

2014

PATENT ATTORNEYS

EXAMINATION

PAPER A2

The New Zealand Law and Practice
relating to Patents and Designs

Regulation 158 (1) (a)

Duration: 3 hours (plus 10 minutes for reading)

Question 1 (15 marks)

A client of your firm (Mrs X) comes to see you about a patent owned by her company, Company A. The patent protects a widget manufactured by Company A. The patent had been drafted and prosecuted by another attorney in your firm who has since left. Mrs X has recently seen a similar looking widget in the New Zealand market, produced by Company B, which she considers infringes Company A's patent and tells you she wants to stop Company B from selling it. She tells you that the design of Company A's widget is clever and took a long time to get right.

A quick search at IPONZ reveals that the last renewal fee, due nearly three years ago, had not been paid and that the patent has now lapsed. Mrs X is very surprised to hear that the patent has lapsed and is, of course, very concerned.

On reviewing the file you discover that your firm had sent several reminders to Company A prior to the due date of the renewal fee. Two days before the due date your firm received an email from Company A's accountant stating that Company A could not afford to pay the renewal and that your firm was not to incur any costs accordingly. The file had been marked that the patent was to be abandoned and the fee was not paid.

Mrs X confirms that, while Company A was in some financial difficulty at that time, neither she as CEO, nor the Board, ever discussed or made a decision to abandon the patent.

- a) Mrs X asks you whether, in light of this information, Company A has the ability to restore the patent under the current law. Advise. **(5 marks)**

Looking further at the file you note that just after the patent had lapsed, a void notice was issued by IPONZ and that this had been emailed by your firm to Company A. The covering email explained that the patent had now lapsed. Mrs X, as CEO, had personally responded with the words "*We confirm receipt of your email*". This email exchange was dated 18 May 2012.

- b) Irrespective of your answer under (a), advise what (if any) effect this may have on Company A's ability to restore the patent under the current law. **(3 marks)**
- c) Would your advice change if you were making an application to restore the patent under the Patents Act 2013? How? **(1 mark)**

Assume for the remainder of this question that Company A's patent cannot be restored.

Several days after your meeting, Mrs X sends you samples of Company A and Company B's respective widgets and an invoice showing that Company A had sold one of its widgets to Company B 18 months ago. Inspecting the samples you notice that, while the external appearance of the respective widgets is different, some of the internal components which make the widgets work are very similar.

- d) Mrs X asks you whether she can still take action against Company B even though Company A's patent has lapsed. Advise. **(5 marks)**

On closer inspection you also notice that there are defects which appear in the same place on each widget.

- e) How does this affect the advice you provided under (d)? **(1 mark)**

Question 2 (12 marks)

Assuming each of the following is new, advise whether it could be registered as a design in New Zealand. Give reasons for your answer.

- a) A block for a motor cycle engine that has elongated cooling fins that increase efficiency **(2 marks)**
- b) A men's cologne bottle in the shape of a hand grenade **(2 marks)**
- c) The boot lid of a car that has a unique shape **(2 marks)**
- d) A set of cutlery in which each utensil has the same unique colour pattern **(2 marks)**
- e) A teaspoon incorporating a 3 dimensional likeness of Prince George to commemorate his recent visit to New Zealand **(2 marks)**
- f) A spoon in which the handle incorporates a New Zealand landmark, that has been scaled up from a teaspoon already on the market to create a larger novelty spoon **(2 marks)**

Question 3 (20 marks)

Note: additional copies of Drawings One and Two have been included at the back of this exam paper to assist candidates with their answers

A client (Mr Y) comes to you with a new design for a toy gun he has developed. Mr Y tells you that toy guns that fire multiple bullets are known, but that these all utilise an internal rotating barrel system. Mr Y tells you he likes old-fashioned movies, and that he drew inspiration from the Tommy and Gatling guns in those movies to come up with a unique design with external rotating barrels as shown in **Drawing One** (next page).

