

**THE JOINT EXAMINATION BOARD**

**PAPER P2**

**PATENT AGENTS' PRACTICE**

**Tuesday, 4th November, 2003**

**10.00 a.m. – 2.00 p.m.**

*Please read the following instructions carefully. Time Allowed – **FOUR HOURS***

1. You should attempt **ALL** questions from Part A and **TWO** (2) questions from Part B. There are 9 questions altogether, 6 in Part A and 3 in Part B.
2. The mark attributed to each question in Part A is shown. Each question in Part B carries 25 marks. If more than two questions are answered in Part B, only the first two presented will be marked.
3. Where a question permits, reasons should be given for the conclusions reached.
4. Please note the following:
  - Start each question (but not necessarily each part of each question) on a fresh sheet of paper.
  - Enter the Paper Number, the question number and your Examination number in the appropriate boxes at the top of each sheet of paper
  - Write on one side of the paper only, within the printed margins using a **BLACK** pen.
  - **DO NOT** use coloured pens or highlighters within the answers – they will not photocopy.
  - **DO NOT** staple or join pages together in any way
  - **DO NOT** state your name anywhere in the answers
5. **Unless specifically requested answers are NOT required in letter form.**
6. **NO** printed matter or other written material may be taken into the examination room. **ALL** mobile phones and electronic aids **must be** switched off and stored away.
7. Answers **MUST** be legible. If the examiners cannot read a candidate's answer no marks will be awarded.
8. **NO WRITING OF ANY KIND WILL BE PERMITTED AFTER THE TIME ALLOTTED TO THIS PAPER HAS EXPIRED. At the end of the examination assemble your answer sheets in question number order and place in the WHITE envelope provided.**
9. This paper consists of six pages, including this page.

## **PART A - ANSWER ALL QUESTIONS**

1. When you arrive at your office next Monday, 10 November 2003 you find a facsimile from your US associate sent late on Friday 7 November, asking you to file a new UK patent application in the name of Surgeons Inc. and claiming priority from two US provisional applications filed on 9 November 2002 and 10 December 2002. The applications relate to a new surgical instrument and its use in surgery.

The Associate faxed a description, US style claims, abstract and drawings for you to file. The claims are for both the instrument and a method of surgery using this instrument. The standing arrangement with this US Associate are for you to file the application as faxed and deal with any issues at a later date.

- a. What would be your deadline for filing the new UK application and why?*
- b. What additional documents might you need to file in the next four months and by when?*
- c. What issues would you anticipate arising with the application as proposed?*

*(10 marks)*

2. Your client has found that by applying radio frequency signals to two thin metal sheets mounted parallel to each other but separated by a thin ceramic honeycomb material, as in a sandwich, an excellent domestic quality speaker results. He intends to manufacture the speaker by mounting the metal /ceramic sandwich within picture frame mouldings, with reproductions of well known paintings on the outward facing surface of one of the sheets, so that each speaker appears to be a reproduction of a painting in a frame. Each assembled speaker is fixed to the wall using conventional picture hooks.

*Explain what forms of protection are available for your client's product. Note any problem you would foresee in what the client proposes.*

*(6 marks)*

3. You are prosecuting a UK Patent Application on behalf of James Argent, a private inventor. The application was filed on 2 February 2003 and relates to toothbrushes. In April, he told you that he had signed an agreement with Wellington plc under which Wellington would develop the new toothbrush. Wellington had the exclusive right to market and sell the toothbrush and any further patent application arising from the development would be jointly owned. Last month, on your client's instructions, you filed a further UK patent application jointly in the name of James Argent and Wellington plc. This application claimed priority from the first application and named James Argent as the only inventor. Wellington confirmed that they were happy that the application should be filed.

James Argent approaches you again. As Wellington had not made payments due to him, he states that the agreement is null and void. He wants the joint application to proceed in his name alone. He adds that the new application is a very obvious development of his original idea.

