

Report on Paper D/1995

It is difficult to know what it is worth saying which would help future candidates in preparing for the exams. Despite the comments in previous reports, the same problems turn up year after year and it must be emphasised that it would be preferable if candidates did not enter the exam until they were really ready and had put in the necessary study.

Once again it was very regrettable to read answers which displayed such a complete lack of knowledge of priority rights - who owned them and what was necessary to claim them to maximum benefit. This is a major issue for the correct handling of a client's patent matters and any candidate who cannot deal with this is not fit to practice. Also a surprisingly common failing was for a candidate to know old case law but not to know the most recent decisions or EPC changes reversing the old law.

No well prepared candidate should have been short of time and the need this year to allocate time between the different parts was avoided by separating them and specifically allocating a maximum time for each part. Overall, the examiners felt the papers showed that there had been less time pressure and that Part II in particular was answered better this year, probably as a result of more time being allocated specifically for this part without the question having been made in any way more difficult. Nevertheless, many candidates would have lost valuable rights for their clients if they had been dealing with these problems in real life.

Attached is a model answer which is much fuller than would be expected from even very good candidates. Also attached are examples of some of the better actual examination answers which were submitted in different languages. These actual examples may suffer errors or omissions and may not accord with the model answer in all respects but they do show what actually can and has been achieved by good preparation and in the time permitted in the examination.

Many of the questions in Part I were well answered and obviously caused candidates very few problems but others were not found so universally easy and the following comments set out the main problems or deficiencies that arose in the answers.

Part II

What the examiners were looking for comes out in the model answer. In the majority of cases they did not get what they wanted.

Candidates should preferably read the paper through completely before starting their answer and they would then save time writing down unnecessary material. They might also then realise that they have been set specific questions which they should assume the examiners expect to be answered if they are to get good marks. Most failed to follow the questions through and many finished up setting their clients questions rather than giving advice and answers. When advice was given it was often given without justification or basis. The candidates need to say why a particular course is being recommended and if they do so they might realise how wrong some of their proposals are.

Candidates were expected to try to provide their clients with the best protection available and this did involve claiming the priority of EPI. So many ignored this and some clearly decided to take the easiest course which involved the least work and effort for the attorney and to throw away rights by giving up any claim to rights on broad devices and on X and Y and simply choosing to protect Newman's invention. Ownership of priority was dealt with very badly and the great majority still overlook that a right to priority or a right to claim priority is necessary before it can be validly claimed.

The part of the question dealing with Flashco's position was dealt with very badly or only superficially by a large number of candidates. Very few showed a knowledge of PCT procedures or of the US grace period.

notification of the decision, and within four months of the date of notification of the decision, the applicant should file a written statement setting out the grounds of appeal. The two month time-limit for filing the notice of appeal begins on the 17.02.1995 (date of dispatch plus 10 days (Rule 78(3))) and ends on the 17.04.1995, Easter Monday, but is further extended to the 18.04.1995 (Rule 85(1)). The four-month time-limit for the grounds of appeal ends on the 17/06/95, a Saturday, and so is extended under Rule 85(1) to 19.06.1995.

Amended claims which conform with what the examiner has indicated as being allowable should be filed with the grounds of appeal. The examining division should then take advantage of the provision for Interlocutory Revision (Art. 109 EPC), and provided it regards the appeal to be admissible and well founded (i.e. overcoming the previous objections), the decision to refuse the application will be reversed (Art. 109 EPC).

Regarding the issue of fees, the first renewal fee was due on 31.01.1995 (last day of month in which second anniversary of filing date falls (Rule 37(1))) in accordance with Art. 86(1) EPC and is now overdue. The renewal fee may still be validly paid within six months of this date provided that a 10% surcharge is paid at the same time (Art. 86(2)). The renewal fee should therefore be paid before the 31.07.1995.

Part II

Memorandum to BRIGHTCO

(I) The proposed new device application

- (i) Given your desire to minimise costs, I would recommend a PCT application designating Europe, Australia, Japan and USA, which would appear to be the most cost effective route. The application can be made at the European Patent Office, at the appropriate National Patent Office (PCT Art. 10, PCT Rule 19) e.g. the British Patent Office, or WIPO (national security provisions may require a filing at the British Patent Office). The application could be filed by fax at the EPO - with the exception of authorisations and priority documents (PCT Rule 92.4, Decision of the President dated 26.05.1992 (OJ EPO 1992, 299) and Notice from the EPO dated 02.06.1992 (OJ EPO 1992, 306)) - and this might also be possible at National offices dependent upon their home provisions.

The PCT route is particularly cost-effective for a number of reasons. As the EPO is the International Searching Authority then no EP search fee will be required in addition to the PCT search fee (Administrative Council decision per EPC Art. 157(3)(a)). As the priority applications are European applications a refund or a partial refund of the search fee is available. If the EPO subsequently acts as International preliminary Examination Authority then EP examination fee can also be reduced by 50% EPC Rule 104b(6) RRF Art. 12(2). I would suggest that you postpone payment of the EP designation fees by not entering the EP regional phase until you absolutely need to. Only four (lower) designation fees would then be payable early for the PCT, whilst up to 15 (higher) designation fees would be payable in a similar time frame if an EP application was filed from the beginning.

