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Trans-Tasman IP Attorneys' Board
IP Australia
PO Box 200
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By electronic upload only

Dear Sir / Madam,

RE: Consultation Paper Submission: **Arrangement between the government of Australia and the Government of New Zealand relating to Trans-Tasman Regulation of Patent Attorneys ("Consultation Paper")**

I refer to the above consultation paper and my submission herewith with respect to matters of professional conduct. I am an Australian Trade Marks Attorney ("**TMA**") registered in 2016 with previous experience conducting intellectual property work in Australia and with foreign companies. Most of this submission is made in response to potential issues and improvements relating to the regulation of trade marks attorneys in Australia.

The views reflected in this submission are my own and do not represent the views of any IP firm, professional organisation, or my present employer, Google LLC (including any other subsidiaries of Alphabet Inc.). Further, the contents of this submission are intended to be illustrative for the purposes of legal reform and do not constitute a legal position or intellectual property advice.

Introduction:

There are 1,207 Registered Australian TMAs as at year 2021¹ and presuming all have met the prescribed educational and continuing educational requirements to maintain registration, this cohort of attorneys represents a valuable asset to Australian and International businesses who wish to obtain specialised, qualified advice that may not be available in such a specialised form from ordinary legal practitioners. With trade mark applications in Australia at an all-time high, exceeding 80,000², it is only likely that the volume of work related to trade marks will increase, as will the complexity. Therefore, IP Australia should be implored to advance the interests, scope and future of the profession. I believe a strong TMA profession advances both the interests of, and provides choice to, Australian and International businesses when it comes to managing intellectual property affairs.

¹ Trans-Tasman IP Attorneys Board *Chair's Report 2020-21* p 2

² IP Australia, *Intellectual Property Report 2021*

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Submission overview:

The purpose of this submission is to draw attention to deficiencies under the current Patent and Trade Marks Attorney regulatory regime and propose recommendations with respect to the following:

1. Defined scope of TMA practice and privilege;
2. Representation matters with respect to Trade Marks; and
3. Educational Requirements for Registration as a TMA.

Issue 1: Defined scope of TMA practice and privilege

The TMA profession was created as a result of recommendations made by *Johns Committee* review in 1996, the profession was borne largely as a consumer protection mechanism given the imminent deregulation of representation in trade mark preparation and filing activities before IP Australia. Those activities were previously reserved for undertaking by lawyers, patent attorneys and “trade mark agents” prior to the amendments to Section 212 of the original *Trade Marks Act 1995* (Cth) (“**The Act**”), which now permit applications to be made or signed on behalf of a person, by any other person. The rationale for the deregulation of representation in filing trade mark applications was, essentially, that:

- a) preparing and filing trade mark applications is easy to do and an untrained person will be just as effective as a person who has been trained;³ and
- b) only some trade marks have a substantial commercial value.⁴

It was concluded that the public would reasonably expect some level of skill and expertise of those who held themselves out as trade mark agents or attorneys.⁵ While it is practically unnecessary to refute the perspective of a government committee held over twenty years ago, even in retrospect, the conclusion would likely be perceived as amusing to modern day practitioners.

Fast forward to 2022 and both the world, regulatory regime and the commercial needs of businesses have changed drastically, not least of which due to the significant prevalence of the internet and the considerable explosion in e-commerce.

It is difficult to refute the fact that the intellectual property landscape, particularly with respect to trade mark law, has become significantly more multifaceted over the years and that the relatively narrow perspective on what constituted trade marks work considered by the *Johns Committee* is no longer an accurate assessment of the complexity of trade marks work. Not least of which is this demonstrated by the fact that educational courses required for registration of a trade marks attorney cover a considerably expanded scope of teaching which is more in lockstep with the types of matters someone will inevitably face in TMA practice.

