

2010 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

Firstly I need to register myself as the agent for this new client with the UKIPO (i.e. on the official register).

The renewal fees in respect of the fifth year were due on the fourth anniversary = 10 Feb 2008 which means the last renewal fee paid was in respect of the sixth year (2009).

The renewal fee in respect of the seventh year was due 10 Feb 2010 and could be paid by 28 Feb 2010. This date was missed.

There was a further grace period of six months in which the fee could be paid with a surcharge but this expired 31 August 2010 and was also missed.

Therefore the patent has lapsed and we must apply to have it restored under s28.

We must apply to the comptroller to have the patent restored as soon as possible (in order to minimise third party rights) but in any case before the end of 13 months after the expiry of the grace period = 30 September 2011.

The application for restoration must be made using the form (PF52) and paying the fee and accompanied with evidence that the failure to pay was unintentional. The instructions from the client to the US attorney should be useful evidence, a further sworn statement may be required by the attorney and the client. Ask to see the letter from the old attorneys with wrong date.

If restoration is allowed the comptroller outstanding renewal fees must be paid within 2 months. Be aware that the next renewal fee will be due by 28 Feb 2011. You should be aware that the awarding of damages during the grace period is discretionary and it is not advisable to use this routinely.

The comptroller will impose third party rights under s28A. This means that anyone who in good faith started to work the invention (i.e. began what would have been an infringing act if the patent were in force) or made good faith serious and effective preparations to do so during the period in which the grace period had expired and before the publication to restore in the official journal will be allowed to continue those acts after restoration.

Third party rights cannot be licensed but can be transmitted on death and assigned as part of the business. Business partners can also benefit from the rights. Suppliers and customers of the third party do not infringe the patent.

Third party rights are not awarded to anyone who began the infringing act during the grace period or after publication of the application to restore the patent.

Question 2

It is possible that the jodhpurs may be protectable by patent as they have a technical benefit. However, the disclosure was damaging to this (unless it was a certified exhibition and was a single disclosure, this does not seem to be the case) so we will focus on protection with design rights.

Based on the information available the jodhpur appears to be new and have individual character because it is a new type of jodhpur and response has been good so far. Therefore it can be protected using design rights.

The jodhpur as a whole and the anti-slip design may both be protected and can be put in a single application. There appears to be no exclusion to protection based on visible in normal use (not a complex product and the nature of the jodhpur means it must be visible to work), must fit/match or technical function. Although the positioning of the print may have to be in a specific region of the calf to have the desired effect the designs of the print are not dictated by function.

Check that the designs were not made under employment/commissioned — if they were then Miss Riding may not be entitled to the design rights.

Disclosure

Disclosures in respect of design rights are not consider as damaging to registration provided that the originate from the designer and occurred within the 12 months prior to registration. Therefore I recommend applying for registration of the design before the end of 12 months from the initial disclosure (check when this was). Also confirm that the selling at the show was the first disclosure.

In any case, the application should be made as soon as possible because the disclosure grace period does not protect against 3rd party disclosures and does not prevent applications for independently designed jodhpurs from third parties which may affect our application.

UK Unregistered Designs

The client is UK-based and therefore appears to be a qualifying person, therefore unregistered design rights are already in place protecting the design.

Protect for shorter of 15 years from first fixing the design or 10 years from first marketing (end of the calendar year in each case) with licences of right in the last 5 years. Effectively this right will expire at the end of 2020 (the end of the year, 10 years from first marketing).

Protects only against direct copying which must be proven.

Does not protect surface decoration which the specific design of the anti-slip print could be perceived to be.

Community Unregistered Designs

Protect for 3 years from first making the design available. This is unlikely to be long enough to protect the jodhpurs throughout their commercial life.

Also only protects against direct copying.

UK and Community Registered Designs

Registered designs are a monopoly right, therefore don't need to show direct copying, only that the design gives the same overall impression to the informed user.

Protect for up to 25 years, renewals due every 5 years.

A single application protects for whole of EU (Community right only). I recommend applying for this as soon as possible.

Also consider foreign application, e.g. US may be a big market. File within 12 months of disclosure for these too. US registration gives 14 years protection (no renewal fees).

Summary - unreg designs already in place (both community and UK) but only protect against direct copying. I recommend applying for community registered design asap but before 12 months from disclosure to give monopoly protection.

Consider where else protection might be needed.

NB — consider a UK registered application first followed by a community application 6 months later, claiming priority from UK application.

Question 3

As an exclusive licensee my client has the right to start an action for infringement of the patent once the licence is signed.

Before starting an infringement action - check that the transaction was registered as soon as possible, in any case make sure it is registered before 3 December 2010 using the form and fee because failure to register a transaction within 6 months (or asap after if not practical) can result in no costs being awarded in a court action.

Also register myself as the agent for the new client.

Ask the proprietor if they want to start an action against the infringer and let them know that Opto intend to if not. The proprietor must be added as a nominal defendant if they are not a claimant and will consequently not be responsible for any costs.

Write to infringer to make sure they are aware of patent (do not threaten them), also check that earlier communication did not constitute a threat.

It seems unlikely that the infringer will take a sub-licence as they have refused to pay royalties but attempt amicable solution again before beginning a court action.

The patent is granted and can be enforced immediately, when starting an action for infringement request an interim injunction. This is likely to be awarded as the infringing item is new to market.

If successful at full trial the client is entitled to final injunction, damages OR account of profits, destruction or delivery up of Infringing items and costs.

Question 4

Check whether the error was also present in the priority application, the fact that it is described as identical suggests that it was. If it was then the earlier application will also need to be corrected. If not then we just need to deal with the PCT application.

The PCT application was made at the end of the priority period suggesting that it is too late to refile the application with the corrected version. It is unlikely that we can file a late declaration application (within the 14 months from the first application) as this requires the lack of filing to be unintentional and we cannot claim this because we filed on time. Furthermore, the 14 month period is not available in all PCT member states so this is not good advice.

Check whether there has been any disclosure between the first application and now. If there has not

then we could potentially withdraw both applications if the earlier application has not yet published (due to early publication) and refile the PCT without a priority claim. This is risky as there may have been other intervening disclosures.

It is possible to correct mistakes in a PCT application provided the correction is obvious, the error is described as A (as in a single) non-typographical error which occurs throughout. If the skilled person would understand that the error is a mistake then simple correction of a mistake can be made.

If it is not simply a matter of correcting a mistake then it may be possible to amend the application provided the amendment is not adding matter to the specification. Without further information it is hard to say whether this is the case.

If no corrections or amendments can be made then there may be no point in continuing with the application(s). As they may be damaging to the client it may be best to withdraw them (or “it” if error only in the PCT) before publication occurs.

Question 5

Obtain a copy of the letter sent by C to J to check whether a threat was made. If it was merely providing information about the application then it was not a threat.

If there was threat made then it was made in respect of an application and therefore not capable of justification.

However, check what the threat constituted.

Check what the patent application covers, it appears to be a product application

J appears to be supplying an infringing device but is he also manufacturing or importing? If so then the threat is not actionable. Threats made to an importer or manufacturer (or user of a process) can be made with impunity. Likewise, if the threat related to making or importing (or using a process) then the threat is not actionable as this type of threat can be made to anyone.

Try to purchase the infringing device. This will help establish whether it infringes and also avoid a later defence by J that they were not offering the item for sale (i.e. it was merely an invitation to treat).

