

THE JOINT EXAMINATION BOARD

PAPER P2

PATENT AGENTS' PRACTICE

24TH APRIL, 1995

10.00 a.m. - 2.00 p.m.

Please read the following instructions carefully. This is a **FOUR HOUR** Paper.

1. You should attempt no more than 4 questions from Part A and no more than 2 questions from Part B.
2. The number of marks allotted to each question is placed in brackets at the end of the question.
3. Where a question permits of reasons being given for the conclusions reached, such reasons should be given.
4. Start each question (but not necessarily each part of each question) on a fresh sheet of paper. In the appropriate boxes at the top of each sheet please enter the designation of the paper, the question number and your Examination number, Write on **one side** of the paper only using **BLACK** ink. You must **NOT** staple pages together. You must **NOT** state your name anywhere in the answer
5. Unless specifically requested answers are **NOT** required in letter form.
6. **NO** printed matter or other written material may be taken into the examination room.
7. Answers **MUST** be legible. If the examiners cannot read a candidate's answers no marks will be awarded.

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PART A

1. Discuss what aspect of any five of the following may be protectable by patent or otherwise.

a) A novel computer controlled system for monitoring and adjusting blood sugar levels of human blood, the blood being taken from a patient and passed to monitoring apparatus where it is checked by a number of sensors, the output of which is fed to a computer which then automatically controls the introduction of rectifying factors into the blood before it is passed back into the patient. The software is also novel.

b) A novel genetically engineered hairless monkey a blood factor of which can be used to cure human baldness.

c) A perpetual calendar comprising a sheet of card, the surfaces of which are coated with a novel wipe-clean polymeric material the sheet being foldable along defined preformed crease lines in a variety of ways to display calendar information carried on different part of the two surfaces.

d) A machine for making skinless sausages comprising a meat chopping and mixing section, a sausage casing filling section, a casing stripping section and a packing section, the individual sections being known per se. The machine is more compact than the individual sections and there is less chance of contaminating the meat as it passes between sections.

e) A golf ball marked with white and fluorescent sections for easy visibility under a variety of ground conditions and when following the ball with a television camera.

f) A 'U'-shaped bracket of known shape which can be fixed to a wooden fence post such that two such spaced apart brackets can define a channel which will receive the vertical edge of a fence panel. This makes it easy to remove and replace damaged fence panels.

(15 Marks)

2. Mr. Keyes of Anglo-American Locks Ltd. writes as follows:

We are a UK registered company with a US sister company Anglo-American Locks Inc. Both companies carry out research and frequently exchange research information. In addition there is interchange of technical staff for short periods of up to three months.

One of our UK inventors, Mr. J. Bull was recently in the US laboratories of our sister company working with a US citizen, Mr. U. Sam. Together they developed a new electronic lock which at that time, although it worked well, was considered to be of no real commercial importance because of the expensive nature of its 'key'.

On his return to the UK, Mr. Bull continued to struggle with the key problem on his own and partially developed a novel key that he thought could provide a solution to making the lock a commercial proposition. In order to advance the project to completion Mr. Bull requested that Mr. Sam be called to the UK. This duly occurred and together they completed the development of the key. The key was subsequently found to be useful with forms of electronic locks other than the lock invented by Messrs. Bull and Sam. This observation was made by Miss D. Scribe,

We are now at the stage where we wish to file patent applications. Please advise us on how we should proceed.

(15 Marks)

3. Your client, Dermaco ("D") is the proprietor of British Patent 2222222 granted on June 1st 1992, in respect of a pharmaceutical composition for treating skin disorders. It has no patent protection elsewhere. From 1991 D sought clearance for marketing the composition in the UK and this was given eventually in June 1994. The composition will be sold mainly over the counter through chemists' shops and supermarkets. Construction of a suitable manufacturing plant has just commenced and completion is expected in January 1996.

A US company Megaskin ("M") has developed the identical composition as well as a new composition which falls within the claims of the patent. This has superior performance but at a much higher price and is for use in very serious cases, under prescription from a medical practitioner. M is manufacturing and selling both compositions in the United States. M has its own

patents in the US, France and the United Kingdom for the composition.

