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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 2013

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Presented pursuant to s.116 of the Patents Act 1953

<b>COMMISSIONER'S COMMENTARY</b>	<b>3</b>
<b>PRINCIPAL FUNCTIONS OF THE INTELLECTUAL PROPERTY OFFICE</b>	<b>5</b>
OPERATIONAL FUNCTIONS	5
EXAMINATION TEAMS	5
HEARINGS OFFICE	5
BUSINESS SYSTEMS TEAM	6
EXTERNAL RELATIONS AND IP AWARENESS TEAM	6
<b>BUSINESS VOLUMES</b>	<b>7</b>
<b>OTHER BUSINESS STATISTICS</b>	<b>9</b>
<b>FINANCIAL INFORMATION</b>	<b>10</b>
<b>LEGISLATION ADMINISTERED</b>	<b>11</b>
<b>PUBLICATIONS</b>	<b>11</b>
WWW.IPONZ.GOVZ.NZ	11
THE JOURNAL	11
BUSINESS NEWSLETTER	11
<b>CONTACT DETAILS</b>	<b>12</b>

*The Intellectual Property Office of New Zealand (the Office) is a business unit of the Ministry of Business Innovation and Employment (the Ministry) and its activities are further described in the Report of the Ministry of Business Innovation and Employment for the year ended 30 June 2013.*

## COMMISSIONER'S COMMENTARY

The Intellectual Property Office of New Zealand (IPONZ) is a business unit within the Ministry of Business, Innovation and Employment (MBIE), which was established on 1 July 2012. MBIE was formed by the amalgamation of four agencies, the Ministry of Science and Innovation, the Department of Labour, the Department of Building and Housing and the Ministry of Economic Development. The new Ministry's purpose is to grow New Zealand for all and is the primary business facing agency for government.

IPONZ is responsible for managing the regulatory framework for intellectual property (IP) – it registers trade marks and designs, grants patents and plant variety rights (PVRs) and provides search facilities for these registers.

It has been another busy year for IPONZ with many changes taking place. I was appointed on 1 March 2013 to the role of the New Zealand Commissioner of Patents, Trade Marks, Designs and Plant Variety Rights and Ingrid Bayliss was appointed in March 2013 to the role of National Manager, IPONZ.

I am pleased to report that the trade marks law reform was successfully completed this year with the Trade Marks Amendment Regulations 2012, the Trade Marks (International Registration) Regulations 2012 and the Trade Marks Amendment Regulations 2013 coming into force. These regulatory updates provide for:

- the international trade mark registration system under the Madrid Protocol to operate in New Zealand
- compliance with the Singapore Treaty
- New Zealand to accede to the Nice Agreement
- revised fees
- mandatory electronic communications through the Commissioner's case management facility
- amendments to improve the operation of the trade mark regulatory regime, including improved administration of proceedings before the Commissioner

Implementing the Madrid Protocol now means that New Zealand businesses have a cost effective and efficient mechanism for applying for and maintaining trade marks in international markets. It also makes doing business in New Zealand easier for overseas companies who file trade marks in multiple jurisdictions.

The trade marks law reform supports the government's Business Growth Agenda.

IPONZ continued with its business transformation programme, which is designed to enable IPONZ to introduce new and effective tools, systems, and processes to facilitate the law reform requirements for both trade marks and patents and provide client-centric online interaction with IPONZ. The programme also seeks to improve the quality and consistency of IPONZ's core role of examination of IP rights. The Trade Mark and Designs case management facility components were successfully delivered in February 2012. The final case management facility components and functions for Patents, Plant Variety Rights and International Trade Marks Registrations, including the electronic interface with the World Intellectual Property Organisation, commenced on 10 December 2012.

The IPONZ case management system is an intuitive, easy-to-use web interface. Key features of the system include:

- The ability to file applications for all registrable IP rights online – making it fast, simple and cost-effective for New Zealand businesses.
- The ability to receive all correspondence electronically - no more paper.
- Functionality for applicants to manage their IP applications from a personal IPONZ inbox – a central point to manage tasks and deadlines.
- Functionality for owners and their agents to update and maintain their own contact details.
- The ability for applicants and their agents to view the progress of their case/s online.
- Functionality that allows clients to receive notifications of changes to the register whether that relates to specific cases, classes and specifications.
- Functionality for all proceeding cases to be managed online.