*Appraise the situation in preparation for a meeting with your client to discuss options.*

*(10 marks)*

4. A US client Magniworld Corp sends a fax:

"We have designed and produced a new range of compasses. Unfortunately, one of our employees filed a US patent application on 4 December 2002 without our permission. This came to light when the employee published an article (again without permission) in "Navigation World" on 20 May 2003. He was fired, of course, and proceedings have been taken in the US against the ex-employee to get ownership of the application into our name. In the course of the proceedings we have obtained discovery of the ex-employee's US application; it is identical to the Navigation World article, of poor quality, and does not describe clearly how to make our device.

"We are filing a new US application today claiming priority from the ex-employee's application and describing the invention properly. In the European Patent Office, just as in the US we assume that we will have one year from the "Navigation World" article to get a patent application filed claiming priority from a new US application filed today (4 November 2003).

"We believe that our ex-employee has joined a UK company who is preparing to market and sell our compass in the UK. We assume that the approach outlined in the previous paragraph will protect our interests."

***Make notes in preparation for a telephone conversation with Magniworld to review the situation and to recommend a way forward.***

*(8 marks)*

5. Dr Smith filed his own patent application 14 months ago. On 3 July 2003 he sent, by mail, an abstract, claim and form 9/77 with its fee (by cheque) to the UK Patent Office, but was unaware he should have had a receipt for the documents. When he rang the Patent Office he was told that the application had lapsed because of failure to file a request for Preliminary Examination and Search (form 9/77) in time. Your further enquiry establishes that the claim and abstract are not on the case file.

***Dr Smith wants you to review the position:***

- a. What further information would you like from Dr Smith?***
- b. Assuming your further enquiries show that the Patent Office had cashed the cheque four days after it was sent, what action would you take to retrieve Dr Smith's position?***
- c. If your further enquiries showed that Dr Smith's papers of 3 July 2003 had almost certainly not reached the Patent Office and the cheque had not been cashed, what options would you consider to retrieve the situation? Note any potential difficulties.***

*(10 marks)*

6. You have become aware of a non-typographical error in the main claim of a PCT patent application filed last week at the end of the priority period. The same error occurs in the description of the application.

***What are the options to amend this application during the international phase? For each option note any restriction on amendment?***

*(6 marks)*

## PART B - ANSWER TWO QUESTIONS FROM THE FOLLOWING

7. You are contacted by a new client, Viva Sports Ltd (VS). In the Spring of 2000 the Chief Executive of Viva Sports visited Water Rocket Inc. (WR) in the USA and was hugely impressed by a new jet ski design then being developed by Water Rocket. Viva Sports immediately signed a 10 year agreement under which Viva Sports would exclusively import into and sell in the UK the Water Rocket jet ski and spare parts. The agreement includes an exclusive licence to import and sell in the UK products covered by Water Rocket's European Patent EP0700001B granted in July 2003 pursuant to an application filed in September 1999. The structure of the agreement is such that Viva Sport's profit margins increase as the sales volume increases. The agreement specifies minimum quantities of Water Rocket's jet skis and spares that Viva Sports must order each year which, if not achieved, triggers a minimum payment by Viva Sports to Water Rocket.

European Patent EP0700001B describes and claims a base plate for a jet ski so shaped as to allow a jet ski to skim water in an optimal manner.

In August 2000, following their signing of the agreement Viva Sports and Water Rocket Inc. simultaneously launched the new Water Rocket jet ski in the UK and US markets respectively with stands at water sports shows displaying the new jet ski. Later, Water Rocket signed identical agreements with other companies, one for each EU country. Water Rocket has also signed an exclusive manufacture and sales agreement for the Australian market with Down Under Marine Pty (DUMP), an Australian company, under the Australian equivalent of European Patent EP0700001B. DUMP has designed its own jet ski for the Australian market using the patented base plate but which otherwise looks quite different from the Water Rocket product.

Viva Sports say that sales of Water Rocket jet skis and spares have been hugely profitable as they are able to charge premium prices. In particular, skiers frequently damage base plates by hitting rocks. In 2002, sales of replacement base plates alone contributed half Viva's overall profit.

