

2016 FD1  
Final Markscheme

**PART A**

1. You filed a UK application for your client on 16<sup>th</sup> September 2016 claiming priority from a Chinese national application filed in Chinese on 17<sup>th</sup> September 2015. The application was filed by reference to the Chinese application and contained claims and an abstract and all formalities regarding search were completed on filing.

Your client asks what further actions are required to ensure the case proceeds to publication.

**Write notes for a follow up call with your client.**

**7 marks**

**Mark Scheme**

- 101** Designation of inventor  
**102** due by 16m from priority date (17 Jan 2017)  
**103** Provide certified copy of the Chinese document;  
**104** Translation of the priority document  
**105** by 4 months from FD (16 Jan 2017)  
**106** Provide the description (needs to be clear this is a separate act from providing a translation)  
**107** by 2m from the filing date (16<sup>th</sup> nov 2016)

2. You are contacted by KitchenBitZ Limited (KBZ), which has been developing a new toaster having an unusual appearance. The toaster has been in development since the beginning of 2015 and was first offered for sale through KBZ's website in August 2015.

KBZ has received a letter from a major appliance manufacturer, Deutsch GmbH (D), drawing attention to its GB registered design GB-RD1 which clearly shows a toaster that is essentially the same. GB-RD1 was filed in July 2015 without any claim to priority.

KBZ asks what it should do as it clearly infringes GB-RD1, but has made a significant investment in the design of the toaster. Moreover, the appearance of the toaster can be carried over into other small kitchen appliances and this could be a very profitable extension to KBZ's business, although no work has been carried out so far.

KBZ tells you their new toaster design has been noticed by another UK company which has expressed interest in either taking a licence or purchasing the rights to the design.

**Make notes, relating to registered designs only, in preparation for a meeting with your client.**

**10 marks**

- 201.** Was there a prior disclosure which would invalidate D's registered design  
**202.** KBZ may have prior user rights because development started well before filing of GB-RD1.  
**203.** Need to show KBZ has made **serious and effective** preparations to use the design prior to the filing of GB-RD1.

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204. This is likely to be the case – **reason needed** - (e.g. given that there was 6 months of development prior to GB-RD1 filing and only 1 month afterwards till sale or because of the significant investment).
205. If copied there is infringement and KBZ must stop making and selling the toaster.
206. (If not copied)... write to D to explain existence of prior user rights.
207. Cannot extend the prior user right to use of the design to other small kitchen appliances (no preparations for such purposes).
208. Cannot licence the prior user right to a third party.
209. Can assign the prior user right but only if assigned with the relevant part of the business
210. No protection is available for the other kitchen appliances.

3. You are prosecuting a UK Patent Application on behalf of your client Sylvia Sharp, a private inventor. You filed GB1 on 17<sup>th</sup> December 2015 disclosing and claiming novel razor blades for shaving that had a special pivoting safety catch. All formalities were completed on filing.

On 4<sup>th</sup> March 2016, Ms Sharp signed an agreement with a well-known manufacturer BladeZ Ltd. to co-develop the new razor blade.

A couple of months ago Sylvia Sharp contacted you and asked you to file a further application based on an unrelated improvement. You filed GB2 on 19<sup>th</sup> August 2016 jointly in the name of Sylvia Sharp and BladeZ Ltd. Sylvia Sharp was the only named inventor.

Yesterday you received a call from Sylvia explaining that she believes the razor blades will be commercially very successful but as she has not received a payment from BladeZ Ltd which was due in June 2016 she no longer wishes to work with them and wishes to work with another interested company instead. She asks you to change the joint application so that it is only in her name so she can proceed alone because she says she had the idea for the improvement whilst on holiday with her family. Alternatively she suggests abandoning the application altogether as she believes her improvement to be obvious over her first invention.

You check the agreement and find the following information:

- All further patent applications arising from work directly undertaken as part of a specific defined set of experiments in the co-development agreement would be jointly owned.
- BladeZ Ltd have an exclusive licence for GB1 and any future patent applications arising due to activities devised directly during and under the Agreement.
- Termination of the agreement will occur if payment is not made within 3 months of the due date and the Agreement will terminate as of the final date in which payment could have been made.

**Prepare notes for a meeting with your client.**

**10 marks**

- 301 The Agreement terminated in Sept 2016 due to non payment.
- 302 There is no automatic transfer of a joint application to one of the applicants if the agreement is terminated.

