



Intellectual Property Office of New Zealand
Te Pou Rāhui Hanga Hou

Report of the
**COMMISSIONER OF PATENTS,
TRADE MARKS AND DESIGNS**

TO THE MINISTER OF COMMERCE

for the year ended
30 June 2009

Presented pursuant to s.116 of the Patents Act 1953

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The Intellectual Property Office of New Zealand (the "Office") is a business unit of the Ministry of Economic Development and its activities are further described in the Report of the Ministry of Economic Development for the year ended 30 June 2009.

COMMISSIONER'S COMMENTARY

The Intellectual Property Office underpins innovation in New Zealand by managing the regulatory framework for intellectual property – it registers trade marks and designs, grants patents and plant variety rights and provides search facilities for these registers. IPONZ understands that a key lever to raise a country's productivity requires innovative products and services. In this regard, IPONZ recognises that it must play its part in New Zealand's innovation systems by ensuring that it facilitates the granting of robust and timely Intellectual Property rights.

After two years of record numbers of application filings in the 2006/07 and 2007/08 financial years, IPONZ experienced a decline over 2008/09 as a result of the world economic crisis. It is important to note, however, that this only reduced filing numbers to a level last seen in 2005/06, which in itself was a significant year. Further, the total number of registered trade marks reached (and has now exceeded) 200,000 registrations for the first time.

The decline in application numbers has coincided in a loosening of the labour market, which has afforded IPONZ with the opportunity to fill vacancies that were previously hard to source and build the capability of the office. The net effect has been a substantive reduction and, in some parts of the business, removal of backlogs that had built up from previous years. In addition, the office has also been able to deliver on some of its key strategies namely:

- a complete refresh of the IPONZ website
- the introduction of online services for Patent and Design applications
- the development of an IP awareness online tool that will form part of the schools national curriculum in conjunction with the Ministry for Education (to be launched early in 2009/10)
- initiating the project to determine the high level requirements for our new IT system (Project "Compass").

In addition, IPONZ was extremely proud to win the Vero Excellence in Business Award for Government Services. The Vero Excellence in Business Support Awards provide a unique opportunity for organisations to benchmark their business practices against other finalists who have gone that extra mile. Winning the Government Department award demonstrates that IPONZ does not take its position as the sole registration authority for IP rights for granted. IPONZ has moved with the times, changing its business model from a purely administrative role to one which supports business and education providers.

After a prolonged drafting and consultation process, far reaching law reforms for the Patent and Trade Mark regimes resulted in the Patents Bill and the Trade Marks (International Treaties and Enforcement) Amendment Bill receiving their first readings in Parliament on 5 May 2009 and 7 April 2009 respectively. The Patents Bill has commenced the Select Committee process and is expected to be reported back to Parliament on 30 March 2010. The Trade Marks (International Treaties and Enforcement) Amendment Bill was reported back by the Select Committee on 15 September 2009 and now awaits its second and third readings. For IPONZ, therefore, the 2009/10 years will be all about preparing for the anticipated changes while ensuring we continue to deliver our high quality services to customers under the existing regimes.

The key outcomes that IPONZ will seek to deliver on next year are:

- **Regulations** – IPONZ will develop and contribute to the drafting of any regulations that will be required for the proposed Patents legislation and any amendments to the Trade Marks Act. In doing so, IPONZ will ensure that effective consultation with industry takes place so that the resulting regulations are practical and easy to comply with, whilst meeting the stated policy objectives.
- **Cost and Fees Review** – IPONZ will initiate an independent evaluation of IPONZ's business. This will primarily take into account our future needs in order to fully understand the cost drivers and fee implications of the extension to existing services that will come about through amendments to the Trade Marks Act and the Patents regime.
- **Online Service Initiatives** – IPONZ will engage with industry (in particular agents) to identify opportunities for reducing compliance costs associated with business-government interactions. It will encourage online service adoption for applications and correspondence to reduce reliance on costly paper processes. It will develop electronic interfaces to enable Govt to business (G2B) electronic transactions and work with its Australian counterparts to ensure protocols / standards are aligned, as far as possible, to reduce costs for clients / agents operating in both markets.
- **Quality Systems** - IPONZ will continue to focus on quality systems which govern its processes and will strive to complete all work needed to achieve ISO accreditation for the office.
- **Project Compass** – IPONZ's existing case management and registry system needs to be upgraded to a modern platform and will require additional functionality to support the additional responsibilities arising from the law reforms currently before Parliament. This project presents an opportunity for IPONZ to introduce significant efficiency in processes, greater accessibility for clients, and improved tools and systems for Intellectual Property owners to manage their portfolio, thereby further reducing compliance costs.
- **Alignment** – IPONZ will continue to work on closer alignment between the Intellectual Property systems and rights between New Zealand and Australia to support applicants and businesses who seek to operate on both sides of the Tasman.

