

2004 PAPER P2 SAMPLE SCRIPT A

This script has been supplied by the JEB as an example of an answer which achieved a pass in the relevant paper. It is not to be taken as a "model answer", nor is there any indication of the mark awarded to the answer. The script is a transcript of the handwritten answer provided by the candidate, with no alterations, other than in the formatting, such as the emboldening of headings and italicism of case references, to improve readability.

Question 1

Today: 2-11-04

Renewal A: 3-04 (+6 = 9-04 → s.28)

Renewal B: 9-04 (+6 = 3-05 → s25)

Patent A

Fee originally due in March 2004 but payable late in six-month grace period until September 2004. This date has passed and patent lapsed. Hence Patent Office notice. However, can be restored (s.28) at any time up to 19 months from original due date (March 04) i.e. up to October 2005, if the patentee can show that reasonable care was taken to keep the patent in force. Can this be shown here? Arguably lapse unintentional and uncharacteristic slip in company systems as administrators taking over is unusual circumstance. Possible that restoration may be allowed in this case. Were staff responsible for Patents made redundant? It would appear that no responsibility was then assigned for IP renewals. Could be viewed as lack of care depending on precise facts. However I believe that restoration would be allowed here. Need to request restoration as soon as possible (PF/16/77) and file evidence (affidavit) to effect that reasonable care taken.

If restoration allowed should be aware that intervening user rights arise if anyone does or makes serious and effective preparations to do in the UK, and in good faith in the believe that the patent has lapsed acts falling within the claim scope. They and any partners in business of theirs will be able to continue to do that act (but not work the patent generally) and that right passes to the business on death. However, any act which began when Patent in force, or in six month grace period (s.25(4)) will continue to be an infringement. If restoration refused – can't get patent back but can take action for infringements occurring prior to lapse.

If product developed further and development confidential could seek new patent protection. Before I could take any steps, if he engages me, would have to engage with firm (conflict checks etc) and file authorisation to act (PF51/77) at the UK Patent Office.

Patent B

Fee originally due in September 2004, payable late with surcharge until March 2005. Recommend payment as soon as possible as surcharge is sliding scale (£0 first month, £24 for each additional month) and ensures if error occurs that time available to rectify it.

File PF12/77 and pay fees.

Any acts done in grace period are valid and any infringements infringe. No intervening user rights but damages may not be awarded for infringements in this period although injunctions are usually available (no evidence here of infringement).

No need to show reasonable care in applications under s.25(4). Late payment is as of right.

Question 2.

Clock – UDR/RDR/C-RDR

Escapement – component part v. normal use

Money – 6m

UK

Copyright

Will exist in the design documents for the clock. Not monopoly right but automatically comes into existence so limited protection until ‘stronger’ protection sought (see below)

UK – unregistered design right (UDR)

Client is qualifying person – protection available for 3D objects (shape of clock). Again automatic right but again not a monopoly. Also – escapement may not be protected as UK-UDR does not cover ‘methods and principles of construction’. Also clock must be original and not commonplace – prior disclosure of escapement in ancient times probably not enough to make ‘commonplace or destroy originality. Further combination of clock shape and escapement can be original in own right (farmers build).

Duration for marketed works – 10 years end of calendar year first marketing subject to licence of right (LOR) in last five years. (prior to marketing 15y end of year of designing. LOR – last 5 years)

UK – Registered design right (RDR)

Advise seeking RDR – either direct UK or via Community (see below). Monopoly right so copying not necessary. Duration 5x5 years filing = 25 years must be new and have individual character.

New: must differ in more than immaterial details – clock as a whole would. Must also not have reasonably become known to workers in the field specialising in novelty clocks.

Escapement ancient mechanism but only recently rediscovered. Probably not known in sector concerned.

Individual character – different overall impression – appears satisfied.

Exclusions: Component parts not visible in normal use. But escapement visible through case and probably new (see above) and individual in self. Therefore protection available for clock and escapement.

If cash short now – there is 12 month grace period to file in UK after designer disclosure.

Recommend filing as soon as possible as makes clearer whether novel/individual but if money not available have 12 months from first disclosure to file. Intervening disclosures not considered for novelty/individuality so no problem showing clock at exhibitions.

Europe

Copyright – as UK – Berne Convention

Unregistered design right (community)

Substantive requirements same as UK-RDR but copying needed to infringe. Protects for three-years from first making available to the public in EU. All 25 EU states so offers protection in UK too. – useful prior to seeking monopoly protection.

Registered design right (Community)

Substantively as UK-RDR.

Same issues apply.

Also has grace period.

Protects entire EU for cost of 2 to 3 national design filings. Maximum 25 years monopoly protection. (5x5 years) from filing date.

If interested in Europe wide protection recommend filing a community registered design application to clock as a whole. Registers (at present) in less than six months. No need then to file in UK. Alternatively – file in UK when money starts to come in then in community (within six months) claiming priority from UK filing.

No ‘double banking’ problem for designs.

US

Copyright

As UK/Europe.

Unregistered design right

Not available in US – closest is passing off provisions – costly

Design Patents

12 month grace period and can claim priority. Advise filing either UK/European application then claiming priority for US filing. Believe 20 year monopoly – verify with local attorney.

Question 3.

GB/03 – August 7-03, 5-3-03 – b. of. c.

9/77 – on time.

EP/04 – X – result of disclosure – 2(3)

At present EP/04 citable as s.2(3) art as priority date (21-3-03) is before GB/03-Aug filing date (no priority claimed) but published afterwards (Sept 04), designating UK. If not entitled to priority – not citable as filing date (7-3-04) is after filing date of GB03-Aug. No reason to believe not entitled to this date but must verify.

Regardless if GB03-March published has become 2(3) art without need to rely on priority claim. Check if GB03-March published (@21-9-04) and status (may be withdrawn to avoid s.73 revocation later) therefore must overcome these disclosures if to pursue GB/03August. However, seem to be entitled to rights in both GB03-March and EP04.

Also, inventor currently named appears wrong.

Therefore suggest approaching competitor and drawing attention to this fact. As breach of confidence must be proved at filing evidence of disclosure prior to their filings must be on file at UK Patent Office. Gives strong case. Request assignment (possibly in return for license to sweeten deal and make more amendable? Client thoughts).

License in return not necessary though as make it clear that in absence of assignment will bring entitlement proceedings and s.13 to add/change inventor.

There are costs involved but would be difficult for them to show that they'd independently invented so should win.

Entitlement proceedings would suspend prosecution of EP04 in Europe as published.

Assuming rights transferred would seem reasonable to withdraw or abandon GB/03August – unless same disclosure is patentable over EP/04 and pursue GB/03-March (if still pending) and EP/04 to grant obtaining protection that way.

If GB/03March still pending and as EP/04 designates UK would have to consider double patenting issues at some stage.

Check similarity of disclosures to see if worth pursuing all apps.

Question 4.

General

Ask to see letter – ensure it's not threatening – no reason at present to believe it is.

Seek further info on product.

Obtaining a copy of application

s.118(4). We can obtain a copy of an unpublished application by writing to the patent office and requesting to inspect file. Must enclose letter as evidence. Patent Office will forward request to proprietor and if doesn't provide good reason not to disclose it to you Patent Office will send you a copy after 14 days have elapsed.

Will let us read patents and see current claim scope and if you'd actually infringe it. Then set up caveat (PF49/77) to watch progress of application. Find out if prosecution accelerated. Look for other foreign filings – may be relevant to clients foreign activities – could end up with different claim scopes there.

Dealing with application

Can take steps to narrow scope so you don't infringe at grant by filing s.21 observations prior to grant (after published). We can comment on patentability but don't become party to proceedings. Please advise further on obviousness issue. Do you know of any specific art? Would help to build a good case file as soon as possible after publication (have at least a three month window) to ensure not ignored as accepted for grant.

Dealing with Patent

Once granted proprietor can take action – not before.

Can claim damages back to date of publication if your acts would infringe both claims published and granted but damages may be reduced for this period if not reasonable to expect your acts to infringe both sets of claims

Damages available for period after grant to extent patent valid, infringed and drafted in good faith with reasonable skill and judgement.

Injunctions – can't be sought until grant. May seek interim injunction – would have to give cross undertaking in damages. May be granted as validity of patent not considered in detail at interim stage. Judge considers if damages adequate remedy (possibly in this case), if not damage to you and competitor if injunction is or is not granted (can we show damage if injunction granted?); if doesn't provide an answer judge usually maintains status quo or as a last resort considers the merits of the case.

If granted – injunction remains through proceedings and appeal and only lifted if competitor loses.

If competitor proves infringement and validity (see below) injunction becomes permanent.

Could counteract infringement proceedings with action for revocation – seek on lack of inventive step and other grounds (e.g. added subject matter) if become available as result of prosecution.

Before court or comptroller. Both slow and expensive but comptroller less so. To choose comptroller would have to file for revocation before they brought infringement action. Joint statement so need agreement – otherwise their choice of forum unless both agree to use comptroller. Remember – inventive step decisions are difficult to predict as not black and white issue.

