

THE JOINT EXAMINATION BOARD
PAPER P2 - PATENT AGENTS' PRACTICE

1 November 2010

10.00 a.m. – 2.00 p.m.

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

1. You should attempt **all of questions 1 to 6** in Part A and **two of questions 7 to 9** in Part B.
2. If more than two questions from Part B are answered, only questions 7 and 8 will be marked.
3. Please note the following:
 - a. start each question (but not necessarily each part of each question) on a fresh sheet of paper;
 - b. enter the Paper Number (P2), the question number and your Examination Number in the appropriate boxes at the top of each sheet of paper;
 - c. the scripts are photocopied for marking purposes. Please write with a **dark inked pen** on one side of the paper only and within the printed margins, and do not use highlighters in your answer;
 - d. do not staple or join your answer pages together in any way;
 - e. do not state your name anywhere in the answers;
 - f. write clearly, as examiners cannot award marks to scripts that cannot be read;
 - g. reasoning should always be given where appropriate.
4. Under the Examination Regulations **you may be disqualified from the examination and have other disciplinary measures taken against you if:**
 - a. you are found with unauthorised printed matter or other unauthorised material in the examination room;
 - b. your mobile 'phone is found to be switched on;
 - c. you copy the work of another candidate, use an electronic aid, or communicate with another candidate or with anyone outside the examination;
 - d. you continue to write after being told to stop writing by the invigilator(s).
 - e. **NO WRITING OF ANY KIND IS PERMITTED AFTER THE TIME ALLOTTED TO THIS PAPER HAS EXPIRED.**
5. **At the end of the examination, assemble your answer sheets in question number order and put them in the WHITE envelope provided.** Any answer script taken out of the examination room will not be marked.

Part A

1. A US Attorney comes to you with the following: "In mid **August 2010** response for a UK patent case was transferred to me from a different US firm. At the time the client instructed the renewal fees to be paid but I was very busy and left all the papers in a pile to deal with later. I didn't think that anything was very urgent because a letter accompanying all the papers from the other firm said that the renewal fee is due **10 September 2010** and I know it can be paid within 6 months of the deadline with an additional fee. I would like to appoint you as my UK agent for this case. Please can you pay the renewal along with the additional fee?"

You inspect the file and find that the 10 September 2010 date is completely wrong. In actual fact the case was **filed 10 February 2004**, and renewal fee was last paid in 2009.

Please write a letter to the US agent explaining what steps you would take and identifying any relevant deadlines and questions you require answers to.

8 Marks

2. Your UK based client Miss Riding has designed a new type of riding jodhpurs for use, particularly in the summer. They are made from known materials but have a plastic pattern printed on the inner calf, to provide grip when riding. This new combination of features is advantageous as it allows riders the freedom not to wear long riding boots which can be very hot and restrictive.

The printing can be in a number of designs, for example dots, tread, horse's-head. It is similar to anti-slip printing found on the soles of sock-slippers.

Miss Riding started selling the jodhpurs about 7 months ago at the Horse of the Year Show. It's been an amazing success and she has just started exporting the product to Europe. She wonders now if there is anything that can be done to prevent people from copying the idea because she has heard some gossip in the trade that the UK market is about to be flooded with a cheaper version of her product.

Prepare a memo discussing the protection available under registered & unregistered design rights, highlighting any further information you require.

10 Marks

3. Your new client Opto (**O**) signed an exclusive licence agreement on **3 June 2010** with the patentee (**P**) of a granted GB patent. Opto want to enforce the patent against an infringer, whose allegedly infringing product appeared on the market one month ago and who have refused to pay a royalty to Opto. They have asked you if they have to involve patentee to do this?

Make notes advising your client on their position making clear any recommendations you have.

5 Marks

Part A

4. On **28 October 2010**, at the end of the priority period, you filed for your UK client a PCT application. The PCT application filed was identical to the application from which claims priority.

You have now become aware of a non-typographical error which occurs through-out the application. The client has indicated that if the error cannot be corrected the application is not useful and may be damaging to their interests.

What are the options to amend this application during the international phase? Discuss any other relevant matters that need to be considered.

10 Marks

5. Your UK client (**C**) has a recently published PCT application. He tells you today that he has sent a letter to a potential infringer (**J**) who is supplying a device in the UK, which he believes is covered by the case.

He is very inexperienced with patent matters and can't imagine what harm could come of sending such as letter.

Prepare a memo advising on the potential risks arising from the letter and your recommendations.

10 Marks

6. Your client, **CCC Limited**, has a European (UK) patent '**456B**', which has claims directed to a disposable device for monitoring the air quality inside an aircraft.

CCC has been supplying disposable devices in accordance with the patent to a UK based aircraft maintenance company **MMM Limited**. **MMM** performs maintenance, including replacement of the disposable devices, on aircraft belonging to a number of UK and other European airlines, flying routes between the UK and European destinations.