³ Barlett, Gret, ‘The Trade Marks Attorney Profession’ [2021] *Patents Trademarks and Related Rights* citing the 1996 *Johns Committee Report*

⁴ Ibid

⁵ Ibid

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Given the increased expansiveness of trade mark law driven largely by the dominant emergence of the internet and international trade, the scope of services expected of trade mark attorneys by the public has expanded. Unfortunately, however, the statutory scope and latitude of work which trade mark attorneys may practice within, has remained largely unchanged. This is of course notwithstanding other developments such as allowing incorporated attorneys' practices or introduction of the *new Code of Conduct for Patent and Trade Marks Attorneys*,

This lack of "contemporisation" as such, creates a challenge whereby trade marks attorneys may "trespass" on the traditional reserve of legal practitioners pursuant to Uniform Legal Profession legislation at a state or territory level. This issue was discussed in depth in the academic paper *Understanding the 'Safe Harbour': The Prohibition on Engaging in Legal Practice and Its Application to Patent and Trade Marks Attorneys in Australia* ("**Barlett & Burrell**")⁶ and while that paper is now almost ten years old, the issues outlined in a general sense, largely persist in the profession today.

Exploring the question of what constitutes the practice of law is complex and beyond the scope of this submission, however, at a high-level, his honor, Phillips J summarised the essential activities of the practice in *Cornall v Nagle*:⁷

- i. . . . doing something which, though not required to be done exclusively by a solicitor, is usually done by a solicitor and by doing it in such a way as to justify the reasonable inference that the person doing it is a solicitor ...
- ii. . . . doing something that is positively proscribed by legislation or rules of court unless done by a duly qualified legal practitioner ...
- iii. ... doing something which, in order that the public may be adequately protected, is required to be done only by those who have the necessary training and expertise in the law.

With these activities in mind, it is evident that the activities of a TMA could easily be construed as very closely mirroring those of a legal practitioner, at least in the absence of clear guidance under the act. This ambiguity may place TMAs in a position of at unreasonable risk from an ethical standpoint and can only be rectified in a more permanent sense through regulatory reform.

A more recent case heard by the Federal Court demonstrated one such example first hand. In *Titan Enterprises (Qld) Pty Ltd v Cross*⁸ ("**Titan v Cross**"), the question of what constituted intellectual property advice, and by extension, what constituted the application of TMA privilege under s 229 of the act, was considered by the court. While the finding in this case made logical sense from an interpretation standpoint, His Honor Justice Logan J remarked that "...**as to the scope of the practice of a registered trade marks attorney, it is for Parliament, not the courts, to make a value judgment as to whether the scope of s 229 privilege ought to be extended.**"⁹ To

⁶ F Bartlett, R Burrell, *'Understanding the 'Safe Harbour': The Prohibition on Engaging in Legal Practice and Its Application to Patent and Trade Marks Attorneys in Australia'* (2013) 23 (4) Australian Intellectual Property Journal 74-93

⁷ [1995] 2 VR 188 at 210

⁸ [2016] FCA 1241

⁹ *Ibid*, [13]

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this extent, His Honor left open a question on the scope of practice and expanse of privilege with respect to TMAs, which has not been subsequently addressed from a statutory position by Parliament. It is inevitable that the uncertainty that the attorney faced in carrying out this work, and that other attorneys would face in performing similar work, could have been avoided with a clearer scope of the role of TMAs.

With respect to this particular matter, it would seem logical that the arbitral resolution of a trade mark issue involving a domain name would seem squarely within the realm of a TMA, but given the ambiguity surrounding the scope of practice and the unfounded reliance on advice privilege, a client suffered in terms of not being able to assert privilege over certain documents pertaining to the matter.

Regrettably, IP Australia has historically avoided regulatory reform on this issue, despite being raised through its policy register, citing lack of evidence.¹⁰ Yet, the issue of the scope of practice, whether manifesting in the form of claims of privilege issues, or in terms of ethics, seems to be a matter which continues to arise at least every few years.

