

EXAMINATION FOR REGISTRATION AS A PATENT ATTORNEY

SEPTEMBER 2001

SUBJECT 8

Patent Attorneys' Practice Part II

Time Allowed : 4 hours

Instructions to Candidates

- ◆ *Standard required to pass:* 50%
- ◆ *Reading time:* 10 minutes
- ◆ *Candidates should attempt ALL questions*
- ◆ *The maximum marks for each question are indicated at the end of the question*

1. Your client requests advice as to whether it is possible to file a divisional patent application directed to a feature disclosed in the drawings of his granted patent, which protects an apparatus. This feature is now recognised to contribute significantly to the efficiency of the apparatus. The patent was granted on 30 August, 2001.

(a) What points would you discuss in providing your advice?

After receiving your advice the client replies that it is the particular array of ridges on one component shown in Figures 1 and 3, for which they would like specific protection, but without the use of a second component in conjunction therewith, as is claimed in the patent. Your review shows that the patent specification does not refer in any detail to the ridges but just provides a general description of the component, its co-operation with the second component, and their operation within the apparatus. Your clients asks how the particular array of ridges may be protected, whether there are any disadvantages in any of the recommended course of action, and what the time frame of costs would be over the next 5 years in respect of any available action.

(b) Reply to your client setting out fully the basis for your advice.

(10 marks)

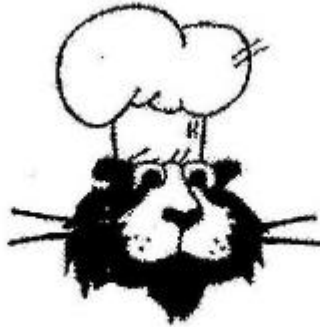
2. Your client is the owner of registered trade mark A for the device of a lion's head device (see below), in respect of biscuits, cakes and pastry. The client explains that it has been using the registered mark for many years and recently updated the mark to that shown below as device B (see below). He wonders if the registration could be changed to depict device B as the protected mark.

.../2.

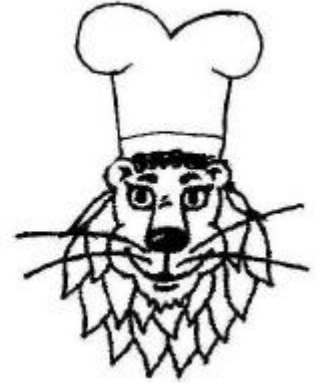
It has also come to your client's attention that another company, X Ltd has started to use a lion's head device C (see below) in respect of cakes and confectionery.



A



B



C

The client seeks your advice on:

- i) whether it is possible to amend the mark the subject of registration A to depict the 'IMPROVED LION'S HEAD' device B as the registered mark, since they wish to have protection for the mark they are actually using,
- ii) whether they could successfully take action for infringement of registration A by X Ltd:
 - (a) with the registration as it currently exists, and
 - (b) if the mark as currently being used by them was registered - that is, if amendment of the registration was successful.

Advise your client in relation to the questions asked by them, giving full reasoning.

(12 marks)

3. You receive a letter from an European Associate which reads as follows:

"My client is the owner of Australian Patent No. 199063421 filed 3 March, 1990. Our firm forwarded a reminder letter to the client in March, 2001 in relation to the annuity due 3 March, 2001 and we received a reply that future commercialisation of the subject matter protected by Patent No. 199063421 was currently under discussion but would not be finalised until the third quarter of 2001. If discussions failed to produce a licence, then the client was not interested in maintaining the patent. The client has previously used the 6 month period of grace for payment of annuities, and was aware of its existence in Australia.

.../3.

We received advice from our client today that due to a virus corrupting their patent reminder diary system some time in July, 2001, the reminder to review the need to instruct renewal of Patent No. 199063421 prior to 3 September, 2001 was lost, and it has only just been discovered missing by the re-construction of their computer reminder records.

What steps may be taken to pay the 2001 annuity fee and to restore the patent; what will the official procedure and time frame thereof be throughout the conduct of the restoration action; what documents will be required from the client and/or us, and will such steps be likely to gain restoration of the patent.

Costs do not need to be advised as a successful potential licensee has certainly been located."

Draft a reply to the European Associate which provides the advice sought.

(15 marks)

4. Your client operates a trophy shop and is concerned by Design Registration No. 987654 filed 15 December, 2000 for a "COMMEMORATIVE AWARD", in the shape of a circular disk having an image, in relief, thereon.

Your investigations show that the registered design is very similar to an item which your client produced and sold several years ago, but does not produce or sell at the present time.

