

Examiners' Report Paper D 2011 - Part II

It is well-established that Part II of Paper D requires the candidates to first analyze a situation involving various inventions, applications and patents and based on this analysis to provide advice to a client on actions to take in the form of answers to specific questions.

The main issues the candidates were expected to recognise in this year's paper were:

- The claims of PCT-Ax were not entitled to the priority of DE-Ax. DE-Ax did not disclose the specific lubricating composition comprising a combination of a silicon oil and a viscosity improver, present in all claims of PCT-Ax. Instead, it disclosed that the lubricating composition comprised an oil to be selected from a long list of oils and at least one additive to be also chosen from a list of additives. The lubricant composition in PCT-Ax was, thus, a selection from two lists of a certain length and could not be considered to have been disclosed in DE-Ax.
- The priority claim from JP-PAN1 in EP-PAN1 was valid because JP-PAN1 and JP-PAN2 were filed by different applicants (Pankutaya Nederland BV and Pankutaya Japan KK respectively). Hence, despite the fact that JP-PAN2 related to the same invention and was filed before JP-PAN1, the latter was still the first application for Pankutaya Nederland BV which was the applicant of EP-PAN1.
- The disclaimer in EP-Ax was invalid. The disclaimer was an undisclosed disclaimer because there was no distinction in EP-Ax between mechanical and hydraulic brakes. It did not fulfil the requirements set in G01/03 for several reasons: it disclaimed more than necessary to restore novelty (as brake systems with hydraulic disc brakes were not disclosed in EP-PAN2); it was not necessary to restore novelty because the embodiment in EP-PAN2 was not an enabling disclosure and could not be part of the state of the art; it disclaimed a non-working embodiment, so it was also relevant for sufficiency of disclosure.

Candidates are encouraged to verify their calculations of time limits in order to avoid arriving at wrong dates and at a distorted view of the current situation.

Regarding the specific questions:

Question 1

Most of the candidates realised that PCT-Ax was filed within the priority year of DE-Ax since the time limit was extended due to an official holiday of the EPO. Some candidates recognised that the claims of PCT-Ax were not entitled to the priority of DE-Ax and saw the need to add a priority claim of USP-Ax in view of the disclosure to the standardisation committee.

It was generally well-recognised that it was still possible to add a priority claim from USP-Ax since the four months from the filing date of PCT-Ax had not yet expired, although some candidates referred to the 16 months from priority date starting - wrongly - from the priority to be added (USP-Ax) and not from the earlier priority date (DE-Ax).

A majority of candidates recognised that both JP-PAN1 and JP-PAN2 were prior art against PCT-Ax, regardless of its effective date, and destroyed the novelty of its first three claims (claim 3 only by JP-PAN2). The lubricating composition in the claims of PCT-Ax was disclosed in both JP-PAN1 and JP-PAN2 since it involved a one fold selection from a short list.

Most of the candidates recognised that claim 4, directed to the cross-shaped cross-section, was novel and inventive and based their justification on the radical departure from the prior art and/or the technical advantages.

Regarding the payment of the additional search fee for claim 4, most of the candidates were familiar with the regulations concerning deposit accounts, although some candidates missed the fact that the administrative fee of 30% surcharge was not paid and there was no way to have a valid payment of the search fee. More than a few candidates used EPC provisions for calculating time limits instead of those of the PCT. For instance, the 10-day rule under the EPC should not have been applied since PCT-Ax was still in the international phase.

On the other hand, many candidates correctly proposed the filing of a divisional application related to the subject matter of claim 4 upon entry of PCT-Ax into the European regional phase.

Question 2

Many candidates recognised the validity of the priority claim from JP-PAN1 in EP-PAN1 and drew the correct conclusions about what patent protection Pankutaya could obtain, namely the axle unit with the special seal S. Most of the candidates also recognised that Axbruch - despite a patent they could get for cross-shaped cross-section - would still not be free to use it because of Pankutaya's EP-PAN1.

