



**Australian Government**

**IP Australia**

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**IP Australia**

**Proposed Fee Changes 2009-10**

**Consultation Paper**

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**October 2008**



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## Glossary of Terms and Abbreviations

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**CRIS** – Cost Recovery Impact Statement. A statement documenting compliance with the cost recovery policy. Only agencies with significant cost recovery arrangements must prepare a CRIS.

**DoFD** – Department of Finance and Deregulation.

**IP** – Intellectual Property

**IPA** – IP Australia

**OH&L** – Opposition Hearings and Legislation

**PCT** – Patent Cooperation Treaty

**PPBR** – Patents and Plant Breeder's Rights

**PSB** – Professional Standards Board

**TM&D** – Trade Marks and Designs



# Overview

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## Purpose

The purpose of this document is to present information for stakeholder consideration and to invite feedback on proposed fee changes, to be included in IPA's final CRIS.

## Background

In December 2002 the Australian Government adopted a formal cost recovery policy to improve the consistency, transparency and accountability of its cost recovery arrangements and promote the efficient allocation of resources. The cost recovery policy is administered by DOFD and outlined in the Australian Government Cost Recovery Guidelines. The underlying principle of the policy is that agencies should set charges to recover all the costs of products or services where it is efficient and effective to do so, where the beneficiaries are a narrow and identifiable group and where charging is consistent with Australian Government policy objectives.<sup>1</sup>

In accordance with the Australian Government Cost Recovery Guidelines, 2005, IPA is currently undertaking a review of our existing cost recovery arrangements and fees.

The key principals for the review are to:

- Ensure customers are paying a fair and reasonable amount for services provided by IPA;
- Keep fees as low as possible while ensuring financial sustainability for IPA; and
- Produce a CRIS documenting the cost recovery arrangements and fees.

The results from the review identified an over recovery position of 18% for IPA in 2007-08

After further analysis of the costs the basis to change fees is provided below:

- **Patents:** No material change in revenue required over the product lifecycle. Minimal fee changes to some fees including OH&L;
- **Trade Marks:** Conservative step change to fees to reduce the current level of over recovery over the product lifecycle. Fees changes to OH&L;
- **Designs:** Fee changes to OH&L;
- **PBR:** No fee changes; and
- **PSB:** No fee changes.

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<sup>1</sup> The Australian Government Cost Recovery Guidelines, 2005.



## Consultation

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IPA is committed to consulting with stakeholders and the public prior to implementing any changes to fees. IPA is seeking to understand the views and impacts the proposed fee changes may have on our customers. Feedback received will be duly considered in the development of the final CRIS. A summary of the responses will be included in the CRIS which will be published on the IPA website in June 2009.

### Feedback

Read about the proposed changes along with the associated rationale below and submit your feedback for consideration by 31 October 2008.

Please submit your feedback to:

Email: [fees@ipaaustralia.gov.au](mailto:fees@ipaaustralia.gov.au)

Mail: Fee Review

IP Australia

47 Bowes Street

Woden ACT 2606

Fax: 02 6283 2678

The point of contact is Maria Lindgren on 02 6283 3154 or email: [fees@ipaaustralia.gov.au](mailto:fees@ipaaustralia.gov.au)



## Summary of Charging Arrangements

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The following summary outlines the fees and rationale for change. Pending the outcome of the consultation process fee changes are planned to be implemented on 01 July 2009.

### Patents:

- Provisional application: the fee has been lowered from \$80 to \$60 to provide a low cost entry to the IP system;
- Standard on-line application: the fee has been lowered from \$290 to \$250 to encourage greater use of more efficient channels to improve service delivery;
- Innovation on-line application: the fee has been lowered from \$150 to \$110 to encourage greater use of more efficient channels to improve service delivery;
- Requesting a notice of opposition; the fee has been increased from \$550 to \$600 to recover the direct cost of the service and align fees with similar services;
- An inclusion of \$100 per additional excess claim after acceptance to recover the direct costs;
- Increase the application fee for consideration of an extension of term for Pharmaceuticals from \$1 300 to \$2000 to ensure the applicant gives due consideration before applying and to cover the cost of the assessment;
- Innovation Request Exam by a third party: when a third party requests an exam the cost is shared between the applicant and the third party. The cost is currently inconsistent with the full cost of a request for exam which is \$370. The fee will increase from \$180 to \$185 to be consistent;
- PCT transmittal fee increased from \$150 to \$200. This increase will ensure that IPA remains internationally competitive when compared to other IP Offices.
- New fee: requesting a notice of production, this service has been provided at no charge, however due to rising costs a new fee of \$600 is proposed.