This year, Viva Sports has noticed that its sales of new jet skis has declined by 20%, and its spare parts business has all but disappeared. Viva Sport's investigations have shown that:

- the French exclusive licensee, Ski-Do SA (SD), has an English language internet site offering Water Rocket jet skis and spares parts for delivery by lorry to customers in their UK address at a price that is 15% less than that of Viva Sports or with a 20% discount on top if UK customers collect the jet skis and spares from its Calais warehouse. The site states that customers must demonstrate UK residency to qualify for the warehouse discount.
- DUMP has established a UK subsidiary, Down Under (UK) Ltd (DUUK), importing and selling the Australian DUMP jet skis. DUUK also offers replacement base plates, DUUK's literature states "these UK sourced base plates are compatible with Water Rocket jet skis at a fraction of the cost".

Viva Sport's complaints to Water Rocket Inc. about the incursions into its exclusive sales area have gone unanswered. Viva Sports is worried that the low level of sales will trigger the minimum payment under the agreement this year and cause serious financial problems.

***Write notes in preparation for a formal meeting with Viva Sports. The notes should cover checks that you would make, and the steps, with reasoning, you propose to improve Viva Sports' situation. Highlight any difficulties you foresee for Viva Sports.***

(25 marks)

8. A new client is planning to introduce a new automatic bread oven.

It is planned to sell the automatic bread oven to supermarkets for their use in their in-store bakeries. It has been found that the thickness and hardness of the crust and the apparent taste of bread made in existing ovens can vary from one day to another depending on weather conditions. In your client's oven, atmospheric temperature and pressure are sensed and a computer programme is used to adjust baking conditions (temperature and time) to ensure that consistent loaves of bread are produced under all weather conditions. In a more advanced model, where the equipment is also used to mix dough, the computer programme will also control the quantity of yeast in the bread mixture. The client is also planning to offer an updating module to its existing range of ovens to automate them. The existing range of bread ovens has been sold at home and abroad.

Your client writes to say:

"We are really excited by our new range of automatic ovens, but before we can launch them we will need to raise more capital. We are planning to make formal approaches to some venture capital companies for this. Preliminary funding discussions with possible sources of capital suggest that we will need to brief them on:

- (i) the extent to which our ovens are protected by intellectual property owned by us; and
- (ii) the extent to which we have investigated third party intellectual property rights and the impact of those rights.

The automating software for our new oven was written for us two years ago by a PhD student at Bognor University. Our sales staff have heard rumours recently that the student has established his own company and is manufacturing and selling automation modules for both our own existing and competitors' ovens.

Your client has filed his own UK patent application 15 months ago. The application is still pending. You are shown the application and find that it contains a single claim to an automatic bread oven.

***Write to your client addressing the issues raised in the preliminary funding discussions, advising him on actions he should take, noting any problems you foresee and mitigating actions you would propose.***

(25 marks)

9. You act for a well-established UK company Fireout Ltd (F), manufacturers of domestic fire extinguishers. Fireout's products are sold only through retail outlets for domestic use. Fireout is concerned by a recently granted UK patent GB9000000B in the name of Stateside Extinguishers Inc (S). Stateside is a US company whose UK subsidiary is a major competitor to Fireout.

Stateside's UK patent GB9000000B was granted on a UK Application filed on 30 June 2000, claiming priority from a US application 09/876543 filed on 30 June 1999. The specification describes how a mixture of two known organic compounds X and Y, when in contact with heat, forms Polyfoam. The specification notes that the very rapid formation of Polyfoam when X and Y contact heat eliminates oxygen from a fire and puts it out. The specification also describes conventional domestic fire extinguishers containing X and Y. The patent has two claims:

Claim 1: Polyfoam (the chemical formula is used);

Claim 2: A hand held fire extinguisher that, when triggered by a user, ejects a mixture of X and Y towards a fire.

