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In this issue:

Recognised & Rewarded

Legal 500 Ranks D Young & Co as a Top Tier Firm in all UK IP Categories

Full story page 2

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Events

23-26 October 2010
BIT Conference International Drug Discovery Sciences & Technology
Kirk Gallagher will be speaking on IP Issues Relating to Process Development of Generics for Europe at BIT's 8th Annual Congress of International Drug Discovery Sciences and Technology in Beijing, China.

28-29 October 2010
Advanced Patent Law Institute Conference
Nigel Robinson will be attending this conference in Austin, Texas, USA.

2 November 2010
Collaborate2Innovate 2010
Miles Haines and Jeremy Pennant will be leading table discussions at this free event dedicated to building profitable partnerships between organisations in the Solent region.

19 November 2010
Claim and Specification Drafting for a Single EPO/USPTO Patent Application
David Meldrum will be presenting at this seminar which offers practical advice on how to draft and prosecute patent applications for the differing requirements of the EPO and the USPTO.
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Legal 500 2010

We are proud to announce that D Young & Co has been ranked in the top tier for all three Legal 500 2010 categories.

The Legal 500 comments: 'The team at D Young & Co LLP is *very customer focused*, and its *business acumen and industry knowledge of the patent attorney landscape is very impressive*'... 'Headline clients for the *consistently excellent* patents team at D Young & Co LLP include Sony, Danisco and Pfizer.'

'Key individuals include David Meldrum, who heads the London electronics group, and Catherine Mallalieu, who is *excellent* on pharmaceutical and biotech matters. Charles Harding is recommended for his *depth of expertise* and *flexibilty*'.

D Young & Co would like to thank our clients and associates for their support and contributions to this year's review.

Article 01

Who is the 'Person Skilled in the Art'? Schlumberger Holdings Ltd v ElectroMagnetic GeoServices AS

Obviousness and sufficiency are two of the most important criteria for judging validity of a patent under UK and European law. Both are assessed through the eyes of the nominal 'person skilled in the art'. A recent decision handed down by the Court of Appeal has provided for the first time in UK or EPO case law express endorsement that the person skilled in the art for assessing obviousness should be a different person from the one used to assess sufficiency in some cases.

The European Patent Convention, and therefore also national law in the UK and other European countries, refers to the person skilled in the art in both Article 56 on obviousness:

> *'An invention shall be considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art.'*

And Article 83 on sufficiency:

> *'The European patent application must disclose the invention in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art.'*

It has long been recognised by UK and European case law that in some cases the person skilled in the art is not a single individual, but rather a team of people possessing collectively the relevant set of technical skills. This is to reflect the fact that research and development in some areas is undertaken by multi-disciplinary teams.

On 28 July 2010, the Court of Appeal, lead by Lord Justice Jacob, handed down judgment on a case - Schlumberger Holdings Limited v ElectroMagnetic GeoServices AS [2010] EWCA Civ 819 - overturning the decision of Justice Mann in the High Court that European Patent (UK) 1 256 019 was obvious, thus maintaining the patent. The appeal turned on whether the skilled person team necessarily had to be the same when assessing obviousness and sufficiency. Jacob's answer was an unequivocal 'no'.

Jacob's reasoning was that obviousness was a pre-invention consideration, whereas sufficiency was a post-invention consideration. If the invention was a 'game-changer' in that it changed the technical field of the invention by introducing knowledge from a different technical field, then the team for considering sufficiency should include a member with knowledge of that different technical field. On the other hand the team for considering obviousness must exclude anyone from that different technical field. To avoid an absurd result, the judge also confirmed that for the patent to be non-obvious, the invention must also not be obvious from the standpoint of the excluded member alone.

Turning to the facts of the case, the invention lay in a novel use of a generically known technique. The known technique was electromagnetic mapping of the sea floor to assess the resistive structure of the underlying geology. The technique had been applied in the prior art over about 20 years to assess a variety of structures, including salt layers, deposits of volcanic rock (basalt), sedimentary rock, and methane hydrate deposits. These different structures were all identified in similar fashion by the technique, because of the fact the target layer in each case had a different resistance to the layers above and below it. The novel use claimed by the invention was to identify oil reservoirs which are generally resistive compared with the layers above them and below them.

The claimant argued this was just another routine application of the known technique which was obvious, and had also been highlighted in the literature as being possible, although not actually done in practice. The patentee argued in analogy with the famous

Should the person skilled in the art for assessing obviousness be a different person from the one used to assess sufficiency?

