

Examiners' Report - Paper D 2007 - Part II

This year about half of the marks awarded related to an analysis of Caledonian's [and their subsidiary Sean Insulation] patent portfolio and making appropriate recommendations bearing in mind the constraints imposed by Caledonian. The remaining marks were awarded to analysis of the situation relating to Goldfinger and Ms. Money Penny. Generally the candidates answered the first part reasonably well and the second part not so well.

Crucial issues in the paper were:

- the invalidity of the priority claim for EP2
- whether the date shown on a document is actually the date of public availability
- ensuring that the client continues to have rights to composition B+A after disposal of Sean Insulation

and

- sufficiency of disclosure of EP-Gold and UK-Penny

Candidates did not need to get all of these points to pass, although those who got fewer than two of these points were unlikely to pass.

In more detail:

The candidates were expected first to analyse the situation, including priority claims and ownership of the different patent rights, then to provide advice to obtain the best protection possible for the client. Many candidates were able to analyse the situation correctly, but only some of them were also able to formulate useful and complete advice to solve the conflicts with the competitor.

In their analysis, some candidates failed to notice that there were prior art publications that could cause problems if priorities were lost. Some others failed to notice the invalidity of the priority claim of EP2. Some others failed to comment on the effects of the various co-pending applications upon each other. Some others simply did not doubt that the date shown on AJSS was actually the date of its public availability, although there was clearly no guarantee in this respect.

Most candidates determined that new application(s) were to be filed, but not all of them clearly indicated who should have been the applicant(s) for these applications, what content and what priority claims the application(s) should have had.

Not many candidates gave advice that actually took into account the intention to sell company Sean Insulation.

Many candidates showed difficulties in spotting the weak aspects of the patent position of competitor Goldfinger thoroughly, particularly the insufficient disclosure of EP-Gold. Some of those candidates gave advice elaborating on entitlement proceedings, although the client explicitly excluded to follow that way; some others simply concluded that a cross licence might be a solution, without considering other much more favourable options.

The opportunities offered by the patent application filed by the former employee, Ms. Money Penny, were properly considered by most candidates.

Quite surprisingly, some candidates didn't realize that any patent validly claiming ALFA would have blocked the exploitation of BETA as well.

Possible Solution - Paper D 2007 - Part II

Question 1

EP-1 is in the name of Caledonian and has earliest filing date for the new foaming process, for flexible thin sheets made from B+A, for foamed sheets of B alone and for scuba suits and costumes made from B+A or from B alone. EP-1 is deemed withdrawn because no fee was paid and it cannot be revived. However, since it received a filing date, priority from EP-1 can still be claimed.

EP-2 is the first filing for compositions B+C, B+D and B+E and thin flexible foamed sheets of these compositions and scuba costumes/suits made of these sheets. There may be basis in EP-2 to claim a more general polymer composition of B+ class Z. EP-2 claims priority of UK-1 but this claim is not valid because EP-2 is in the name of Caledonian and UK-1 is in the name of Sean Insulation. Therefore, the effective date for EP-2 is 19.06.06 (the filing date).

The article in AJSS is dated 16.06.06 but may have been made available to the public earlier or later. If AJSS was available to the public before 19.06.06 (filing date of EP-2) it will be full prior art against EP-2. It will thus destroy the novelty of B+A, B+C, B+D and possibly of thin sheets in general. Since polymer E belongs to the same polymer class with B, C, and D (class Z) and is similar to them, the combination B+E will most probably be not inventive over AJSS either. Under these circumstances, no protection can be obtained for compositions B+C/D/E. However, if AJSS was made available to the public on, or after 19.06.06 it will not be prior art against EP-2.

The new process for producing thin sheets of EP-2 is not disclosed in AJSS and is therefore not anticipated in any event.

EP-3 is the first filing for the manufacturing process for fibers and yarns and for the textiles made thereof. EP-3 claims polymer compositions B+class Z, but EP-2, which discloses compositions of B+A/C/D/E will be prior art relevant only for novelty (under Art. 54(3) (4) EPC) against the claims to B+ class Z of EP-3.

