

2009

PATENT ATTORNEYS

EXAMINATION

PAPER A1

The New Zealand Law and Practice
relating to Patents and Designs

Regulation 158 (1) (a)

Duration: 3 hours (plus 10 minutes for reading)

When considering answers to the questions in this year's examinations, no account is to be taken of any provisions of the Patents Bill, the Trade Marks (International Treaties and Enforcement) Amendment Bill, the Regulatory Improvement Bill (as it relates to amendment of the Designs Act 1953), or any other bill that may be before the New Zealand Parliament.

Question 1 (9 marks)

On 1 May 2009 you filed a patent application (with complete specification) for a client who has invented a class of compounds which are useful as engine oil supplements to prevent freezing in cold climates. This is the first patent application your client has filed.

- a) Your client asks you to outline what the Patent Office will examine the application on. List the substantive issues the Patent Office will consider, referring to the relevant sections of the Patents Act 1953. There is no need to discuss formality requirements, such as forms that are required to be filed. (4 marks)
- b) The application is examined and the examiner raises an objection that the class of compounds claimed in the application falls within a broader class of compounds referred to in a scientific article published on 10 August 2008. Advise your client how this objection could be overcome. (5 marks)

Question 2 (8 marks)

- (a) Barry has invented a new cattle prod and wants to obtain a patent for it in New Zealand. Barry tells you that he has displayed his cattle prod at a trade show in June 2009. Advise Barry, outlining any further information you might need from him. (2 marks)
- (b) Barry further advises that as a result of showing his invention at the trade show he has had an order to supply the invention which he accepted on 1 July 2009. He has not yet fulfilled the order and no money has changed hands. Does this change the advice you have given Barry under (a) above? Refer to any relevant case law. (2 marks)
- (c) Around three years later Barry contacts you again and says that his cattle prod has been selling extremely well in the New Zealand market. However, he has just received a letter from a company called, Prodcats Ltd, which claims he is infringing its New Zealand patent (which was recently granted on an application filed with a complete specification at first instance on 7 July 2009). The letter asks Barry to cease production and sale of the cattle prod in New Zealand. Barry says he was aware that Prodcats Ltd had a competing product in the market, but he was not aware of Prodcats Ltd's New Zealand patent. Advise Barry of the actions and remedies available to him in respect of Prodcats Ltd's patent and his alleged infringement. (4 marks)

Question 3 (12 marks)

Discuss the following, referring to relevant sections of the Patents Act 1953 and any relevant case law to support your answer.

- (a) The patentability of methods of treatment and diagnosis of human beings. (3 marks)

- (b) "Secret use" and its relevance to the validity of a patent under s21 and s41 of the Patents Act 1953. (3 marks)
- (c) The patentability of an invention which comprises a combination of parts each of which is known, for example a kit. (3 marks)
- (d) The patentability of software. (3 marks)

Question 4 (10 marks)

Your client has devised a method for manufacturing a known drug which is used to treat HIV. He has recently been granted a patent for the method in New Zealand.

- (a) Advise your client of the rights a patent provides, the term of the patent, when infringement proceedings may be taken and any action he should take to prevent restrictions on the recovery of damages in any future proceedings in relation to the patent. (4 marks)
- (b) Your client would like to know whether or not there are any statutory exceptions to the above rights. Advise your client. (1 mark)
- (c) Your client has read reports in the media of patents relating to treatment of HIV being broken by governments in developing countries. He is concerned that this could happen in New Zealand and that all his hard work and the money he has spent would have been a waste of time. Advise your client whether or not this could occur in New Zealand. If so, for what reasons and what would the consequences be for your client? (2 marks)
- (d) A few years after the grant of his patent, your client tells you another manufacturer is making the HIV drug and supplying it to the New Zealand market. He has reason to believe the manufacturer is using his patented method to make the drug. However, he is not certain he will be able to prove this. Outline any consequences this might have if your client was to take infringement action against the manufacturer. (1 mark)
- (e) A week later, your client calls you to say that he has found out the manufacturer in d) above is producing the drug offshore, formulating it and then importing the formulated product into New Zealand. He is concerned this might mean the manufacture is not infringing his New Zealand patent. Advise your client. (2 marks)

Question 5 (19 marks)

Your client is involved in the electric fencing industry. He has carried out a search on the IPONZ website and notices that a company, "The Electric Company", has filed a New Zealand patent application accompanied by a provisional specification, entitled "An electric fence". The application was filed on 1 February 2009. He is concerned this patent application might limit his current and future commercial activities.