Neville Harris
Commissioner of Patents, Trade Marks and Designs

PRINCIPAL FUNCTIONS OF THE INTELLECTUAL PROPERTY OFFICE

The Intellectual Property Office of New Zealand (“the Office”) is a business unit of the Business Services Branch of the Ministry of Economic Development (the “Ministry”).

The Office is responsible for the examination, grant and registration of patent, trade mark and design intellectual property rights. Innovation and creativity are important elements in gaining a competitive edge in the marketplace and for many business ventures intellectual property is one of their most important assets. Through the provision of these services, the Office helps business and individuals to realise the full economic potential of their intellectual property.

We have a long history of assisting innovative New Zealanders to benefit from their creativity: the New Zealand Patent Office was established in 1870. Today, the Intellectual Property Office of New Zealand administers the Patents Act 1953, the Trade Marks Act 1953, the Trade Marks Act 2002 and the Designs Act 1953. These Acts place statutory obligations on the Office and the Commissioner of Patents, Trade Marks and Designs in relation to the examination and registration or grant of intellectual property rights. The Office also maintains registers of these rights and interests.

Operational Functions

In addition to administering the relevant legislation and registers, the Office performs a number of operational functions including:

- Examination services for patent, trade mark and design applications
- Implementing international agreements
- Providing assistance and information to clients
- Conducting hearings on oppositions to intellectual property (IP) registrations and eligibility matters
- Maintaining a register of patent attorneys
- Contributing to policy development on IP rights
- Acting as a receiving office for the World Intellectual Property Organization (WIPO).

Examination Services Group

Consisting of two groups of IP examiners (one team with responsibility for trade marks and one team responsible for patents and designs), the key accountability of the Examination Services Group is to examine applications from clients and to advise as to their eligibility for protection based on the relevant legislation and international treaties. The efficiency and accuracy of the examination service the Office provides is a vital factor in ensuring robust IP registers and maintaining a sound national and international reputation.

In addition to examination services, the group contributes to the development of intellectual property policy and legislative reforms, and liaises with key client groups to ensure the Office continues to provide high quality examination services.

Business Support Group

The Business Support Group consists of three areas. The following is a brief overview:

- Business Support Officers are responsible for managing the financial processing and preparation of applications for examination. They also process all documentation concerning the ongoing maintenance of registered IP, respond to general public enquiries and assist with general database maintenance.
- Records Officers provide a file storage and retrieval service.
- Business Development Advisors are responsible for the development and implementation of an effective IP awareness and communications strategy which results in an increase within New Zealand of both the awareness of IP rights and the awareness of the Ministry of Economic Development's function in relation to IP protection.

External Relations Group

The responsibilities of the External Relations Group include:

- Management of client relationships among IP practitioners within New Zealand and Australia, including the Patent Attorney Examination Board
- Relationships with other IP offices
- Management of the patent attorney register and client database
- Keeping abreast of international developments and ensuring appropriate input is given in respect of international discussions.

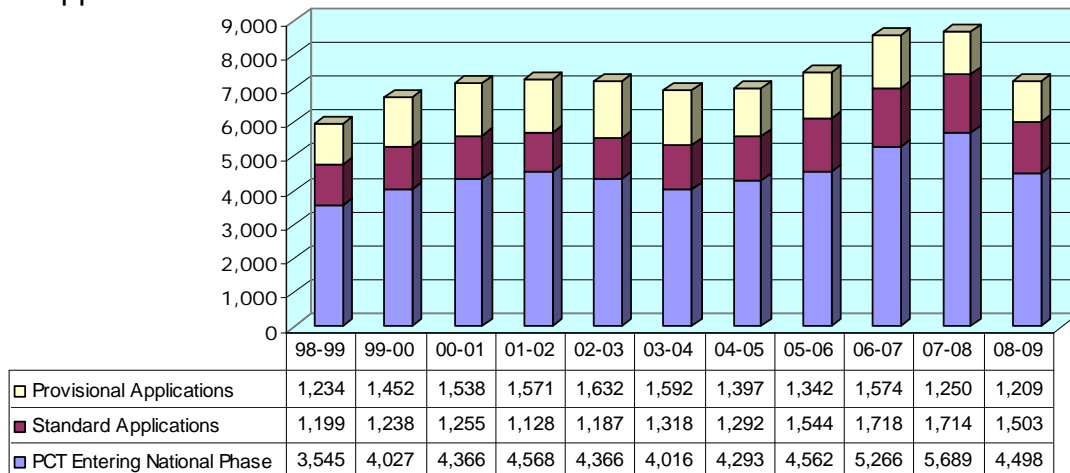
Hearings Office

The Hearings Office is the arena in which the majority of the quasi-judicial responsibilities of the Commissioner are exercised. Hearings staff become involved in proceedings when an opposition to the grant of an IP right is filed, when a revocation, rectification or invalidity application is made, or when a hearing is requested.