AJSS discloses B+A/C/D and, because of the difference in dates between that shown on AJSS and the filing date of EP-3, is almost certainly prior art against EP-3.

US-Spectre does not disclose any combination of polymers and is not relevant against any application.

The press release was made in August 2006 which is later than any effective date of the three applications. It is thus irrelevant in respect to them.

Thin sheets of foamed polymer B alone and suits made of these sheets were disclosed in EP-1, but are not disclosed or claimed by any of the presently pending applications. Thin sheets of B alone and suits made thereof are suggested in AJSS.

UK-1 is in the name of Sean Insulation. If Sean Insulation decides to continue with it, then UK-1 will be a national prior right for EP-2 and EP-3 if/when they are granted and validated in UK. UK-1 has the earliest filing date (or Sean-PCT has earliest priority date) for composition B+A and for insulating foamed sheets from B+A.

Sean-PCT has the same description and claims as UK-1 and validly claims priority of UK-1. Once it enters the European phase, it will be prior art relevant for novelty only (under 54(3) EPC) against EP-2 and EP-3 for commonly designated states. UK-1 and Sean-PCT disclose composition B+A, which would destroy the novelty of any unamended claim directed to compositions B+Z.

Question 2

Actions to be taken:

Check when AJSS was made available to the public in order to determine whether it is relevant prior art against EP-2 and EP-3 or not.

EP-1 is the only application which definitely has a filing date prior to the publication of AJSS. By claiming priority from EP-1 anticipation by AJSS could be avoided.

Furthermore, protection for thin sheets of B alone is requested since they have become commercially interesting and this feature is disclosed in EP-1 but is missing from any other application.

Thus,

- file a PCT application claiming priority of EP-1, EP-2 and EP-3 (multiple priorities are allowable) or more than one with suitable priorities;
- disclose and claim all features claimed in EP-1, EP-2 and EP-3 and add extra claims to:
 - sheets made of foamed B alone as per EP-1;
 - scuba diving suits and costumes made of woven textiles;
 - compositions B+ class Z, except B+A;
 - compositions B+C/D/E and thin foamed sheets made thereof;
 - scuba diving suits and costumes made of foamed B+A;
 - use of non-woven textiles as liners for insulation panels and lined panels, for future transfer to Sean Insulation.

Preferably, file a first PCT application, claiming priority from EP-1, EP-2 and EP-3, claiming only what should be assigned to Sean Insulation and a second PCT application, claiming also priority from EP-1, EP-2, EP-3 with claims directed to all that Caledonian wants to keep. Alternatively, file one PCT application and later, during national/regional phases file divisionals to assign to Sean Insulation the subject matter interesting to them.

You can withdraw EP-2 and EP-3 or abandon them by not paying examination and designation fees in order to save costs. Continue with PCT application(s) only and request partial refund of search fee(s) for PCT application(s) on the basis of EP-2 and/or EP-3.

New applications must be filed before the end of the priority year of EP-1 (18.03.07, Sunday, postponed to 19.03.07) and preferably before publication of UK-1, EP-2 and Sean-PCT, that will be on or after 16.03.2007 to limit their relevance as prior art to novelty only.

If Sean-PCT enters national and regional phases and is granted, Sean Insulation will have rights to the composition B+A and to any type of product comprising composition B+A. This might hinder your business later. Therefore it is essential to ensure that rights for B+A compositions are transferred to Caledonian before selling Sean Insulation. You can buy or transfer Sean-PCT and UK-1 from Sean Insulation to Caledonian or obtain a license for B+A for Caledonian or arrange for joint ownership with exploitation agreement. Keep rigid panels only in the name of Sean Insulation by later filing divisional applications for example.

Question 3

EP-Gold has the first filing date for weaving process ALFA. EP-Gold claims also woven fabric, but woven fabric is disclosed and claimed by EP-3 and by PCT application(s) to be filed claiming priority from EP-3 as suggested above. These applications would be prior art relevant only for novelty and for commonly designated states against EP-Gold (Art. 54(3) (4) EPC) when they enter the EP regional phase.

EP-Gold, on the other hand, could be prior art relevant only for novelty (under 54(3) (4) EPC) against any application claiming priority from UK-Penny, only for commonly designated states and only if Goldfinger pays designation fees.