Dyson v Hoover case RPC (2002) 465 where the skilled person was held to be prejudiced against designing a vacuum cleaner without a bag. Namely, the patentee argued that the previous uses of the technique had been in academia, not the oil industry, and that an oil-industry exploration geophysicist was the relevant skilled person. The patentee further argued that exploration geophysicists did not know much about electromagnetic surveying other than it was only practiced in academia and only worked for large-scale geological structures. The patentee's argument won the day with the judge saying that the essence of the invention was the insight that there was a solvable problem in the oil industry and that the 'art' known to the skilled person after the invention was made included knowledge of the electromagnetic technique which is what made the patent sufficient.

To summarise, if there is an invention in Technical Field A that applies common general knowledge from Technical Field B, then to be non-obvious and for the patent to be sufficient, the following three questions are the only ones to be asked:

1. Is the invention obvious to Person Skilled in the Art A?
2. Is the invention obvious to Person Skilled in the Art B?
3. Can the invention be implemented from the patent by a joint team of A+B?

If the respective answers are no, no and yes, then the patent is non-obvious and sufficient. Specifically, it is not legitimate to ask whether the invention is obvious to a joint team of A + B.

In this particular case, definition of the technical problem was also critical to how the above questions were answered. It was accepted by all parties that the invention was obvious to a team of A + B jointly. The court formulated the technical problem in such a way that it could only be posed to Person A. If the same technical problem were posed to Person B, Person B would have said it was obvious, but the judgment reasoned that to ask the question of Person B would require hindsight and was therefore inadmissible.

The case thus breaks new ground by endorsing a disconnect between the skilled person used to assess obviousness and sufficiency as a mechanism for recognising that a patentable invention can lie purely in the identification of a problem in one technical field, the solution to which is already known in a general sense in another technical field.

At the time of writing it is still open whether the decision will be appealed to the Supreme Court, although leave to do so would be required. Moreover, the validity of the patent is still in question, since it is subject to appeal proceedings after opposition at the EPO. The UK decision actually stands in conflict with the EPO opposition decision on the same patent. The European patent was revoked by the EPO after first instance opposition proceedings for obviousness based on the same prior art as considered by the UK courts. The EPO revocation decision pre-dated the Court of Appeal hearing on this case, but was apparently ignored by the Court of Appeal in that the decision seems to make no reference to the EPO decision and no attempt to justify why the Court of Appeal has come to a different conclusion on the same facts. Only time will tell if the EPO and the UK courts will come back into alignment on the validity of this patent, or whether the EPO will follow the legal approach to the skilled person set out in the UK decision. A parallel revocation action also exists in the Netherlands which was stayed in early 2008 to wait for the EPO decision.

The saga continues...

Author:
Miles Haines

ECJ Rules on SPC Application Time Limits
Case C-66/09

Kirin Amgen argued that they applied for their SPC within six months of obtaining a marketing authorisation in Lithuania

Questions concerning Supplementary Protection Certificate (SPC) applications filed in new member states of the European Union (EU) were referred to the European Court of Justice (ECJ) by the Supreme Court of Lithuania in February 2009. The questions relate to Kirin Amgen's endeavours to obtain an SPC in Lithuania relating to Aranesp (for the treatment of anaemia). In September 2010, the ECJ handed down its decision, effectively terminating these endeavours.

Kirin Amgen holds a European patent (filed on 16 August 1994) for the medicinal product Aransep, which is used to treat some forms of anaemia. The patent extended to Lithuania. They also hold a European Community (EC) marketing authorisation for Aranesp (obtained on 8 June 2001). On 29 October 2004, Kirin Amgen applied for an SPC in Lithuania, on the basis of this patent and this marketing authorisation. An SPC can be used to extend the term of the patent for a medicinal product by up to five years. This can be very valuable to the patent holder.

The rules governing whether a patent holder can obtain an SPC in a state of the EU dictate that they must have a valid patent in that state and must hold a marketing authorisation covering that state. The patent holder must apply for the SPC within six months of obtaining the marketing authorisation.

Kirin Amgen applied for an SPC in Lithuania arguing that they had a valid patent in that country and that the Community marketing authorisation that they held was automatically extended to Lithuania when Lithuania joined the EU. As they applied for the SPC within six months from Lithuania joining the EU, Kirin Amgen argued that they fulfilled all of the criteria for obtaining an SPC in Lithuania even though the community marketing authorisation had been obtained more than six months before they applied for the SPC. They argued that the date that they obtained marketing authorisation in Lithuania was the date that Lithuania entered the EU.

