Patent Examination Board

2020 FD1 – Advanced IP Law and Practice
FINAL Mark Scheme

PART A

Question 1

After receiving the first substantive communication from the UKIPO under *Section 18(3)* (with a deadline of 4 August 2020) that contained objections relating to both novelty and inventive step over the cited prior art, you met with your client to discuss the case.

It was clear that either dependent claim 2 or the claim dependent upon it (dependent claim 3) would overcome the objections fully, so you responded to the office action in time for the deadline, limiting the scope of the claims significantly, to the features of claim 3, as requested by your client.

Your client has just phoned you to say he's been thinking about the case and has changed his mind and wishes to proceed with the broader subject matter of dependent claim 2 instead and asks you to make the amendment on his behalf.

Provide notes for an urgent meeting with your client.

4 marks

Mark scheme

101 Voluntary amendments after the search report has been received can only be filed **once** or in response to the **first** communication (under s18(3))

102 voluntary amendments at any other time are at the **discretion** of Comptroller

103 the amendments **broaden** the current claims on file but permissible before grant – **hence act quickly**.

104 file a divisional to pursue broader subject matter…**reason why this is not first choice of action needed** eg - If comptroller does not allow discretionary amendments or but would be more expensive**….**

Question 2

New clients, Mr and Mrs Ware (W), come to you with a problem. They make hand-decorated ceramic tableware (tea sets and dinner sets) which they sell at craft fairs in the UK. They developed a new decorative pattern which they have applied to the tableware since April 2020 and which is fast becoming their top-selling line. Visitors to their stall say they have never seen anything like it and observe how striking the new pattern is. To capitalise on the pattern, Mr and Mrs Ware have, in July 2020, set up a website for online sales and, more recently, have started developing new products using the pattern, especially on table coverings and serviettes.

They have just received a letter from a well-established UK retailer, Lately Ltd (L), advising that Lately Ltd registered a design to the same pattern and also, particularly, when it is applied to curtains, seat covers, ceramic napkin rings and candle holders. The letter merely draws attention to their registered design. Mr and Mrs Ware have invested a significant sum to develop products incorporating the pattern and to set up their sales business.

You check and find the designs were registered in the UK by Lately Ltd in June 2020 but you have searched and cannot identify any evidence of a prior disclosure or sales by Lately. Mr and Mrs Ware inform you that Lately Ltd is well known for copying popular designs.

Advise your clients on the situation regarding UK registered designs only.

10 marks

Mark scheme

Registrability

201 Appears to be novel (first sold April 2020)

202 Has individual character **because** striking pattern

203 Can rely on **12 month grace period** to secure registration (providing Lately design derived from Wares design)

204 File application for UK Registered design for the **pattern**.

Potential infringement by Wares

205 **Registration extends to products beyond those specified** so will include those sold by Wares

206 Registration is invalid – **because** lack of novelty over sales by Wares

207 Can take action…any one of…. have design revoked/declaration of invalidity/entitlement action etc

208 do Wares have a **prior user right** ?

209 discussion point **–** an appreciation prior user rights would not apply to all products at all time points needed – eg in respect of the ceramic products but not for the later products?

210 Cannot take action until the design is registered **or** until the outcome of entitlement proceedings are concluded.

Question 3

A new client, Cleen Ltd (C), produces hand sanitisers for the UK and US markets. They have contacted you because the head of IP left their job in January this year and they haven't yet hired a replacement. Cleen hadn't given it much thought until receiving a letter from the UKIPO dated last week and now call you as they are worried they have neglected the company's patent matters and need your help.

You review all the documentation they have provided and find the following:

1. The letter from the UKIPO is a communication under *Section 18(4)* advising that GB1, filed 15 September 2017, is in order for grant. GB1 solely describes a back-up active ingredient that is no longer in use in the hand sanitisers.

2. A GB patent (GB2) with claims to the active ingredient 'Y', which is used in the hand sanitisers. GB2 was filed 29 March 2015 (with no priority claim) and granted 1 April 2018.