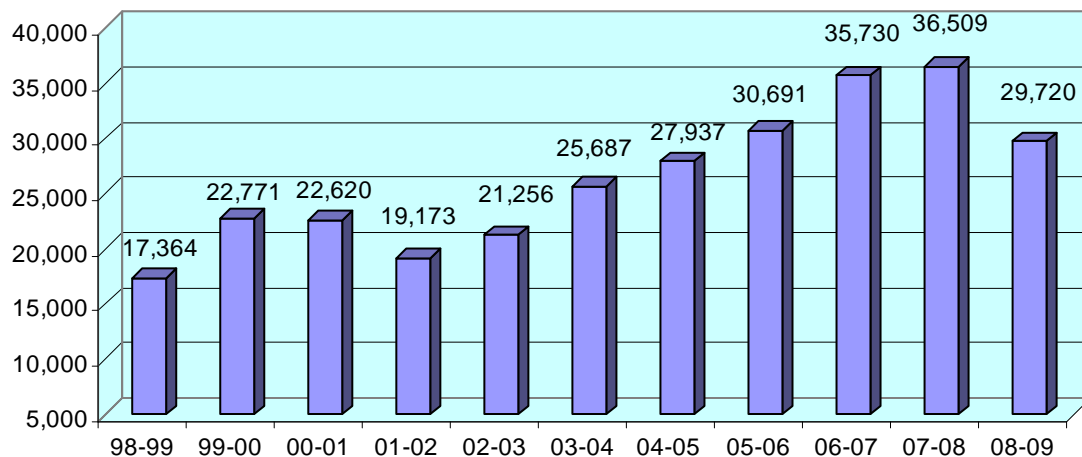
A panel of Assistant Commissioners (Hearings Officers) with a wide range of experience give decisions on matters referred to the Commissioner for hearing.

BUSINESS VOLUMES

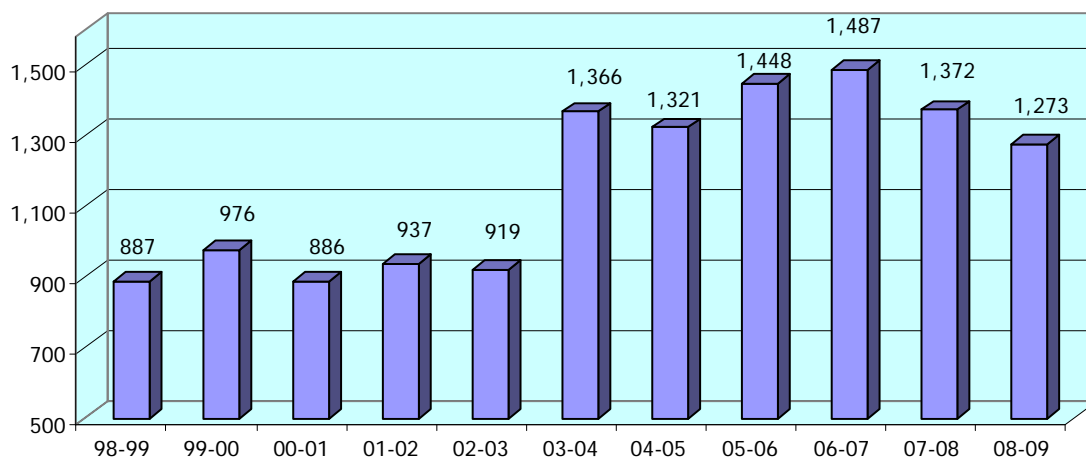
Patent Application Volumes¹



Trade Mark Application Volumes²



Design Applications Volumes



¹ Previous Annual Reports reported "Standard Applications" excluding applications with a complete specification filed following an application with a provisional specification. "Standard Applications" now incorporate all complete standard applications.

² The Trade Marks Act 2002, which came into force in August 2003, introduced a provision for filing multi-class applications. The trade mark volumes for 2003 onward reflect these changes with the average number of classes per trade mark application being 1.8.

