



The IP Brand

Intellectual Property Master of Science

Could this be the course for you? **page 3**

Dr Martens Double Take

page 4

From across the pond

Stateside news

page 5

News from the regions

page 6

Events Diary

Forthcoming meetings 2004-06 **page 8**

THE FINAL PART OF IAN HARVEY'S PLENARY presentation at our Bristol conference this year stimulated thought about why IP is held in low regard by some sections of society and what we can do about it. He exhorted those present to proselytise in support of the good that Intellectual Property can facilitate, thus beginning to create an "IP Brand". This article extends the concept.

Intellectual property is all around us. As practitioners, professionals and consultants in the area, we respect the concepts and are aware of the benefits that IP can convey, to the originators, and to society. However, this respect is not universal. Quite to the contrary, some segments of public opinion would hold that:

- Patents, by conveying a monopoly, which enables high prices to be sustained in the top OECD countries, discriminate against those in the third world who suffer from diseases such as HIV/AIDS.
- Copyright sustains exorbitant prices for video, film and sound recordings that only fools should pay. Much better to download from a pirate website or take a camcorder to the cinema. The copyright warning at cinemas is greeted with derisory laughter.

Article 7 of the TRIPS Agreement reads "*Objectives - The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.*" It is difficult to quarrel with this, and I believe it sets out succinctly the balance for which we should be striving. It also shows that there is international agreement on the objectives.

The moral justification of support for IP rights is clearest in relation to patents in the area of healthcare. Quite simply, today we have a regulatory process that takes on average 14 years for a therapeutic product to be pronounced safe enough to reach the market in a process costing, on average, about £500 million. Companies need an adequate return to compensate for the risk borne and the many failed projects that they are likely to have pursued before the one that is successful. No-one other than governments or charities will fund their development unless they can be assured of a monopoly for a significant period to

recoup the investment made and provide an adequate return. And governments certainly are not known for the good management of high-risk projects!

Outside healthcare, the moral arguments may be less strong, but exactly the same economic arguments apply. Some say that patents are less relevant in consumer products and physical sciences generally because of the much shorter product lives. But the rights of the inventor still need to be protected, and for truly disruptive products requiring significant investment (and, yes, time) for development, monopoly returns still need to be available. Also, it is possible that the years when such returns may be available may be late in the life of the relevant patents, when any other right likely to yield recompense to the inventor may have expired.

Criticism of copyright generally extends to the long duration of the IP rights (life of the originator plus 70 years in the UK) and the fact that these rights are generally transferred to corporations. The nature of ownership is irrelevant, except that companies are more likely to require a financial return on supporting new works than the individual who may pursue creative activity for many different reasons. However, there is substantial intellectual challenge to the current length of copyright protection and this deserves serious debate.

Brands can be very powerful. Think of Audi's "vorsprung durch technik" – German technology, high quality, advanced, it works, sophisticated etc. But IP does not have a good brand image.

So, what can you do? Whenever you have the opportunity in a public forum, talk enthusiastically about the good that IP can do in a way that will grab people's attention. For instance, take the Factor IX example from BTG. Those suffering from haemophilia B used to have to rely on extracts from donated human blood for the lifesaving Factor IX protein. As a result, many were inadvertently infected with HIV and Hepatitis C. BTG protected the Factor IX gene and protein by patent, licensed the patents to Genetics Institute who developed the product through to market and shared the resulting revenue back with the inventors at Oxford and Washington State Universities. Genetics Institute have stated publicly that "The strength of the potential patent position is a leading factor in deciding what research to pursue". Some within the European Commission seem to believe that there are therapies for all known diseases. This is very far from the truth, as anyone who has known anybody suffering from cancer, or Parkinson's, or Alzheimer's, or many other diseases will attest. Therapies for many diseases will

Continued on page 2 >>>



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President's Diary

I MUST BEGIN MY FIRST PRESIDENT'S DIARY with a huge thank you to Christi Mitchell at the end of her two-year term as president of LES Britain and Ireland.

The Society continues to develop as a vibrant organisation and I intend to encourage this trend. Unfortunately, Christi broke her arm shortly before the annual conference in Bristol, so the high point of her presidency was having her food cut into small pieces at the dinner by **Adam Hart-Davis**, our guest dinner speaker!

I would also like to thank all those who helped make the Bristol Conference a success. If only the England football team had managed to live up to our expectations too!

