



IP Federation

REVIEW

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DECEMBER | 2020

Improving the intellectual property
framework to meet the needs of
innovative industry for a century



Rising to the challenge...

IP Federation members have stepped up to the plate to share
their most valuable IP to help combat COVID-19 | **P10**

100 years

IP Federation's centenary year | **P14**

Artificial Intelligence and Intellectual Property

Fourth industrial revolution technology and its interplay with
the IP system | **P40**

Advancing industry's view on intellectual property since 1920

The IP Federation was founded in 1920 as the Trade Marks, Patents and Designs Federation (TMPDF) in order to coordinate the views of industry and commerce in the United Kingdom, and to make representations to the appropriate authorities on policy and practice in intellectual property (IP) matters.

AIMS

The IP Federation's aim is to bring about improvements in the protection afforded by intellectual property rights throughout the world, to the advantage of inventors, manufacturers and consumers alike. Today the Federation has over 40 IP-intensive member companies operating in a wide range of sectors and product groups, among which are many of the largest companies in the UK, as well as smaller companies.

Most if not all industrial and commercial firms use or are affected by intellectual property rights, even if they are not particularly concerned with innovation protected by patents and designs. Nearly all firms own trade marks and copyright material. All are affected by competition law and the rights of others. The work of the Federation is therefore of value to everyone. While many firms leave day-to-day matters concerning the acquisition, defence and enforcement of rights to professional attorneys, it is still important to take a direct interest in the policy background, to ensure that proper rights are available, can be secured in a straightforward and efficient way and can be litigated without unnecessary complexity and expense.

ACTIVITIES

The IP Federation initiates proposals and follows developments at national, European and international levels across all fields of intellectual property. It has a close relationship with the Confederation of British Industry (CBI) and provides professional input on intellectual property matters to the CBI, as well as representing it in certain meetings of BusinessEurope (the Confederation of European Business) concerning intellectual property. The IP Federation is also an invited observer at diplomatic conferences and meetings of standing committees of the World Intellectual Property Organization (WIPO).

CONTACTS

The IP Federation maintains good contacts with the UK Intellectual Property Office (IPO), and members of its council and committees participate in several focus groups and practice working groups which provide expert opinion to the UK Government and its agencies on intellectual property matters. It also has good contacts with the European Patent Office (EPO) and is represented on bodies which advise the EPO.



It is represented on the UK user committees of the Intellectual Property Enterprise Court (IPEC) and Patents Court, and is on the IPO's list of consultees in relation to references to the Court of Justice of the European Union (CJEU).

The work of the Federation is of value to everyone.

The IP Federation also maintains contacts with parliamentarians both in Westminster and in the European Parliament. In the UK, it has close contacts with the Chartered Institute of Patent Attorneys (CIPA), the Chartered Institute of Trade Mark Attorneys (CITMA) and FICPI-UK, the UK association of the International Federation of Intellectual Property Attorneys, and is a member of IPAN (the IP Awareness Network). Internationally, the IP Federation exchanges views and maintains good contacts with similar IP user organisations in other countries.

MEMBERSHIP

The IP Federation has a council, which meets monthly to agree Federation policy, a governance committee, and a number of technical committees, to which detailed consideration of issues may be delegated. Most members pay a fee that entitles them to a council seat, as well as on any or all of the committees. Some members pay a lower fee that allows them to join any or all of the committees. All members may vote at the AGM at which (inter alia) the president of the Federation, any vice-presidents, and the governance committee are elected. If you would like to join the Federation, please contact the Secretariat at the address on the back page of this brochure.

You can find a list of IP Federation members 2020 on the inside back cover of this publication.

Introduction

It is a privilege to introduce this, our centenary edition, of the annual journal of the IP Federation. In marking such a milestone, it is natural to look back at our achievements over the last hundred years, including our contributions on intellectual property (IP) issues.

Alongside articles reflecting on our history and successes, you will find this edition packed with commentary on topics challenging the entire IP framework. I am drawn to wonder if our past presidents could even conceive of the impact of artificial intelligence on IP, or the incredible role that our innovative members would play in addressing the challenges of a worldwide pandemic in 2020.

The IP Federation never rests on its laurels and this year has been no different. We have represented cross-sector IP-intensive industries on challenging issues arising in international trade, the global harmonisation of patent laws, and ongoing proposals in view of the UK's departure from the European Union. Even this very journal is an innovation: a brand-new look to take the IP Federation into its next century.

We continue to maintain our strong role as a balanced and trusted advisor to governments and their IP offices. This year I have had the pleasure of meeting Amanda Solloway MP, the UK government minister responsible for IP, along with attending regular meetings with Tim Moss, Chief Executive of the UK Intellectual Property Office (UK IPO), and António Campinos, President of the European Patent Office (EPO).

We have also met regularly with other colleagues at the UK IPO, the EPO and UK government departments including the Department of International Trade. Our close engagement with the Confederation of British Industry (CBI) continues and we have provided CBI representation at the influential BusinessEurope Patents Working group again this year. It is worthy of note that BusinessEurope is one of only two organisations routinely engaged in EPO user discussions, for example through the EPO's Standing Advisory Committee, and the IP Federation's leading role in that work reflects the quality and value of our input.

The contributions of the IP Federation come from the remarkable level of experience and competence within our Council of member representatives, solicitor associates, policy advisors and consultants, and within our various committees. This year we welcomed Sonia Cooper as our new Vice-President. Sonia always brings most considered and insightful perspectives to our discussions that have been most valuable to me personally.

I also express my thanks to our other Vice-President and outgoing President, Suzanne Oliver, and I especially thank Suzanne for her continuing contribution to our Diversity and Inclusion (D&I) agenda. Suzanne and I both share a passion for opening access to, and improving the diversity and inclusion of, the UK's IP professions. This year the IP Federation has made specific and tangible commitments, including work with IP Inclusive in hosting our own very successful Social Mobility Roundtable, and support for the social mobility charity In2ScienceUK. Our efforts will not stop there, and we will continue to focus on tackling the barriers to D&I going forward.

Our work in 2021 will be no less busy or diverse.

We continue to be the only industrial membership body in Europe that meets on a regular monthly basis with such a deep and broad membership and that is so active in IP matters, as I am sure you will see when you read this year's edition.



Scott Roberts
President

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Snippets from the archives

A look back at the Federation's first 100 years

The Federation had its origin in a committee of industrial companies which from 1913 lobbied the UK government on its planned trade mark legislation.

On 23 April 1920, a limited company was incorporated to continue this work, and with a broad remit indicated by its name “Trade Marks Patents and Designs Federation Limited”. Ever since, the Federation’s “Council”, chaired by a “President”, has met approximately monthly so as to allow prompt lobbying in relation to any IP matter that may arise. (The company name was changed by the omission of “Limited” in 1951, and to “IP Federation” in 2014.)

The first “object” of the company listed in the Memorandum of Association emphasised the interests of traders (not legal practitioners) and also internationalism:

“To promote and secure mutual support and co-operation among traders in the British Empire and Foreign Countries in all matters relating to trade marks trade names patents designs copyrights and other analogous rights affecting their general or common interest and to promote the interests of such traders in relation to any of the matters aforesaid.”

The second “object” included promotion of international “conventions” and

“arrangements”, a clear reference to the benefits that had arisen from the Paris Convention of 1883 establishing priority rights and from the Berne Convention of 1886 on copyright.

There were 13 founder subscribers to the Federation, with a bias towards the brand-centric. Several of the companies owned brands that are still in use today (with registered trade mark protection): Bass and Guinness (beer); Colman’s (mustard); Coats (cotton thread); Tootal (garments); and Lever (within the house mark Unilever). By 1924, the Federation structure included both a patents committee and a trade marks committee reporting to Council.

The first President of the Federation was Gerard Arden Clay, a director of the brewing company Bass, Ratcliff & Gretton Ltd., owners of the famous “Bass” triangle mark, applied for within the first month of operation of the UK registered trade mark system (January 1876). This registration, still in force in 2020, was a pure device mark, a filled equilateral triangle.



Clay was the first Federation president from 1920 to 1930.

Clay was born in 1871 on the Derbyshire side of the river Trent in his father’s imposing residence from which terraced gardens ran down to the river — on the other side of which lay Burton, with the brewery of Bass, Ratcliff & Gretton. After Harrow and the Royal Agricultural College Cirencester, he was an estate manager for his father from 1892 to 1900. He then served as a British Army officer in the Boer War. After returning from the war, Clay joined Bass, Ratcliff & Gretton, where his father and elder brother were already directors. Clay was

100 | YEARS ANNIVERSARY CELEBRATION

Federation President from 1920 to 1930. He later emigrated to Northern Rhodesia (then a UK protectorate, now Zambia), where he died in 1956 and is buried.

The presidency has changed considerably since Clay. From 1971 onwards, Presidents were elected for 2-year terms; since 2016, all Presidents have served 1-year terms as part of a trio including the previous President and a Vice-President who normally becomes the next President. The present trio is two-thirds female, the “glass ceiling” having been broken first by Miss E M (“Liz”) Cratchley (President 1997-1999).

The Federation today has 45 member companies, engaged in a wide range of manufacturing

and service provision, of which, however, only one (Unilever) can trace itself back to a founding subscriber. Member companies are UK companies or parts of international groups with a strong UK presence.

From 1920 to August 1939, the archives show the Federation

powers and IP rights of enemies and neutrals were discussed; in addition, during the war, the Federation became alarmed because strong government direction had encouraged “uninformed” anti-patent opinion that could damage the Federation’s members in the post-war

The Federation today has 45 member companies, engaged in a wide range of manufacturing and service provisions.

considering matters ranging from UK patent and trade mark legislation to an international proposal for trade marks and a Mexican judgement relating to Palmolive soap. In World War II, government emergency

period. Similar anti-patent opinion has emerged in more recent crises such as climate change and Covid-19.

