

Commissioner of Patents
IP Australia
PO Box 200
Woden ACT, 2606
Australia

22 May 2019

Our Ref: 535 Opposition

Patent Application No.: 2017213531
In the Name of: Taranis Power Group Pty Ltd
Opposition thereto by UON Pty Ltd

Dear Sir/Madam,

This is in response to the correspondence dated 24 April 2019. The Opponent responds as follows:

1. No comment.
2. No comment.
3. No comment.
4. The Opponent (UON Pty Ltd) is not withdrawing the opposition.
5. No comment.
6. Please see the Opponent's comments in relation to item 8, below.
7. No comment.
8. The Opponent requests that the Commissioner gives a direction granting a temporary stay of any hearing or determination of the opposition proceeding by reason of the following:
 - a. Related Court proceedings are on foot in the Supreme Court of Western Australia - **CIV 3178 of 2016 - Uon Pty Ltd & Anor v Hoascar & Anor** concerning the entitlement ground (Ground 1), including allegations about Mr. Hoascar's breach of his employment contract, breach of confidence, breach of fiduciary duties and other conduct (**Court Proceedings**).
 - b. The Opponent is a plaintiff in the Court Proceedings and the Applicant (Taranis Power Group Pty Ltd) and Mr. Hoascar are defendants.
 - c. The Court Proceedings were commenced by the Opponent in 2016, before this Patent Application was filed and well before this opposition proceeding was commenced (**Patent Proceedings**).
 - d. The Court Proceedings are case managed by a Judge of the Supreme Court of Western Australia to ensure they are conducted in an efficient manner. Although the

Court Proceedings have not yet been entered for trial, the Opponent anticipates they will be listed for trial in the first half of 2020.

- e. The parties and key witnesses in both the Court Proceedings and the Patent Proceedings are located in Perth, Western Australia.
- f. The Opponent respectfully submits that as a court of equity and as a superior Court, the Supreme Court of Western Australia is the most appropriate forum for the determination of which party is or which parties are entitled to ownership of the invention claimed in the Patent Application. This determination will necessarily involve considerations of Mr. Hoascar's contractual and fiduciary obligations, broader considerations of the environment in which Mr. Hoascar was given access to the Opponent's confidential information, whether the information had the necessary character of confidence, whether the information was used by the Applicant to create the invention claimed in the Patent Application and whether Mr. Hoascar's and the Applicant's conduct rendered them liable to hold any benefit derived from commercialising the invention on trust for the Opponent.
- g. Although the Patent Proceedings afford some insight into these complex issues, they are not the most appropriate vehicle for their determination, particularly in circumstances where:
 - i. the parties to the Patent Proceedings are not bound by the rules of evidence, whilst the parties to the Court Proceedings are so bound;
 - ii. the discovery of relevant documents and the issue of subpoenas to third parties which has occurred in the Court Proceedings to fully elucidate evidence relevant to the issues in dispute has not occurred in the Patent Proceedings and cannot occur unless the Commissioner is satisfied the person or witness being summonsed has a substantial interest in the Patent Proceedings (which unrelated third parties do not); and
 - iii. issues of credibility will be relevant to a determination of the issues, and the witnesses in the Court Proceedings will give their evidence under oath or affirmation and be subjected to cross-examination whereas the Commissioner is only empowered to summons witnesses and take evidence under oath or affirmation in the Patent Proceedings in exceptional circumstances.
- h. Whilst the Court Proceedings progress to trial, the parties suffer no prejudice by a temporary stay of the Patent Proceedings. Their positions will be reserved in the intervening period and once the Court Proceedings are determined, the Applicant and Opponent will be in a position to request a hearing of the Patent Proceedings, bringing to the Commissioner's attention such relevant findings of fact and law as have been made by the Supreme Court of Western Australia.

- i. If the Supreme Court of Western Australia determines, following a trial of all of the issues, that the Opponent is entitled to the invention claimed in the Patent Application, that finding would be finally determinative and binding in the Patent Proceedings.
- j. However, if the Patent Proceedings are not stayed and both the Court Proceedings and the Patent Proceedings progress in parallel, there is a risk that the Commissioner and the Supreme Court of Western Australia will make inconsistent factual or legal findings. This is undesirable, will not achieve justice between the parties and should be avoided.
- k. Accordingly, the Opponent submits that it is in the interests of justice and is most appropriate to ensure the fair and efficient determination of the overlapping disputes in the Court Proceedings and the Patent Proceedings that the Patent Proceedings be temporarily stayed pending the determination of the Court Proceedings.
- l. Further and in any event, the Applicant has foreshadowed filing a notice of opposition in respect of patent application number 2017210650 in the name of LAA Industries Pty Ltd, a related entity of the Opponent. LAA Industries Pty Ltd.'s patent application claims substantially the same invention as that claimed in the Applicant's Patent Application the subject of these Patent Proceedings. Acceptance of LAA Industries Pty Ltd.'s patent application number 2017210650 was advertised on 28 February 2019, accordingly any notice of opposition must be filed by 28 May 2019.
- m. If it is the case that the Applicant files a notice of opposition in respect of LAA Industries Pty Ltd.'s patent application number 2017210650, the Opponent respectfully submits it would be appropriate and necessary for that opposition to be heard and determined together with the existing Patent Proceedings. The entitlement ground (Ground 1) central to these Patent Proceedings will also be central to a determination of the Applicant's opposition to LAA Industries Pty Ltd.'s patent.
- n. At a minimum, these Patent Proceedings should be temporarily stayed until any opposition proceedings in respect of LAA Industries Pty Ltd.'s patent are ready to be listed for hearing, which will not be for several months.
- o. Also, we note that if the Commissioner is not minded to grant a temporary stay of the entire Patent Proceedings, there may be a sensible bifurcation of the issues such that the hearing and determination of the entitlement ground (Ground 1) is stayed (pending the determination of the Court Proceedings) whilst the Commissioner proceeds to hear and determine the Patent Proceedings on the Section 18 and Section 40 grounds only (Grounds 2 and 3). However, the Opponent's strong preference is for the entirety of the Patent Proceedings to be temporarily stayed

pending the determination of the Court Proceedings, as this would be the most efficient use of the parties', the Court's and the Commissioner's time and resources.

If the Applicant objects to the Opponent's request for a temporary stay of the Patent Proceedings and the Commissioner would be assisted by detailed submissions in relation to the Opponent's request, the Opponent respectfully requests an opportunity to file brief submissions on the issue.

9. No comment.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Fidel Dela Paz', written in a cursive style.

Fidel Dela Paz