Martin Sandford is our new Vice President and also chairs our Meetings Committee. He has already arranged a programme of events for the rest of 2004, but if you have any suggestions for topics and/or speakers for next year, please let him know.

The first London meeting in the autumn is on 7 September when we welcome **Matthew Hogg**, of RJ Kiln & Co, who will talk about insuring IP value and revenue streams. Looking further ahead, our Hon. President, the **Rt Hon Lord Justice Jacob** will be giving us his thoughts for the future of European Patent Litigation. The date of 6 January 2005 should be put in your diaries now, as a stimulating antidote to the seasonal celebrations!

I also wish to encourage a more active participation by Britain and Ireland members in the international activities of LES. The next International Meeting is in Munich from 12-15 June 2005, which will provide an excellent opportunity for education and networking with your peers from other countries. LES Britain and Ireland is the second largest society and, since Munich is, relatively speaking, on our doorstep, we should have a large attendance there. To avoid a clash, we are moving our national conference next year from its usual date in June to the autumn. Details will be ready shortly.

The 40th Annual Meeting of LES USA and Canada will be held in Boston on 17-21 October 2004. The programme is excellent and for those of you who have not yet made your reservation I suggest that you look at the programme (for details see: www.usa-canada.les.org), can you afford to miss it?

Stephen Powell

President LES B&I

The IP Brand

Continued from page 1

not be developed if there is insufficient recompense for the companies that take the risk to develop them. There will be many other arguments and examples why IP should be respected. Let's have a competition in News Exchange for the best, simplest, examples, which demonstrate the value of IP. Then, when we spread the word people will immediately have a positive emotional reaction, and we will be on the way to creating the "IP Brand" - any advance on "vorsprung durch IP"?

Martin Sandford, Vice President LES B&I

IPR in Business

1. Computer companies including IBM, Hewlett Packard and Dell (08/07/04)

launched a joint challenge on the validity of a patent held by video conferencing company Forgent for JPEG image compression following Forgent's announcement that it would be seeking royalties and failure to negotiate a licence agreement.

2. Celltech R&D Ltd V Med Immune Inc (18/06/04).

Clause in patent licence badly drafted and did not use the word "exclusive" although it was obvious that it was intended to be an exclusive jurisdiction clause. UK liability proceedings not stayed pending outcome of US patent validity proceedings.

3. Cambridge Display Technology Ltd v Ei Dupont de Nemours & Co (18/06/04).

The definition of the minimum annual royalty to be paid under a licence agreement had been intended to impose a different commencement date than provided for elsewhere in the agreement.

4. Badge Sales v PSM International (11/06/04).

The claimant was granted an injunction to restrain the defendants selling handbags (and paying claimant royalties), which claimant claimed would be a secondary infringement of its design right.

5. Patent Office launches new 'What is the Key' campaign (08/06/04)

for SMEs to raise awareness of the value of IP and how best to make the most of their own intellectual assets and the consequences of not being aware of others' IP.

6. Changes to the EU Software Patents Directive are strongly opposed (21/05/04).

The changes appear to allow the widespread patenting of software in Europe, and MPs are being lobbied with concerns from companies who fear about stifling innovation and preventing legitimate market competition.

7. Federation Against Software Theft (FAST) (18/05/04)

now anticipate 3 or 4 cases per year under section 109 of the Copyright, Designs and Patents Act 1988 against companies who violate copyright on software licences.

8. Pamela Dallas Brighton & Dubbeljoint Co. Ltd. v Marie Jones (18/05/04).

The joint author of a copyright work did not need to make an equal contribution but the contribution needed to be significant.

Monitored by Dr Hayley French, Bird & Bird
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For further information on all of the above please visit the LES Britain & Ireland website www.bi-les.org

Queen Mary College

Intellectual Property Master of Science

Could this be the course for you?

GOLD SILK OVER A BLACK GOWN, a precariously balanced mortar board, a hand shake, the words from the Principal "I confer upon you the degree of Master of Science", applause, and suddenly it was all over. This was 'Degree Day', 5th July 2004 at the Great Hall of the People's Palace, Queen Mary College, University of London, the culmination of a year of hard but rewarding full time study on the M.Sc. Management of Intellectual Property course.

For some years now, since the mid-1980s, Queen Mary and Westfield College has offered an Intellectual Property Masters degree in its Centre for Commercial Law Studies, Intellectual Property Law Unit. The Unit itself was established in 1980 through an endowment of Dr Herschel Smith, a distinguished and successful chemist and patentee.