OTHER BUSINESS STATISTICS

PATENTS¹

Provisional Applications
National Phase Applications
Standard Applications
PCT International Applications
Acceptances in Journal
Sealings
Assignments
Renewals
Number of Patents on the Register

08-09	07-08	06-07	05-06	04-05
1,209	1,250	1,574	1,342	1,397
4,498	5,689	5,266	4,562	4,293
1,503	1,714	1,718	1,544	1,292
307	393	337	361	350
3,331	3,094	3,656	3,611	4,230
3,483	2,856	3,607	3,816	4,479
2,906	3,222	2,190	2,803	2,160
9,714	10,109	10,040	9,836	9,130
34,126	33,985	34,424	34,157	34,447

DESIGNS

Applications
Registrations
Renewals
Number of Designs on the Register

1,273	1,372	1,487	1,448	1,321
1,463	1,381	1,227	1,146	889
1,148	719	786	752	775
9,744	9,136	8,506	7,923	7,442

TRADE MARKS²

Search or Preliminary Advice by class
Applications (number of classes)
Immediate Advertisements (number of classes)
Acceptances in Journal (number of classes)
Registrations (number of classes)
Assignments
Renewals (number of classes)
Number of Trade Marks on the Register

1,174	1,134	1,413	1,237	1,295
16,358 (29,720)	19,764 (36,509)	20,173 (35,730)	17,754 (30,691)	16,641 (27,937)
5,530 (8,516)	6,649 (9,960)	5,464 (7,713)	4,711 (6,229)	4,984 (6,736)
17,456 (35,106)	13,134 (23,493)	13,342 (23,974)	12,624 (21,576)	21,442
16,362 (31,534)	12,963 (23,612)	13,027 (22,996)	12,446 (21,176)	13,070 (21,089)
25,313	27,306	24,045	23,149	15,656
12,902 (13,922)	12,609 (14,608)	12,367 (13,229)	10,877 (11,071)	9,765 (10,014)
204,682	199,023	196,906	194,766	191,520

HEARINGS

Oppositions
Hearings Held
Decisions Issued

301	164	344	353	420
30	32	53	38	42
54	62	66	74	58

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FINANCIAL INFORMATION

INTELLECTUAL PROPERTY OFFICE OF NEW ZEALAND STATEMENT OF FINANCIAL PERFORMANCE ¹ FOR THE YEAR ENDED 30 JUNE 2009

	Actual	Estimates	Actual
	08-09	08-09	07-08
	\$000	\$000	\$000
<i>Revenue</i>			
Patents	5,890	5,556	6,152
Trade Marks	6,340	7,215	6,901
Designs	262	208	231
Miscellaneous	408	282	662
Total Revenue	12,900	13,261	13,946
<i>Expenditure</i>			
Personnel Costs	4,399	5,518	4,596
Direct Operating Costs	2,858	2,705	2,436
Other Operating Costs	5,400	4,800	4,299
Depreciation	40	37	23
Capital Charge	80	73	169
Total Expenditure	12,777	13,133	11,523
Surplus	123	128	2,423

Notes:

1. The Intellectual Property Office of New Zealand is a business unit of the Ministry of Economic Development. The Statement of Financial Performance above has been extracted from the full Statement of Financial Performance of the Ministry for the year ended 30 June 2009.

LEGISLATION ADMINISTERED

Patents Act 1953
Trade Marks Act 1953
Trade Marks Act 2002
Designs Act 1953
Plant Variety Rights Act 1987

PUBLICATIONS

www.iponz.govt.nz

The website provides a general introduction to intellectual property and specific information about how to protect your ideas. The following services are available online:

- Search the Register - search for patents, trade marks, designs and plant variety rights.
- Renew your patent, trade mark or design.
- Apply for a patent, trade mark or design.
- Submit your patent, trade mark and design correspondence online.
- Search the decisions of the Commissioner issued by the Hearings Office
- Online Journal - search the online intellectual property journals.

The Journal

The monthly Journal is published on our website (www.iponz.govt.nz). Each Journal issue has a searchable index, along with information on actions relating to patent, trade mark and design applications and registrations. For example, you can view the abridgement and drawing(s) of accepted patent applications and the details of accepted trade marks and designs in the Journal. The period during which oppositions to grant or registration can be filed commences upon the advertisement of acceptance in the Journal.

The Journal also contains information such as fees and news of developments under the Patent Cooperation Treaty, any industrial exhibitions recognised for the purposes of the Patents and Design Acts, and IPONZ opening hours.

Monthly Business Newsletter

The IPONZ Newsletter is published monthly as part of the Ministry's Business Update, and includes general information, changes and proposed changes to IPONZ practice and procedures.

CONTACT DETAILS

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Ministry of Economic Development
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