
PATENTS.

No. 17 of 1909.

An Act to amend the *Patents Act* 1903.

[Assented to 13th December, 1909.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

- 1.—(1.) This Act may be cited as the *Patents Act* 1909.
- (2.) The *Patents Act* 1903, as amended by the *Patents Act* 1906, is in this Act referred to as the Principal Act.
- (3.) The Principal Act, as amended by this Act, may be cited as the *Patents Act* 1903–1909.

Short title and
citation.

Amendment of
s. 3 of Principal
Act.

2. Section three of the Principal Act is amended—

- (a) by omitting the words and figure “Division 6.—Patents for Improvements to Inventions”; and
 (b) by inserting after the words and figure “Division 5.—Extensions of Patents” the following words and figures:—
 “Division 6.—Patents of Addition.
 Division 6A.—Restoration of Lapsed Patents.”

3. After section four of the Principal Act the following section is inserted:—

Extension of
Act to Papua.

“4A.—(1.) On and after a date to be fixed by proclamation, this Act shall apply to the Territory of Papua as if that Territory were part of the Commonwealth, and no application for a patent under any Patent law (other than this Act) applying to that Territory shall be receivable except pursuant to some right previously acquired.

“(2.) For the purposes of the application of this Act to the Territory of Papua, any reference in this Act to the Commonwealth or to Australia shall be deemed to include a reference to the Territory of Papua.

“(3.) Nothing in this section shall affect—

- (a) any application for a patent lodged at the Patent Office prior to the date fixed by proclamation under this section, or any patent granted on any application so lodged, or
 (b) any application for a patent lodged or made in Papua prior to the said date, or any patent granted on any application so lodged or made.”

4. After section fourteen of the Principal Act the following section is inserted:—

Recovery of
costs awarded
by the
Commissioner.
Cf. No. 20, 1905,
s. 99.

“14A.—(1.) Any sum ordered by the Commissioner to be paid as costs may, in default of payment, be recovered in any Federal or State Court of competent jurisdiction as a debt due by the person against whom the order is made to the person in whose favour the order is made.

“(2.) This section shall apply to orders made before the commencement of this section as well as to orders made after its commencement.”

Amendment of
s. 51 of Principal
Act.

5. Section fifty-one of the Principal Act is amended by omitting the word “certificates” and inserting in lieu thereof the word “certifies.”

Repeal of s. 55 of
Principal Act.

6. Section fifty-five of the Principal Act is repealed.

7. After section sixty-three of the Principal Act the following section is inserted:—

Single patent
for cognate
inventions.
7 Edw. 7,
c. 29, s. 16.

“63A.—(1.) Where the same applicant has put in two or more provisional specifications for inventions which are cognate or modifications one of the other, and has obtained thereby concurrent provisional protection for the same, and the Commissioner is of opinion that the whole of such inventions are such as to constitute

a single invention and may properly be included in one patent, he may accept one complete specification in respect of the whole of such applications and grant a single patent thereon.

“(2.) Such patent shall bear the date of the earliest of such applications, but, in considering the validity of the same and for the purpose of the provisions of this Act with respect to oppositions to the grant of patents, the Court or the Commissioner, as the case may be, shall have regard to the respective dates of the provisional specifications relating to the several matters claimed or included therein.”

8. Section seventy-one of the Principal Act is amended by adding at the end thereof the words “with the written consent of the mortgagor.” Amendment of s. 71 of Principal Act.

9. Section seventy-four of the Principal Act is amended— Amendment of s. 74 of Principal Act.

(a) by omitting the words “specification has” and inserting in lieu thereof the words “request and the nature of the proposed amendment have”; and

(b) by omitting the words “its first advertisement” and inserting in lieu thereof the words “the first advertisement thereof.”

10. Division 6 of Part IV. of the Principal Act is repealed, and the following Division substituted in lieu thereof:—

“DIVISION 6.—PATENTS OF ADDITION.

“85.—(1.) Where a patent for an invention has been applied for or granted, and the applicant or the patentee, as the case may be, applies for a further patent in respect of any improvement in or modification of the invention, he may, if he thinks fit, in his application for the further patent, request that the term limited in that patent for the duration thereof be the same as that of the original patent or so much of that term as is unexpired. Patents of Addition. 7 Edw. 7, c. 29, s. 19.