The M.Sc. is specifically tailored for science and technology graduates. This year (2003-4), among the 56 or so students, a broad spectrum of scientific disciplines was represented, including: engineering, mathematics, chemistry, biochemistry and pharmacy. It is also possible to enroll whilst having a non-science background. This year, for example, we had a part-timer Arts manager. Whilst the majority of students were in their twenties, there was a good representation of students in their early thirties, some in their forties and even one in his fifties. No age discrimination here!

Historically, the M.Sc. was a development of the Certificate in Intellectual Property Law, designed for trainee patent and trade mark attorneys. This certificate course still runs as an independent and parallel programme. Successful completion of this one semester course entitles the bearer of the certificate to exemption from the foundation level papers of the Joint Examination Board of the Chartered Institute of Patent Agents and the Chartered Institute of Trade Mark Attorneys. The more developed M.Sc. gives the same exemption, although on the condition that an additional special CIPA/ITMA paper is taken and passed. However, the course is designed to give considerable more.

The M.Sc. in Management of Intellectual Property has identical subject matter to the certificate course in the first semester: copyright and designs, law of trade marks and unfair competition, patent law, competition law, and basic principles of English law, practice and evidence, which takes account of the fact that the majority of the student body have little, or no, background law when they arrive. The emphasis in the other courses is on statutory law and common law cases. This requires quite a mental shift for those

whose background and training is primarily in scientific methodologies that end in a neat and tidy *Quod Erat Demonstrandum* rather than in a persuasive but ultimately rebuttable *'balance of probabilities'*. Competition law, in addition, exposes one not just to the immediate and remote context of matters such as the vertical agreements and technology transfer block exemptions, but to the wider policy and political issues of the European Union. Personally, I found this subject immensely interesting, stimulating and provocative.

The second semester is where, as our Trade Mark lecturer, Alexandra George, put it: "the fun begins". Topical issues – such as counterfeiting, geographical indications, comparative advertising, exhaustion and parallel importation (in Trade Marks II), or the database *sui generis* right, the Information Society Directive (in Copyright II) or Plant Breeders' Rights and UPOV, the Open Source Software movement (Patents II) – are presented for digestion and reflection. Jurisdictional differences are considered in more depth, especially vis-à-vis the US. Courses are elective, allowing a mix-and-match. This is where the 'management' part of the 'Management of Intellectual Property' title to the M.Sc. kicks in. Licensing Practice and Management of Innovation and Design are now taught. These are elective courses that give a commercial edge to what otherwise would be a predominantly law-oriented course.

Those who choose to invest a year in the M.Sc. Management of Intellectual Property course (or two years as a part-timer) should be prepared for an enormous amount of work. Yet, as one young colleague said to me towards the end of the course, "even if I don't manage to find employment in IP, I'll never regret having taken this course. It's been a fantastic education".

For those students, who are thinking of applying, or continuing, to train to become patent or trade mark attorneys the course perfectly meets their needs. If there were to be a suggestion for change, it is that more could be done to shape the course to meet the needs of those with more commercial interests. The Queen Mary M.Sc. in Management of Intellectual Property is one of a kind and deserves to be far better known and promoted.

Roman Cholij
M.Sc. Student 2003-2004

More information and details on the M.Sc. and other courses can be found on the Intellectual Property Law Unit website: www.qmipri.org



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Dr Martens Double Take

THE SECOND JUDGMENT IN THE Dr Martens' logo dispute was handed down on 24 March 2004 and involved, as the Deputy Judge Peter Prescott QC put it, "a point of some importance concerning the scope of the court's equitable jurisdiction".

Facts

R Griggs & Co Limited ("Griggs") is the exclusive worldwide licensee for Dr Martens. The case concerns a logo that has been used all over the world since 1988 by Griggs. The first defendant ("Evans"), was commissioned to design the logo. The legal title in the logo vested in Evans, as he designed the logo on a freelance basis. No assignment of the copyright in the logo was made to Griggs. However, in 2002 Evans purported to assign the copyright in the logo to the second defendant ("Raben"), who is a competitor of Griggs based in Australia. On becoming aware of the assignment to Raben, Griggs started legal proceedings and on the 2 December 2003 obtained the first judgment against the Defendants, which declared that Griggs was the beneficial owner of the copyright in the combined logo and was therefore entitled to have the rights, which Mr Evans assigned to Raben transferred back to Griggs.

