

# **Patents (Advancement Patents) Amendment Bill**

Member's Bill

## **Explanatory note**

### **General policy statement**

This Bill seeks to enhance New Zealand's innovative performance by providing intellectual property protection rights to advancements that are novel, useful and non-obvious that may or may not qualify as an invention for the standard patent. This is by introducing a more accessible, quicker, and cost effective second-tier patent system that provides protection to allow management and exploitation of the advancement with reduced risk. The monopoly of use of the advancement through a cost effective and quicker second-tier patent system will not only provide an opportunity for further advancement activity but, like the standard patent system, the ability to commercialize the advancement without the fear of it being copied.

### **Clause by clause analysis**

*Clause 1* relates to the Title of the Bill.

*Clause 2* provides that the Bill (once enacted) comes into force on *1 October 2019*.

*Clause 3* states that the principal Act is the Patents Act 2013.

## **Part 1**

### **Amendments to preliminary provisions of principal Act**

*Clause 4* amends the purpose clause of the principal Act (*section 3*). Section 3 is amended to include as a purpose of the principal Act the encouragement of technical invention and development by providing for the grant of provisional advancement patents and advancement patents. Those are patents that—

- are easier and less costly to obtain than other patents:
- require a lesser advancement in order to be granted than the inventive step required for other kinds of patents:

- provide a lesser term of protection than other kinds of patents.

*Clause 5* amends section 5 of the principal Act (which relates to interpretation). New definitions of **advancement patent**, **advancement step**, **certified**, **formalities check**, and **provisional advancement patent** are inserted. The term **inventor** is amended to include the person responsible for devising an advancement, as well as the person responsible for devising an invention.

*Clause 6* inserts *new section 7A* into the principal Act. *New section 7A* defines an **advancement step**, which involves a lesser advancement than an **inventive step**. The definition of **advancement step**, takes account of the tests for requirements for granting a “secondary” patents under Danish law, and is intended to be broadly consistent with the recommendations of the Intellectual Property Advisory Council (Aust) on Intellectual Property in its review of the Innovation Patent System in May 2015. The definition requires—

- an advancement that is distinctly different from what would be known before the advancement by a person who is a skilled worker in the field but who has only common general knowledge of the art, having regard to any matter that forms part of the prior art base, other related technology, and common general knowledge within other jurisdictions; and
- the advancement to make a useful improvement to the working of the thing referred to in a claim.

*Clause 7* amends section 8 of the principal Act (which defines the technical term **prior art base**), by including references to an “advancement step” as well as an “inventive step”.

## Part 2

### Other amendments to principal Act

*Clause 8* inserts *new section 14A* into the principal Act (which defines what a patentable advancement is).

*Clause 9* consequentially amends section 20 of the principal Act (which describes the term of an “ordinary” patent with a 20-year term).

*Clause 10* inserts *new section 20A* into the principal Act. In general the term of an advancement patent or a provisional advancement patent is the lesser of 10 years or the period from the patent date until the Commissioner revokes the patent. However, in the case of an advancement patent, the period of 10 years is calculated taking into account the prior period when the advancement patent was a provisional advancement patent. Furthermore, and taking into account the 2015 recommendations of the Intellectual Property Advisory Council (Aust) in relation to innovation patents, a provisional advancement patent expires after 3 years, unless within that period, the Commissioner decides, or the patentee or other person requests the Commissioner, to examine the patent specification.

*Clause 11* inserts *new section 32A* into the principal Act. *New section 32A* allows applications for advancement patents to be convertible to applications for an “ordinary” 20-year term patent, and vice versa.

*Clause 12* amends section 39 of the principal Act. *New section 39(2)(a)* requires a claim or claim to relate to 1 invention only or to be limited to no more than 5 claims of advancements.

*Clause 13* inserts *new section 63A* into the principal Act. *New section 63A* is an application provision, which applies different provisions of the principal Act to the examination for patents with a 20-year term and advancement patents, respectively.

*Clause 14* inserts *new sections 70A to 70F* into the principal Act. *New sections 70A to 70F* deal with the examination of provisional advancement patents. These provisions are modelled on comparable provisions in the Patents Act 1990 (Aust), dealing with the examination of innovation patents.

*Clause 15* inserts *new section 73A* into the principal Act. *New section 73A* is an application provision that provides that some provisions of the principal Act apply to the grant of patents with a term of 20 years and others to the grant of provisional advancement permits and advancement permits.

*Clause 16* inserts *new sections 75A and 75B* into the principal Act. *New section 75A* provides for a formalities check of an application for an advancement patent and inserts a requirement for the Commissioner to accept the patent request and complete application if it passes the formalities test. This provision is modelled on a comparable provision in the Patents Act 1990 (Aust). *New section 75B* provides for the grant and publication of a provisional advancement patent.

*Clause 17* replaces a cross-reference.

*Clauses 18 and 19* amend sections 92 and 93 of the principal Act respectively, to exclude from their operation matters relating to advancement patents and provisional advancement patents.

*Clause 20* inserts a cross-heading and *new section 93A* into the principal Act. *New section 93A* sets out a procedure for a person to object to the grant of an advancement patent.

*Clause 21* inserts *new section 94A* into the principal Act. *New section 94A* is an application provision, which applies different provisions of the principal Act to the objection and re-examination process for patents with a 20-year term and advancement patents, respectively.

*Clause 22* inserts *new sections 100A to 100I* into the principal Act. *New sections 100A to 100I* deal with the process of objection to, and reassessment of, advancement patents. These provisions are also modelled on comparable provisions in the Patents Act (1990) Aust, dealing with the process for objecting to, and re-examination of, innovation patents.

*Clause 23* inserts *new section 142A* into the principal Act. *New section 142A* is a key provision. It provides that a provisional advancement patent is capable of being enforced, using the enforcement procedures of the Act.