“(2.) Where an application containing such a request is made, a patent (hereinafter referred to as a patent of addition) may be granted for such term as aforesaid. Grant.

“(3.) A patent of addition shall remain in force so long as the patent for the original invention remains in force, but no longer, and in respect of a patent of addition no fee shall be payable for renewal. Term.

“(4.) The grant of a patent of addition shall be conclusive evidence that the invention is a proper subject for a patent of addition, and the validity of the patent shall not be questioned on the ground that the invention ought to have been the subject of an independent patent.” Validity.

11. After Division 6 of Part IV. of the Principal Act the following Division is inserted:—

“DIVISION 6A.—RESTORATION OF LAPSED PATENTS.

“85A.—(1.) Where any patent has become void owing to the failure of the patentee to pay any prescribed fee within the prescribed time, the patentee may apply to the Commissioner in the prescribed manner for an order for the restoration of the patent. Restoration of lapsed patent. 7 Edw. 7, c. 29, s. 20.

“(2.) Every such application shall contain a statement of the circumstances which have led to the omission of the payment of the prescribed fee.

“(3.) If it appears from such statement that the omission was unintentional and that no undue delay has occurred in the making of the application, the Commissioner shall advertise the application in the prescribed manner, and within such time as is prescribed any person (hereinafter referred to as the opponent) may give notice of opposition at the Patent Office.

“(4.) Where such notice is given the Commissioner shall notify the applicant thereof.

“(5.) After the expiration of the prescribed period the Commissioner shall hear the case and issue an order either restoring the patent or dismissing the application :

“Provided that in every order under this section restoring a patent, such provisions as are prescribed shall be inserted for the protection of persons who may have availed themselves of the subject-matter of the patent after the patent had been announced as void in the official journal of the Patent Office.

“(6.) Any party aggrieved by the decision of the Commissioner may, in the time and in the manner prescribed, appeal to the High Court or the Supreme Court.

“(7.) The High Court or the Supreme Court may hear the applicant and any opponent who in its opinion is entitled to be heard in opposition to the application, and may determine whether the patent ought to be restored or the application dismissed.”

Amendment of
s. 86 of Principal
Act.

7 Edw. 7, c. 29,
s. 15 (2).

12. Sub-section (9.) of section eighty-six of the Principal Act is repealed and the following sub-section substituted in lieu thereof:—

“(9.) Where a patent has been revoked on the ground of fraud, or where a patent fraudulently obtained has been surrendered and revoked, the Commissioner may, on the application of the actual inventor or any of the other persons mentioned in sub-section (3.) of section thirty-two of this Act, made in accordance with the provisions of this Act, grant to him a patent in lieu of and bearing the same date as the patent so revoked :

“Provided that no action shall be brought for any infringement of the patent so granted committed before the actual date when the patent was granted.”

13. After section eighty-six of the Principal Act the following section is inserted :—

Surrender of
patents.
Of. 7 Edw. 7,
c. 29, s. 26 (3).

“86A.—(1.) A patentee may at any time, by giving notice in the prescribed manner to the Commissioner, offer to surrender his patent, and the Commissioner may, if after giving notice of the offer and hearing all parties who desire to be heard he thinks fit, accept the offer, and thereupon make an order for the revocation of the patent.

“(2.) Where an action for infringement or a proceeding for the revocation of the patent is pending in any Court, the Commissioner shall not accept the offer for the surrender or make an order for the revocation of the patent, except by leave of the Court, or by consent of the parties to the action or proceeding.”

14. Section eighty-seven of the Principal Act is amended—

- (a) by omitting sub-section (5.); and
 (b) by omitting sub-section (6.), and inserting in lieu thereof the following sub-section :—

Amendment of
 s. 87 of
 Principal Act.

“(6.) For the purposes of this section the reasonable requirements of the public shall not be deemed to have been satisfied—

7 Edw. 7, c. 29
 s. 24 (5).

- (a) if, by reason of the default of the patentee—
- (i.) to manufacture to an adequate extent, and supply on reasonable terms, the patented article, or any parts thereof which are necessary for its efficient working, or
 - (ii.) to carry on the patented process to an adequate extent, or
 - (iii.) to grant licences on reasonable terms, any existing trade or industry, or the establishment of any new trade or industry, in Australia is unfairly prejudiced, or the demand for the patented article or the article produced by the patented process is not reasonably met ; or
- (b) if any trade or industry in Australia is unfairly prejudiced by the conditions attached by the patentee, before or after the commencement of this sub-section, to the purchase, hire, or use of the patented article, or to the using or working of the patented process.”