The Lithuanian Patent Office did not agree and refused the SPC application. This led to appeals before various Lithuanian national courts before the case came before the Supreme Court of Lithuania who referred questions to the ECJ to get a decision on whether they were correctly interpreting EC law.

The ECJ can provide judgments on how EC law should be interpreted. They keep in mind the fundamental principles of the EU, one of which is to promote the free movement of goods and services. Free movement of goods and services in the medical sector is promoted when the rules for obtaining SPCs are the same in all member states so that there is not a discrepancy between the patent protection available in one country from another. However, the ECJ also had to bear in mind in this case that countries can negotiate the conditions under which they enter the EU. When Lithuania entered the EU it negotiated transitional provisions relating to the conditions under which patent proprietors could obtain an SPC. In order to protect the healthcare industry, Lithuania negotiated the transitional provision that anyone applying for an SPC had to have a marketing authorisation in Lithuania and had to apply for the SPC within six months of obtaining that marketing authorisation in Lithuania.

Kirin Amgen argued that they did apply for their SPC within six months of obtaining a marketing authorisation in Lithuania because their Community marketing authorisation came into force in Lithuania on the day that Lithuania entered the EU. They had applied for the SPC within six months of that date.

The wording of the transitional provisions did not mention Community marketing authorisations or whether their entry into force in Lithuania on the date of Lithuania's

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accession to the EU counted as obtaining a marketing authorisation in Lithuania.

The ECJ had to strike a balance between the overriding principle that EU law should apply equally in all states of the EU in order to promote free movement of goods and services and the right of Lithuania to negotiate transitional provisions to protect its own economy during entry in to the EU.

In handing down their judgment, the ECJ effectively refused Kirin Amgen's application for an SPC in Lithuania, deciding that the wording of the transitional provisions should be interpreted narrowly but given full force. Their judgment was that Kirin Amgen should not be allowed to rely on the Community marketing authorisation to apply for an SPC in Lithuania. The Community marketing authorisation was not considered to be a marketing authorisation in Lithuania.

The ECJ's reasoning was that the transitional provisions were considered to be a derogation from the normal provisions. This was provided only for the unique situation of Lithuania entering the EU. As these provisions had been specifically negotiated they should be interpreted narrowly but should be followed even if this led to a difference between the provisions for obtaining an SPC in Lithuania compared to other countries during the transitional period when Lithuania entered the EU.

The final decision against Kirin Amgen's application is reliant on the facts of the situation. However, it shows that the general feeling of the ECJ is to interpret derogations narrowly but to give them the full force of that narrow interpretation so as to create a balance between the interests of the member states in the EU and the overriding principle of a free market for medicinal products within the EC.

Author:
Susan Fridd

Article 03

Rule Changes Reminder
Supply of Search Results of Priority Applications

New EPC rule change comes into force on 1 January 2011

Although, at the time of writing, we are in the throes of dealing with the consequences of the last set of rule changes to the EPC, namely the 1 October 2010 deadline for filing divisional applications on applications falling under the transitional provisions, we take this opportunity to remind you of a new rule change coming into force on 1 January 2011.

Under amended Rule 141 EPC, applicants claiming priority are obliged to file a copy of the results of any search carried out by the authority with which the priority application was filed. The search results are to be filed with the European patent application or, in the case of a Euro-PCT application, on entry into the European regional phase. If the search results are not available at this stage, the rule states that applicants shall file them without delay after they have been made available to them.

Where multiple priorities are claimed, applicants have to file copies of the search results drawn up in respect of all priority applications concerned. The copy of the search results submitted must be a copy of the official document issued by the relevant authority (copies of the cited documents do not have to be filed). Where the search results are not in an official language of the EPO, a translation of the search results is not required. For a European divisional application, a copy of the search results does not have to be filed if it has already been filed with respect to the parent application.

If, when the Examining Division assumes responsibility of the application, the search results have not been filed, the EPO will invite the applicant to file, within a non-extendable period of two months, a copy of the search results or a statement that the results are not available (new Rule 70b EPC). Failure to reply to this invitation in due time will result in the application being deemed withdrawn.

These rule amendments apply to all European patent applications (including divisional applications) filed on or after 1 January 2011 and the obligation under Rule 141 EPC exists as long as the patent application is pending before the EPO.

