

The Joint Examination Board

Paper P2 - Patent Agents' Practice: October 2007

Examiner's Comments

General Comments

This year the pass rate was slightly above that seen in previous years. A number of candidates who gained marks in the high 40's had spotted the relevant issues but were simply not precise enough with the terminology they used to gain all the marks available. For example, for employee compensation to be granted where the employer is the first owner, the patent or invention has to be shown to be of "outstanding benefit". This is the test required by the law, and advising your client that he "has to show the company has made money from the invention" is not correct. A further example is that precise application of the requirements in relation to the threats provisions was required to gain the relevant mark(s). Finally, it is not helpful to apply "boiler plate" techniques to all questions. Many candidates said over and over again file PF51/77, often without considering if it was appropriate.

Q1. Most candidates managed to score adequately on this question although some still gained no points at all, which brought the average mark down to about 3.

The UK national phase should be entered asap and early processing of the application should be requested (1). Without the latter the UKIPO does not start processing the application until the regular deadline for national phase entry. Those candidates who said request accelerated search and exam, which requires justification, gained the relevant mark for early processing in addition to the mark in relation to the justification (1). To enter the national phase a translation will probably be required along with payment of the fee (1). On a practical note candidates should have been considering seeking early publication (1) and possible amendment of the claims to deal with the prior art cited in the search report (1).

The Japanese associate filed the PCT (in Japanese) and we are not responsible for the International phase. Thus suggesting making amendments under Art 19 and requesting early publication of the PCT application, was not the most appropriate course of action.

Q2. The blank and, separately, the box may be the subject of a registered design (2), this route should be recommended to the client because it provides a monopoly right (1), for 25 years subject to payment of a renewal fee for each 5 year period (1). If there was only one arrangement suitable for the interlocking mechanism then the mechanism *per se* may be excluded from protection, as it may be argued that the features were dictated solely by function DPN 5/03 (1). It may be possible to file a patent application on the mechanism (1).

Candidates were prompted to talk about UK and Community unregistered rights by the client's comments. In particular, that CUDR protection only lasts for 3 years from disclosure (1). UKUDR would probably exist because the client is a qualifying person (1). Candidates who simply pointed out that a designer had to be a qualifying person to benefit from UKUDR and then drew no conclusion regarding the status of the client did not get this mark. The term of UKUDR is the earlier of (the end of year in each case) 15

years after recording the design or if marketed in the first five years, 10 years from first marketing (licence of right available in last 5 years) (1). Marks were not awarded for merely stating “15 years after recordal or 10 years after marketing” without further detail. The flaps may be excluded from protection by the must-fit provisions of UKUDR (1).

The average mark for this question was 6.

Q3. This question was deliberately vague about the priority date of OP’s application. Many candidates did not appreciate the potential for overlapping rights in both directions. That is to say if GB22 has the earliest priority date then once it published it would be S2(3) art against GB11 (1). However, if GB11 had the earliest priority date then once it published it would be S2(3) art against GB22 (1). GB11 is an application and thus it cannot be enforced until it has granted (1). Inspection of the application should be sought under S118 (1), the priority date should be checked (1) and the application should be reviewed for basis covering Biowrap (1). If the application could not cover the client’s product then there is no infringement issue.

Threats proceedings cannot be brought by a manufacturer even if the alleged infringement extends beyond mere manufacture (S.70(4)) (1).

Marks were also given for practical considerations, for example checking if a prior user right applied (1) and considering searching for prior art or filing third party observations (1 for saying either). There was also a mark for saying seek early publication **and** accelerated search and examination of the GB22 (1).

The average mark for this question was 6.

Q4. Claims, abstract, search request, search fee and application fee were due by 27 July 2007 (1) and were not completed even by the 2 month extended deadline of 27 September 2007 (1). R100 is inappropriate as no error appears to have been made and a discretionary extension is not available because more than 2 months has passed since the missed deadline. The appropriate course of action was to seek reinstatement under s20A (1), within 2 months of receipt of the letter (the removal of the cause of non-compliance) (1) by filing a form (PF14/77), paying the fee (1) and filing evidence to satisfy the Comptroller that the failure was unintentional (1). This is a specific test and advising your client that he has to file evidence to show “that a mistake has been made” is not correct. Third party rights probably would not apply because this is an unpublished application (1). If required, the PF7/77 would be due 27 November 2007 (1). Finally, it is not possible to refile the application because the client has started marketing his product (1), unless the disclosure is not enabling.

The average mark for this question was 5.