Prior to the writing up of the first judgment, Raben sought a new point that the court had no power to make orders affecting ownership of intellectual property rights in foreign countries (except where there existed a personal obligation to transfer property to another).

Decision

The judge rejected Raben's objection to the court's jurisdiction and held that Raben must deliver the assignment of all copyright, including foreign copyrights, in the logo to Griggs.

On the issue of whether Raben was able to raise new issues at such a late stage, the judge found that it could. A court may change its decision any time before its order is formally drawn up and entered, although

the power to do so should be exercised only in exceptional circumstances. The judge held that if, as was argued in this case, a court does not in fact have jurisdiction, it is an error that should be corrected at the earliest opportunity.

On the issue of jurisdiction, Raben argued that case law had established that an English court would not assume jurisdiction to adjudicate upon ownership of foreign land, and, by extension, foreign IPRs. Two areas of common law were discussed in order to address this issue.

The Doctrine of Purchaser With Notice

It has been established for 250 years that a purchaser of a legal estate with notice of a prior equitable interest commits equitable fraud. Notice is determined by the actual knowledge the purchaser had, or the knowledge he should have obtained from pursuing reasonable enquiries. Equitable fraud is best described as unconscionable behaviour.

This unconscionable behaviour gives rise to an equitable interest, a remedy for which is specific performance of the prior contract, entered into by the two original parties. In this case, Griggs had a contract with Evans. Equity acts against the person, who is compelled to transfer the legal estate to the original party to the contract.

The judge argued that it could be assumed safely that this equitable doctrine is commonplace around the world; it is not some quaint doctrine particular to England and Wales. The only mechanism that could defeat the doctrine is a registration scheme, under which a purchaser is entitled to rely on what is stated in the register, irrespective of notice. However, in relation to copyright, the judge argued, no country would adopt such a registration scheme, since it would be contrary to the Berne Convention.

International Comity

Generally speaking, Courts in one country will enforce the law of other countries. This is called comity. Only where this enforcement would be seen as an invasion

of the sovereignty of a country, would the English courts refrain. The judge argued that where there is a contract governed by English law, it would not be seen as a breach of international comity for an English court to compel one party to comply with its contractual obligations in another country. The English court is not interfering with the law of another country by making such an order, it is merely compelling the Defendant to sign the documents necessary to give the Claimant legal ownership of the property in dispute. In this case the property was copyright.

The Judge held that the principles of comity did apply to copyright, provided that there were local rules that eliminated any equitable rights in the property, such as a registration system. As mentioned above, a registration scheme in relation to copyright is extremely unlikely to exist anywhere in the world. With the question of jurisdiction answered, the Judge found no compelling argument why a claim brought against a third party purchaser, who had actual knowledge of a prior contract (between Evans and Griggs), should fail where the governing principles of the prior contract were governed by English law.

A finding in favour of Raben would have given rise to an absurdly impractical result. Griggs would have been required to bring separate legal proceedings against Raben to secure its rights in each and every country outside the UK in which it sells or intends to sell its products.

For the moment the situation is regularised. However, even though the Defendants were refused leave to appeal on both judgments they have succeeded in seeking leave to appeal from the Court of Appeal. Therefore, the scope of the jurisdiction of the English court as it relates to foreign intellectual property rights may still be subject to change.

Gary Assim, Partner and **Russell Woolford, Trainee Solicitor**, both of the National IP Group of Shoosmiths.

A New Venture for Beatrice Leigh

Beatrice Leigh, BB Consultants Ltd

BEATRICE LEIGH has over 24 years experience in the pharmaceutical industry. She ran academic liaison as a worldwide function for SmithKline Beecham for 15 years which involved negotiating many licences and collaborative research agreements with academic and industrial partners. After the merger to form GlaxoSmithKline she was appointed Director Operations for Technology Development, a new group, with

the aim of designing and building to prototype level new platform technologies to make R&D more efficient supported by an internal Venture fund. She was involved in two start-up companies and several multi-million pound Technology Access Programs in the US and left GSK in March 2004 to set up a consultancy business to provide support for high tech companies, including business development, operational support, partnering advice, and deal structure and negotiation.

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Increasing Patent Portfolio Value by Strategic Prosecution and Planning

THE COST OF U.S. PATENT LITIGATION, AND THE amounts at stake, continue to rise. High-profile infringement verdicts, such as last year's USD\$521 million award to Eolas Technologies against Microsoft Corporation, have called attention to the central role that intellectual property rights play in the fortunes of high-technology companies.