Post-war, European IP matters took centre stage in Federation deliberations. The Strasbourg



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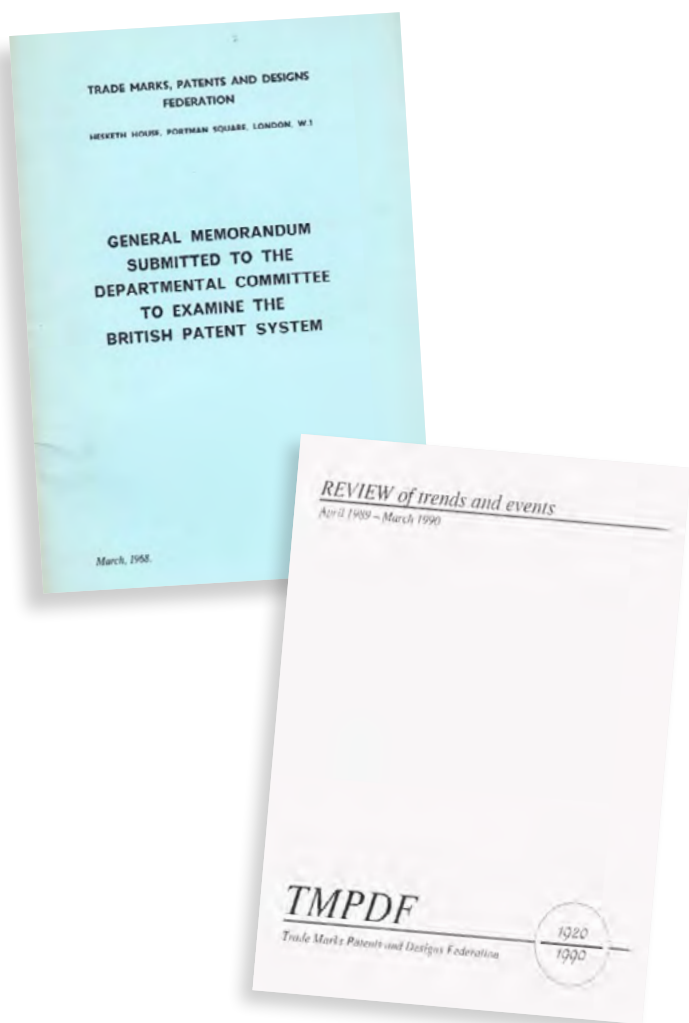
Convention of 1963 on patent harmonisation set out new principles for patentability, which were then adopted in the European Patent Convention (EPC) of 1973; both conventions came into force across Europe piecemeal from 1978. The Community trade mark system began operating in 1994. European competition law started seriously to affect the enforcement and licensing of IP rights, as a result of which a Licensing and Competition Laws committee was set up in 1975. From 1995, the Federation was particularly active and persistent in opposing European Commission proposals to introduce second-tier patent systems across the EU, and was gratified when these proposals were removed from the Commission “to do” list in 2005.

The Federation has employed a Secretary at least since 1932. The Secretary from 1932 to 1957, Sir William Jarratt, had previously been Comptroller-General of the UK Patent Office. He was succeeded up to 1984 by further retired senior civil servants with knighthoods and/or CBs, including another former Comptroller-General. The present Secretary, David England, is a qualified patent attorney who joined, relatively young, in 2010.

This present issue “IP Federation Review” is the twenty-eighth in a series of which the Federation is proud.

In 1990, a major initiative was taken. Instead of reporting only to members at the annual general meeting, the Council professionally printed and formally published a Review of trends and events in intellectual property. Publication has not been strictly annual, and the title was slightly changed in 2010. This present issue itself has a new title, IP Federation Review. It is the twenty-eighth in a series of which the Federation is proud.

Michael Jewess
Policy Advisor



IP

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Stepping up to the Plate

How IP owning businesses have shared their most valuable assets to help combat Covid-19

The centenary of the IP Federation could hardly have come at a more challenging and difficult time for the economy.

In the past, it has been asserted that intellectual property rights are unhelpful in times of crisis, when technological cooperation is most called for. However, the reaction of the UK's biggest IP owning businesses to the current crisis could not paint a more different picture.

A combination of continuing innovation and the sharing of hard-earned rights, the result of so much investment of time, money and resources, is being used to combat the challenges facing our society as a result of the Covid-19 pandemic.

That sharing has taken many different forms and encompassed many different intellectual property rights. Companies have literally opened their books and shared complex technical drawings, tools, data and know-how. Highly qualified personnel have been mobilised across different companies to ensure that this cooperation is effective in the achievement of key goals. Vital innovation has been pooled and shared to enable rapid progress in technology and pharmaceutical developments.

The help, innovation and cooperation of IP Federation member companies in support of those handling the Covid-19 crisis has taken many different forms.

INNOVATION

The IP Federation has a council, which First, some companies are innovating in response to the crisis. For example, Pfizer is involved in a global development programme to find a viable vaccine and has started clinical trials of four candidate vaccines – among the first such tests in the world.

British American Tobacco are working with their bio-tech subsidiary, KBP, on the development of plant-based vaccines. Pre-clinical testing is under-way and the use of fast-growing plant technology has the potential to allow the manufacture of 1-3 million doses of vaccine per week.

Merck Sharp & Dohme (MSD) is working with the Bill and Melinda Gates Foundation and other industry peers to accelerate the development, manufacture, and delivery of vaccines, diagnostics, and treatments for Covid-19. As part of this commitment MSD is actively participating in the Therapeutics, Vaccines Manufacturing, and Clinical and Regulatory workstreams.

Eli Lilly has entered an agreement with the National Institute of Allergy and Infectious diseases (NIAID) to develop potential therapeutic medicines. Clinical trials are already underway to test medicines, which are widely available, in the treatment of COVID-19 patients with acute respiratory distress syndrome (ARDS). Eli Lilly is also working, in collaboration with other companies, to develop, manufacture and distribute therapeutic antibodies that help patients neutralise the virus and recover from the disease. Over 500 unique antibody sequences were identified within a week of receiving a blood sample from a patient who had recovered from the disease.

Several companies, including Rolls-Royce, HP and BAE Systems, have created 3D printable designs for face shields and masks, mask adjusters, wrist covers, hands free door openers

Fast-growing plant technology has the potential to allow the manufacture of 1-3 million doses of vaccine per week.

and other forms of PPE. Most of these designs are compatible with all printers and are free of charge. Production lines have been set up globally, but anyone with a 3D printing machine can also print at home. HP have also created a 3D printable nasal swab which has already been subject to clinical trials and is one of only four from over 100 candidates which have emerged as meeting the necessary criteria for clinical application.

BAE Systems are developing innovative training content for engineers who will be producing ventilators for the first time. The 'Unreal Engine' games platform is being used to highlight the key steps in factory acceptance testing of new ventilators and to increase the effectiveness of training for engineers, so that new production lines can be opened quickly.

Rolls-Royce have created a shield to allow doctors to introduce and remove Covid-19 patient ventilation tubes.

IP AND DATA SHARING

The IP Federation has a council, which First, some companies are innovating in response to the crisis. In addition to innovating specifically for the Covid-19 crisis, many IP Federation members are supporting by either providing their own existing IP to others or receiving and working with IP made available by companies with existing expertise in the relevant fields.

Of course, one of the better known examples of IP sharing involves ventilators. Airbus, BAE Systems, Ford, GKN, Renishaw, Rolls-Royce and Unilever are all members of the Ventilator-ChallengeUK consortium, responding to a government request to use established ventilator technology to increase production levels to meet NHS demand.

A number of companies which own existing state of the art technology in this field are making their designs, drawings and instructions freely available and then well-known manufacturing companies are using parts and materials available in the UK supply chain to replicate the designs and increase the available production. Rolls-Royce, GKN and BAE Systems have established production lines around the country to meet this demand using IP from other companies.

Microsoft and IBM are among many big Tech businesses signing up to the COVID Pledge to make IP available for use in tackling the pandemic. It does not matter whether the intended use is connected to the creation of remedies or treatments, or minimising the impact of the disease on sufferers and the community as a whole – the IP will simply be made available under a licence. There is a basic licence with the option to use compatible or alternative licences to meet particular needs. Those companies signed up to the Pledge make this known on their websites, and a core site (opencovidpledge.org) provides more details.

Canon, and fifteen other IP owners from the high tech and healthcare industry, have made a declaration not to assert their patents, utility models, designs or copyright against those working to stop the spread of Covid-19. The Open Covid-19 Declaration covers over 300,000 patents and will reduce the time and money companies must spend in the diagnosis, prevention, containment and treatment of the disease.

AstraZeneca, Eli Lilly, Merck Sharp & Dohme, Pfizer and GlaxoSmithKline are working with IFPMA (International Federation of Pharmaceutical Manufacturers and Associations) and the World Health Organisation as part of a global team to speed up the development of safe and effective vaccines and remedies against Covid-19. This includes screening of libraries of medicines and remedies to identify potentially valuable treatments and to devise suitable clinical trials, as well as sharing tools and know-how to develop trials for diagnostic testing of potential vaccines.

Clinical trial data will be shared with other companies and governments worldwide.

They are also working on manufacturing capability to ensure that mass-production can take place once the right vaccines are found.

The development of organisations to support the process of sharing data and know how is an impressive aspect of the world's response to the pandemic. IBM and Rolls Royce are among those involved in Emergent – a new alliance of data analytics experts working together to find

continued...

...stepping up continued

newer, faster ways of supporting businesses as they emerge from the toughest period of the crisis. Membership is entirely voluntary and all the insights will be published widely and at no cost.

SERVICE PROVISION

Of course, above and beyond IP creation and sharing, many companies are simply helping in practical and constructive ways, to support the efforts of our health services and front-line supporters as they do their utmost to provide care and to help to fight the progress of the virus.