Could seek declaration of non-infringement before comptroller. If we don't believe you would infringe – either due to potential invalidity of falling outside claim scope – write to competitor and discuss issue. Seek non-litigative agreement.

Question 5

(a)

Not possible to bring proceedings before UK Patent Office simply to confirm validity. Therefore can't act on instructions.

Proposition A

GB5B probably invalid in view of document. Unless intervening publication available for novelty only in states other than UK – unlikely.

As I believe amendment necessary in Europe – objection must have merit. Would apply equally in UK. Therefore post-grant (s.27) amendment necessary in UK to ensure validity

Proposal B

True, if EP5 grants protecting same invention as GB5B and still designates UK. GB5B will be revoked under s.73 after giving chance to amend. EP5 not yet granted so could amend to cover different invention or withdraw GB designation before grant.

However, as GB5B appears to be invalid suggest maintaining EP5 to grant and validation in UK and surrendering GB5B (saves costs of s27 amendment or, alternatively of s73 proceedings). Surrender discretionary and may be opposed e.g. by competitor. Although as competitor raised issue motivation for opposing not clear. However, surrender is as of date of acceptance of surrender by Comptroller and not initio so will have existed for some time invalidity. Although not possible to action infringement for that time is possible (but unlikely) that someone could seek to revoke it.

Proposal C

Both claim same priority date. If each entitled to priority (assume so, I filed them) is irrelevant. If not EPS becomes 2(3) art for GBSB (if published with UK designation) but not case here.

c) Further proposals

Competitor must have some reason for sending letter. Probable GB3B encroaches on something he is doing or wants to do.

As not valid – would be unwise to seek to enforce GBSB – instead ensure EPS accelerated to grant so can rely on that and that preliminary protection obtained in UK when published by EPO (PF 54/77 and fee).

If EPS some way off grant – amend GBSB under s27 so can be enforced if necessary.

Question 6.

Inv – employed by D

→ D entitled, not in D's name in name of A.

(a)

Inventor employed by Dropabrik(D). Therefore D entitled to invention by virtue of employment of inventor but patent not granted to D, granted to AB.

AB not entitled to patent.

(b)

D has rights in equity don't want to assign to D to correct legal title as intends to sell D.

Suggest assigning rights in GB3 formally from D to AB to clarify claim of title. Obviously before sale of D.

Also amend register to reflect derivation of rights – correct form 7/77 (file PF 11/77 and pay £40 fee) to show derivation by assignment.

Question 8.

Issues

- effect of licence
- Entitlement to priority – EP8
- Validity of EP8 in UK
- Effect of EP8 in UK
- Prior Use
- Options/Action

Effect of licence

- Under UK law an exclusive licensee can bring infringement proceedings in own name. D's (Dresdens) letter therefore valid.

- must make G (Gifu) party to proceedings can do interim acts

- to claim damages licence must be registered at UK Patent Office (check this)

Entitlement of EP8 to priority

WX

Fully described in JP/A.

Use as dye described in JP/A therefore entitled to priority date of 12-9-99 as PCT filed 12-9-00

WY

Fully described in JP/B

Use as dye described in JP/B so entitled to priority of 12-12-99 as PCT filed within 12 months

WZ

as WY except formula incorrect in JP/B. Corrected in PCT.

need to see translation of JP/B.

Was WY described in other ways such as full name so that clear from JP/B which compound intended? If so – WZ entitled to priority date of 12-12-99.

If not WZ entitled only to filing date of PCT/JP8 which is 12-9-00

Validity of EP8

Three features – WX, WY, WZ. Some may be anticipated and some not.

WX

Known per se and use as dye identified in December 1998. Was this research published before 12-9-99? If so arguably use of WX not novel and very probably not inventive. Must verify whether institute of Halifax (H) disclosed studies prior to 12-9-99 but as publication likely – claim to WX appears to be invalid.

WY

WY not known as dye before 12-12-99. But if WX disclosed WX was and WX/WY structurally similar. Therefore claim to WY could lack inventive step unless behaviour such that physical properties different despite structural similarity (cf. H₂O & H₂S) Lack of inventive step would have to be clearly proven but possible inventive step attack.

WZ

May be entitled to priority date of 12-12-99. May only be entitled to filing date of PCT of 12-9-00 if entitled to priority:

JPC filed before priority (21/2/99) but published presumably 18 months later in August 00. Possibility (remote) of early publication – need to verify. Therefore intervening disclosure. Not available under s.2(3) in UK as not UK patent but available for novelty only (JP provisions mirror UK provisions) in Japan.

If not entitled to priority:

JPC probably full prior art (published before 12-9-00. Citable in UK.

As JP/C discloses WZ and use as dye – destroys novelty of WZ.

Validity summary

WX

Appears to be anticipated

WY

Possible lack of inventive step

WZ

If entitled to priority – JPC not citable in UK – valid

If not entitled to priority – JPC fully citable and anticipated

Effect of EP8 in UK

Either G or D could sue for infringement in UK.

Importation is an act of primary infringement (s60(1)) and therefore actionable against H.

EP8 granted so actionable now (injunction probably granted on basis of threat to infringe)

Verify properly validated in UK – translation filed and published within deadline (3 months ext under 110(3) and (4-6)) i.e. by 9-11-04 ext. at most to 9-1-05.

Assuming validated in UK. Action can be taken. However a defence available as WX appears anticipated and WY lacking in inventive step.

But have to prove in court and if WY found to be valid and amendment allowed to make claim valid – importation of WY would infringe and could lose money in damages and costs.

Prior use

Although importation not yet commenced may be able to show that serious and effective preparations made before priority date to import WX. Very difficult to prove but if proven provides a defence – can import WX without fear of action.

For: funding of research; Business plans; Negotiation with manufactures
Against: delay.

I believe extremely difficult to argue s64 defence in this case.

Options/Action

- Claim currently invalid by virtue of lack of novelty of WX
- amendment needed and amendment discretionary
- Possible s64 defence but unlikely
- WY aspect of claim possibly valid
- Invalidity on inventive step difficult to predict
- Advise not commencing importation on above basis. High risk and even if found not to infringe through invalidity proving this is expensive and undesirable
- Suggest opposing EP8 at EPO
- central attack
- file by 8-5-05. no extension
- use Patentability arguments above

- other grounds sufficiency – appears sufficient – and added subject matter – check file wrapper to see if can be raised too.

Notes

EP8 P.D 12/9/99 + 12-12-99 JP/A & JP/B
F.D 12-9-00
Pub D
G.D. 9-8-04
Pros in German exclusive EU licence
Patentee: Gr fu (G)
EL Dresden (D)

no sufficiency problems; seems to be entitled to priority

Client: Halifax (H) import inf. prods from India.

Exc. Licensees can sue – UK law anyway

JP/C – Pub 21/8/00 – 2(3) if entitled to priority – but not UK patent so no 2/3 effect
- filed 21/2/99 2(2) if not – but seems to be

JP/B - obvious error WZ? If so JP/C not relevant if not structure not entitled to p.date

WX Known - research showed use as dye B4PD.
- ? published B4 P.D.?
- ? serious & EP to work ? unlikely – delay

WY – obvious extension

Question 9.

(a)

Options to Luxalamp (LL)

- 1) do nothing – unlikely
- 2) bring entitlement proceedings under s.8 for UK and s12 for PCT on basis of entitlement as employers (see below).
- 3) request correction of inventor – if grounds for excluding Mrs Smith.
- 4) post-grant revocation on entitlement grounds
- 5) if not entitled seek license to work (if desired)
- 6) attack validity/patentability e.g. by s21 observations if want to remove patent.

Clarification

Two distinct phases: When JS was working with LL and afterwards.

Pre June 2004: What was employment status of JS? title = consultant designer but company founder?

Having founded company did he sell on and remain as paid consultant? If so probably not employed by LL. If not employed he's first owner of any designs/inventions. Therefore need to clarify if consultancy contract assigned rights in designs to LL. A well written contract would, so until clarified assume this is the case.

Alternatively, if JS remained part of the company he would be regarded as employed. Likely LL first owner in this case by both s39(1)(a) and (b) as employed as designer so invention would be normal course of duties and invention expected. Also as company founder likely to have special obligation to further employers undertaking. Therefore likely that LL entitled to rights in any designs made before June 2004.

Post June 2004 – seems to be self employed – verify. If so is entitled to any invention made after this date.

To what extent is subject matter of patents dependent on Pre-June 04 work? JS has continued developing amps but chip described as new. If totally new idea – rights in applications vest with JS and LL cannot stop his exploitation – free to take elsewhere or to use as basis of revitalising LL. However, still major shareholder so s.39 (1)(b) may apply – check caselaw in which case LL still first owner. (would advise putting in LL's name once has control, or formally licensing to LL to ensure ownership clear).

If dependent on earlier work LL have some rights in application and should be named as joint applicants. Alternatively, if subject matter can be separated and entitlement proceedings brought comptroller may order excision of matter to which LL entitled and allow this to form the basis of new applications (s8/3) and 12(6)) to that subject matter. If matter excised – remaining subject matter belongs to JS and can be used/exploited freely and capital raised.