### Trade Marks

- Application on-line with pick list: the fee has been lowered from \$120 to \$80 to increase the attractiveness of on-line services to customers;
- Headstart (part 1 and 2): the fee has been lowered from \$90 to \$80 to further reduce the upfront costs and to align the total cost with on-line without picklist;
- Registrations: the fee has been lowered from \$250 to \$200 to further reduce the over recovery position;
- Renewals: the fee has been lowered from \$300 to \$250 to further reduce the over recovery position;
- Request a hearing; the fee has been increased from \$500 to \$600, and attend a hearing increased from \$500/day to \$600/day. The increases will ensure the direct cost of the service is recovered and align the fees across similar services; and
- New fee: requesting a notice of production: this service is provided at no charge, however due to rising costs a new fee of \$600 is proposed.



Note - under the Madrid protocol Trade Mark fees need to be in-line with the standard fee for an application filed on-line with picklist, registration and renewal fees. Filing an application to register two or more trade marks as a series under section 51 of the ACT will also be reduced to be in-line with the \$80 on-line with picklist filing fee.

## **Designs**

- Notice of opposition increased from \$550 to \$600, request a hearing increased from \$500 to \$600 and attend a hearing increased from \$500/day to \$600/day. The increases will ensure the direct costs of the services are recovered and align the fees across similar services; and
- New fee: requesting a notice of production: this service has been provided at no charge, however due to rising costs a new fee of \$600 is proposed.

## **PBR**

- No change.

## **Professional Standards Board**

- No change.



## Summary of Charging Arrangements

Table 1 provides a summary of the material fees and proposed fee changes.

**Table 1 – List of proposed fee changes for implementation 01 July 2009.**

	<b>Method of Recovery</b>	<b>Activity</b>	<b>Product</b>	<b>Current Fee \$AU</b>	<b>New Fee \$AU</b>	
Patents	Fee for service	Applications	Application – provisional	\$ 80	\$60	
		Examinations	Application – standard (paper)	\$ 320	No change	
		Oppositions	Application – standard (on-line)	\$ 290	\$250	
		Renewals	Application – innovation (paper)	\$ 180	No change	
			Application – innovation(on-line)	\$ 150	\$110	
			Application – national phase entry	\$ 320	No change	
			Examination – standard	\$ 420	No change	
			Examination – innovation	\$ 370	No change	
			Opposition – request opposition	\$ 550	\$600	
			Opposition – attend a hearing	\$ 600	No change	
			Renewals (annual) standard		\$ 250 - \$ 900	No change
						No change
				International search	\$1 600	No change
		Excess claims fee for post acceptance amendments	\$ 250	Plus \$100/ additional excess claim		
Trade Marks	Fee for service	Applications	Application – paper	\$ 180	No change	
		Examinations	Application – on-line	\$ 160	No change	
		Oppositions	Application – on-line (pick list)	\$ 120	\$80	
		Renewals	Headstart Part 1	\$ 90	\$80	
			Headstart Part 2	\$ 90	\$80	
			Examination	No fee	No change	
			Registration	\$ 250	\$200	
			Opposition – attend a hearing	\$ 500	\$600	
			Renewals (10 years)	\$ 300	\$250	
			Madrid – import	\$ 370	\$280	
			Madrid – renewal	\$ 300	\$250	



Group	Method of Recovery	Activity	Product	Current Fee \$AU	New Fee \$AU
Designs	Fee for service	Applications	Application	\$ 200	No change
		Examinations	Examination	\$ 360	No change
		Oppositions	Opposition – notice of opposition	\$ 550	\$ 600
		Renewals	attend a hearing	\$ 500	\$ 600
			request a hearing	\$ 500	\$ 600
		Renewal (5 years)	Renewal (5 years)	\$ 275	No change
Plant Breeders Rights)	Fee for service	Applications	Application	\$ 300	No change to any fees
		Examinations	Examination	\$1 400	
		Renewals	Certification	\$ 300	
			Opposition	\$ 500	
			Renewal	\$ 300	
Other Fees - Patents	Fee for service	Innovation Request Exam by third party	Innovation – Examination Requested by third party	\$ 180	\$ 185
Other Fees - Patents	Fee for service	Consideration for term of renewal	Consideration for term of renewal	\$1 300	\$2000
Other Fees - Patents	Fee for service	PCT handling fee	PCT handling Fee	\$ 150	\$ 200
New Fee – Patents Trade Marks and Designs	Fee for service	Opposition Hearings and Legislation Filing a request for the Commissioner to exercise a power under paragraph 210(a) or 210(c) of the Act	Request a notice of production	No Fee	\$ 600