*Clause 24* amends section 243 of the principal Act to provide that section 243 (which provides for the making of regulations) is subject to *new sections 243A to 243D*.

*Clause 25* inserts *new sections 243A to 243D* and *Schedule 2* of the principal Act, which set out new provisions regarding fees and penalties for matters in relation to provisional advancement patents and advancement patents. Given that one of the purposes of this Bill is to enable advancement patents and provisional advancement patents to be granted inexpensively, the relevant fees and penalties are prescribed in statute (*new Schedule 2* of the principal Act), rather than being left to be prescribed in regulations. The fees are based on the fees currently prescribed in the Patents Regulations 2014, but are set at approximately 30% of the amounts payable for the taking of comparable steps in relation to “ordinary” 20-year term patents.

*Clause 26* inserts *Schedule 3* which sets out amendments to the principal Act consequential on the decision to link the grant of provisional advancement patents and advancement patents to proof of an “advancement” rather than “proof of an invention”.

*Clause 27* inserts *Schedule 4* (which lists consequential amendments to other Acts).

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Patents (Advancement Patents) Amendment Act **2018**.

**2 Commencement**

This Act comes into force on **1 October 2019**.

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**3 Principal Act**

This Act amends the Patents Act 2013 (the **principal Act**).

**Part 1**

**Amendments to preliminary provisions of principal Act**

**4 Section 3 amended (Purposes)**

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After section 3(b), insert:

- (ba) to encourage technological development and advancement by providing for the grant of advancement patents and provisional advancement patents that—
  - (i) are easier and less costly to obtain than other patents:
  - (ii) require a lesser degree of advancement than the inventive step required for other types of patents:

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- (iii) provide a lesser term of protection than other patents.

## 5 Section 5 amended (Interpretation)

- (1) In section 5(1), insert in their appropriate alphabetical order:

**advancement patent** means a provisional advancement patent in respect of which a certificate of examination has been issued under **section 70D(2)(c)** and registered under **section 70D(2)(d)**

**advancement step** has the meaning set out in **section 7A**

**certified** in relation to a provisional advancement patent, other than in section 21, means a certificate of examination issued by the Commissioner under **section 70D(2)** in respect of the patent

**formalities check** means, in respect of an application for an advancement patent, the checking process undertaken under **section 75A**, using the process set out in the regulations

**provisional advancement patent** means letters patent for an advancement granted under **section 75B**

- (2) In section 5(1), replace the definition of **inventor** with:

**inventor**,—

(a) in relation to—

(i) an invention, means the actual deviser of the invention:

(ii) an advancement, means the actual deviser of the advancement; but

(b) in section 9 has the meaning set out in section 9(2)

## 6 New section 7A inserted

After section 7, insert:

### 7A Meaning of advancement step

An advancement, so far as claimed in a claim, involves an advancement step if—

(a) the advancement is distinctly different from what would be known before the advancement by a person who is—

(i) a skilled worker in the field; but

(ii) has only common general knowledge of the art, having regard to any matter which forms part of the prior art base, and of other related technology, and common general knowledge in other jurisdictions generally; and

(b) the advancement makes a useful improvement to the working of the thing referred to in the claim.

**7 Section 8 amended (Meaning of prior art base)**

In section 8(1), after “inventive step”, insert “or advancement step”.

**Part 2****Other amendments to principal Act****8 New section 14A inserted**

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After section 14, insert:

**14A Patentable advancements**

An advancement is a **patentable advancement** if the advancement, so far as claimed in a claim,—

- (a) is a manner of manufacture within the meaning of section 6 of the Statute of Monopolies; and 10
- (b) when compared with the prior art base,—
  - (i) is novel; and
  - (ii) involves an advancement step; but
  - (iii) involves less advancement than is required for an inventive step; 15
- (c) is not excluded from being a patentable advancement under section 15 or 16.

Compare: Patents Act 1990 s 18(1) (Aust)

**9 Section 20 amended (Terms of patent)**

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- (1) In the heading to section 20, after “**patent**”, insert “(**other than an advancement patent or a provisional advancement patent**)”.
- (2) In section 20(1), after “every patent”, insert “(other than an advancement patent or a provisional advancement patent)”.
- (3) In section 20(2), after “a patent”, insert “(other than an advancement patent or a provisional advancement patent)”.

**10 New section 20A inserted**

After section 20, insert:

**20A Term of provisional advancement patent or advancement patent**

- (1) The term of every provisional advancement patent is the lesser of— 30
  - (a) 10 years from the patent date; or
  - (b) the period from the patent date until the provisional advancement patent is revoked under **section 70F(1)**.
- (2) The term of every advancement patent is the lesser of—

- (a) 10 years from the patent date for the provisional advancement patent which became the advancement patent on the registration under **section 70D(2)(d)** of the certificate of examination issued under **section 70D(2)(c)**; or
- (b) 10 years from the patent date for the advancement patent; or 5
- (c) the period from the patent date until the advancement patent is revoked under **section 100C(1) or 100C(4)**.
- (3) However, a provisional advancement patent or advancement patent ceases to have effect on the expiry of the period prescribed for the payment of any renewal fee if that fee is not paid within that period or within that period as extended under section 21. 10
- (4) **Subsection (3)** applies despite anything in the advancement patent or provisional advancement patent, or any other provision in this Act.
- (5) Despite **subsection (1)**, a provisional advancement patent expires 3 years after the filing of an application for an advancement patent if— 15
- (a) the Commissioner does not within that period decide, under **section 70A(a)**, to examine it under **section 70B**; and
- (b) the patentee or some other person does not within that period ask the Commissioner, in accordance with **section 70A(b)**, to examine the patent under **section 70B**. 20

Compare: Patents Act 1990 (Aust) s 68

## 11 New section 32A inserted

After section 32, insert:

- 32A Applications for advancement patents and other patents (except additional patents) are convertible** 25
- (1) An applicant for an advancement patent may, in accordance with any requirements in, and subject to any conditions imposed by the regulations, request the Commissioner to treat the application as an application for a patent with a 20-year term.
- (2) An applicant for a patent with a 20-year term may, in accordance with any requirements in, and subject to any conditions imposed by, the regulations, request the Commissioner to treat the application as an application for an advancement patent. 30

## 12 Section 39 amended (Contents of complete specification)

In section 39(2), replace paragraph (a) with: 35

- (a) relate to—
- (i) 1 invention only; or

- (ii) no more than 5 claims asserting that there have been advancements; and

**13 New section 63A inserted**

Before the heading to subpart 6 of Part 2, insert:

**63A Application**

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- (1) Sections 63 to 70 apply in respect of applications for patents (other than advancement patents and provisional advancement patents).
- (2) **Sections 70A to 70F** apply in respect of advancement patents and provisional advancement patents.

**14 New sections 70A to 70F inserted**

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After section 70, insert:

*Examination of provisional advancement patents*

**70A Examination may be requested or Commissioner may decide to examine**

After the grant of a provisional advancement patent, the Commissioner—

- (a) may, if the Commissioner decides to do so, examine the complete specification relating to the patent; and
- (b) must, if asked to do so in writing by the patentee or any other person, examine the complete specification relating to the patent.

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Compare: Patents Act 1990 (Aust) s 101A

**70B Examination of an advancement patent**

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- (1) If the Commissioner decides, or is asked, to examine a provisional advancement patent under **section 70A**, the Commissioner must—

- (a) examine the complete specification relating to the patent to ascertain the matters set out in **subsection (2)**; and
- (b) report on those matters.

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- (2) The matters in this subsection are whether—

- (a) the specification complies with section 39(1) and (2); and
- (b) the advancement, so far as claimed, complies with **section 14A(a) to (c)**; and
- (c) the advancement is not excluded from being a patentable advancement under sections 15 and 16; and
- (d) the use of the advancement would not be contrary to law; and
- (e) the patent does not claim as an advancement a step taken in relation to a substance that is capable of being used as food or medicine (whether for

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	human beings or animals and whether for internal or external use) and is a mere mixture of known ingredients; and	
(f)	the patent does not claim as an advancement a process producing such a substance by mere admixture; and	
(g)	the patent does not contain a claim that includes the name of a person as the name, or part of the name, of the advancement, so far as it is claimed in that claim; and	5
(h)	the patent does not claim an advancement that is the same as an advancement or an invention that is the subject of a patent and is made by the same inventor, where the relevant claim or claims in respect of each patent have the same priority date or dates; and	10
(i)	the complete specification complies with such other matters (if any) as are prescribed for the purpose of this paragraph.	
	Compare: Patents Act 1990 (Aust) s 101B	
<b>70C</b>	<b>How and when examination to be carried out</b>	15
	The examination under <b>section 70B</b> must be carried out—	
(a)	in accordance with the regulations; and	
(b)	within the period prescribed.	
	Compare: Patents Act 1990 (Aust) s 101C	
<b>70D</b>	<b>Certificate of examination</b>	20
(1)	This section applies to a provisional advancement patent if, after examining the patent under <b>section 70B</b> , the Commissioner decides in writing that he or she is satisfied, on the balance of probabilities, as to the following:	
(a)	the specification complies with section 39(1) and (2); and	
(b)	the advancement, so far as claimed, complies with <b>section 14A(a) to (c)</b> ; and	25
(c)	the advancement is not excluded from being a patentable advancement under sections 15 and 16; and	
(d)	the use of the advancement would not be contrary to law; and	
(e)	the patent does not claim as an advancement a step relating to a substance that is capable of being used as food or medicine (whether for human beings or animals and whether for internal or external use) and is a mere mixture of known ingredients; and	30
(f)	the patent does not claim as an advancement a process producing such a substance by mere admixture; and	35
(g)	the patent does not contain a claim that includes the name of a person as the name, or part of the name, of the advancement so far as it is claimed in that claim; and	

- (h) the patent does not claim an advancement that is the same as an invention that is the subject of a patent and is made by the same inventor, where the relevant claim or claims in respect of each patent have the same priority date or dates; and
- (i) the complete specification complies with such other matters (if any) as are prescribed for the purpose of **section 70B(2)(i)**; and 5
- (j) the patent has not ceased under **section 20A** or 21.
- (2) If this section applies, the Commissioner must—
  - (a) notify the patentee and the person who requested the examination (if that person is not the patentee) that the patent has been examined and that a certificate of examination is to be issued; and 10
  - (b) publish a notice of the examination having occurred in the *Gazette*; and
  - (c) issue a certificate of examination to the patentee in the approved form; and
  - (d) register the issue of the certificate. 15
- (3) A decision made by the Commissioner under **subsection (2)** is not a legislative instrument or a disallowable instrument for the purposes of the Legislation Act 2012 and does not have to be presented to the House of Representatives under section 41 of that Act.
- (4) An advancement patent is deemed to have been granted once a certificate issued under **subsection (2)(c)** in respect of a provisional advancement patent is registered under **subsection (2)(d)**. 20  
 Compare: Patents Act 1990 (Aust) s 101E
- 70E Revocation of certificate of examination**
- (1) The Commissioner may revoke a certificate of examination issued for a provisional advancement patent or an advancement patent if the Commissioner is satisfied, on the balance of probabilities, that— 25
  - (a) the certificate of examination should not have been issued, taking account of all the circumstances that existed when the certificate was issued (whether or not the Commissioner knew then of their existence); and 30
  - (b) it is reasonable to revoke the certificate, taking account of all the circumstances; and
  - (c) there are no relevant proceedings pending.
- (2) If the Commissioner revokes the certificate,— 35
  - (a) all of the provisions of **section 70D** are taken, after revocation, to have never operated in relation to the patent; and
  - (b) the Commissioner must continue to examine and report on the provisional advancement patent under **section 70B**; and

(c) **sections 70E and 70F** continue to apply in relation to the patent.