BT are providing over 400 NHS bodies with their unique Smart Messaging platform to enable efficient communication with patients and appointment reminders. They are also looking to provide Public Health England with 500 “Street Hubs” with digital screens to display the latest Covid-19 news and guidance for the public benefit, and connecting the new Nightingale Hospitals around the country as quickly and thoroughly as possible. Within 48 hours of receiving the first request it has fitted over 1000 IP phones and high speed connectivity into the London ExCel centre. BT staff are helping to support the unprecedented number of 999 calls and have provided vital humanitarian support in creating bedside video links so sick patients can see and speak with relatives despite being totally isolated.

Airbus have worked on an initiative to re-purpose some jets to fly cargo in the shape of four million face masks and other PPE from China to support NHS needs here in the UK and BAE Systems are also providing air transport to move crucial ventilator parts to where they are needed.

Rolls-Royce is a supporter of airlinkflight.org, a not for profit organisation transporting relief workers and emergency

supplies for non-governmental organisations responding to humanitarian crises around the world.

Reckitt Benckiser and Unilever are both promoting campaigns to support hygiene and support for care workers and the population at large. Reckitt Benckiser have provided 150,000 care packages to NHS workers, and are providing soap and sanitiser products widely. Unilever is also providing large volumes of soap, sanitiser, bleach and food and are adapting production lines to enable mass support for schools and hospitals and is working with local communities on educational projects to promote hand-washing and sanitary awareness. Unilever is also establishing a system to support its suppliers with extra-prompt payments, and

its customers with favourable credit terms, to try to help smaller businesses in this very difficult market.

Procter & Gamble have been helping to tackle the Covid-19 crisis by working to protect health care workers and first responders. The company is producing hand sanitiser, face shields and disinfectant to share with hospitals, health care facilities and relief organisations.

Procter & Gamble is also working with communities and charities around the world to support their efforts to help people through this crisis with donations of product including nappies, shampoo and cleaning products; services; and cash support. The company is partnering to provide additional support with some of the world's leading relief organisations.

AGCO are manufacturing face masks, door handles and beds to support local healthcare services globally.

A fantastic response to this crisis is a fitting way to mark 100 years of creative and supportive innovation.

What all of this reflects is the unprecedented mobilisation of corporate resources and expertise to respond to this unique crisis and to try to help people all over the world to cope and survive. Far from hiding behind commercial or legal barriers, the members of the IP Federation are looking outwards and using their vast resources of innovative skills and experience to help a world in need.

Such a fantastic response to this crisis is a fitting way to mark 100 years of creative and supportive innovation.

IP Federation

IP Federation members are using their vast resources of innovative skills and experience to help the world in need.



Celebrating our 100th birthday...

...by fighting COVID-19 and
improving social mobility.

In 1920, the Spanish flu was raging its final battle against the world. By the end of 1920, it had infected a third of the world's population (an estimated 500 million people) and killed 50 million. Europe was seeing a rise of far-right radicalised political movements. In August 1920 the Nineteenth Amendment became part of the US Constitution giving women the right to vote, although it would be decades later when that right would be afforded to all women. The boom of economies in the 1920s would soon come to an end, with Black Tuesday leading to the Great Depression. Though many people didn't know it when the Paris Peace Conference ended, another world war was just around the corner. At the same time, the world witnessed great leaps in progress in science, technology and the arts. By the end of the 1920s, the world would benefit from Alexander Fleming's discovery of penicillin, the first liquid-fuelled rocket, Gershwin's Rhapsody in Blue and Winnie-the-Pooh. And on 23 April 1920, the IP Federation (previously known as the less catchy Trade Marks Patents and Designs Federation) was established.

Through world wars, unimaginable technological and social progress, protest and political upheaval, the IP Federation has been steadfastly devoted to representing the views of UK industry in IPR policy and practice within the EU, the UK and globally. It has operated on the belief that an efficient and strong IP system will foster innovations and creation for the benefit of society. That IP can solve and promote solutions that solve the world's pressing issues from climate change to a global pandemic.

The IP Federation has been steadfastly devoted to representing the views of industry in IPR policy and practice.

The centenary of the IP Federation has coincided with as challenging a time for the world as that faced by its predecessors in 1920. The IP Federation and its members have been tirelessly navigating the COVID-19 crisis - its impact on the lives and well-being of its members and society and its toll on the economy. If one reads some mainstream press, you might be forgiven in thinking that

IP is the roadblock to finding a vaccine.

But in its 100th year the IP Federation's members have stepped up to share their valuable IP to help combat COVID-19, including tools, data, technical drawings, know-how, scientists and engineers, in order to pool knowledge to accelerate the timeline to find a vaccine. (To read more about this crucial work, turn to IP Owners Step up to the Plate 2020.)

While the IP Federation's and its members' energy has been

almost exclusively focused on the fight against the second pandemic in the organization's life, the Federation also took a brief moment to look at its past. On a recent celebratory birthday call, members of IP Federation (which today include BT, BAE Systems, Dyson, GSK, Pfizer, Ocado, Arm, Microsoft, IBM, Rolls-Royce, Shell, Merck Sharp & Dohme, Ford and Eli Lilly)

work, triumphs and tribulations. As Suzanne Oliver (President of IP Federation) drew parallels between what the IP Federation and its members were facing in 1920 with what they are facing in 2020, she said that the years of turmoil, progress and change have resulted in “the IP Federation being stronger today, than it has ever been.”

The IP Federation has been a leader in shaping laws impacting IP-rich industry in the UK and Europe. Members shared stories of their committed work on advocating for considered and balanced legislation and judicial outcomes on issues including: criminal sanctions on design right infringement, experimental use exceptions and patent infringement, the role of IP infringement and the Hague Convention, the interface of competition law under the Competition Act 1998 and the Patents Act, the passing of the IP Bill, Brexit, their input into the relaunch of the IPEC, references to their work in Hansard, patent harmonization efforts, its Supreme Court intervention in *Actavis v ICOS* and on the proposed supplementary unregistered design.

Sean Dennehey, a current adviser to the IP Federation and former Deputy Chief Executive of the UK IPO, said that when he was in the civil service he was always struck by “the professionalism, passion and collaborative spirit of the IP Federation.” James Horgan, a former President of IP Federation and assistant managing counsel at Merck Sharp & Dohme, commented that the IP Federation is “better value than any commercial organization. Surrounded by very intelligent people, I have always learned something I needed to know.” These sentiments were echoed by John Pollaro. John was heavily involved in the IP Federation as the former VP of Patents EMEA at Procter & Gamble in the late 1990s and early 00s.

Now retired in Florida, John congratulated the IP Federation:

“On reaching a milestone such as this it is natural to wonder how the organization was able to achieve such an accomplishment. In the case of the IP Federation I think the answer is clear. The IP Federation is composed of people who are respected in the profession and have varied experience and expertise. This allows the organization to provide fair and balanced

opinions on IP matters. Often these opinions are the result of serious, intense, and sometimes long debate. But always done with a spirit of collegiality and professionalism. As a result, the IPF has always been a source of clear, practical, and actionable positions on intellectual property issues. The political and professional decision makers value those positions and are guided by them.

It was my pleasure, in conjunction with many others, to work on some of the early positions in respect to the UP and UPC. In doing this work I found I was part of a team that genuinely had the interest of the profession and of IP foremost in their minds. The object was always to do what was best for all stakeholders.

With these thoughts in mind I am confident the Intellectual Property Federation can look forward to continued success in its second 100 years.”

Tony Rollins recounts a particular success story concerning the modernization of the then called Patents County Court:

“Mike Barlow was involved on behalf of the IP Federation from 2004 in a project under Sir Robin Jacob to look at ways of simplifying and making cheaper litigation in the High Court. This led to the setting up or at least the resurrection of the Patents Court User Group which scrutinised changes to the White Book procedures which form the basis of what is used today. By 2009, Mike Barlow and I were the IP Federation representatives on the Patents Courts User Committee, I recall that I was the representative on the PCC and Mike on the Patents Court but at one point they morphed into one body which considered a new set of rules for the PCC in 2009 at around the time of the Jackson Review on civil litigation costs.

The consolidated body was chaired by Lord Kitchin (as he now is). The rules came into force in 2010 at the same time that Mr Justice Birss (as he now is) was appointed to the Patent County Court (PCC).

Mike and I thought it would be a really good idea if the PCC (it became known as IPEC in 2013) were to have rules that were based on the EPLA (or at least in part). As a result of this initiative, special rules of procedure were

continued...

...celebrating continued

adopted that were different from the Patents Court, i.e. a more front loaded, written procedure than the Patents Court with the pleadings identifying all the arguments to be relied on, a short trial (less than two days), a CMC before the Judge that would decide on the need for disclosure (has to be justified), expert evidence (only permitted if needed and limited), cross-examination (has to be justified and limited), the trial date and date of judgement. Some of the rules, or similar variants, were later adopted by the Patent Court. There were also cost caps introduced. Whilst these rules of procedure are not identical to those of the UPC they were going in that direction (there were also a lot of iterations between the 2009 EPLA proposals and the final UPC agreement and rules which caused changes between the two). A selling point that we used with the Users Committee was that the UK would be in a great position if it had a court up and running at the time the EPLA/UPC finally came into operation. UK practitioners could say to clients: “look we know how to operate under this system we have been doing it successfully for years in the PCC/IPEC”.

Mike and I were agreeably surprised that we got buy in from the committee and many of our suggestions were adopted. ”

No matter how challenging the current fights and how impressive the past successes, Suzanne and the current Vice President and next President of IP Federation from July - Scott Roberts - are focused on the future of creating an inclusive and diverse profession. “Social mobility is essential to creating a more inclusive and innovative profession”, Suzanne explained. “Several of our member representatives come from working class backgrounds and had subsidized school meals. It was by chance, and hard work, that we entered this profession and have created successful careers.

It shouldn't be up to chance that talented individuals enter this profession.” Carol Arnold, a celebrated former President of IP Federation, agreed.

Several of IP Federation's members helped to establish and support IP Inclusive in its early days.

“There seems to be easier and more transparent access to opportunities for scientists coming into research departments of IP-rich industries, than for those looking for internships or job opportunities in the professional IP and legal world.