If the application is filed at the EPO, priority documents will not be required. If a request that the EPO transmits priority documents to the IB (PCT Rule 17.1(c)) is filed at a National office priority documents will need to be filed within 16 months from priority (PCT Rule 17.1(a)). The effect of non-filing of priority documents is that priority may be refused by National offices (PCT Rule 17.1(c)) although this is not the effect before the EPO (EPC Rule 104b(3)) where priority documents will be requested if they are not filed at the time of entry into the National Phase.

- (ii) EP(1) appears to be an enabling disclosure for broad claims to opto-electronic devices since the description of EP(1) was sufficient to allow experts to manufacture a device falling under such broad claims given reasonable experimentation (T14/83 and T226/85). In contrast, for the specific devices X and Y, the basis for claims to these devices is found in EP(2).

In summary, in the PCT application to be filed, broad claims should be drafted for opto-electric devices which include the improved optical fibres as justified by the disclosure of EP(1), together with specific claims to X and Y, as justified by the disclosure of EP(2). It should be noted that under your agreement with GLAZECO your company only has the right to claims for devices.

The new developments by NEWMAN would appear to be patentable in their own right (see Guidelines C IV 9.4(i), T2/83 - evidence of inventive step and novelty exists so far as you are aware). It may be useful to include these developments in the single application now with the option to divide out later so as to minimise costs in the first year, provided that NEWMAN can provide the necessary documentation in time for filing on the 18.04.95. However, a separate, non-convention application could be filed later if the details of the NEWMAN developments are not available in time. Claims could be incorporated for the specific device, the manufacturing process and for use of the polarisation feature in improving the performance of devices X and Y.

- (iii) To be safe you should claim priority of both EP(1) and EP(2). For the broad claims to opto-electric devices, the priority of EP(1) must be claimed, while as far as the specific device claims are concerned, EP(2) is the first application where devices X and Y are mentioned explicitly. EP(1) does not explicitly disclose the specific features of devices X or Y. The requirements for an implicit disclosure of these features (see GL C-IV 7.5) are probably not fulfilled either, since the client's letter does not say that the skilled man would inevitably arrive at a device having the specific features of device X or Y when carrying out the general procedure described in EP(1), but just that he could develop a device corresponding to the general description (Paris Convention Art. 4, PCT Art. 8(1), Art. 87(1) EPC). Therefore, only the priority of EP(2) can be claimed for the devices X and Y.

The priority of EP(1) should in any event be claimed for the following reasons: Firstly, if it is not claimed, there is the risk of an EPC Art. 54(3) conflict with the application claiming only the EP(2) priority; secondly, EP(2) is not a "first application" with regard to the broad claims within the terms of EPC Art. 87(1) so that for these claims its priority cannot be validly claimed (withdrawal of EP(1) before its publication would be of no help pursuant to EPC Art. 87(4) because GLAZECO will file a new application claiming the priority of EP(1)); hence, the disclosures at the conference

would be prior art against the broad claims of an application claiming only the priority of EP(2).

As the priority of EP(1) is to be claimed as well as that of EP(2), then the PCT filing claiming priority should be made by 14.04.1995, but this is Good Friday, followed by the weekend and Easter Monday, which are all holidays, so the time for filing is extended under PCT Rule 80.5 until Tuesday 18.04.95 (Rule 85(1)EPC).

NEWMAN's developments are not entitled to the priorities of EP(1) or EP(2) since they are not implicitly or explicitly disclosed in these documents. In any case, in view of G3/93, there is no benefit in claiming the priorities of EP(1) and/or EP(2) for these developments since the intervening disclosures at the conference will be citable against any claims to NEWMAN's developments.

- (iv) The applicants need to be in a position to claim priority from EP(1) and EP(2). The right to claim convention priority is extended under Paris Convention Article 4, as implemented in EPC Art. 87(1) and PCT Art. 8(1), to the original applicant or his successor in title.

In order to validly claim the priorities of EP(1) and EP(2) it is, however, not necessary to keep these applications in force; EPC Art. 87(3). If the application were to be made in BRIGHTCO's name only, the assignment of EP(2) and EP(1) (at least in part), or of the right to claim priority, would be required by 18.04.1995; Rule 20(3) EPC. However, there is no signatory available so that the best solution would be to file the PCT application in the joint names of GLAZECO and BRIGHTCO and then have GLAZECO assign its rights formally after filing. If the NEWMAN invention is added to the PCT application BRIGHTCO will in any case need to be named as a co-applicant. By adopting this route the right to priority can be preserved as the applicant of EP(1) and EP(2) (GLAZECO) is also an applicant for the new application.