Fireout has a European patent EP1999999B, designating, UK, France and Germany. The application for this patent was filed on 1 September 2000, claiming priority from an earlier UK application dated 2 September 1999 (and abandoned before publication). This application describes and claims Polyfoam and its manufacture using the known organic materials J, K and X as reagents. J and K are known to form Y when mixed under pressure. The description mentions, but does not describe in detail, the possible use of these reagents in fire extinguishers to cause Polyfoam to form and smother a fire.

Fireout says that it prefers to use a mixture J and K instead of Y in domestic fire extinguishers, as they are much suited to long term storage in such extinguishers. The pressure created when the extinguisher is set off causes J and K immediately to combine to form Y before it is mixed with X and expelled from the extinguisher.

Your initial checks show that

US patent application 09/876543 only describes and claims the use of Y in conjunction with X to make fire resistant foams, including Polyfoam.

The Ministry of Defence has a patent granted last year pursuant to a patent application describing a built-in system to extinguish fires in military aircraft. The system is triggered when the temperature rises in any area above a pre-set threshold indicating the presence of a fire to mix X and Y creating Polyfoam in that area. The application was made in 1991 and was the subject of a prohibition order under Section 22 of the Patent Act 1977 from filing until its release from secrecy in December 2001.

***Prepare a memorandum as a basis for discussion with Fireout. Ensure that you summarise your response with reasons to the following specific questions raised by Fireout;***

- a. Does Fireout or its customers infringe Stateside's UK Patent GB9000000B;***
- b. Could Fireout secure revocation of UK Patent GB9000000B, if so on what grounds;***
- c. is Fireout's European Patent EP1999999B valid;***
- d. could Fireout enforce EP1999999B against Stateside anywhere.***

(25 marks)

# THE JOINT EXAMINATION BOARD

NOVEMBER 2003

PAPER P2

## EXAMINER'S COMMENTS

### General

In this paper candidates are presented with a number of different situations that they are expected to assess and respond to by giving advice to their client. As always, what is required is clear, cogent advice, not rambling statements of the law without applying the law to the specific situation. Candidates should always consider the consequence of the advice they are giving: advice for example to abandon and re-file an application or to relinquish a claim to priority should not be given lightly. In addition, candidates should clearly set out the reasoning behind their conclusions. It is very difficult for the Examiners to allocate marks for bald statements of fact not backed up by reasoning.

Candidates are reminded that they must write legibly: if the Examiners cannot read an answer they cannot award marks.

It is reasonable for candidates to assume that every phrase in a question is there for a purpose. Many candidates clearly fail to answer a question in its entirety, omitting to make points that appear obvious to the Examiners. It is recommended candidates should take steps during the examination to identify those parts of a question they have used in order to draw attention to those they have not.

Candidates are reminded that paper P2 is not a theoretical legal paper, but a practice paper in which the majority of questions relate to a client seeking advice. Candidates who merely recite the law without reaching any conclusions as to how it applies to the question and to come to coherent conclusions will always struggle with this paper. It is very noticeable that questions requiring analysis of problems, for example questions 3, 4 and the somewhat more involved Part B questions are invariably answered more poorly than the straightforward factual questions such as number 6. This suggests candidates need to be more organised in the way they analyse problems. In particular, there is a need for candidates to identify and follow through the separate threads of Part B questions.

Once again, a disappointing number of candidates at this level appear not to have come to grips with fundamental issues such as priority dates, and the difference between novelty and inventive step. The examiners expect potential registered patent attorneys to be rock solid on such issues.

Although the following comments do not constitute a model answer as such, they provide a brief analysis of each question and then highlight the main issues to be considered by candidates. The most common errors and omissions have also been noted.