For those opportunities, it is more about who you know which impacts on the ultimate diversity in the profession as a whole.”

“We need to find ways to address this issue to ensure that a greater diversity of candidates come into the profession,” Suzanne continued. Scott agrees: “There must be a democratization of opportunities in the IP field.” It was clear during the celebratory birthday call that IP Federation's members are passionate about tackling these issues. This is no surprise since several of its members helped to establish and support IP Inclusive in its early days and the Federation is a member of its Management board. The IP Federation is currently working on plans to promote social mobility in the profession.

So whilst the IP Federation celebrates their past 100 years, they are looking more to their future, than their past. They

are envisaging what the next 100 years could look like for their industry and their members. They want to create a more diverse and inclusive industry. An industry that continues to advocate for a balanced and strong IP system. An industry that is even stronger and prepared for whatever uncertainties and opportunities lie around the corner.

IP Federation

In its 100th year the IP Federation's members have stepped up to share their valuable IP to help combat COVID-19.



Diversity and Inclusion progress

...and IP Federation activities in 2020.

Opening access to, as well as improving the diversity and inclusion of, the UK's IP profession is of more importance now than ever. It is clear to all that the impacts of the COVID-19 pandemic are far reaching and are likely to impact on practically every area of society for generations to come.

Opening access to, as well as improving the diversity and inclusion of, the UK's IP profession is of more importance now than ever. It is clear to all that the impacts of the COVID-19 pandemic are far reaching and are likely to impact on practically every area of society for generations to come. In the longer term, the economic impact is likely to have a particularly profound effect on social mobility, with the damage caused leading to fewer job opportunities, which will in turn likely fuel greater inequality of opportunity. The disproportionate impact of the disease on the black, Asian and minority ethnic (BAME) community is also well known and actively being discussed.

Even before Covid-19 really hit in March this year, the topic of Diversity and Inclusion (in all its forms) in the IP profession was already top of my mind, as well as for others in the IP Federation. The IP Federation has a great history, turning 100 years old in April 2020, and as an industry association we have a great culture of respect for each other. Several of our Federation members helped to establish and support in its early days IP Inclusive, a pan-professional diversity task force committed to making the IP professions more inclusive for all those who have the necessary aptitude, regardless of their age, gender, race, sexual orientation, religion, physical ability, wealth or background. The Federation is also a member of its management board. Our collective response to Covid-19 shone a light on the care we have for one another, as described in our article "IP owners step up to the plate".

Showing clear leadership on this topic was called into stark action this year, after the unlawful killing of George Floyd at the hands of US law enforcement officers on 25 May 2020 and the resulting riots in the US in May and June 2020. These events resulted in my penning of an open letter on racism and inclusion, where I state: "As the President of an organisation that nurtures and promotes diversity and inclusion, I want to say this: no one should be discriminated against because of the colour of their skin. It is counter to my values and the Federation's values, and there is absolutely no place for it within any professional organisation, or else-where. It should not happen, but let's be honest, it does. It is going to happen today, tomorrow and the day after. Things will only change when we start having honest conversations, when we call it out when we see it, and when we stand up and support each other." Fortunately, that open conversation was immediately able to be had, as in August this year IP Inclusive organised and hosted and roundtable event on BAME matters in the IP profession, the output of which was endorsed by the IP Federation and is summarised on the IP Inclusive website. Unfortunately, however, we still need to be challenging misguided, as well as openly racist, behaviours within the profession, pushing the topic out into the open and supporting each other as we learn.

On top of the more obvious economic impacts of Covid-19, specifically the increasing unemployment rates in the UK, the school closures and classroom restrictions are likely to have a considerable impact on all school pupils, with the largest

impact likely falling on those from the poorest families. Students from disadvantaged backgrounds are already twice as likely to leave formal education without GCSEs in English and maths, compared to their better-off classmates. We already know that time away from school, as happened during the lockdown, only widens this gap. Furthermore, due to the ongoing economic crisis caused by the pandemic, many more families will be facing other challenges which indirectly impact on attainment, such as increased poverty and food insecurity.

Free school meals (FSMs) are often used as a guidance for how wide this gap is and there are currently around 1.3 million (and increasing) children in England alone who are entitled

a series of fortuitous events, I would not have been in a position to access, and then take advantage of, the opportunities I've had. As such, I would not be sitting

Several of IP Federation's members helped to establish and support IP Inclusive in its early days.

to FSMs, with the percentages of children on FSMs being greater in the North and Southwest, when compared to the more affluent south east. I will add that I was one of those pupils who benefited from FSMs and, if it hadn't been for

in my home office writing this article today. I know there are others in the profession who have likewise stories, but we cannot leave it simply to luck and fortune in the future.



continued...

...diversity continued

So, knowing my passion on the topic, when I handed over the IP Federation presidency to Scott Roberts at the end of July, Scott pressed me for action on the topic in my vice-presidency year. He said to me, “Suzanne, I know this year has been difficult what with Covid, Brexit and all the Free Trade Negotiations, but it really is time we actually did something about this [the topic of social mobility]”. So, in August this year, after a period of research, we engaged directly with one of the charities in the social mobility sector, In2ScienceUK, providing them with an agreed 3-year donation plan, with a review every year by the IP Federation council.

Furthermore, knowing that there are several charities already active in trying to narrow the gap between the ‘haves’ and the ‘have nots’ and to lessen the number of “Lost Einsteins”, in September, we jointly hosted a second ‘think tank’ style event with IP Inclusive, on “access to the IP profession and social mobility”. The event was opened by IP Inclusive Lead Executive Office, Andrea Brewster, and me, following which we had an introduction to why the topic is so important to UK government from Tim Moss, Chief Executive of the UK Intellectual Property Office. Following this, we also had a few words from Scott Roberts as to why this topic is also very important to British business, as well as to him personally.

After the opening speeches, the participants were split into various working groups across a multiple of topic sessions. There were a number of “outreach” sessions – looking at how we make what we do more visible and attractive to the many, many people out there who have no idea what we do and worse still, perhaps the wrong view. There were also “access” sessions, looking at barriers to entry and how we remove them, as well as “career development” sessions, looking at career switches and barriers for progression within the profession itself.

A summary of the main outputs follows:

1. Improve the image that we project to people upstream.
2. Reach new people and places, widening the range of educational and training establishments we engage with, including to target students before they make career-limiting choices.
3. Recruit more fairly, using objective and contextualised decision-making to overcome biases that could arise, not only on selection, but also in advertising and outreach.
4. Address financial barriers to entry and progression, finding ways to support less-wealthy recruits through training, re-training and career changes.
5. Explore bold systemic changes to entry requirements, for example new apprenticeship schemes and changes to qualification and assessment regimes.
6. Gather data to help us target our outreach work towards improving social mobility and to monitor our progress.
7. Work together as a sector, and where possible with government agencies, to maximise the effectiveness of these measures.
8. Further involve the outreach charities, to help us reach the right people in the right way.

The final formal report has been published on the IP Inclusive website. So, whilst we have achieved a huge amount this year, despite all circumstances, there is still plenty more to be done, and I welcome the support of Federation members in that task and to walk with me on this journey.

Suzanne Oliver

Immediate Past President

The IP Federation's activities

One of the IP Federation's chief lobbying tools is its policy papers. These are all available on the website at: www.ipfederation.com

The policy papers on the website represent the views of the innovative and influential companies that are members of the Federation. Members are consulted on their views and opinions and encouraged to debate and explore issues of practice and policy. Only after consensus is achieved are external bodies informed of the collective views of industry via the Federation.

The policy papers are also submitted to the relevant third party consultative bodies, e.g. the Standing Advisory Committee before the European Patent Office (SACEPO), and the Patent Practice Working Group (PPWG), at the: European Patent Office (EPO)

European Union Intellectual Property Office (EUIPO)

World Intellectual Property Organization (WIPO)

UK Intellectual Property Office (IPO)

as well as, in appropriate cases:

BusinessEurope

European Commission

Ministers

Judges

POLICY PAPERS 2020

Policy papers submitted in 2020 are as follows:

PP 1/20 The proposed supplementary unregistered design (SUD) - IP Federation policy position regarding the proposed supplementary unregistered design (SUD)

PP 2/20 UK Research and Development Roadmap - IP Federation response to UK government's online survey about research and development closing on 12 August 2020

PP 3/20 Intellectual Property Action Plan – European Commission - IP Federation response to the request for feedback on the European Commission's proposed Intellectual Property Action Plan Feedback closing on 14 August 2020.

PP 4/20 The UK needs to adopt a broader text and data mining (TDM) exception to copyright infringement - IP Federation plea for the UK to adopt a broader text and data mining (TDM) exception to copyright infringement.

PP 5/20 Artificial intelligence and intellectual property – call for views - IP Federation response to UK government's call for views on artificial intelligence and intellectual property closing on 27 November 2020.

IP FEDERATION CENTENARY

The IP Federation was founded on 23 April 1920 as the Trade Marks, Patents and Designs Federation in order to co-ordinate the views of industry and commerce in the United Kingdom, and to make representations to the appropriate authorities on policy and practice in intellectual property matters. Thus Thursday 23 April 2020 was our centenary.

continued...

...our activities continued

We had planned a lavish reception at the Tower of London to commemorate the centenary, but have had to postpone this.

IP Federation President's reception 10 July 2020
Scott Roberts was elected as the new President of the IP Federation at our AGM on 10 July 2020. We were hoping to commemorate the handover by Suzanne Oliver, Immediate Past President, at an IP Federation Centenary President's Reception, but the Covid-19 pandemic meant that the whole event had to be done as an on-line meeting.

THE FEDERATION'S CAMPAIGNS

The IP Federation has invested considerable time and resource in 2020 in support of its aim of improving the intellectual property (IP) framework to meet the needs of innovative industry. Set out below are a number of key successes in which the IP Federation played a leading role.

