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Goodwill to all IPR – and other lowly creations!

*"O wad some Power the giftie gie us
To see oursels as ithers see us!"*
(Robert Burns 'Ode to a Louse')

<http://www.bukopharma.de/> or sites such as
<http://www.thenation.com/>
<http://www.thirdworldtraveler.com>

I don't think so. We wouldn't like it! IPR is now widely seen as being on a par with the common louse, or as the great poet put it:

*"Ye ugly, creepin, blastit wonner,
Detested, shunn'd by saunt an sinner"*

Query what people think of patents in Google and the word 'evil' quickly crops up!

There are those who think that the trend to patent software and business methods, most prominent in the US but present also in Europe despite the legal restrictions, isn't a good idea. This isn't just a matter of a level headed economic argument – patents in this area are considered by many to be fundamentally immoral.

The pharmaceutical industry also has few friends. This has hit the big time with the recently released film based on John Le Carré's book 'The Constant Gardener'. Le Carré focuses on the cynical use of poor African communities as guinea pigs to test

new drugs, the aim being to fast track development of drugs which, under the protection of patents and TRIPS can then be used to exploit the third world financially.

You can read his views on:
http://www.thirdworldtraveler.com/Corporations/InPlace_Nations.html
and then find out more on

Any newspaper with an even slightly liberal outlook is committed to not liking IPR very much. Not long ago *The Guardian* ran a piece entitled: 'Intellectual property is theft. Ideas are for sharing.' That was in relation to copyright. Last month (Oct 22nd) *The Economist* had a special supplement on patents. Though mostly supportive of the new 'market in ideas' the text is replete with adverse quotations, variously asserting that the current proliferation in IPR is equivalent to the enclosure movement of the 18th and 19th centuries; patents are the bottleneck of innovation; and spuriously awarded patents, licensing extortion and massive lawsuits are now common features of commercial life, as also are patent trolls (who specialise in extracting royalties on threat of expensive litigation).

Even trademarks don't get away with it: Naomi Klein's condemnatory book *No Logo* is required reading, and all the grey market disputes, preventing us from 'legitimate' access to cheap fashion goods, have recently moved on from jeans to Japanese car imports.

easyMobile (as in Stelios and easyJet) and Orange (as in French Telecom) are currently slugging it out, with the general public throwing stones from the sidelines. easyMobile's recent full page advertisement in the national press (also on <http://www.easymobile.com>) encourages the view that Orange's attempt to use IPR to monopolise the colour orange is outrageous, though

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Special Award for Barry Quest

At the last LES International (LESI) delegates meeting which took place in Phoenix, Arizona on 21/22 October the delegates unanimously agreed that Barry Quest should receive the prestigious Certificate of Merit. The Certificate of Merit is awarded for significant services to LESI. A candidate is recommended after consultation with national presidents from LES societies around the World and members of the executive committee.

minutes are received on time. LESI committee chairs will remember him, amongst other things for ensuring that everyone conformed to a paperless reporting procedure. All documentation is posted on a confidential area on the LESI website for delegates to download.

Barry acted as LESI secretary from 2002 to 2004, not an easy role when it involves coordinating committees and delegates from across the globe to ensure agenda and

Jonas Gullikson, ex-president of LESI presented the recommendation to the delegates and thanked Barry immensely for his work as LESI secretary and for his enthusiastic contributions generally to LESI over the years. Jonas explained that this was a much deserved award, a sentiment we fully support here at LES Britain & Ireland.
Congratulations!



"Innovations in the Licensing World"

Pan-European Conference SAS Radisson Hotel, Glasgow 21-23 June 2006



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President's Diary

My preferred reading for long-haul flights is "The Economist" magazine.

Its robust approach makes its political and business articles interesting and there are masses of economic data to peruse if I want to put myself into the mood to try to catch some sleep. The issue of October 22nd this year incorporated a survey on Patents and Technology.

Kenneth Cukier's opening article notes that economists have always treated patents with suspicion. Adam Smith referred to them as "necessary evils" and an 1851 edition of "The Economist" observed that the granting of patents "inflames cupidity, excites fraud..... begets disputes and quarrels between inventors, provokes endless lawsuits....."

Many of the recent developments covered in the i.p. field will be familiar to readers of "News Exchange" and "Les Nouvelles". Among the facts and figures are an estimated annual revenue in technology licensing of 45 billion dollars in the United States and around 100 billion dollars globally. "Just as the banking system created a market for capital and the insurance industry created a market for risk, so the patent system may be creating a market for innovation", and of course this presents opportunities to us working in the field of technology transfer. One of the ideas espoused by economists is that of the perfect market and, by allowing a separation of inventorship and commercialisation, i.p. receives the magazine's stamp of approval since it leads to a more efficient market.

A common theme through the other articles in "The Economist" survey is the move away from aggressive assertion of patent rights to sharing the rights, since this is found to encourage innovation and to increase markets. Again this sounds very encouraging to our society.

