PAPER REFERENCE: IPLC1 **MARK AWARDED: 50**

Question 1

The ‘theory of the case’ is the reason or reasons why you will succeed. It is determined based on the facts of the case and the evidence available to support/ prove those facts.

MARKS AWARDED 1/1

Question 2

- The patent owner could negotiate a conditional fee agreement, for example whereby the representative is paid if successful at trial. For example, the representative could receive a proportion of any damages awarded.*
- The patent owner could consider taking out after the event insurance to fund the litigation.
- * There are likely to be significant damages in this case because the large company has been selling a substantial number of infringing products for a significant amount of time.
- If the patent owner can’t finance litigation, they could approach the large company to see if they are aware of the patent and whether they would be willing to take a licence.

MARKS AWARDED 3/4

Question 3

Additional documents could include :-
- Reading lists – indicating the documents the judge should read ahead of the trial. This should indicate the time needed for the reading and the relevant passages of any documents, particularly paragraphs of judgements or textbooks
- Skeleton arguments (if ordered at CMC)
- A technical prime – setting out the technical field of the patent infringement action
- A chronology of events – details of the events in the order they occurred
- A dramatis personae – list of the people/parties involved.

MARKS AWARDED 4/4

Question 4

- Previous decision must have been taken by a higher court – the Court of Appeal or Supreme Court
- There must be a clear ratio decided – the majority must have reached the same conclusion for the same reasons
- The previous decided case must not have been overturned by a more recent decision of the higher court.

MARKS AWARDED 2/3

Question 5

a) s.97 of the Patents Act provides a statutory right of appeal to the High Court – the Patents Court of the Chancery Division

b) Appeals from the multi-track in the IPEC :-
   - If the decision is for interim relief, appeal is to the High Court
   - If the decision is a final decision, appeal is to the Court of Appeal.

MARKS AWARDED 3/3

Question 6

a) In the IPEC, the total costs that can be awarded are capped at a total of £50,000.

   The court has the discretion to award costs, and will base the assessment on:-
   - the conduct of the parties
   - whether a party has won on any of the specific issues
   - whether there was any offer of settlement (other than an offer made under Part 36).

   Costs awarded on the standard basis will be those reasonably incurred, reasonable in amount and proportionate to the claim with any dispute resolved in the payer's favour. Costs awarded on an indemnity basis are those reasonably incurred and reasonable in amount with any dispute resolved in favour of the recipient.

   It is also possible to pursue a wasted costs order where a representative has acted improperly or negligently.

b) The costs order will need to take into account :-
   (i) the fact that the defendant abused the process by raising and pursuing invalidity attacks that were hopeless given the prior art available.
   (ii) the fact that the defendant wasted time and money by raising hopeless validity attacks based on weak prior art leading the client to incur total costs for the counterclaim of £60,000.
   (iii) the fact that the claimant won the counterclaim i.e. the patent was found to be valid.

   It may be appropriate to pursue a wasted costs order if it was considered that negligence or improper conduct on the part of the defendant's representative led to the citing of irrelevant prior art.

MARKS AWARDED 3/5

Question 7

a) You could apply to the court for an order requiring the third party to provide the information that will allow the defendant to be identified.

b) Norwich Pharmacal order.

MARKS AWARDED 2/2

Question 8

a) The patent relates to meningitis vaccines and evidence is needed because there are issues associated with meningitis vaccines that are <u>not</u> faced during the development of <u>influenza vaccines</u>. Dr Martin is an expert on <u>influenza vaccines</u> and therefore it would seem that he is <u>not</u> a suitable expert to comment on the issues faced when developing meningitis vaccines.

b) The duty of an expert witness is to <u>the court</u> first and foremost; their report must be addressed to the court. This duty to the court overrides the expert's duty to the person paying the expert's bills. The duty of an expert is to be impartial.

c) An expert's report must include details of the information provided to the expert by their instructing party for the purposes of the expert preparing the report. Therefore, it is not proper for the instructions provided by the party's representative to lead the evidence given by the expert.

   The instructions given to an expert witness are typically annexed to the report and therefore they are disclosed during the proceedings.

MARKS AWARDED 5/5

Question 9

a) Yes, proceedings can be brought in the IPEC. Need to bear in mind that there is a £500,000 damages cap and a £50,000 costs cap at the IPEC.

b) Breach of contract/licence.

c) - Details of the licence agreement between ABC and CBA
   - Details of the breach of the agreement
   - The losses suffered as a result of the breach of contract and the remedies sought.

MARKS AWARDED 5/5

Question 10

Three forms of ADR :-

- Mediation - The parties meet either together or separately with a mediator who facilitates negotiation between the parties

- Arbitration - A trained arbitrator is appointed to meet with the parties to try to resolve the case. The arbitrator's decision can be binding on the parties.