Although this rule change provides more work for the applicant, the obligation is restricted to official search results for priority documents and is not as onerous as, for example, the US information disclosure requirements. Further, there is potential for national patent offices helping out with this obligation. For example, the UKIPO have recently announced that they are working with the EPO in developing an arrangement for the electronic transfer to the EPO of search results, thus exempting applicants from the obligation to file a copy under Rule 141 EPC.

Author:
Jo Bradley

Trick or Treat?
Provisional Patent Applications

The perfect patent system from a user perspective is probably one in which the filing of a pure technical disclosure of the invention with no attorney input is sufficient to secure a priority date, and some later deadline is set for adding the 'legals', most notably the claims to provide a legal definition of the scope of protection. In fact, this is not just a utopian vision of the future, but an accurate description of the historic patent law of the United Kingdom up to 1978. For example, the UK Patents & Designs Act 1907 gave six months to file a regular specification following an initial provisional filing.

When the European Patent Convention was enacted in UK law by the Patents Act 1977, the UK law was written in a way to preserve the procedural option to file a provisional specification as the first filing, and this is still the case today. In particular, there remains no formal requirement to file claims at the outset. The US also introduced a provisional system in 1995 which allows first filings to be made free of any formal constraints. The same direction is taken by the Patent Law Treaty 2000 (PLT) which essentially stipulates that there should be no formal requirements to obtain a filing date for a patent application. The PLT has to date been incorporated into 59 national laws and the European Patent Convention.

It would seem therefore there has been an applicant-friendly global trend to liberalise filing requirements. However, during the same period, the substantive law on what provides an **effective** filing date has become ever more rigid and intolerant, making the procedural liberalisation little more than a trap for the unwary.

Trick or treat? Provisional patent applications

Since 2001 when the Enlarged Board of Appeal of the European Patent Office issued its decision G2/98, Europe has followed a novelty test for priority. Japan has similar case law. The novelty test for priority has often been referred to as a photographic test, implying that almost any difference in wording will result in loss of priority. While this is something of an extreme view, it is certainly a good first assumption that any change between the first filing and the 12-month filing is likely to result in loss of priority (see example, far right).

G2/98 was important, since it finally dispelled any notion that a first filing need only disclose the invention in a general technical sense and left the applicant free to defer writing a legal definition of the invention, ie, claims, until the 12-month filing stage.

It should be remembered that Europe does not have a grace period, ie, does not allow a patent application to be filed after the inventors have disclosed the invention. In any jurisdiction with this combination of no grace period and a novelty test to priority, if a provisional filing is made it should be assumed that it will not secure an effective filing date, so it is imperative that the invention is not disclosed until after a complete filing is made. By contrast, in jurisdictions like the US or Canada that have a grace period, an incomplete provisional filing followed by disclosure of the invention is safer,

since the complete filing will be protected by the grace period.

So why are incomplete provisional filings so popular with applicants? One obvious reason is that they are cheap, easy and empower individuals, small companies or universities without in-house patent attorneys to file their own patent applications. It is an imperfect world of finite resource, so under-resourced applicants must file provisional patent applications to buy a ticket to the patent game.

A more subtle reason is that the patent system provides only very weak feedback on the legal effectiveness of a priority date. Patent offices do not examine the validity of the priority date unless a prior art publication is found in the search which is both material to patentability and has a publication date between the first filing and the 12-month filing. This only happens in a very small minority of cases.

Another issue is that there is a great deal of misguided promotion of provisional filings. A typical example is found on the world's favourite online knowledge bank, *www.wikipedia.org*, which under its entry for 'provisional application' states:

'The earliest filing date of a "provisional" (application) may be very important where, for example, a statutory condition of patentability is about to expire and there is insufficient time to generate a complete non-provisional application. In many cases, a provisional is filed the same day as a public disclosure of the invention, which disclosure could otherwise permanently jeopardize the patentability in non-US countries having strict requirements on "complete or absolute novelty".'

The implication of this statement is that an incomplete application should be filed before disclosure in order to secure non-US rights, whereas this is likely to compromise or destroy the patent rights in any non-US jurisdictions which have absolute novelty (ie, no grace period) and a novelty test to priority.

There is also often confusion of terminology, since a provisional application can either mean an incomplete application, such as the filing of presentation slides, or a complete application made using the US provisional system.

In the present article, the pitfalls referred to concern incomplete provisional applications and should not be taken to mean that US provisional applications should not be filed.

For non-US based applicants, filing a US provisional application is often the easiest way to obtain a so-called section 102(e) date for your application, which is an effective date for your application to be cited as prior art against applications of others.