M has just written to your client stating that it is in the course of seeking approval for marketing both of its compositions in the United Kingdom, which it expects to receive in July 1995. M has stocks ready in the United States which it intends shipping to its European distributor in France, who will then supply the British market. M states that it is prepared to pay a royalty of four percent to D and that if D does not accept the figure then M will apply for a compulsory licence. M says that it has also commenced negotiations with the National Health Service.

Advise your client on its position and how it might respond to M.

(15 Marks)

4. Your client Battomatic Limited ("B") is a British company making toys. Over the past few years it has suffered from poor sales but it has just brought out a new bat and ball game which it hopes will be a major success in the summer, and will then be popular for many years to come. It is the sort of game which could easily become a craze if it is the only one of its type. £100,000 has just been invested in tooling for making the components and £50,000 on advertising. As a result the company has a cash flow problem although it expects to be in a much better position by the middle of the summer.

Three days ago B received a letter from solicitors acting for a Mr Fixit ("F"), a United States resident, who is the proprietor of British Patent 300000 which was granted on 20 August 1991 and is still in force. The patent has a main claim and a single dependent claim, and you have determined that both of these clearly cover the bat used in B's game. The solicitors say that unless an undertaking is given to withdraw the game and existing stocks of the bat are destroyed, then they will issue proceedings in the Patents County Court and seek an interlocutory injunction. They have given until one week from today to reply, stressing that the matter is urgent as their client relies upon the patent as his sole source of income.

You ascertain that F granted a licence to another British company Makeit Ltd ("M") in July 1992 but that sales of the bat by M have been very slow and F has received little in the way of royalties. Having seen advance publicity of B's game in January 1995, M decided to market its bat as part of a similar game which it hopes to launch at Christmas 1995.

A brief search through an on-line database has revealed one of prior art which discloses a bat which anticipates claim 1 of the patent. There is an argument that the prior art anticipates claim two and a very strong argument that it renders claim 2 obvious. There are features described in the specification which could be added to claim 1 to make it valid. Some of these are used in B's bat and some are not.

Your client asks you to advise on what would happen if F were to seek an interlocutory injunction. Discuss the points you would make to your client and indicate any further information you would require.

(15 Marks)

5. The Managing Director, Mr. Day of Jackal Ltd writes:

We are the proprietors of a UK patent and pending European patent application which designates all States.

The basic application that gave rise to both the UK patent and the European application was filed on 30th January 1992 with a description only. On 30th January 1993, we filed claims and an abstract, and Patents Forms 7/77 and 9/77 to complete the U.K. application and also filed a priority-claiming European application with the same description, claims and abstract.

No prior art has been cited by either the UK or the European Patent Office.

The UK patent was granted on 16th March 1994 with no amendments and we have just received notification under Rule 51(4)EPC indicating that the European patent application is in order for grant with the documents as filed on 30th January 1993.

During development of the invention prior to January 1992 we entered into confidential discussions with a French Company Odes SA regarding supply of a component patented by them. This particular form of the component was not essential to the working of the invention but was considered at that time to be the most suitable for the purpose. Agreement could not be reached and eventually we designed our own novel component.

In our patent specification and claims, the component is described generally in terms of its function. Our own novel component is fully described and there is a reference to the French component stating that it is described fully in its patent.

In early January 1992 one of our inventors came across a French technical journal published in November 1991 in which an employee of Odes SA who had been involved on the fringes of the discussions, described our invention as an example of the use of their component. No reference was made to the general function of the component in the context of the invention and there was no mention of the use of alternative forms of component.

Odes SA have just commenced marketing in the UK, France and Germany two forms of our invention. One form uses their component and the second uses a component that is very similar to our design. Please advise if the disclosure by Odes SA causes any problems and also if there is any action that we could or should take.

(15 Marks)

PART B

6. Your client, Fox Racing UK ("F"), is a manufacturer of racing cars based in Oxfordshire. The company's main product is the "Fox" car used in "Formula 9", a series of races for amateur drivers, competing against other Fox cars as well as cars from other manufacturers made to comply with certain guidelines as to engine size, chassis design and so forth. F sells about twenty cars a year at a price of £40,000 each. In addition, F supplies spare parts for the cars and this is an important market worth £250,000 per year to F. The basic design of the cars was made in 1987, with first sales being in 1988. The shape has not changed greatly over the years and differs quite markedly from the shape of other cars in the Formula 9 races.