It is possible that I could start an action for groundless threats under s70 if the threat is actionable. If they do this then they would be entitled to an injunction against further threats, a declaration that the threats were groundless and damages for any losses sustained due to the threats (e.g. loss of sales).

C could defend his actions by proving that the patent (once granted) was infringed by J, i.e. the threat was not groundless.

It is likely that J would then attack the validity of the patent and that C would have to prove that he had no grounds to suppose the patent was invalid. These are all tricky with an application.

I recommend entering UK national phase early, file forms AF1, 9A and 10, pay filing fee, search fee and exam fee and request accelerated prosecution on the ground that possible infringement is occurring. Also provide a copy to the UKIPO and provide a translated copy if not in English. Make sure declaration of inventorship and any priority claims formalities were dealt with in international phase (should have been if the app is published).

Consider making any amendments to the UK claims to ensure J’s product is covered (provided there is basis in the application as filed) and then file a divisional application to the original broader claims.

The application is published and therefore damages are theoretically available back to publication. Furthermore J cannot claim reduced damages due to innocent infringement as they know of the

application's existence.

Ideally we want to attempt an amicable solution to the potential for a groundless threats action so approach J and offer them a licence to the application on favourable terms and retract the client's letter if it constituted a threat.

Question 6

Check that CCC's patent is in force and where. Is there an equivalent patent in the country of the manufacturer?

Get hold of the modified device that MMM plan to replace your product with. Establish whether it infringes CCCs patent. If it does not there is no further action that CCC can take (except perhaps renegotiate the terms of supply with MMM).

If the modified device infringes CCCs patent then establish what actions MMM are performing that may constitute infringement of the patent.

MMM have so far carried out extensive research, seemingly in the UK, on these devices. Extensive implies that the de minimis principle will not apply here. However, MMM may have been using the infringing item for experimental purposes relating to the subject matter of the patent. If this is the case then they have not infringed the patent.

MMM are planning to import the modified device and also presumably use and keep the device (check that they are not also making, disposing of or offering to dispose of the device). These actions would constitute infringement of the patent except that there is an exclusion to infringement is s60 for parts of an aircraft temporarily in UK airspace.

Given the harmonised law in Europe it is likely that this is true throughout EPC contracting states. This means that the exclusion is in place throughout the operating territory of MMM. Check with foreign attorneys.

However, there is a question as to whether an aircraft that operates solely within the UK and Europe could be considered to be temporarily in such airspace (particularly for UK domestic flights in this case).

I recommend attempting an amicable solution with MMM, renegotiating the licence may ultimately be more cost effective than initiating an expensive court action for infringement.

Currently MMMs actions appear to constitute only experimental use and we cannot start an action against potential future infringement. The likelihood of success with regard to future actions is higher, it is unlikely that MMM could show that all of their activities were in relation to aircraft temporarily in UK airspace. However, the outcome of the case is far from certain.

Does the modified device has a patent application pending? If so the manufacturer may be aware of CCCs patent and want to take a licence to the patent or even consider cross licensing.

Question 7

Inventions

The prototype gets the date of April 2010 (I.e. from GB2) whilst the general concept gets the June 2009 date (from GB1).

The optimisation appears to be a new invention so consider filing a PCT2 application just to the prototype claiming priority from GB2 before (but close to) April 2011. This will maximise the term of

protection of the prototype (i.e. an extra 10 months). This is an expensive option but 10 months is almost 1 year and the expected revenue is \$1bn per year.

Co-ownership

Development of the process needs to be investigated, at the moment it appears that it may have been co-invented with the external company E. The test is whether E made an inventive contribution to the subject matter of the invention.

Given there is no agreement in place to the contrary, the process is likely to be co-owned with E. Co-owners have an equal and undivided right to work the patent but cannot licence, assign, mortgage, surrender or revoke the patent without all co-owners consent.

File a patent application to the process, I recommend a UK application as this is cheap and we only need it to serve as basis for a priority claim in 12 months. We want to keep the process separate from the prototype because not doing so would give E access to anything else in the application (e.g. the prototype if we put the process in PCT2). File a PCT application to the process claiming priority from the UK application in 12 months.

File the application before PCT1/GB1 publish which is due to happen in December (18 months from priority of June 2009) so that PCT1 is novelty only art to the later application. Consider allowing GB1 and GB2 to lapse as PCT1. and PCT2 will protect in UK.

Licensee

The licensee L's concerns are valid so negotiate with E to take an assignment of the process patent application (or an exclusive licence). Use the potential cost of maintenance of the patent (for which co-owners are jointly responsible) as a negotiating tool. This should reassure L.

Grant them an exclusive licence rather than assign, this makes sense as C cannot manufacture themselves and we want to maintain control of the product and process.

Other points

Given the potential value of the invention and the response so far consider filing applications outside of the PCT (e.g. Taiwan, Argentina).

Consider a freedom to operate analysis, including a prior art search. Consider whether there are any blocking patents that may require a licence.

Cost implications—separate filings equal higher maintenance and prosecution costs (including translations) but the potential value outweighs this as does the commercial certainty of keeping prototype out of hands of external company. Also, the prior art search is not an insignificant cost.

Question 8

Jan 2007	=	earliest priority
↓		
July 2008	=	published (broad claims)
↓		
August 2008	=	GB granted
↓	=	GW selling chain kit in UK
Soon	=	GW selling chain + kit to US
↓		
Jan 2011	=	5 th year renewal fee
↓		
July 2011	=	R30 period

Granted

FB's patent to a bike comprising the chain is granted and can be enforced immediately.

Make sure FB know that the first renewal fee is due in January 2011 and that although there is a grace period for renewals, the awarding of damages for infringement during the grace period is discretionary. So, pay the fee by 31 January 2011.

Divisionals

Renewal fees for the divisional application are not due until (3 months after) grant.

The R30 period for the parent application also applies to divisional applications and is therefore July 2011. While the divisional application is outstanding (i.e. not granted, withdrawn or terminated) we are able to file further divisionals. Therefore, consider amending the divisional to claims limited to the chain and file a further divisional application to the method of manufacture and remaining scope. Request accelerated prosecution of the new claims to the chain.

When filing the new divisional make sure that priority is claimed from the parent and complete all formalities (i.e. pay application, search and exam fees and request search and examination, make sure claims and abstract are filed). This is because we want the application to grant quickly and there is not a lot of time left to comply with R30 in any case.

GW past UK actions

The claims as granted appear to cover GW's activity since August 2008 and therefore we can sue them for infringement of the patent.

Start by confirming that the chain is covered by the claims as granted (any bike that has the chain would appear to be an infringement).

Write to GW and inform them of the existence of the patent. If they do not stop selling the bikes or request a licence then start an action for infringement of the patent by importing and selling (disposing of).

Investigate other infringing acts also: not manufacturing but are they keeping, offering to dispose of? Include these in the action. Also consider the possibility of contributory infringement for GW's customers (discussed further below in relation to the chain).

It is unlikely that an interim injunction will be granted as the bike is not new on the market. However, if successful at full trial FB are entitled to damages (which may be awarded back to publication) OR account of profits, a final injunction, delivery up or destruction and costs.

This will stop them selling the bikes.

GW recent UK actions

The granted claims mean that by providing a means relating to an essential element of the invention GW are committing contributory infringement by supplying and offering to supply the chain in the UK where it is intended to be put into use in the UK. It is unlikely that the chain is a staple commercial product but even if it is GW appear to be inducing infringement by providing the retrofitting kits.

