

## Examiners' Report - Paper D 2009 - Part II

This question, as in most years, presented the candidate with a client that knew enough to get into trouble but needed help to survive. This year the candidate had the additional problem that the client was going to be out of contact at a time when critical dates arose.

Candidates are supposed to accept the facts and the dates given. Candidates are reminded that whereas there is no need to cite legal basis in part II, it can sometimes be helpful in assisting their explanation.

The principal issues that the examiners were looking for were:

- the existence of varieties of slugbanite that did not affect snails had an effect on the validity of Silybum's patents and applications;
- if priority could not be claimed for a PCT application corresponding to GB2, then EP1, EP2, and EP3 were Art 54(2) prior art with resultant problems of inventive step;
- there was still time to restore the claim to priority from GB2;
- PCT-BF could be a problem for Silybum in Europe if it entered the European regional phase, both because of the effect on Silybum's patents and on their freedom to market their products;
- Silybum and Big-Farma could both make products without infringing the other's patents, but a better product could be introduced to the market if they cross-licensed.

The majority of candidates saw most of these issues. What differentiated the candidates was how they dealt with the issues. Poorer candidates simply analysed the situation and indicated problems: better candidates gave details of what to do to solve the problems.

The necessary analysis of the status of the client's patents and applications, and the problems that they had, was generally adequate.

On improvement of the patents, nearly all candidates realised that amendment in limitation or opposition was possible to avoid covering escargines alone, or to deal with the non-working forms of slugbanite. Fewer candidates recognised that if PCT-BF did not enter the European regional phase, only the issue of the forms of slugbanite needed to be considered.

On restoration of the priority right for the PCT application, most candidates saw the solution, but relatively few analysed why it would be advantageous. The different requirements for a filing date for a PCT application as compared with an EP application meant that many candidates did not realise they needed to file claims with the PCT application.

The issue of strategy with Big-Farma caused difficulty to some candidates who only considered the effect that Silybum's and Big-Farma's patents had on each other's patents. Those candidates who considered what each party was free to make despite the other's patents, were generally able to provide a good solution.

## Possible Solution - Paper D 2009 - Part II

### Status of European patents and applications (8 marks)

#### Priority

One year from the filing date of GB1 is 6<sup>th</sup> January 2008, which is a Sunday so the one year term for validly claiming priority is extended to 7<sup>th</sup> January 2008. EP1, EP2, and EP3 were all filed within this period.

GB1 was filed without claims but has unambiguous disclosure (paragraphs in the description) to support the claims of EP1, EP2 and EP3 and so the priority requirement of “same invention” is met.

GB1 and EP1/EP2/EP3 have same applicant and so there is entitlement to claim priority.

There is no exhaustion of priority right – several applications may claim the same priority.

Therefore, the priority has been validly claimed for all claims in EP1, EP2 and EP3

#### Actions due

EP1 and EP3 were granted 1<sup>st</sup> March 2009 so the three month term (in most countries) for national validation expires **1<sup>st</sup> June 2009** (which may be extended as 1<sup>st</sup> June is a holiday in some countries). For extension countries including Albania, which appears important in the present circumstances, the same three month term expiring **1<sup>st</sup> June 2009** also applies.

The London Agreement has the effect that for many countries a full translation is not required.

For EP2 claims translations, grant and printing fees, and approval of text are due in EPO in the next four months

### Problems in applications (11 marks)

#### Prior art

Slugbanites and escargines are known but this does not appear to prejudice novelty or inventive step of the subject matter of any of the claims of EP1, EP2 and EP3, since the only earlier uses of these compounds and minerals are remote from deterring slugs and snails. The deterrent effect was not known to exist for these compounds and minerals, but only known for copper metal.

PCT-BF has the earliest priority date for deterring slugs and snails using compositions comprising organo-copper compounds, including escargines, and adhesive. It also has the earliest priority date for methods of treating pots with such compositions and treated pots.

PCT-BF will be Art. 54(3) EPC prior art for EP1, EP2, EP3 effective in all states, **if it enters the European regional phase**. The 31 month period for PCT-BF expires 15<sup>th</sup> July 2009.

EP1, EP2, and EP3 all have claims covering combinations of organo-copper compounds and adhesives.

EP1 requires snail attractant and so the subject matter of the claim of EP1 is novel over PCT-BF.

The EP2 claim, and the independent claim of EP3 do not require the presence of snail attractant, and so lack novelty over PCT-BF because the claimed compositions cover escargines alone in combination with an adhesive.

The dependent claim of EP3 is novel as there is no disclosure in PCT-BF of applying the snail deterrent compositions in a band between one quarter to three quarters the height of the plant pot.

### **Non-working embodiments**

There is no reason to doubt inventive step concerning use of slugbanites to kill slugs and snails for effective embodiments. The general knowledge of these materials does not show their effectiveness for this purpose.

However, even though a working embodiment is disclosed, not all slugbanites are effective to achieve the goal of killing slugs and snails.