Compare: Patents Act 1990 (Aust) s 101EA

**70F Revocation of provisional advancement patents following examination under section 70B**

- (1) The Commissioner must revoke a provisional advancement patent if— 5
- (a) the patent has been examined under **section 70B**; and
  - (b) **section 70D** does not apply to the patent; and
  - (c) the patent has not ceased under **section 20A** or 21.
- (2) If the Commissioner revokes the provisional advancement patent, the Commissioner must— 10
- (a) notify the patentee and the person who requested the examination (if that person is not the patentee) of the revocation; and
  - (b) register the revocation of the patent.
- (3) The Commissioner must not revoke a provisional advancement patent under this section unless the Commissioner— 15
- (a) has given the patentee a reasonable opportunity to be heard; and
  - (b) has, if appropriate, given the patentee a reasonable opportunity to amend the relevant specification for the purposes of removing a ground for the revocation of the patent and the patentee has failed to do so.
- (4) A patentee may appeal to the High Court in accordance with Rules of Court against a decision of the Commissioner under **section 70F(1)** revoking a provisional advancement patent, within 28 days of the date of the Commissioner's decision. 20

Compare: Patents Act 1990 (Aust) s 101F

**15 New section 73A inserted** 25

After the cross-heading above section 74, insert:

**73A Application**

- (1) Sections 74 and 75 apply in respect of a patent application (other than an application for an advancement patent or a provisional advancement patent).
- (2) **Sections 75A and 75B** apply in respect of an application for an advancement patent or a provisional advancement patent. 30

**16 New sections 75A and 75B inserted**

After section 75, insert:

**75A Formalities check of applications for advancement patents**

- (1) If a complete application for an advancement patent is made, the Commissioner must— 35

- (a) undertake a formalities check in respect of the application; and
  - (b) subject to any directions under section 132(1), publish a notice in the *Gazette* stating that the patent application and complete application are open to public inspection.
- (2) If the Commissioner is satisfied on the balance of probabilities that the application for an advancement patent passes the formalities check, the Commissioner must accept the patent request and complete application. 5
- Compare: Patents Act 1990 (Aust) s 52

**75B Grant and publication of provisional advancement patent**

- (1) **Subsection (2)** applies if— 10
- (a) the Commissioner accepts a patent request and complete specification filed in respect of an application for an advancement patent; and
  - (b) a direction is not in force under section 132(1) in relation to the application.
- (2) If this subsection applies, the Commissioner must grant a provisional advancement patent by registering prescribed particulars of the patent in the Register. 15
- (3) If a provisional advancement patent is granted, the Commissioner must publish a notice in the *Gazette* stating that—
- (a) the provisional advancement patent has been granted; and
  - (b) the patent application and complete specification are open to public inspection. 20

Compare: Patents Act 1990 (Aust) s 62

**17 Cross-heading replaced**

Replace the cross-heading above section 92 with:

*Opposition to grant of patent (other than advancement patent or provisional advancement patent)* 25

**18 Section 92 amended**

- (1) In the heading to section 92, insert “(other than advancement patent or provisional advancement patent or provisional advancement patent)” after “patent”. 30
- (2) In section 92(1), insert “(other than an advancement patent or provisional advancement patent)” after “grant of a patent”.

**19 Section 93 amended**

In section 93, insert “(other than an advancement patent or provisional advancement patent)” after “grant of a patent”. 35

**20 New cross-heading and section 93A inserted**

After section 93, insert:

*Opposition to grant of advancement patent*

**93A Person may object to grant of advancement patent**

- |     |  |    |
|-----|--|----|
| (1) | A person may notify the Commissioner that the person considers that an advancement patent is invalid because it does not comply with <b>section 14A(b)</b> .                                     | 5  |
| (2) | The notice must set out the reasons why the advancement patent is considered invalid.  |    |
| (3) | A notice may not be given until after the advancement patent has been granted, and must be given within the period prescribed in the regulations, and in the form prescribed in the regulations. | 10 |
| (4) | If the Commissioner receives a notice under this section, the Commissioner must—   |    |
| (a) | inform the patentee in writing of the matters of which the Commissioner has been notified; and   | 15 |
| (b) | give the patentee a copy of the notice and any document accompanying it.   |    |

**21 New section 94A inserted**

After section 94, insert:

**94A Application**

- |     |  |  |
|-----|--|--|
| (1) | Sections 94 to 100 apply in respect of patents (other than advancement patents and provisional advancement patents). |  |
| (2) | Sections <b>100A to 100I</b> apply in respect of advancement patents.  |  |

**22 New sections 100A to 100I inserted**

After section 100, insert:

**100A Re-examination of complete specifications of advancement patents**

- |     |   |    |
|-----|---|----|
| (1) | Subject to <b>section 100D(2) and (3)</b> and the regulations, after an advancement patent has been granted, the Commissioner—        |    |
| (a) | may, if the Commissioner decides to do so, re-examine the complete specification relating to the patent:                              | 30 |
| (b) | must, if asked to do so in writing by the patentee or any other person, re-examine the complete specification relating to the patent. |    |
| (2) | The re-examination must be carried out in accordance with the regulations.  |    |

- (3) If the Commissioner re-examines an advancement patent under **subsection (1)**,—
- (a) the Commissioner must re-examine the complete specification relating to the patent to determine if the patent is invalid and should be revoked because a ground set out in **subsection (4)** is established; and 5
  - (b) the Commissioner must report on the grounds set out in **subsection (4)**.
- (4) The grounds for the revocation of the patent under **subsection (3)** are as follows:
- (a) that the specification filed in respect of the complete application does not comply with section 39(1) and (2): 10
  - (b) that the advancement, so far as claimed, does not comply with **section 14A(a) to (c)**:
  - (c) that the advancement is excluded from being a patentable advancement under **section 15 or 16**. 15
- (5) There are no other grounds for the revocation of an advancement patent other than those set out in **subsection (4)**.

