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In Conversation with Professor Susy Frankel

Fiona Rotstein

Susy Frankel is Professor of Law, Chair in Intellectual Property and International Trade and Director of the New Zealand Centre of International Economic Law at Victoria University of Wellington. She is also, in 2020, a Global Professor at New York University Law School. In March 2020, via Skype from New York, Professor Frankel discussed with Fiona Rotstein her extensive career, the relationship between academia and practice in intellectual property (“IP”) law, traditional knowledge, international IP law and much more.



Courtesy of Victoria University of Wellington

Professor Susy Frankel

Q: What led you into the law?

A: I started my law degree like many Australasians after I left school and I didn't really know what I wanted to do because I was 16. So I began to study mathematics along with my law degree. But I found classes were more interesting in law because of the analysis and debate that goes with the law.

Q: What made you want to become an academic?

A: I worked in London for quite a while as a solicitor and I did my Master of Laws in IP at the University of London, which now has a large IP program. It was reasonably big then but it was just starting its international courses. Some of your readers will know Gerald Dworkin and the international copyright class that he used to teach there with Adrian Sterling. There were less than 20 people in the class. Now equivalent classes are much bigger. I was really interested in academia then, but it was pretty hard to find an academic job as it kind of still is.

When I came back to New Zealand, I worked for Russell McVeagh. A while later, a lecturer position was advertised at Victoria University of Wellington and I applied for it. The practice of law can teach you a lot of things, but if you want to get into the depth of some of the theoretical and long-term practical problems of IP, academia is a good proposition.

Q: On a personal level, what is it about IP that particularly fascinates you?

A: To begin with, I worked primarily with domestic IP which in the New Zealand context does involve

looking at other jurisdictions, particularly the United Kingdom (“UK”) and, from time to time, Australia. But after a while I became more interested in not just what happens locally but the relationship between the local and the international. A lot of my work has been around international IP and its nexus with international trade. The complexities around combining IP with trade aren't just about what trade agreements say and what that means for IP norms. It's about IP functioning as a trade barrier when we are in a system of liberalising trade. Trade “barrier” might to some sounds a bit pejorative but it's not necessarily. IP might amount to an acceptable barrier to a certain limit; excessive IP can be a problematic barrier. It's combining those theoretical and competing constructs that I really enjoy.

Q: You were the Assistant Commissioner of Trade Marks, Patents and Designs and Hearings Officer for the Intellectual Property Office of New Zealand (“IPONZ”) from 1998 to 2006. Tell me a little about that experience.

A: Having independent Hearings Officers at IPONZ, modelled on the UK independent Hearings Office, began in 1998. I was a lecturer then and was the first independent Hearings Officer. So that was quite a unique experience. There was nervousness in the profession about how things were going to change but I think the profession quickly got on board as having independent hearings became valuable for the system.

I remember my first hearing very well. It was around a small procedural matter. I took a pragmatic

approach to the effect of saying, “Yes, you can have the extension of time and it starts now.” That sort of surprised some people in the profession. But it met the justice requirements in the circumstances. Because there hadn’t been independent Hearings Officer decisions, I did a lot of work which is still embodied in the decisions, about gathering together all the relevant case law (mostly I did trade marks hearings), and putting them in decision format appropriate for oppositions. There was a lot of ground work in getting that going as few IPONZ decisions referred to cases of the courts and if they did, they were rather selective.

When I was first appointed, some of the profession were kind of surprised, I assume because I didn’t qualify as a patent attorney previously. But I think they warmed to the idea. As things got going, they could see the value of the system. Once I had done that for quite a while, it was good to move back to the academic analysis. It’s not that trade mark cases aren’t interesting but at that point other than having different sets of facts, what does one do? Of course after the *Trade Marks Act 2002* (New Zealand) was updated, the system has had to adjust accordingly.

Q: You were Chair and member of the New Zealand Copyright Tribunal from 2008 to 2019. Tell me a bit about the work of the Tribunal and some of the more interesting issues you encountered serving as Chair and member.

