

OFFICIAL

Good afternoon

Thank you for the opportunity to provide additional inputs for the preparation of the following draft documents:

- Draft reference document on the exception regarding exhaustion of patent rights

Please consider updated text below under item 12 of the SCP/21/7 document in relation to our recent High Court decision.

12. The response from Australia noted that, while the Australia Patents Act did not specifically deal with the issue, the exhaustion doctrine applied to patent rights. The High Court of Australia recently found that the first sale of a patented product exhausts the patentee's exclusive rights in that product (Calidad Pty Ltd v Seiko Epson Corporation [2020] HCA 41). The sale of a patented article in Australia would exhaust the patentee's patent rights with respect to the particular product sold unless the patentee imposed restrictions or conditions on the buyer through contract on the use of the patented product after its sale. These restrictions or conditions would be enforced through contract or equity – not patent law.

That principle is subject to a qualification that importation of the patented article that was put into circulation outside Australia by the Australian patentee will be an infringement if, at the time of first putting the article into circulation, that patentee attached an express stipulation against bringing it into Australia. The response from Australia also referred to its obligation under the Free Trade Agreements, such as the Australia – United States FTA Article 17.9.4.

- Study on the sufficiency of disclosure, as proposed in document SCP/31/8 Rev. We have no further input to this document.

Please feel free to contact us if you have any questions.

Kind Regards,
Rashmi

Rashmi Basu

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(Available Monday - Thursday)

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