Compare: Patents Act 1990 (Aust) s 101G

#### **100B Patentee statements**

- (1) If the Commissioner reports that, after re-examining an advancement patent under **section 100A**, a ground for the revocation of the advancement patent has been established, the patentee may, within the prescribed period, file a statement, in accordance with the regulations, disputing the whole or any part of the report. 20
- (2) The patentee may file a statement whether or not the patentee takes steps to amend the complete specification, or files a statement of amendments in accordance with a direction by the Commissioner. 25

Compare: Patents Act 1990 (Aust) s 101H

#### **100C Revocation of advancement patent following re-examination**

- (1) The Commissioner may, by notice in writing, revoke an advancement patent, either wholly or so far as it relates to a particular claim, if the Commissioner— 30
- (a) makes an adverse report on a re-examination of the relevant specification under **section 100A**; and
  - (b) is satisfied, on the balance of probabilities, that there is a ground for revocation of the patent. 35
- (2) If the Commissioner revokes the advancement patent, the Commissioner must—
- (a) notify the patentee and the person who requested the examination (if that person is not the patentee) of the revocation; and

- (b) register the revocation of the patent.
- (3) The Commissioner must not revoke an advancement patent under this section unless—
- (a) the Commissioner has given the patentee a reasonable opportunity to be heard; and 5
- (b) the Commissioner has considered the statement made by the patentee under **section 100B** (if any); and
- (c) the Commissioner has, if appropriate, given the patentee a reasonable opportunity to amend the relevant specification for the purposes of removing any ground for revocation and the patentee has failed to do so. 10
- (4) The Commissioner must not revoke a patent under this section while relevant proceedings in relation to that patent are pending.
- (5) The patentee may appeal to the High Court in accordance with Rules of Court against a decision of the Commissioner under this section within 28 days of the date of the decision. 15

Compare: Patents Act 1990 (Aust) s 101J

#### **100D Relevant proceedings and re-examination**

- (1) If the validity of an advancement patent is disputed in any proceedings under this Act, the court may direct the Commissioner to re-examine the complete specification relating to the patent. If so directed, the Commissioner must re-examine the specification accordingly. 20
- (2) If relevant proceedings in relation to an advancement patent are pending, the Commissioner must not re-examine the complete specification relating to the patent.
- (3) The Commissioner must not continue with the re-examination of an advancement patent if— 25
- (a) the Commissioner has started to re-examine a complete specification relating to the advancement patent; and
- (b) relevant proceedings in relation to the patent are started. 30

Compare: Patents Act 1990 (Aust) s 101K 30

#### **100E Copies of report to be given to court**

A copy of a report under **section 100A(3)(b)**, and of any statement filed under **section 100B** in relation to the report, must, if the re-examination was directed by a court under **section 100D(1)**, be given to the court that gave the direction. 35

Compare: Patents Act 1990 (Aust) s 101Z

**100F Opposition to advancement patent**

A person may, in accordance with the regulations, oppose an advancement patent that has been granted and seek the revocation of it, on 1 or more of the following grounds of invalidity:

- (a) that the patentee is—
  - (i) not entitled to the patent; or
  - (ii) entitled to the patent but only in conjunction with some other person:
- (b) that the complete specification does not comply with section 39(2) or (3):
- (c) that the advancement is not a patentable advancement because it does not comply with **section 14A(a) to (c)**:
- (d) that the advancement is excluded from being a patentable advancement under **section 15 or 16**.

Compare: Patents Act 1990 (Aust) s 101M

**100G Hearing and decision by Commissioner**

- (1) If an advancement patent has been opposed under **section 100F**, the Commissioner must decide the case in accordance with the regulations.
- (2) The Commissioner must give the opponent and the patentee a reasonable opportunity to be heard before deciding the case.
- (3) The Commissioner may, in deciding whether to revoke the advancement patent, take into account any ground on which the grant of an advancement patent may be opposed, whether relied upon by the opponent or not.
- (4) Subject to **subsection (6)**, if the Commissioner is satisfied, on the balance of probabilities, that a ground exists for the revocation of advancement patent, the Commissioner may revoke the patent in writing either wholly or so far as it relates to a particular claim.
- (5) If the Commissioner revokes the advancement patent, the Commissioner must—
  - (a) notify the patentee and the opponent of the revocation; and
  - (b) register the revocation of the patent.
- (6) The Commissioner must not revoke an advancement patent under this section unless the Commissioner has, where appropriate, given the patentee a reasonable opportunity to amend the relevant specification for the purpose of removing any ground for revocation and the patentee has failed to do so.
- (7) The patentee, and any opponent, may appeal to the High Court in accordance with Rules of Court against a decision of the Commissioner under this section, within 28 days of the date of the decision.

Compare: Patents Act 1990 (Aust) s 101R

**100H Relevant proceedings and opposition**

If relevant proceedings in relation to an advancement patent are pending, the Commissioner must not make a decision under this **Part** in relation to the patent without the leave of the court.

Compare: Patents Act 1990 (Aust) s 101O

5

**100I Grant of advancement patent to another person**

(1) **Subsection (2)** applies if—

(a) an advancement patent is opposed under **section 100F** by 1 or more persons; and

(b) the Commissioner decides, under **section 100G**, that the patentee is not entitled to the grant of the advancement patent; and 10

(c) the Commissioner decides that 1 or more of the opponents are eligible persons in relation to the advancement that is the subject of the patent, so far as claimed in any claim for the patent (the original claim); and

(d) a complete application is made by 1 or more of the eligible persons under **section 14A** for a patent in relation to the advancement. 15

(2) If this subsection applies, the Commissioner may grant an advancement patent for the advancement, so far as claimed, to those eligible persons.