A: I am still waiting for my replacement to be appointed. The Tribunal has two jurisdictions. One is analogous to the Australian jurisdiction which is the licensing jurisdiction. It’s a bit different in New Zealand because we don’t have the statutory licensing regimes that exist in Australia. The second jurisdiction was created for repeated infringing online. After going through a three-notice system, the copyright owner could apply to the Tribunal to have their copyright enforced.

The licensing system has not had many cases. There are some that happen behind the scenes that don’t get reported but we had one extensive case that was reported, *Phonographic Performances (NZ) Ltd v Radioworks Ltd & The Radio Network of New Zealand Ltd*.¹ That was around the royalties paid for sound recordings played on the radio. It resulted in several weeks of evidence and submissions before the Tribunal. It was like a specialised court at first instance. That’s quite an experience and it does raise questions about the pros and cons of having that kind of specialisation outside of the generalised court system. There were several economists and econometricians who gave evidence and so we adopted, with the parties’ consent, the procedure sometimes called

“hot tubbing”, where all of the economists and econometricians sit together and agree certain things and make the points of disagreement clear. That was very effective. It’s adopted, at least in New Zealand, from competition law cases and the QCs who were counsel in that matter were on board with that procedure.

Copyright owners, not just users, did not like the repeated infringing online system. There is plenty written around that. New Zealand’s *Copyright Act 1994* is under review so it will be considered. But it was pretty much a world’s first and whilst users and copyright owners will measure it by their own success, or otherwise, another way to look at it is to consider regulatory experimentation. Copyright owners wanted a quicker system whereby they were able to bring claims within a certain sphere. It’s not appropriate for me to comment on what they consider the difficulties to have been, but I will say that it’s valuable to have that kind of regulatory experimentation. In the world of digital copyright, it’s not as if anyone has come up with a very good solution yet.

Q: You were also President of the International Association for the Advancement of Teaching and Research in Intellectual Property (“ATRIP”) from 2015 to 2017 and have been a member of the ATRIP Executive Committee since 2011. What are the main objectives of ATRIP and what were some of the highlights of your Presidency?

A: What’s important about ATRIP is that it’s for academics. One of the reasons we don’t involve practitioners is not because we don’t like practitioners, rather because there are so many IP events with practitioners or with practitioners and academics. The purpose of ATRIP is to foster the academic discourse, as well as the teaching of IP. What’s fantastic about ATRIP is it involves a lot of leading and senior international scholars as well as junior scholars. During my Presidency and the Presidencies before me and after, we have done a lot of work expanding ATRIP to the developing world. That’s a challenge because it’s not just about understanding resources in foreign languages. It’s also about involving marginalised communities and encouraging scholarship. The higher quality that academic institutions are, the higher quality their teaching can become. I’m not talking about rankings here I’m talking about diversity of engagement and understanding of the issues in diverse communities.

It was quite an honour to be President but it’s also a lot of work if you want to do it the right way. The highlight of the ATRIP year is a conference where we move around the globe. The President usually hosts

one away and one at home. Hosting the conference in Wellington was a lot of fun. The one I hosted away was in Krakow, Poland, which was a fantastic experience. We now have five or six very active Polish academics within ATRIP. So that achieved one of its goals. Poland is a very interesting country for IP because it has a very different background from New Zealand and Australia but it's a country full of innovative start-ups struggling to find the right IP system as well as being part of Europe. Poland is ripe for development opportunities, but unfortunately having a rocky time with the rule of law.

Q: How do you view the relationship between academia and practice in IP law?

A: There are plenty of academics who listen to practitioners, plenty of practitioners who listen to academics and plenty in both groups who don't connect. To some extent that's a personal choice. One of the things I have always hoped I was reasonably skilled at is communicating the policy issues and international law to non-academic audiences. Because I do a lot of work around trade and IP, a lot of the communication work when I'm in Wellington is with government officials who may not be IP specialists at all. But I also think it's very important that there is good communication between the traditional IP profession and academia. There is a tendency for projects and cases, quite understandably, to turn on their facts, and the profession doesn't necessarily have time or the inclination to look at the systemic effects of IP law on societal issues and innovation incentives. Whereas analysing systemic effects is part the whole joy of academia.