The aggressive assertion of patents by their owners is also, increasingly, being met by equally-aggressive campaigns against so-called "junk patents." The Electronic Frontier Foundation has recently announced a "Patent Busting Project," and has issued a "most-wanted" list of the ten prominent U.S. patents its members deemed least meritorious. Microsoft may yet escape liability in its case against Eolas, as the Eolas patent is currently undergoing reexamination in the U.S. Patent Office to determine if the validity of the claims can stand in view of newly-submitted prior art – a fate that may await many high-profile patents, as the Patent Office has come under heavy criticism for failing to prevent issuance of patents for old or inadequately-described "inventions."

The cost of litigating a patent infringement case through trial will generally easily exceed USD\$1,000,000, and could be significantly greater. Even a licensing campaign, in which the patentee attempts to avoid litigation and sign up willing licensees, can involve legal costs in the tens or hundreds of thousands of dollars, as prospective licensees will put forth, and demand responses to, arguments attacking the validity of the licensor's patent(s) and questioning the need to procure a license.

In view of the increasing magnitude of the costs involved in attempting to obtain a significant revenue stream from a patent or patent portfolio, it comes as something of a surprise that many companies continue to approach patent prosecution and portfolio management in a decidedly old-fashioned way. Patent prosecution is often viewed as routine, commodity-level legal piecemeal (even by companies that would not hesitate to employ top-level litigation counsel if involved in an infringement controversy). Portfolio management is often evaluated in simple terms of numbers of in-force patents, without reference to the scope, relevance, and defensibility of the claims, or how they would fare in an assertion campaign.

Some companies do take a strategic view of patent prosecution and portfolio management. But in view of the increasing stakes in patent assertion, and the growing likelihood that aggressively-asserted patents will face significant validity and enforceability challenges (both from adversaries and in Patent Office and judicial attempts to address the perceived crisis in overbroad and non-meritorious patents), patent holders may wish to consider adopting, and investing in, a significantly more strategic approach to the prosecution and management of their patent portfolios. What follows are a few suggestions for improving the

quality, and possibly the assertion value, of company I.P. portfolios.

Drafting Better (And Possibly Fewer) Patent Applications

One model of portfolio management emphasizes obtaining as many patents as possible. There is indeed some value in obtaining multiple patents, as each is separately entitled to the statutory presumption of validity that attaches to all issued U.S. patents. On the other hand, it is only necessary to prove infringement of a single claim of one patent in order to establish entitlement to royalty payments or damages. It is also possible to obtain broad claim coverage through careful drafting of multiple claims, of varying and overlapping scope, within a single patent application. With increasing attention being paid to (and challenges being brought against) the validity of claims, it is thus no longer true (if it ever was) that ten patents are ten times better than one patent – especially if those ten patents are hastily drafted or cursorily prosecuted because of cost constraints.

Including Extensive Disclosure In Specification

Patentees perceived as overreaching are often challenged on the grounds that their patent specifications do not contain a full or enabling written description of the technology to which they seek to apply their claims. In many cases, such criticism is well-founded, and U.S. courts seem likely to turn increasingly stringent scrutiny to the adequacy of the written descriptions in patent specifications, possibly invalidating many facially broad claims for failure to satisfy the disclosure requirements of 35 U.S.C. § 112.

Thus, each claim of an application should be examined with a view to confirming that it has specific support in the specification. All known embodiments (or possible embodiments) of the invention or ways of using it should be disclosed in detail and possibly made the subject of a separate set of claims. Special emphasis should be given to detailed disclosure of the embodiments of the invention that are believed to have the greatest commercial applicability or value.

If a U.S. patent application is based upon a foreign patent priority application, the specification should be examined to ensure that the disclosure is clear and adequate (which may not always be the case, especially when the specification has been translated) and that it meets the disclosure requirements of U.S. practice. The inventors should review in detail all specifications and claims, and all communications with the Patent Office, to confirm that the form and subject matter of the description is technically accurate and comprehensive.

Forestalling Invalidity And Unenforceability Challenges

Any statements made by an applicant in the course of prosecution of a patent will become the focus of intense scrutiny if the patent is ever asserted or

litigated. The doctrines of prosecution history estoppel and inequitable conduct place great significance on the transactions between the applicant and the Examiner, and if successfully asserted, have the potential to narrow or obviate the scope of some or all of the patent's claims.