It could be argued that there is reason to doubt inventive step for the subject matter of the claims of EP1, EP2, and EP3 since two of the four varieties of slugbanite do not provide the technical effect required. (Or it could be argued that sufficiency of disclosure is in doubt for the same reason as 50% of the varieties of slugbanite do not work: this is not the same as an occasional non-working embodiment which could be excused).

### **How can the patents and applications be improved? (13 marks)**

EP3, and possibly EP1, are granted with potentially invalid claims but can be amended:

- if opposed, during opposition; the opposition period is still open expiring 1<sup>st</sup> December 2009;
- by post-grant limitation;
- in national revocation proceedings, or otherwise if national law allows.

So, if PCT-BF enters European regional phase, apply to limit the independent claim of EP3 by excluding compositions containing escargines alone.

The dependent claim of EP3 can be maintained as an independent claim without the limitation to exclude escargines. It is not necessary to maintain unity in post-grant amendment.

For both EP3 and EP1 post-grant limitation to slugbanite-A (rather than slugbanite in general) is a possibility. Various amendments could be considered:

- Limitation to slugbanite originating from the Hosta la Vista slugbanite mine is possible, but could be too narrow for useful protection unless “equivalence” can be argued in infringement proceedings.
- Although slugbanite-A is not mentioned by name in the specification, if the skilled person would know that Hosta la Vista produces only slugbanite-A this could be argued to provide basis for a limitation to replace slugbanite by slugbanite-A, but this could be objected to as adding subject matter.
- Or post-grant limitation to slugbanite of the type obtainable from the Hosta la Vista mine could achieve the desired result of protecting slugbanite-A (but might cause clarity objections).
- Or limitation to restrict to include slugbanites having the desired technical effect [killing slugs and snails] could be better as potentially covering slugbanite-B as well as slugbanite-A, but this too might cause clarity objections.

The best amendment will depend on the wording of the description.

If opposition is filed while limitation is pending then the limitation proceedings are terminated and fee is refunded (Rule 93(2) EPC).

On EP2 Silybum could try filing amended claims and translations of amended claims and inform EPO of the slugbanite issue and/or prior art.

Examination of EP2 **can** be re-opened even though the Rule 71(3) EPC communication has issued (GLX C-VI,4.11) in view of the problem of lack of inventive step for non-working forms of slugbanite, and the potential effect of PCT-BF for escargines. If the Rule 71(3) EPC communication was the first one, amendment is permitted as of right and examination **must** be re-opened.

It is unnecessary to limit concerning escargines if PCT-BF is not regionalised. However, this regionalisation is due after the term for response to the Rule 71(3) EPC communication. If PCT-BF is not regionalised before the due date it is possible to go into further processing on the Rule 71(3) EPC communication.

If EP2 is granted before PCT-BF is regionalised then post-grant limitation of EP2 will still be possible.

Broadened claims covering unclaimed aspects would be possible in EP2 or in divisional application(s). For example, claims to the width of the band used in coating pots; methods of deterring/killing slugs/snails; specific claims to combined use of escargines and slugbanites to deter/kill slugs/snails.

### Recovering the PCT application (19,5 marks)

GB2 is the first filing for use of slugbanite-B as a slug killer and also for the new method of preparing slugbanite. GB2 was filed before the publication of EP1, EP2 and EP3.

Although EP1, EP2 and EP3 disclose slugbanites in general there is no specific disclosure of slugbanite-B, so a claim to use of slugbanite-B as a slug killer, or slug-killing compositions comprising slugbanite-B, would be novel.

EP1, EP2 and EP3 would be Art 54(3) EPC prior art to any Euro-PCT claiming priority of GB2. However, EP1, EP2, and EP3 would be Art. 54(2) EPC prior art if priority is not claimed. In the latter case, inventive step issues **would** arise as EP1, EP2, and EP3 disclose use of slugbanites in general to kill slugs.

It is therefore desirable to maintain the priority claim if explicit protection for slugbanite-B is required from the PCT application. However, method claims to preparing finely divided slugbanite may still be patentable even if priority is lost.

12 months from the filing date of GB2 was 3rd January 2009, but as that is a Saturday, the priority term is extended to 5<sup>th</sup> January 2009 [Rule 80.5 PCT].

There is still time to file a PCT application claiming priority of GB2 with a request for restoration of the priority right, as the 2 month period (of PCT Rule 26.bis.3(a)) expires 5<sup>th</sup> March 2009.

For restoration:

- need to file application within the time limit for restoration (PCT Rule 26.bis.3(b)(i))
- and state reasons for failure to meet the time limit for filing the PCT application (PCT Rule 26.bis.3(b)(ii))
- a declaration or evidence in support of reasons for failure may be required (PCT Rule 26.bis.3(b)(iii))
- but Silybum can file a declaration later (PCT Rule 26.bis.3(f)) [which could include the original PCT application and envelope as evidence]
- a fee for reinstatement is due [€550 RRF 2.13]

A PCT application needs claims for a filing date (PCT Art. 11(1)(iii)(e)). You do not have a copy of the PCT application, only of GB2 which did not have claims. Be sure that claims of appropriate scope are in the application. You may need to deal with problems if the claims in the envelope are different from the claims you file, or if there were no claims with the PCT application.