Q: What is your best advice to those currently studying IP law who wish to pursue it as a career?

A: Well it depends on where you are pursuing it as a career. It is a bit different in Australia than it is in New Zealand and that's mostly a question of size and scale. Of course, the Trans Tasman qualification system perhaps brings some of those things closer together. My advice is to choose the area that interests you. People do end up specialising in patents, for example, often because they have science qualifications but there are other reasons to specialise in patents, such as if you have an interest in health care.

Others may head into trade marks. New Zealand and Australian small businesses use trade marks disproportionately to other types of IP. There is a growing understanding that trade marks don't do everything that people think they do. Certainly if people are interested in working with business, trade mark specialisation is often an important area. And copyright is always hard to get a job in. People really

love copyright but overall there are fewer jobs in the field.

One of the challenges in some of the firms, outside of the IP speciality firms, is there's almost an expectation that you will know all of IP and that's both good and bad. From my own perspective, the fact that I have worked in patents, copyright, trade marks and some of their associated rights and that I write in all those areas is really useful. Have I read all the cases in all the world on those areas? Of course not. So what's my advice? Choose the area that you are really interested in because you are going to become more of an expert. Of all the things that working in law teaches us, if you are not really interested, it's not going to work out well.

Q: You teach University courses on the protection of mātauranga Māori (traditional knowledge) and regulation. In the opening chapter of your book edited with Peter Drahos, *Indigenous Peoples' Innovation: Intellectual Property Pathways to Development* (ANU Press, 2012), you write:

Perhaps the most important thing for indigenous innovation is to make 'indigenous innovation' rather than traditional knowledge the primary term of art in this field.

Why do you think this is so important?

A: The discourse around the protection of traditional knowledge is still caught up in the notion of "traditional" in the sense of old and "knowledge" in the sense that we are told it is not patentable or the subject of copyright. Consider, for example, the maxim of copyright that you protect expressions not ideas or facts, and that patent law protects applications not discoveries, then "traditional knowledge" immediately takes you outside that IP zone because the phrase implies that it belongs in that old, knowledge category. That's not to say that indigenous peoples' knowledge should be slotted into an IP system, but rather where such knowledge and the IP system overlap. Often where they do overlap an IP claimant has used traditional knowledge to progress innovation. However, that is not just taking the knowledge, that is often taking the systems' type innovation that is embedded in the culture of indigenous peoples and applying it to product innovation that is recognised by the patent system or, indeed, possibly also in the copyright and the design systems.

If you conceive as one being knowledge and the other being innovation, then the innovation side is always going to extract from the knowledge side. But, in fact, there are many examples of indigenous peoples using their knowledge for development and

innovative purposes. The IP system is systemically geared to extract from that type of system innovation. The IP system doesn't recognise the institutions of indigeneity, such as tribal norms and customary law. Rather the IP system encourages borrowing from those sources on the basis that the knowledge is in the public domain and puts it into its own institutions. Once you start to see much traditional knowledge as involving considerable innovation, then you can enter into a discourse about working together and effective interface mechanisms between the two systems.

Q: You also acted as a consultant expert to the Waitangi Tribunal on the Wai 262 flora, fauna and indigenous IP claim (Waitangi Tribunal Report, 2011 Ko Aotearoa Tēnei). What was that experience like?

A: The claim itself was really important and, in terms of international debate, it probably leads the world in pointing to ways to actually balance IP and indigenous peoples' rights. The recommendations in the report have not fully come into law in New Zealand. The Government is looking at it again and planning a detailed response. In the evidence-giving stages of the claim, the Waitangi Tribunal, although it has offices in Wellington, and it can sit in a way that looks a little bit like a court, it also goes out to marae [Māori meeting grounds] and to the areas where the Māori claimants are. As a non-Māori New Zealander, there is plenty of Māori culture that one can seek out and absorb. As part of that claim, I did go to parts of New Zealand, on Māori marae and was hosted by Māori who I would otherwise have never met. That was a different atmosphere.

