

Patents FAQ

What is a patent? A patent is a proprietary right in an invention. It provides the owner with the exclusive right for up to 20 years to make, sell or use a product or process. In exchange for this monopoly, the patent is published so others can see how the invention works and build on that knowledge. The patented invention is also made available to the public to use once the patent lapses.

Can anything be patented? No. To be patentable the subject matter of the application must be novel (i.e. new), inventive, and must have utility (i.e. be useful).

In New Zealand patentable subject matter can include products, processes, new uses of known products, business methods and computer software, foodstuffs and associated methods of manufacture, genetically modified organisms, and mathematic algorithms which have practical applications.

However some subject matter is excluded. In New Zealand these excluded areas include methods of medical treatment of humans, schemes or plans, pure discoveries without an industrial use and naturally occurring substances or organisms.

Can't I just use my invention now and patent it later? No. Because patentable subject matter must be novel, using your invention, publishing details of it, or offering it for sale will destroy the 'novelty' in the invention and prevent you from obtaining a valid patent.

What if I use it in secret? Secret use will also invalidate a patent – the rationale for this is that you shouldn't be allowed to extend the 20 year monopoly by using (or selling) your invention in confidence for a while and then applying for a patent.

Can anyone apply for a patent? In New Zealand, no. Only the true and first inventor of the subject matter of the patent application, an assignee of that inventor or the estate of the inventor/assignee can apply for a patent in New Zealand.

My employee developed an invention for me – doesn't that mean I own it? Technically, yes. However, in order to file a patent application you need to get an assignment from the employee as he or she is the true and first inventor. The same applies to commissioned work. The inventor(s) will also need to be named in your patent application for it to be valid.

How long does a patent last for? In New Zealand patents are granted for 20 years and the time period begins on the date of filing the complete patent application. In New Zealand and



elsewhere, official fees are charged by the patent offices to renew the patent at various stages during its lifetime. If renewal fees are not paid, the patent will lapse.

Can I get a World Patent? No. Patent rights are territorial. This means that a patent will only protect your invention in a specific country. If you want protection in other countries you have to file patent applications in those countries. However, if you file a patent application in another country within 12 months of the first application for your invention anywhere in the world (say, in New Zealand then you may be able to back date your foreign patent applications to the same date as the New Zealand application. Patent applications which take their priority date from an earlier application filed in another country, are called 'convention applications'.

Why is the filing date important? The filing date is the date on which the novelty and inventiveness of the subject matter of a patent application is assessed.

What is the PCT? PCT stands for Patent Co-operation Treaty. A PCT application is a single patent application made with the World Intellectual Property Organisation (WIPO). A PCT application can cover over 130 different countries. However, at the end of the PCT process, it is still necessary to file separate applications in the individual countries in which you want a patent. One of the big advantages of a PCT application is that it enables applicants to delay both the expense and the decision of whether or not to file patent applications in other countries by up to 31 months (measured from the filing date of the New Zealand patent application on which the PCT application is based). Another major advantage of the PCT process is that you can have your PCT application examined, and this may help you to decide whether it is worthwhile proceeding with overseas protection of your invention.

How do I get a patent? The first step in obtaining a patent is to file an application at the Intellectual Property Office along with a patent specification describing the invention. Two types of patent specification can be filed in New Zealand – a 'provisional' patent specification or a 'complete' patent specification.

A 'provisional' patent specification is a less detailed document which contains a general description of the invention and does not have 'claims' defining the monopoly. By comparison, a 'complete' patent specification contains a more detailed and specific description of the invention and patent claims. If you file a provisional patent specification with your patent application, then you have twelve months to file a complete specification (usually referred to as a 'complete after provisional specification' or CAP). The complete specification must disclose the nature of the invention, what its features are, and how it works.



What happens once a patent application is filed? After it is filed the application will be examined to ensure that the subject matter is novel, inventive, has utility and does not relate to excluded subject matter. This usually involves a search of the 'prior art' (ie what was known or used before the filing date) to assist in determining the novelty of the subject matter and whether it embodies an inventive step. The examiner may also check to ensure that procedural aspects of the legislation have been complied with, such as checking that the necessary forms and fees have been completed and paid. Examiners normally issue a report on their findings. Where objections have been raised, applicants will be given an opportunity to respond and/or amend their application. A number of reports may issue before the patent is finally accepted or rejected.

Does acceptance mean I now have a patent? No. Until a patent is granted you only have a patent application. Once accepted the patent will be published in the Patent Office Journal and interested parties will be given an opportunity to oppose the grant. If there is no opposition, or if the opposition is successfully resolved (see "**Patent Oppositions FAQ**"), the patent will proceed to grant and can then be sued on.

What rights does a granted patent give me? In New Zealand a patent gives the owner the exclusive right to make, use, sell, or otherwise deal in the invention in New Zealand. Similar provisions apply overseas.

How are those rights infringed? The rights are infringed by anyone who does any of those things without the consent of the owner of the patent (or a licensee).

I have been accused of patent infringement but I didn't copy anyone else's product - doesn't this mean I am ok? No. Patents aren't like copyright. They protect the way things work not what they look like. Whether an infringer copied the owner of the patent is irrelevant to the question of infringement (but might be relevant when assessing damages). For this reason even innocently importing a patented product might still amount to infringement.

So what is the test for infringement? To prove infringement, the owner of the patent only needs to show that your product or process is covered by one of the patent claims.

What is a claim? A claim is one of the numbered paragraphs at the end of the 'complete' patent specification which defines the monopoly claimed in the invention.

What remedies are available for infringement? If you are found to infringe a claim in a granted patent, the courts can stop you making, importing or selling the infringing product, require you to hand over for destruction any infringing products or equipment used to make



those products, and make you pay the patent owner any damages/losses which it has suffered as a result of your sales of infringing products, or any profits you made from those sales. You may also be required to pay some of the patent owner's court costs.

Is it possible to challenge the validity of a granted patent? Yes, although the mechanism to do this varies in different countries. In New Zealand, an interested party may make an application to the Intellectual Property Office (within 12 months of the grant of the patent) or to the courts (at any time during the term of the patent) to revoke the patent based on a number of statutory grounds. The most common ground is that the invention was disclosed or published before the filing date of the patent application.

Can I sell or licence my patent? Yes. A patent is a property right which can be sold, mortgaged or assigned by the patentee to third parties in exchange for payment, or licensed in exchange for royalty fees.

Where can I find out more information on patents? You can find out more by reading our *Guide to the protection of innovation and goodwill*, available as a pdf download from the Media/Publications page on our website, or by contacting our Patents Team.

THE ABOVE IS PROVIDED FOR GENERAL INFORMATION PURPOSES ONLY AND DOES NOT TAKE THE PLACE OF SPECIFIC LEGAL ADVICE. FOR MORE SPECIFIC ADVICE ON ALL ASPECTS OF INTELLECTUAL PROPERTY LAW, PLEASE CONTACT US.