Lest we become too complacent, the previous issue of "The Economist" includes coverage of the Adelphi Charter, promulgated by the Royal Society of Arts. This favours reversal of the proliferation of i.p. rights and maintaining a balance between the realm of property and the realm of the public domain. Despite accusing the Charter of insufficiently rigorous economic analysis, the magazine gives it guarded support.

On behalf of the LES Council, may I send you our best wishes for Christmas and the New Year.

Stephen Powell,
President LES B&I

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others have wryly compared this with Stelios' attempts to monopolise the word 'easy'.

Even the Courts are joining in. In a recent case (*CFPH LLC's Application* – an attempt to patent a computer system) Mr Peter Prescott QC (sitting as a Deputy Judge) approved the UK Patent Office rejection. He referred to a 'patent thicket' of wrongly granted computer software patents (said to be of the order of 40,000 at the EPO) and commented "The only safeguard against that wrong – and it is a wrong – is the vigilance of the Patent Office".

Answer to "Playing with words" in the Oct/Nov 2005 edition of News Exchange

No correct answers were received by the editor!

LES – Liverpool Engineering Society.

Sans Pareil means 'without equal', but literally it is

IPR in Business

1. Open Invention Network (OIN) is formed (10/11/05). OIN will acquire patents from its members (including IBM, Novell and Sony) and offer them royalty free to businesses that agree not to enforce their patents against the Linux open source operating system.

2. Lancaster & Anor v Handle Artists Management Ltd & Ors (09/11/05). Two former members of the group Status Quo had a real prospect of success on their claim for a share of the royalties.

3. Chris Sawyer v Atari Interactive Inc (01/11/05).

In proceedings relating to recovery and audit of royalties the court found that the appropriate forum was the English courts even though the claim form had been served outside of this jurisdiction.

4. The US Supreme Court refuses to hear Microsoft appeal (01/11/05) relating to its ongoing web browser patent dispute with the University of California and the Eolas technology

5. Amendment to section 60 of the Patents Act 1977 (30/10/05) to introduce a new "bolar type" defence (section 60 (5) (h) excepting from infringement work done to secure a marketing authorisation for a generic drug.

6. Cambridge Antibody Technology plc and Abbott laboratories settle dispute (27/10/05) regarding construction of a royalty stacking clause and the payment of royalties on sales of the rheumatoid arthritis drug Humira.

7. EU Recommendation on the management of online rights in musical works (21/10/05) puts forward measures for improving the EU-wide licensing of copyright for online services.

8. In the matter of EP (UK) 1048609 B1 in the joint names of Hughes & Paxman (21/10/05). Comptroller has discretion to grant a patent licence to a third party despite opposition from one of the co-owners.

Monitored by **Dr Hayley French, Bird & Bird**
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For further details on all of the above please visit:
<http://www.les-bi.org/>

2006 looks like being, or rather continuing to be a combative IPR year.

Something to contemplate over the turkey, though make sure you have the right licence in place before you start with your Christmas decorations. See US Plant Patent PP3675 – it's a patent for holly. Absolutely outrageous!

Barry Quest
Wilson Gunn



Experimental Use Exemption clarified in US

In a landmark US decision issued recently, it was held that researchers can use their competitors' patented inventions during research on rival treatments. The US Supreme Court in *Integra Lifesciences et al v Merck KGaA*, (case no. 03-1237) held that a statutory exemption for the use of patented inventions "solely for uses reasonably related to the development and submission of information" under federal law related to the use of drugs (35 USC §271(e)(1)) "extends to all uses of patented inventions that are reasonably related to the development and submission of any information under the FDCA ..."

Integra Lifesciences I, Ltd ("**Integra**") and the Burnham Institute ("**Burnham**") own five US patents related to a tripeptide sequence. From 1988, Merck KGaA ("**Merck**") provided funding for research conducted at the Scripps Research Institute ("**Scripps**"). In this research, Dr Cheresch of Scripps experimented on peptides covered by Integra's and Burnham's patents as part of selecting appropriate drug candidates. In 1996, Integra and Burnham sued Dr Cheresch and Scripps for patent infringement and sued Merck for inducing that infringement. The US District Court held that the statutory exemption did not apply to the research undertaken and awarded US\$15 million in damages to Integra and Burnham. On appeal to the US Court of Appeals for the Federal Circuit, the court affirmed in 2003 that the statutory safe harbour did not apply because "the Scripps work sponsored by [Merck] was not clinical testing to supply information to the FDA, but only general biomedical research to identify new pharmaceutical compounds" but remanded the case back to the US District Court to reconsider the level of damages awarded. The US District Court subsequently reduced the level of damages to US\$6.4 million. Leave was also granted for the US Supreme Court to consider the construction of the safe harbour which provided for the experimental use of patented inventions under US federal law 35 USC §271(e)(1).