15. After section eighty-seven of the Principal Act the following sections are inserted :—

“87A.—(1.) At any time not less than four years after the date of a patent, and not less than two years after the commencement of this section, any person may apply to the High Court or the Supreme Court for an order declaring that the patented article or process is not manufactured or carried on to an adequate extent in the Commonwealth.

Provision where
 patent is not
 worked to an
 adequate extent
 in the
 Commonwealth.

“(2.) If, on the hearing of the application, the Court is satisfied that the patented article or process is manufactured or carried on exclusively or mainly outside the Commonwealth, then, subject to the provisions of this section, and unless the patentee proves that the article or process is manufactured or carried on to an adequate extent in the Commonwealth, or gives satisfactory reasons why the article or process is not so manufactured or carried on, it shall make the order applied for, to take effect either—

- (a) forthwith ; or
 (b) at the expiration of such reasonable time as is specified in the order, unless in the meantime it is shown to the satisfaction of the Court that the patented article or process is manufactured or carried on to an adequate extent in the Commonwealth :

Provided that no such order shall be made which is at variance with any treaty, convention, arrangement, or engagement with any foreign country or part of the King's Dominions.

“(3.) If, within the time specified in the order, the patented article or process is not manufactured or carried on to an adequate extent

in the Commonwealth, but the patentee gives satisfactory reasons why it is not so manufactured or carried on, the Court may make a further order extending the time so specified for any specified time not exceeding twelve months.

“(4.) From and after the time when an order under sub-section (2.) of this section takes effect, the patent shall not be deemed to be infringed by the manufacture or carrying on in the Commonwealth of the patented article or process, or by the vending within the Commonwealth of the patented article made within the Commonwealth.

“(5.) If at any time after the making of an order under sub-section (2.) of this section the Court is satisfied that the patented article or process is not manufactured or carried on in the Commonwealth by any other person than the patentee, and that the patentee is manufacturing it or carrying it on to an adequate extent in the Commonwealth, the Court may in its discretion, if it thinks it just so to do, revoke the order, which shall thenceforth cease to have effect.

“(6.) In any case in which the Court is empowered by this section to make an order under sub-section (2.) thereof, it may, in its discretion, if it thinks it just so to do, instead of making such an order, order the patentee to grant a compulsory licence to the applicant on such terms as the Court thinks just.

“(7.) In any proceedings under this section the Court may make such order as to costs as it thinks just, and may order the applicant to give such security as it thinks just for the costs of the proceedings and of any appeal therefrom, and, in default of such security being given within the time specified by the order, the proceedings or appeal shall be deemed to be abandoned.”

Avoidance of certain conditions attached to the sale, &c., of patented articles.
7 Edw. 7, c. 29, s. 38.

“87B.—(1.) It shall not be lawful, in any contract made after the commencement of this section in relation to the sale or lease of, or licence to use or work, any article or process protected by a patent, to insert a condition, the effect of which would be—

- (a) to prohibit or restrict the purchaser, lessee, or licensee from using any article or class of articles or process, whether patented or not, supplied or owned by any person other than the seller, lessor, or licensor, or his nominees; or
- (b) to require the purchaser, lessee, or licensee to acquire from the seller, lessor, or licensor, or his nominees, any article or class of articles not protected by the patent;

and any such condition shall be null and void.

“Provided that this sub-section shall not apply if—

- (i.) the seller, lessor, or licensor proves that, at the time the contract was entered into, the purchaser, lessee, or licensee had the option of purchasing the article or obtaining a lease or licence on reasonable terms, without any such condition; and
- (ii.) the contract entitles the purchaser, lessee, or licensee to relieve himself of his liability to observe any such condition on giving the other party three months' notice in writing, and on payment in compensation for such relief in the case of a purchase of such sum, or in the case of

a lease or licence of such rent or royalty for the residue of the term of the contract, as may be fixed by an arbitrator appointed by the Minister.