Recommendations to clarify and contemporise the scope of Trade Mark Attorney Practice and Privilege:

- a) **Amend the act to include an equivalent to s 201A(2) of the *Patents Act 1990 (Cth)*** with respect to individual attorneys, not just incorporated attorneys, as is currently the case under s 157A.
- b) **A more expansive scope of work be included** under the said amendment that reflects more contemporary latitude of TMA services, including practice in in matters such as:
 - i. Trade Marks (including, critically, work related to unregistered trade marks, tort law related to trade marks -- ie. Passing off, or statutory provisions in other laws which may relate to trade marks such as the *Australian Consumer Law*¹¹).
 - ii. Registered Designs;
 - iii. Domain Names;
 - iv. Copyright, as it relates to, or intersects with, matters concerning Domain Names, Registered Designs or Trade Marks; and
 - v. Conducting alternate dispute resolution proceedings for the purposes of resolving a matter which relates to Registered Designs, Domain Names or Trade Marks. Inline with the current act the right to practice before a court should continue to be explicitly excluded.

¹⁰ *Expand Safe Harbour for Patent and Trade Marks Attorneys from Prosecution under State and Territory Legal Profession Acts.* (August 15, 2017) IP Australia <<https://www.ipaustralia.gov.au/policy-register/expand-safe-harbour-patent-and-trade-marks-attorneys-prosecution-under-state-and>>

¹¹ 2010 (Cth)

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- c) **Expanding the scope of privilege to include litigation privilege, but only:**
- i. in relation to conducting alternate dispute resolution proceedings to the extent that practice by a legal practitioner would attract such privilege; or
 - ii. for the purposes of protecting eventual judicial proceedings, conducted by a legal practitioner.
- d) **Removal of “dominant purpose” covenant** with respect to the application of intellectual property advice under s 229 of the act. This covenant is unnecessarily limiting in the sense that a degree of examination of the privileged material would necessarily have to be undertaken to determine the dominant purpose of the advice. Instead, the use of a general clause to indicate “advice privilege” with respect to intellectual property matters would clarify and resolve unnecessary ethical dilemmas that attorneys may face in respect of advice that may fall slightly to the periphery.

The recommendations for reform are derived in a large part from inferences already made from existing legislation, namely those that a court may consider in determining the scope of TMA practice, or the application of privilege, for example:

- a) *Trade Marks Act 1995* (Cth) s 157A(8): Trade Marks work is defined with respect to incorporated trade marks attorneys but lacking with respect to individual attorneys;
- b) *Trade Marks Act 1995* (Cth) s 229(3): Scope of advice given by a TMA is intended to cover a wide range of IP Rights;
- c) *Designs Act 2003* (Cth) s 81: Indemnity from liability for groundless threats of proceedings; and
- d) *Designs Act 2003* (Cth) s 142: Right of lien over documents in a matter related to designs, which could only reasonably be inferred as suggesting that a trade marks attorney may conduct designs work.

Issue 2: Representation matters with respect to Trade Marks

Another professional practice question with respect to the regulation of TMAs under this review is whether the conducting of trade mark business should be restricted further.

While not all trade marks are “valuable”, most trade marks are valuable in the context of which they are owned, meaning that the branding, regalia, or trade dress which distinguishes a business and therefore may be protected under trade mark law, often represents a large portion of the “goodwill” of a business.

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In the same way that real property transactions are conducted by registered professionals (ie. real estate agents), or in the same manner that the provision of financial advice is now increasingly regulated by heightened professional requirements (for instance the introduction of degree requirements for financial planners¹²), it seems rather uncontroversial that consumers (even as *businesses*) ought to be afforded protection at law from unqualified providers of IP services insofar as those providers may prejudice their legal position through a lack of adequate training or understanding.