The EPO will apply the standard that due care is required for restoration to be permitted [PCT Rule 26bis.3(a)(i)].

[Applying for restoration at IB or UK IPO is a theoretical possibility to benefit from the more generous "unintentional" error standard of PCT Rule 26bis.3(a)(ii), but problems may result since the original error was failure to file a PCT application using EPO as receiving office, not using IB or UK IPO].

Signing the application and entrusting the sealed envelope to a trusted and reliable employee may constitute due care, and payment of the fees could support an argument of due care, but if due care is not found, this can be argued at national phase, and unintentional error may be argued at national phase before those countries that permit this standard [PCT Rule 49ter.2].

USA have filed a waiver to reinstatement [PCT Rule 49.1ter(g)] and so restoration of priority with respect to USA [and other countries with waivers] is not possible, but for USA a 1 year grace period applies and so it is possible to patent slugbanite-B and the method of preparing slugbanites in USA.

In any case it would be wise to try and keep GB2 alive until it is clear that the priority restoration has been allowed.

### **Strategy with Big Farma (8,5 marks)**

Big-Farma have the superior position so far as the use against slugs and snails of compositions comprising organo-copper compounds (e.g. escargines) and adhesives. Big-Farma can prevent Silybum using these compounds regardless of any patents Silybum has or may get. Owning a patent does not give the right to use the patented technology.

The claims of PCT-BF appear to be novel and probably inventive over the fact that escargines are known compounds, particularly as you have got EP1 and EP3 granted. It would make sense to monitor PCT-BF for issuance of the search report

Silybum do not need to use escargines in their compositions and so if Big Farma are aggressive Silybum can stop using escargines and still have a working product.

Silybum have the superior position so far as slugbanites are concerned [even with the deficiencies in their patents and applications] and can stop Big-Farma using slugbanites alone or in combination against slugs and snails in the EPC-states including the extended states.

Silybum can also stop Big-Farma from coating pots with compounds containing escargines in bands between 1/4-3/4 pot height and/or containing attractants regardless of PCT-BF.

Big-Farma do not need to use slugbanites and do not need to apply their compound (escargines) only in bands between 1/4-3/4 pot height and do not need to add attractants.

Big Farma have a plant in Albania and Silybum can get protection there because extension fees were paid for EP1-3 which can still be validated there.

Slugbanites and escargines used alone will effectively be competing products, but the combined use of escargines and slugbanites provides a product that is superior to either alone.

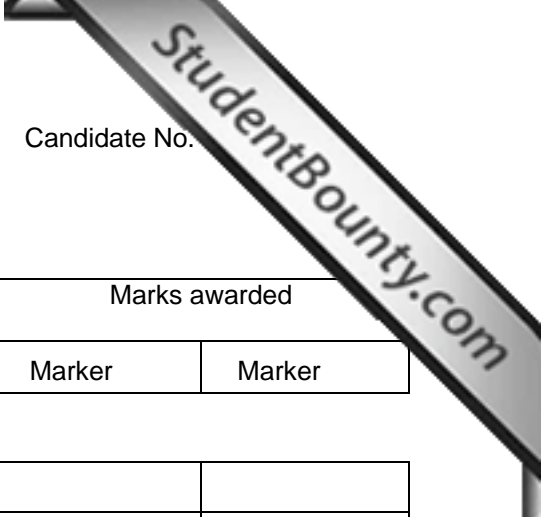
If Big-Farma and Silybum co-operate, e.g. by cross-licensing, this would permit the earliest and broadest introduction of slugbanites and escargines alone or in combination for slug and snail control permitting each to produce products superior to those that either could make in the absence of cooperation. This would also benefit the public in providing early introduction of technically superior products into the market.



# EXAMINATION COMMITTEE III

Candidate No. \_\_\_\_\_

Paper D 2009 Schedule of marks



Question	Maximum possible	Marks awarded	
		Marker	Marker

**PART I**

1	5		
2	4		
3	6		
4	3		
5	5		
6	4		
7	4		
8	5		
9	4		
<b>TOTAL PART I</b>	<b>40</b>		

**PART II**

1	8		
2	11		
3	13		
4	19,5		
5	8,5		
<b>TOTAL PART II</b>	<b>60</b>		

<b>Total Parts I + II</b>	<b>100</b>		
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Examination Committee III agrees on ..... marks and recommends the following grade to the Examination Board:

PASS (50-100)

FAIL (0-49)

COMPENSABLE FAIL (45-49, in the case the candidate sits the examination for the first time)

30 June 2009

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Chairman Examination Committee III