EP-Gold, however, does not disclose how to make fibres and yarns from composition B+A (extrusion process) and the claimed weaving process ALFA can only work with those fibres and yarns. This extrusion process was neither common knowledge, nor publicly disclosed at the date of filing of EP-Gold. As a result, EP-Gold suffers from a lack of sufficient disclosure since the starting material for the weaving process ALFA was not available. This claim of EP-Gold seems to be not patentable.

In addition to that, since EP-Gold is not an enabling disclosure, it cannot be part of the state of the art and novelty destroying to a claim for process ALFA based on the disclosure of UK-Penny.

Furthermore, if EP-Gold is in breach of the secrecy agreement between Ms Money Penny and Goldfinger, its publication would be an abusive publication and it cannot be considered as prior art against any claim to process ALFA based on the disclosure of UK-Penny.

UK-Penny has the first filing date for weaving process BETA. UK-Penny has enabling disclosure for:

- process BETA because any fibres can be used (thanks to feature Y);
- process ALFA because it refers to press release and the extrusion process for the necessary starting material (yarns) had become publicly available.

In the absence of prior art against process ALFA, corresponding claims of EP-Gold are likely to be granted if no action is taken.

Question 4

Weaving process BETA is based on process ALFA plus additional feature Y and is, therefore, within the scope of EP-Gold.

EP-Gold could be used by Goldfinger to threaten customers and may be asserted in those designated states permitting patent infringement action based on an application.

If EP-Gold is granted, Goldfinger would have a patent to process ALFA for designated states where the patent will be validated and which could be asserted against use of process ALFA as well as BETA in those states. The products directly produced by these processes would also fall under the scope of EP-Gold and Goldfinger would have the rights to them as well.

Since EP-Gold was filed less than one year ago, it can still be basis for filing applications in other countries or jurisdictions.

Question 5

Reach an agreement with Ms Moneypenny and file an EP or PCT application claiming priority of UK-Penny as soon as possible. If Caledonian is sole applicant priority rights have to be assigned before filing; otherwise file jointly with Ms. Moneypenny. Alternatively, Ms Moneypenny can be the sole applicant and assign the application (in whole or in part) to Caledonian subsequently. UK-Penny has full disclosure of weaving process ALFA and BETA but only BETA is claimed, so, in the application to be filed, claim also process ALFA, i.e. process without additional feature Y.

Caledonian will have a patent to fibres, yarns and woven fabric made of polymer composition B+Z in all states from the PCT application(s) claiming priority of EP-3.

PCT application(s) deriving from EP-3 will be prior art against EP-Gold relevant only for novelty (Art. 54(3)(4) EPC) when European phase is entered so at that time all countries should be designated and fees paid to ensure that no protection can be obtained by Goldfinger for woven fabric.

If EP-Gold and its search report have been published (earlier publication), file third party observations with a copy of the PCT application(s) claiming priority of EP-3 and EP-3 itself.

EP-Gold is also invalid because of insufficient disclosure, so you can add this remark when filing observations or you can file an opposition if/when it is granted.

Monitor whether EP-Gold has family members in other countries.

In any case, because the weaving process ALFA in EP-Gold is dedicated to weaving yarns of polymer composition B+A only, it cannot be used without consent of Caledonian/Sean Insulation that have a right to woven polymer fabrics.

So, write to Goldfinger pointing out all the above remarks on the patentability and insufficiency of EP-Gold and demand they withdraw it before publication.

All the above is based on European Law, if Goldfinger is in a better position in other jurisdictions, a cross licensing agreement may be necessary

EXAMINATION COMMITTEE III

Candidate No.

Paper D 2007 Schedule of marks

Question	Maximum possible	Marks awarded	
		Marker	Marker

PART I

1	4		
2	4		
3	3		
4	6		
5	3		
6	5		
7	3		
8	4		
9	5		
10	3		
TOTAL PART I	40		

PART II

1	18		
2	14		
3	11		
4	5		
5	12		
TOTAL PART II	60		

Total Parts I + II	100		
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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)

3 July 2007

Chairman Examination Committee III