The US Supreme Court held that "Congress did not limit §271(e)(1)'s safe harbour to the development of information for inclusion in a submission to the FDA; nor did it create an exemption applicable only to the research relevant to filing an [application] for approval of a generic drug". Therefore, "the use of a patented compound

in experiments that are not themselves included in a "submission of information" to the FDA does not, standing alone, render the use infringing". (Previously it was thought that the safe harbour was only to apply to clinical trials undertaken to obtain approval for the marketing of generic drugs in order to speed up the time to market once the current drug came off patent and to no other type of experimentation or research.) The US Supreme Court vacated the judgment of the US Court of Appeals and remanded the case for rehearing consistent with the US Supreme Court's opinion. It is important to note that the use of patented research tools was not specifically considered although it does not appear that use of these will fall within the safe harbour.

Under UK law, section 60(5)(b) of the *Patents Act 1977 (UK)* ("**Act**") provides that an act that would otherwise be infringement of a patent shall not be "if it is done for experimental purposes relating to the subject-matter of the invention". The experimental use may have a commercial end in view, however, the underlying purpose of the experiments must be to discover something about or test a theory regarding the patented invention. Unlike the USA, until very recently, the UK did not have a research exemption specifically applicable to the manufacture of generic drugs and the experimental use exemption under the Act does not permit this sort of use.

As a result of EC Directive 2001/83 relating to medicinal products for human use, an exemption similar to that used in the US but covering only experiments to prove bioequivalence or similarity (to patented drugs) has been introduced as section 60(5)(i) of the Act. Section 60(5)(i) recently came into effect on 30 October 2005 and introduces an exemption to patent infringement which relates to studies or trials of generic drugs for human use in order to increase the speed to market of generic drugs. EC Directive 2001/83 needed to be implemented by member nations (including the UK) by 1 November 2005.

Therefore, the UK now has an experimental use exemption and an exemption in relation to use of patented drugs similar to those now available in the US.

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The University of Manchester Intellectual Property Limited (UMIP) (www.umip.com), in collaboration with Eversheds Solicitors, has produced a series of Guides for Researchers.

The guide to licensing is designed as a practical reference booklet for researchers to increase their awareness and understanding of the licensing of intellectual property. The guide does not attempt to give the researcher an academic grounding in the different types of intellectual property but instead starts by using diagrams to cleverly set out how different types of IP may arise from a typical research project. The first part of the guide explains how such IP can be commercialised and the reasons you may decide to license, e.g. to support further research or as an

alternative to a spin-out. In addition it sets out the factors you need to consider in weighing up whether to license or to assign.

The guide contains a useful section on "how to license" and also some basics on what should be contained within a licence. The last part of the guide concentrates on the provisions you should not miss within a licence and the reason why they should be included. The guide is punctuated with drafting tips, negotiation tips and case studies.

All in all this is more than just a handy guide for researchers. It is an excellent resource for anybody who needs a good understanding of the basics of licensing and a very useful reference source.

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Parallel Importing – Still a Grey Area?

Everything we buy nowadays has to be cheap; top of the range; value for money; a bargain. No-one wants to be ripped off, pay full price or be done out of a deal. It is the norm to “shop around” for goods; customer loyalty is becoming a thing of the past.

But how are these cheap goods sourced? Brand owners are cutting costs by manufacturing goods in the Far East or by slashing overheads through the use of technology. However, these strategies are not always enough, due to the existence of parallel importers.

What are they?

Parallel importers import genuine goods that are available for sale in one market into a second market (a grey market) for resale there, without the consent of the trade mark owner, taking advantage of price differentials in the marketplace. This obviously aggravates the trade mark owners, for a number of reasons, some of which are discussed below.

Is it legal?

Unfortunately there is a conflict of law in relation to parallel importing. On the one hand, there are the principles of free movement of goods and free competition and the creation and development of an internal market whilst on the other is the protection of intellectual property rights, in particular to encourage research and development of new inventions, designs and brands. After several referrals by the National Courts, The European Court has managed to arrive at a consistent set of rulings and the position in relation to parallel importing is now fairly clear.

Article 5(1) of the Trade Mark Directive states that the owner of a registered trade mark in any EEA country has the exclusive right to prevent third parties from using, in the course of trade, a sign which is identical to its registered trade mark. “Using” includes importing. It is therefore illegal for an importer to import goods from outside the EEA and sell them within the EEA without consent. This right is, however, subject to the principle of “exhaustion”. This means that once goods are placed on the EEA market with the trade mark owner’s consent, the trade mark owner’s rights are exhausted in that they cannot prevent any further dealings with that product within the EEA. If, therefore, an importer purchased genuine branded trainers from Spain and imported them into the UK, there would be nothing the brand owner could do, as it had already placed the goods/consented to them being on the EEA market. The only reason for a brand owner to be able to prevent such dealings is if there are genuine reasons why they should be able to do so, such as repackaging of the product in a way which is detrimental to the repute of the mark or a method of selling which again would damage the brand e.g. sale of goods requiring advice and guidance in a supermarket.