Q5. If the communication from the UKIPO regarding lapse for failure to pay the renewal fee was not sent, then it may be possible to rely on R100 (1). The Comptroller has discretion, but will generally impose conditions such as third party rights in situations such as this where the lapse has been published (1). It may be necessary to seek restoration within 13th month from the end of the grace period ie by 31 December 2007 (2). Candidates who referred to 19 months from the renewal date gained one mark for reaching the correct date (the dates if calculated under either method should be the same). The calculation in the exam was the same as the example in the patent office

manual. This question highlighted the need for candidates to pay attention when calculating dates. A high percentage of candidates calculated the grace period to 31st November. Third parties who started working the invention in good faith after 30 November 2007, will have the right to continue (1) (NO discretion is possible-in contrast to R100). Candidates who stated merely that third parties would have rights "as the renewal fee was not paid" were not awarded this mark. The law is quite clear that rights arise after the end of the grace period. Restoration should be sought asap to minimise third party rights (1).

The average mark for this question was 3.

Q6. No patent application was filed within the convention year ie by 12 October 2007 (1). If client's intention was to file a UK application claiming priority from NL33 then the application should be filed along with a request under s5(2B) (1) see Abaco Machines Application [2007] EWHC 347 or CIPA Journal March 2007. Candidates who said it may be possible to file a PCT application also gained the relevant mark. However candidates had to recognise that an underlying intention to file in the jurisdiction was required to get the mark.

The request should be supported by evidence that the failure was unintentional (the circumstances suggest that it was) (1). The request must be made within 14 months from priority/2 months from end of convention year/ 12 December 2007 (either of these 1). At the UK office there is a form and a fee (£150) (1). Out of interest; if a PCT was filed at the IB then it seems that no form and no fee are required.

Those who gave practical advice and said check with a German agent for German national provisions gained a mark (1). Some candidates also suggested that it may be possible to obtain a German utility model because there is a 6 months grace period (1).

The US has a 12 months grace period. The period expires 10 September 2008, but it is good advice to file the application asap (3). Many candidates recited the date the product was launched, which they were given in the question but failed to say when exactly the 12 months expired.

Candidates were NOT expected to know that DE does not allow restoration of late priority under PCT <http://www.wipo.int/pct/en/texts/restoration.html#D> or that US will only accept it if the US is the RO.

The average mark for this question was 6.

Q7. Candidates were expected to ask what occurred at the meeting, for copies of minutes etc (1). Was the meeting in June 2006 in confidence (1)? Even if meeting was in confidence, it may be too late to file an application to radio 1 given that an application has been filed to radio 2 (1).

RADIO 2

The information available suggests that radio 2 was jointly invented (1). Simply stating "you could own, or MRR could own, or you could both own" without providing conclusions did not gain this mark. The question leads to the conclusion that there was joint inventorship. In this situation if client is an inventor he will co-own the application (1). Check situation and particularly if there have been any assignments/contractual

obligations (1). Co-owners can work the invention independently but can only license with permission (except for US) (2). The application for radio 2 has not published so file a caveat (1). Once published review the application particularly to see if there is any subject matter solely owned by client (eg radio 1) (1).

ENTITLEMENT RADIO 1 & 2

Start entitlement proceedings under s8 and s12 (2 marks). It was also useful to say request to file a replacement application for subject matter solely owned by the client, i.e. radio 1. (This is good advice because it may give the client a dominating IP position) (1). Of course the client needs to be named as a co-applicant for jointly owned subject-matter. The client should also seek to be named as an inventor under s13 (1).

RADIO 3

Radio 3 appears to have been invented in the course of his normal duties and therefore MRR likely to be the first owner (1). If so, the client may be able to seek compensation under s40(1) if the patent or invention can be shown to be of outstanding benefit (1). The size and nature of the employer will be taken into consideration (1). This is an area of the law that comes up frequently in papers, and candidates should be familiar with it. The mark relating to the size and nature of the employer's undertaking –was often overlooked. It is likely to be difficult to show, especially because MRR are working the invention themselves (1). Furthermore, the patent must have been granted (1).

MOBILE PHONE TECHNOLOGY

If the client has a special obligation due to his senior position in the company then MRR may be the first owner (1), in which case compensation can be sought under s40(1) already discussed above (1). The situation is likely to be slightly better for the mobile phone technology because it is licensed, which makes the value associated with the patent/invention readily quantifiable (1).

If the client has no special obligation he will be the first owner of the invention (1). If the invention has been assigned then compensation under s40(2) is possible (1). Of course £1 consideration is adequate for a valid assignment but s40(2) requires analysis of whether this is adequate compensation in view of 10 million in licence fees (would appear inadequate) (1).