## **PART A**

### **Question 1 – 10 marks**

Candidates should think very carefully before giving up a priority date. Those candidates who thought Monday 10 November 2003 was outside the convention term should study the Paris Convention Article 4(D)(3) and Rule 120(2) more carefully. The latter makes it clear that ANY business due on an excluded day can be carried out on the following day. Similarly, candidates who suggested Patents Form No. 9/77 could be filed up to 1 month late should study Rule 25(2)(b), candidates should distinguish carefully between the correct term under Rule 25(2)(b) and possible extensions of term at an extra fee under Rule 110 – clients will not thank an attorney for incurring extra fees unnecessarily! The final way in which candidates potentially lost rights for their client was by noting the priority documents and Declaration of Inventorship should be filed within 16 months of the earliest priority date and then giving the date as 10 March 2004 (i.e., 4 months from the filing date) instead of 9 March 2004. Candidates who stated the correct period but then either did not calculate the date incorrectly or state the due date did not gain all the marks available. This question concerns a number of straightforward issues that might arise when filing an urgent case on behalf of a US client.

#### **a. Deadline for filing**

The deadline is 10 November 2003 because 9 November, which is 12 months from the earliest priority date, was a Sunday and the Patent Office was closed. 10 November 2003 is the first day following the anniversary of the earliest priority date on which the Patent Office is open.

#### **b. Additional documents**

The application should be filed with PF9/77.

A clean copy of the specification and formal drawings may be called for. The deadline will be set by the Patent Office, but is usually 15 months from the earliest priority date (i.e., 9 February 2004).

Certified copies of both US priority applications should be filed by 16 months from the earliest priority date (i.e., 9 March 2004).

A Declaration of Inventorship (PF7/77) should be filed by 16 months from the earliest priority date (i.e., by 9 March 2004).

#### **c. Issues arising**

The surgical method claims will be rejected because surgical methods are not patentable in the UK.

The US style claims may not give the best protection (e.g., dependency on only a single preceding claim and no omnibus claim) so recommend revising the claims to accord with UK practice.



## **Question 2 – 6 marks**

This question was generally well answered. However, little or no credit was given to statements such as “design right applies” with no further consideration of what aspects of the object the right might apply to.

This question relates to issues that might arise when conducting an interview with a client. What types of protection are available for the client’s product and what problems might arise when that product is put on the market?

Forms of protection

File a patent application for the speaker arrangement. File registered designs for the picture and frame arrangement. Design right applies to the speaker and frame design. There is no need for registration, but unregistered design right does not cover the pictures because these are surface decorations.

Problem

The paintings could be subject to copyright. The term of copyright is the life of the author plus 70 years, so choose a picture out of copyright or obtain a licence.

## **Question 3 – 10 marks**

This question was one requiring some analysis of the issues and was answered poorly, yet the issues raised are very practical. You have a client who has entered into an agreement that is not being honoured – what should be done? A dispute between joint applicants is dealt with under Section 10 and not Section 8.

Question 3 is primarily concerned with issues of ownership. How can the client make the best of the situation he finds himself in?

We need to see the agreement and check whether it has terminated so that we can advise the client. Alternatively, it could be argued that the new invention does not fall within the agreement because it was developed by A and not W. The overriding requirement is to give advice to the client.

There is a conflict of interest now that A and W have fallen out. W should be advised it must appoint a new patent attorney.

Although the client has advised the development is obvious, he has the benefit of having made the initial invention. It is necessary to advise the client that obviousness is not an available attack because the earlier application has not been published.

Similarly, the client now wants the joint application to proceed in his name alone. He must be advised there is no automatic transfer of a joint application to one of the applicants if the agreement is terminated. The joint application could be discontinued or proceedings started under Section 10.

If the joint application is discontinued, a new application can be filed in A's name for his improvement. Priority should be claimed from A's original application. Accelerated prosecution should be requested in view of likely infringement by W.

The joint application (which has been discontinued, not withdrawn) should be monitored in case W should proceed alone and A should take action under Section 10 if it does.