Most of the candidates spotted the importance of the patent Axbruch could get on the cross-shaped cross section of the axle as it was accepted to be the standard.

Question 3

Those candidates who recognised the invalidity of the disclaimer also saw the need to appeal in order to remove it. However, many candidates answered that Axbruch should appeal without giving full reasoning. For instance, some candidates only cited the case law stating that a proprietor being a party as of right in appeal proceedings was limited to defending the patent as amended by the opposition division.

Question 4

Some candidates appreciated that the only type of brakes disclosed in the application documents of EP-Ax was the disc brakes and the claim the client could obtain was to a bicycle brake system with the brake lever and disc brakes.

Possible solution - Paper D 2011 - Part II

Answer to question 1:

For which aspects of our development can we obtain patent protection in Europe, and how?

PCT-Ax is Axbruch's only pending patent application that could conceivably lead to protection in Europe, as DE-Ax is no longer pending.

The priority period commencing with the filing of USP-Ax expired on 1 February 2011. Although the time window for filing a new European or international patent application in combination with a request for re-establishment of rights into the priority period or restoration of the priority right respectively is still open, there are no grounds on which such a request could be based.

PCT-Ax claims priority of DE-Ax. DE-Ax has a filing date of 30 October 2009. PCT-Ax was filed in time to claim priority of DE-Ax, because 30 October 2010 is a Saturday and 1 November 2010 is All Saints' Day, which is a day on which the EPO (Munich) as the Receiving Office was closed. Axbruch GmbH was applicant for DE-Ax, and is applicant for PCT-Ax for all states except for the U.S. From a formal point of view, the requirements for a valid priority claim are met.

DE-Ax discloses an axle unit with the special seal S and the two axle variants. It also discloses that the axle unit contains a lubricating composition of which the oil can be chosen from one long list of suitable oils and an additive from another list of suitable additives. However, all claims of PCT-Ax include the feature "silicon oil and a viscosity improver". This is a selection from the two lists, namely the list of oils and the list of additives, given in DE-Ax. Therefore, DE-Ax does not disclose the invention claimed in PCT-Ax, and the claims of PCT-Ax are not entitled to the priority date of DE-Ax. As things stand, the effective date of all claims is the filing date of PCT-Ax (2 November 2010).

The submission of the complete description of the two axle unit variants to the standardisation committee amounts to a public disclosure. Because the disclosure to the standardisation committee discloses all the subject-matter of PCT-Ax, it is essential that the claims of PCT-Ax have an effective date prior to 2 February 2010.

A claim to priority of USP-Ax in PCT-Ax should be added. At the filing date of PCT-Ax, USP-Ax stood in the name of Axbruch GmbH, following an assignment from the inventors. Therefore, the applicants for USP-Ax and PCT-Ax were the same at the filing date of PCT-Ax. A claim to priority may be added until 16 months from the earliest priority date, but in any case within 4 months from the filing date of PCT-Ax. The 16-months period expired on 28 February 2011. However, the 4-months period expires on 2 March 2011. Therefore, a request to add a claim to priority of USP-Ax should be filed tomorrow at the latest. This request can be filed with the IB or with the EPO as Receiving Office. USP-Ax is Axbruch's first application to disclose in detail the two axle units that Axbruch has developed in combination with the lubricant composition. The subject-matter of all claims of PCT-Ax is therefore disclosed in USP-Ax, so that all claims of PCT-Ax would be entitled to the date of filing of USP-Ax and would have 1 February 2010 as their effective date. JPU-PAN1 and JPU-PAN2 were published before the effective date of all the claims of PCT-Ax. EP-PAN1 is prior art under Art. 54(3) EPC. Each of JPU-PAN1, JPU-PAN2 and EP-PAN1 discloses an axle unit with a seal corresponding to the seal S developed by Axbruch and with an axle decreasing in diameter towards each end. JPU-PAN1, JPU-PAN2 and EP-PAN1 additionally describe that the lubricant composition is a silicon oil in combination with an additive that may be a viscosity index improver, an emulsifier or an

anti-foaming agent. The combination of a silicon oil with a viscosity index improver is a one-fold selection from a single list, so that this combination is disclosed in each of JPU-PAN1, JPU-PAN2 and EP-PAN1.