- Early Neutral Evaluation - the parties appoint an expert to discuss the technical issues that arise from the case. The parties can agree for the expert's findings to be binding or not. If the expert's view is binding, the ADR may be referred to as Binding Expert Evaluation.

MARKS AWARDED 3/3

Question 11

- If at trial, the claimant obtains a judgement that is equal to or better than the offer they have made, the defendant will be liable for costs awarded on an indemnity basis. Costs awarded on an indemnity basis are costs reasonably incurred, reasonable in amount with any doubt resolved in favour of the recipient i.e. the claimant.* the defendant will be liable for the claimant's costs awarded on a standard basis up to the point at which the claimant made the Part 36 offer.

  * These costs may not exceed the costs incurred by the claimant through instructing his representative.

MARKS AWARDED 2/5

Question 12

- There is a potential conflict in taking on the new client because the defendant is a former client of the firm. A duty of confidentiality is owed to the former client i.e. the defendant such that it would not be permitted for you to disclose any of the defendant's information to the claimant.

It would appear that the work carried out for the defendant 8 years ago is in a very different field i.e. shower heads, as compared with the current issue – infringement concerning a bathroom tap patent, and therefore it seems unlikely that there is specific information about the defendant's bathroom tap product held by your firm. Notwithstanding this, you can recall a remark made by your CEO relating to the defendant's willingness to settle and therefore there is a potential conflict of interest given that you know this piece of information about the defendant.

A patent attorney litigator, bound by the IPReg Codes of Conduct is required to have due regard to the codes regulating barristers and solicitors (see Rule 14.4 IPReg Code of Conduct). The Bar Standards Board code requires legal professionals to act with honesty and integrity and to not behave in such a way that would diminish the trust and confidence that the public place in our profession. In light of these principles, careful consideration may need to be given as to the perception that will be taken away if your firm acts against a former client.

Steps that could be taken to help decide whether it is appropriate to act :-

1) Determine whether the defendant is still a client of the firm.

2) Determine if applying for the CRD was a one-off piece of work for the defendant or whether additional work has been done, particularly if any additional work relates to bathroom taps.
3) Find out if the defendant waived their right to their information being kept confidential.

MARKS AWARDED 4/5

Question 13

- Need to check that Mr Dhani is competent to swear on oath and that he understands the content of the affidavit and that he understands that he will be swearing on oath that the contents of the affidavit are true.
- Need to check that there are no gaps / blank spaces in the affidavit. These need to be scored through and initialled if they exist.
- Need to check that the exhibits are the ones referred to in the affidavit.
- Need to ask Mr Dhani to read or repeat after you the oath that he is happy to swear – this can be modified to take account of Mr Dhani's religion. He does not have to swear on the Bible. Alternatively, Mr Dhani could affirm by repeating the words 'I do solemnly, sincerely and truly declare that this is my name and handwriting and that the contents of my affidavit are true.'
- The affidavit needs to be signed by Mr Dhani before he swears under oath or affirms and the place and date need to be entered.
- You need to sign the document and underneath write: 'Chartered Patent Attorney' or 'Commissioner for Oaths'.

MARKS AWARDED 3/5

Question 14

- You need to advise the client that the allegation of fraud must be dropped.
- It is your duty as a patent attorney litigator not to deceive or mislead the court. With the knowledge you now have, continuing with the allegation of fraud would be misleading the court.
- In this regard your duty to the court overrides any duty you have to protect the confidentiality of your client's information.

- You should advise the client that lying in an affidavit is perjury and lying in a witness statement amounts to a contempt of court. Both witnesses may therefore be punished.
- If it is possible to continue with other parts of the claim, you may be able to continue if the allegation of fraud is dropped.
- If the client refuses to drop the fraud allegation, you could need to withdraw from the case because you cannot mislead the court.
- If it comes to light that the claim was false, it would be highly detrimental to you and the profession.
- If you continued, you would not be acting with the honesty and integrity expected of legal professionals.

MARKS AWARDED 5/5

Question 15

a) 3 months from the Comptroller's decision.

b) It will have to be established that :-
   (i) the Comptroller's decision was one that no reasonable comptroller would have made in the circumstances; or
   (ii) there was an error in applying the law; or
   (iii) there was a procedural error.

   Under (i), it could be established that the decision was unreasonable
   - If the comptroller had regard to issues that no reasonable comptroller would have had regards to; or
   - If the comptroller did not have regard to issues that a reasonable comptroller would have had regard to.

c) Although it may be possible to apply for judicial review and succeed, the simplest option would be to file a second PCT given that this can still validly claim priority so the effective date is not lost.

MARKS AWARDED 5/5