FB can start an action for contributory infringement of the granted patent also in this respect. Given the product is new to the market the courts may award an Interim injunction (based on whether there is a serious case to answer, which cannot be adequately compensated by damages, the balance of convenience test).

FBs position in this respect would be greatly enhanced once the divisional application to the chain on its own is granted. In this case GW would be directly infringing the patent by offering, disposing of, keeping and importing. It may be worth waiting until the divisional is granted for greater certainty in the court action. Two separate actions are likely to be joined into a single one in any case.

Delaying action should be balanced against the need to proceed quickly to get the product off the market and optimise the likelihood of obtaining an interim injunction.

GW future US actions

There is no US patent granted or application pending to FBs chain that we know about, but check.

GW plan to import the chains and kits into the UK as a base to supply the US market. This does not infringe the patent as granted as there is no bike. Furthermore, it is not contributory infringement because the double territorial requirement is not met (the intended use is outside the UK). Therefore FB can take no action at present.

However, the act of importing, offering to dispose of, disposing of and keeping would infringe the divisional application to the chain once granted.

If there are no non-UK patents then GW could bypass the UK and supply the US market without interference from FB. It is too late to file any non-UK applications as we are outside of the convention period.

Other points

GW customers - are infringing the patent by using the chain but the de minimis principle probably applies and It is not feasible to pursue each customer.

Find out where the chain is being manufactured, if in the UK (unlikely given importing) then pursue them too.

Given GW seems to be much larger than FB a licence might lead to greater sales of their product and give them the best return. Attempt amicable solution first.

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SAMPLE SCRIPT B

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Question 1

First, I will register myself as agent for this case, giving the IPO my address as its address-for-service. Communications will now be sent directly to me and can be reviewed without delay.

The 2010 renewal date was on the 2010 anniversary of filing, i.e. on 10/2/2010.

The renewal period in which fees could be paid ran from the start of December 2009 to the end of February 2010 (1/12/09 - 28/2/10, or 29/2/10 if this year was a leap year).

This period was missed and there is no indication at present that your client intended to pay in this period.

The 6 month grace period for paying with a surcharge ran up to the end of August 2010, i.e. to 31/8/10.

This period has also been missed (although I understand that your client intended payment in mid-August, thereby indicating an intention to keep the case alive).

A request for restoration will thus be needed. The deadline is 13 months from expiry of the grace period, i.e. to 30/9/11 (however, see below...).

A form and a fee are needed within the deadline.

We will also need to provide evidence that failure to pay was unintentional - either in the normal period or in the grace period. Preferably we should file this with the form and fee, but the evidence could be supplied later on invitation by the IPO.

In the present case, it looks very likely the request will be accepted, because the client instructed payment during the grace period. Please provide me with a copy of that correspondence so that I can submit it as evidence (is it clearly date-marked?)

If the request is accepted, the IPO will send us a form for paying the renewal fee and additional fee.

We should of course also ensure the 2011 fee (renewable = 10/2/11 and payable from 1/12/11 - 28/2/11) is also paid.

I recommend we request restoration as soon as possible, because third parties who in good faith in the UK carry out or make serious or effective preparations to carry out an act that would infringe were the patent in force after the end of the grace period but before the IPO publishes on the register the request for restoration will be entitled to carry on (or do in case of preparations) notwithstanding restoration.

Finally, do you have any record of the IPO sending notifications that the renewal fee was not paid in (a) the normal period or (b) the grace period? If no, I will check with the IPO whether they have any record of sending these. If no notification was sent, we could make a parallel request for the IPO to rectify the procedure (r107). If successful, the 3rd party rights discussed above would only be discretionary.

Question 2

Patent protection in Europe no longer possible as invention was voluntarily disclosed 7 months ago. If US is a market of likely interest, recommend we file an application there asap to the concept (using 12 m grace period).

Registered designs

Could subsist, directed to the appearance of the various jodhpurs that incorporate the plastic patterns.

No reason to suspect their appearance is not new (= differ in more than immaterial details) or does not have individual character (= creates different overall impression on informed user, taking into account design freedom), at least in respect of previous jodhpur designs.

May be an individual character issue with regard to the sock-slipper soles as these have “similar” appearance. However, overall design of jodhpur likely to create different overall impression from a sock.

Duration of any registered design (UK and/or Community) would initially be 5yrs from application, renewed up to 4 times for 5 years each (so maximum = 25 years).

Advantage over unregistered rights is that the protection is absolute.

Therefore could prevent 3rd parties from making, offering, marketing, using, importing, keeping any designs not creating a different overall impression on the informed user.

Possible to save some money by covering multiple designs (i.e. jodhpurs that incorporate different print patterns) in a single application.

However, still potentially vulnerable to 3rd parties who use a strikingly different printing pattern (in appearance) whilst still achieving the improved grip.

Recommend apply for Community registered rights in view of European export (not just limited to UK).

Consider also applying for separate UK rights to pursue imports into UK.

The start of sales 7m ago does not preclude registering now as there is a 12 month grace period. However, recommend we file asap to mitigate danger of a 3rd party registering first.

Unregistered designs

(i) Community

Likely to subsist in jodhpurs incorporating the print designs that have been created (i.e. already “fixed”) - subsistence as per reg. designs discussed above).

Lasts only for 3yrs from first disclosure in EEA, which looks to be about 7 months ago. Therefore probably only about 2 ½ yrs left.

Also protects only against copying of the design - which could in practice be hard to prove.

(ii) UK Design Right (DR)

Protects aspects of shape or configuration of articles.

Likely to subsist here as designs appear to be original (i.e. not copied by client) and not commonplace in design field (horse riding accessories - unlikely to include socks, so similar sock-slippers unlikely to cause problems).

There could be a problem if the printed patterns (which are the parts possibly giving rise to the design right) are regarded merely as “surface decoration”, because no DR exists in surface decorations.

However, I conclude this exclusion is unlikely to apply because the prints clearly fulfil a technical function (improving grip) rather than being merely decorative.

Client appears to qualify for the design right as she is UK based.

Duration is end of the calendar year 15 yrs after “fixing”, but limited to end of calendar year 10 years after 1st marketing if this is earlier. As marketed already this year, likely to run for ten years from end of 2010. Note also that in last 5 years, licences as of right will be available.

Protection is only against copying. May be hard to enforce here because of (a) difficulty in showing copying and (b) vulnerabilities to small changes in the printing pattern that mean “copies” are no longer “substantially” of the protected designs, but still achieve improved grip effect.

Other recommendations

Try to obtain more information about possible influx into UK market - e.g. who is making the “copies” and where? if find out, consider negotiating to provide them with a licence in view of vulnerability of any rights to modifications of the print pattern that retain the grip effect.

Question 3

Review license agreement to confirm that it provides O with exclusive right in the UK to do what alleged infringer is doing. If not redraft and renegotiate licence asap, ensuring that new licence also provides O with right to bring infringement proceedings against infringing acts occurring before date of new licence.

O has a statutory right to bring infringement proceedings in respect of acts occurring after license signed. Therefore can start proceedings as infringement (“offering”, probably also disposing”) began 1 month ago and licence was signed earlier, on 3/6/10.

P would be brought into proceedings as a party, but would only be liable for costs should they take an active part in the proceedings.

Ideally want P to act together with O as we will then be able to amend the patent if this becomes necessary (e.g. if find partially invalid and relief is made contingent on amendment).

Therefore recommend meeting with P to discuss the position. Point out in P's interests to co-operate because in infringement process the alleged infringer is likely to counterclaim for invalidity. Therefore P's patent potentially could be revoked, preventing further exploitation by P (e.g. license likely to be void - check terms though!) and potentially meaning O could sue for payment back of already paid royalties.