So, what amounts to consent? The Courts have, not very helpfully, held that each case is to be assessed on its own facts. Two of the most famous cases relating to consent are *Levis -v- Tesco* and the *Davidoff* case, decided by the Court at the same time. In both cases the defendants bought products that were originally marketed outside the EEA. The Court held that it must be clear that the trade mark owner has given his consent to the resale of the goods in the EEA i.e. it must be “unequivocally demonstrated”. If there is no such consent, the importation and sale of those goods can be prevented. If you are

therefore considering purchasing a product from someone other than the brand owner or their authorised dealer, be aware of the territory you are buying it from. Also consider, when buying goods in the EEA, where the goods were manufactured, since if they were made in Mexico i.e. outside the EEA, it will be illegal to import them into the EEA or buy them from someone who has imported them into the EEA.

Has the brand owner unequivocally demonstrated his consent for the goods to be sold within the EEA already? Do not be afraid to do your research, because the brand owner may sue you for trade mark infringement if the goods were originally only placed on the market outside the EEA. It should also be noted that in a later case the Court confirmed consent had to be in relation to the actual goods in question i.e. consent to sell the type of goods in the EEA is not enough.

Consent cannot be established by silence of the trade mark owner. The burden of proof is on the parallel importer to show that he has obtained consent. This is no easy task and the Courts generally favour the trade mark owner over the importer.

Why prevent parallel imports?

Brand owners spend considerable amounts of time and money creating new designs and building a reputation. They may choose different marketing strategies and pricing structures in differing countries. Perhaps most importantly, the quality of goods may differ. This is especially important in the pharmaceutical industry where there are different legal requirements in various jurisdictions.

Are parallel imports such a bad thing?

The European Court has made it fairly clear that the EEA is one market; once the goods have been marketed in the EEA with the brand owner’s consent, they cannot prevent parallel importers from carrying on their trade within the EEA. This may indeed result in cheaper goods for consumers. However, most brand owners do not like the lack of control they have over the grey market. It is also believed in many circles that grey imports help to mask counterfeits which can have dire consequences for consumers and, it is alleged, are connected with organised crime and terrorism. Brand owners can, at least prevent the importation and sale of goods not originally put on the market in the EEA by them or with their consent.

Summary

It is likely that further cases will come before the European Court in relation to parallel importing before long. Brand owners are fiercely protective of their reputations and marketing strategies while parallel importers are constantly pushing the boundaries and promoting free markets and free competition.

It will be interesting to see who wins the next battle, as it is not yet clear who is winning the war.

Rachael Parman,
Solicitor, Shoosmiths

Mind that Gap in the Worldwide Market

In the latest case involving apparel retailers The Gap Inc and A M Moolla Group, South Africa’s highest civil court has upheld, in part, an appeal by the Moolla Group that the Gap’s trade marks were not well known in South Africa at any time in the period up to the late 1980s but ordered the cancellation of Moolla Group’s GAP registrations.

The effect of the judgement is that, despite over 10 years of legal wrangling, The Gap Inc is still not entirely certain that it can exploit the South African market under the GAP trade marks with risk of further legal challenge. The case highlights the difficulties brand holders have in showing that their trade marks are well known in overseas markets and endorses the need to apply for one’s trade mark(s) at an early stage. It is also a strong reminder to follow best practices for trade mark licences to avoid loss of rights; a somewhat fortuitous state of affairs which was argued in favour of The Gap Inc in this case.

The dispute between the parties concerns the exclusive right to use the trade mark GAP in relation to clothing and clothing stores in South Africa. A member of the Moolla Group is the registered proprietor of such

trade marks in South Africa. The US company sought to prevent the Moolla Group from using its trade marks on the ground that they were reproductions or imitations of the US company’s well-known marks. This claim was dismissed because the Moolla Group’s registrations are of a date earlier than the date on which it was alleged the US company’s trade marks had become well known in SA.

However, the SA trade mark registrations in the name of the Moolla Group were cancelled because the Moolla Group had failed to prove use of their marks by their proprietor or by a licensee, as they had failed to follow best practices for setting up licensing arrangements. The attempt by the Moolla Group to interdict the US company from infringing the trade mark registrations accordingly failed.

The 5 judge panel concluded that they were conscious that the result satisfied neither party because of their respective ability to prevent the other from using the GAP trade marks in South Africa still hangs in the air and that further litigation may be on the cards.