(3) **Subsection (4)** applies if—

(a) an advancement patent is opposed under **section 100F** by 1 or more persons; and 20

(b) the Commissioner decides that 1 or more of the opponents and the original patentee are eligible persons in relation to the advancement that is the subject of the patent, so far as claimed in any claim of the patent (the original claim); and 25

(c) a complete application is made by 1 or more of the eligible persons under **section 14A** for a patent in relation to the advancement.

(4) If this subsection applies, the Commissioner may grant an advancement patent for the advancement, so far as claimed, to those eligible persons jointly.

(5) If the Commissioner grants a patent under **subsection (2) or (4)**, the claims for that advancement patent granted have the same priority date as that of the original claim referred to in the respective subsection. 30

**23 New section 142A inserted**

After section 142, insert:

**142A Infringements can be committed in relation to provisional advancement patent** 35

(1) It is an infringement to do any thing in relation to a provisional advancement patent that would otherwise be an infringement of another kind of patent.

- (2) To avoid doubt, the effect of **subsection (1)** is that—
- (a) a provisional advancement patent is enforceable under this **Part** by the patentee; and
  - (b) relief may be granted under this **Part** to the patentee for an act that would otherwise be an infringement of another kind of patent.

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**24 Section 243 amended (Regulations)**

After section 243(2), insert:

- (3) Subsection (1)(o) to (q) (which deals with fees and penalties) and subsection (2) (which deals with the structure of the fee system under this Act) are subject to **sections 243A to 243D and Schedule 2**.

10

**25 New cross-headings and sections 243A to 243D inserted**

After section 243, insert:

*Fees and penalties for advancement patents and provisional advancement patents*

**243A Amount of fees and penalties**

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- (1) The fees and penalties set out in **Schedule 2** are payable in respect of the matters set out in that schedule.
- (2) The fees and penalties are exclusive of goods and services tax.

**243B Time of payment of fees and penalties**

Fees and penalties must be paid at the time of making an application or a request, or on giving notice or filing information or a document, in respect of which a fee or penalty is payable, unless an arrangement acceptable to the Commissioner has been made for payment at another time.

20

**243C Form of payment of fees and penalties**

Fees and penalties must be paid by electronic means.

25

*Renewal fees*

**243D When renewal fees become due**

- (1) On the second and each subsequent anniversary of the filing date of a complete specification (the **anniversary date**), a renewal fee becomes due.
- (2) A renewal fee becomes due on each anniversary date, until the tenth anniversary date, that occurs on or after the date on which the patent is granted.
- (3) Renewal fees must be paid within the time prescribed by the regulations and higher fees may be set for late payments.

30

**26 Consequential amendments to principal Act**

The principal Act is consequentially amended (by inserting references to advancements as well as inventions) in the way described in **Schedule 3**.

**27 Consequential amendments to other Acts**

The Acts set out in **Schedule 4** are amended in the way described in **Schedule 4**. 5

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**Schedule 1**  
**New Part 2 inserted into Schedule 1AA**

**s 4**

**Part 2**

**Transitional and savings provisions arising from the Patents  
(Advancement Patents) Amendment Act 2018** 5

**4 Transitional and savings provisions arising from the Patents  
(Advancement Patents) Amendment Act 2018**

On or after the commencement of the Patents (Advancement Patents) Amendment Act 2018 (the **2018 Act**), any patentee may request the Commissioner, in the manner prescribed by, and subject to any conditions imposed by, the regulations, to treat an application for a patent for a 20-year term that, immediately before the commencement of the 2018 Act, had not been granted, as an application for an advancement patent. 10

**Schedule 2**  
**New Schedule 2 inserted into principal Act**

s 25

**Schedule 2**  
**Fees and penalties (Advancement patents and provisional advancement patents)**

5

s 243A

<b>Fee</b>	<b>Amount (NZ\$) (exclusive of GST)</b>
Renewal fee due on the 2nd, 3rd, 4th, and 5th anniversary of the filing date of the complete specification	30
Renewal fee due on the 6th, 7th, 8th, and 9th anniversary of the filing date of the complete specification	60
Penalty payable for request to extend the period for payment of a renewal fee	15
Advancement patent application accompanied by a provisional specification	30
Advancement patent application accompanied by a complete specification (including convention applications)	40
Late payment of maintenance fee referred to above	50
Amendment by applicant of complete specification before acceptance (other than in response to an objection raised in a report issued by the Commissioner under section 70B(1)(h) or 100A(3)(b) of the Act)	50
Request for examination or re-examination	150
Request for leave to amend complete specification after acceptance	80
Notice of opposition	100
Application to revoke a patent	100
Request for restoration of patent or patent application	30
Request for a hearing	250