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- 303 We need to show that Sylvia made the improvement on her own time and by herself? i.e. not as part of the agreement.
- 304 Otherwise current position is that BladeZ Ltd joint applicants and entitled to the invention.
- 305 Sylvia needs to ask BladeZ to agree to remove them as applicants from the application
- 306 Sylvia will need to proceed with entitlement action (S8).
- 307 and the Comptroller may decide to allow the second application to continue in the name of Sylvia Sharp alone.
- 308 Sylvia should not abandon the second application **because** the second application needs only be novel over the first as GB1 has not yet published.
- 309 Sylvia has no right to licence or assign GB2 unless joint ownership is remedied.
- 310 Sylvia Sharp could licence/assign GB1 if the agreement has terminated.

4. Your client Mr Argent comes to you with a new invention.  
It is a phone App for coin enthusiasts, which enables the user to scan a monetary coin and get information about it.  
Mr Argent explains that the phone is simply held over the coin and the App then takes a photo of the coin and tells the user information about it. The App uses a new algorithm to identify the image of the coin and match it to data held within the App and the information is displayed in a useful tabular form.  
Mr Argent says that the algorithm works well if a good image can be obtained. He found that in order to get a good image, the coin should be cleaned first and he has developed a special cleaning wipe which enables a particularly good image to be captured. He plans to sell trial packs of wipes as part of promoting his App.  
Mr Argent is very keen to protect his invention with a patent because confidential market research has been promising and he plans to launch the App soon.

**Write notes for a meeting with your client commenting on the patentability in the UK of each aspect of your clients ideas.**

**5 marks**

- 401 The algorithm on its own is likely to be construed as a program for a computer and is, therefore, not an invention under UK patent law (or a mathematical method).
- 402 Application of the algorithm to identify the image of the coin is potentially patentable if it has a technical effect (some discussion on whether this is the case).
- 403 The tabulated info per se amounts to presentation of information and therefore not an invention.
- 404 The wipe on its own may be patentable due to it being a “special” wipe some **justification required**– (need to check material/active ingredients)
- 405 The app in conjunction with the wipe may be patentable as either a method claim (or as a kit of parts if the benefit of using them together is unexpectedly enhanced).

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5. Mr Smith, a new client comes to you with the following problem:

*“We produce various types of cat flaps, including a special high quality one which incorporates a personalised entry system. The special cat flap is our most important product and is protected by a granted GB patent. Our patent portfolio used to be managed by our in-house IP Coordinator Mr Jones, who recently left the company. Today I received a call from Mr Jones who was laughing and said that he had intentionally not paid the renewal fees on our patents and last month set up his own competing business producing the special cat flap. Mr Jones, knows this is our flagship product and that our patents are critical in defending our business from competitors. This seems so unfair. What can we do?”*

Your checks show that the patent was filed on 13<sup>th</sup> April 2008 and granted on 24<sup>th</sup> March 2011. The 2015 renewal payment was not paid on time or during the grace period.

**Write notes for a meeting with your client**

**9 marks**

- 501 Restoration is possible until 30<sup>th</sup> Nov 2016 (end of Nov 2016)
- 502 Advise applying asap **because...** (e.g. cannot enforce against Jones/stop 3<sup>rd</sup> party rights developing)
- 503 Need to show payment was missed unintentionally
- 504 Intention is that of the Applicant/Mr Smith/Company
- 505 ...therefore....Can expect that restoration will be allowed
- 506 Although actions started after grace period ended, Jones is not acting in good faith
- 507 Jones will not have accrued the right to work the invention.../..therefore is infringing
- 508 Enforce against Jones once restored
- 509 Discussion about interim injunction.

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6. A new client, Mr Edwards, is the inventor of, and wishes to commercialise, a new type of coffee machine which makes better tasting coffee. He tells you that, to help increase sales when he puts his coffee machines on the market, he has been in contact under confidence with Coffee Monthly magazine who have agreed to publish a detailed article on his coffee machines. To date, the new coffee machine has not otherwise been publicly disclosed.

Mr Edwards tells you that 3 years ago, he filed a GB patent application relating to his coffee machines (“GB1”) and then filed a PCT application a year later (“PCT1”) claiming priority to GB1. Unfortunately, he was running low on funds and so decided to abandon the project and he withdrew both GB1 and PCT1 with no rights outstanding before publication of either application.