A US provisional application also has an important role as an alternative to filing a US regular application in order effectively to extend the maximum term of the resulting patent from 20 to 21 years.

Under US law, filing a provisional application may also be useful to establish or at least provide evidence of conception date and reduction to practice date.

So the next time you file those presentation slides or that journal article as a provisional the day before you disclose, please remember you will probably be limiting your options for future patent protection to jurisdictions which have grace periods.

Author:
Miles Haines

Example

One example which illustrates the unforgiving photographic nature of the priority test in Europe and Japan is the case of the master patent for the optical fibre amplifier and laser, which had resulted in global sales of around $5 billion part way through the life of the patent family (eg, EP0269624B1).

The invention was the doping of silica optical fibre with erbium or another rare-earth element to provide optical amplification: one of the key enabling technologies for the Internet.

Validity of the priority date was essential for validity of the patent, since the inventors had published their results after the first filing and before the PCT filing.

The claims of the granted European and Japanese patents defined the invention in terms of doping the fibre with less than 900 ppm of erbium. The first filing had specified the same doping concentration, but had expressed it as 0.25 weight % rather than in ppm.

Question

Why did this seemingly trivial conversion result in invalidity of both European and Japanese patents through loss of the priority date?

Answer

The answer from both the Appeal Board of the EPO (T0776/05) and the Japanese Patent Office in opposition proceedings was that the conversion was flawed, since the host material was a ternary, ie, three-component, alloy of silica, germania and phosphoric oxide with a range of relative amounts of these components being possible. To quote from the EPO decision:

'…0.25 wt% of erbium corresponds to 900 ppm in a pure silica matrix, but corresponds to a different molar amount in a matrix with a different composition. It follows, that document P1 [the first filing which used wt%] does not disclose a dopant concentration of up to 900 ppm of erbium [the molar concentration used in the claim of the patent]'

If a seemingly minor change like this resulted in loss of priority and invalidity of the patent, what chance is there for an application that was originally filed as a provisional and then rewritten at the 12-month stage?

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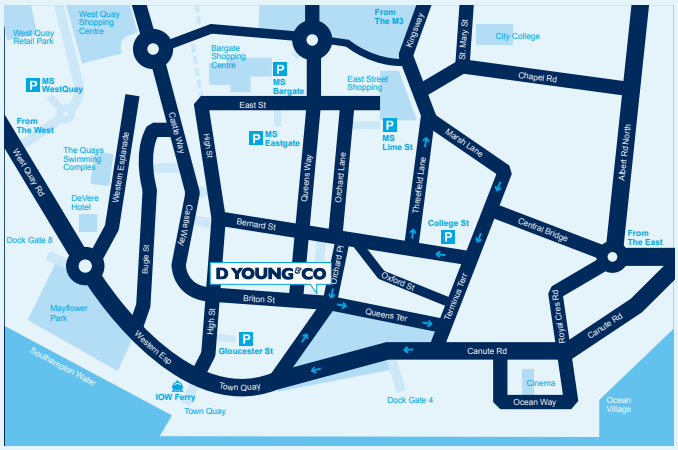

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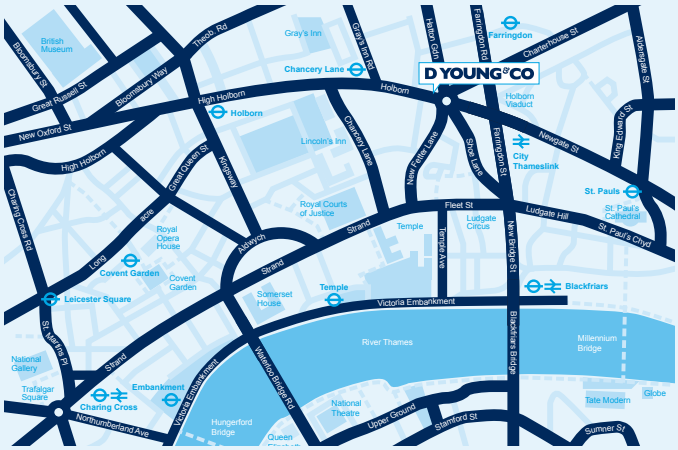

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We enclose a brochure which sets out some of the IP issues commonly faced by SMEs in the chemistry and life sciences sector and highlights where we can help. This new brochure may be downloaded from our website at www.dyoung.com. We are also offering free, no-obligation consultations to prospective clients; contact our Business Development Manager, Rachel Daniels by email: rjd@dyoung.co.uk for further information or to book a consultation.

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