Māori are the tangata te whenua [people of the land] of New Zealand. Whilst I was hired for that role because I was the first person to have written about Māori IP in an academic context in New Zealand, it was that experience that gave me the depth of understanding that I have of the traditional knowledge-based innovation claims. Partly, the answer to this question is the answer to your previous question. I see the inequality that occurs and that traditional knowledge is in fact full of innovation, albeit framed in different ways from IP, because of that experience. We say things like "we honour the people of the land" but I honour the tangata te whenua of New Zealand for teaching me a lot. By the way, I've recently been appointed as a member of the Waitangi Tribunal.

Q: With respect to the Wai 262 claim itself, how do you see its connexion to the IP legislation?

A: The claim discusses the Trade Mark Advisory Committee in New Zealand and it recommends

developments of that. It also recommends other changes to the legislation. Similarly, it looks at issues around the patent system and the plant variety system. Without going into all of the detail, I see that a key question is how the two systems are going to interface. What do I mean by two systems? There is IP and the protection of indigenous peoples' innovation and knowledge (noting that systems may or may not exist to protect it).

While acknowledging that indigenous innovation needs more protection, the most traditional IP aspects ripe for legislative intervention is where and how they interface. Interface means things like trade mark objection systems, disclosure of genetic origin of things used in the research process and eventually the patentor plant variety system. Those interface mechanism doesn't answer all the needs and claims around protecting traditional knowledge or indigenous innovation, IP doesn't answer all of those claims. But where the two systems conflict, the ability to sort out that conflict is the important part – the interface. That's where I see the biggest role of IP legislation. IP needs to reckon with how it will, fairly and in recognition of indigenous rights, interface with those systems. By interface I mean work with, not extract from.

Q: Your research also focuses on international IP law. What is it about exploring IP from an international perspective that attracts you?

A: It's because it combines many theoretical and practical questions to unravel. What are international obligations? I'm the first to say that international IP protection is really important but it has its rational limits. In many areas we have well and truly passed the rational limits and the debate needs to be not so much about "do we have enough international protection or don't we?" but where do we find the middle ground; society's optimal level of IP protection and access? To answer this properly we need quality legal academic research and analysis from other disciplines: international relations and economics included (international trade is of course heavily mired in economic theory and the law derived from that economic theory).

We are also amidst a time where investor state dispute settlement has been used by IP owners and where its framework is highly contested both politically and socially and where the World Trade Organization ("WTO") is struggling to survive as appointments to its Appellate Body are blocked by the United States of America ("US") (blessed be the complexities of the US!). These developments risk IP functioning as a form of protectionism that can get out of control. The multilateral system can temper that one sidedness.

One thing Australia and New Zealand really do agree on is that the international rules-based system is better for smaller economies and we need multilateralism. Why does the international perspective interest me? Because it brings in such a complexity of issues. It's not just about knowledge or about what's going on in the Patent Office, for example, it's about the analysis of how different frameworks for IP protection and other social interests either conflict or could work together.

Q: Are there any key IP issues you would like to see addressed, either by the courts or by the legislature?

A: I would name two things. One is about legislation – domestic law. Whilst it's fair to say that New Zealand operates the most statutorily recognised protection of indigenous peoples' innovation, in terms of the way we have some of the interface mechanisms to address Maori interests. And acknowledging that the Government intends to respond fully to the Waitangi Tribunal report, the time has come for the IP world to recognise that New Zealand, and Australia even (although the systems are very different and the histories of indigenous peoples are very different), ought to stand very firmly behind recognising the value of protecting indigenous innovation. Both countries do to a certain extent in very different ways, but enough delaying already! Yes, some issues are complicated but there's a lot of work by a lot of people showing how indigenous IP rights can be protected, even if it requires some regulatory experimentation. These countries in very different ways, New Zealand in particular, could lead by considerable example. It's always struck me as very interesting that Australia puts quite a lot of money into the international process at the World Intellectual Property Organization ("WIPO") – far be it for me to comment on Australian politics – but what about the national process? Much work has been done in IP law. There is an enormous body of literature, including by several New Zealanders and Australians, who have shown how to have a balance between competing rights. There are also several people working in the field who have made a contribution working fairly and consultatively with indigenous peoples. The legislature needs to catch up.