It follows that the subject-matter of claims 1 and 2 of PCT-Ax is not new.

The axle ends described in JPU-PAN1 and EP-PAN1 are triangular in cross-section, so that the subject-matter of claims 3 and 4 of PCT-Ax is not disclosed in JPU-PAN1 or EP-PAN1. However, JPU-PAN2 further discloses that the axle has a pentagonal cross-section at each end. Therefore, JPU-PAN2 discloses the subject-matter of claim 3 of PCT-Ax, but not the cross-shaped axle ends that are the subject of claim 4.

The cross-shaped axle ends are new. They are also seen as a radical departure from the normal square shape and have technical advantages over the pentagonal and triangular ones. These are indications that the subject-matter of claim 4 of PCT-Ax is inventive. The EPO has issued an invitation to pay an additional search fee within one month of 23 January 2011. This time period expired on 23 February 2011, so that the fee cannot now be validly paid. Because the shortfall in the deposit account was made up on 24 February 2011, the deemed date of payment is 24 February 2011, which is outside the time period set.

The shortfall in the deposit account was notified by fax on 26 January 2011. For the payment to have been considered made on time, the account should have been replenished and an additional surcharge of 30 % paid. The time period for doing so expired on 26 February 2011, carried over to 28 February 2011. The account was replenished in due time. However, the surcharge was not paid in due time, because no debit order to this effect was filed. Therefore, the International Search Report will not cover the subject-matter of claim 4.

There are no remedies available in the international phase for missing the time period for payment of the additional search fee.

Because the EPO was the International Searching Authority, no supplementary search will be performed on entry into the regional phase before the EPO. The EPO will request that the applicant limit the application to one invention covered by the International Search Report, so that an amendment to make claim 4 an independent claim will not be possible. Axbruch will have to enter the regional phase and then file a divisional patent application directed to the subject-matter of claim 4.

Axbruch could possibly file another divisional patent application with a second non-medical use claim to the use of a combination of a silicon oil and a viscosity index improver to prolong the lifespan of an axle unit including a seal S.

Answer to question 2:

Please analyse whether Pankutaya could obtain valid patent protection that would pose a threat to our European activities.

EP-PAN1 claims an axle unit with a seal corresponding to Axbruch's seal S. EP-PAN1 claims priority of JPU-PAN1, which has a filing date of 15 July 2009. There are no earlier disclosures, because JPU-PAN2 was published later. JPU-PAN2 has an earlier filing date than JPU-PAN1, however. JPU-PAN2 also discloses an axle unit with a seal corresponding to Axbruch's seal S. However, JPU-PAN1 and JPU-PAN2 have different applicants. Therefore, JPU-PAN1 is a first application. Because EP-PAN1 was filed by reference to JPU-PAN1, there is identity of contents. EP-PAN1 was filed 1 July 2010, therefore within 12 months of the filing date of JPU-PAN1. It follows that the priority claim

of EP-PAN1 is valid. Therefore, there is no benefit in filing JPU-PAN2 as third party observations.

Pankutaya can obtain a valid European patent to an axle unit with a seal corresponding to the seal S. Such a patent would cover the axle unit that Axbruch GmbH intends to manufacture, so that they would infringe. Axbruch GmbH will need to take a licence from Pankutaya.

The European patent directed to the subject-matter of claim 4 of PCT-Ax that Axbruch GmbH could obtain would be a dependent patent relative to EP-PAN1. Axbruch's patent is very likely to become essential to the new standard, so that Pankutaya would be interested in negotiating a cross-licence agreement.