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Administrative Law Judges Strike Down Doctrine Aimed At Limiting Business Method And Software Patent Claims, U.S. Patent Office Swiftly Responds

The U.S. Patent and Trademark Office's ("PTO's") Board of Patent Appeals and Interferences (the "Board") recently issued a rare *per curiam* precedential opinion entitled *Ex Parte Lundgren* that should reverse, for the moment, recent efforts by Patent Office Examiners to issue broad rejections of software and business method patent claims under 35 U.S.C. Section 101. The *Lundgren* decision (including a lengthy dissent) is attached.

Until issuance of the *Lundgren* decision, U.S. Patent Examiners had been, for at least the past three years, relying frequently and heavily on an unpublished Board panel decision in *Ex Parte Bowman* (and indirectly, on old law of the Court of Customs and Patent Appeals ("CCPA")) in support of their rejections of computer- or algorithm-based method claims as lying outside the scope of statutorily-patentable subject matter. See *Ex Parte Bowman*, 61 U.S.P.Q.2d 1669, 1669-70 (U.S. Patent and Trademark Office Board of Patent Appeals and Interferences, 2001). It seemed very likely all along that the Court of Appeals for the Federal Circuit would eventually quash the PTO's reliance on the *Bowman* doctrine, given that the facial breadth of the Federal Circuit's rulings in *State Street Bank & Trust Co. v. Signature Financial Group*, 149 F.3d 1368 (Fed. Cir. 1998), and *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352 (Fed. Cir. 1999) (the seminal cases establishing broad subject-matter patentability for business methods and other algorithms), seemed clearly to contradict *Bowman*'s endorsement of a separate "technical effect" or "within the technological arts" requirement (which in practice equates to a requirement that the claims recite some physical or mechanical act or output, as opposed to a purely logical or computational set of steps).

To add some further context, it is reasonable to infer that the principal motivation behind the PTO's recent attempt to use *Bowman* and the "technical effect" standard to reject algorithm claims was a desire on the part of a much-criticized PTO to police more stringently the perceived excessive issuance of business method patents and/or "junk patents," and specifically, to do so by imposing a regime equivalent to that of the algorithm-skeptical European Patent Office (which, not coincidentally, uses very similar "technical effect" language in rejecting "pure" algorithm patent claims). It now appears that the Board as a whole has come to seriously doubt that *Bowman* would survive a Federal Circuit appeal in view of its apparently-frontal subversion of *AT&T*. The Board apparently has conceded that if the breadth of *AT&T* and *State Street* is to be constrained, it will have to be through an eventual Federal Circuit en banc, or Supreme Court, revisiting of this issue.

A shorter-term vehicle for attempting to apply closer scrutiny to business method/algorithm patent applications may be provided by PTO guidelines, issued immediately after the *Lundgren* decision, that effectively create a separate track (and potentially additional hurdles) for "non-technical" claims.

The so-called Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility (the "Guidelines") had clearly been long in preparation, as the PTO evidently expected the *Lundgren* case to overturn *Bowman* rejections.

The Guidelines represent an attempt to continue imposing heightened scrutiny to business method/algorithm patents while hewing to *Lundgren*, and pointedly invoke previous Supreme Court and Federal Circuit precedent in support of their approach. The Guidelines instruct Examiners to undertake a number of screening steps in evaluating all applications (though the object of the Guidelines is clearly computer-implemented algorithm applications and claims).

These steps include:

- Determining what the applicant has invented and is seeking to patent
- Identifying and understanding any utility and/or practical application asserted for the invention.
- Reviewing the detailed disclosure and specific embodiments of the invention to understand what the applicant has invented.
- Reviewing the claims.
- Conducting a thorough search of the prior art.
- Determining whether the claimed invention complies with the subject matter eligibility requirement of 35 U.S.C. Section 101 by rejecting claims to abstract ideas, laws of nature and natural phenomena or claims that do not set forth a practical application or use of an idea, a law of nature or a natural phenomenon.
- Determining whether the claimed invention falls within an enumerated statutory category.
- Determining whether the claims set forth a practical application of an abstract idea that produces a useful, concrete, and tangible result.
- Establishing on the record a prima facie case of unpatentability when claims are not believed to satisfy the "useful, concrete, and tangible result" test.
- Evaluating the application for compliance with 35 U.S.C. Section 112's requirements of "particularly pointing out and distinctly claiming the invention," providing an adequate written description of the claimed invention, providing sufficient disclosure to enable one of ordinary skill in the art to practice the invention without undue experimentation, and providing the best mode known to the inventor for practicing the claimed invention.
- Determining whether prior art renders the invention non-novel or obvious.

Notably, each of these steps simply restates existing requirements for establishing patentability of any claim. However, the emphasis placed in the Guidelines on applying each of the existing statutory requirements, and the examples of claims that would not satisfy such requirements, are set forth in a fashion explicitly directed to algorithm claims, and effectively represent a roadmap for how Examiners should apply the panoply of available bases for rejecting claims so as to have the fullest range of options for denying patentability to "bad" algorithm claims. Thus, the Guidelines are a creative, determined response by the PTO in an effort to continue applying a skeptical and demanding standard to business method and other algorithm claims while complying with binding Federal Circuit precedent that, for now, leaves the possibility of patenting such claims wide open.