If LL joint applicants, JS can't license invention without approval of LL. Would make it very difficult to License elsewhere as likely to be competitors of LL and therefore LL likely to refuse.

Also can't assign or bring infringement proceedings (s.36 and ? s.66) although less relevant here.

Further LL could work invention (and dispose of products) without permission of JS – providing a competitor on the market for any others who may be interested in product making it less desirable.

Also need to ascertain the input of Mrs Smith.

Named as joint member applicant and joint inventor.

Mrs S owns a shop – did she actually have inventive input? If not should not be an inventor and should be removed – file a new 7/77 before 16 month deadline i.e. December 05. If she did provide inventive contribution – fine – presumably that's how rights derived to being applicant. If not – can still be applicant but need to clarify derivation of rights with patent office.

naming wife as joint applicant may have impact on outside interest as cynics may feel that in event of marital breakdown have hostile third party who can work invention. Also her agents can work invention so could engage a competing company as her agents.

Advise (tactfully) transferring into name of JS alone (unless LL have rights)

Can be done simply by assignment and filing @ UKIPO/International bureau. UKIPO – 21/77, IB – letter. need evidence, or letter 21/77 to be signed by Mrs Smith (and ideally JS)

£

Financiers will want to be happy that a valid patent will grant. - position strengthened if novelty search done.

- Also – if granted again – more certainty for financier – can unofficially accelerate grant through prompt responses to exam reports and full attempts to respond (reasons needed for ‘official’ accelerated prosecution).

- Semi-conductor rights – check law – draw rights to financiers attention

- sort out entitlement proactively by referring entitlement to Comptroller yourself.

- Seek other protection as appropriate – draw copyright protection to financiers attention

-nature of invention makes designs unlikely to be appropriate.

- make sure (if possible) positive IPER obtained. Good indication to financiers of patentability.

- have freedom-to-use search conducted

- Would be very off putting to financiers to discover can't use technology because of third party patent.

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2004 PAPER P2
SAMPLE SCRIPT B

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Question 1

Sep 2004 renewal fee

- Yes can salvage
- Still within 6m grace period (ends in March 2005), pay fee a.s.a.p. and certainly before March 2005, with surcharge.
- renewal fee will be considered to be timely paid (no discretive involved), but where 3rd party has infringed patent between date of lapse (Sep 2004) and date of eventual payment, UK court may decide not to award damages for such infringement. (s.62).

March 2004 renewal fee

- May be able to salvage.
- 6m deadline for late payment with surcharge expired on Sep 2004.
- Only available remedy is restoration under s.28.
- will need file restoration application at UKPO beofre Oct 2005 (19m from date of lapse)
- will also need to provide supporting evidence showing "reasonable care" taken to timely pay renewal fee. (can seek extention for filing this evidence).
- As OB is small company, Cash flow problems may be good enough excuse for not timely paying, but could need to show OB did everything it could; e.g. seek financial backing/endeavoured to avoid financial trouble.
- If person responsible for renewal fee payment was actually made redundant, and this was the problem, then will need to show systems were nevertheless put in place to inform administrator of this.
- In any event, even if restoration allowed, any 3rd party may obtain prior user rights in between date of lapse and date of advertisement of restoration application (so file restoration a.s.a.p!!).

Question 2

Registered Design (RD)

- available in UK, EU and US.
- If design of face new then can protect independently through UK and/or EC comm' RD apps. but must be able to show design has 'individual character' cf. Previous sphinx design. IF design reg. to be valid.
- Can also protect by RD in US if can show design is "new" and "inventive" (both shape and any ornamentation).
- design of catch is prior disclosed
- Valid RD protection not possible for catch in UK and EU unless disclosure of catch not available to clock designers in EU – seems likely so should be able to protect.
- Both face and catch → component parts of complex product (clock). Can only protect if freelines visible in use – yes! As case transparent
- US RD not possible for catch as not "new".
- can also file RD in EC comm, UK and US for shape of transparent case, if new.
- Can also file RD for combination (definitely novel combination) in UK, EC comm., US.
- UK/EC comm RD – period of protection is 5yrs plus additional periods up to 25yrs (subjects to renewal) from filing date
- US – 14y from registration?
- 12 months grace period operates in UK, EU Comm and US, but in UK/EC does not protect against independent disclosure therefore should file a.s.a.p. to protect client interests. Can include all designs in single UK application in first instance (cheap) with view to filing EC Comm design (use multiple app.) and US within further 6months, claiming priority from UK app.

Unregistered Design Right (UDR)

- will get EC Comm' UDR from date make design available to clock makers in EC – lasts for 3 years, will cover everything EC RD would cover (same law).
- may also qualify for UK UDR, if: qualifies w.r.t to client, and design not "commonplace" in design field, sphinx probably is commonplace, but catch design certainly not in field of clock-making!
- transparent case may also qualify, as will combination (i.e. clock as whole)
- UDR (UK) covers shape and casing of whole or part, but not surface decoration.

- have 15y from end of year in which first receded or 10y from end of year in which first marketed, if marketed in first 5y.

- no UDR in US.

Question 3

UK Position

- EP/04 is in theory citable under s2(3), once published, as designates UK.

BUT Our application filed within 6m of non confidential disclosure to other UK Company → any subsequent disclosure arising from non-confidential disclosure is not citable against our UK application (GB/03 August).

- So far as contacts of EP/04 arise from non-confidential disclosure, then EP/04 not citable for novelty.

- Client could proceed by supplying evidence to UKPO that there has been non-confidential disclosure and asking that EP/04 be disregarded under s2(6) PA'77 – would need to show what was covered by non-confidential disclosure though, which may be difficult.

- In view of difficulties, should also consider seeking ownership of EP/04.

- client could commence entitlement action in respect of EP/04 under s.12 PA'77 and then write to EPO, drawing attention to entitlement proceedings, asking EPO to suspend proceedings in EPO for EP/04.

- Once have succeeded in entitlement action, can then write to EPO asking to be named as joint applicant, and the proceedings to recommence.

- Client clearly entitled to any subject matter contained in initial disclosure to other UK company – even if there other “new” subject matter, then client at least jointly entitled to subject matter of EP/04.. So should be able to succeed in action under s.12.

Question 4

- need to check whether letter actually mentions the patent.

- client can find out about application now, if he draws UKPO attention to fact that US rival has actually threatened post-grant infringement proceedings (s.118) under the patent.

- Need to write to UKPO, setting out facts and providing copy of letter from US rivals letter as evidence of the threat of proceedings under the patent; - access to UKPO files should be granted.

Options open to client

- could consider “designing around” claims of application – but as ‘worldwide market’ this does not seem attractive!

- better option is to conduct prior art search to try to find invalidating prior art, and file caveat at UKIPO to monitor issuance of search report – look at cited prior art.

- Once have prior art to hand and application published (file caveat for this?) then can file 3rd party observation on patentability in attempt to prevent patent being granted or at least severely narrow scope of any granted claim.

- Once patent granted, could then immediately seek revocation if still think have invalidating prior art to hand.

- client appears to have “prior use” which may well be invalidating prior art – investigate!

Scope for US rival

- In theory, US rival can take infringement once granted, in respects of any acts after grant, and also in respect of any act before grant and after publication, if act infringes claim as published and as granted (and published claim substantially same as granted claim)

BUT

- client may have prior user rights for his new product under s.64 – investigate. If so, then US rival cannot successfully sue for infringement re: acts falling within prior user right. i.e. cannot get damages and/or injunction against client.

- Even if no prior user right for client, then if client’s product really is obvious modification over previously existing product, then US rival will not be able to get claim which covers UK client product and which is also valid, as it will necessarily cover ‘obvious’ subject matter. In so far as this is case, US rival cannot obtain damages/injunction.

Question 5

a) Cannot fulfil client’ instruction as not possible to obtain a mere “declaration of validity” per se for a UK patent.

- can only contest/affirm validity in certain specific proceedings (under s.74)

b) i) EP5 has same (potential) priority date as GB5 and earlier filing date → anything citable against EP5 will also be citable against GB5.

BUT

doesn’t necessarily follow that publication novelty destroying for GB5 – claims for GB5 may well be different (and hence novel over publication).

alternatively, GB5 may have gone to grant even if has same claims as EP5 because, at time of grant of GB5, publication had not been published and has only now enhanced state of art as “intermediate” UK application under s2(3). In this case would need to amend GB5.

ii) If GB5B and EP5 do relate to same invention, then GB5 is liable to revocation, but not until EP5 actually granted (still pending) and even then not until after opposition period/end of any opposition and only if can't amend to avoid GB5 and EP5 relating to same invention.

iii) Fact that EP5 filed before GB5B not problem per se, provided GB5 and EP5 both entitled to same priority date. If not, then EP5 may be citable against GB5 once published for novelty only, but should still be able to overcome this by post grant amendment of GB5B (amendment discretionary but unlikely to be accused of ? doing/bad faith when honestly believed entitled to priority date!)

c) - propose "don't panic" just yet!