Adversaries will attempt to portray each argument, amendment, or statement by the applicant as a limitation upon claim scope, or as evidence that the applicant attempted to mislead the Patent Office. Accordingly, any substantive statements regarding the invention and its novelty should be carefully considered when responding to any office action. It is probably best to avoid or strictly limit, whenever possible, any characterization of either the applicant's invention or its scope, the contents of the prior art, or the differences between the claimed invention and the prior art.

Practicing Strategic Claim Drafting

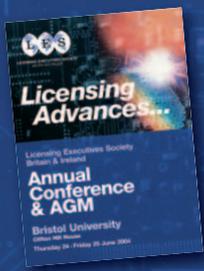
In almost every case, a patent application should contain multiple sets of overlapping apparatus and method claims covering multiple aspects of the invention. Claims should be drafted with a view toward covering, as far as possible: (a) the applicant's own commercial implementation of the invention; (b) its competitors' products or likely future products, including any attempted "design arounds" to avoid the core of the patented technology; and (c) future implementations of the technology, or combinations with later-developed, but foreseeable, technology.

U.S. courts have, in recent years, been applying a presumption that patent claims should be construed by reference to their ordinary meaning, which the courts have, in many cases, decreed shall be ascertained by reference to standard dictionaries such as the Oxford English Dictionary. Accordingly, proposed claim language should be compared to the dictionary definition of the respective terms. If the dictionary meaning is not consistent with the technical meaning assigned to such a term by the inventors, then either the claim language should be altered so as to be consistent with the ordinary dictionary meaning, or the specification should be supplemented with an explicit and clear explanation of the specialized technical meaning that the applicant has in mind for the respective claim term(s).

Conclusion

Patent assertion is, and increasingly will become, expensive and contentious. Prudent patentees should, accordingly, approach the patent acquisition process as though each of their patents will ultimately be litigated, and should devote to the prosecution of their patent applications resources and strategic portfolio planning efforts commensurate with the significant costs and benefits that are associated with assertion of a patent portfolio having broad scope and high commercial value.

Jeffrey D Sullivan, Baker Botts L.L.P., New York



Bristol Conference
24-25 June 2004

News from the Regions



North West Region

NWDA maps out their approach to fostering innovation in the North West

The North West Group meeting on 13 July 2004 in Manchester played host to a talk by Dr George Baxter, Head of Innovation at the NWDA (North West Development Agency), regarding the NWDA's plans for fostering new technology and new business in the region.

The work of Dr Baxter's section covers a broad range of areas, including business and skills development, infrastructure projects, regeneration and regional image enhancement. His substantial experience working in marketing and business management with ICI, Zeneca and also Avecia in the North West has given him excellent insights into the specific needs of the local industries and the ways in which they can be further developed.

The NWDA's remit is to foster sustainable regional economic development, and to date this has included in particular the funding of some major infrastructure projects such as the new Daresbury particle physics lab in Cheshire. Dr Baxter's view is that this emphasis is likely to start shifting more towards the promotion of innovation and enterprise in the NWDA, particularly looking at skilling up those with technical abilities in order to assist in transferring ideas into the commercial arena. His statistics were sobering – on average there are five times more start up business in London than the North West, despite the fact that the failure percentage for start ups is uniform across the UK. The NWDA hopes that through their initiatives they will be able to help the region redress this balance.

Finally, Dr Baxter reconfirmed that the NWDA remain interested in assisting those who are working to foster innovation and incubation in the North West. Although they are not permitted to directly fund particular businesses, they have an important role to offer both as funders and also facilitators.

Martin Lewis, Addleshaw Goddard

London Region

The first London meeting in the autumn will take place on Tuesday 7th September at Apothecaries Hall.

Matthew Hogg of RJ Kiln & co Ltd will talk about, "Protecting IP Value and Revenue Streams with the aid of Insurance".

Matthew is an Underwriter at Kiln, a managing agency at Lloyd's of London. As part of the Risk Solutions team, he is the specialist in the field of Intellectual Property insurance and, in particular, first-party cover. Matthew previously worked in the Lloyd's market and Chicago for a multinational insurance broker. He regularly contributes articles to trade publications and recently wrote a chapter in Valuing Intellectual Property in Japan, Britain and the US, published by Routledge. Matthew has a degree in Law and a Masters in Law and Economics where he focused on intellectual property law.