1. In an extraordinary and challenging year, the IP Federation membership have agilely stepped up to the plate in the fight against the Covid-19 pandemic, by sharing their valuable IP for the greater good.
2. The IP Federation has engaged and continues to engage effectively with senior levels of Government on the potential impact of future free trade agreements on the UK's continued participation in the European Patent Convention (EPC). We have worked closely with the Chartered Institute of Patent Attorneys on this matter, jointly commissioning an impact assessment from Tony Clayton – formerly chief economist of the UK Intellectual Property Office (IPO). This is a substantial, cogent and persuasive piece of research and analysis.
3. The IP Federation specifically advocated for the now adopted provisions in Article 14.38.4 of the UK–Japan Comprehensive Economic Partnership Agreement according to which cooperation to enhance international substantive patent law harmonisation takes place outside the remit of the trade agreement.
4. The IP Federation has continued to have constructive discussions on various IP issues following the UK's departure from the EU. Strong and effective relationships have been reinforced with the DIT, BEIS and IPO, and other key stakeholders. Topics have included trade policy, exhaustion of rights, UPC and SPCs.
5. The IP Federation is proud to play a leading role in helping to create a more diverse and inclusive industry, and continues to be a member of the IP Inclusive Management Board. The IP Federation strongly supported the IP Inclusive round table on 29 July 2020 on BAME representation in IP. On 23 September 2020, we co-hosted a virtual “think tank” meeting with IP Inclusive, looking at ways to improve access to careers in the IP sector for people from less privileged backgrounds.
6. The IP Federation has directly contributed to the work of the Industry Trilateral in formulating a harmonisation proposal across key issues in patent harmonisation including: the definition of prior art; conflicting applications; grace period; prior user rights and defence of intervening user; and mandatory 18-month publication.
7. The IP Federation has consistently supported a Unified Patent Court (UPC) established by an agreement of which the UK was a member. We have also made clear that in our view the system is significantly devalued with the UK not participating. Whilst it appears there are prospects for the UPC to come into force despite the UK's withdrawal, there are many open questions which bear on whether, when, and in what form that might happen. The IP Federation would like to see these resolved in the near future. In view of the degree of uncertainty presently surrounding the project, the IP Federation is awaiting further developments with interest and looks forward to commenting in more detail when the final form of the project is clear.

8. Through continued positive UK industry engagement, we are confident that IP rights for business will be effectively protected after the end of the transition period.
9. The IP Federation has made a strong contribution to meetings of BusinessEurope's Patents Working Group on behalf of the CBI, with whom we have a close working relationship.

See also the Activities tab on the IP Federation website (under "Our Work") for the latest news.

BENEFITS OF BEING IN THE IP FEDERATION

As set out on the IP Federation's website, membership benefits include:

Authoritative representation at national and international level.

Access to legislators and officials.

A non-sectoral forum to exchange ideas and opinions on key intellectual property issues as they relate to IP.

Excellent networking and learning opportunities for new and established IP attorneys.

Advance notice of forthcoming legislative proposals and practice changes.

Monitoring service for all consultations, both at national and at EU Commission level.

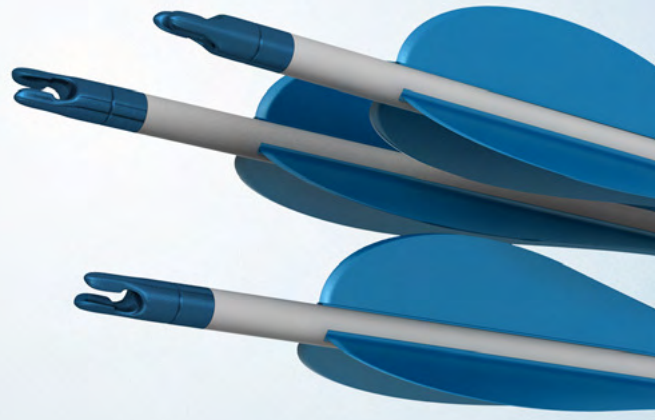
Regular alerting service, newsletters and policy papers.

SOCIAL NETWORKING

As well as having its own website, the Federation has web presence through social networking sites, with a page on Facebook, a profile on LinkedIn and a Twitter account – @ipfederation. Over the last year, we have once again increased the number of people who follow us on Twitter and now have 970 followers, including some notable figures in the IP world. This is the easiest way to be notified of any new policy papers and other news items on our website.

David England,
IP Federation Secretary





IP Federation Objectives 2020

MISSION

The IP Federation aims to improve the IP framework to meet the needs of innovative industry by representing, nationally and internationally, the views of UK-based businesses.

Its membership of influential IP-intensive companies has wide experience of how IP works in practice to support the growth of technology-driven industry and generate economic benefit. As a cross-sectoral industry organisation covering all technologies, the IP Federation is able to offer a viewpoint which is authoritative and balanced.

OBJECTIVES

1. To drive the best possible outcome for UK IP-rich businesses by:
 - a. ensuring that industry's views on IP are understood by the UK government and other actors, including the UK's Chief Trade Negotiation Advisor, and taken into account during the negotiation of free trade agreements (FTAs);*
 - b. engaging with government ministers and senior officials, in particular the IP Minister working alongside officials, especially the IPO, in their efforts to secure IP positions which support industry; and*
 - c. reviewing new or proposed trade agreements to promote a beneficial impact on the global IP framework.*
2. To promote diversity, inclusion and social mobility in the field of IP by:
 - a. supporting the IP Inclusive Initiative;*
 - b. promoting the adoption of diversity and inclusion (D&I) policies in all member organisations; and*
 - c. directly supporting a social mobility charity.*
3. To drive improvement of the global patent system by active participation in substantive patent law harmonisation work in the UK and in IP5, by:
 - a. continuing to provide a policy advisor to support the work of the IP5 B+ and associated working groups.*



The IP Federation aims to improve the IP framework to meet the needs of innovative industry by representing nationally and internationally, the views of UK-based businesses.

4. To build and maintain influential relationships with key organisations by:
 - a. attending the regular “Four Presidents” meetings and extending an invitation to the IPO CEO and senior colleagues to attend Council meetings annually;*
 - b. making persuasive representations in the Patent Practice Working Group (PPWG) and the Marks and Designs Forum (MDF), and at topic-specific IPO meetings such as on substantive patent law harmonisation (SPLH);*
 - c. engaging directly with the EPO President and the President of the EPO Boards of Appeal as well enhancing existing relationships with other EPO staff and through the Standing Advisory Council of the European Patent Office (SACEPO); and*
 - d. working towards agreeing and implementing a strategy for engaging with European Union (EU) bodies, representatives of the EU Commission and EU Parliament*
5. To shape IP policy, law and practice which support innovative industry by pro-viding persuasive and timely briefings and submissions which are authoritative and of a high quality.
6. To enhance synergies with other IP stakeholders by:
 - a. holding regular consultation/ alignment meetings with the Confederation of British Industry (CBI), and representing CBI at BusinessEurope IP working groups; and*
 - b. continuing close engagement with CIPA, CITMA and other allies as appropriate.*
7. To broaden the breadth and influence of the IP Federation by promoting membership of the Federation and its committees.
8. The Governance Committee to:
 - a. submit an annual report to the Council;*
 - b. prepare succession plans for President, Vice President and Governance Committee members;*
 - c. write internal policies to be agreed by the Council as required; and*
 - d. ensure the Articles of Association are compatible with the evolving needs of the IP Federation including the need to meet, collaborate and make decisions remotely.*

Substantive Patent Law Harmonisation

In September 2020, the Industry Trilateral (IT3) submitted a paper entitled “Policy and Elements for a Possible Substantive Patent Harmonization Package” to the secretariat of the B+ group of WIPO nations (which was established to promote and facilitate progress on substantive patent law harmonisation (SPLH)).

This paper marks the culmination of over six years of work by the IT3 to achieve agreement on the scope of four key elements of SPLH and paves the road for next steps and initiatives to be taken by governmental representatives sharing the same desire for progress and adaptation of the patent system.

HISTORY

The Industry Trilateral (IT3) was formed in 2003 as a basis for industry stake holders in the jurisdiction of the Trilateral Patent Offices (EPO, JPO, and USPTO) to jointly engage the Offices in a discussion of substantive and procedural issues involving intellectual property (IP). The IT3 includes the American Intellectual Property Law Association, the Intellectual Property Owners Association (a US organisation), BusinessEurope, and the Japan Intellectual Property Association. IP Federation/TMPDF representatives have been part of the Business-Europe delegation since the formation of the IT3.

The advantages of SPLH for users of the patent system include potential cost reductions and a greater degree of certainty that patent offices around the world will provide equivalent protection for an invention when confronted with the corresponding claims and prior art. There has also been increasing pressure over the years, particularly from bilateral trade negotiations, concerning the introduction of one particular aspect of SPLH: a grace period.

The IT3 has integrated both the experience acquired from the existing diverse patent systems

and the many dynamic changes coming up, as well as safeguards for legal certainty for an adequate balance between the interests of inventors and third parties in its proposal. The desired result of the IT3 work would be an agreement on a package that fairly balances the interests of all concerned entities, including large companies and SMEs, individual inventors and universities, in a patent system that fosters global innovation.

The paper marks the culmination of over six years of work by IT3.

The IT3 recognised that patent laws will have to change in every jurisdiction, to some extent, in order to achieve a globally harmonised package. Such a big transformation can take place only if it is implemented simultaneously globally; a multilateral agreement should be concluded. Bilateral trade agreements that only consider one or two aspects of the SPLH package will not provide an adequate balance, especially regarding safeguards to third parties, and are likely to leave major issues unresolved. A multilateral agreement that includes the four topics of grace period, so-called conflicting applications, prior user rights and 18 month publication of patent applications, and a definition of prior art is the best way forward and should be concluded rather than negotiating more bilateral agreements that will complicate true patent law harmonisation. The IP Federation strongly supports this multilateral approach.