### Schedule 3

#### Other amendments to principal Act

s 26

- In section 3(b), after “invention”, insert “or advancement”.
- In section 3(c), after “inventions”, insert “or advancements”. 5
- In section 3(d), after “inventions”, insert “or advancements”.
- In section 4(1)(b), after “inventions”, insert “or advancements”.
- In section 4(1)(b), after “invention”, insert “or advancement”.
- In section 5(1), definition of **applicant**, paragraph (a), after “invention”, insert “or advancement”. 10
- In section 5(1), definition of **basic application**, after “invention”, insert “or advancement”.
- In section 5(1), definition of **international application**, after “invention”, insert “or advancement”.
- In section 5(1), definition of **patent**, after “invention”, insert “or advancement”. 15
- In section 5(1), insert in its appropriate alphabetical order:
- patentable advancement** has the meaning set out in **section 14A**
- In section 6, after “invention”, insert “or advancement”.
- In section 8(1), replace “invention is novel and for the purpose of deciding whether or not an invention involves an invention step, the **prior art base**, in relation to an invention” with “invention or advancement is novel and for the purpose of deciding whether or not an invention involves an invention step or an advancement involves an advancement step, the **prior art base**, in relation to an invention or an advancement”. 20
- In section 8(2), replace “invention is novel, the **prior art base**, in relation to an invention” with “invention or advancement is novel, the **prior art base** in relation to an invention or advancement”. 25
- In section 9(1), after “invention”, insert “or advancement”.
- In section 9(1)(c), after “invention”, insert “or advancement”.
- In section 9(1)(d)(i), after “invention”, insert “or advancement”.
- In section 9(1)(d)(ii), after “invention”, insert “or advancement”. 30
- In section 9(1)(d)(iii), after “invention”, insert “or advancement”.
- In section 9(1)(d)(iv), after “invention”, insert “or advancement”.
- In section 9(1)(e), after “invention”, insert “or advancement” in each place.
- In section 9(2)(a), after “invention”, insert “or advancement”.
- In section 9(2)(b), after “invention”, insert “or advancement”. 35
- In section 10, after “invention”, insert “or advancement” in each place.
- In section 11(1), after “invention”, insert “or advancement”.

In section 11(2), after “invention”, insert “or advancement”.	
In section 11(3), after “invention”, insert “or advancement”.	
In section 11(4), after “invention”, insert “or advancement”.	
In section 11(5), after “invention”, insert “or advancement”.	
In the Part 2 heading, after “ <b>inventions</b> ”, insert “ <b>or advancements</b> ”.	5
In the subpart 1 heading to Part 2, after “inventions”, insert “or advancements”.	
In the heading to section 13, after “ <b>inventions</b> ”, insert “ <b>or advancements</b> ”.	
In section 13(1), after “invention”, insert “or advancement”.	
In the heading to section 15, after “ <b>inventions</b> ”, insert “ <b>or advancement</b> ”.	
In the heading to section 15, after “ <b>patentable inventions</b> ”, insert “ <b>or advancements</b> ”.	10
In section 15(1), after “invention”, insert “or advancement” in each place.	
In section 16(1), after “inventions”, insert “or advancements”.	
In section 16(2), after “invention”, insert “or advancement” in each place.	
In section 16(3), after “invention”, insert “or advancement” in each place.	15
In section 16(4), after “invention”, insert “or advancement”.	
In section 18(1), after “or advancement”, insert “or advancement” in each place.	
In section 18(2), after “invention”, insert “or advancement”.	
In section 18(2)(a), after “invention”, insert “or advancement”.	
In section 18(2)(b), after “invention”, insert “or advancement”.	20
In section 18(3), after “inventions”, insert “or advancements”.	
In section 22(1), after “invention”, insert “or advancement”.	
In section 22(1)(b), after “invention”, insert “or advancement”.	
In the cross-heading above section 28, after “ <i>inventions</i> ”, insert “ <i>or advancements</i> ”.	
In section 28(1)(a), after “invention”, insert “or advancement”.	25
In section 28(1)(b), after “invention”, insert “or advancement”.	
In the heading to section 29, after “ <b>invention</b> ”, insert “ <b>or advancement</b> ”.	
In section 29(1), after “invention”, insert “or advancement”.	
In section 29(2), after “invention”, insert “or advancement” in each place.	
In section 37(4), after “inventions”, insert “or advancements”.	30
In section 38(a), after “invention”, insert “or advancement”.	
In section 39(1)(a), after “invention”, insert “or advancement” in each place.	
In section 39(1)(b), after “invention”, insert “or advancement”.	
In section 39(1)(c), after “invention”, insert “or advancement”.	
In section 39(3), after “invention”, insert “or advancement”.	35

In section 42(1), after “invention”, insert “or advancement”.	
In section 42(2)(a), after “invention”, insert “or advancement”.	
In section 42(2)(b), after “invention”, insert “or advancement” in each place.	
In section 44(2)(b), after “invention”, insert “or advancement”.	
In section 45(1)(a), after “invention”, insert “or advancement”.	5
In section 53(1), after “invention”, insert “or advancement” in each place.	
In section 53(3)(b), after “invention”, insert “or advancement” in each place.	
In section 55, after “invention”, insert “or advancement”.	
In the heading to section 56, after “ <b>inventions</b> ”, insert “ <b>or advancements</b> ”.	
In section 56(1), after “inventions”, insert “or advancements” in each place.	10
In section 56(2), after “inventions”, insert “or advancements” in each place.	
In section 57(2)(a), after “invention”, insert “or advancement”.	
In section 57(2)(b), after “invention”, insert “or advancement”.	
In section 61(1)(c)(iii), after “invention”, insert “or advancement” in each place.	
In section 61(1)(c)(iv), after “invention”, insert “or advancement” in each place.	15
In section 61(1)(c)(v), after “invention”, insert “or advancement” in each place.	
In section 63(1), after “invention”, insert “or advancement”.	
In section 63(1)(b)(iii), after “invention”, insert “or advancement”.	
Replace section 65(1)(a)(iii) with:	
(iii) the invention or advancement, so far as claimed, is a patentable invention under section 14 or a patentable advancement under <b>section 14A</b> ; and	20
In section 70(1), after “invention”, insert “or advancement”.	
In section 70(4), after “invention”, insert “or advancement”.	
In section 80(2)(a), after “invention”, insert “or advancement”.	25
In section 81(1), after “invention”, insert “or advancement”.	
Replace section 114(1)(a) with:	
(a) that the invention or advancement, so far as claimed in a claim, is not a patentable invention under section 14 or a patentable advancement under <b>section 14A</b> :	30
In section 114(1)(e), after “invention”, insert “or advancement”.	
In section 114(3), after “invention”, insert “or advancement”.	
In section 114(3)(b), after “invention”, insert “or advancement”.	
In section 114(3)(c), after “invention”, insert “or advancement” in each place.	
In the heading to section 115, after “ <b>invention</b> ”, insert “ <b>or advancement</b> ” in each place.	35