The uptake of the new system from our clients has been very positive with 100% of all new IP applications being filed online for the month of June 2013. The new system has been implemented in line with government's stated goals for modern public services to reduce compliance costs and aim to build a stronger and more competitive New Zealand economy. The system directly contributes towards the Better Public Services Result 9 target of reducing by 25% the business costs of dealing with government.

I am pleased to report that IPONZ's achievements were recognised by the Institute of Public Administration (IPANZ) at the IPANZ Gen-i Public Sector Excellence Awards where it was named joint winner of the "Improving public value through business transformation" award. This award recognises IPONZ's successful business transformation programme and that IPONZ offers world class IP services that are client focused and cost-effective to deliver, which have reduced costs for clients, increased the quality of its examination services, provided improved transparency, and have resulted in some of the fastest examination turn-around times in the world. IPONZ is aware that the cooperation and support that it has received from its clients and the IP profession contributed to its successful business transformation and I want to express my thanks to these stakeholders.

In terms of application volumes there has been a decrease in patent national phase applications (down 4.5%), patent standard applications (down 3.6%) and design applications (down 12%) filed with IPONZ when compared to the previous financial year. While there has been a very slight increase in the number of trade mark applications filed (up 0.9%) there has been a slight decrease in the number of trade mark classes filed (down 1.1%) when compared to the previous financial year.

This year has also seen a decline in the number of acceptances of applications published in the Journal, namely: Patents 5105 (down 11.0%) and Trade Marks 26,236 classes (down 8.4%).

It is with great pleasure that I am also able to report that IPONZ has exceeded its client service targets for the issuing of examination reports and responding to the significant correspondence volumes. In this regard 98% of the 21,245 first examination reports were issued within the target of 15 business days of receipt. The office responded to 96% of the 49,287 pieces of examination correspondence within the target of 15 business days of receipt.



Mandy McDonald  
Commissioner of Patents, Trade Marks, Designs and Plant Variety Rights

# PRINCIPAL FUNCTIONS OF THE INTELLECTUAL PROPERTY OFFICE

IPONZ is a business unit within the Business Integrity Services branch of the Ministry of Business Innovation and Employment (MBIE).

IPONZ is responsible for the examination, grant and registration of patent, trade mark, design and plant variety 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, IPONZ helps businesses 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, IPONZ administers the Patents Act 1953, the Trade Marks Act 2002, the Designs Act 1953 and the Plant Variety Rights Act 1987. These Acts place statutory obligations on IPONZ and the Commissioner of Patents, Trade Marks, Designs and Plant Variety Rights in relation to the examination and registration or grant of intellectual property rights. IPONZ also maintains registers of these rights and interests.

## ***Operational Functions***

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

- Examination services for patent, trade mark, design and plant variety rights applications
- Implementing international agreements
- Providing assistance and information to clients
- Administering proceedings and 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 Teams***

There are two examination teams within IPONZ. One team is responsible for trade marks and the other team is responsible for patents, plant varieties and designs. The key accountability of the Examination teams 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 services IPONZ provides is a vital factor in ensuring robust IP registers and maintaining a sound national and international reputation.

In addition to examination services, the teams contribute to the development of IP policy and legislative reforms, including those that support the government's Business Growth Agenda as well as the Single Economic Market initiatives. The Examination teams also liaise with key client groups to ensure IPONZ continues to provide high quality examination services.

## ***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 make decisions on matters referred to the Commissioner for hearing.

## ***Business Systems Team***

The Business Systems team is responsible for:

- The ISO certified quality management system which ensures that IPONZ is continually looking to improve its systems and processes by conducting internal audits.
- Managing the systems tools and processes for both internal and external users. This includes providing leadership and support to the development and implementation phases of the case management system and includes testing and providing support for external customers, including for Government-to-Business web-services.
- Producing all reports on information held in the IPONZ registers and IPONZ's performance targets.
- Liaising with the Ministry's Information Technology Group to ensure IPONZ is aware of and has input into Ministry-wide IT decisions. For IPONZ specific systems the team must contribute to the management of the relationships with vendors to implement system improvements and changes.