Also review strength of patent (validity) and strength of infringement case before taking any action. For latter, obtain samples to compare with claims (plus as proof of actual “disposal”).

Rapid action may nonetheless be appropriate if the appearance of infringing product on marketing is causing irreparable harm to O. Possible an interim injunction could be obtained here if there is a serious case to be tried (i.e. good case for infringement), harm could not be adequately compensated by post-trial relief (e.g. irreversible price depreciation) and balance of convenience in favour (e.g.

infringing product only just on market so could be stopped relatively easily). In practice though may just be granted early trial.

Also check immediately whether exclusive licence has yet been registered. If not, register immediately so that registration is complete within 6 months of licence date (i.e. by 3/12/10). Failure to do that means that costs would be unavailable in any infringement proceedings pursued against the alleged infringer.

Question 4

There are three possibilities for amendment of a PCT application:

(i) *Correction of an obvious error*

If the error is “obvious” (in the sense that it is clear there is an error and what the correction must be) then application for correction of the error can be made at any time up to 26 months from the priority date. This could be applied for immediately (i.e. before search is carried out) so recommend we do that if the errors are arguably “obvious”. Note that there is a danger of the national/regional offices reviewing any correction once the national phase has begun (i.e. well after publication of the international application). Looks unlikely to be possible here as error is “non-typographical”.

(ii) *A19 Amendment*

After issue of the international Search Report, the claims (only - not description) can be amended. Amended claims would need to be sent to the IB by the later of 16 months from priority and 2 months from the issuance of the Search Report).

The IB will not itself check for basis for the claims, but this will be reviewed by national/regional offices once the national phase has been entered. Therefore, must decide whether there is basis in the PCT text as filed for amending the “non-typographical errors” to whatever the corrected language should be.

If there is basis, recommend amending at this stage as it will ensure the corrected claims are published in the international phase (thus triggering provisional protection for the invention).

(iii) *A34 Amendments*

It is possible to amend the claims, and the description, during International Preliminary Examination (IPE).

Deadline for filing a Demand (at the International Preliminary Examination Authority IPEA) for IPE is later of 22 months from priority and 3 months from issue of the Search Report. A handling fee and IPE fee are also payable (due 1 month from filing the Demand).

Amendments can be filed at any time before IPEA begins to draw up the final International Preliminary Report on Patentability. However, preferably file with Demand.

Again amendments must have basis in the PCT text as filed.

Other options

If error is not “obvious” and cannot be amended (because there is no basis for the amendment) then best option is likely to be to abandon the PCT case (since publication could apparently be damaging to client’s interests).

In this case, consider filing a new PCT application immediately in which error has been corrected. of course check first that client has not already publicly disclosed the invention.

If still within 1 year of original patent application, claim priority (as will be entitled to priority in respect of subject matter where error is not present).

Note though danger not just of client's own disclosures, but also of 3rd party disclosures and/or patent filings in the year or more between original priority application and filing of new PCT case.

Question 5

Seek to obtain copy of letter immediately for assessment.

Danger that J (or any other "aggrieved party") could bring proceedings under s70 that C has made a groundless threat.

First check whether letter is a threat to bring infringement proceedings in the UK. If letter merely draws attention to existence of PCT application, it is not a threat. Likewise, if letter is merely an enquiry as to who is making or importing the device, it is not a threat.

If letter, does threaten infringement proceedings, confirm that J is an "aggrieved party". This is very likely as any infringement proceedings would presumably cast commercial uncertainty over his business.

Check what acts threat is directed to. If the threat is being made against manufacture/importation of a product or use of a process, it is not an actionable threat. Similarly, if the threat is in relation to anything done by a person who manufactured/imported the product, or used the process, it is also not actionable.

Important consideration here is therefore whether J is a manufacturer/importer of the device in the UK, as well as then supplying it in the UK (if yes, any threat likely not actionable) or instead is merely supplying (commercially) a device which has been made or imported by another party (in which case any threat could well be actionable).

If an actionable threat has indeed been made, it is unlikely to be regarded as "justifiable" because it is not based on a granted patent.

Therefore recommend that we consider carefully whether letter represents a threat that is potentially actionable by J.

If it is, recommend that we write to J again to seek to define the situation, i.e. make clear no proceedings are currently contemplated and consider offering an incentive (e.g. payment) in order not to bring a groundless threat action.

Meantime, in view of apparent infringement in UK, recommend seeking to obtain a granted UK patent asap.

Therefore recommend entering UK national phase early (fee + explicit request for early processing) and then accelerating prosecution (file search request + fee and exam request + fee on entering national phase, request accelerated prosecution with reason that infringement is believed to be occurring). Also consider amending claims to direct them specifically to J's device (+ file divisional to broaden claims).

Once patent has been granted, will be in a much stronger position to pursue infringers (cannot actually start proceedings before grant).

Question 6

EP(UK) '456 provides protection against unauthorised 3rd parties making, offering, disposing, using, importing or keeping the device in the UK (provided of course that it is currently in force - check Register to confirm all renewal fees up to date).

However, in relation to aircraft the protection is subject to an exclusion: it is not an infringement of the UK patent to import, store or use accessories for an exempted aircraft (S60(5)(f)). Exempted aircrafts are those registered outside the UK.

It is currently not clear whether MMM's "modified device" falls within the scope of the claims of EP(UK). This should clearly be studied. It may be in the scope of the claims if the "modification" simply adds additional features, but may not be if the "modification" replaces claimed features of CCC's device.

Regardless of this analysis, MMM's activities thus are unlikely to infringe.

- (a) MMM's maintenance in the UK carried out with CCC's devices does not infringe as CCC supplied those devices and therefore at least implicitly consented to their use.
- (b) MMM's research on the disposable devices is likely to fall under the defence of "experimental purposes relating to the subject matter of the invention" because it seems to have been directed to finding out new information about the devices (i.e. how they could be improved).
- (c) MMM's trials on its modified devices, even if they are in the scope of EP(UK) 145B's claims are likely to be regarded as private, non commercial use (another defence) because they do not appear to have any immediate commercial aspect.

However, there may be infringement should MMM import into the UK and subsequently use/dispose of the modified devices in its commercial maintenance business. Clearly, this is contingent on the modified device being in the scope of the claims.

Further, infringement probably would occur only in respect of maintenance of UK-registered aircraft because as discussed above EP'456B does not protect against dealing in accessories for "exempted" (foreign aircraft).

Note that the UK airlines would then also be infringing as users of the device.

Further if there are any in-force equivalents of EP(UK) elsewhere, those may be infringed by the corresponding European airlines when their aircraft are in home territory (therefore check for equivalents).

Question 7

(i) *Strategy For Maximising Term*

The general concept was first disclosed in GB1, filed 6/09.

It is now too late to file any further priority claiming application from GB1 because the 12m priority period has passed. Furthermore, it is not possible to claim priority for the general concept from GB2, filed 4/10, because GB2 is not the 1st application to that subject matter (GB1 had not been withdrawn leaving no rights outstanding before GB2 was filed - this was clear as GB1 has since served as a priority claim).

It is also not possible to file a new application without a priority claim as general concept has now been publicly disclosed at the 8/10 trade show.

Therefore general concept should be pursued in PCT1.