Candidates often did not separate Radio 3 from the mobile phone technology when considering compensation, nor did they distinguish between s40(1) and s40(2).

About 93% of candidates answered Q7. The average mark for this question was 11.

Q8. Client may want to consider filing own application asap to halogen lamps with omitted reflector as a precaution (However, consultant may be the owner i.e. it may not be a viable option) (1). Nevertheless, the UK journal should be watched for details of the consultant's application (1). Obtain a copy of the contract with consultant and review for ownership of IP (1). If there are no provisions can it be implied the client is the first owner (1), for example could it be argued that the consultant is under a contract of service rather than a contract for services? If appropriate, contact the consultant to request a transfer of the application (1). If he does not co-operate start proceedings under s8 (1). If successful can have the consultant's application transferred to you (depending on the timing you may be able to withdraw the application before publication and continue with your own, if you prefer) (1). There also may be a breach of contract

by the consultant (1). If the consultant is the first owner, take assignment or a licence (i.e. do a deal) (1).

CONSULTANT'S APPLICATION

Claims appear to be novel (1). Heaters with insulation are known from the client (1) [note heaters with insulation also known from the competitor]. Heaters with lamps and dish/reflectors but no insulation are known from the prior art (1). The claims might be obvious (1).

EUROPEAN PATENT

Check validation (1). An opposition can be filed up to March 2008 (1). Therefore, it may be worth doing a search to identify further prior art (1).

VALIDITY OF COMPETITOR'S CLAIMS

Appear novel on the basis of the information available (1). Bearing in mind that as combining the elements of the prior art does not provide the same arrangement as the claim then it may not be obvious (1). There is a possibility that the claim is valid (1). Could request a UKIPO opinion on validity/infringement under s74A (1). This is non-binding (1).

INFRINGEMENT

The literal language of the claim would appear to require an actual reflector layer (1). Therefore, there is no literal infringement of the claim (1). However, would there be infringement under Kirin-Amgen (1)?

OTHER

Subject to checking for equivalents, client would appear to be free to market in countries other than UK, France and Germany (1).

The average mark for this question was 8.

Q9 Some points in this question could not easily be resolved. Marks were awarded for discussing the relevant issues. Consider asking V to file a new patent application to the catalyst (1). Candidates who suggested that the client file this patent application did not receive this mark – it is not the client's invention to file on. Claims could be directed to the specific ratio which appeared to be novel and inventive (1). Claims could also be included to use of the new catalyst to make pigment (client may be a co-applicant in relation to this aspect) or this could be filed as a separate case (1).

There is more than one option available to the client, for example is there any reason to keep the technology a trade secret (also see the discussion below re licence from LUC) (1). If V files a patent application the client will have to reach an agreement with V to ensure access to the technology (1).

SPAIN

The European case only designates UK, DE and BE, therefore manufacturing in Spain, in itself, is not a problem (1). However, look for Spanish equivalents to be sure (1). An opposition could be filed after grant (1), although a search would need to be done to try and identify relevant prior art (1). Any art found could also be used to file observations in relation to the pending UK application (1). Having said this, the client may not want to alert LUC of their interest in the technology (1).

AMENDMENT

UK application currently has the same scope as the European, which is about to grant. Therefore, if the claims remain the same there will eventually be a s73 issue (1). To avoid the problem the UK claims could be amended by LUC to avoid overlap with the European case (1). Amendments could be directed to a process for making pigment or use of the catalyst for same (1). This amendment would need to be based on the abstract, which would be allowed in the UK (1) but only if the abstract was filed with the application (1). Of course such an amendment would need to be made pre-grant (1).

UK

The client has no intention of manufacturing using the catalyst in the UK. Thus the catalyst *per se* claims are not a problem, as such (1), unless some of the catalyst remains in the pigment or paint imported (1). The importation into the UK of pigment as the direct product of the process would infringe a process claim based on the abstract (1). Importation of paint may avoid this if the pigment is modified during the formulation (i.e. if no longer the direct product of the process) (1).

ACTIONS

File a caveat on the UK application (1). It may be necessary to seek a licence from LUC for UK if valid claims to a relevant process are inserted (1). There may be benefits from seeking an assignment/licence of the LUC case anyway-so the option should be considered (1). Assignment would give the client the opportunity to make amendments to UK application, which may strengthen their general position in the UK (or the position in relation to V which may be helpful in negotiations) (1).