3. PCT1, with claims covering a new formulation containing 'Y' as the active ingredient. PCT1 was filed 16 April 2019 validly claiming priority from GB3, filed 16 April 2018.

Prepare notes for a call with your client.

9 marks

Mark scheme

GB-1

301 No action may be required for GB1 **because….**(eg you have reviewed and in order for grant or not of key commercial interest).

GB-2

302 Renewal fee was due **31st March/end of march 2020 – likely to have been missed/needs checking.**

303 6 month grace period (with a surcharge) **has also been missed or was due 30th sept 2020.**

304 Client will have to use restoration and show failure to pay was **unintentional.**

305 have 13 months from end of grace period **31st October 2021**

306 Check communications from the UKIPO were rcvd regarding non-payment of any renewal fee

307 **Act quickly** advise client there is a **risk of 3rd party rights – (**although the deadline is far out and it is not necessary for the deadline)

PCT-1

308 **Enter nat phase** in the **US 16th Oct 2020**.

309 claimed formulation of Y will need to be **inventive over** any formulation of Y **in GB2**

Question 4

Your client, SupportZ (S), has asked for a meeting to discuss a letter they have received from a large competitor, LevelZ (L). Your client is a UK manufacturer who produces and sells folding travel tables.

LevelZ has provided basic details regarding their unpublished UK patent application (GB1), which was filed 9 May 2019 and states that when the patent grants they intend to take action against your client for the manufacturing of the tables, which is an infringement of their rights. Your client is understandably upset at the tone of the letter but also confused as they believe that the tables they recently developed, and are now selling, are an obvious improvement of their previous product that they've been selling for many years.

Write notes for a meeting with your client.

9 marks

Mark scheme

401 Client can request a copy of GB-1 from Comptroller relating to the unpublished application (under S118.)

402 check tables fall within scope of claims

403 Client believes the table is an obvious improvement – **request details/evidence from client**

404 Can use prior art (eg the existing tables or from a search) to file 3rd party observations, Arrow dec, continue sales etc at risk

405 **Prior user rights** may exist if developed before **priority date / 9th May 2019**

406 Innocent infringement defence would not be available…**because….**eg client now aware

407 damages may be awarded back to the date of publication

408 No Groundless threats action possible because…

409 Give a suitable reason…. For example: client is a **manufacturer of the table.**

or **because the threat is in respect of the act of manufacture**.

Question 5

You are contacted by a UK company, Pivot plc (P), asking for advice. Pivot has taken assignment of all the rights in UK patent application GB1, which relates to detergent formulations, some of which may include ingredient X.

GB1 was filed in July 2017 by Seesaw Ltd (S), with claims and a description to a general detergent formulation, including a number of examples, only some of which include ingredient X.

Pivot plc decided that it only wished to pursue the general detergent formulation and was not interested in formulations with ingredient X, and said it had assigned the right to priority for detergents containing X back to Seesaw Ltd.

In June 2018, Pivot plc filed a UK patent application, GB2, which was identical to GB1. On the same day, Seesaw Ltd filed a PCT application PCT1, with the same description as GB1, but with claims restricted to detergents with ingredient X. PCT1 and GB2 both claim priority from GB1. GB1 has subsequently been allowed to lapse irretrievably without publishing.

Write notes for a meeting with your client.

9 marks

Mark scheme

501. Check the assignment(s) to see precisely what was transferred.

502. Priority claim to ingredient X (limited) subject-matter in PCT1 is valid;

503. Any priority claim to the generic subject-matter in PCT1 is not valid because S is not entitled to claim priority.

504. priority claim to the general subject matter in GB2 is invalid because subject matter X was assigned to S

Or

priority claim in Gb2 is valid only for general minus X subject-matter (because this has been assigned to S)

505. Therefore general subject matter in its entirety in GB2 has later effective date /June 2018.

506. If PCT1 is abandoned/has not entered the national phase then no prior art effect **or** if it entered national phase it has an effect. (either is fine)

507 Check for entry into the national phase in the UK **or** EP (both needed)

508. If so it will be necessary to amend GB2 to exclude ingredient X

509. e.g. by disclaimer

Question 6

Your client, Charlie (C), has asked you to file a PCT application on his behalf to cover his inventions relating to cycling helmets.

