

THE JOINT EXAMINATION BOARD

PAPER P2

PATENT AGENTS' PRACTICE

Tuesday, 12th November, 2002

10.00 a.m. – 2.00 p.m.

*Please read the following instructions carefully. Time Allowed – **FOUR HOURS***

1. You should attempt **ALL** questions from Part A and **TWO** (2) questions from Part B. There are 9 questions altogether, 6 in Part A and 3 in Part B.
2. The marks attributed to each question in Part A is shown and each question in Part B carries 25 marks. Questions answered in excess of two in Part B will not be marked.
3. Where a question permits, reasons should be given for the conclusions reached.
4. Please note the following:
 - Start each question (but not necessarily each part of each question) on a fresh sheet of paper.
 - Enter the Paper Number, the question number and your Examination number in the appropriate boxes at the top of each sheet of paper
 - Write on one side of the paper only, within the printed margins using a **BLACK** pen.
 - **DO NOT** use coloured pens or highlighters within the answers – they will not photocopy.
 - **DO NOT** staple or join pages together in any way
 - **DO NOT** state your name anywhere in the answers
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. ALL mobile phones and electronic aids **must** be switched off and stored away.**
7. Answers **MUST** be legible. If the examiners cannot read a candidate's answer no marks will be awarded.
8. **NO WRITING OF ANY KIND WILL BE PERMITTED AFTER THE TIME ALLOTTED TO THIS PAPER HAS EXPIRED. At the end of the examination assemble your answer sheets in question number order and place in the WHITE envelope provided.**

This paper consists of seven pages, including this page.

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Tuesday, 12th November, 2002-10-24

10.00 a.m. – 2.00 p.m.

PART A (Answer all the questions)

- 1 On 1 September 2002 a client took assignment of
- a granted UK Patent A and
 - a PCT Patent Application B filed on 12 June 2001 and claiming priority from a UK Patent Application filed on 12 June 2000.

The assignments were part of a larger business agreement. The client wants the UK Patent and the PCT Patent Application to be registered in his name but does not want the larger business agreement to appear on any public file.

What action would you take to meet your client's wishes? In each case, by what date, ideally, should the action be completed and what would be the consequence if the date were not met.

(7 Marks)

- 2 The Chief Executive of Warlingham Cars Ltd wants to meet you to discuss the Company's new sports car body project. In addition to the car body itself, the project includes a range of matching ancillary items such as mirrors, wheels and lamps. The body is sold to car enthusiasts who will fit it to the chassis of a well-known family saloon car. The Chief Executive notes that there will be a substantial after market in replacement body parts and in the ancillary items. The ancillary items can be fitted to various cars. Warlingham Cars Ltd is only interested in the UK market.

The Chief Executive understands the principles of intellectual property law but wants your specific advice on UK Registered Design protection for the project, including maximising the length of protection. In conversation, he observed cars incorporating the new body had been tested recently at a private airfield in Surrey and could be seen from nearby houses.

Make notes in preparation for the meeting. Draw out any points of uncertainty.

THERE ARE NO MARKS FOR DISCUSSING COPYRIGHT OR DESIGN RIGHT

(10 Marks)

- 3 Your client, Goldair Plc., is negotiating a contract under which a British University will carry out research on Goldair's behalf. Goldair states that the University wants to secure recognition for its work by being named as joint applicant (with Goldair) for any patent application arising from the contract work. Goldair seeks your advice.

State out any problems you see for Goldair in the University's proposal. If Goldair were to agree to the proposal, explain any measures you would recommend in order to safeguard thier interests.

(6 Marks)

- 4 You act as a patent attorney for Pharmas Barn Plc, manufacturers and suppliers of veterinary drugs. The Company Secretary writes:

"Thank you for the draft patent application for our new horse pox vaccine. A problem has arisen. Dr James, our Research Director and the inventor of the horse pox vaccine, is planning to present the outline of the invention at the Equine Vets 2002 conference next month. Last week, he took draft copies of the conference paper and patent specification to proof read on a train. During the proof reading, he noticed that the person sitting next to him was very interested and straining to read the papers. To make things worse he left both drafts on the train when he got off.

"At the time, Dr James did not think the loss of the drafts important and took no immediate action. He now realises his mistake. This week the magazine "Horse Talk" ran an article "Horse Pox Hopes". The article seems to be wholly based on the information in the draft conference paper. Dr James' mind immediately turned to his fellow passenger on the train last month. Fortunately the article gives little technical information, but I have to assume that the drafts of both the conference paper and the patent specification are with the author of the magazine article.

"Can we still get valid patent protection in the UK, the rest of the European Union, and the US?"

What is the answer to your client's question? Explain the legal basis for your answer, and note any steps that you propose to take and deadlines that may apply.

(8 Marks)

- 5 You filed a PCT application (PCT Case V) on behalf of a client just over 18 months ago. PCT Case V has 3 claims, no priority claim and designates all PCT countries. Claims 2 and 3 both depend, separately, on claim 1.