There may be an exception in the US, where a 1 year grace period exists after disclosure by an inventor. An US national application with no priority claim therefore in principle may be possible until 8/11 provided PCT1 is not brought into the national phase. However, recommend not taking this approach in view of danger of other disclosures by third parties or third parties making earlier US filings, i.e. recommend pursuing PCT1 in US national phase also.

Prototype was first disclosed in GB2, filed 4/10.

Therefore a further PCT application, PCT2, should be filed in due course 12m from GB2 (i.e. in 4/11). The prototype can then be pursued in PCT2.

In order to avoid double-patenting and self-collision problems, it is important that PCT1 claims only the general concept while PCT2 claims only the prototype. It appears that the prototype is novel (and probably at least arguably inventive - e.g. as a selection invention) over the general concept, but this should be checked. Provided that is satisfied then on entry into the respective national phases PCT2 should not be deprived of novelty by PCT1, while inventive step should not matter because PCT2's priority date is before PCT1's publication date *

*This may not be correct in the US where the claims may need to be "patentably" distinct i.e. also inventive. This should be checked with a local attorney, but the worst case scenario appears to be a termed disclaimer limits the term of PCT2 to that of PCT1.

As regards double-patenting, this will need to be considered nationally. For example, in the UK there should be no issue as PCT1 and PCT2 have different priority dates.

(ii) *Other Things to Consider*

There is clearly an issue with the rights to the manufacturing process.

On the facts, it seems very likely that the process invention is owned jointly by C and E. Are there any notes of collaborative meetings, log books etc to check who came up with the inventive concept?

A patent application should be filed to the new process asap as this will provide additional patent protection, both to use of the process itself and to dealing in the direct product of that process (i.e. it protects the product when made by the process). In order to maximise term, a priority application should be filed initially, with a PCT application claiming priority therefrom in 1 year's time.

It would be desirable not to be forced to file the application as joint applicant with E, since rights to prosecute and deal in the subject matter would then be substantially reduced in the absence of specific agreements, e.g. cannot amend application or license subject matter independently. E would also be entitled to work the invention (although this would presumably result in products in the scope of PCT1).

Therefore suggest negotiating with E immediately with a view to obtaining an assignment of their rights in the invention. E may well be prepared to assign relatively cheaply or even simply for continued goodwill as they would in any case not be entitled to carry out the process (due to C's existing PCT1 protection for the product per se).

If an assignment is absolutely not possible, at very least seek a clear written agreement giving C exclusive rights to prosecute (e.g. amend) the patent application and future applications and to license (needed to get deal in place with licensee).

Also sensible to ensure confirmatory assignments of rights are in place from all inventors (for GB1, GB2, PCT1, future cases), both at C and at E.

It would be sensible to carry out a prior art search around the new product (+ its manufacturing process) to add certainty that patent applications should proceed to grant. Has the PCT1 search report issued yet? If yes, review documents closely to assess their relevance.

Still further, consider a freedom to operate search to confirm L would be able to manufacture and deal in the product without infringing earlier IP rights.

Also worth checking that all matters are up to date on the existing PCT1 application.

Finally if the prototype has a striking shape that is very different from previous products in the field, consider whether applications for registered design rights might be appropriate.

(iii) Costs

In the short term, the primary costs are likely to be associated with any prior art/freedom to operate searching, costs in reaching an agreement with E to obtain complete rights in the new production process (e.g. by way of assignment) and in drafting a new application to the production process (filing could be cheap as could do in the UK without paying any fees). In April 2011 further cost would be incurred by filing PCT2. Substantial downstream costs would arise for national phasing PCT1 (30m deadline = December 2011; for 31m states deadline = January 2012) and then PCT (30/31m = October/November 2012). Hopefully at least by national phasing time, royalties will be well underway.

Question 8

Protection in UK currently is from granted claims to bikes having their chain ("BC"), not to the chain per se or to its manufacture.

It would clearly be helpful to obtain granted claims to the chain itself, via the currently pending divisional claims (cannot enforce divisional claims yet as they are not granted).

Therefore recommend reviewing divisional file to check on its current status and requesting accelerated prosecution (with reason that infringement is believed to be occurring). The compliance deadline is in July 2011 (=priority date of Jan 2007 + 4 ½ yrs; assuming that 1st exam report on parent case did not issue late - if it did compliance date would be 1yr from 1st Exam Report, if later than July 2011). However, hopefully will be possible to secure grant before then.

Also consider amending divisional claims to just the chain to expedite prosecution. Could file a further divisional to the manufacturing method if desired (deadline is 3m before compliance date, so will be possible at least until April 2011).

Taking each of GW's actions in turn:

Import/sale since Aug. 08

FB "thinks" these bikes have the special chain. Clearly this will need to be established before contemplating bringing an infringement action. What evidence do FB have? Suggest we obtain a sample of the chain (if not done already), e.g. by actually buying one of the bikes. Is the chain clearly identifiable as being the "modified chain" by sight, or could laboratory tests be done to prove that it is?

Once satisfied that chain on GW's bikes is indeed the modified chain, then it will be possible to bring infringement proceedings based on the granted GB patent. The granted claims have been infringed both importation and sale by GW in the UK (check that importation is actually by GW rather than by a 3rd party having title in goods or entry into UK? If 3rd party, could sue them also).

Relief available in damages or account of profits, delivery up of infringing product, declaration of patent valid + infringed, injunction against further infringement, and costs.

Note that interim injunction not likely to be possible as products have been on market for significant time (+ no indication damages not a sufficient compensation).

Defence of “innocence” unlikely as GW is a “large” wholesaler (therefore damages/account of profits possible).

Damages/account of profits back to date of grant not likely to be large as case has just granted.

However, can also sue for importation/sale occurring in period between publication of application in July 2008 and grant. This covers the entire period of the infringement, so potentially lucrative.

Relief is available provided the alleged infringement is in scope of both claim as published and as granted (it is because both sets of claims cover bikes with chain).

Amount of damages or account of profits will take into account whether it would have been reasonable to expect a patent to grant for the published claims in so far as they cover the infringement. No reason to believe that it is not the case here, although the published application “broadly” covered the bike.

Recent stocking of chain and kit

Stocking these parts not a literal infringement of granted claims as the chains directed to a complete bike.

However, can still be considered whether stocking these products is an indirect infringement.

To be so, must:

be supplying or offering to supply in UK (yes, in UK; stocking likely to be considered at least an offer to supply; consider also buying samples as proof of actual supply);

a person not entitled to work the invention (yes, customers other than those supplied by FB is customer likely to be “private non-commercial users” and therefore not liable themselves, but still not “entitled to work invention”);

with a means relating to an essential element of the invention ((i) chain - yes, provided it is indeed special chain this is clearly essential for making the claimed bike; (ii) kit - arguable as kit itself not part of the claimed product, but nonetheless is a tangible means enabling manufacture of the bike);

when he knows or it is obvious that the means are suitable for and indeed intended for putting the invention into effect in the UK (likely yes for both chain + kit as chain could only be used to fit to a bike + kit is specially designed to allow making the bikes, + selling in UK so can expect bikes to be assembled in UK).

Further neither chain nor kit is a “staple commercial product” because the special chain is a new product, and so is the kit - they can apparently only be used for infringing purposes. Moreover, GW may well be inducing infringement, eg by way of their packaging/instructions.

Therefore at least stocking of chain likely to be regarded as indirect infringement + possibly also kit (if it is “may relate to essential element” - note, also that if chain not available then kit will be no use anyway).

Relief again if damages or account of profits, injunction, delivery up, declaration, costs.