Mr Edwards now wishes to resume the project and would like to obtain patent protection. Furthermore, since coming up with his new coffee machine, he has invented a new nozzle for use in coffee machines such as his, which reduces coffee splashing when in use. Mr Edwards tells you that he wants worldwide protection of both the coffee machines and the nozzles as he expects the nozzles in particular to become a major commercial success for many years to come.

The latest edition of Coffee Monthly, which includes the article on Mr Edward’s coffee machines, has gone to print and will be published next week. Mr Edwards is unsure as to what next steps to take to best protect his ideas.

**Advise Mr Edwards on the best filing strategy, justifying your advice**

**9 marks**

- 601** Magazine publication when made will be prior art against later effective filing dates for coffee machines
- 602** Filings must therefore be before magazine publication.
- 603** Statement of Paris convention/priority required which specifically relates to it not being possible to re-set the clock for priority claim/A priority claim for coffee machines is not possible/not valid because GB1 already served as a priority claim for PCT1.
- 604** Generation of a new/first filing for nozzle subject matter is possible (as not yet served as a priority claim)
- 605** File PCT2 or national applications in respect of coffee machine **not claiming priority.**
- 606** File either as part of PCT2 or a separate case (national?) in respect of nozzles.
- 607** File PCT3/national cases 12 months after initial nozzle filing
- 608** Claim priority for nozzle matter in PCT3 from PCT2/priority founding case
- 609** in order to maximise term for the nozzles subject matter

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**PART B**

7. Your client is the owner of European Patent EP1 which designated and was validated in all states on grant. The patent discloses paint having a specific UV stabiliser to prevent fading, the stabiliser being present in an amount of 0.5 – 1% by volume of the total volume of the paint. Other stabilisers were known in the art but this one is particularly effective for paint which is often in bright sunlight.

The claims of the patent are:

1. The UV stabiliser per se
2. Paint having the UV stabiliser in a range of 0.5% - 1% v/v
3. Paint having the UV stabiliser specifically at 0.8% v/v (*your client tells you this is the best amount for south facing rooms*)

Your client has received a request for a declaration of non-infringement from a competitor who writes:

*"We wish to import paint from a supplier in Greece for sale in the UK. This paint contains the same stabiliser as your paint, but in a lower proportion of 0.75% of the total volume. A sample is included for you to test. Insofar as this paint falls within the scope of your claims we believe them to be invalid over GB-Z a copy of which is enclosed. Therefore we ask you to confirm that we do not infringe or we will seek a declaration from the Comptroller."*

EP1 was filed on 2<sup>nd</sup> April 2007 without claiming priority. It granted last year and was unopposed. All renewal fees are up to date.

You carry out a search and find GB-Z was filed 28<sup>th</sup> February 2008 claiming priority from GB-X which was filed 1<sup>st</sup> March 2007 and there are no foreign equivalents. GB-Z published 19<sup>th</sup> September 2008. The case discloses a clear varnish that can be brushed onto paintings and the like in order to protect them from the harmful effects of sunlight. The UV stabiliser is indeed the same as that found in your client's paint. In GB-X only one example and claim were present to a specific embodiment of the varnish having 0.6% v/v of the stabiliser. When GB-Z was filed several other examples were added as was a claim to a varnish having a range from 0.5-1.0% v/v of the stabiliser.

**Write notes for a meeting with your client.**

**25 marks**

**Validity.**

- 701.** GB-Z is citeable in the UK only for novelty against your client's case.
- 702.** It is not citeable in other jurisdictions because it is a prior filed national right.
- 703.** GB-Z range of 0.5-1.0% has an effective date of 28<sup>th</sup> February 2008.../...or is not entitled to priority.
- 704.** GB-X specific embodiment has an effective date of 1 March 2007.../...is entitled to priority.
- 705.** Claim 1 of your client's patent is not novel.
- 706.** Claim 2 may be novel depending on the construction of the term paint (some discussion of this term is expected- conclusion of novel without discussion does not attract the mark).
- 707.** If yes (paint=varnish), then the claims with the range are not valid.../... or if no (paint ≠ varnish) then these claims are valid.

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- 708. Claim 3 is valid in either event.
- 709. Comptroller may revoke the EP(UK) designation.
- 710. But will first give the client the chance to file amendments.