The inventions relate to:

an impact reducing foam;

a reflective paint; and

a helmet making use of both the foam and the paint, which provides surprising strength and flexibility when used together.

Charlie had hoped to file the PCT sooner but due to a cycling accident has been laid up in hospital for six weeks.

He provides you with copies of two GB applications he filed himself: GB1, with claims to the foam, filed 14 June 2019, and GB2, with claims to the paint, filed 16 September 2019. He explained he filed these cases quickly as he had wished to submit the specific details of the foam and the paint for a cycling innovations competition online, which he did so in late October 2019.

Prepare notes in advance of a meeting with your client.

9 marks

Mark scheme

601 publication online is **novelty** destroying prior art (for foam and paint subject matter)

602 Cannot claim priority for foam as restoration period has passed – (foam is not novel.)

603 Can restore priority to GB2 for paint subject matter -deadline is 16th nov 2020

604 would need to show **unintentional** for the UK…**discussion needed** if likely to be met irrespective of conclusion.

605 would need to show **all due care** in Europe…. **discussion needed** if likely to be met irrespective of conclusion.

606 Subject matter of the paint is patentable

607 Combination of foam and paint will be patentable if tech effect is not obvious over disclosure of foam and paint individually.

608 May be able to take advantage of grace periods in other jurisdictions.

609 Can obtain foam subject matter by continuing with GB1.

PART B

Question 7

The Chief Executive Officer of a new client, Daisy Dairies (D), contacts you for advice. Daisy Dairies is an organic UK dairy company which has carried out research for ways to reduce the incidence of biting flies in its dairy herds without using insecticides. Biting flies are a major problem as the bites of the flies cause disease in the cows and the flies stress the animals, which stops them from grazing, feeding and sleeping.

Daisy Dairies has found that if the cows are painted with black-and-white stripes so that the cows look like zebras, the cows have 50% fewer flies on their bodies and exhibit significantly less stressed behaviour, such as flicking their tails and shaking their heads. Cows painted with only white stripes or only black stripes did not show any reduction in the number of flies on their bodies. The paint used in the research was commercially available paint.

Daisy Dairies filed a priority application, GB-P1, on 2 April 2018 and a PCT application, PCT1, claiming priority from GB-P1 on 2 April 2019. The specifications of GBP1 and PCT1 are identical. Category 'A' citations were identified in the International Search Report. PCT1 has a single claim to:

> *A method of treating a livestock animal, the method comprising painting black-and-white stripes onto the animal such that biting fly attacks are reduced.*

Because painting individual cows is time-consuming and the paint rubs off after a few days, Daisy Dairies has carried out further research. The company has found that if the cows are covered with a black-and-white striped blanket, the same reduction in biting flies is observed. The blanket is made of an extremely thin but strong, breathable material which is comfortable for the cows. The material is commercially available. The company filed a priority application, GBP2, on 15 July 2018, and a PCT application, PCT2, claiming priority from GBP2, on 15 July 2019. The specifications of GBP2 and PCT2 are identical. PCT2 has only category 'A' citations identified in the International Search Report and has a single claim to:

> *A protective blanket for a livestock animal, the blanket comprising:*

a) a black-and-white striped blanket; and

b) a magnetic closure comprising first and second magnetic sections on opposing surfaces of an end flap of the blanket, wherein the first and second magnetic sections are releasably engageable with one another.

Daisy Dairies has now discovered that a competitor in the UK, Mabel Milk (M), is using exactly the same striped blankets with their cows, except that the blankets use hook and loop fasteners instead of magnetic closures. Mabel Milk is also exporting the blankets with the hook and loop fasteners to the US and Japan, where they have become immediately and immensely popular with beef producers.

The CEO of Daisy Dairies tells you that she wants to know if Mabel Milk or the beef producers are infringing PCT1 or PCT2.