In this case, interim injunction to stop stocking immediately might be possible, because the act has only “recently begun”, i.e. sways the “balance of inconvenience” in favour of FB. However, still unlikely on present facts compared to simply a speedy trial as not clear that post trial relief would be incapable of adequately compensating the client.

Once divisional is granted, this could be used to pursue stocking of the chain as a direct infringement.

Recent Statement

No infringement has yet occurred as GW have not actually carried out act identified in their statement (or it appears not - worth confirming this).

If act is carried out, there is no direct infringement of FB’s granted patent as importing chains and kits to US does not involve making or dealing in a complete bike in the UK.

Moreover, this time there is also no indirect infringement, because although the “means” involved (i.e. chain/kit) are identical to these discussed in detail above, GW in this case are not supplying/offering to supply when they know/it is obvious that the means are intended to put the invention into effect in the UK. Rather in this case the invention is only put into effect (i.e. bike only created) in the US.

Therefore at present no action could be taken on basis of granted patent to stop GW if they start their proposed activities.

However, the divisional application has claims to the chain per se. If granted, it would then be an infringement for GW to import and keep the chains in the UK. This makes clear the importance of getting divisional granted quickly.

An infringement action could therefore be started after grant of the divisional, with relief potentially claimed for entire period over which GW acts because chain per se was also claimed in FB’s published application.

In this case though, negotiations may be a better tactic. It appears FB here have no rights in the US or indeed anywhere outside UK. Therefore GW might presumably just move their base to somewhere else in Europe and continue to supply the US market. Nothing could be done to stop this assuming there are no European or US rights.

Therefore consider negotiations with GW for them to take a licence. They could well be keen to cooperate as will want to preserve their share price. It will also be potentially lucrative new revenue stream in royalties for FB.

Note this would require drawing attention to divisional claims. GW might then file 3rd party observations and thus delay grant. Therefore consider deferring contacting GW at all until divisional is granted.

* * * * *

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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

Case filed 10 Feb 2004 so first renewal deadline for 5th year is 28th Feb 2008.

=► last renewal now due 28th Feb 2010

6 month grace period deadline 31st August 2010, which was also missed.

Renewal paid for 2009, so patent clearly granted.

Patent has therefore lapsed, but can apply for restoration and patent will be restored if we can show the failure to pay renewal fees was unintentional, paying the fee for requesting restoration.

Register self as agent at UK IPO (PF51)

Need to determine whether it was unintentional to pay renewal fees at both 28th Feb 2010 deadline and 31 August 2010 deadline.

Need information from US attorney

when did client instruct payment of renewal fee to you? Appears was instructed mid August, before grace period deadline.

Likely that Comptroller will be sympathetic to the mix-up between US Pan forms, so long as we can prove client intended (and Attorney intended) to pay renewal fee.

→ provide copy of letter and any other documentary evidence.

→however can't be guaranteed. Comptroller decision can be appealed to court.

If application successful will need to pay outstanding renewal fee within deadline set by Comptroller (probably 2 months), along with grace period fee.

Also need to determine why renewals weren't paid by 28th Feb 2010 deadline? Was this intentional i.e. did client also instruct previous US attorney not to pay? Or was this a mix up too?

→If failure to pay by 28th Feb 2010 was also unintentional and we can show this client will not have to pay grace period fees.

Important to apply for restoration as soon as possible.

3rd party rights can accrue from end of grace period (i.e. Sept 2010) until publication of request for restoration in Official Journal.

→ This means that any competitors who, in good faith, perform or make serious and effective preparations to perform an act that would otherwise infringe the patent, have the right to continue to do so even after patent restored.

→ although this right cannot be licensed.

Also, patent cannot be enforced until successfully restored.

Question 2

Designs that we want to protect are:

Jodhpurs themselves

Different patterns (i.e. dots, tread, horsehead) printed on calf

Colours of Jodhpur (RDR and CUDR)

Strongly recommend Miss Riding (MR) seeks registered design protection, as this provides monopoly protection, so do not have to show copying.

Unregistered design protection, by contrast, have to show copying to successfully enforce rights.

Registered UK & Community Design Rights

UK RDR & Community RDR difference that CRDR extends protection throughout Community organisation making importing, exporting and putting on market whereupon protection for UK RDR is limited to UK.

Design has to be new (ie differ from prior art by more than immaterial details)

Jodhpurs overall can therefore probably be registered as they are a 'new type' although check design is new even without printed pattern? although could carry out prior art search to be sure (and find any existing design rights that may exist).

RDR can protect the appearance of an object or any part of it and so can also protect the printing designs.

We're told the designs are similar to anti-slip prints on socks. How similar?

Novelty is assessed by using only designs that would reasonably be known by a designer in that field in the EEA during their normal work.

- ⇒ field in this case is riding clothes which is possibly different to field of sock design.
- ⇒ sock print design will probably not be prior art
- ⇒ print designs are registrable

With Community RDR can have more than one design per application

- ⇒ can apply for all designs MR has produced in one go.

To be registrable designs must also have individual character

- ⇒ again, appear, this property is met new type of jodhpur.

RDR lasts for 5 years and this is extendable to 25 years on payments of renewal fees every 5 years.

As MR designed the jodhpurs she will be first owner (although check not an employee etc)

12 months grace period => MR has ~ 5 months left to file if Horse Shoe was first disclosure.

However strongly recommended filing as soon as possible as no protection if 3rd party independently comes up with design, and rights cannot be enforced until design right is granted.

to maximise length of protection, could file for UK RDR first and then later file a Community RDR claiming priority.

Note that the deadline for filing a design registration claiming priority is normally 6 months but in this case appears grace period will expire earlier, so make sure it is filed within 12 month grace period deadline.

→Also applies if want protection elsewhere claiming priority. (eg US design patent, which will give 14 years protection (no renewal fees required))

Also may be possible to protect the plastic non-stick material being used on the jodhpurs, if new in design field and has individual character.

RDR will not protect a mechanism to achieve a technical effect, but in this case appear to be other ways to provide grip (ie riding boots, so exclusion does not apply).

Unregistered Community Design right has the same requirements as RDR to qualify for protection

→lasts for 3 years from first disclosure in EU (ie ≈2 years 5 months of protection left)

UK unregistered Design Rights will also protect any aspect of shape or configuration of a design, or part of it,

→so long as design is original (ie not copied, which is the case here)

→and that the design is not commonplace in design field.

Again sock design is likely in a different field => jodhpur overall design and the printed design protectable.

MR based in UK => probably UK Resident and so is a qualifying person => UKURDR will exist.

However, UKRDR does explicitly exclude surface decoration from protection.

→Does pre-printed pattern fall under this exclusion?

=> Probably, although cannot be certain as they may well be '3D'

→If excluded, then protection only for overall shape of jodhpur, if not commonplace.

Market is about to be flooded so need to try to find out who is flooding it (ie importing)

If importing occurs before RDRs can be registered, need to rely on unregistered rights.

→Can bring an action to get an injunction against importation using CUDR and also try using UKUDR, although not clear, if printed pattern will have copyright.

Note if UK market will be flooded from another EU country, can exert CUDR rights in that country for making, exporting etc

→although contact local attorney for advice.

Question 3

I need to check terms of exclusive license to see if any terms will modify statutory rights given to exclusive licensee.

Opto became exclusive licensee before alleged infringer began infringing act

=► has right to bring an infringement action in respect of whole infringement.

Opto does have to join P as a party to infringement proceedings, but P does not have to actually take part in the proceedings.