An International Search Report has been established in respect of Claims 1 and 2 only. A notice from the International Search Authority requires an additional search fee to be paid for Claim 3.

In the light of the Search Report, Claim 1 is not novel but, if amended to incorporate the subject matter of Claim 2, it would be novel and have inventive step. Claim 3, if rewritten in independent form, would be novel and inventive step over the citations in the Search Report, but it is directed to something very different from claim 2.

Your client has found a competitor based in the UK. The competitor's production all falls within the scope of extant claim 1 of PCT Case V, 70% of the production also being within the scope of extant claim 2, the rest within extant claim 3. The client wishes to secure the grant of patent rights covering the competitor's activity in the UK as quickly as possible.

Explain how you would meet the client's wishes.

(9 Marks)

- 6 Your client has purchased two UK patent applications, Cases C and D, relating to the same invention, from Abacus Ltd. You have been asked to conduct a review of the cases.

Case C is a UK patent application filed on 4 September 2001 without a priority claim but with an abstract and a single broad claim. Case C has a single example of the invention at one end of the range covered by the broad claim.

Case D is a UK patent application filed on 3 January 2002 also without a priority claim but with the same abstract and single broad claim as Case C. In addition to repeating the example in Case C, Case D contains other examples of the invention collectively exemplifying the whole scope of the broad claim.

You find:

- A letter sent by Abacus' patent agent in June noting the then forthcoming anniversary of the filing date of Case C and seeking instructions both for the UK and possible overseas applications. The letter noted that the Preliminary Examination and Search Request (Form 9/77) needed to be filed by 4 September 2002. This letter had been marked "ignore" by Abacus' Technical Director and as a result no reply had been sent.
- A similar letter dated 1 October 2002 in respect of Case D noting that the Preliminary Examination and Search Request should be filed by 3 January 2003.
- A letter from the UK Patent Office dated 11 October 2002 stating that Case C was deemed withdrawn because the Preliminary Examination and Search Request had not been filed.

Your client considers the invention described in Cases C and D very important and protection in the UK, USA and key European Union Countries essential.

How would you recommend your client to proceed and why?

(10 Marks)

PART B

(Answer two questions only)

- 7 You act for Cableway plc. Cableway plc is proprietor of a European Patent Application publication number 0777777A1 designating (inter-alia) the United Kingdom. The application describes and claims a new process for manufacturing standard coaxial cables (such as television aerial cable). The new process speeds the manufacture of such cables and reduces their manufacturing costs by 20%. You have already received a notice under Rule 51(4) EPC informing Cableway plc of the text proposed for grant of the Patent Application, and inviting payment of the fees for grant and filing translations of claims by 22 December 2002.

The Company Secretary of Cableway has come to see you. Without your knowledge, he wrote to Cableway's main UK competitor and has received the following in reply:

UK (EP) PATENT 0777777A1 IN THE NAME OF CABLEWAY PLC

"I refer to your letter of 10 October 2002. We are perfectly respectable manufacturers of coaxial cables and we pay attention to the rights of our competitors. Your accusation that our coaxial cable infringes your patent is outrageous. We are instructing our patent agents to take action against you for threats. Also, you can be sure that we will oppose and seek revocation of your patent every step of the way.

"I notice that your patent has a priority date of 15 August 1996. I would point out that we experimented internally in 1995 with the manufacture of coaxial cable. Our records clearly show that a small pilot batch was made then. Following the trial, we ordered the first of our production machines to make the cable in January 1996. Although the machine was not delivered until October 1996, the trial and ordering of the machine proves that we knew of this invention before its priority date. We also now have another identical machine that was ordered and installed last year to make smaller diameter cable.

"You must be aware of the article in Cabling World in May 1996. Everyone in the business knows about it. The article anticipates Claim 1 of your patent.

"Finally for completeness, we plan to buy a further machine next year to replace our original 1996 machine. The new machine will use a different process and reduce our costs by over 20%. We are free to use this different process as we have looked at the file of your European Patent and found that you deleted the relevant claim because of a unity objection."

The Company Secretary says: "I do not understand this reaction. Now that the European Patent Office has said that it is happy with our application surely it perfectly reasonable to draw our competitor's attention to our rights. We have to stop these people."

The Company Secretary states that the machines mentioned in the competitor's letter are general-purpose machines for making cable, and special parts are needed to make coaxial cables according to the process in the patent. You and your client are aware of the Cabling World article. You had advised Cableway during prosecution of the European Application that the claims should be amended to take account of it. Cableway instructed you not to amend.

What advice would you now give to your client concerning his general situation, noting any further information you might need? What steps would you recommend to improve the position?

(25 Marks)

8. You are the Patent Director of a large British multinational company, UKISIT plc, which is one of a number of large chemical firms making PET.

PET is a plastic. The world market for PET is US\$10Bn annually. It is sold mainly as fibre to make textiles and as transparent sheets for photographic films. UKISIT has 10% of this world market. UKISIT makes raw PET in Scotland and converts 50% into fibre and 40% into photographic backings. The rest is sold as powder.