- but should perhaps consider whether want GB5 to remain in force or to be allowed to be revoked where GB5 and EP5 do relate to same invention. If the former, then really need to consider withdrawing UK designation in EP before grant of EP to be on safe side.

Question 6

a) - patent has been granted in name of AB, who are not entitled to the invention, therefore ground for revocation exists under s.72.

- revocative can only be sought by person actually entitled to invention – appears to be D, so no real problem on this front so long as client owns D, but considering selling D and therefore right to seek revocation would pass to new owner of D! – problem!

b) do not sell D for the moment! (appears AB in no desperate rush to do so)

- apply for rectification of register under s.34 but would need to apply to court – expensive!

- better to consider correction of register under s.47. Would need to provide evidence that D was actually entitled, not AB, e.g. contract of employment between inventor and D, and evidence that inventor employed by D at time of invention. UKPO should then correct register to show D as proprietor. Will also need to correct form 7/77 and 1/77 filed during prosecution of application. Can correct under either s.47 or s.117. Again will need to provide evidence that D should have been applicant all along

- in fact, where UKPO agree to correct 7/77 and 1/77, will probably correct register entries then as matter of course, and separate application to correct register may not be necessary, and vice versa if UKPO agree to correct register, this may be enough to allow correction of 1/77 and 7/77.

- if poss', correction under s.47 is better option, as correction under s.117 will be advertised and open to opposition by 3rd parties.

- Once corrections have been made, then carry out assignment from D to AB (execute by both parties). Then AB will rightfully own

- then can sell D!

Question 9

Miscellaneous

- check UK register, EPO register, PCT gazette to establish whether L filed any application in their own name.

(a) Options for L

- L could file application for entitlement at UKPO, for both the UK applications (s.8 PA'77) and the PCT application (s.12 PA'77), seeking ownership of application. If L successful, then could be named as new applicant (possibly completely replacing JS and wife) for both the UK and PCT. even if JS withdraw UK application to attempt to "thwart" L (and this will be impossible for the UK before publication once entitlement application filed) then L may still be able to file "replacement application" (If withdrawal was after publication) in UK, including in respect of PCT (UK).

- alternatively L may simply assert their entitlement and try to "sell" their right to JS.

b) JS situation

Inventorship

- did JS invent new chip? If so, prima facie entitled

- did anybody else co-invent? His wife? (she may then have co-entitlement); anybody at L? (L may then have co-entitlement)

Entitlement

- Need copy of all employment contracts between JS and L, as well as any 'consultancy' agreement.

- when was invention conceived? Relevant to determine whether invented "whilst employed"

- double check employment actually terminated in June 2004. Was this permanent or temporary? If temporary, was their understanding that JS would return to the job (if so, may never have left "employment" for s.39PA'77)

Consider JS right:

- 3 general possibilities appear likely:

1) all agreements permanently terminated before date of invention.

- JS then not employed at date of invention. JS will own rights unless any agreement to subsequently assign rights to L. Look at any consultancy agreement!

- assignment would have to be signed by both parties, did JS sign anything, after date of invention, which assigned the rights?

- if not, then JS own.

2) JS invented before being laid off

- s.39 PA'77 may well apply.

- need to establish if JS actually employed. What were terms of 'Consultancy'? JS allowed to consult for other people? get copy of any consultancy agreement and check.

- if JS actually employed by L, what were normal/assigned duties at time invention was made? Employed to make chips?

- did invention arise from carrying out duties? If yes, and employed to make chips, then L prob' own under s.39 PA'77. Otherwise, JS rights not pass to L under s.39 1(a).

BUT

Consider 391(b) – JS have special obligation to further business?

Major shareholder – appears “yes”! and company actually founded by him. If JS employed and did have “special obligation” and invention arose during course of duties then again, L prob' own - otherwise, JS owns.

3) JS “laid off” before date of invention, but lay-off only temporary:

- In these circumstances, can L still argue that JS remained effectively employed by L (for s.39). Seems arguable if JS knew he was coming back. If L can argue this and show “special obligation” on part of JS, then may still fall under s39 1(6) and L will own. Otherwise, JS will own.

- If Mrs JS also inventor, what happens to her rights? Clearly do not pass to L! under s.39. She is shopkeeper and clearly not “employed” by L, has she assigned any of her rights to L since date of invention? – if no, Mrs JS retains her rights as co-owner.

In summary, seems that JS rights may well pass to L if invented prior to being laid off (and possibly even after being laid off, under “special obligation” if L can show still effectively “employed”)

But, so far as Mrs JS is co-inventor (check!) then her co-ownership rights unaffected. But note merely naming Mrs. JS as inventor not enough – she must actually be inventor!!

Raising Interest Elsewhere

- If L own:

- Cannot simply “take idea” elsewhere and avoid problem! If L own, then JS simply has no rights (other than possibly indirectly through Mrs JS)

- equally, even if take assignment from Mrs. JS, then still only co-owner with L, and unlikely to raise interest without L's input, because JS rights limited as co-owner under s.36 PA'77. JS would not be able to assign/license without consent of L as co-owner!

c) more general issues:

- financiers may want validity opinion – consider prior art search for UK and PCT applications with view to providing validity opinion.

- may also want reassurance that product does not infringe other IP/no need for cross-licenses – consider also clearance search in UK and abroad, with view to providing infringement opinion.

- may want to be reassured that actually own the relevant IP.

- advise JS to go to potential financiers with a formal report, setting out where protection has been sought, potential validity/infringement of that IP (in particular whether any other parties IP 'encroaches' on the proposed exploitation of the invention). Should also have cleared up entitlement problem and be able to provide assurance to backers that JS owns the invention (at least in part!)

- best to have prepared a proposed "exploitation agreement" to negotiate with e.g. License agreement.

Question 8

Miscellaneous/Prelim checks

- check EPO register – opposition period not yet expired on EP8B – check if any opposition filed yet.

- check UK register – was EP(UK) validated in UK? – first renewal due in UK on 9/11/04 (3m from grant), has it been paid yet? If not, should consider filing caveat to 'track' situation. – Has D exclusive license been registered yet? If not, again consider filing (separate) caveat to monitor situation.

EP8B – Validity Issues

- "selected from" in claim → alternative embods

- priority issues – separate priority date possible for single claim, where alternative embodiments, as case here.

WX embod' – fully described first in JP/A therefore priority date appears to be 12/9/99 for WX (check JP/A to make sure disclosure of WX enabling).

WY embod' – if first described in JP/B, as appears case, then priority date for WY is 12/12/99

WZ embod' – first described in JP/B, so earliest poss' date of priority for WZ is 12/12/99

BUT

error in formula WZ in JP/B → JP/B disclosure may be not enabling disclosure of WZ

– if not → WZ priority date is 12/9/00 (date of filing EP8B)

– if so → WZ priority date is 12/12/99.

Consider ‘validity’ of each embod’ in EP8B calim:

WX

JP/C

- JP/C not relevant as not published at priority date of WX (and JP → cannot be cited under s.2(3)).

Research

- Not clear whether research public – check with H!

- If public, then this is before priority date of WX, so full prior art.

- appears to disclose use of WX as dye – if so, then novelty destroying for claim in EP8B (as falls within one of alternative embod’s), but check not mere suggestion that WX not suitable – If so → not novelty destroying, but nevertheless highly relevant for obviousness attack, as clear ‘pointer’ to use WX as dye. May need expert evidence to help us.

Halifax Plans

- any disclosure? – ask H! if before priority date, may be able to use in validity attack.

WY

Research

- no suggestion to use WY, but use of WY is obvious

- WY embod’ novel over “Research disclosure” but prob not inventive.

- Claim in EP8B not inventive over “Research disclosure”

WZ

Two cases:

(1) not entitled to priority of JP/B. – JP/C the full prior art – only appears to suggest use of WZ as dye. If so (check!) then WZ embod novel over JP/C BUT WZ embod unlikely to be inventive as JP/C contains clear pointer to use WZ as dye.

(2) entitled to priority of JP/B - JP/C then not citable (even under s2(3)) – no other mention of WZ in prior art – WZ embod may then be ‘valid’ (and D may be able to retreat to WZ to make claim in EP8B valid).

“Right to Sue”

- D can sue as Exclusive licensee in own name, regardless of reg’d BUT - failure to reg’ will prevent “back damages” being claimed unless D registers license within 6m of date of license grant.

- G also retains right to sue under EP8B, unless license with D provides otherwise (can we get copy of license and check this?)

Infringement

- If import WX and WY from India, will infringe EP8B as presently stands

- may not be infringement where Indian supplier has consent to import into EU from D – but this seems unlikely (check) – as the “exhaustion” of D’s right will occur upon importation.

-D/G unlikely to obtain interim injunction, as this claim appears prima facie ‘invalid’.

OTHER ISSUES

Prior Rights

- H may have prior right to use invention if made serious and effective’ preparation to use invention before priority date, or used invention (before p.d.) in good faith.