If P does not take part, they will not be liable for any costs.

Alleged infringer A1 has refused to pay any royalties.

→ check that terms of agreement with P allow O to sub-license.

Need to check that patent is valid and in force → i.e. renewal fees have been paid (can file request to check, PF49).

If patent not in force, cannot enforce any rights.

If patent is in force, and does appear that A1 is infringing, suggest writing to them pointing out that if they do not cease infringing (i.e. by taking license), they may be liable for indemnity costs.

→ This could particularly be the case if O requests an Opinion on infringement (s74A) from comptroller (£200 fee), although Opinion not binding so O probably wants faster action.

Therefore recommend sending A1 a letter before action, and start infringement proceedings requesting costs, damages as an account of profits (not both), an injunction, and delivery up or destruction of infringing product.

O can also request an interim injunction, although chance of being granted much less if any delay
=► request asap.

For interim injunction, need to show there is a serious case to be tried (i.e. A1 likely infringing on valid patent), and also that balance of convenience in O's favour, as A1 only recently started infringing.

Should also show damages alone not sufficient as A1's acts will cause irreparable harm to O's commercial position.

As A1 only recently started selling product, good chance interim injunction will be successful.

Question 4

Error occurs in both application and priority doc. Can apply to correct error under R91 PCT.

Deadline 26 months from priority date (i.e. 28 December 2011, if priority 28 Oct 2009).

Apply to relevant authority (i.e. probably ISA in this case, but IPEA is requested during Chapter 11).

Need to show that both the error and proposed rectification obvious.

=► is the non-typo error and correction obvious? Should provide arguments

Otherwise relevant authority can reject request.

Under R91 can amend description and claims, but not abstract or drawings.

If amendment accepted, on entry to national phase, national authority can only reject amendment (after giving client opportunity to respond) if they would not have accepted amendment in first place.

Can also amend the claims once under Art 19 PCT.

→ deadline for this is sixteen months from priority (i.e. 28 Feb 2011) or 2 months from mailing date of ISR & WOISA if later.

Amendments not checked for if correction & error were obvious in international phase, but, will be, by national authority when entering national phase.

Can also amend the error throughout spec if a demand under Chapter 11 is filed (deadline for filing demand 22 months in most states → 28 Aug 2011).

can amend specification at any point while IPEA is performing preliminary examination (i.e. up to 28 months from priority date, in principle), but in practice strongly recommend filing amendments with Demand, if want amendments to be considered by IPEA.

If IPEA thinks amendments add matter, or error and correction not obvious, they will comment on them in international phase, but it will be up to national authorities to decide whether to accept or reject.

Thus although application can be amended in international phase, no guarantee the corrections will be accepted by national authorities.

If priority doc + PCT have not been published, another option is to withdraw them, and refile application as a new corrected application.

→ V. dangerous as will lose priority date so any intervening disclosure (by client or 3rd party) could prevent any protection being gained.

→ can't claim priority or part priority period and not =► intentional. New application could not act as a priority doc itself, as not first application (Paris Convention).

Thus if application v. important could file a non corrected application asap, and request correction under R.91 of previous application.

→ Response from ISA may give indication of whether amendment likely to be accepted.

→ if not, could withdraw incorrect PCT + priority before 18 month publication (30 April 2011).

→ Note at least two weeks before to prevent publication and therefore becoming S2(3) prior art (novelty only) for new application.

Question 5

Could cause a lot of harm!

Groundless threats

Invite 3rd party observation or patent application.

Threats

J, or any aggrieved person, could bring an action against C for groundless threats.

- Could claim: - an injunction against further threats
- Damages for any loss caused by threats.

Need to see letter to determine if what C sent was a threat.

- Not a threat just to bring application to J's attention.

If client did threaten any action, then case law suggests such a threat may be incapable of justification.

- =► Even if subsequent patent is infringed, this would not be a defence under S.70.

Need to impress on C that can only take action or enforce a patent once granted.

J is 'supplying' device.

- Need to check whether they are also importing it or making it, as if so this may be a defence against a groundless threat action.

Also check if C's letter was threatening action for manufacturing or importing only, as if so this is also a defence.

If no defences, however, and C threatened action, C may be liable, and action could be brought to be threatening, or, for example, their supplier.

Check also that infringers actions are actually covered by application.

PCT application

Chance C's actions will invite observation,

PCT application recently published, so if EP/GB designated, provisional protection will accrue.
If EP/GB not designated, no rights!

Recommend we request early entry to UK national phase asap, requesting search, examination and paying search, examination and entry fees.

Also request accelerated examination, citing the infringement as a reason.

On entry to national phase, suggest narrowing claims to specifically cover infringers activities if possible, to speed up potential grant process.

- Can file a divisional application with original, broader claims if necessary.

This may, may be able to proceed to grant within 10 months, at which point can bring an action against alleged infringer for infringement.

Question 6

'456B claim a disposable device for monitoring air quality.

UK patent protects against an unlicensed party making, offering for disposal, disposing, use, importing or keeping in the UK.

Check the UK patent is in force (renewal).

Is the patent in force in other European countries? Check with local attorneys if anything can be done in these countries.

the two relevant exceptions to the above protection are for

Experiments relating to the invention, and
Repair or maintenance of an aircraft temporarily the UK.

MMM currently buying devices from client so currently has an implicit license to use them for replacing/inserting into aircraft =► no infringement.

Also appears that extensive research carried out by them falls under the experimental use exception, as the research related to the invention =► no infringement.

However, it is possible the successful trials might not be exempt, if those trials were a commercial demonstration for clients, in which case would be infringement→ can bring action.

If trials were not commercial but just to see if modified device worked, then this would also be exempt from infringement.

Need to check if, these modified devices fall under claims of '456B.

→ Appears patent is quite broad, so appears that they do.

→If they don't, then nothing M does with them will be an infringement.

If modified devices do fall within the claims, then it is an infringement to import them into the UK, so could get an injunction against this from far Eastern supplier.

However cannot stop importation for maintenance of aircraft temporarily in UK →i.e. the aircraft belonging to non-UK airlines not registered in UK.

Can prevent their use for maintenance of UK aircraft, however.

There does not appear much prospect of success for infringement against work M currently done but good prospects against future plans.

Note check (i.e. setup watching search) to see if M has filed patent application for modified device.

→If so, possible could come to cross licensing agreement if CC wants to use it (i.e. if improve).

→ alternatively, could file 3rd party observations against it, before or after grant,

→If after grant limited scope for MMM to amend ... orig relevant prior art we've found

Question 7

i) The term of protection for the prototype of GB192 is currently limited to 20 years from PCT application date (i.e. June 2030).

Due to trade show disclosure, must ensure that maintain priority claim to before Aug 2010.

→Note possible could file an application with 6 months of trade show, if it is an international exhibition within meaning of S2(4), but it is v. unlikely this is the case.

Is the optimised prototype of GB2 inventive over GB1?

Strongly recommend keeping GB1 priority date protection, in case of any intervening disclosure from client or competitor, which could prevent any protection at all being obtained. However there is a possibility to extend protection for optimised GB2 prototype, if it is inventive over GB1.

Scheme 1

The scheme to extend protection is to file a new PCT application claiming priority from GB2 only, out 12 month deadline in April 2011. → PCT2.

In this case, PCT1 would be full prior art against PCT2, as it will be published Dec 2010 (18 months from GB1), and so protection will only be extended if GB2 is inventive over GB1.