In 1995 carbonated beverages, in plastic bottles, came on sale in the UK. Although UKISIT had no interest in carbonated beverages, it investigated the plastic bottles and found they were made of pure PET. UKISIT realised that here was a very large potential PET market. Discreet enquiries established that subsidiaries of a famous Canadian beverage company, POP-Inc, were trial marketing soft drinks in bottles made from PET. This was substantiated by increased sales of powder PET.

UKISIT plc experimented and found that it was able to make satisfactory bottles. UKISIT began an extensive Europe wide advertising campaign extolling the virtues of PET bottles and inviting soft drink manufacturers to buy PET from UKISIT. UKISIT gave extensive technical advice to enable drink manufacturers who were not acquainted with PET and bottle making. Sales of powder PET by UKISIT to soft drink manufacturers escalated at this stage.

UKISIT found that the standard powder PET tended to clog bottle-making machines. After some experimentation they produced a free-flowing powder which cured the problem. UKISIT now intends to sell this as B-PET to bottle makers to gain an edge in this important new market.

A year ago POP-Inc was granted a European Patent (designating all countries) on an application filed in 1994. More recently POP-Inc engaged in an extensive advertising campaign advising soft drinks manufacturers that POP-Inc had obtained a patent for a new bottle and that licenses were available to anyone willing to pay a modest royalty rate. The adverts also contained a warning that POP-Inc would take action against non-licensed production of patented bottles. As a result some UKISIT customers ceased to buy PET from UKISIT. UKISIT was unaware of the patent until the advertisements appeared.

The single claim in POP-Inc's European Patent reads:

- A bottle for a carbonated beverage characterised in that the bottle is made of PET and contains between 1 and 3 litres of carbonated beverage.

The patent only mentions the standard PET but the specified capacity range is the only practical range for bottles of this kind. In view of the importance of the case UKISIT took counsel's opinion and has decided to regard the claim as valid.

When you arrived for work this morning, there was a terse e-mail from the Director in Charge of the PET business. The e-mail said "The President of POP-Inc phoned me and told me to take a licence. He said that the UKISIT bottle promotion activities are contributory infringement of his patent. I don't understand this. How can UKISIT infringe a patent by selling something that has been on the market for years? What rubbish! Give me two good reasons for us taking a licence. My office 11.00 hrs this morning".

Make notes in preparation for the meeting. What two reasons will you give to the Director for taking a licence? The Director has a reputation for demanding clear cut and decisive advice - waffle makes him cross.

(25 Marks)

9. During 1998 and 1999 Dr Sanyo of Nippon University Japan exchanged places with a Research Fellow at the University of Southern England under a UK/Japanese science exchange programme. Dr Sanyo writes to you:

"I have just seen European Patent 0999999 in the name of Omega Products plc. Although the inventor is named as Dr Jonas, Technical Director of Omega, the invention is mine.

"When I arrived at the University of Southern England (USE) in January 1998, I was asked to make proposals for research work. I had previously found when a patient takes a controlled solubility pill, any drug carried in the pill is released at a steady rate. The effect is maintained throughout the day. In contrast a patient given a conventional pill will often absorb the entire drug in a short space of time. I proposed a study of different pill materials and the rate at which they were dissolved in the human stomach. Omega plc agreed with the University to fund my work. As a result, I sent Omega a report of my work every 3 months.

"During 1998, I investigated several materials and found that material Y dissolved in human stomachs in a very uniform and relatively slow manner. Material Y was also a very good carrier for many drugs. In the autumn of 1998, I tested material Z (unrelated to Y) in combination with material Y, and found that a pill made with that combination dissolved even more slowly and uniformly."

"I do not believe in patent monopolies in the drug field, and I want you to take all steps to seek revocation of the European patent on the grounds of theft, plagiarism of other peoples' work and misnaming of inventors. If that is not possible, do everything necessary to get the European (UK) Patent revoked or assigned to me so that I can dedicate it to humanity. Do not worry about costs, a well-funded international body dedicated to causes such as this has agreed to support my action.

European patent 0999999 was filed on 11 November 1998 and has no priority claim. The patent was granted on 21 February 2002. GB is one of the designations. The claims are as follows:

1. A pill comprising a drug carrying material which when swallowed dissolves at a uniform rate in a human stomach.
2. A pill according to Claim 1 comprising material Y as a drug carrier.
3. A pill according to Claim 2 additionally comprising material Z in combination with material Y.

A check reveals that an opposition to the European Patent was been filed recently by Eight Valleys plc on the grounds of lack of novelty and lack of inventive step. The opposition is based on a publication by Dr Sanyo himself dated a year before the priority date of the European patent. Your view is that claim 1 is clearly lacks novelty, claim 2 is debatable but may lack inventive step, but claim 3 seems both to be novel and have inventive step in the light of Dr Sanyo's paper.

Write a memorandum explaining Dr Sanyo's position, what questions you need to ask to clarify the position and what steps might be taken towards meeting Dr Sanyo's aspirations.

(25 marks)