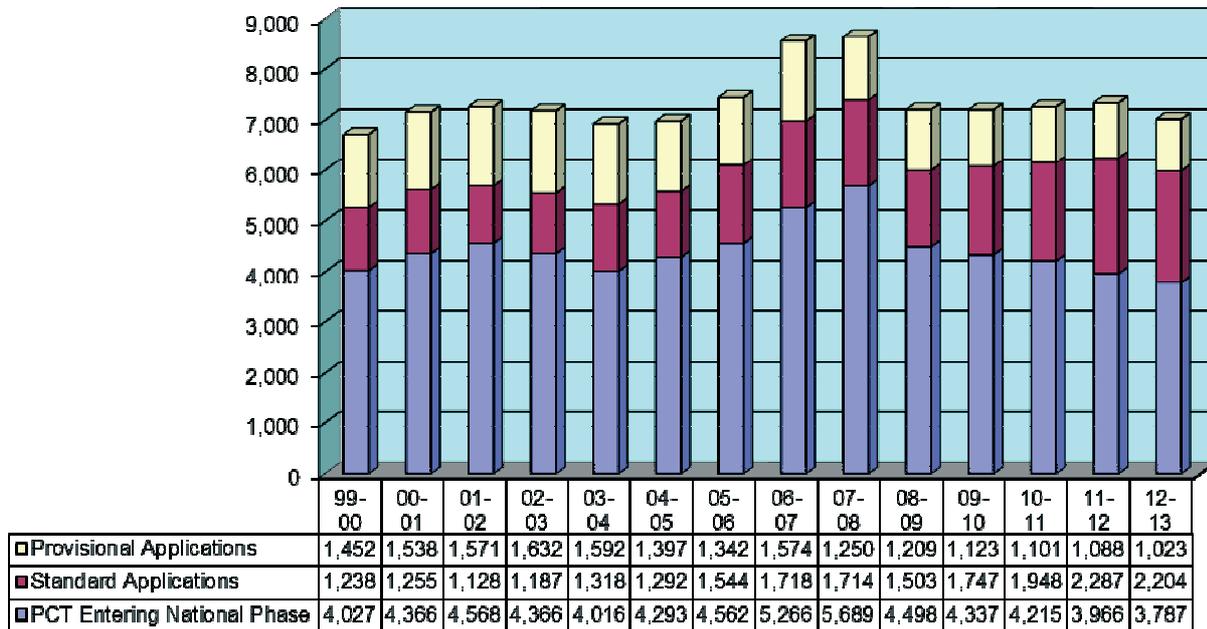
## ***External Relations and IP Awareness Team***

The External Relations and IP Awareness team is responsible for managing the client experience with IPONZ services and promoting IP Awareness, including:

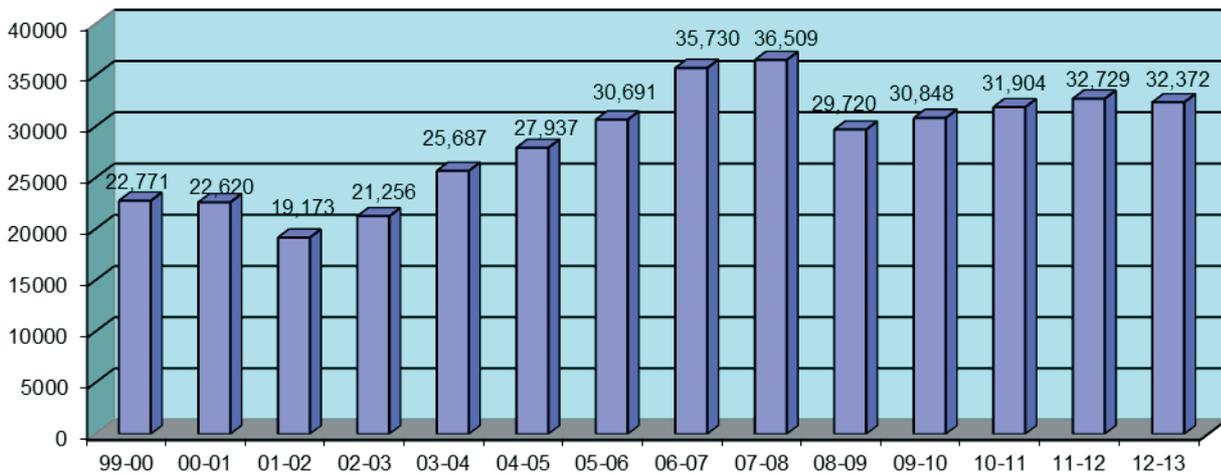
- Raising IP awareness amongst New Zealand's small to medium business enterprises and young entrepreneurs. Responsibilities include: building IP education, public and private sector partnerships, producing tailored IP education resources and devising effective communication strategies.
- External Relations, including relationships with other IP offices and key clients. Keeping abreast of international developments and ensuring appropriate input is given in respect of international discussions.
- Managing joint work programs with other Ministry divisions and other Government departments.
- Managing IPONZ website architecture and content, and developing and refining its online transactional tools.
- Managing the IPONZ service agreement with the Ministry's Business Service Centre which provides call center support for IPONZ clients.
- Managing the client feedback process, including capturing client feedback through all channels, generating reports, and analysing the data to drive constant improvement to IPONZ services.