- (a) Your client wants to know what is contained in The Electric Company's patent specification as soon as possible. He may wish to challenge the application. Advise your client, including any actions that should be taken. (3 marks)
- (b) The Electric Company files a complete specification on 1 February 2010 and the application is finally published on 19 May 2012. Your client reviews the specification and decides he would like to challenge it. Advise your client of the various options to challenge the application, or a patent granted on the application, as provided for in the Patents Act 1953. Outline the pros and cons of each option and any relevant time restrictions. (12 marks)
- (c) Your client decides to challenge the patent application. You have conducted a technical literature and patent search. What other steps could be taken to identify prior art of relevance to the invention? (1 mark)
- (d) Your client has identified a document describing an electric fence which appears to fall within the scope of The Electric Company's broadest claim. This document was published on 10 December 2009. What would you need to show in order to be able to rely on this document as a prior publication? Refer to appropriate case law to support your answer. (3 marks)

Question 6 (16 marks)

- (a) What evidence is required to establish prior use of a claimed invention? (2 marks)
- (b) Discuss any potential consequences of the following statement in a patent specification, and how you would amend the statement to reduce any risks: (2 marks)

"The present invention overcomes the problems associated with prior art bottle caps"
- (c) Briefly outline factors considered in determining ownership of employee inventions, referring to any relevant case law to support your answer. (3 marks)
- (d) A patent applicant is aware of prior art which it believes may invalidate a claim in its pending patent application. Under the Patents Act 1953, is there any requirement imposed on the applicant to consider this document and amend its claim? What are the consequences or risks, if any, of not considering the document and making necessary amendments? (4 marks)
- (e) Under what circumstances must a declaration as to inventorship be filed? What is the deadline for doing so? (2 marks)
- (f) Two friends, Bill and Ben, have jointly filed a patent application which has recently granted. Bill and Ben have had a falling out. Ben finds out that Bill has been approached by a company who wishes to buy or license the technology from him. Ben is concerned that Bill may cut him out of the deal. Ben has approached you to advise him of his rights. Advise Ben. (3 marks)

Question 7 (14 marks)

On 7 October 2008 you filed a patent application (accompanied by a provisional specification) for a new oscillating fan for your client, Dave. On 1 July 2009 Dave contacts you to advise that he has modified the fan since you filed the patent application. Dave provides you with details of the modified design. You review the patent specification and note that the modified fan is not covered.

- (a) Advise Dave on his options for protecting the modified fan. (2 marks)
- (b) On 7 October 2009 you file a complete specification for Dave's application. The complete specification describes and claims the original fan and the modified fan. Subsequently Dave identifies a publication that discloses an oscillating fan which is very similar to his. The document was published in New Zealand on 17 March 2009. Advise Dave on whether or not this represents a problem for him obtaining valid patent protection. (6 marks)
- (c) Dave continues with the application in (b) above and at a later date comes up with a further modification to the fan. Again, you review his application and find this further modification is not disclosed. Dave believes this fan design will be the most commercially successful. Advise Dave on his options for protecting the further modified fan, outlining any pros and cons of the strategies you recommend. (6 marks)

Question 8 (12 marks)

Sara filed a New Zealand patent application (accompanied by a provisional specification) in her own name on 20 July 2008. She would like to continue with the application by filing a PCT application, or one or more convention applications, but she does not have enough money to proceed. She had hoped to have a potential investor on board by now, but there has been no interest as yet, due to the economic down-turn. She wishes to obtain patent protection in New Zealand and other countries, but is considering refiling her application to gain further time to get the investment money she needs to proceed with PCT/convention applications. She notes that potential investors are likely to be based overseas so believes that there would be significant advantage in refiling the application direct in another country. She is also considering setting up a company, which will own the technology and the patent application, as she believes this may give her and the technology more credibility in the eyes of investors.

- (a) Advise Sara on her proposed strategy, any risks involved, and how you would advise she should proceed. (8 marks)
- (b) A number of years later Sara has a granted patent in New Zealand and a number of patents and pending applications in other countries, which she recently sold to a US company. She tells you that you should now correspond with the US company in relation to the New Zealand patent. Advise the US company what is required to

register it as the proprietor of the patent, including who may apply and what documentation is required. (2 marks)

- (c) Outline to the US company any risks or limitations associated with not recording its interest in the New Zealand patent. (2 marks)