At the present time **MMM** buy the devices from your client. However, **MMM** want to cancel the arrangement. **MMM** says that it has carried out extensive research on the disposable devices, and carried out successful trials on modified devices at its UK research centre, and is now planning to import the modified products from a Far Eastern manufacturer.

Prepare notes for advising CCC on the protection given by its patent, and the prospects of success in an infringement action against MMM in respect of the work that it has done so far and in respect of its future plans.

7 Marks

Part B

7. Your client (**C**) is in the business of developing new products but they have no manufacturing capability. Generally, after development, products are licensed to large companies because the client doesn't have the manufacturing and distribution network to market products efficiently all round the world.

In **June 2010** you filed a PCT application (**PCT1**) validly claiming priority from GB applications **GB1** filed **June 2009** and **GB2** filed **April 2010**. **GB1** discloses the general concept around a new product. **GB2** is an updated version of **GB1** containing a new example of an optimised prototype. **PCT1** is identical to **GB2**.

The prototype was unveiled at a trade show in **August 2010**, and received an unprecedented response. The client comes to you today saying that this product seems to meet a gap in the market and has been predicted to generate a billion dollars of sales per year. Therefore, it's vitally important to ensure that the patent protection lasts as long as possible.

The client has worked closely with an external company of consulting engineers (**E**) to manufacture the product and together they have developed a new advantageous process which results in significant cost savings. There is no agreement in place between the two companies.

A potential licensee (**L**) has been lined up to manufacture and sell the product. To cost effectively do this the licensee will need access to the new process and they have expressed concerns that in fact the client may not own this process.

The client would like you to advise on:

- i. a strategy for optimising the patent protection including the term of protection for the product, so that they go into the licence negotiations in a strong position,
- ii. if there is anything else that they should consider before due diligence on the patent portfolio starts because the client does not want any surprises, and
- iii. how your recommendations are likely to affect their budget for patent costs.

25 Marks

Part B

8. Your client Fab Bikes (**FB**) has a GB patent that has recently been granted.

The invention relates to a bicycle with a modified chain, wherein the chain design advantageously means it is less likely to cause problems by slipping or moving out of position. A special method is used to manufacture the chain.

The application was published in **July 2008** and has an earliest priority date of **January 2007**. The claims in the published GB application broadly covered the new chain and a bicycle comprising the new chain.

The claims in the granted GB were narrowed to expedite prosecution and the broader aspects of the invention including the new chain and the method of manufacture are being pursued in a UK divisional. The granted claims relate only to a bicycle comprising the new chain.

FB have recently become aware that, since **August 2008**, a large bicycle wholesaler Grando Wholesalers (**GW**) have been importing and selling in the UK bicycles which they think have the special chain.

GW has recently started stocking the chain as a spare part and kits for retrofitting traditional bikes with the new chain. **GW** recently published a statement that in addition to selling the chain and kits in the UK they will be importing chains into the UK and using it as a base to supply US markets with the special chains and the retrofit kits. The share price went up as a result of the announcement.

Now the patent has granted FB wants to know what can be done to stop GW using their invention and punish them for the past sales?

25 Marks

Part B

9. Your client, Better Skin (**BS**), developed an oil that it has used for many years in creams. Surprisingly, the oil is a good carrier for pigments in mascara, resulting in a deeper, longer lasting colour. A combination of a pigment (**PG1**) and the oil gave good results, when tested.

BS then started negotiations with company **X** who had a novel structurally different pigment **PG2**. The oil was provided to **X** for feasibility studies under a material transfer agreement. In **May 2010** **X** reported good results using a combination of **PG2** and the oil. **BS** did not enter into a commercial exploitation agreement with **X** because the proposed terms were too expensive.

August 2010, **BS** filed a UK priority application based on the surprising effectiveness of combinations of the oil and a pigment. Claims relate to any pigment with the oil, and also specifically to a composition comprising **PG1** with the oil. The application contains results obtained with **PG1** plus the oil. There is no disclosure of **PG2**.

Today you have found a publication in a trade journal, dated **27 July 2010**, from company **X**, which nobody at **BS** had ever seen before. It discloses **PG2** and names your client's oil as a suitable carrier for mascara.

You find that the material transfer agreement, setting out the terms governing use of the sample material, had the following provisions:

- All publications should be sent to **BS** for approval and for removal of any confidential information before submission,
- Confidential information includes the oil and any properties of thereof,
- Confidential information shall not be disclosed to a third party without permission,
- Any combination of the oil with **PG2** is joint technology and is jointly owned.

You check, and the publication was certainly not sent to **BS** for approval.

You call **X** and find they also filed in **June 2010** a priority patent application disclosing the results obtained with **PG2** and the oil. This application claims a combination of **PG2** and the oil. There is no basis for broader claims to any combination of the oil and pigment. **X** have offered to make **BS** co-owners of this priority application. The area is highly competitive, and **BS** would like to obtain broad protection for their invention.

Make notes for advising the client, considering how to resolve the situation, setting out all the possible options. Focus on the question of patentability of your client's invention, do NOT consider future issues of infringement.

25 Marks