“(2.) Any contract relating to the lease of or licence to use or work any patented article or patented process, whether made before or after the commencement of this section, may at any time after the patent or all the patents by which the article or process was protected at the time of the making of the contract has or have ceased to be in force, and notwithstanding anything in the same or in any other contract to the contrary, be determined by either party on giving three months’ notice in writing to the other party.

“(3.) Any contract made before the commencement of this section, relating to the lease of or licence to use or work any patented article or process, and containing any condition which, had the contract been made after the commencement of this section, would by virtue of this section have been null and void, may, at any time before the contract is determinable under the last preceding sub-section, and notwithstanding anything in the same or any other contract to the contrary, be determined by either party on giving three months’ notice in writing to the other party.

“(4.) Where under either of the two last preceding sub-sections any notice is given determining a contract made before the commencement of this section, the party giving the notice shall be liable to pay such compensation as, failing agreement, may be awarded by an arbitrator appointed by the Minister.

“(5.) The insertion by the patentee in a contract, made after the commencement of this section, of any condition which by virtue of this section is null and void, shall be available as a defence to an action for infringement of the patent, to which the contract relates, brought while that contract is in force.

“(6.) Nothing in this section shall—

- (a) affect any condition in a contract whereby a person is prohibited from selling any goods other than those of a particular person ; or
- (b) be construed as validating any contract which would, apart from this section, be invalid ; or
- (c) affect any right of determining a contract or condition in a contract exercisable independently of this section ; or
- (d) affect any condition in a contract for the lease of or licence to use a patented article, whereby the lessor or licensor reserves to himself or his nominees the right to supply such new parts of the patented article as may be required to put or keep it in repair.”

16. After section ninety-one of the Principal Act the following section is inserted :—

“91A. Where any person claiming to be the patentee of an invention, by circulars, advertisements, or otherwise, threatens any other person with any legal proceedings or liability in respect of any alleged infringement of the patent, any person aggrieved thereby may bring an action against him, and may obtain an

Remedy in case of groundless threats of legal proceedings.
7 Edw. 7, c. 29, s. 36.

injunction against the continuance of such threats, and may recover such damages (if any) as he has sustained thereby, if the alleged infringement to which the threats related was not in fact an infringement of any legal rights of the person making such threats.

“Provided that this section shall not apply if the person making such threats with due diligence commences and prosecutes an action for infringement of his patent.”

Amendment of
s. 107 of
Principal Act.

17. Section one hundred and seven of the Principal Act is amended by adding after the words “describe himself as a patent attorney” the words “or as a patent agent or as an agent for obtaining patents.”

Devolution of
patents.

18. Before section one hundred and eleven of the Principal Act the following section is inserted in Part X. :—

“110A.—(1.) The rights granted to a patentee by a patent are personal property and are capable of assignment and of devolution by operation of law.

7 Edw. 7,
c. 29, s. 37.

“(2.) Where, after the commencement of this section, a patent is granted to two or more persons jointly, they shall, unless otherwise specified in the patent, be treated for the purpose of the devolution of the legal interest therein as joint tenants, but, subject to any contract to the contrary, each of such persons shall be entitled to use the invention for his own profit without accounting to the others, but shall not be entitled to grant a licence without their consent, and, if any such person dies, his beneficial interest in the patent shall devolve on his personal representatives as part of his personal estate.”

19. After section one hundred and twelve of the Principal Act the following section is inserted:—

Improperly
describing any
office as the
Patent Office.
Cf. 7 Edw. 7,
c. 29, s. 89 (5).

“112A.—(1.) A person shall not use, in connexion with his business, any words which would reasonably lead to the belief that his office is, or is officially connected with, the Patent Office.

“Penalty : Twenty pounds.

“(2.) Without limiting the preceding sub-section, any person who—

- (a) places, or suffers or permits to be placed, on the building in which his office is situate ; or
- (b) uses in advertising his office or business ; or
- (c) places on any document, as a description of his office or business,

the words ‘Patent Office,’ or the words ‘Office for obtaining Patents,’ or any words of similar import, whether alone or in conjunction with any other words, shall be deemed to be guilty of an offence against that sub-section.”