In 1994 an additional series of races was devised, "Formula 9 Pro", with larger engines and more aerodynamic aids permitted. F designed a new rear aerofoil for its car which improves downforce and has a more modern appearance. F also designed a new nose cone which incorporates additional aerofoils and updates the overall appearance of the front of the car. Complete cars with the new features were first sold in Spring 1994 as the "Fox Pro". Twenty-five Fox Pro cars have been sold to date. Five aerofoils and twenty nose cones have been supplied as spare parts.

F now offers Fox Pro nose cones and rear aerofoils as part of an upgrade pack for owners of existing Fox cars, the pack also including the engine upgrades necessary for Formula 9 Pro races. Ten packs have been sold and there are orders for **ten more, but the original stock of sixty nose cones and forty aerofoils has**

been used up and there will be a two-week delay before manufacture of a second batch can commence.

A company in Wiltshire, "Racy Mouldings" ("R") has started to exploit the demand for nose cones. Since 1994 it has been selling spare nose cones for the basic Fox car at a price less than that charged by F. It has now advertised that it is shortly to supply nose cones for the Fox Pro car, and that it will also supply the new rear aerofoils to enable a complete body upgrade from basic Fox to Fox Pro standard. F has never taken any steps to protect its designs but now wishes to know if there are any rights it could use against R.

Advise F on what design rights could be used to curtail the activities of R.

(20 Marks)

7. Your client Crosstitch PLC is a distributor of knitting machines manufactured by Knitone Limited. Crosstitch informs you that they and Knitone have been threatened with an action for patent infringement by Purl Ltd.

You find that the Purl patent claims a conventional type of knitting machine with a feature known as a wool gatherer, of novel form. A broad description of the inventive features of the Purl wool gatherer in the specification does not correspond to the claims. Crosstitch advises you that having read the patent it is not entirely clear to them what features are essential and what are not.

The Crosstitch machine includes a wool gatherer of different design but which includes some but not all of the features of the Purl wool gatherer as claimed. The difference in the wool gatherers is the only distinction between the Crosstitch machine and the invention claimed in claim 1.

Crosstitch advise that they believe that the common features of the two wool gatherers are obvious for a wool gatherer in a knitting machine of the type claimed.

Negotiations towards a settlement have proved fruitless and Crosstitch ask whether there is any action they can take to pre-empt infringement proceedings by Purl.

Advise Crosstitch on the various options available, procedures to be followed and the documentation required.

(20 Marks)

8. Your client Mr Novo ("N") has been studying the problems with kettle thermostats for some years. In March 1994 he decided that existing kettle thermostats worked on conduction of heat to a bimetallic strip at the bottom of the -kettle and that this caused problems. He therefore devised a thermostat that worked instead on convection of heat to a bimetallic strip at the top of the kettle. He filed a UK patent application without claims on June 15 1994 disclosing such a system. He had a number of kettles made to his design which were sold in July 1994. After a month some complaints came back, indicating that whilst the new thermostat was generally an improvement, there were some cases where it did not work as effectively as the old type. He therefore devised an improved system which combined both types of thermostat and filed a second UK patent application without claims or a claim to priority on December 15 1994, including the original and the improved systems. Since January 1995 he has sold kettles with the new two-thermostat system.

In February 1995 he became aware that a competitor "C" was intending to bring out a kettle incorporating two thermostats in accordance with his new system. He brought the attention of C to the two patent applications and sent him copies. C has replied, enclosing a copy of a very old Peruvian patent disclosing a system identical to N's original proposal, incorporating a thermostat that worked on convection of heat to a bimetallic strip at the top of a kettle. The patent says that this is to replace completely the normal bimetallic strip at the bottom. C also states that he knew a number of people who had bought N's kettles in June 1994, and all said that once they had tried them it was clear that both types of thermostat should be used.

N asks you how he can protect his systems in the UK, France, Germany and Belgium. He is also considering the United States although he has never sent his kettles there yet. Advise him on how to proceed.

(20 Marks)