Write notes in preparation for a meeting with your client. Ignore any potential issues concerning designs and trademarks.

25 marks

Mark scheme

PCT-1:

701. The effective date of the claim is **2 April 2018** (the filing date of GB-P1).

702. The national phase entry date for the US **and** Japan was **2 October 2020** (30m from the priority date; **date passed**).

703. The national phase entry date for UK is **2 November 2020** (31m from the priority date).(if candidates discuss EP also acceptable)

704. Check whether national phase entry (for the US and Japan) has occurred.

705. Contact a local practitioner about late entry into the US **and** JP if national phase entry has not occurred. **(**or if they know what to do themselves**)**

PCT-2:

706. The effective date of the claim is **15 July 2018** (filing date of GB-P2).

707. The national phase entry date for the US **and** Japan is **15 January 2021** (30m from the priority date; date not passed).

708. The national phase entry date for UK is **15 February 2021** (31m from the priority date; not passed).

Patentability

(MoT)

709. Methods of treatment are patentable in the US.

710. In the absence of other prior art the MoT is **novel** (because only category A citations)

711. The method of treatment is **inventive as there are significant advantages** in reducing the number of biting flies.

712. Discussion on whether methods of treatment are patentable in the UK **and** Japan.(claims may need to be reformulated)

(blanket)

713. PCT-1 is prior art against PCT-2 in the US but can be dealt with by common ownership provisions.

714. PCT-1 will be s2(3) prior art against PCT-2 if PCT-1 enters the UK national phase (or EP nat pahse)

715 Check - is there a double-patenting conflict between GBP2 and PCT-2(GB)?

Infringement

716. No-one is directly infringing PCT-1(US or JP) (because they are not painting their cows).

717. There is no literal infringement (by Mabel Milk under normal claim construction because hook and eye fastenings are different to magnetic closures).

718. Infringement by equivalence in the UK,? (does the variant infringe because it varies in a way which is immaterial to the claimed invention?) **Yes or no - with reason.**

719. Infringement by equivalence in US and Japan? **contact local counsel for advice**.

Actions:

720. Accelerate prosecution as no immediately enforceable rights

721. Discussion on whether there is any point in entering the national phase in the UK or Japan for PCT-1 .

722. Licensing discussion - may be attractive as some parties are not competitors.

723. Look for basis to broaden claims to generic fasteners

724. Who is making the blanket with hook and loop fasteners? Mabel Milk or another manufacturer?

725. Put Mabel Milk on notice.

Question 8

Your client, VinesRus (V), is an international wine company who has contacted you due to a letter they have just received from Mr Wickes (W).

Mr Wickes had worked full-time in the marketing department of VinesRus for many years producing flyers etc for trade fairs and in March 2020 had moved to a part-time work schedule. As he then had lots more spare time on his hands, he had devised a complex novel algorithm for determining when the optimal time was to log on to a supermarket web page for the most popular home grocery delivery slot. The system sent him an alert when it identified the optimum time to queue and was working very successfully.

He realised his algorithm may be applied in a number of other fields and especially in the wine industry to enable vineyard owners to determine which vines and grapes were ready for wine production.

He had filed a patent application, GB1, on 16 March 2020, naming himself as inventor and applicant with claims directed to the following:

1. The algorithm as such.
2. A method of monitoring sugar content in grapes using the algorithm.

Once the application was filed, Mr Wickes published his idea online and received letters of interest from a number of businesses. Early discussions with a number of companies indicated that he may be able to obtain licence fees worth many times his current annual salary.

Your client VinesRus was really impressed with Mr Wickes' new idea, and after some negotiations, it was agreed that Mr Wickes would start a new role as head of development and innovation. Mr Wickes agreed to a starting bonus of a year's salary upfront and a very substantial pay rise in return for providing VinesRus a worldwide exclusive licence to his patent application for a twenty-year term.