For the moment, the only practical changes likely to be brought about by the *Lundgren* decision and the issuance of the Guidelines is that applicants currently confronting a Section 101 rejection relying on *Bowman* in any of their computer/business method applications (and some such rejections may still be in the pipeline) will probably wish to attack frontally such rejections, which ought in turn to be speedily withdrawn by the Examiner based upon *Lundgren*, but which are likely to be replaced by new rejections following the template provided in the Guidelines. Thus, for now, all applicants for business method/algorithm patents still have a chance to obtain claims for their "inventions," but it remains to be seen whether the PTO can use the Guidelines to impose a stringent and effective screening of broadly-claimed business method or software patents.

Jeffrey D. Sullivan
jsullivan@bakerbotts.com

People News: Still searching for patents!

Stephen Potter has recently resigned from the LES B&I Council and has moved to Switzerland where he will be joining the local branch of LES. He is still interested in buying or exclusively licensing software and telecommunications patents - for real money! - and can be contacted at:

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Tel: +41 21 729 67 50 Mobile: +44 7776 214 563
Skype-In: +1 425 296 2424 e-mail: stephen_potter@btinternet.com
Skype: stephenpotter8228

News from the Regions

LES Irish Section



The last two months have been active with the Annual Dinner being held on **20th October**. The venue was the Clarence Hotel in Dublin, which is owned by some members of U2. We had as our speaker **Mr Justice Peter Kelly**, a judge of the Irish Court and in particular of the recently established Commercial Court. Mr Justice Kelly spoke engagingly of the strict deadlines his court places on litigators and their advisers and the event was well attended. The dining room is a particularly attractive venue, having three large art deco windows which overlook the Liffey and the rather chilly autumn weather beyond those windows added to the cosy atmosphere inside. No we didn't spot any members of U2..!

Friday November 4th saw us back at Forfas' offices for our continuing morning lecture series there. This time the speaker was **Mark Dorff**, a corporate partner at Brown Rudnick in London. Mark spoke on the issues and challenges faced by European companies when dealing with the US. Mark's talk was very well received and he received some detailed questioning from some of the Irish companies in attendance who are looking to succeed in that marketplace. Mark was accompanied by his IP specialist colleague, **Mark Leonardo** of his firm's Boston office. Many of the LES members who attended the morning lecture were also at the Irish Software Association's annual dinner that evening, where it was a pleasure to bump into both Marks again.

For information on forthcoming LES events please contact **Jeanne Kelly** of **Mason Hayes+Curran** jkelly@mhc.ie

LES North East Region

The next meeting in the North East Region will take place on 17th January 2006. **Patrick Cantrill** of Walker Morris speaking on the Technology Transfer and the new regulations. New legal developments in competition law.

For further information please contact:

Deborah Parsons or Liz Ward
Email elizabethward@foxhayes.co.uk

LES Scotland Region



Our event of the year - the annual, "Burns' Supper" is planned for February, watch this space and the LES B&I website for up-to date details.

Please contact **Cathy Rooney** for details of all LES Scotland Events: cathy.rooney@snbts.csa.scot.nhs.uk

Committee News

LES B&I - EU/ Laws Committee

The Role of the EU/ Laws Committee of LES Britain and Ireland is to educate and inform members of LES Britain and Ireland on changes in the law which may affect licensing, and to lobby on proposed changes in the law where it can. Naturally the Committee focuses most closely on changes to the law in the UK and the EU, but it also tries to keep an eye on major changes abroad, most particularly in the USA.

The educating/ information role is carried out in a number of ways:

- Articles in News Exchange;
- Contributions at the LES Britain and Ireland Annual Conference;
- Evening meetings, usually one a year;
- Contributions to the discussions before the LES Britain and Ireland Annual Lunch

For example, at the LES Britain and Ireland Annual Conference in September the Committee organised an afternoon session on patenting and licensing biotechnology inventions, which included as speakers Ian Harvey, former Chief Executive of BTG and now Chairman of the Government's Intellectual Property Advisory Committee, and Peter Cozens, chairman of the Intellectual Property Committee of the BioIndustry Association, as well as members of the Committee itself.

In addition the Committee lobbies where it can. For example in relation to the EU it was for many years involved in lobbying over the Biotechnology Directive and recently on the new Technology Transfer Block Exemption Regulation. Closer to home it has been commenting on a number of UK Patent Office proposals to change the law or procedure. However the lobbying role is sometimes impractical because of the wide range of companies and businesses who are members of LES, which can mean that different members have opposing views on a given matter and so no consensus is possible.

Most recently the Committee has been considering and commenting on a number of Patent Office initiatives: the proposed changes to the Registered Design Rules, the proposal to give up the UK Patent Classification System, and the UK Patent Office's consultation on the Office's plans to change the Patent Rules.