- i) Advise your client what can be done to prevent the design registration being enforced against him, and include all procedural and relevant steps to be taken, time frames and any materials required.
- ii) During your further enquiries of the client it appears that his similar article was produced for use in belatedly recognising outstanding community service following the earthquake in Newcastle, and was designed to be worn by the recipient as a medal. How does this affect your advice?

(12 marks)

5. (a) A patentee who is about to initiate proceedings in the Federal Court for infringement of its patent asks you to undertake thorough searches to establish the validity of the patent. You search the usual international and local databases and obtain print-outs of a large amount of material including:

.../4.

- i) details of the searching strategies
- ii) lists of documents, some of which are relevant, and some which are not, and
- iii) abstracts of documents.

You obtain full copies of 20 documents and report to your client advising on the validity of the patent referring specifically to three relevant patent specifications and two non-patent documents.

Explain to what extent, if at all, this material is privileged.

(8 marks)

- (b) You receive a telephone call from Mr X who advises that he wishes to transfer management and care of his patent portfolio to your firm from another firm. You arrange to meet with him to discuss his portfolio and his needs. He tells you that you and your firm have been highly recommended to him. At the conclusion of the interview, to your embarrassment, Mr X tells you that he wishes to complain about the behaviour and advice of his former Patent Attorney to the appropriate authority, describing the behaviour as "erratic and rude" and the advice as "incompetent, incomplete and extraordinarily slow". He insists you tell him where he can get assistance.

Advise your client what options are open to him.

(5 marks)

- (c) You receive a copy of a notice of opposition in the mail which has been lodged against the trademark application of your client A Ltd. A Ltd is a small but loyal client which has consistently filed one or two trademark applications through your firm for ten years. You discover, after further investigating the notice of opposition that the opponent B Ltd is a client of your firm's Perth office. When you telephone your colleagues in Perth about the opposition, they advise that although they clearly were not responsible for the notice of opposition, B Ltd has since 1999 been filing large numbers of trade mark applications through them, is a very large local client and has the potential to spend up to \$50,000 per year with your firm.

Explain how you would resolve the conflict and the basis for your decision.

(3 marks)

6. Compare the re-examination processes available under Australian and US patent law. Include in your answer, relative cost and duration, processes and materials required.

(8 marks)

7. (a) It is October 2004. Your Australian client is the proprietor of Trade Mark registrations in Australia, Peoples Republic of China, Singapore, United Kingdom, Germany, France, USA and New Zealand. Some of these were obtained on the basis of an application under the Madrid Protocol dated October 2001, using an Australian application as the basic application. You have received notification of a non-use removal action against your clients mark in Australia. Investigations reveal that your client never intended to use the trade mark in Australia, but instead filed here only to take advantage of the lower foreign filing costs available through the Madrid Protocol. Your client's business operates out of China exporting to all the above-mentioned jurisdictions except Australia.

Advise your client.

(5 marks)

- (b) You have obtained for your client trade mark registrations in Australia, Spain and the United States of America to cover a range of preserves it sells. You have been arranging for payment of renewal fees by sending notification and reminders to your client and renewing the cases on his instructions. Unknown to you your client changed its address and did not receive your reminders. As a consequence, the registrations have not been renewed and ceased 19 months' ago. Your client packages its preserves in Spain for export to the United States of America and Australia and has been doing so for 10 years.

The preserves are not sold in Spain. Enquiries reveal that a competitor has applied to register your client's trade mark in Australia, Spain and the United States of America to cover preserves but has not yet commenced use of the mark.

What, if anything, can be done to remedy the situation in Australia, the United States of America and Spain?

(10 marks)

8. (a) Discuss the meaning of the term "Declaration of Incontestability" with regard to US Trademark law.

(4 marks)

- (b) In settlement negotiations in relation to an allegation of infringement, and a counter allegation of groundless threats, the party opposed to you writes a letter headed "without prejudice".

Explain in what circumstances and to what extent, if any, the use of the term "without prejudice" may place obligations on you.

(4 marks)

.....6/.

- (c) Your client A Ltd is the assignee of an Australian patent directed to a food preparation process and food prepared by the process. The food prepared as a result of the process can be exported without risk of spoilage. A Ltd has received a letter from a German firm of Attorneys alleging infringement of a German patent owned by their client Z. Your investigations show that A's patent is the equivalent of Z's patent and that the German patent was assigned to Z by the original owner of both the Australian and German patents. Your client advises that their product has been exported to Germany.

Advise your client.

(4 marks)