#### **Question 4 – 8 marks**

Like question 3, this question was not well answered. Once again too many candidates do not seem to understand the fundamental concepts of priority dates. Candidates should bear in mind a patent attorney should never relinquish a priority date for a client without very good reason. Where a claim to priority is made wrongly the consequence is simply a loss of that priority. However, where a claim to priority is relinquished unnecessarily the entire patent could be lost. Thus, candidates who suggested the earlier US application should be withdrawn, or that priority should not be claimed for whatever reason, tended to score low marks. Candidates who suggested filing a UK/EP application in joint names with the former employee were not doing their client any favours. Candidates who thought the priority problems with the second US application (which was not the first application for at least part of the subject matter) could be solved by withdrawing the first US application should pay particular attention to the Paris Convention Article 4(C)(4) and Section 5.

In Question 4 the client is faced with a number of problems. Its invention has been taken by an employee and the steps it proposes to rectify the situation, although possibly acceptable under US law, will not work in the UK or EPO. There is also a risk that third party sales of the product will shortly appear in the UK.

The proposed action will not work in the UK or EP because, unlike the US, there is no grace period. However, it is possible to use either Section 2(4) or Article 55 EPC. Any UK/EP application must be filed within 6 months of the date of publication of the article (i.e., by 20 November 2003).

The priority of 4 November 2003 is not valid because this is not the first application and the earlier application was not withdrawn.

An EP application should be filed claiming the 4 December 2002 priority as well as the 4 November 2003 priority. Also file a UK application claiming the 4 December 2002 priority and the 4 November 2003 priority and a request for accelerated prosecution in view of likely infringement by the UK company.

Note that because the first US application was of poor quality and may not be enabling, the UK/EP applications may not be entitled to the priority date of 4 December 2002. In such a case, the Navigation World article, which as is identical to the first application, may also not be enabling, but it would still be fully citeable prior art for novelty. In this situation, the breach of confidence provisions should still be used.

### **Question 5 – 10 marks**

Question 5 was in general answered reasonably well.

In Question 5 candidates are expected to give advice to their client in different situations where documents have been mislaid.

a. Further information

Need proof of action taken, such as certificate of posting. Ask S whether the subject matter of the application has been made public (this being a situation in which it may be difficult and costly to revive the application and in which, if there is no intervening publication, it may be worth re-filing).

b. Cheque cashed

Write to the Patent Office under Rule 110 explaining that the cheque has been cashed (and providing evidence) and explaining that there has been an error by the Patent Office. Explain that PF9/77, the claim and the abstract were filed in time, but have been lost within the Patent Office. File replacement papers to complete the Patent Office file.

c. Cheque not cashed

File the missing papers (claim, abstract, PF9/77) and PF52/77 and pay the fees on PF9/77 and PF52/77. Request an extension under Rule 110(4) and provide an explanation and evidence. An extension is discretionary and there is a significant risk an extension may not be granted.

If the extension is granted it will be necessary to file PF53/77 and pay a further fee under Rule 110(6).

Advise the client it may be simpler and cheaper to re-file the application (provided there has been no public disclosure).

### **Question 6 – 6 marks**

Question 6 requires a straightforward discussion of the PCT in relation to a substantive error in a claim and was in general answered well. The most common errors related to the dates.

There are three possibilities:

Seek correction of the error under Rule 91 PCT. Both the error and the correction must be obvious.

Amend under Art 19 PCT, due date 16 months from earliest priority or 2 months from transmission of the search report, whichever is the later. (Note, although only the claims can be amended at this stage, the Examiners did not require this as part of the

answer. Also, since search reports are generally issued late, no marks were deducted if the date of 16 months from priority was not mentioned).

Amend under Art 34 PCT, either with IPE demand or before the IPER is established.

No amendment can add subject matter to the application.

## **PART B**

The great majority of candidates answered Question 9. A slightly smaller number answered Question 8. Question 7 was noticeably unpopular. The average mark for Questions 7 and 8 was not significantly different, with Question 9 scoring on average a few marks more.

### **Question 7 – 25 marks**

A significant number of candidates omitted to discuss unregistered design right despite the reference to “design” in the question. A number of candidates simply used a stock phrase indicating the status of the EP(UK) patent should be checked without noting that the patent had been granted in July, while the European application had been filed in September. A mere reference to checking the patent was in force without appreciating the details was considered inadequate.