THE IT3 PROPOSAL

A summary of the major points contained in the IT3 submission is provided below. It is very detailed, but that reflects the degree of effort, care and precision which the IT3 members have invested in its development over a considerable period of time.

1. Definition of prior art

A fundamental principle for a disclosure to be considered as prior art in a first-to-file system is that the disclosure must be public, thereby making it available on an unrestricted basis. In this view, the prior art with respect to a claimed invention shall consist of all information which has been made available to the public anywhere in the world in any form, before the earlier of the filing or priority date of the claimed invention. There shall be no limitation on the criterion for a disclosure being prior art based on the medium, language or geographical location of the disclosure.

2. Conflicting applications

With a first-to-file policy, an earlier filed application may serve as a basis for the rejection of a later filed application. Where the earlier filed application is not published before the filing date of the later filed application, however, the earlier filed application does not strictly meet the standard definition of “prior art” against a later filed application. Where the claimed invention in the earlier and later applications is identical, the claims may be rejected for “double patenting”. However, where there are incremental differences, a concept of minimal distance could be adopted:

For a claimed invention in a later application to be patentable, the distance between the claimed invention of the later application and the unpublished prior third-party application must be more than common general knowledge in the technical field.

Claims in a later application that are of a broader or narrower scope than what is supported by the disclosure of an earlier application of the same applicant that was not published at the filing date of the later application cannot be held unpatentable on the grounds of either novelty determinations or obviousness over the earlier application.

This is more pro-innovation than the current law in Europe in that it makes it easier to protect incremental inventions during the short period of time ending with publication of the first patent application and encourages filing over publication.

No two patents shall be issued with claims that are of identical scope.

PCT applications should be treated as prior art in all offices for which there is an active designation at the time of publication of the PCT application as of the earlier of the PCT filing date or priority date.

3. Grace period

A grace period would be acceptable to global industry only if it includes incentives for the norm to be “first to file”, and if it provides that rights of the public and investments by independent users of a published invention are safeguarded. The interests of users who derive knowledge of the invention from a pre-filing-disclosure (PFD) are balanced with the interests of the patent applicants, who are required to file a statement about the intent to claim a grace period for a PFD as early as possible, in the interest of legal certainty for third parties.

Disclosures of an invention that are substantially just a re-disclosure of the original publication should be graced in the same way as the original PFD.

To shorten the uncertainty period between publication of an invention and the publication of a patent application filed later, the 18-month period for publication of the patent application should start from the earliest public disclosure of the invention for which a statement has been filed. The statement should be published along with publication of the patent application and shall identify the PFD(s) to be graced, as well as indicate what each PFD was, when and where it occurred, and where the PFD can be accessed if available.

There shall be appropriate incentives to file such statement or a penalty if a statement is not filed. At present there is agreement that a statement may be filed after the publication and up to grant provided the failure to file the statement on time was unintentional.

continued...

...Patent law continued

There is no agreement on whether a statement can be filed after grant.

There is no agreement as to whether the duration of the grace period should be 12 months or 6-months.

4. Safeguards for third parties

Proper safeguards should be ensured to protect the interests of third parties. To this end, (i) prior user rights (PURs) and (ii) defence of intervening users (DIUs, a new concept with effects similar to PURs, but for activities conducted after the priority year) should be available as defences in any infringement lawsuit provided that certain conditions are met.

The IP Federation strongly supports this multilateral approach.

Users of an invention derived in good faith should benefit from a prior user right where they can prove that they started and continued using the invention or made the necessary preparatory steps before the priority date of the patent application. The IT3 recognises that PURs should be governed by objective criteria being part of the treaty, to avoid that application of this concept is driven by case-law.

Another important element is the adoption of the so-called defence of intervening user (DIU). DIU shall provide a defence for third parties who, knowing about a third party patent or patent application, upon first consideration of the prior art status of a PFD, reasonably relied on such PFD because it was not identified in a filed statement or no statement was filed. The period expires when a statement is eventually filed, up to grant of the patent.

It is hoped that the IT3 paper: “Policy and Elements for a Possible Substantive Patent Harmonization Package” can be published by the end of the year.

Tony Rollins
Policy Advisor





The Unified Patent Court

2020 has been another turbulent year for the long-troubled European unitary patent and associated Unified Patent Court (UPC), yet progress appears to be being made.

In January 2020, the European Patent Office stated that it was ready to register unitary patents. The UPC Preparatory Committee was preparing for the UPC to open with final preparations (such as the recruitment of judges) dependent on certain provisions of the UPC Agreement (UPCA) coming into force early to provide the “provisional application phase” (PAP). All this in the context of a pending complaint to the German Federal Constitutional Court.

It wasn't until March when the German Federal Constitutional Court ruled that the German legislation to enable Germany to ratify the UPCA was void because an insufficient number of members of parliament was present when it was voted upon. More fundamental constitutional objections were either rejected or not ruled upon, leaving the way open for the German legislature to try again.

The thorny question of whether non-EU countries such as the UK or Switzerland could participate in the UPC system was kicked into the tall grass in July when the UK confirmed that it would not be participating in the unitary patent and UPC system and withdrew its ratification of the UPCA.

Amidst all this turbulence, representatives of Germany and the other participating states agreed in September to progress plans for the UPC to come into effect in 2021 – potentially even early in the year – with a following wind. With this ambition, we saw a new draft bill of legislation to enable Germany to ratify the UPCA progressing through the German parliament. The Bundestag (lower chamber)

approved the ratification bill by the required two-thirds majority in late November, and it now goes to the upper Bundesrat chamber for approval, before being signed by the German President. The legislation may be passed by the end of 2020, or at least before the current legislative period ends in the second half of 2021.

Yet this is only part of the story. Questions still remain following the withdrawal of the UK's ratification, not least because the UPCA explicitly places a section of the central division in London and this has not been amended. The new German bill includes some explanatory notes in relation to the UPCA expressing the German government's view that the UK's departure from the UPC was unforeseeable when the UPCA was signed, and that this departure should not prevent the UPCA coming into force for the remaining parties. The German position is that there should be no need to amend the UPCA, arguing that the UPCA could be interpreted such that the central division would comprise Paris (the seat) and Munich (a section), without London. This reliance on interpretation of the Agreement rather than an amendment is somewhat unorthodox, although perhaps understandable when an amendment would involve further negotiations and a potential opening of Pandora's box. It is understood that the Italian government has announced its intention to present Milan as a candidate to replace London, and there are indications that the Netherlands, and possibly other countries such as Denmark and Ireland, may also be candidates. Perhaps Pandora's box is ajar in any event.

The next few months are clearly a critical period for the UPC system... fasten your seatbelts.



For the UPC to open, not only must Germany's legislation come into force but two more countries must consent to the commencement of the PAP. A few countries, including Austria and Malta, are likely to be able to consent to the PAP at relatively short notice if they choose to do so. And so it appears that the only likely obstacle to the UPC system finally becoming a reality is another constitutional complaint in the German Federal Constitutional Court which could still prevent the German President signing the bill. There have been indications by the Foundation for a Free Information Infrastructure that a second complaint is likely, and it is notable that, in its decision on the first complaint, the Constitutional Court did not rule on the other constitutional grounds that had been raised. Of those, the ground which seems

most likely to receive further consideration is whether the UPCA provisions which establish the primacy of EU law in the patent context are consistent with the German constitution. It is, however, not clear whether, even if a further complaint were filed, the Constitutional Court would ask the President to refrain from ratifying as it did before.

In any event, the next few months are clearly a critical period for the UPC system and we are all advised to fasten our seatbelts.

Myles Jelf
Bristows LLP

Scott Roberts
IP Federation President

Working with the EPO in 2020

The pandemic has not undermined the continued engagement between the IP Federation and the European Patent Office (EPO) this year.

Indeed, the frequency of meetings and the depth of dialogue has only increased as colleagues collaborate at short notice with ease through video conferencing and email.

For an organisation dependent on collaboration with its user community and hosting routine oral hearings on its premises, the disruption to travel this year has required a swift and flexible response by the EPO. We have been involved in guiding that approach from the very start including video conference calls with the EPO president, António Campinos, and his senior leadership team on a regular basis. Coupled with our participation in EPO Standing Advisory Committee meetings on EPC Rules and EPO Guidelines, our contributions have been regular, consistent and constructive.

The EPO was quick to respond to the pandemic across its operations. EPO staff worked flexibly from home while the Office introduced provisions to assist applicants and parties in proceedings through time extensions and fee deadlines, as well as flexibility on hearings, such as offering video conferences or postponements. The use of video conferencing in first instance examination oral proceedings became “by default” during the year, with an ongoing trial in respect of inter partes opposition proceedings. Experience has been largely positive and the EPO is advocating a permanent transition of the mode of oral proceedings along these lines. This is an area that the IP Federation continues to contribute to.

Similarly, at the EPO Boards of Appeal procedures are adapting to accommodate video conference proceedings. The Board of Appeal consultation on an amendment to its Rules of Procedure to more explicitly provide for video conferencing is underway at the time of writing and the IP

Federation is involved in our own response as well as inputting to the responses of others.

An early decision was made to cancel the European Qualifying Examination in early 2020 and an electronic variant is planned for 2021. Cancelling professional examinations for which candidates spend a number of years preparing was clearly not an easy decision and the early commitment to a 2021 series is very much welcomed.

The EPO was quick to respond to the pandemic across its operations.

The Enlarged Board of Appeal issued its decision in G 3/19 concerning the relationship between the Implementing Regulations and Articles of the EPC. This case dealt specifically with the relationship between Rule 28(2) EPC and Article 53(b) EPC in respect of the patentability of plants or animals exclusively obtained by means of an essentially biological process. The decision confirmed the applicability of new Rule 28(2) EPC which is to be interpreted as excluding from patentability products obtained by essentially biological processes.

The Enlarged Board also held oral proceedings in case G1/19 relating to the patentability of computer simulations. The oral proceedings were, for the first time, streamed live for public viewing – an arrangement that worked extremely well and truly enhances public access to the judicial decisions of the Enlarged Board.