After starting in his new role, Mr Wickes made a few modifications and improvements to the system, one of which related to the use of the algorithm to identify those vines that had a very specific sugar level. The increased sensitivity allowed vines to be picked with such precise timing that a new range of prestige wines were produced. A second application, GB2, was filed on 10 August 2020, claiming priority from GB1. GB2 included the disclosure of GB1, a description of the new use of the algorithm and an additional claim to the following:

3. A method of monitoring sugar content of grapes and generating an alert when the sugar content is between X–Y grams.

Mr Wickes was named as inventor and VinesRus as applicant.

On 1 September, VinesRus went through a large restructure and as part of the restructure Mr Wickes was made redundant.

Your client explains that the letter from Mr Wickes states he feels he has been tricked by them and taken advantage of and wants to be compensated. He says he intends to set up his own business and is in the process of contacting companies to discuss licensing deals under his patents.

Write notes for a meeting with your client, ignoring issues relating to contract law.

25 marks

Mark scheme

Patentability

801 Software listed under S1 exclusions discuss subject matter eg **software not patentable per se**

802 But, method of using it has a technical effect so not excluded in UK

803 may be dealt with differently in other jurisdictions

804 Claim 3 needs to be inventive over online publication because priority claim invalid

Ownership - invention 1

805 Mr Wickes was employed but invention was not part of his **normal duties** because he was in the marketing dept and also not part of his **duties assigned to him**…... ….(and inventions not reasonably expected to arise).

806 no special obligation to further interest of the company

807 Therefore Mr Wickes is initial owner.

808 Exclusive license has now transferred right to work/exploit the invention to your client.

809 Was license registered at UKIPO? If not do asap….

810 **….**because Mr W is discussing with other parties and other licenses may supersede this licensing arrangement.

811 Mr W will be entitled to compensation if the benefit derived by the employee from the contract is **inadequate** in relation to the benefit derived by the employer from the invention or the patent for it (or both); and

812 discussion regarding one off bonus and significant payrise etc…….but it only last 3 months so no matter how significant it was it was very short lived….? Unlikely to be adequate?

813 if yes then Mr W cannot receive anything further – **or….**

If no then Mr W may receive additional compensation

814 if compensation to be awarded then the level of compensation will be a "**fair share"** e.g. taking into account licences, input from employer etc .

815 cannot begin claim for compensation until patent has granted

816 deadline is 1 year from patent ceasing to have effect (uncertainty for a long time)

Invention 2

817 made as part of his **normal duties** whilst employed **and it was reasonable that an invention should arise** therefore VinesRus first owner.

818 if compensation is due to Mr Wickes is respect of invention 2 then needs to be **outstanding benefit**.

819 No outstanding benefit yet **because…..**comment eg recently filed application, only one wine range produced?

Filing strategy - client

PCT1

820 Client as an exclusive licensee of claims 1 and 2 may not necessarily file a PCT needs to ask Mr W

821 PCT1 deadline is **march 16 2021** to claim priority **GB1**

822 File foreign applications claiming priority from GB2 (claim 3) by **10th august 2021** to maximise term

Mr Wickes proposed new company

823 Client is an exclusive licensee, so Mr Wickes is not entitled to work the invention even as owner of invention

824 Wickes is therefore not entitled to offer new licences to companies.

825 Mr W has no rights to invention 2

Question 9

Your client, Anja, makes and sells cleaning products. She contacts you as follows:

> As you know, on 1 October 2014, you filed a patent, EP1, for my window cleaner, Shinex, which I developed with my estranged partner, Prajesh, who is now my major competitor. Prajesh and I are both named as applicants. When we made Shinex originally, we thought it was stable and the data was included in the examples. However, during subsequent storage tests, we found that some batches were unstable and we delayed launch of Shinex whilst we tried to solve the problem. We found, eventually, that there is a crucial step during the manufacturing process where the temperature must be held at *Tx*. Without this knowledge, it is hit or miss whether it is stable or not. We parted soon afterwards on bad terms and since then I have paid all the costs for EP1 myself. I have also launched Shinex in the UK, made by the new temperature-controlled method and it is selling well. I am now planning to expand to other European countries.
>
> I have now found that Prajesh has recently started to sell, in the UK, a window cleaner, Blingeze. Blingeze seems to be fully stable. My sales have started to decline since Blingeze was launched. To make matters worse, I recently received a letter from Prajesh informing me of the existence of his patent application, PCT1, that claims our temperature-controlled method and also another method that uses high-speed mixing, which I presume also achieves the good stability. Prajesh is named as sole inventor and applicant.
>
> Please tell me how I can stop Prajesh from selling Blingeze and what to do about PCT1?
>
> That aside, I have recently found, completely by chance, that Shinex leaves absolutely no smears at all if you first spray your windows with my new 'window primer', which I have called Primex, before applying the window cleaner. It really works and enables quick and easy cleaning without the smears.