His presentation will cover the current state of the intellectual property insurance market but with particular relation to first-party IP insurance. IP value insurance is designed to protect the value of the intangible asset in much the same way as tangible assets such as buildings, plant and stock can be insured against loss or damage by fire. The insurance industry had previously struggled with this due to the difficulty in finding objective means for determining financial loss. In recent years, however, deals have been put together to protect associated revenue streams, such as licensing and royalty revenues, or to insure a fixed sum for the value of a piece of IP. With intangible assets forming around two-thirds of companies' market value, this area should prove of considerable interest to those dependent upon their IP for their future success in terms of return and shareholder value.

For further information contact

Matthew Hailey: les@glasconf.demon.co.uk.

Scotland Region

First autumn event 2 September 2004, Edinburgh Joint meeting with BioIndustry Association (Scotland)

"Are your licences legal?"

A half day workshop on EU lobbying re the block Exemption Clauses and their implications for Scottish Industries.

*For further information see www.les-bi.org or contact
Cathy Rooney: cathy.rooney@snbts.csa.scot.nhs.uk*





LES Council Members
Martin Sandford
 – a profile

Martin Sandford
 was appointed Vice

President of LES B&I at the AGM in June, an appointment expected to last two years.

He now takes responsibility for organising the LES evening meetings in London, the Savoy Lunch, the Annual Meeting in 2005 and the Pan-European Meeting in Glasgow in 2006. Martin has worked for BTG for nearly 20 years. He originally trained as a civil engineer but, after seven years in the profession, took two years out to pursue an MBA at London Business School.

After business school he worked in financial planning and venture capital before joining BTG in 1984 to manage BTG's science-based investment portfolio. He was appointed Director of BTG's Science Division in 1986, responsible for BTG's licensing and investment activities in crop protection, diagnostic reagents and materials.

In 1995 he was appointed Director of BTG's Medical & Physical Sciences Division, making him responsible for BTG's activities in MRI, medical prosthetics, medical disposables, materials, agricultural and environmental technologies. In 1999 he was on the move again, when he was appointed Director of Operations of Health Medical & BioTechnologies and in 2002 he was made Director of Operations for the whole of BTG.

He has been a member of the Council of LES Britain & Ireland since 2000 and for the past year was its Membership Secretary. Martin's leisure pursuits include competition aerobatics at which he represented Great Britain at Advanced level in 2000 in Germany and 2001 in Hungary. He is married with two young children.

Licensing Advice Sessions

Ideas 21 is expanding its range of lunchtime advice sessions on the protection and exploitation of intellectual property.

The organisation is seeking volunteers to provide free advice in various fields in three half-hour sessions between 10am and 12 noon or between 12 noon and 2pm. This is an excellent opportunity for members, and in particular their junior assistants, to encourage innovation and to experience the problems faced by newcomers to the exploitation process. Forthcoming dates for London clinics are 17 August, 21 September (to coincide with the London Design Festival), 19 October and 16 November.

There are sessions on Intellectual Property, Licensing, Design and Prototyping, Manufacturing Your Invention, Patent Enforcement and First Steps in Marketing. Advice sessions are also planned in Manchester.

To volunteer, or for further details, please contact **Linda Oakley** on linda@ideas21.co.uk identifying yourself as an LES member.

European Patent Office Annual Report 2003

The report assesses the progress made in achieving the EPO's aim of eliminating backlogs and providing European patent system users with high-quality services within an acceptable time frame.

This has been facilitated by the EPO's initiative "Mastering the Workload" and also by a slight fall in the demand for its examining services. A record number of 60,000 European patents were granted in 2003, increase of 27% over 2002.

A perceived disadvantage of the European patent system is the lack of a central European Patent Court for settling infringement and revocation disputes. Even the establishment of a successful Community patent system would not necessarily solve this problem since it would only handle Community patents, not European ones. The office has prepared a draft proposal for splitting off the Appeal Boards from the rest of the EPO to constitute a separate organ. The report does not state whether this proposal envisages an increase in legally-qualified members of the Appeal Boards or a continuation of recruitment primarily from technically-qualified Examiners.

The Report gives an interesting analysis of professional representatives by location. One third of European patent attorneys are based in Germany, a fifth in the United Kingdom, and nearly a tenth in France, with five countries hovering around the 4% mark, namely Switzerland, Italy, The Netherlands, Sweden and Turkey. The number of professional representatives who have passed the qualifying examination (48.2%) has nearly overtaken those admitted through seniority, i.e. the "grandfathers" (51.8%).

