

The death knell?

Could local novelty be on the way out in New Zealand?

Mike Hawkins, Baldwins, considers two recent decisions from the Assistant Commissioner of Patents

New Zealand is one of the last outposts of local novelty, the New Zealand Patents Act 1953, being based on the UK Patents Act 1949, requiring only that an invention as claimed is new, or is not obvious and involves an inventive step, having regard to what was known or used before the priority date of the claim in New Zealand. Similarly the New Zealand Designs Act 1953, based on the UK Registered Designs Act 1949, only requires local novelty for a design to be registered in New Zealand.

The local novelty provisions for patents were not however expected to survive for very much longer. The draft Patents Bill issued earlier this year states that the prior art base used in the definitions of novelty and inventive step includes all matter that has been made available to the public by written or oral description, by use or any other way, whether in New Zealand or elsewhere, ie, absolute novelty. It is expected that this provision will not be amended prior to the Bill becoming law, which is expected next year.

While local novelty has managed to survive so far, despite the popularity of the internet, it looks as though its death knell has sounded, even without the new legislation.

On the way out

The first indication that its demise was imminent was a recent decision in the New Zealand High Court¹. This was a registered design infringement and rectification case where, in reviewing the prior art which had been cited by the defendant, the judge stated:

"The evidence of the patent available on-line from the Australian Patents Office is unpersuasive in this regard since it illustrates a shape significantly different from the Z-post but it seems likely to have been accessible from New Zealand before 29 November 2000."

Even though the Australian patent was only accessible online before the relevant date it is clear that the judge did not consider it inadmissible as prior art.

The latest and potentially fatal blow for local novelty has however now occurred in two decisions of the Assistant Commissioner of Patents (see case box). Assistant Commissioner

Popplewell was required to decide in both cases whether the same document, which was only available online before the relevant priority date, was admissible as "prior art" in terms of it having been "published" within the meaning of section 2 of the New Zealand Patents Act 1953.

Section 2 reads:

"(1) In this Act, unless the context otherwise requires, - ...

"published", except in relation to a complete specification, means made available to the public; and without prejudice to the generality of the foregoing provision a document shall be deemed for the purposes of this Act to be published -

(a) If it can be inspected as of right at any place in New Zealand by members of the public whether upon payment of a fee or otherwise;..."

Counsel for the opponent in these patent opposition proceedings had provided evidence in a form of a letter from the Dutch publishers of the document in question which confirmed: "...[it] became available on-line on 6th November 1999.

The bibliography and abstract of the article could be viewed free of the charge by any member of the public with access to the internet at the following URL:

Subscription would then be required to access the full-text of the journal on-line.

On payment of the subscription fee, the full-text of the journal would be available on-line to the subscriber."

Counsel for the opponent submitted that the document being available on the internet is within the definition of "published".

Not surprisingly, counsel for the applicant submitted that "local novelty" requires the "actual document" to be made available to the public in New Zealand and that this was supported by the fact that the draft Patents

The case


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Bill included a change to the law to define the prior art base in terms of universal novelty. If that was already the case then such an amendment would not be required.

The AC's ruling

Assistant Commissioner Popplewell, however, agreed with the opponent's counsel and stated that:

"There is no doubt in my mind in the present case the document concerned had been "made available to the public". It could be inspected "as of right" by the public in any place where a computer with access to the internet was available, free of charge for the abstract and "upon payment of a fee [in this case a subscription]" for the complete text of the document.... In conclusion, I am satisfied that the evidence...which establishes the date of availability of this document on the internet by a certain date, is sufficient to satisfy the definition of "publication" in Section 2."

It would appear that unless and until the New Zealand High Court needs to consider this point and decides differently, local novelty in New Zealand may have died somewhat prematurely. It did manage to survive at least for its 50th birthday, which in the face of the strong presence of the internet in New Zealand for many years may be seen as an achievement. 

Notes

- ¹ *Sutton v Bay Masonry Limited*, High Court, Tauranga, CIV 2003-470-000260, 28 May 2004, Williams J, unreported.

About the author

Michael Hawkins is a partner in the Auckland office of Baldwins, specialising in the areas of patents, designs and copyright as they relate to technology and innovation.