The emergence of unsolicited invoices for trade mark renewals and applications, alongside the emergence of unregulated trade mark services, many of which are documented by IP Australia¹³, represent a significant risk to the integrity of the Australian intellectual property system and its users. Despite maintaining a list of unsolicited services, rather ironically, IP Australia has failed to implement reforms in response to similar professional concerns of some representatives acting before the office, on the grounds of lack of evidence.¹⁴

Further, the scope of trade marks work is increasingly complex, not least of which due to contemporary issues concerning the internet and jurisdictional matters, but also with respect to the emergence of trade mark “adaptations” such as Non-Fungible Tokens (NFTs), Cryptocurrency Addresses, Domain Name Extension deregulation and the emergence of digital and virtual experiences and marketplaces. All these applications involve at least some degree of application of trade mark law principles and are only likely to become increasingly front and centre to trade mark law in the future. It appears problematic, at best, that under the current statutory regime, almost anyone may conduct trade marks work with respect to these services, even they hold no legal qualifications.

Further, it cannot be ignored that those who are not registered as Patent Attorneys, TMAs or legal practitioners may ultimately be engaging in the unlawful practice of law under Uniform Legal Profession legislation at a State or Territory level, as discussed in depth in *Bartlett & Burrell*.

Recommendation to increase the regulation of performing trade marks work

Trade marks work should be within the exclusive reserve of self-represented applicants (including their officers and employees), Australian Legal Practitioners, Trade Marks Attorneys and Patent Attorneys who are registered TMAs. This concept is exercised abroad in several countries, not least of which includes the United States.¹⁵

¹² See e.g. *Corporations Amendment (Professional Standards of Financial Advisers) Act 2017*

¹³ IP Australia maintains a list of organisations that issue unofficial trade mark renewal invoices or that offer unsolicited trade mark services: *Unofficial Invoices* (March 4, 2016) IP Australia <<https://www.ipaustralia.gov.au/trade-marks/managing-your-trade-mark/unsolicited-invoices>>

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¹⁴ *Introduce Legislation to Require Registration as a Trade Mark or Patent Attorney to Conduct Matters before IP Australia on Behalf of Others* (May 4, 2018) IP Australia <<https://www.ipaustralia.gov.au/policy-register/introduce-legislation-require-registration-trade-mark-or-patent-attorney-conduct>>

¹⁵ 37 *Code of Federal Regulations* §2.17(a)

Issue 3: Inadequacy of Educational Requirements to become a Trade Marks Attorney

The current Trade Mark Regulations only require attorneys to hold a qualification at Australian Qualifications Framework (“**AQF**”) Level 5 or higher, which is equivalent to a “Diploma” level.

To the extent that work carried out by TMAs is both complex and requires expert judgement, the qualification level outlined appears to be incongruent with the standard of work that attorneys will inevitably undertake.

The AQF provides that at Level 7 – Bachelor’s Degree, graduates will possess a higher-level knowledge and demonstrate wider skills, which appears considerably more in line with the requirements of the profession:

Skills

Graduates at this level will have well-developed cognitive, technical and communication skills to select and apply methods and technologies to:

- analyse and evaluate information to complete a range of activities
- analyse, generate and transmit solutions to unpredictable and sometimes complex problems
- transmit knowledge, skills and ideas to others

Application of knowledge and skills

Graduates at this level will apply knowledge and skills to demonstrate autonomy, well-developed judgement and responsibility:

- in contexts that require self-directed work and learning
- within broad parameters to provide specialist advice and functions.

Source: Australian Qualifications Framework < <https://www.aqf.edu.au/aqf-levels>>

Taking into account the intended outcomes identified by the framework above, the recommendation is that all newly registered TMAs possess at least the equivalent of an AQF Level 7 qualification, which is also in line with requirements to register as an Australian Legal Practitioner. Even if the degree is not in the field of law, it is expected that the skills and knowledge gained through undertaking undergraduate studies at a University level should better equip candidates who go on to undertake post-graduate-level coursework with respect to their TMA registration.

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Thank you for considering this submission and I look forward to following the outcomes that result from the consultation paper.

Yours Faithfully,



Matthew J. Hammon
Australian Trade Marks Attorney