- Consider “research”:

- not clear whether knew about EP8B at this stage (check) – if so, may be “bad faith”.

- no apparent “use” of invention, but need to investigate whether “series and effective preparation” in funding C research work. Need to assess how far down the line we got (although committing funding does suggest H were “serious”) – discuss with H

- need also to check what we planned to do! – Import from India?

-If made serious preparations to import, then this will clearly cover WX as “obvious modification” (certainly still on rising ground – area of law awaiting proper judicial comment!)

- If preps were not to “import”, then may not have right to import from India.

Action

- opposition deadline for EP8B not expires until 9/5/2004 – oppose before then!

- In meantime, gather evidence for invalidity attack (expect evidence on obviousness points, consider additional prior art search) and file evidence with opposition and argument.

- In meantime, investigate “prior right” issue in more depth. If conclude prior right, then can import WX without infringing (and possibly WY, though seems less likely).

- for application – decent prospects for success – D/G may limit to WZ embod, but then that doesn’t cover H activities!!

- Once get revocation of EP8B/ narrowing amendment, then “full steam ahead”!

- If establish prior right, consider seeking declaration of non-infringement from D (write to D first, then pass under s.71(?)).

* * * * *

2004 PAPER P2
SAMPLE SCRIPT C

This script has been supplied by the JEB as an example of an answer which achieved a pass in the relevant paper. It is not to be taken as a "model answer", nor is there any indication of the mark awarded to the answer. The script is a transcript of the handwritten answer provided by the candidate, with no alterations, other than in the formatting, such as the emboldening of headings and italicism of case references, to improve readability.

Question 1

Patent B

Renewal fees due 9.2004 – check this is correct. Have 6m grace period – expires 3.2005 so can still pay fee in time.

Pay renewal fee with charge for late payment as soon as possible.

As only 2 months have probably elapsed since due date (anniversary of filing), probably only need to pay surcharge for 1 month (first month free). If passed date equivalent to anniversary then will need to pay 2 months fees. No loss of rights.

Third parties also not entitled to any rights during grace period.

Anyone can pay renewal fee and file form 12/77

Patent A

Renewal fees due 3.2004 – check this is correct. Grace period expired 9.2004. This date has passed.

Need to file application for restoration.

This must be filed by 19 months from date fee originally due = October 2005. Check date of filing for actual date as fee due on anniversary.

Need to file form 16/77, pay fee and evidence.

Evidence needs to set out circumstances that led to non-payment.

For application to be successful need to show proprietor took reasonable care to pay fee and intended to pay fee.

Need to ask client why fee wasn't paid – was a system set up to pay fees?

What happened to letter from UKPO saying fee had not been paid, advising of grace period? Why was this not acted on?

How long did cash flow problems last for? If can prove that non-payment was an isolated error, then application will probably be successful. However may be difficult if renewal fee payment was just neglected.

If third parties have made serious and effective preparations to carry out invention in period between expiry of grace period and application for restoration being recorded, then they are free to continue these acts. Therefore should file application as soon as possible. Evidence can be filed up to 14 days later.

If application is successful need to file form 53/77 and pay fee for form and also all missed renewal fees at original rate.

Question 2

UK unregistered design right (UDR).

This is automatic right that exists as soon as a clock is made or design of clock, face or escapement is made.

Can protect part or all of the clock

Lasts 15 yrs from first recordal or if marketed in first 5 years, 10 years from end of calendar year when first marketed. If client sells clock at exhibition this will count.

To qualify design must be original and not commonplace in relevant design field.

Face = copy of sphinx so not original so face cannot be protected by UKUDR.

Escapement - Has this been disclosed by archaeologist to the public or only to client?

If disclosed then not original, so cannot be protected by UKUDR.

If not disclosed then may be novel (although as replica of old escapement could argue that not novel.)

Would need exclusive authorisation or archaeologist to qualify for UKUDR as first marketeer over in EU/UK.

On balance probably can not get UK UDR for escapement or clock.

Registered design right (RDR)

UK RDR

This right exists upon registration – not automatic

Lasts for up to 25 years from filing on payment of renewal fees every 5 years.

Must be novel and have individual character. However there is a 1 year grace period which allows owner to make design available to the public, and then apply for registration within 1 year, without disclosure being prior art and destroying novelty of design.

Face – sphinx known so design not novel.

Escapement – was it disclosed to public by archaeologist? If yes – not novel. If no, then could argue mechanism could not have been reasonably known to clock makers in EU. In this case escapement design novel. Case transparent so visual during use, so can get UKRDR.

Community RDR – same effect as UK RDR in Europe.

Community UDR – same criteria as UK RDR but automatic and lasts for 3 years.

Client can display clock at exhibition UDRs automatically exist (probably just CUDR).

Can then apply for UKRDR and CRDR using grace period if has money.

US has no design right but can apply for conversion to utility model claiming priority from UKRDR or CRDR within 6m priority period, as long as still in 1 year grace period.

Could also file UKRDR and ten CRDR within 6m priority period, as long as also in 1 year grace period.

Question 3

UK

Filed within 6 months of breach of confidence so disclosure does not constitute prior art

EP

Claim to priority appears to be valid as same applicant, filed with 1 year of original application UK designated so can be used under s2(3).

Priority date before filing date of GB/03 and published afterwards hence citable for novelty purposes only. So need to argue due to breach and so not citable.

Other company not entitled to invention.

Initiate entitlement proceedings as soon as possible at UKPO.

EP prosecution will be stayed.

Need to prove breach of confidence – any minutes of meeting proving disclosure?

If can prove other company not entitled can have application revoked as has no effect. Or can re-file own application

Question 4

As have been threatened can obtain copy of application as filed from UKPO – need to provide copy of letter as evidence, and pay fee.

Advise we obtain copy as soon as possible and review application to see whether it does in fact cover clients product.

If application does not cover product – no problem when/if patent granted.

If application does not cover product we can try to prevent it being granted. Can file third party observations at any time up to date of grant – advise keep a watch on application to ensure we do not miss this date.

If covers product may obvious over prior art as client says product is obvious development.

Ask client for evidence of other products carry out prior art search.

Review prior art to form opinion as to whether invention patentable. If not bring art to attention of examiner. This can be done at any time.

Check if application has claim to priority – if so, check to see if claim is valid as may effect what prior art is citable against application.

Check for equivalent applications that may effect clients activities elsewhere in world.

Rival can only start proceedings once patent is granted.

Injunction only after grant. Need to show – serious cause to be tried i.e. that rival has a good case for infringement and patent valid. If granted even after filing 3rd party observations this may be true. But need to check whether granted patent still covers clients product as may have been amended during prosecution.

- Also damages would be inadequate remedy

As client has already launched product he may have developed market for product, and a name for product. This rival may have difficulties obtaining market share so could argue damages would be inadequate – maintain status quo/balance of convenience

As client already launched product, injunction would alter the current status. Therefore this criteria would not be met.

Thus unlikely that rival would be able to obtain injunction. This would stop sales until end of trial.

Damages

Rival can claim damages back to date of publication, provided claims granted are derivable from claims as published i.e. there is not significant differences between them.

Publication usually 18 months from priority check if priority claimed – could be published around March 2005 – US rival may have requested early publication – maintain watch to see when published.

Question 5

(a.) It is not possible for UKPO to confirm validity of a patent. Can only be done if a 3rd party unsuccessfully tries to revoke patent.

UK Patent

Need to review patent in light of prior art cited against EP5. May need to amend patent in a similar way to EP5 to make it valid.

Can amend post grant, but this is discretionary. Need to show there was no undue delay in requesting amendment. This may be difficult depending on how long client has known about publication. If search report issued on EP5 during period between acceptance of UK patent and date of grant, then could be ok, as can not amend UK in the period. Patent only recently granted.

Apply for amendment as soon as possible.

Published, and may be opposed by competitor. Must not extend subject matter beyond that granted.

Can not have two UK patents for same invention. Does EP5 cover same invention as GB5B? – check

Does EP5 designate UK? If not then no problem. Can withdraw UK designation before grant of EP5 to avoid double patenting.

If EP5 granted designating UK, comptroller will probably write asking client to comment on double patenting issue. Can amend UK patent to cover different invention to that covered by EP5. Not discretionary or open to opposition.

Otherwise UK patent revoked. Only at end of opposition period or when opposition completed – wait to see how EP prosecution goes. If EP5 has narrower or same scope than GB5B withdraw UK designation before grant. If has wider scope than UK, withdraw UK patent.

Filing date

Why was EP5 filed a day earlier? – was it because UKPO was shut, but EPO was open and therefore to validly claim priority had to be filed on different days? Unlikely as could have filed EP at UKPO and still validly claimed priority.

EP5 is citable against UK patent for novelty purposes, in so far as UK patent not entitled to priority.

If EP5 and GB5B contain additional information to priority document, then if same information in both documents, GB5B is not novel over EP5.

If this is the case, if EP5 designates UK, then maintain UK designation, and use that for protection in UK.

Question 6

(a.) AB not entitled to own patent.