# BUSINESS VOLUMES

## Patent Application Volumes<sup>1</sup>



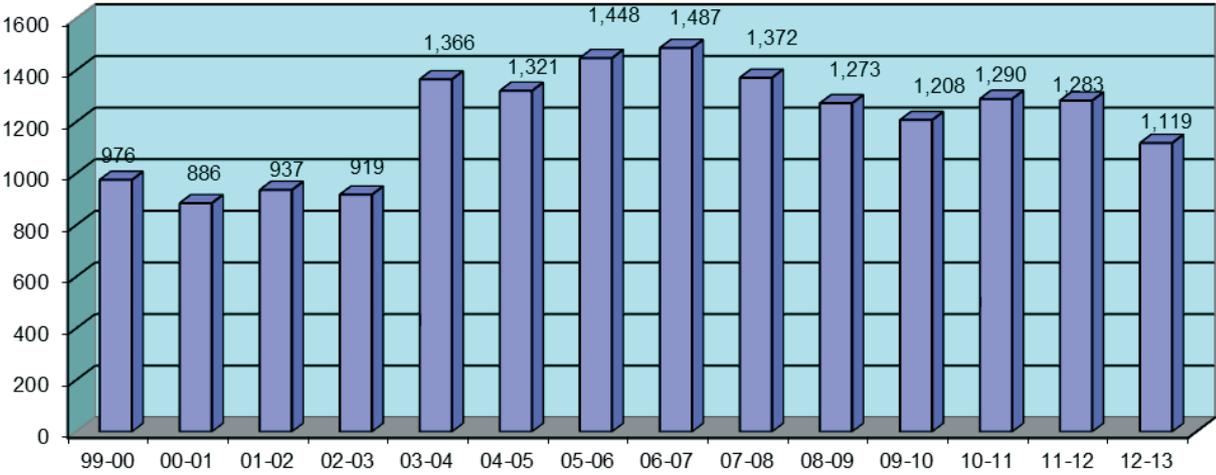
## Trade Mark Application Volumes<sup>2</sup>



<sup>1</sup> 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.

<sup>2</sup> 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.

# Design Application Volumes



## OTHER BUSINESS STATISTICS

12-13	11-12	10-11	09-10	08-09
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### PATENTS<sup>1</sup>

Provisional Applications	1,023	1,088	1,101	1,123	1,209
National Phase Applications	3,787	3,966	4,215	4,337	4,498
Standard Applications	2,204	2,287	1,948	1,747	1,503
PCT International Applications	246	253	232	304	307
Acceptances in Journal	5,105	5,739	4,726	4,266	3,331
Sealings	5,941	5,117	4,517	4,035	3,483
Assignments	1,366	2,896	2,436	3,651	2,906
Renewals	11,654	10,867	9,624	9,789	9,714
Number of Patents on the Register	37,960	35,853	34,810	34,465	34,126

### DESIGNS

Applications	1,119	1,283	1,290	1,208	1,273
Registrations	1,128	1,022	1,009	1,076	1,463
Renewals	658	984	1,067	948	1,148
Number of Designs on the Register	9,963	9,845	9,878	9,913	9,744