The theme running through Question 7 relates to the rights of exclusive licensees, both in relation to patents and to design right.

Checks to make and immediate actions to take

Check the UK register for details of EP 0700001 and confirm the designation of GB. Check that the UK renewal fee due October 2003 (3 months from grant) has been paid. Check whether the exclusive licence has been recorded.

If the renewal fee has not been paid, then do so to maintain the patent in force. If the exclusive licence has not been recorded then do so without delay.

VS’s rights

VS may have unregistered design right in WR’s design as exclusive importer (CDPA S234). If the exclusive licence is recorded, then VS also has the rights of an exclusive licensee to take action under the patent.

Actions against DUUK

If the UK manufacturer of base plates can be identified, VS can take action for infringement.

VS can take action against DUUK for keeping and selling base plates made in or imported into the UK and can also take action against DUUK for importing into the UK base plates made by DUMP.

With unregistered design right VS can take action against the UK manufacturer and against DUUK, but will need to show there has been copying. DUUK's literature only says the base plate is compatible. It is also necessary to consider must fit/must match issues in relation to the base plate.

#### Actions against SD

Purchases made in France and subsequently imported into the UK are generally not an infringement because to the principle of exhaustion of rights. In any event, private individuals will not infringe because of Section 60(5).

However, an English-language website operated by a French company and offering discounts to UK residents is probably an offer for sale in the UK and consequently actionable under UK law.

Further, delivery of the jet skis and spares by lorry to such customers in the UK is probably infringement by importation and also actionable. It is possible to request Customs & Excise to intercept such infringing goods.

It may be possible to challenge the differential pricing policy adopted by SD by complaining to the EU Commission.

It should be possible to take action against SD and importers in respect of the whole jet ski and the base plates.

#### Actions against WR

Write to WR requiring it to take action against DUMP, DUUK and SD. In the absence of a satisfactory response it may be possible to take action against WR for breach of the exclusive licence agreement. In the event of any patent infringement action WR should be joined as defendant. However, this is not necessary under design right because VS is the design right owner.

#### Other points

There is a risk DUUK and/or SD may be able to seek a compulsory licence under S48A on the ground that a demand is not being satisfied. However, this is not possible until 2006 (i.e., 3 years from grant – S48). DUUK and/or SD may be able to seek a licence of right under the unregistered design right from January 2006.

#### **Question 8 – 25 marks**

The major errors in Question 8 involved candidates proposing course of action that would involve abandoning the original application and filing a new application in order to restart the priority year. If nothing else the student's thesis will most likely have been published which would probably be novelty-destroying for the new application. Many candidates failed to recognise that foreign applications could still be filed, but simply not claiming priority.

Candidates often failed to distinguish between ownership of copyright and ownership of an invention. Although the student wrote the software, he may well only have been implementing a procedure set out by the client.

Most candidates neglected the fact that the advice to be provided was for the purpose of briefing venture capital companies. As such detailed reviews of patentability and the risk of infringement will be important in addition to advising on the scope of protection and ownership.

Question 8 sets out a situation in which a client has an invention which it has failed to protect adequately. It has also commissioned software, the ownership of which is not clear. To compound the situation, the author of the software appears to be setting up in competition. What can be done to improve the client's position?

Extent of protection

As a preliminary matter, record the new attorney in respect of the present UK application. Note the present application is UK only and does not cover any other country; consider non-convention applications overseas depending on an assessment of whether there has been publication by the student. The claim is restricted to ovens and does not directly cover the manufacture or sale of updating modules. However, since the module is an essential element of the oven, there should be no serious problems with an action for contributory infringement.

Actions to improve position

If there is sufficient basis, an independent claim should be added to cover the updating module directly. Further, if there is sufficient basis, an independent claim should be added to cover the advanced model directly. If there is no sufficient basis, then file one or more new applications, again depending on an assessment of whether there has been publication by the student. Consider applications overseas to protect these additional aspects. In view of the likelihood of infringement, consider requesting accelerated prosecution.