Invention actually belongs to Dropabrik (D). If D is sold the new owner would be entitled to invention – could file for revocation based on grounds patent granted to company not entitled. If successful then new company could file a replacement application. If AB continued to work invention they would need to get a licence from new owner. This would be very costly to AB.

(b.) Could apply to correct request form so that D is named as applicant. Would also need to check 7/77 file, and ensure states applicant as opposed to AB, is entitled to invention by employment. If not file for correction of 7/77 as well

If correction accepted then assign patent back to AB Ltd. Can then sell D, whilst still retaining patent.

Also check D entitled to employees invention (i.e. made during course of normal duties, and expectation that invention would be made)

Question 8

EP(UK)8B

EP8B prosecuted in German.

To have effect in UK must file verified translation of patent by 9.11.04 (3m from grant)

5th year renewal fee also due by 9.11.04.

Check register to see if these acts have already been carried out. If not, maintain watch to see if patent validated in UK. Patent only has effect if validated.

Check EP register to see if licence recorded at EPO during prosecution. (also check UK register to check also recorded there).

If recorded exclusive licensee can bring proceedings for infringement in UK.

If not recorded within 6 months of licence then damages reduced.

Importation of a product into UK, if product patented in UK, if an infringement.

Material contains dye so importing material would be infringing act.

D can bring proceedings as soon as EP8 validated in UK.

As prosecuted and thus published in German, can only claim damages back to publication if a translation of claims filed at UKPO – check.

Validity of EP8B

WZ – claim to priority

EP8B claimed priority to JP/B which disclosed WZ and use as a dye. But this was not first application to WZ – JP/C was filed earlier, mentioning WZ and its use as a dye.

JP/C not withdrawn before JP/B filed

Therefore WZ not entitled to priority date of 12.12.99.

Also formula in JP/B incorrect, although correct in EP8B. Formula may not be clearly and unambiguously derivable from JP/B. However as JP/B describes preparation of WZ, structure could be derivable.

Thus additional evidence WZ not entitled to priority date 12.12.99.

Therefore relevant date for W2 and its use as dye = filing date = 12.9.00.

JP/C published 21.8.00 = earlier than priority date for WZ.

JP/C discloses WZ and suggest use as dye. Thus use of WZ is not patentable as use as dye disclosed or at least suggested by JP/C so not novel, or lacks an inventive step.

WX – priority date.

Claim to priority appears valid, so relevant date for assessing prior art for WX = 12.9.99 (JP/A) Enabling disclosure as preparation and use described.

WY – Priority date

JP/B provides enabling disclosure of WY so claim to priority appears valid. Relevant date for assessing prior art = 12.12.99.

Patentability WX and WY

Need to ask client if research carried out in 1998 was published, and if so when.

If published before 12.9.99 and disclosed use of WX was a dye, then this would destroy novelty of claim to WX. Claim to WY also probably invalid as would lack an inventive step in light of research.

If published after 12.9.99 but before 12.12.99 claim to WX would be novel, but claim to WY would still be invalid.

If published after 12.12.99, not prior art against WX and WY so both would still be valid.

Prior use

Halifax have long been planning to import cloth – how long? Were WX, WZ or WY used to dye clothe before relevant priority dates (i.e. 12.9.99, 12.9.00 or 12.12.99 respectively)?

If so, is there any evidence of this? If there is could invalidate claims for lack of novelty based on prior use.

Action

Can file opposition against EP8B. Deadline = 9m from grant = 9 May 2005.

- Grounds
- WZ lacks novelty/inventive step over JP/C
 - WX lacks novelty if research published or prior use
 - WY lacks inventive step if research published or prior use.

Added matter - review application as filed and compare to granted patent to see if this could be used as a ground

Sufficiency - preparation and use of dyes described so can not use this ground.

If opposition filed, and D brings proceedings for infringement in UK, then could as UK proceedings to be stayed until end of opposition. May not be granted.

Alternatively if D brings proceedings in UK can file for revocation on same grounds as opposition to EP8B.

Secret prior use

If Halifax made serious and effective preparations to import material dyed with WX before 12.9.99, then are able to continue that activity.

The research alone may not be enough evidence of such preparations. Ask Halifax if they were doing anything else i.e. talking to company in India about dying material before this date. Is there any evidence of this e.g. minutes of meetings? This would only relate to material dyed with WX, not material dyed with WY.

So may be able to import WX dyed material, but not WY dyed material.

Question 9

(a.) LL can apply to UK PO to determine if they are entitled UK and PCT applications.

If they apply, then JS will be notified and given 6 weeks to respond. Even if JS does not give LL application number, they can get number by doing a manual search in UK Patent Office publication or index at British Library.

If successful, LL can ask for applications to be withdrawn, or can file new application in UK, or can ask for applications to be transferred to LL.

Any licences granted by JS for applications would become void. Licensees could apply for new licence from LL. JS may have to pay back any royalties to licensees.

(b.) When did JS come up with design for new chip, before or after 'laid off'?

If after rights belong to JS as no longer employed or contracted to work for LL.

If designed before LL may own rights. Was JS employed as regular employee by LL? Did they pay his tax, wages etc? Was there a contract of employment – need to check this?

If regular employee then as designer normal duties probably include designing new chips – reasonable expectation of invention being derived; thus rights would belong to LL.

Or was JS contracted as a consultant? If so, need to look at contract of consultancy to see if says anything about rights belonging to LL.

As JS a shareholder and company set up to exploit his ideas, may be a special duty on JS to further LL's activities.

Therefore if design made before June 2004 rights probably belong to LL.

Ask JS why wife was named a co-inventor? Did she have some input into the chip design? If so what contribution did she make (must be more than mere suggestion of use). If so she is entitled to invention. As she is not employed by LL, they would have no rights to wife's part of invention.

If LL have rights to JS part of invention, and wife also entitled to part of invention then applications could proceed with both named as joint applicants. LL would need wife's consent to licence or assign invention to third parties or vice versa. But wife could set up own company to exploit invention herself.

If wife did not have any input into design then she should not be named as inventor, so would need to correct details on UK and PCT applications.

Also need to clarify how she derives right as applicant.

(c.) Need to ensure that potential financiers sign confidentiality agreement before disclosing invention – only disclose patent application, as in writing and then no argument over what is disclosed.

Investors will want to carry out due diligence exercise – need to show that JS and wife are entitled to application – would probably not give money if entitlement dispute with LL ongoing. Inventors also want to ensure application is valid – is JS aware of any prior art. Suggest have a search carried out – could file 9/77 and ask UKPO to search UK application or could wait for international search report by EPO which may be more thorough. This will take at least 9 months though. Could organise own search, but this could be expensive.

Investors will be interested in other related rights e.g. could file application for registered design for chip if it qualifies (i.e. novel and has individual character) Also copyright.

Check applications claim chip, and its use, and amplifiers containing chip.

Check applications sufficiently describe invention. If not can file new applications claiming priority from UK and PCT applications.

Summary.

If JS made design after June 2004, propose evidence to use against LL if make application for entitlement of UK and PCT application – ask JS if this exists e.g. dated drawings etc.

If LL are entitled could negotiate with them to buy back applications

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2004 PAPER P2
SAMPLE SCRIPT D

This script has been supplied by the JEB as an example of an answer which achieved a pass in the relevant paper. It is not to be taken as a "model answer", nor is there any indication of the mark awarded to the answer. The script is a transcript of the handwritten answer provided by the candidate, with no alterations, other than in the formatting, such as the emboldening of headings and italicism of case references, to improve readability.

Question 1

First I will need to establish from client what deadlines were actually missed.

If Patent A deadline of March 2004 constitutes the due date for payment of the renewal fee (i.e. the 4th of following anniversary of the filing date), then payment of the fee would have been possible in a late period of 6 months (i.e. up to September 2004). This period has no lapsed.

The only way therefore would be apply for restoration of patent A by filing PF16/77 and paying restoration fee within 19 months from the day on which the patent to have effect (ie up to October 2005).

Restoration is a discretionary remedy and thus any application for restoration should be filed immediately and a statement explaining the reasons for missing the deadline must accompany the application (evidence can be submitted up to 14d after filing PF16/77).

For application of restoration to succeed, client must show that all reasonable care was taken to ensure that the renewal fee was paid. It will be important to show a system for renewal fee payment was in place and that non payment was an isolated case.

The reasons being that staff were lost to cut cost is not a sufficient reason for restoration.

Note that 3rd party user rights may ensue as a result of patent lapse. A person who in good faith works the invention covered by Patent A or who makes serious and effective preparation to work the invention during the period between end of 6m late payment period (ie Sep 2004) and publication of restoration application will be allowed to continue working the invention. This is all the more reason to file the application for restoration as soon as possible.

Regarding Patent B, assuming due date is Sept 2004, then the renewal fee can be validly paid together with an additional fee within the 6m period for late payment. Thus file PF12/77 plus fees by March 2004. No 3rd party user rights can ensue.

Note that regarding Pat A, if restoration is successful, client must file PF53/77 and pay additional fee, together with unpaid renewal fee (PF12/77) within 2m of order for restoration.