Internationally, I could say a similar thing about traditional knowledge and the WIPO process, however I'll chose a different focus. The WTO agreed that international agreements would be interpreted in accordance with the *Vienna Convention*² rules on interpretation. But time and time again, domestic legislatures and even the WTO system (although it's getting a little better) ignore the *Vienna Convention*.

They pay lip service to it. I've done a lot of work around what is the object and purpose of IP. It's part of the ordinary meaning interpretation exercise under the *Vienna Convention* rules. If the international IP system is to function well, it really needs to get on top of what the object and purpose of international IP is: it's multi-faceted and multi-levelled. Professors Rochelle Dreyfuss and Graeme Dinwoodie have advocated developing an "international *acquis*" about the purpose of international IP. Instead of it being an economic fight between the haves and have nots, I would like to see a proper international discussion about the role of international IP agreements. I don't think that will happen in a hurry outside of academia. At one stage, Francis Gurry, Director-General of WIPO, suggested having a "blue skies" discussion along those lines, outside of the negotiation process. Perhaps unsurprisingly politics meant that discussion has not happened. But even that comes back to your question around the relationship between academia and practice of IP. Here it's not the practitioners, it's the regulators. They do and need to continue to pay ongoing considerable attention to the expertise in academia.

Q: Generally speaking, where do you think lie the future challenges in IP law?

A: Whilst New Zealand and Australia are experts at doing bilateral or sometimes plurilateral trade deals, both countries recognise that the multilateral is ultimately preferable. That is a challenge, particularly for IP. IP has transformed in the last 20 years. The effect that it has on society is now much more widely understood. It used to be a very niche area and the expansion is good for IP. Some practitioners seem to have thought that they are going to lose their niche, but actually what we've seen happen is an expansion of niche requiring the IP lawyer to have a much broader skill set. Take understanding the traditional knowledge innovation debate, it actually helps you shine a light on the traditional patent debate in a very different way. The challenge internationally is returning to the multilateral where it can have positive effects. That looks extremely challenging at present, but never say never. People thought the TRIPS Agreement³ would be a never.

[Our conversation, amid a 16 hour time difference between New York and Melbourne ended here, before the extraordinary effects of COVID-19 had spread to North America or the Pacific. However, a week after New Zealand and Australia imposed unprecedented travel restrictions, I emailed Professor Frankel the following question, keen to hear her opinion.]

Q: What do you foresee as the major IP issues to come out of the COVID-19 pandemic?

A: The problem of relying on patent incentives to innovate and the disproportionate power it gives to private interests is now more evident than ever. Of course, there are some patent owners who are working really hard to find a treatment, a vaccine and improved diagnostics around COVID-19, but that doesn't mean the system as whole is functioning as well as it might. There is heavy reliance on those with relevant information choosing to share it rather than sharing information to resolve a pandemic being the starting place and the expected norm. Health systems around the world have been progressively stripped of resources – many of them can demonstrate that by far and away the biggest proportion for their costs is pharmaceuticals. The cost of which patent law has allowed to be disproportionate to any expense on R&D (of course much of that expense is asserted

and not publicly available). The combination of pared back public health systems, the cost of pharmaceuticals and diverse incentive structures are being put to the test in COVID-19. Patent law is not the cause of the problem but it's also not enough of a solution. We need much more entrenched and well-funded research institutions that function regardless of patent incentives. There are some but will they be enough? The outcome of COVID-19 will tell us.

1 [2010] NZCOP 1.

2 *Vienna Convention on the Law of Treaties*, opened for signature 23 May 1969, 1155 UNTS 331 (entered into force 27 January 1980).

3 *Marrakesh Agreement establishing the World Trade Organization*, opened for signature 15 April 1994, 1867 UNTS 3 (entered into force 1 January 1995) annex 1C.