Problem areas

Consider the relationship between the client, the student and the university. For example, was this an employment situation, is there one or more specific agreements, or is there no contractual basis? If there was no contract, then some rights may belong to the student or the university.

Consider specifically the inventorship rights. Was the student an inventor of the automation system. Inventorship seems unlikely because it was only the software that was written by the student.

Consider specifically the copyright issue. If the relationship between the client, the student and the university is not clear, there is a significant risk the copyright in the software will be owned by the student or the university. In such a case the client may not be able to use the software without a licence from the student or the university.

Investigate whether the student has published his work. This could be as a PhD thesis, by way of marketing literature, or even as sales of a product. If there has been any public disclosure, determine when this took place and investigate whether the student was entitled to do so or whether any such disclosure was in breach of confidence (S2(4) or Art 55 EPC).

Consider whether the software could have given rise to a patentable invention. Although a program for a computer as such is not patentable, claims are allowed provided the subject matter has technical character, which would be the case for example if the software is an integral part of the updating module or automatic oven.

Other due diligence aspects

A thorough prior art and infringement search should be conducted for third party patents and applications.

A review of patentability of the client's inventions should be prepared in the light of the search.

An assessment should be made of the risk of infringement should also be undertaken in the light of the search.

A reasoned opinion should be prepared for use with potential investors.

### **Question 9 – 25 marks**

There were no particular difficulties with this question, although most answers began to break down by the time Part d) was reached. It was difficult to allocate marks in situations where candidates had stated "claim to polyfoam lacks novelty" without indicating which prior art documents destroyed novelty and why.

This question sets out a conflict situation in which it is necessary to evaluate validity and infringement.

a. Infringement of Stateside's GB 9000000B

There is no direct infringement of claim 1 because:

Polyfoam is not made by the client, only by customers who do not infringe because of Section 60(5);

Infringement by the client is only contributory infringement in that he makes and sells a device which, in use, produces Polyfoam.

It should be noted contributory infringement is not avoided simply because sales are to private persons who do not infringe.

The client directly infringes claim 2 because it makes and sells a device which, when triggered, ejects a mixture of X and Y towards a fire.

b. Possible revocation of Stateside's GB 9000000B

Claim 1 is entitled to the priority date of 30 June 1999 because the manufacture of Polyfoam is clearly described in the U.S. application.

However, claim 1 is not valid because it lacks novelty under S2(3) in view of MoD. MoD has a priority of 1991, but was only published in 2001, and describes X and Y mixed to form Polyfoam.

Claim 2 is not entitled to priority so the relevant date is 30 June 2000. MoD does not describe a hand-held fire extinguisher and cannot be used. Can try EP 1999999B which has a priority date of 2 September 1999, but there is no detailed description of a fire extinguisher so claim 2 may well be valid.

c. Is EP 1999999B valid?

The claims are entitled to the priority date of 2 September 1999. This is later than the priority date of both GB 9000000B and MoD so S2(3) is relevant.

The claim to Polyfoam lacks novelty over each of GB 9000000B and MoD, but although the claim to Polyfoam is invalid in the UK it is valid in DE and FR because the s2(3) argument applies only to the UK.

There is no disclosure in GB 9000000B or MoD of the manufacture of Polyfoam using J and K so this claim is valid over the prior art.

d. Can Fireout enforce EP 1999999B?

Fireout could enforce the claims to the manufacture of Polyfoam using J and K in the UK, DE and FR, but Stateside does not use a mixture of J and K.

Fireout cannot enforce claim 1 (to Polyfoam) in the UK, but there is no apparent reason why it cannot do so in DE and FR.

Perhaps the best way forward is to cross-license. Fireout has Polyfoam in DE and FR and also manufacture using J and K in the UK, DE and FR, while Stateside has Polyfoam in UK which is particularly important to Fireout.