Scheme 2

If GB2 is not inventive or if the above scheme is too risky (i.e. not clear if inventive or not), then a safer alternative is to file PCT2 before PCT1 is published in Dec 2010.

This way, PCT1 will only be available for assessment of novelty in regional/national phases where both applications enter.

→As GB2 prototype is optimised, it is almost certainly different to GB1, so should overcome any novelty objection.

Scheme 2 will therefore increase protection term in respect of optimised prototype by 6 months whereas the riskier scheme 1 will increase patent term by 10 months.

With both schemes PCT1 is also prosecuted, so the risk with scheme 1 is not that protection to GB2 prototype will be lost, but that the extension of patent term will be lost, if optimised prototype not found inventive over GB1.

Note that with both schemes will need to be aware of double patenting laws in each state/region.

In UK, scope of protection cannot be identical, and it is possible that the patent granted from PCT1 & 2 could not both have claims directed solely to optimised prototype.

→These claims would both have same priority date and same proprietor so could be revoked by Comptroller.

Note double patenting rules also can be applied by EPO, although this is somewhat random with conflicting decisions by Technical Boards.

Advantage of using either scheme is also that optimised prototype covered by 2 patents.

→one directed specifically to it, the other covering the general concept, both of which must be licensed.

Also scheme does not involve withdrawing priority, so if something goes wrong with PCT2 during application prosecution, no rights, lost.

Also must consider filing patent protection for new advantageous process.

→ new and advantageous =► seems patentable.

Question over ownership, however. C worked closely with E without agreement.

For patent protection, it is essential that their partnership was confidential

→any minutes or other documents to suggest it was?

→It was E or C disclosed process at all?

If not confidential, no patent possible.

→Note: should set up watching search (caveat in UK) to see if E has filed any patent application for the process → can launch entitlement proceedings (S8UK, S12 for EP/PCT) if so. Details likely published in UK register within 6 weeks, but at EPO or elsewhere likely have to wait 18 months before publication to see.

If confidential, appears E and C are co-owners and co-investors.

=► can file an application naming E & C accordingly.

However, if C just a co-owner, this does not give them the right to license the process to others.

→This is potentially very important, as C does not manufacture products itself.

=► Strongly recommend E & C first negotiate a contract allowing C to deal freely/license patent without E's approval.

Also recommend C contract stating C can prosecute application without interference (i.e. no s10 dispute).

Ideally, should negotiate an equitable assignment from E, so C has all rights.

→must be for a consideration.

Protection from process claim will extend to direct product of process → i.e. the prototype.

=► This patent will extend even further the protection available.

Suggest filing UK application asap in case any disclosure or 3rd party comes up with same idea.

→But can then file a PCT application in 12 months claiming priority =► patent term effectively until Nov 2031.

Suggest arranging contract with E asap, and before license negotiations.

If assignment from E to C after application filed, make sure register at patent office.

ii) Make sure all priority validity claimed, and that any relevant assignments are done before claiming priority.

→ ie for process patent, if file in name of E & C, make sure assignment from E to C before PCT application, or else PCT application must also be in name of E and C.

Make sure all taxes and forms paid. For example, make sure statement of intention filed for PCT1 within 16 months of earliest priority (i.e. Dec 2010).

Could there be any outstanding design rights, registered or unregistered? Check, make sure C owns →assignment if not.

iii) Recommendation under scheme 1 and 2 will both effectively double budget costs, although possibly some synergies in prosecution costs (technical time etc).

Process patent will cost more again in addition to costs for valid assignments etc.

Question 8

FB can only take action in respect of patent that has been granted.

→ i.e. for bike comprising new chain.

Action in respect of the subject matter covered by divisional application can only be taken once that divisional is granted.

→provisional protection may however be accruing.

GW have been importing and selling bikes which may have the special chain since Aug 2008, after application published.

→Need to check if bikes do actually have chain. Does client have evidence of when importing and selling began?

→Suggest sending GW a copy of published application, published patent, and claims of divisional so no innocent infringer defence, but this would be highly unlikely to be a successful defence strategy as presumption is a large wholesaler should be aware of patent.

Provisional protection (s69) may therefore accrue from when GW started acts.

However, application was amended to significantly narrow claims, so possible damages for the period between infringement starting and grant date could be reduced, if:

GW argues that it would not be reasonable to expect that a patent covering their bike and chain would grant.

But, it appears claim were only narrowed to expedite prosecution, not in view of prior art.

⇒FB can probably show that it was reasonable GW's actions would be covered by actual patent, and that, the application was drafted in good faith with reasonable skill and knowledge, because a prior art was not ignored in drafting.

⇒It is possible full damages for provisional protection period, so good chance GW can be punished for past sales.

Can bring an infringement action against GW (sending letter before action) for both importing, disposing, keeping and offering to dispose in UK the bikes with the special chain.

Note GW is a wholesaler, so likely any shops that GW sold to are also infringing.

⇒could join them in the action, however, may not want to sue potential customers.

Could send a copy of the patent to clients of GW, being wary of groundless threats provision as may not have defences under s70(4) for importing/manufacturing.

→However, if certain that bikes are infringing, then any threats will be justified.

V. unlikely to get an interim injunction as balance of convenience in GW's favour as have been selling bikes for over 2 years.

But, in infringement action can apply for a final injunction, damages or account of profit (not both, costs, declaration of validity (if pat. in doubt)).

Chain as spare part in kit for retrofitting.

These recent activities (i.e. since grant of patent?) appear to be covered more thoroughly by the divisional

→Consider adding claim to the divisional leg covering a kit for retrofitting, if possible, to cover GW's activities more thoroughly

→could file another divisional before R30 4 years 6 month date if necessary.

However, may still be able to bring an action for contributory infringement s60(2).

GW's current actions of stocking chain, chain is means relating to an essential element of the invention, as chain design is advantageous bit.

Not clear if kits are means relating to essential element: if the kits include a chain, they definitely are. If kits don't include a chain, (and i.e. just tools), then they will not be means relating to essential element.

For contributory infringement must also be that the supply and recipient is in the UK, which is the case here, and that it is reasonable or obvious that the chains are for use in the UK.

→also applies if chains are being sold to UK shops.

GW cannot take advantage of implied licence for repairing a patented object, as is essentially selling the "inventive" part of the invention as new, not just repairing the existing chain on a bike falling under the scope of the chain.

Contributory infringement also requiring that the chain is not a staple good

→isn't here, because chain is of the new modified sort.

→Even if it was, GW is clearly inducing infringement by selling kits for making a bike that falls within the patent claim.

⇒ Infringement action can be taken against GW for stocking chains and (probably) kits too.

→chance of getting interim injunction higher here, as balance of convenience more in FB's favour as GW only just started selling.

→still need to show a serious case to be tried, which should be OK as clear case of contributory infringement.

Note possible that first renewal may be due therefore Jan 2011→make sure client is aware and paid (at least by grace period).

GW's stated actions of importing chain and kits into UK, but supplying US market, will not be actionable until the divisional is granted, as for contributory infringement the supply and recipient must be in the UK, or if the offer to supply is in UK, it must be reasonable/obvious intended to be put into effect in UK.

→In this case clear intention intended to be put into effect in UK, so no contributory infringement.

Does FB have a US patent that could be enforced?

FB can bring an action in respect of this once divisional granted through provisional protection.

→could narrow claim on divisional to expedite grant, and file another divisional?

Note, also recommend filing another divisional anyway to cover the special method used to manufacture the chain, assuming this does not add subject matter.

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