or photograph to be prepared or taken will be the first owner of copyright in the diagram, drawing or photograph,² unless there is a contract to the contrary. This could result in the client owning copyright in any drawings, diagrams and photographs prepared or taken by the attorney. In Australia, the general principle is that the author of a work is the first owner of the copyright, subject to a contract to the contrary. The commissioning rule has a narrower application and applies only to photographs taken for a private or domestic purpose, portraits and engravings. As a whole, the specification is likely to be treated as a compilation work in which separate copyright subsists. Subject to any express agreement to the contrary, the attorney is most likely to be the first owner of copyright in that compilation as the person who combined the separate works to produce the compilation (unless the attorney is an employee and prepared the specification in the course of their employment - in which case the attorney's employer will generally own the copyright in the compilation work).

Do clients have a licence to use the specification?

An express licence to use a copyright work may be in writing or orally agreed between the parties.

A licence to use a copyright work may also be implied by law into a particular class of contracts. For example, there is case law to support the proposition that such a licence is implied as a matter of law into contracts where a person is preparing written material with the intention that it should be used in a particular manner.³

The rationale for such an implied licence in a transactional setting is to ensure that the person paying for the particular works or other subject matter is able to use the works in a manner and for the purpose for which it was contemplated by the parties.

In the context of provisional patent specifications, the purpose of filing a provisional application for a patent is to establish a priority date. The applicant must then file a complete application for a patent within a certain period from the filing date (usually 12 months), and associate the provisional application with the complete application, in order to claim and retain the earlier priority date. The Board therefore considers it likely that the provisional specification will be treated as having been prepared for the purpose of not only filing the provisional patent application, but also for preparing and filing the complete patent application and for the purposes of claiming valid priority.

As such, the Board is of the view that, if there is no express agreement to the contrary, clients will have an implied licence to use the provisional specification themselves in the preparation of a complete patent specification, or to engage another patent attorney to do this on the client's behalf.

² Section 21(3) of the New Zealand *Copyright Act 1994*.

³ *Concrete Pty Ltd v Parramatta Design & Developments Pty Ltd* (2006) 229 CLR 577 at [16] per Gummow ACJ and at [59] per Kirby and Grennan JJ; *Acohs Pty Ltd v RA Bashford Consulting Pty Ltd* (1997) 144 ALR 528 at 547; *Beck v Montana Constructions Pty Ltd* [1964-5] NSWLR 229.

The Board considers that similar considerations apply to all patent specifications and draws no distinction between provisional and complete patent specifications in that regard.

Attorneys should consider the prospect of such an implied license if asserting copyright rights against current and former clients in respect of patent specifications they have prepared for such clients.

Section 226 of the Australian *Patents Act 1990*

The primary purpose of this Practice Note is to provide guidance to attorneys in relation to ownership of copyright in patent specifications prior to becoming open for public inspection (OPI), and the implied licence for clients to be able to rely on such patent specifications to secure valid priority rights in connection with further filings. However, for completeness the Board notes that section 226 of the Australian *Patents Act 1990* (which was amended by the Australian *Intellectual Property Laws Amendment (Raising the Bar) Act 2012*) expressly exempts from copyright infringement provisional specifications, complete specifications and other prescribed documents that have been made OPI. Section 226 operates to allow the reproduction of such documents in a two-dimensional form, the communication of such documents to the public and the translation of such documents, by any party including the clients for whom the documents were prepared.

Copyright can be dealt with in terms of engagement or by way of agreement with clients

The Board acknowledges that it is possible (and indeed may be preferable) for attorneys to address the ownership and use of copyright in patent specifications prepared by them for their clients in their terms of engagement or otherwise by agreement with their clients. These terms can also address ownership and use of copyright in circumstances where invoices are not paid or monies are owing to the attorney. If an attorney intends to limit the client's subsequent use of a patent specification the Board expects the attorney to ensure that the client is aware of the ramifications of this *before* accepting the engagement to prepare the patent specification. The Board further reminds attorneys of their core obligations under the *Code of Conduct for Trans-Tasman Patent and Trade Marks Attorneys 2018* to act in the best interests of their clients (clause 11(1)(b)) and not to prefer the registered attorney's interests over the interests of a client (clause 19(2)).

If you have any concerns please contact the Secretary, Trans-Tasman IP Attorneys Board.

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