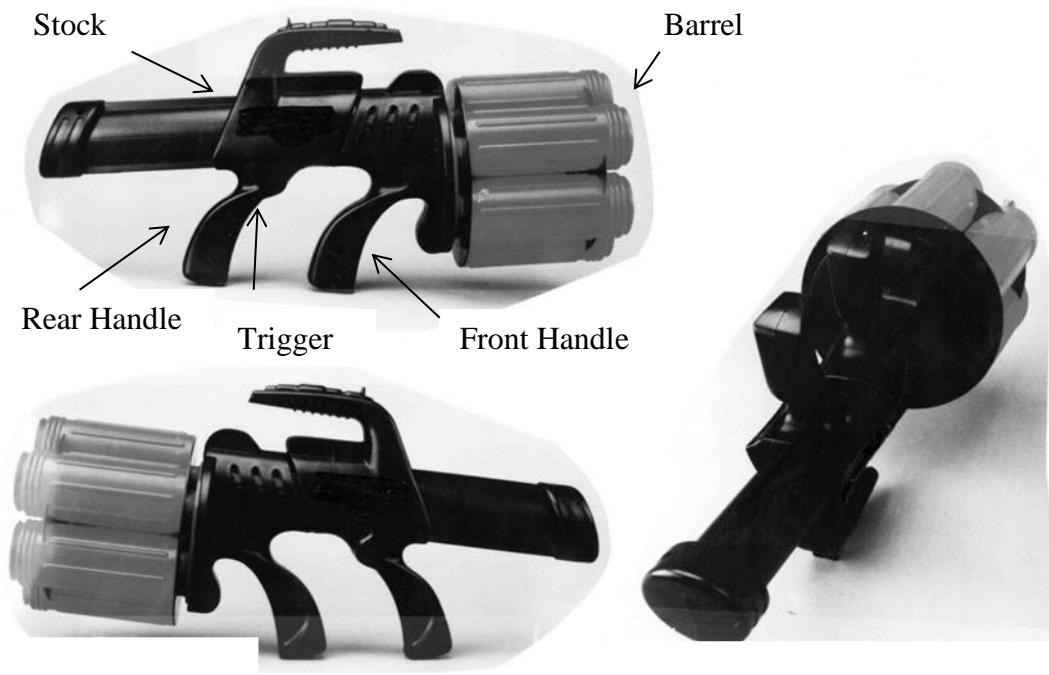
Mr Y believes the design is unique because the barrels are external and also because the handles have an older “gangster” look. He also points out that by having the barrels rotate externally on the front, bullets don’t get wedged between the barrels and an outer casing and the mechanism jams much less frequently. In the unlikely event the toy gun does jam, this feature also makes it easier for a child to free any jam without breaking the toy.

- a) Advise Mr Y what forms of protection could be available to him for his toy gun and their respective advantages and disadvantages. What aspects of the toy gun would you consider protecting and why? **(9 marks)**
- b) Mr Y decides to proceed with one or more design registrations to protect the toy gun shown in **Drawing One**. Prepare suitable statement(s) of novelty. **(3 marks)**
- c) Advise (with reference to any relevant case law) whether the representations in **Drawing One** would be suitable for filing with Mr Y’s application(s) for a registered design. **(3 marks)**

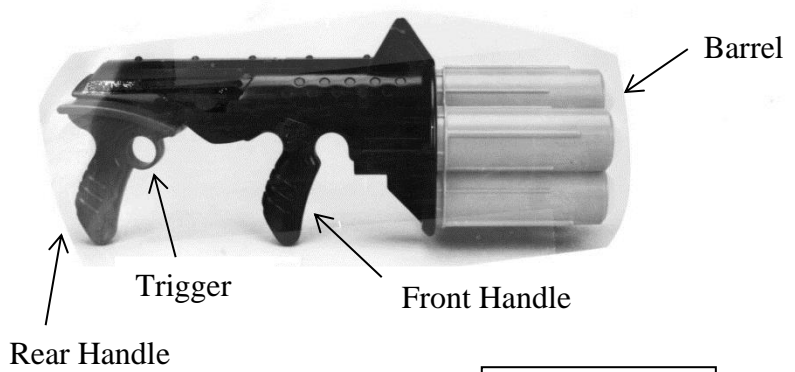
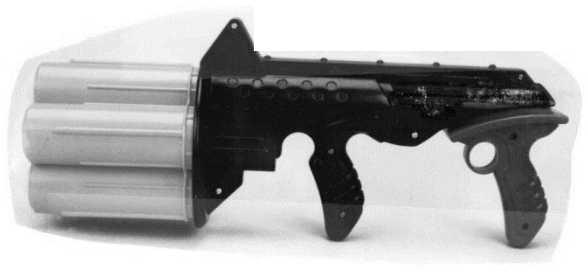
Assume you filed design application(s) for Mr Y using the representations in **Drawing One** on 6 January 2014 but without any statement of novelty.