EP-PAN1 is a pending European patent application. It is not a divisional of an earlier European patent application. There are no indications that examination has been requested, let alone that a first communication from the Examination Division been issued. Therefore, Pankutaya could still file a European divisional patent application based on EP-PAN1.

Answer to question 3:

Should we appeal?

Axbruch GmbH is entitled to appeal, because it is adversely affected by the decision of the Opposition Division (i.e. the decision not to allow the main request).

The ground of insufficiency introduced by Pankutaya is a fresh ground of opposition. It will not be considered if Axbruch were to object to its introduction. Since the statement of grounds of appeal must contain a party's complete case, dismissal of the only ground of appeal might well be the end of the appeal. However, this would not be in Axbruch's interests.

EP-Ax only discloses disc brakes. It does not make a distinction between mechanical and hydraulic brakes. Therefore, the disclaimer added in the opposition proceedings was an undisclosed disclaimer in the sense of G 1/03.

The disclaimer is invalid for any one of the following reasons:

- 1) It arguably disclaims more than is necessary to restore novelty over EP-PAN2, because it disclaims also all bicycle brake systems with hydraulic disc brakes, but such a bicycle brake system is not disclosed in EP-PAN2.
- 2) It is not necessary to restore novelty, because the disclosure of EP-PAN2 is not an enabling disclosure.
- 3) It has become relevant to the issue of sufficiency of disclosure, because it disclaims a bicycle brake system that does not work.

To obtain a valid patent, the disclaimer should be removed.

If Axbruch do not file an appeal, then they would have to defend the patent as maintained in opposition proceedings. As a party as of right, they could then not remove the

disclaimer, because that would broaden the scope of protection, i.e. contravene the principle of no *Reformatio in Peius* (G 4/93). It follows that Axbruch must appeal.

Since the appeal has suspensive effect, the opposition proceedings are still pending. For completeness, it is noted that Axbruch cannot initiate limitation proceedings to limit the granted patent by an amendment that does not include the disclaimer. They cannot wait until the appeal is disposed of either, because then the patent they would apply to limit would include the disclaimer, and its removal would not be a limitation, but an extension.

Answer to question 4:

Discuss what subject-matter we could validly claim to obtain the broadest scope of protection possible.

If Axbruch appeal, they cannot revert to the independent claim of the patent as granted, which was directed to the brake lever. This claim lacks novelty, because there is sufficient information in EP-PAN2 to make the brake lever. EP-PAN2 merely does not provide sufficient information to make a functioning bicycle brake system.

A claim to a bicycle brake system comprising the brake lever would encompass a limited number of alternative brake systems (four) of which one is not enabled, namely the bicycle brake system with the newly developed brake lever and a hydraulic rim brake. It is therefore arguable that a claim to a bicycle brake system comprising the brake lever would not be enabled.

The broadest protection Axbruch could certainly get would be in the form of an independent claim to a bicycle brake system with the brake lever and disc brakes. Also possible in principle would be a claim to a set of parts for use in assembling a bicycle brake system, comprising the brake lever and disc brakes.

EXAMINATION COMMITTEE III

Candidate No.

Paper D 2011 - Marking Sheet

		Maximum possible	Marks awarded	
			Marker	Marker
Part I	Question 1	4		
	Question 2	6		
	Question 3	5		
	Question 4	5		
	Question 5	3		
	Question 6	6		
	Question 7	4		
	Question 8	7		
Part II	Question 1	35		
	Question 2	11		
	Question 3	10		
	Question 4	4		
Total Part I + II		100		

Examination Committee III agrees on marks and recommends the following grade to the Examination Board:

☐

PASS
(50-100)

☐

COMPENSABLE FAIL
(45-49)

☐

FAIL
(0-44)

29 June 2011

Chairman of Examination Committee III