

REPORT TO CANDIDATES
PATENT SYSTEMS – SUBJECT F
2001 EXAMINATION

The papers presented this year were again of a generally pleasing standard. Recognising the distinction between the exam paper set by the Academy of the Institute of Patent and Trade Mark Attorneys in 2000 versus that set by the present Examiners, an attempt was made to bring more uniformity to the styles in 2001 and so certain questions were more discursive in style than in previous years and therefore sought less specific outcomes. Candidates were able to tackle these questions as well as they did more direct questions and this pleased the Examiners. Although some candidates appear not to have completed the paper, candidates are reminded that this is not necessarily fatal to their chances of passing. Whilst the Examiners expect that candidates will provide a satisfactory answer in respect of all questions, not doing so does not necessarily result in a failed paper. Candidates are reminded that it is not necessary for them to answer all questions in prose, but that in most instances, bullet point form will suffice where time is short.

Question 1

The question required candidates to elaborate upon novelty requirements under Australian law to their US client bearing in mind that that client is used to novelty system different from that existing in Australia and including a grace period. The Examiners expected candidates to discuss Australia's relative novelty standard, the effect on a patent application of a confidential disclosure and that any disclosure, to be novelty destroying, must be "enabling". Candidates who did well also mentioned that secret use by the patent applicant would also render an application in Australia void. Based on a discussion of Australian law, candidates then needed to conclude that the August 1999 and June 2000 disclosures, being in confidence, were not likely to affect the applicant's rights in Australia provided that the latter use did not constitute prior secret use. However, in relation to the September 1999 disclosure, candidates needed to recognise that because it was not confidential, it was potentially novelty destroying. Candidates then needed to query the associate as to whether or not the information disclosed was "enabling" and what form it took; in writing or otherwise.

Candidates were awarded marks for a definite conclusion to their client. Candidates are reminded that it is their duty as a patent attorney to assist a client and to find a way for them to meet their needs in the Australian jurisdiction rather than to merely state the law.

Question 2

- (a) This part of the question required only the points that an advisor would discuss in answering the client. It was not necessary to go into considerable detail concerning those points. In particular the Examiners were seeking an indication that the following points

would be discussed: the nature of the disclosure in the drawings of a granted patent and the possibility that it might be novelty destroying; whether there was possibly an inventive

step in the significant feature of the drawings, and what sort of protection might have been possible, for example, a divisional patent application, a patent of addition or an innovation patent application.

- (b) In part (b) the Examiners sought a logical and reasoned discussion of the best options available to the client. In particular they sought a discussion of whether or not the disclosure in the granted patent was novelty destroying, which of the three protection options was legally available and the most appropriate under the circumstances and the advantages and disadvantages of the most sensible option. The Examiners were inclined to the option of a patent of addition, the only disadvantage of this being that the term of the patent would be limited to that of the parent. Candidates were also required to indicate that the costs to the client were likely to come from filing, examination, prosecution and possibly acceptance and grant costs, although annuity fees are not payable in respect of patents of addition.

Question 3

In question 3 the Examiners expected a brief outline of section 223 and the possibility that under section 223(2)(a) an extension of time would be available to pay the missed annuity. Candidates needed to indicate that the annuity fee, application fee and the extension of time fees would be required, that the declaration would need to indicate that there was an error or omission on the part of the applicant or their agent which had a causal link to the omission of the payment, and that no undue delay had occurred.

The Examiners particularly highlighted in the question that it would be necessary to detail the official procedure and time frame thereof in order to be able to achieve full marks in this question. Despite this procedure and time frame being the subject of a relatively recent official notice from the Australian Patents Office setting out a change in that Office's practice, candidates were unable to provide the detail required. Candidates should always familiarise themselves with recent changes in office practice before an exam since these are favourite questions from an Examiner's point of view. In this question particularly, candidates failed to give the degree of detail necessary to convince the Examiners that they would achieve the necessary outcome for their client.

Question 4

- (i) The options which exist to correct the type of problems identified in this question are essentially three: in certain circumstances WIPO will issue an invitation to correct a defect. However, in others Article 34 of the PCT or the National Phase procedures may offer the client options. Candidates should be familiar with the loose leaf service which is the Applicant's Guide to the PCT. This has a large section devoted to frequently asked questions including answers to those under parts (a) to (e) of this question. An invitation to correct defects such as those under (a) and (d) will issue, and may issue for that identified

in part (c) of this question. No invitation to correct will issue in relation to parts (b) and (e) although it is possible to rectify the errors without ill effect on the ultimate patent granted.