**Amendment**

- 711. Leaving the patent partially invalid will impact damages awarded at trial.
- 712. Suggest deleting invalid claim 1.
- 713. Suggest looking for a tailored amendment/use a disclaimer to overcome the potential novelty objection over the embodiment in claim 2.

**Infringement.**

- 714. Potential infringement of claim 2 if varnish is not paint.
- 715. Potential infringement of claim 3 if construe 0.75% to be equal to 0.8% (numerical appreciation)
- 716. Discussion on whether 0.75% shares same beneficial technical effect.
- 717. Respond to competitor refusing the request (for a declaration of non-infringement).
- 718. ...this could lead to litigation for your client (before Comptroller/court which is expensive and time consuming).
- 719. GB-Z if still alive may be infringed if your client is e.g. producing the paint.
- 720. Can retain full scope in the rest of Europe including Greece.
- 721. Attempt to find out who is producing the paint.
- 722. Is the person producing the paint licensed?
- 723. If so has there been exhaustion of rights?
- 724. Seek local advice as to how to bring action under the product claim in Greece
- 725. ..which would have the effect of stopping the sale.

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8. Your client, **Doc**, contacts you.

*"I am the inventor of a successful new type of pencil made entirely from recycled materials. The shaft is made from processed shoe soles and the centre is based on a waste-soot/wax composite. This new product has revolutionised the pencil industry.*

*At the beginning of my development I encountered a problem with the consistency of the centre composite and so I approached a company "MAXWAX" that specialises in manufacturing and supplying wax products, and which has a prolific library of materials.*

*We signed a simple 2-way confidentiality agreement and I told them about the problem. A few weeks later they gave me a sample of a soot/wax material with a high carbon content to try, along with the full specification for the material and it worked brilliantly. My pencil is in huge demand and I may struggle to keep up with future demand!*

*Before I launched my pencil, I had a European patent application filed naming myself as sole inventor, which has recently published.*

*I have now received a letter from MAXWAX saying that I have breached confidentiality and that the patent application belongs to them! What can I do? I spent years developing this product and making it the success that it is."*

You check the patent application and find that it has published with the following claims:-

1. A pencil comprising a shaft and a soot/wax composite.
2. A pencil as claimed in claim 1, wherein the shaft comprises processed soles of footwear.
3. A pencil as claimed in claim 1 or claim 2, wherein the soot/wax composite has a high carbon content.
4. Use of a high carbon content soot/wax composite in a writing implement.

The description includes a passage detailing the full specification of the MAXWAX material.

There were no citations in the search report.

**Write notes for a meeting with your client.**

**25 marks**

Confidentiality

- 801** Was the material supplied by MAXWAX commercially available at time of supply/when the patent was filed?
- 802** If yes was the use as a writing implement known?
- 803** If not, then Doc has breached confidentiality
- 804** check contract for possible outcome.
- 805** MAXWAX could sue Doc for damages.
- 806** If previously disclosed and not confidential then claims are novel but may not be inventive?

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Ownership

- 807** Check the agreement/contract for inventorship clauses.  
**808** In the absence of IP clauses ownership follows inventorship.

Inventorship

- 809** Was the wax, which was supplied by MAXWAX, specially developed to address the consistency problem?  
**810** If so, then MAXWAX have contributed to the invention.  
**811** Or was the wax picked out of their existing library of materials?  
**812** Discuss possibility that this might be routine experimentation or an inventive selection?  
**813** If pulled out of their existing library they may already have filed IP on the composite material – check.  
**814** also check (watch for) whether any later filed applications directed to pencils have been filed by MAXWAX  
**815** Claims 1 and 2 are owned solely by Doc.  
**816** Claim 3 may be owned jointly by Doc and MAXWAX or MAX WAX solely – justification needed.  
**817** Claim 4 may be owned jointly by Doc and MAXWAX or just MAXWAX – justification needed.  
**818** Entitlement is not dealt with under EP law and will be decided by Nat law.  
**819** In GB MAXWAX could bring ownership action under Section 12 for claims 3 and/or 4  
**820** Joint applicant however, is not a preferable position for your client.  
**821** should recommend a separation of the claims/subject matter into separate applications.../... or agreement that a divisional would be filed.  
**822** Client should be made aware of potential enablement/sufficiency issues relating to claims 1 and 2.  
**823** Note that grant of the application seems likely ...due to e.g. clear search report /revolutionised market

Advice

- 824** Given success of pencil and existing supply chain – may be prudent to come to an amicable agreement eg license. (some commercial comment required)  
**825** ....if he wishes to work with another party down the line to meet demand he could not license without MAXWAX's permission.