Where there are several applicants, an agent representing all of them may be appointed by designation in the request or by a separate power of attorney or by a combination of both methods, provided that all the applicants have signed either the request or a separate power of attorney (PCT Art. 4(1)(iii), PCT Rule 4.1(a)(iii)(d), 90.4(a)). Therefore, there will be a need for a signature on the request or a separate power of attorney on behalf of GLAZECO as well as BRIGHTCO for all countries except US, and by the inventors for the US.

Both KAPPA and LAMBDA would need to be named as inventors (and applicants for the USA) and two assignments will be required - one assignment of their part-share in the PCT application from GLAZECO to BRIGHTCO and one assignment from KAPPA and LAMBDA for the US part of the PCT application.

If the NEWMAN claims are incorporated in the PCT application, NEWMAN must be added as an inventor and applicant for the United States and this would modify the assignments required. If the NEWMAN invention is not included in the single PCT application, but is claimed in a separate national or European application, then that application can be made in the name of BRIGHTCO alone.

(II) The FLASHCO applications

- (i) In respect of the device the FLASHCO PCT(F) application appears to be compromised outside the US, and certainly for the EPC by virtue of the alleged disclosure of the FLASHCO device at the trade fair. However, in the absence of any dated documentary evidence, this will need to be decided on the basis of a witness testimony or affidavit. The question is whether supporting evidence will be available from unrelated parties who were at the fair. Testimony by your company's employees alone would not necessarily be sufficient to prove the prior disclosure. However, PCT(F) claims for the device would only have priority of 19.05.94, so the device priority of 21.04.94 of your (EP(2) application will prevail and the BRIGHTCO new application will be EPC Art. 54(3) prior art for novelty against PCT(F) on entry into the EP regional phase in so far as there are common designations, so it is probable that FLASHCO will need a licence from you in Europe. Evidence of the disclosure at the trade fair will not prevent grant of a US patent because of the US grace period for such disclosures. (On the other hand, your company is likely to end up with an interference action in the US based on your own PCT application). It is possible that FLASHCO could get a claim to the fibre per se accepted in the European regional phase of PCT (F); your fibre supplier would then need to be FLASHCO or would have to have a licence from FLASHCO.
- (ii) Progress of PCT(F) can only be monitored at published stages. It should already have been published. It can be checked whether the demand is actually filed and which states are elected for PCT CHII such that PCT Art. 39(1)(a) additional delay would be available (i.e. election made prior to 19 months from priority i.e. 21.04.95). If FLASHCO have demanded an IPE by 21.04.95 then the period for entering EP regional phase will be extended to 31 months from priority (EPC Art. 150(3), EPC Rule 104b(1), PCT Art. 39(1)(a)). As 21.04.96 is a Sunday, the 31 month time-limit is extended to 22.04.96 (EPC Rule 85(1)). Demand information is published in accordance with PCT Rule 61.4 (and available on EPIDOS after publication of WO specification). Otherwise the regional phase before EPO will need to be entered by 21.05.95 under EPC Art. 150(3), EPC Rule 104b(1), PCT Art. 22, which is extended under EPC Rule 85(1) to 22.05.95. The ICE is confidential - PCT Art. 38(2), so no information will be available on the progress of the ICE unless FLASHCO allows it be.

The PCT has no provision comparable to EPC Art. 115 allowing for filing of observations or evidence by others. In any event, the IPEA is only required to consider prior art in the form of written (i.e. not oral) disclosure PCT Art. 33(2), PCT Rule 64 (although attention may be drawn to written disclosures referring to oral disclosures). The International Preliminary Examination gives a non-binding opinion and does not have the effect of a grant (PCT Art. 33(1)). Therefore, you should withhold any observations or evidence until such time as the PCT(F) enters the national/regional phases and evidence can be presented before national/regional offices. Before the EPO, you could use either EPC Art. 115 during prosecution and leave it to the EPO Examiner to make the case (you would not then be a party to the proceedings) and/or wait to oppose under EPC Art. 100(a), in order to have the best chance of fully presenting your case against FLASHCO, by becoming a party to the proceedings.

Paper D Schedule of marks

Questions	Maximum possible	Marks awarded		Revision of marks/grade (if any)		Marking of further examiners	
		Ex	Ex	Ex	Ex	Ex	Ex
PART I							
1	2						
2	3						
3	5						
4	6						
5	5						
6	5						
7	4						
8	5						
9	5						
10	5						
Total Part I	45						
PART II							
I i	5,5						
I ii	8						
I iii	7						
I iv	12						
II i	10						
II ii	12,5						
Total Part II	55						
Total Part I + II	100						
Corresponding Grade							

Translation of marks into grades

%	Grade
0 - 35	7
35,5 - 45	6
45,5 - 55	5
55,5 - 65	4
65,5 - 75	3
75,5 - 85	2
85,5 - 100	1

Remarks (if any):

Grade recommended to Board _____