### TRADE MARKS

Search or Preliminary Advice by class	1465	1,583	1,275	1,397	1,174
Applications (number of classes)	17,842 (32,372)	17,675 (32,729)	17,427 (31,904)	17,173 (30,848)	16,358 (29,720)
Immediate Advertisements (number of classes)	10,763 (16,935)	9,798 (9,625)	8,690 (13,929)	8,927 (14,769)	5,530 (8,516)
Acceptances in Journal (number of classes)	14,326 (26,236)	15,415 (28,651)	14,174 (25,605)	14,195 (27,897)	17,456 (35,106)
Registrations (number of classes)	14,863 (27,724)	15,094 28,048	13,952 (25,995)	15,087 (29,113)	16,362 (31,534)
Assignments	5,825	11,801	17,036	24,936	25,313
Renewals (number of classes)	3,897 (5227)	2,962 (3,104)	3,853 (4,079)	11,179 (12,024)	12,902 (13,922)
Number of Trade Marks on the Register	242,561	230,633	218,063	207,712	204,682

### HEARINGS

Oppositions	182	246	245	240	301
Hearings Held	27	50	41	26	30
Decisions Issued	59	72	62	53	54

<sup>1</sup> 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.

# FINANCIAL INFORMATION

## INTELLECTUAL PROPERTY OFFICE OF NEW ZEALAND STATEMENT OF FINANCIAL PERFORMANCE <sup>1</sup> FOR THE YEAR ENDED 30 JUNE 2013

	<b>Actual</b>	<b>Estimates</b>	<b>Actual</b>
	<b>12-13</b>	<b>12-13</b>	<b>11-12</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<i>Revenue</i>			
Patents	6,281	5,361	6,459
Trade Marks	5,748	4,012	4,199
Designs	231	252	267
Other	220	5,618	348
<b>Total Revenue</b>	<b>12,480</b>	<b>15,243</b>	<b>11,273</b>
<i>Expenditure</i>			
Personnel Costs	4,797	4,700	5,112
Direct Operating Costs	3,163	3,972	4,544
Other Operating Costs	4,745	4,200	3,953
Depreciation	451	441	235
Capital Charge	399	330	275
<b>Total Expenditure</b>	<b>13,555</b>	<b>13,643</b>	<b>14,119</b>
<b>Surplus</b>	<b>-1,075</b>	<b>1,600</b>	<b>-2,846</b>

Notes:

1. The Intellectual Property Office of New Zealand is a business unit of the Ministry of Business Innovation and Employment. 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 2013 and from the Ministry of Economic Development for the year ended 30 June 2012.

## LEGISLATION ADMINISTERED

Patents Act 1953  
Trade Marks Act 1953  
Trade Marks Act 2002  
Designs Act 1953  
Designs Amendment Act 2010  
Plant Variety Rights Act 1987

## PUBLICATIONS

### ***www.iponz.govt.nz***

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

- Search the Registers - search for patents, trade marks, designs and plant variety rights.
- Apply for a patent, trade mark, design or plant variety right.
- Renew your patent, trade mark, design or plant variety right.
- Submit your patent, trade mark, design or plant variety right correspondence online.
- Track your applications and correspondence progress.
- View all the correspondence relating to particular intellectual property rights.
- Search the decisions of the Commissioner issued by the Hearings Office.
- Online Journal - search the online intellectual property rights journals.

### ***The Journal***

The monthly Journal is published online through the IPONZ website ([www.iponz.govt.nz](http://www.iponz.govt.nz)). Each Journal contains information on actions relating to patent, trade mark and design applications and registrations. The period during which oppositions to grant or registration can be filed commences at the time the acceptance is advertised 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.

### ***IPONZ e-Newsletter***

The IPONZ e-Newsletter is published in a concise, punchy, format on an as-need basis. It has had excellent uptake and readership, and is now the main way that IPONZ communicates important information with stakeholders and clients, including the latest IP news, Decisions of the Commissioner, Practice Notes and Legislation updates, Journal Publications and Online System Changes. The service allows users to specify the types of information they are interested in receiving.

## CONTACT DETAILS

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