Convergence of practice between national patent offices is part of the EPO’s ambitions under its Strategic Plan 2023. The EPO launched discussions on a convergence of practice at the end of 2019 with the set-up of two Working



European Patent Office, Munich

Convergence of practice between national patent offices is part of the EPO's ambitions under its Strategic Plan.

Groups dedicated respectively to “examination of unity of invention” (WG1) and “designation of inventor” (WG2), both aiming at establishing recommendations on common practices in these two areas to be submitted to the EPO Committee on Patent Law and the Administrative Council. At the end of July, a Status Report with the status of works on the convergence of practice was sent to the Committee on Patent Law for information.

Considerable progress has been made and future topics for new working groups in 2021 include re-establishment of rights and the accordance of a priority date. The IP Federation, through its work with BusinessEurope, continues to contribute to these initiatives.

Scott Roberts
President IP Federation

SPC developments in the last year

In the wake of the major changes instituted by the EU creating export and stockpiling waivers during supplementary protection certificate (SPC) term, it was not surprising that Her Majesty's Government generated UK rules to implement this new legislation during the course of the year.

In line with the UK's Brexit amendments to SPC law, to retain basing term calculation on the first marketing authorisation (MA) to issue in the UK or EU/EEA, the EU states were not defined as third countries to which export is permitted under the waiver legislation. At the time of writing no national patent office seems to have received any notification under the waiver. It will be interesting to see if UK generic industry finds the waiver attractive once it comes fully into operation in 2022.

Further changes followed at the end of the year to adapt the SPC application process to the different medicines regulatory schemes that will operate in Great Britain and Northern Ireland from 2021. Applicants will need to file within six months of the later of patent grant and the first MA to issue, be that an authorisation from the European Medicines Agency that covers Northern Ireland, or an MA from the Medicines Health Regulatory Authority that covers Great Britain. When the second of those MAs issues, applicants then have a six-month period to communicate that to the UK Intellectual Property Office (UK IPO) so the territorial applicability of the SPC can be expanded. Monitoring MA grants from the Medicines and Healthcare products Regulatory Agency will be important for applicants under the new regime.

Those legal niceties show the complexities of adapting the UK's SPC legislation with Brexit. IP Federation members (often via other trade associations or individually) were very much involved in providing technical input to the UK IPO and other government departments

to ensure the changes reflected both IP policy and worked effectively in practice. Maintaining a robust SPC regime is important to the UK life sciences industry which is a significant industrial sector domestically and is one that the Government is keen to grow with its research agenda. Ensuring similar protections are written into free trade agreements with other countries would be a success for UK industry.

Maintaining a robust SPC regime is important to the UK life sciences industry, one sector the Government is keen to grow.

This has also been the last year during which the UK courts can make references for interpretation to the Court of Justice of the European Union (CJEU). No case remains pending from the UK in this area. There were, though, two major decisions from the CJEU that helped clarify aspects of the Regulation.

In Royalty Pharma Collection Trust C-650/17, the court reiterated the rules on the interpretation of Article 3(a) of the Regulation, defining what it means for a product to be protected by a basic patent. The court seemed surprised to have received another reference on this issue thinking it had provided the final answer in *Teva v Gilead* C-121/17. It seems that if the claims of a patent expressly name the product that should be an end to the matter. If they do not the patent should be analysed to understand whether the skilled person, in the light of the patent and

general knowledge, considers the product to be specifically identifiable. However, that will not be the case where the product was developed after patent filing through an independent inventive step.

CJEU references are, of course, the product of keen legal minds paid to tease away what the law means for rights that are valued sometimes in the billions of pounds. It will be no surprise if cases continue to arise under this article, at least before national courts, turning on what information is part of the ‘general knowledge’ of the skilled person. In neither case did the CJEU explicitly confine this knowledge to the ‘common general knowledge’, and there are some indications that the whole prior art was what was meant. It will be interesting to see how this plays out.

A second issue, which is more likely to be referred, is what is meant by an independent inventive step. Does this occur whenever a new patent is obtained covering the product? Or does it only happen when there is a further patent by an unconnected proprietor? Was this judgment intended as a back-door route to try to stifle third party SPC applications? There is no consensus on what this test means.

The second case was rather simpler. In Santen C-673/18, the ruling of Neurim C 130/11 was reversed. Under Article 3(d) of the Regulation, when considering which was the first marketing authorisation for a product, no account is taken of any use limitations, be they of subject, as in Neurim where there was a change from sheep to humans, nor of indication, that a new disease is treated does not give standing for a new SPC.

It is interesting to see the CJEU reverse itself, which may suggest that where the CJEU finds their earlier cases have tied a Gordian knot they will follow Alexander’s example and start again with a more consistent ruling. That said, the ruling itself is disappointing to innovative industry. Repurposing old medicines is often held up as a way in which new treatments can be brought rapidly to patients.

This judgment closes down an avenue of protection by which such treatments could have been incentivised. One cannot help but feel an opportunity to adapt the law to medical advances was lost.

IP Federation members will continue to provide input.

With the subsequent withdrawal of the Novartis reference (C-354/19), we head to the end of the year with no references pending at the CJEU. 2021 may therefore be a quieter year on the SPC front.

On 25 November 2020, the EU released its IP action plan. In regard to SPCs it pleasingly considered that the system generally works well. The main issue of concern raised was the fragmented nature of obtaining SPCs through national offices. SPC owners would welcome a more coordinated way of obtaining SPCs through a single virtual granting office, perhaps attached to the EPO. Such an office might carry out the preliminary stages of examining an SPC and then send to national patent offices to grant or refuse, or grant centrally. In the latter case appeals could lie to the court where the applicant is domiciled or, if they are not located in the EU, to the court where the marketing authorisation holder is domiciled. It will be interesting to see how legislation for such an office is developed, and IP Federation members will continue to provide input so that a system useful for all interested parties results.

James Horgan

International Trade and Intellectual Property

The UK's departure from the European Union provides the opportunity for the negotiation of new international free trade agreements with trade partners around the world.

In July 2018 the UK Government Department for International Trade (DIT) launched four separate 14-week public consultations on trade negotiations with the US, Australia, and New Zealand, and on potential accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The IP Federation responded to those consultations in October 2018 – IP Federation policy paper PP 6/18.

With the subsequent withdrawal of the UK from the European Union (EU) on 31 January 2020, the UK's focus on securing exciting new trading deals with many nations and regions, including the US, Canada, Japan, the EU, Australia, New Zealand and the CPTPP, has intensified.

STAKEHOLDER ENGAGEMENT IN IP AND TRADE

The IP Federation has invested considerable effort in engaging positively with the UK Government and other stakeholders on the IP aspects of international free trade agreement negotiations. The IP Federation has established a Trade Working Group to drive activity in this area and to concentrate expertise in support of its objectives. In particular, the IP Federation advocates for the best suite of trade deals on IP for UK plc.

UPDATE ON FREE TRADE NEGOTIATIONS

At the time of writing, the UK is currently undertaking negotiations at pace in parallel with the US, EU, Australia and New Zealand, and others, having recently signed an agreement with Japan. Just as it is important to look at the opportunities afforded by each of these individually, it is important not to look at each

of these in isolation. This is because different states will have different domestic laws and priorities that may give rise to conflicting demands faced by the UK in different negotiations.

Five rounds of negotiations took place between the UK and US before the US presidential election, and we can only speculate on the implications of the outcome of the election for any trade deal. In parallel, the outcome of EU–UK trade negotiations remains open. The IP chapter of the UK–Japan agreement builds on the EU–Japan Economic Partnership Agreement, and it seems likely that no domestic IP legislative changes will be needed as a result (which is welcomed by the IP Federation). The UK–Japan trade deal may be a positive step to the UK joining the CPTPP. Good progress is also being made in negotiations with Australia with a second round (including 40 negotiating sessions) recently concluded, while negotiations with New Zealand commenced with a first round in July 2020.

INTELLECTUAL PROPERTY (IP) TRADE ISSUES

IP provisions are almost universal in trade agreements. Setting agreed standards for IP rights directly reduces trade barriers and boosts competitiveness and prosperity.

Strengths of the UK's existing IP infrastructure are widely recognised. Optimising the IP ecosystem in its trade agreements is therefore vital for the UK if its businesses are to continue to attract investment, generate and exploit new ideas, and compete successfully.

Creating opportunity for negotiation of new agreements

In the context of the current trade negotiations, the IP Federation has already identified a raft of IP trade issues covering a wide range of areas. The IP Federation's position is constantly under review by its membership in respect of IP trade issues, and the IP Federation has already made substantial contributions on questions of policy, as set out below.

The UK is one of the most innovative and creative nations in the world.

The IP Federation, working closely with the Chartered Institute of Patent Attorneys (CIPA), jointly commissioned a report from Mr Tony Clayton, formerly Chief Economist of the UK Intellectual Property Office, on the European Patent Convention (EPC) and its impact on the UK economy and innovation. This is a substantial and cogent piece of research and analysis which supports strongly the Government's negotiating objective that trade deals must remain consistent with the UK's existing international treaty obligations, including its continued participation in the EPC.

The IP Federation is confident that mutually beneficial outcomes can be achieved from trade agreements with different trading partners without relinquishing critical aspects of the UK's existing and highly rated IP framework, including its existing treaty obligations. In particular, no measures in the free trade agreement negotiations should be contemplated unless manifestly EPC-compliant.

Some IP legal provisions work best when applied globally. These include grace period for patents and patent term adjustment for patent office delays. The IP Federation believes these topics are best addressed not in bilateral or even plurilateral trade agreements but in multilateral fora such as WIPO or the Group known as B+. We therefore endorse the approach taken in the UK–Japan agreement (at Art. 14.38.4) which reflects this position.