While prosecuting the design application(s), it comes to your attention that Mr Y had developed two toy guns. The design of his second toy gun is shown in **Drawing Two** (next page). Mr Y tells you that this other toy gun was launched in New Zealand on 1 May 2014. You have not yet filed statement(s) of novelty for Mr Y’s design application(s).

- d) Draft statement(s) of novelty for Mr Y’s design application(s) to ensure you best capture the toy gun shown in both **Drawing One** and **Drawing Two**. **(5 marks)**



Drawing One



Drawing Two

Question 4 (25 marks)

Mr Bruce is a small producer of fabrics. He has developed what he considers to be a unique tartan design utilising very bright, luminescent, colours.

Mr Bruce has been selling cloth featuring the tartan design for several months. As bright colours are very popular at the moment, sales are going well.

However, Mr Bruce has just received a letter from a large Australian felt producer (Company C) telling him that he is infringing New Zealand Design Registration No. 567891 and insisting that he immediately stops production of his cloth.

Mr Bruce comes to you for advice. He tells you that, since sales have been so good, he is reluctant to stop selling the cloth if he can avoid it.

You check the NZ Designs Register and note that NZ 567891 is indeed a registered design in the name of Company C. The design covers a tartan fabric the pattern of which is practically identical to Mr Bruce's cloth.

- a) Mr Bruce asks you what considerations the Court would take into account when determining whether the sale of his cloth will infringe Company C's registered design rights. Advise with reference to case law. **(10 marks)**
- b) Describe how the considerations in (a) differ from the Court's approach to infringement in copyright law. **(2 marks)**
- c) Mr Bruce points out that he came up with his tartan design independently and had never seen the design shown in NZ 567891 or any products produced by Company C. He asks whether this means he can keep making and selling his cloth. Advise. **(3 marks)**

You notice that the representations in NZ 567891 show the tartan in red and blue only. The Statement of Novelty simply states that "*The design is to be applied to fabric and the novelty resides in the tartan design as shown in the accompanying representations*".

- d) Mr Bruce asks you if this has any effect on the test for infringement of Company C's registered design. Advise. **(3 marks)**

Mr Bruce has obtained a sample of Company C's product. He tells you that it is a very tight felt material, while his cloth is a very loose knitted woolly (angora-like) material, and therefore they have a very different feel.

- e) Mr Bruce asks you if this has any relevance to potential infringement of Company C's registered design. Advise. **(2 marks)**
- f) Because Mr Bruce is a small producer he does not want any issues with Company C. However, at the same time, he is keen to keep producing tartan cloth using his bright colours. He asks you what his options are for doing so. Advise. **(5 marks)**

Question 5 (28 Marks)

Ms Smith is an engineer. She has an idea for a new mechanism for supplying fuel under high pressure to jet airplane engines where there is a risk of ice crystals forming. She is in the process of preparing a prototype to show that the mechanism works. This prototype should be complete in November 2014.

Ms Smith has also had discussions with a jet engine manufacturer in May 2014. If the prototype works, the jet engine manufacturer is keen to install her mechanism into its commercial engines. It will take approximately 12 months to develop the mechanism and install it on a commercial engine. Only then can it be properly tested under flight conditions. The jet engine manufacturer has offered to pay her to develop the prototype.

Ms Smith is aware that ice crystallisation is a major issue for jet engines, and that a number of companies are working on a solution. Therefore, she is keen to get protection for her mechanism in place as soon as possible.

Ms Smith has been told she should file a “provisional patent” application as soon as possible, but does not know what this is or what it involves.

- a) Advise Ms Smith what a “provisional patent” application is and the importance and implications of filing one. Your answer should include any requirements that should be adhered to when filing a patent application accompanied by a provisional specification in New Zealand. **(5 marks)**

Ms Smith tells you that she wants to proceed with patent protection for her mechanism and asks you what her options are.