The Committee meets five times a year at present, in Central London. Members who, for whatever reason, cannot come in person are encouraged to join in by telephone conferencing.

The Committee is very keen to bring in new members, so if you would like to help with its work please contact the Chairman, Robin Nott, on email: robin@nott.fsbusiness.co.uk or by 'phone on 020 8748 6399. He will be delighted to hear from you.

Robin Nott, Chair,
LES B&I EC/Laws Committee

Sudoku Christmas Tree Puzzle

				3		9		
	2			7			3	
			4		2			
		5		6		2		
	1		7		8		6	
7		8		9		3		1
				2				
6			5		3			7
	4		6	1	9		8	

If you have never attempted a Sudoku puzzle before the rules are simple:

- Each horizontal row must have one, and only one, of the numbers 1-9
- Each vertical row must have one, and only one, of the numbers 1-9
- Each 3x3 box must have one and only one of the numbers 1-9.

Answers will be posted on the LES B&I website in the New Year.



Over the weekend of 12/13 November, a team from LES International

Education Committee presented the last of a series of courses in Europe to train delegates to teach the LESI "Fundamentals of Intellectual Asset Management" course. Running since 1999 in the USA, LESI is progressively rolling it out worldwide, and with the objective of having consistent content of principle and quality around the globe, the LESI team have now finished in Europe and moved on to Beirut where they will meet the Arab-speaking world.

Back in London, some 20 LES members from GB&I, Croatia, Scandinavia, Austria, France and Benelux grappled with the course content, the teaching techniques and the dawning realisation that it would be they who will be responsible for introducing new generations of practitioners into the heady world of licensing.

On Saturday evening Stephen Powell delivered a brief speech of thanks to the trainers and delegates, but not short enough to escape the threatened retribution of Martin Sandford singing. He chose songs by Tom Lehrer (The Irish Ballad) and Anon (The Chastity Belt). This was topped by Chris Goodman who led a rousing rendition of "On Ilkley Moor Bah Tat", with harmonies supplied by Martin. Not to be outdone, our European guests were led into "Molly Malone" by Emma van Oosterom for the Erasmus Medical Centre in Rotterdam. The tone of the evening continued downwards with an International Joke Telling Contest. It was surprising that the Sunday session started on time!

The lively and effective training from Paul Gemeraad and Willy Manfroy, from USA & Canada, and Chris Goodman from GB&I demonstrated the range of options available to presenters in giving the course, which lasts for 3 days. Teaching styles, co-presenting, question-answering techniques and practical advice on venue layout, timekeeping and maintaining the energy of the students were all valuable adjuncts to the core material on IP itself, and its management within a business enterprise.

Was it a success? The readiness of the attendees to commit to offering the first course in the UK by April next year gives a clue!

Christopher Bartlett

I can't believe it's not Feta!

Following a recent ruling by the European Court of Justice, Shepherds Purse Cheeses near Thirsk, North Yorkshire, has been prevented from selling cheese under the name "Feta". Feta was given "Protected Designation of Origin" (PDO) by the European Commission in 2002 following a campaign by the Greek government.

Feta is a soft white cheese made from sheep or goat's milk, and is an essential ingredient in Greek cuisine. The decision gives it the same kind of protection as Italian parma ham, French champagne, Ardennes ham or Newcastle Brown Ale. It means that only feta cheese made from a special blend of Greek sheep and goats milk, which gives the cheese its unique specific aroma and salty flavour can be called Feta cheese.

The recent court battle was brought by Germany and Denmark to challenge the 2002 PDO for feta. The case hinged on whether the term was so familiar it should be deemed a generic name available to all cheese producers making feta-style cheese, or whether it needed tougher legal protection to discourage imitators. For example Yorkshire pudding is deemed to be a generic term and does not have to be made in Yorkshire to qualify to use the name. In this instance the Court felt that "feta" was too distinct and representative of Greek feta to be separated from its geographical origin. Shepherds Purse Cheeses are now

required to stop using the name "Yorkshire Feta" and re-brand the product.

Protected Designation of Origin

The European Courts of Justice must ensure that EU legislation is interpreted and applied in the same way in all EU countries, so that the law is equal for everyone. It ensures, for example, that national courts do not give different rulings on the same issue. The Court is composed of one judge per member state, so that all 25 of the EU's national legal systems are represented. Each country, in spite of this union, maintains its individuality with its customs, religion, local tradition and products.

In 1992 the EU passed a Regulation which explicitly clarified under which conditions a product may be determined as a PDO for either its name or its geographic origin. The importance of having a product labelled as PDO is that it serves as a guarantee of quality and tradition.