Note also that all due dates mentioned above run from actual day on which fees were due, not end of month.

Question 2

The various forms of possible protection are as follows.

UK-Registered design Right (UK-RDR)

UK-RDR could subsist in novel features of appearance of the clock including its shapes, lines, colours, contours. It will protect surface decoration and then may subsist in clock face design. The escapement is, although part of a complex product, visible during normal use due to the cases transparency and thus may also be eligible for UK-RDR.

However those features of the escapement which are solely dictated by function will be excluded from RDR-UK protection.

The shape of the case may also attract UK-RDR.

For UK-RDR to subsist design must be novel in that it is not known to persons specialising the design field in business circles within the E.C. The sphinx design may therefore be new as well as the case.

In addition the escapement may be new despite being a replica of the Egyptian design if not known in E.C.

The design must give a different overall impression in informed user.

Ownership, in the clients' case rests with the designer and thus will belong to him unless he designed in case of employment or commission. Note however that escapement may not belong to client if it is a mere replica of a previous design. Thus client may not be entitled to any design subsisting in escapement.

UK RDR would protect third parties from making clocks and articles to clients design. It would also stop said parties dealing in such articles.

Client would need to register design at UKPO and protection would subsist following grant of registered design. The term is 25yrs from filing the design and renewal fees are due every 5yrs.

A grace period is open to client meaning that the client may delay filing the design for a maximum period of one yr following first disclosure of design. Thus client can wait to file UK design one yr from first disclosure at local exhibition.

Note also that client can register design under national laws of Europe and US, within a period of 6m following filing of UK-RDR, claiming priority from UK application.

In each case however, client should not wait to file foreign design applications in US and Europe until after the 12m grace period which applies in UK.

Community design rights (Registered and Unregistered) – RDR-C, UDR-C

As an alternative to filing for RDRs individually in each European country, client could file at OHIM for a Registered Community Design Right (RDR-C). This would protect same features as

would UK-RDR and would have the same term. The ownership issues would also apply as for UK-RDR.

Unregistered design right would cover same features as above however it is not a monopoly right and protects only against copying and copied articles. The term would be 3yrs from the date in which design first became available in E.C.

UK-Unregistered design Right – UK-UDR

This would protect aspects of shape and configuration of clock ie shape of casing and escapement. It would also protect functional aspects of escapement but would not protect clock face as this is likely to be considered surface decoration.

Note that as for UK-RDR, shapes which allow parts of clock to fit or match with other parts of clock are excluded from protection under the must match and must-fit provisions.

Designs under UK-UDR must be original in the sense that they have not been copied and are not common place in design field in question. Thus, the escapement, although not common place may have a problem with originality in the sense that it is a replica.

The ownership provisions are as for RDR except, owner must be a qualified person. Assuming owner is resident in the UK then he qualifies.

The term of UKUDR – is the earlier of 10yrs from the end of the calendar year in which clocks (articles) were first marketed to design or 15years from end of calendar year in which clocks were first made to design. Licenses of right are available within the last 5yrs in either case.

No registration for UDR-UK is required and it will protect from copying the design or dealing in such copies.

COPYRIGHT ©

© may subsist in clock face as an artistic (graphic work). The functional aspects of the escapement are unlikely to have © as artistic works, however the shape of the case may do so if, it can be considered as a work of artistic craftsmanship.

Duration of © would be life of author and 70yrs. However if clocks are produced by a industrial process in which more than 50 are made this term will be reduced to 25yrs from end of calendar year of first marketing.

Question 3

Validity of GB/03/August

- First, check priority claim of EP/04 to GB/03 March. If EP/04 lacks valid priority then it is not citable under s2(3).

- Check that UK is really designated for EP/04 as only s2(3) prior art if UK designated

- Note if EP/04 is not entitled to priority then clients GB/03 Aug will, when published by s2(3) act citable against EP/04(once eventually granted in UK (and thus revocable under 373(1))).

- Check to see whether GB/03 March was ever published as this could also represent s2(3) art.

Note that under s2 of the Act '77, EP/04 is not citable anyway against GB/03 March since EP is a disclosure which has arisen as a result of breach of confidence and GB/03 Aug was filed within a period of 6m following the employee's breach of confidence disclosure to the other company.

However, disclosure to other company would be citable against EP/04 since this was filed after 6m period in which disclosure occurred.

Entitlement

Note, client could contest entitlement to EP/04. Would need to establish inventorship but assuming it is employee who made invention for client in course of duties then client would be entitled to invention.

Could file referral under s8 and s13 contesting entitlement and inventorship to invention. Proceedings in the mean time could be suspended at the EPO under s13 EPC by filing a request for suspension together with evidence that proceedings have commenced.

The best remedy for successful entitlement would be to have EP transferred to client. However in view of potential disclosure as described above, EP may lack novelty since it was filed after 6m grace period.

As an alternative to the above, 9m after grant of EP, could oppose the patent on basis of lack of novelty relying on the earlier application in clients name. However, if there is a possibility of being successfully transferred to client, it is best not to do this as EP could be used by client to pursue protection outside UK.

Question 4

10/Sept/2004

To find out about the application, it is usually a requirement that the application be published under s16. This takes approximately 18m (ie around Feb 2006). However when a party is threatened with infringement proceedings that party can request inspection of the file under s118 even before publication. A request to the Patent Office should be made providing evidence of the threat i.e. the letter from US manufacturer.

Threats

Under s70, unjustifiable threats are in some cases actionable and damages can be sought. In this case there is no granted patent as yet which could be enforceable to and so it is hard to see how such threats could be justified. Also on the basis of the fact that the clients product is a obvious improvement, a claim covering such product could be attacked for lacking inventive step across its scope. Again the possible weakness of the US companies case would also point to the unjustified nature of the threats.

However, I will need to review the letter. If the threats relate to a act of manufacture they are not actionable per s70(4).

Validity

After reviewing patent file per s118, I will need to perform a prior art search and assess validity of application.

Third party observations could be filed during examination as a way of attacking validity before grant however, the examiner may not take such observations into account.

A further option would be to apply for revocation following eventual grant-under 72.

Infringement

Upon having obtained file it will be important to perform an assessment of infringement by client. This should be done in conjunction with assessment of validity.

Note there can be no infringement of a patent application until grant and thus it will be important to monitor status of this application by regular file inspections, again under s118.

Upon grant, in any subsequent infringement proceedings, claimant could request damages back to date of publication of application.

Note that due to clients world wide market, it will be important to perform a search to check whether US company has the equivalent patents/applications in other countries. Note that granted

UK patent could only stop client from working invention in UK.

Note also that if alleged infringement relates to obvious modification made last month, there may be no prior use defence of client unless before priority date of patent application, client had made serious and effective preparation to make product. Should look into this.

Interlocutory Injunction

Upon grant the US company may seek relief in the form of a interim injunction. This remedy is discretionary and thus the fact that US company sent threatening letters may account against discretion being ordered in their favour.

In assessing whether to grant injunction, court would assess balance of probabilities and whether there is a serious case to be tried. The court may look at the merits of the case and if there is prima facie invalidity an injunction may not be given (*series v software*).

Also balance of probability will consider whether more harm will be done to client in granting an injunction or whether more harm would be done to US Company in not so granting an injunction. If damages are compensatory for US rival, then no injunction will likely be granted. Also if client can show that he is already marketing new product and that an injunction now therefore would seriously damage his business, again this would count against the granting of a injunction.

Question 5

Publication

Need to compare the inventions as covered by GB5B and EP5. Assuming they constitute the same disclosure then the publication may invalidate GB5B. Check publications date and confirm that it is prior art. Check validity in view of assessment.

If publication is invalidating, post grant amendment of GB5B could be requested under s27 to obviate validity. Note then application to amendment could be opposed by competition and is subject to discretion of Comptroller. The fact that the client knew of the publication in respect of EP case, may count against an amendment being allowed.

If amendment is to be requested, it must be made as soon as possible and a full explanation must be given, explaining reasons why amendment is required. If GB was granted before client was made aware of publication for EP case, this may help to explain delay in seeking amendment.

Same Invention

If GB5B and EP5 do relate to same invention, then after end of period for opposition or as soon as any opposition is disposed of, Comptroller may revoke GB per s73(2). Comptroller must give client 3m to file observations and request amendment before revocation is ordered.

It is too late to withdraw EP now granted, but if revoked in any opposition, the revocation under s73(2) will not be ordered.

Note that if it is possible to amend GB case so as to avoid any overlap with EP, this would prevent revocation under s73(2).

Note however that if EP was not granted for UK (ie if no EP(UK) patent exists) then s73(2) does not apply and no revocation would be ordered. Need to check whether EP was validated in UK (or in fact designated)

Different filing dates.

If both GB and EP have valid claims to priority then it does not matter that EP was filed earlier. However, if for some reason, GB lacks claim to priority, then EP may be citable against GB under s2(3) for novelty only. Revocation for lack of novelty could then also be ordered by Comptroller per s73(1) and competitor could commence revocation proceedings per s72 for lack of novelty. Should therefore confirm priority claims.