An online version of the annual report is available on the EPO website at: www.european-patent-office.org/epo/an_rep/index.htm

Stephen Powell



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LES USA & Canada
40th Annual Meeting
Marriott Copley Place,
Boston, USA
17-21 October 2004

"Solutions Through Synergy"

This may be the best attended LES meeting ever, don't leave attendance to chance book your place now! "Early bird" registration rates are available before 8 August 2004.

With a planning committee of over 100 who aim to make this event an enjoyable and valuable few days can you afford to miss it?

The meeting will begin and end with a variety of topical add-on sessions, in addition there will be plenaries, mini-plenaries, workshops and interactive sessions as well as the Tech Fair and plenty of opportunities for networking.

For further details see: www.usa-canada.les.org





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Events Diary 2004-2006

For further information please contact regional officers for LES events in Britain and Ireland (see panel on the left of this page or visit the LES B&I website www.les-bi.org) and the officers of national societies for overseas events (see LES directory or the LESI website www.lesi.org)

2 September 2004

LES Scotland Region

Edinburgh (venue tba) Joint meeting with BioIndustry Association (Scotland) "Are your licences legal"

A half-day workshop on EU lobbying and the block exemption clauses and their implications for Scottish Industry.

For further information please contact Cathy Rooney:

Email: cathy.rooney@snbts.csa.scot.nhs.uk or visit the LES B&I Website: www.les-bi.org

7 September 2004

LES London Region

The Apothecaries Hall

Membership:
Enquiries should be addressed to Matthew Hailey at the LES Administrative Office:

Tel: +44 (0) 1355 244966
Fax: +44 (0) 1355 249959
Email: les@glasconf.demon.co.uk

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

17:30 for 18:00

"Protecting IP Value and Revenue Streams with the aid of Insurance"

Speaker: Matthew Hogg of RJ Kiln & Co Ltd

For further information please

contact: Matthew Hailey
Email: les@glasconf.demon.co.uk

20-30 September 2004

London Design Festival

There are many and varied events across London

For further information please see: www.londondesignfestival.com

6 October 2004

LES Benelux

Full day topic meeting Rotterdam

"LES Benelux Meets the Judges - Recent Developments in the Jurisprudence of IP"

For further information see

www.benelux.les-europe.org or email: meeting@benelux.les-europe.org

A Date for your Diary...



21-23 June 2006

LES European Conference Glasgow

13 October 2004

LES London

The Apothecaries hall Speaker TBA

For further information please contact: Matthew Hailey
Email: les@glasconf.demon.co.uk

17-21 October 2004

LES USA & Canada

40th Annual Meeting "Solutions through Synergy" The Marriot, Copley Place, Boston

For further details please see: www.usa-canada.les.org/2004/annual/

16 November 2004

LES London

The Apothecaries hall Speaker TBA

For further information please contact: Matthew Hailey
Email: les@glasconf.demon.co.uk

10 February 2005

LES B&I Annual Lunch

The Savoy, London

For further information please contact: Matthew Hailey
Email: les@glasconf.demon.co.uk

Welcome!

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

Matthew Hogg, R S Kiln & Co Ltd; Tony Buckley, Vertex Data Science Ltd; Jill Tomasin, Gateley Wareing LLP; John Hardman, John Hardman & Co; Mark Owen, Harbottle Lewis LLP; Burrinder Grewa, I Techtran Group Ltd; Stephan Bradley, Astrazeneca Plc; Michael Rocha, Brand Finance; Steven Holmes, Nortel Networks; Angela Anderson, Nortel Networks; Philippa Gannon, Beachcroft Wansbroughs; Georgina Godby, Taylors Vinters; Rajita Sharma, Wildman Harrold UK LLP; Elaine Barton, Open University.

Membership

Enquiries should be addressed to **Matthew Hailey** at the LES Administrative Office:

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



newsxchange

Editor: Mary Elson

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newsxchange is circulated as a service to members of the Society. Editorial contributions are welcome and should be addressed in the first instance to the Editor.

Unless otherwise agreed, acceptance of any submission for publication in News Exchange is on the understanding that the author also consents to publication in the same or edited form on the Society's website at www.les-bi.org.

Advertising and insert enquiries should be addressed to the LES Administrative Office. Please contact Gill Moore at Northern Networking in the first instance:

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