The conditions needed for a cheese to become a Protected Designation of Origin are;

- The cheese must be produced and matured in a specific geographical region. The animals that whose milk is used in making the cheese have to adhere to the predetermined species and they must live, graze and be milked in the same area;
- The use of chemical substances for the maturing and colouring of the cheese is prohibited. The milk must not contain any antibiotics;
- It must be produced in the traditional manner.

Greece has managed to protect 20 other cheeses, out of a total of 126 cheeses which are protected as PDO by EU regulation.

To obtain the necessary data needed for a possible registration of the name "feta" as a PDO, the European Commission arranged for a Eurobarometer survey to be carried out, questioning 12,800 nationals of the twelve member States then making up the European Community.

How do producers and processors go about registering a product name

- A group of producers must define the product according to precise specifications.
- The application, including the specifications, must be sent to the relevant national authority. In the UK this is: *Department for Environment, Food and Rural Affairs, Regional and Local Foods Branch, Room 405, Nobel House, 17 Smith Square, LONDON SW1P 3JR*
- It will be studied first and thereafter transmitted to the Commission.
- Here the application will undergo a number of control procedures
- If it meets the requirements, a first publication in the Official Journal of the European Communities will inform those in the Union who are interested.
- If there are no objections, the European Commission publishes the protected product name in the Official Journal of the European Communities.

Details of countries registrations of PDOs can be found at http://europa.eu.int/comm/agriculture/foodqual/quali1_en.htm

The law of trade marks has followed a similar strategy of recognising geographical origin for use in product names. However the Trade Marks Act 1994 prevents the registration of a trade mark which includes a description of geographical origin of the goods and services. If such a registration were allowed would monopolise the word, preventing other businesses the right to use the geographical name as part of their business.

Deborah Parsons

Fox Hayes



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Events Diary 2005-2007

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9 December 2005 LES Irish Section

Wilton Room Forfàs, Wilton Park
House, Dublin 2

"The Examination of Computer Implemented Inventions and Business Methods at the European Patent Office"

Speaker: Jörg Machek
For further details please
contact:
Jeanne Kelly
jkelly@mhc.ie

15 December 2005 Life Sciences Master Class

Robinson College, Cambridge
"Intellectual Property: the X Factor"

For further information please
see:
www.captum.com or
info@captum.com

12 January 2006 LES London Area

At Field Fisher Waterhouse
offices
"Licensing in the Drinks Industry"
Speaker: Tatiana Whytelord
For further details please
contact:
Sheena Hunter
les@glasconf.demon.co.uk

17 January 2006 LES NE Region

Field Fisher Waterhouse
"Technology Transfer and the
New Regulations. New Legal
Developments in Competition
Law"

Speaker: Patrick Cantrill of
Walker Morris
For further details please
contact:
Deborah Parsons or **Liz Ward**
elizabethward@foxhayes.co.uk

9 February 2006 LES B&I

The Savoy, London
Annual Lunch
Speaker: John Sutherland, the Lord
Northcliffe, Professor of Modern
English Literature at UCL, who also
writes a column in The Guardian
and is said to be an extremely
amusing speaker - he's reduced the
plot of various Shakespeare plays
to one text message!
For further details please contact:
Sheena Hunter
les@glasconf.demon.co.uk

**2007 LES B&I
Conference and AGM
Dublin
Further details TBA**

Welcome!

Council has been pleased to
welcome the following new members
to the Society:

Mr Ranjit Singh Auluk,
PriceWaterhouseCoopers; **Ms Linda
Burnes**, CCLRC, Rutherford Appleton
Laboratory; **Mr Adam Christie**,
Powdermied; **Mr Gavin Clark**, Procela
Partners; **Mr Michael Edwards**,
Michael Edwards Associates; **Dr
John Evans**, Mimesis Consulting;
Mr Stephen Franklin, Qinetiq; **Mr
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Ian Hartwell**, IP-Max; **Mrs Emma
Hayward**, Greenwoods; **Ms Hazel
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DLA Piper Rudnick Gray Cary; **Mr
Mauro Paiano**, Cobbetts; **Miss Nicola
Proudlock**, Snell & Wilcox; **Mr David
Sant**, Ipulse; **Mr Sarpel Ustunel**,
Globalview Advisors; **Mr Jerome
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"Innovations in the Licensing World"

Pan-European Conference
SAS Radisson Hotel, Glasgow
21-23 June 2006

Moving Company/Changing Address?

Please remember to tell our administrator, **Sheena Hunter**, if you change your office address so that we can continue to send you LES information and **newsxchange**TM. Her address is:

LES Administrative Office, Northern Networking Ltd
1 Tennant Avenue, College Milton South, East Kilbride
Glasgow G74 5NA

Please also remember to change your contact details in the Membership Directory on the LESI website. As a service to our members the editor will print any change of company and location in **newsxchange**TM. Please contact **Mary Elson**, elson.mary@btinternet.com

Membership

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A membership application form may also be found on the LES B&I website: www.les-bi.org



newsxchangeTM

Editor: Mary Elson
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