- (ii) Candidates needed to recognise that the only jurisdiction in which the inventor's signature is actually required is the United States. In this jurisdiction the inventor is required to sign petitions and assignment documents since applications in the first instance in the United States are required to be made in the inventor's name. Therefore in order to achieve lodgment in the United States, the corporate applicant will ultimately need to execute a declaration advising of the details of the inventor's refusal to sign the application forms and also detailing attempts made by the client to persuade the inventor to sign. Under these circumstances the USPTO will allow the application despite the inventor's recalcitrance.

Question 5

- (a) A continuing prosecution application is only available if the priority date of the parent case in the United States post dates 8 June 1995. A continuing prosecution application has the same file wrapper as the parent and the same serial number and is likely to be filed when prosecution options on the parent run out. The request must be filed before abandonment or before a notice of further appeal.
- (b) The period of time allowed for a response to an European first official action is set somewhere between 2 and 4 months by the Examiner in charge, and is usually on the long side for foreign applicants. A further two months extension of time is available by prior request and a further processing period of two months is also obtainable. All official deadlines are considered met if correspondence is lodged by a date ten days in excess of the due date because of what the European Patent Office considers the automatic delay arising out of the mail system.
- (c) Applications filed after 1 October 2001 in Japan must have examination requested within three years of the date of filing. Applications filed before 1 October 2001 must have examination requested within seven years of the date of filing. The circumstances under which accelerated examination may be sought are set out in most loose leaf services and essentially are:
 - (i) where third party working exists;
 - (ii) where the applicant or licensee is already working the invention or reasonably expects to do so within 2 years; or
 - (iii) where prior national or international search reports together with comment can be submitted with a request for accelerated examination.

Question 6

The Examiners had no firm expectations as to the recommendations to be put to the client as a result of the circumstances set out in this question. The issues which the Examiners considered required consideration included:

- (i) who should seek protection: the Australian Institute or the US company or the Australian and US organisations jointly, a new organisation or in the inventor's name;
- (ii) where the application should be filed; either in the United States or in Australia,
- (iii) how it should be filed: as a provisional application either in the United States or in Australia, or utilising the US grace period, by filing in the US at first instance or in Australia at first instance and then claiming the priority for purposes of a PCT application,
- (iv) the need to go via the European Patent Office to achieve protection in France and Italy,
- (v) mechanisms of delaying cost,
- (vi) novelty issues, and
- (vii) how competitors could best be dealt with.

Many candidates failed to recognise that the fact that there were no animal trial results would likely delay the possibility of filing since such results are needed to prove utility of the invention. Many candidates saw this question as primarily directed to the PCT and failed to consider other options available to their client in the circumstances provided. The development of a cost effective and strategically appropriate filing strategy is a key means of value adding to normal procedures, and should be well understood by candidates.

Question 7

The Examiners awarded the majority of marks in this question to candidates' descriptions of second tier protection mechanisms in overseas jurisdictions. It was possible to choose a number of jurisdictions including Germany, Japan, Ireland, The Netherlands, Hong Kong and so on. A recitation of Australian Statute in relation to innovation patents was considered inadequate and few marks were awarded to questions which detailed Australian provisions only.

Question 8

- (a) Candidates should know that the rules of evidence in relation to matters heard before the Australian Patent Office are not as restrictive as those in court. Hearsay is not strictly disallowed and discussion of this is provided in the Hearings manual at paragraph 2.3.2. However, despite the fact that rules of evidence are not so restrictive, candidates also needed to recognise that weight given to hearsay evidence is usually lower than that given to direct evidence.

- (b) Regulation 5.5 applies and dismissal of the opposition must be requested within one month of service of the statement of grounds and particulars. A hearing date is set and the opposition is only dismissed if it patently cannot succeed. Under Regulation 5.5(3) a commissioner can dismiss an opposition without a request to do so.

- (c) A bar to sealing most frequently occurs after an opposition has been withdrawn and is a mechanism by which the Commissioner can refuse to grant a patent application when he has in front of him evidence relevant to the validity of the patent specification. The applicant is given the opportunity to address any issues raised before the application can proceed in the same manner as occurs during normal prosecution.

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