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In section 115(1), after “invention”, insert “or advancement”.	
In section 124(2)(b), after “invention”, insert “or advancement”.	
In section 128(2), after “invention”, insert “or advancement”.	
In the cross-heading above section 132, after “ <i>inventions</i> ”, insert “ <i>or advancements</i> ”.	
In the heading to section 132, after “ <b>inventions</b> ”, insert “ <b>or advancements</b> ”.	5
In section 132(1)(a), after “invention”, insert “or advancement”.	
In section 132(1)(b), after “invention”, insert “or advancement”.	
In section 132(2)(a), after “invention”, insert “or advancement”.	
In section 132(2)(b), after “invention”, insert “or advancement”.	
In section 134(1), after “invention”, insert “or advancement”.	10
In section 134(3), after “invention”, insert “or advancement” in each place.	
In section 136(1), after “invention”, insert “or advancement”.	
In section 136(2), after “invention”, insert “or advancement” in each place.	
In section 136(4)(a), after “invention”, insert “or advancement”.	
In section 136(4)(b), after “invention”, insert “or advancement”.	15
In section 141(a), after “invention”, insert “or advancement” in each place.	
In section 141(b)(i), after “invention”, insert “or advancement”.	
In section 141(b)(ii), after “invention”, insert “or advancement”.	
In section 141(c), after “invention”, insert “or advancement”.	
In section 143(1), after “invention”, insert “or advancement”.	20
In section 143(2), definition of <b>act for experimental purposes relating to the subject matter of an invention</b> , after “invention”, insert “or advancement”.	
In section 143(2)(a), after “invention”, insert “or advancement”.	
In section 143(2)(b), after “invention”, insert “or advancement”.	
In section 143(2)(d), after “invention”, insert “or advancement” in each place.	25
In section 144(1)(a), after “invention”, insert “or advancement”.	
In section 144(1)(a)(i), after “invention”, insert “or advancement”.	
In section 145, after “invention”, insert “or advancement”.	
In the heading to section 146, after “ <b>invention</b> ”, insert “ <b>or advancement</b> ”.	
In section 146(1)(a), after “invention”, insert “or advancement”.	30
In section 146(1)(b), after “invention”, insert “or advancement”.	
In section 146(2)(a), after “invention”, insert “or advancement”.	
In section 146(2)(b), after “invention”, insert “or advancement”.	
In section 146(3), after “invention”, insert “or advancement”.	
In section 146(4), after “invention”, insert “or advancement”.	35

In section 159(1), after “invention”, insert “or advancement”.	
In section 159(2)(b), after “invention”, insert “or advancement”.	
In section 160(1), after “invention”, insert “or advancement”.	
In the cross-heading above section 169, after “ <i>inventions</i> ”, insert “ <i>or advancements</i> ”.	
In section 169(2), after “invention”, insert “or advancement”.	5
In section 170(3)(b), after “invention”, insert “or advancement”.	
In section 170(3)(c), after “invention”, insert “or advancement”.	
In section 177(1), after “invention”, insert “or advancement”.	
In the subpart 6 heading to Part 4, after “inventions”, insert “or advancements”.	
In the heading to section 179, after “ <b>inventions</b> ”, insert “ <b>or advancements</b> ”.	10
In section 179(1), after “invention”, insert “or advancement” in each place.	
In section 179(2), after “invention”, insert “or advancement”.	
In section 179(2)(a), after “invention”, insert “or advancement”.	
In section 179(2)(b), after “invention”, insert “or advancement”.	
In section 179(4), after “invention”, insert “or advancement” in each place.	15
In section 179(4)(b), after “invention”, insert “or advancement”.	
In section 179(4)(c), after “invention”, insert “or advancement” in each place.	
In section 180, after “invention”, insert “or advancement” in each place.	
In section 182(1), after “invention”, insert “or advancement” in each place.	
In section 182(2)(a), after “invention”, insert “or advancement”.	20
In section 182(2)(b), after “invention”, insert “or advancement” in each place.	
In section 183(1)(b), after “invention”, insert “or advancement”.	
In section 183(3)(a), after “invention”, insert “or advancement”.	
In section 185(1), after “invention”, insert “or advancement” in each place.	
In section 186(1), after “invention”, insert “or advancement” in each place.	25
In section 186(1)(b), after “invention”, insert “or advancement”.	
In section 186(1)(c), after “invention”, insert “or advancement”.	
In section 186(2), after “invention”, insert “or advancement” in each place.	
In section 186(3), after “invention”, insert “or advancement” in each place.	
In section 187(1), after “invention”, insert “or advancement” in each place.	30
In section 189(1)(a)(i), after “invention”, insert “or advancement”.	
In section 189(1)(a)(ii), after “invention”, insert “or advancement” in each place.	
In section 206(1)(a), after “inventions”, insert “or advancements”.	
In section 207(1), after “inventions”, insert “or advancements”.	
In section 207(2)(b), after “inventions”, insert “or advancements”.	35

In section 226(b), after “invention”, insert “or advancement”.

In section 243(1)(e), after “invention”, insert “or advancement”.

In section 243(1)(f)(ii), after “invention”, insert “or advancement”.

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## Schedule 4

### Consequential amendments

s 27

#### Amendments to other Acts

**Evidence Act 2006 (2006 No 69)**

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In section 54(3)(c), after “inventions”, insert “or advancements”.

**Income Tax Act 2007 (2007 No 97)**

In the heading to DB 38, after “inventions”, insert “or advancements”.

In the heading to DB 38(1), after “invention”, insert “or advancement” in each place.

In the heading above DB 38(3), after “**invention**”, insert “**or advancement**” in each place. 10

In the heading above DB 38(4), after “**invention**”, insert “**or advancement**”.

In the heading above DB 38(4), after “invention”, insert “or advancement”.