Primex is actually the same as a known spray used as a refresh cleaner for clothes, sold by FabFresh in UK outlets.
There is a patent, GB1, owned by FabFresh, to a mild cleaner for surfaces such as textiles. Luckily, it doesn't mention using it on glass at all.

I would like to start selling Primex along with Shinex in a kit, but would like to get this mess with Prajesh sorted out so that I can focus on this new business venture.

You establish the following:

- GB1 was granted two years ago, is in force and all fees are up to date.

- PCT1, filed on 7 April 2016, without a claim to priority, owned by Prajesh, has the following claims:

  1. *A stable window cleaner.*

  2. *The window cleaner of claim 1 obtained by a process comprising the step of mixing the ingredients at high speed.*

  3. *The window cleaner of claim 1 obtained by a process comprising the step of holding the temperature at Tx.*

Write notes for a discussion with your client.

25 marks

Mark scheme

Patentability

901 Can't file application to **window primer per se because it is not novel** over existing refresher product.

902 Could file on a **process/use** of cleaning windows (including the step of wiping with primer and then with cleaner – use for glass is not known)

903 Could file claim to a kit of parts comprising the window primer and window cleaner to protect the new product.

Infringement

Direct

904 There is no direct infringement of clients EP-1 (**because** one reason enough….Prajesh is allowed to work invention and Fabfresh is not working the invention or EP1 not granted?)

905 Any infringement of new filing may be by customers/individuals, who have private and non-commercial use exemption (Also, Anja wouldn't want to sue her customers)

Indirect Infringement

906 It is possible that Prajesh may be a contributory infringer if dealing in components of Primex (once filed) – need further information.

FTO for new kit – Primex– GB1

907 Check that primex falls within the scope of GB1.

908 If it does then Sale of Primex will directly infringe GB1

909 Initial development of Primex would have been exempt under experimental use as it relates to the subject matter of the invention but….

910 **….**going forwards sales etc Client is at risk of damages or AoP, preliminary injunction, destruction or delivery up, declaration V&I (costs) (**list all remedies**)

Validity of GB-1

911 Do prior art search for GB1

912 could use results to invalidate GB1? Eg revocation

913 or amicably to come to arrangement with FabFresh for supply / seek a licence

914 cant negotiate cross license with EP1 because Prajesh is co-owner

Validity/Infringement of Prajesh's patent (PCT1)

915 Check status of PCT1 ….. If a patent has granted Anja may infringe.

916 Check if EP1 is full prior art to PCT-1

917 **If EP1 is an enabling disclosure** then claim 1 is not novel

918 Discussion about enablement due to stability problem of EP1. The data in the patent was stable.

919 Check date that Anja launched Shinex – claims not novel if Shinex was marketed before filing date of PCT1 (1st April 2016) and is an enabling disclosure.

920 Product by process claims are not limited by process features

921 but check if PCT1 still pending basis for/convert to process claims?

922 Therefore, Prajesh can only prevent others from selling Blingex (if directly obtained by either the temperature Tx or high speed processes).

Temperature method

923 Anja cannot prevent Prajesh from selling the window cleaner (i.e. Shinex/Blingeze) as co-owner

924 The temperature method was jointly invented by both Anja and Prajesh so Anja is a rightful inventor and owner

925 Anja can bring entitlement action(s) to be named as co-inventor and co-applicant.