Question 6

a) Problems

AB currently appear to lack good chain of title to invention. Invention was devised by employee of D. If employee devised invention in course of normal duties or those specifically assigned to him then, entitlement to invention and thus granted patent is to D, not AB.

If client sells D and its assets, then the assignee may be able to claim title to invention and hence Patent 000B.

b) The solution would be to correct the name of the proprietor or the patent to D and then assign rights in patent from D to AB before considering the sale of D.

A correction under s117 could be filed at the patent office on PF11/77 setting out particulars of situation and explaining with evidence that D is entitled to patent, not AB. Evidence should show that it was clients intention to file patent and have it granted to D.

Alternatively, client could file a referral under s37 to refer question of entitlement to Comptroller. Again all relevant explanations should be provided and PF2/77 filed. If no party contests the facts and explanations put forward (which seems likely), the Comptroller should allow referral, ordering that the application continue in the name of D.

Regarding subsequent assignment to AB, this should be in writing and signed on behalf of both parties. The assignment can be registered to no fee by filing PF21/77. The form can be signed by both parties in which case no evidence of transaction need be provided. Alternatively a certified copy of the assignment should be provided.

Question 8

Possible infringement of EP8

First check Register and check that EP8 is in force and that any due renewal fees have been paid.

Exclusive licensee D under s67 can commence infringement proceedings even though they are not proprietor. However, check whether they are registered at UKPO as having exclusive licence.

D can only claim damages back to date on which they are registered or date of licence if registration took place within 6 months from registration.

Assuming validity:-

Marketing of cloths incorporating dyes by H in UK would be a direct infringement of EP8. Also the offering to supply made by H in announcement may also constitute direct infringement.

End users of the cloth may be exempt from infringement under s60(5)(a) if their use is private and non-commercial.

Should identify importer as they will also be liable for direct infringement.

Note that damages may be claimable back to date on which provisional publication occurred, if English translation of claims of published application were filed at the UKPO or sent to client.

Check to see whether original JP8/PCT was also granted in India (if designated on PCT) as individual supplier may then be liable under corresponding Indian patent.

Note under EP8, no action can be taken against Indian supplier unless they are joint tortfeasors, i.e. are inducing infringement.

Validity

- Should perform a further prior art at search and assessment of validity.
- An opposition should be filed against EP8 within 9m from grant (ie by 9 May 2004).
- Regarding sufficiency, EP8 provides full description of how to make dyes and thus likely complies with Art 83 sufficiency requirements.
- JP/C is a Japanese application published 21/8/2000 describing WZ as a dye. If EP8 lacks a valid claim to priority with regard to WZ then JPC is fully citable prior art against EP8 in respect of this matter.

EP8 may lack claim to priority as above if the correct structure of WZ is not implicitly disclosed in JPB, despite being explicitly incorrect. Need to check this.

I would argue that claim of EP8 lacks novelty as WZ was disclosed in JPC before filing date of 12/9/2000, and that priority for WZ cannot be validly claimed due to the structure of WZ not being correctly disclosed in priority application. Note that since priority would appear to be validly claimed in respect of WY and WX, JPC is not citable art in respect of this matter.

WX was well known when JPA was filed and thus presumably represents prior knowledge. However need to assess whether WX was enabled; ie could the skilled person make it before priority date.

However, even though WX was known it may not have been public knowledge that it could be used as part of a dye. If WX was never used in a dye, then despite knowledge of WX, the claim of EP may be novel (ie since it never existed per se as a dye – per *Hickman* and *Andrews*).

Therefore, need to consider whether research at Cambourne was in confidence or whether results obtained were public knowledge. If the latter is true then claim 1 would also appear to lack novelty in respect of WX matter, since WX's use as a dye would be public knowledge before claimed priority date of 12/9/99.

Whether C work also constituted a disclosure will impact upon whether WY matter lacks inventive step. Need to consider whether on basis of knowledge of WX, it would have been obvious for the skilled person to derive WY.

Prior User Rights

If H in good faith had made serious and effective preparations to import WX before the claimed priority date of 12/9/99 (JPA) then H may be able to continue to import WX from India notwithstanding grant of patent (per s64).

To assess whether such right exists will need to assess what preparations H had made and when they were made. Would also need to establish evidence of any prior use preparation.

Note that s64 is limited in scope. It will render H's purchasers of WX dye free from infringement, but will not allow H to import WY or WZ. Also, H will not be able to licence any prior user right but would be able to assign it as part of its business.

Suggested Action

File opposition by 9 May 2005 claiming

- lack of novelty in respect of WZ matter in view of JPC.
- lack of novelty in respect of knowledge of WX. If not used as a dye consider further of which could render claim lacking inventive step (or novelty in view of disclosure by Cambourne).
- lack of inventive step of WY matter (in view of any disclosure by Cambourne).

In defence of any subsequent alleged infringement, may be able to claim prior user rights with respect to WX as valid defence. May also be able to argue that no damages are claimable if D not registered as exclusive licensee.

Question 9

JS → (ms) L

Options to L

GB – s8/Proc. 137 after grant

PCT s/2 Proc

a) Options Open To L

L claim entitlement to inventions arising from consultancy, which may or may not be subject to GB and PCT cases.

L could therefore contest entitlement to GB and PCT by commencing proceedings under s8 and s12 respectively. Under s8 the Comptroller has the power to order remedies for the successful party in relation to the GB application. Such remedies could include transfer of ownership to L or excisions of any matter from application which L is entitled to. L could then be allowed to file a new application under s8(3) having same filing date as original GB application. The GB case could also be refused if L were successful and assuming L were happy with this. Contesting entitlement under s8 will automatically be under s37 upon grant of GB. Any contesting of entitlement must be commenced within 2yrs of grant.

Under s12, the Comptroller may make a declaration as to who is the party entitled to the invention. Such a declaration is not binding on the various contracting states to the PCT but is likely to have persuasive effect. L if successful could use such a declaration to order subsequent transfer of the various national applications stemming from PCT to L. Note contesting entitlement of PCT under s12 must be commenced whilst PCT application is still pending.

b) The Legal Situation

The GB and PCT cases relate to the new clip design. Need to establish when such invention was devised and by whom. If it was devised during the period in which J was contracted by L then it is likely that his share in the invention belongs to L. I would need to get an account from J as to when invention was made. I would also need to review the contractual agreement between L and J to determine whether contract has implied or express term that invention made in course of contract should belong to L.

If invention covered by GB and PCT was devised by J after termination of contract then his share in the invention belongs to himself.

Wife of J is also down as an inventor. Note that if W is indeed co-inventor then her share in the invention will belong to her as she is not under any contractual obligation to L. However for W to have share in invention she must have contributed to devising the inventive concept. If she merely assisted J in a limited capacity it is unlikely that L would be considered inventor.

Note that if W is coinventor, even if J's share of the invention belongs to L, W would be entitled to be named as coapplicant and would have an equal and undivided share in GB and PCT application. To stop this it is likely that L would also contest inventorship of W under s13 (for GB case) and s12 (for PCT case).

Note that a further option of L would be to attempt to prevent progress of the GB and PCT cases by arguing that any publication would constitute a breach of confidence. Again would need to establish nature of contracts and fiduciary duties of J to L.

A further point about J is that he appeared to hold a high position in Company due to his share holding. I would like to ascertain whether J was actually employed by L.

In this regard I would need to review the contract and assess whether his position rendered him an employee; ie did he have a regular salary, holidays, benefits, etc.

If J was employed by L then, then any invention devised by him in the course of his duties would probably automatically belong to L under s39(1)(b), since such duties gave him a special obligation to L's interest.

As with any more non-employment contractual relationship, L would only be entitled to invention which was devised whilst the contract was in force but not after J was laid off from L.

The above situation with regard to entitlement to the applications needs to be resolved. For example if J devised inventions covered by application for L as part of a contract which transfers rights to L and assuming W is not an inventor, then J will not be in a position to seek funding for exploiting these inventions as J would not own GB and PCT cases. This being the case L could enforce any granted patent stemming from GB and PCT against J following L being successful in contesting entitlement.

Even if W were an inventor and thus entitled to GB and PCT, if L become coproprietors following entitlement proceedings J will not have control at the exploitation of the invention and L would be free to exploit invention without fear of subsequent infringement action.

Any potential inventors are going to need assurance that J is entitled to the technology incorporated in GB and PCT applications.

Thus assuming J is not in a position to negotiate with L to resolve the entitlement dispute and assuming J has a good case for entitlement since the invention(s) covered by GB and PCT were devised after period in which J worked for L, then J should prepare defence to any entitlement action under s8 or s12 and/or pre-empt the referral by L by commencing entitlement proceedings himself.

Also any investors are going to be interested in the strength(s) of the current patent applications (GB and PCT). Therefore a due diligence assessment should be carried out by identifying relevant prior art and performing assessment of validity and by performing a freedom to operate search by identifying relevant patents/applications which could cover the activities which would be involved in exploiting the technology covered by GB and PCT.

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