- b) Advise Ms Smith on her options for obtaining patent protection in New Zealand for her mechanism (including the relative advantages and disadvantages) bearing in mind her development time line. **(7 marks)**
- c) Discuss any issues that may arise:
 - (i) From Ms Smith’s discussions with the jet engine manufacturer; **(2 marks)** and
 - (ii) If Ms Smith agrees to accept funding from the jet engine manufacturer to develop the prototype. **(5 marks)**

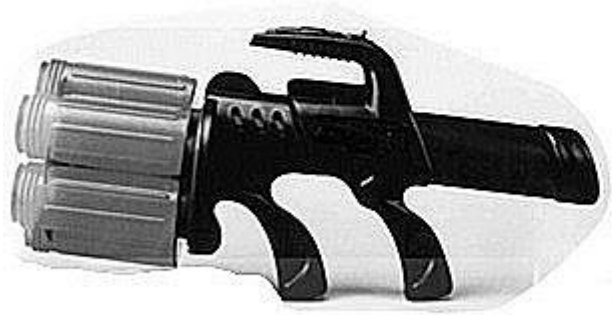
After advising Ms Smith of her options she tells you that in October 2013 she filed her own patent application accompanied by a provisional specification. A friend had explained that all she had to do was file a simple drawing of her mechanism online at IPONZ which she did.

- d) Advise Ms Smith of the implications of relying on the provisional specification she has filed and filing a complete after provisional in October 2014. **(3 marks)**
- e) Advise Ms Smith of any other options available to her to strengthen her patent position (including the relative advantages and disadvantages of each). **(6 marks)**

Additional copy of drawings for candidates to use in their answer to Question 3.



Drawing 1



Drawing 2



Additional copy of drawings for candidates to use in their answer to Question 3.



Drawing 1



Drawing 2



Additional copy of drawings for candidates to use in their answer to Question 3.



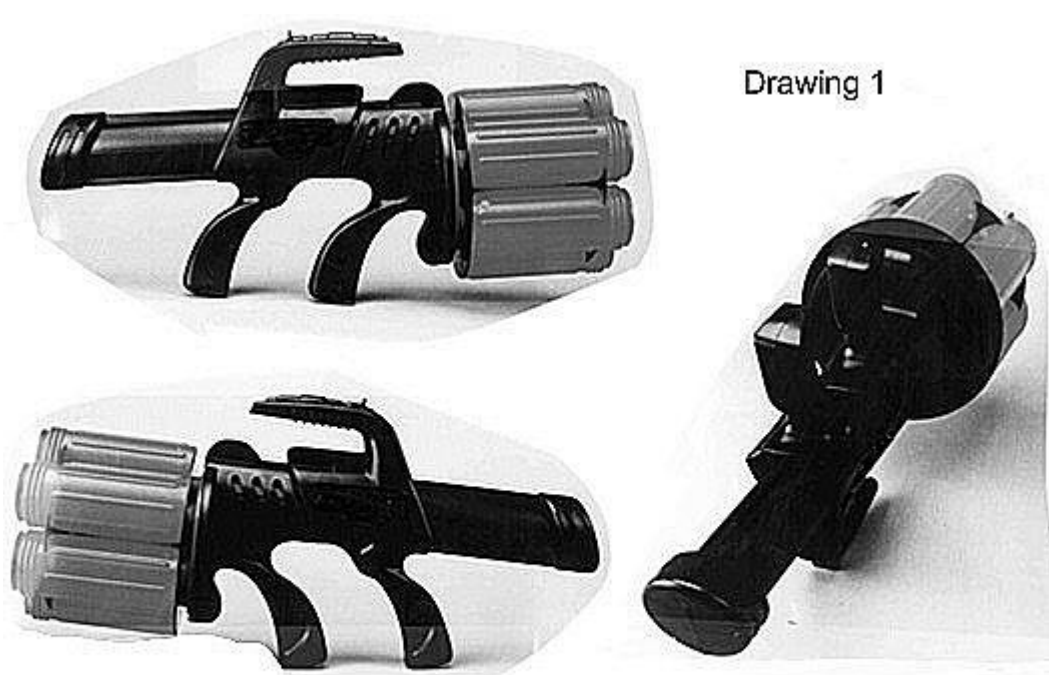
Drawing 1



Drawing 2



Additional copy of drawings for candidates to use in their answer to Question 3.



Drawing 1



Drawing 2