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9. You meet with a new client - a small British company **ProtectZ (P)** who manufacture and sell mouldable mouth guards for rugby and hockey. **ProtectZ** is the exclusive UK licensee of patent GB1 (the national phase entry equivalent of PCT(1)) owned by **Enterprise Ltd (E)**. **ProtectZ (P)** has discovered that a large multinational company **GumZ (G)** based in the UK but with branches worldwide have been manufacturing and selling in the UK the very same mouthguards. **ProtectZ (P)** only became aware of this because they noticed a significant drop in the last two month's sales figures and has since discovered that this directly correlates with when **GumZ** came on to the UK market. **ProtectZ (P)** has written to **GumZ** to tell them they are infringing Patent GB1 and that they need to cease manufacture and sale in the UK immediately and bringing their attention to the patent and the licence. He has now received a reply from **GumZ** thanking him for his correspondence but drawing his attention to their licence under PCT1 and any subsequently granted rights which was granted by **Enterprise Ltd**. The licence agreement is an exclusive worldwide licence to manufacture and sell the mouthguards. Bob has sent you some documents and arranged a meeting with you to discuss what can be done to stop **GumZ** manufacturing and selling in the UK.

You look into the situation ahead of your meeting and find the following information.

- PCT1 was filed on 29<sup>th</sup> April 2010 and has two claims
  - 1) A thermo-plastic moulding material X.
  - 2) A protective gum shield comprising a thermo-plastic material X.
- You carry out a search and find a journal dated 11<sup>th</sup> November 2009 disclosing the thermo-plastic material X but for use as a child's toy building block.
- On checking the register you find that the last renewal fee has not been paid.
- The licence agreement signed by **ProtectZ** was dated 17<sup>th</sup> August 2015 and registered at the United Kingdom Intellectual Property Office on the following day. The agreement accords P the right to take action for infringement.
- The licence agreement signed by **GumZ** was dated 2<sup>nd</sup> January 2015 but had not been registered at the UK patent Office.

**Write notes for a meeting with your client**

**25 marks**

- 901 threats not an issue **because** company G is a manufacturer.  
 902 However, G did not register licence at patent office before the later license was agreed.  
 903 Licence signed later by P but P had **no reason to be aware/knowledge of** G's licence so their licence is valid.  
 904 Validity of P's licence should be explained to G.  
 905 P as an exclusive licensee and therefore has the right to take action.

**Validity**

- 906 Current claim 1 not novel due to journal article  
 907 Claim 2 is novel because no prior disclosure for use.  
 908 Claim 2 is likely inventive **because...** (due to use being outside scope/different technical field or because not obvious to use a building solid material as a mouldable material?)  
 909 G's activities infringe claim 2.

**Injunction**

- 910 P could apply for an interim injunction

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- 911 Discussion as to whether damages are an adequate remedy  
 912 There is a serious issue to be tried e.g. loss of sales of P  
 913 balance of injustice e.g. because small business may not recover if put out of business  
 914 discussion about maintaining the status quo. (e.g. G only recently entered the UK market so should be prevented from continuing sales?).  
 915 sensible conclusion following on from previous discussion regarding whether an interim injunction will be granted  
 916 Enterprise will be nominal defendant to the action.  
 917 P will have to give a cross-undertaking in damages in the event that they are unsuccessful at full trial

**Actions**

- 918 Amendments to the claims should be made.  
 919 Amendment should be made quickly to avoid the impact of S62 (restriction of damages for infringement carried out pre-amendment)  
 920 It may be necessary to ask E to make the amendments as P is only a licensee.  
 921 Discussion whether G is likely to start invalidity action as they are licencees everywhere else in the world?

**Action**

- 922 Renewal fee was missed...but we are within the 6 month grace period (31 oct/end of month 2016 with a surcharge).  
 923 Can be paid by anyone  
 924 so client should pay asap/or ask E to pay asap **because** activities in the grace period give rise to limited damages.  
 925 As G manufactures in the UK an injunction here would control worldwide activities.

**25 marks**