The IP Federation recognises that the negotiation of new trade agreements presents opportunities to seek alignment of IP standards of trading partners that meet, as a minimum,

those of the UK. Securing agreement of trading partners to introduce standards of IP at least as high as those of the UK will improve access to markets for/exports by UK innovators. For example, the IP Federation seeks a strengthening of provisions relating to legal privilege for IP practitioners in the UK and the recognition of these rights in the US.

Further, the IP Federation believes that parties should harmonise to the highest standards between them on regulatory data protection.

The IP Federation also continues to urge the UK Government to understand precisely any commitments to introducing criminal penalties outside trademark counterfeiting, registered design piracy, and copyright piracy, and remains strongly opposed to criminal sanctions in the designs area.

WHAT NEXT?

To optimise the outcome of trade negotiations, the IP Federation remains actively engaged and positively committed in support of the Government's objectives in this key area. The profound global challenges posed by the Covid-19 pandemic make successful outcomes from trade negotiations even more important.

Dr Bobby Mukherjee

Chair of the IP Federation Trade Working Group



Address for Service after the Brexit Implementation Period

An important topic coming out of the impending end of the Brexit implementation period (also known as the transition period) is addresses for service for IP rights.



As many but not all readers will be aware, an address for service is the contact and address to which legal notices under the rights should be sent. As things stand, a UK address for service is permitted for EU rights and any address in the European Economic Area (“EEA”) is permitted as the address for service for UK rights. It has been clear for some time that UK addresses for service will not be allowed for European Union trade marks after the end of the implementation period but, as things stand, EEA addresses will be allowed for UK trade marks.

Clearly, there is a disparity in these approaches. In July the UK Intellectual Property Office (UK IPO) launched a consultation on proposed changes to the address for service rules in the UK to remove the reference to the EEA, meaning that only UK or Channel Island addresses for service would be accepted for UK registered rights. This would apply to new applications for patents, trade marks and designs and also to requests for hearings. It would also apply to requests to start potentially contentious proceedings.

It would not apply to actions which are lodged with the UKIPO before the end of the implementation period.

Recognising that businesses use and pay for the systems under which rights are registered, the IP Federation concluded that it is unreasonable for a rights owner in the UK to be required to appoint a UK address for service. Many businesses including IP Federation members have non-UK, EEA-based representatives and would like to have the option of them continuing to be the address for service on UK records. The localised provisions proposed by the UK Government do not benefit UK businesses which operate across Europe. Rather, they increase overheads for these businesses.

The IP Federation responded to the UK IPO’s consultation expressing its position and pressed for an impact assessment to be undertaken before the changes are made.

Thomas Hannah
Trade Mark Committee Chair

*EEA addresses will not be
allowed for UK trade marks.*



Artificial Intelligence and Intellectual Property

Some may think that artificial intelligence (AI) has featured more in Hollywood than in our daily lives. The reality is, of course, very different.



Machines are amplifying human ingenuity in a way that was never previously possible.

The depiction of artificial intelligence in films is, all too often, the super intelligent robot that can outperform us mortals at just about everything. Terminator™ style machines that threaten to take over the world, before someone is able to pull the plug.

The reality of artificial intelligence is, of course, very different. It's not Arnie; it's actually a set of technologies which can complement the capabilities of humans. The things that humans can do, and the things that artificial intelligence is suited to, are typically very different and very complementary.

Artificial intelligence is becoming more and more pervasive, touching every aspect of our day. It is carefully filing away your junk emails, it is improving your search engine, it is getting you to where you need to be, on time, while

playing the music you want to hear.

But this is just a fraction of how artificial intelligence is transforming our lives. Aside from managing your daily routine, artificial intelligence is unlocking solutions in healthcare, agriculture, the environment and manufacturing. AI is playing a major role in drug discovery and symptom diagnosis and is a potential path to compressing the timeline to finding a vaccine to the virus that has threatened to engulf the world this year. Machines are amplifying human ingenuity in a way that was never previously possible.

But artificial intelligence is not new. The goal of producing intelligent machines has been one of the aspirations in the field of computer science for over seventy years, since Alan Turing dreamt of "machines that could think". However, it wasn't until the 1980s that artificial neural networks

went mainstream, leading more recently to deep neural networks that can handle tasks that can be described as intelligent, like speech and image recognition. But neural networks are quite different to the brain. One difference is the amount of data needed. For example, it takes thousands and thousands of images to teach a machine to recognise a cat. A human brain would only need one or two examples.

Artificial intelligence is becoming more and more pervasive, touching every aspect of our day.

The confluence of three components – big data, massive computing power and sophisticated algorithms – have driven this new revolution in artificial intelligence. In the industrial revolution, machines amplified the strength of our bodies; in this AI revolution, artificial intelligence will amplify the power of our minds. It is this close association of technology and human intellect, with language that personifies machines, that is now raising questions as to whether artificial intelligence requires us to change the intellectual property framework.

This issue is being explored by a number of patent offices worldwide. The European Patent Office hosted its first conference on patenting artificial intelligence in 2018, and has followed this with stakeholder events and studies. The following year the United States Patent and Trademark Office (USPTO) held an AI IP policy conference, covering patents, trade secrets, copyright and trademarks, which was followed by a consultation later in the year. 2019 also saw the World Intellectual Property Organization (WIPO) begin a series of conversations on AI and IP along with a consultation on an issues paper, the revised version of which was published in May 2020. Most recently the UK Intellectual Property Office launched a call for views on AI and IP. The patent offices are also conducting comparative studies which could lead to greater harmonisation. It was good to see that at the start of 2020, representatives from the world's five largest patent offices (known as the "IP5") and WIPO formed a task force to address newly emerging technologies and artificial intelligence.

Among the questions being asked are, whether artificial intelligence can "invent" or "create" – can technology be said to have contributed any inventive or creative input? If so, what are the implications for ownership, infringement and the assessment of inventive step? Who should own the output of a system involving artificial intelligence when the system has been developed and trained by one person and used by another? As demonstrated by the report on "Public Views on Artificial Intelligence and Intellectual Property Policy" recently published by the USPTO, these questions are typically being answered by respondents to consultations in the context of the current state of artificial intelligence that is adapted for a particular task, such as image recognition or translation. Artificial general intelligence, which can be applied to any task is, for now, a hypothetical solution.

Any changes to the intellectual property system that inadvertently extend protection to the

The IP Federation will continue to play an active part in a complex and important debate.

underlying algorithms or impede the use of data which has fuelled the growth in AI, could adversely impact innovation in this area. For patents, there already exists an established framework for assessing the patentability of computer implemented inventions which is applicable to computer systems implementing artificial intelligence. Ultimately, questions relating to intellectual property protection are best answered by understanding what incentives are needed to drive innovation for the benefit of the economy and society generally. These aims can be achieved by having a balanced intellectual property system where ownership rights are weighed against rights to use. Analysis should be evidence-led and firmly rooted in science, not science fiction. The IP Federation will continue to play an active part in what will surely be a complex and hugely important debate.

Sonia Cooper

Vice-President; Data and Copyright Committee Chair

Balancing the Unregistered

Legal developments
in design law.

Legal developments in the design arena during 2020 have been predominantly related to unregistered rights.

The IP Federation has been active in considering these developments and in advocating a fair balance between protecting the rights of a design owner with legal certainty for third parties. The year began with publication by the UK Intellectual Property Office of guidance on changes in design law that will come into effect, following the UK's departure from the EU, at the end of the transition period on 1 January 2021. This guidance confirmed the intention to create both a Continuing Unregistered Design (CUD) and a supplementary Registered Design (SUD). The CUD provides continuation of protection in the UK of existing unregistered Community designs (UCD). The SUD provides a new right that mirrors the UCD but which is limited to the UK, both in terms of territory of protection and location of disclosures giving rise to the right.

The IP Federation welcomed the measures set out in the guidance but advocated for improved certainty.

The IP Federation welcomed the measures set out in the guidance but advocated both for improved certainty, by ensuring that the SUD mirrors the UCD exactly, and for agreement between the UK and the EU to ensure that disclosures in either territory will attract both SUD and UCD protection. Unfortunately, it has recently been announced that reciprocal recognition of disclosures will not form part of the trade agreement with the EU. Without such provisions, businesses are left with a choice of whether to first disclose a design in the EU and forfeit protection in the UK or vice versa. It is possible that simultaneous disclosure

in both territories (e.g. through an internet publication) could attract both rights, but this has not been tested in either the EU or the UK, and furthermore adds cost and complexity to the operations of creative businesses trading across both territories. The prospect of clarifying the situation for UCD was briefly on the cards following reference of questions to the Court of Justice of the European Union (CJEU) by the Intellectual Property Enterprise Court in the Beverly Hills Teddy Bear case⁽¹⁾, but that disappeared when the case was settled in 2020. The IP Federation continues to lobby on these matters and a test case may present itself in due course.

With the uncertainty and added complication facing businesses wanting to rely on unregistered design protection across both the UK and the EU, we may well see more reliance on copyright protection. This is even more likely given recent decisions in both the UK (Response Clothing) and EU (Brompton Bicycle).

The Response Clothing⁽²⁾ decision was the first in the UK to consider the CJEU ruling in Cofemel⁽³⁾ which clarified that the only qualification for something to be a "work" attracting copyright protection is the requirement that it is original, in the sense that it reflects the personality of its author as an expression of their free and creative choices. Whilst the court in the Response Clothing decision found that the subject matter at issue fell within one of the closed list of categories of copyright work in UK law (a work of artistic craftsmanship), it was noted that previous UK decisions that excluded subject matter not falling within the closed list are at odds with the decision by the CJEU in Cofemel. In the Brompton Bicycle decision, the CJEU clarified that shapes

The IP Federation has been active in advocating a fair balance between protecting the rights of a design owner with legal certainty for third parties.



of utilitarian objects can attract copyright protection provided that (i) the shape is not dictated solely by technical considerations, and (ii) the author is able to express their creativity and personal choice in the shape.

Thus it is clear that, under EU law, many (if not all) designs that attract UCD protection will also be considered copyright works. Whether the UK will choose to follow this line remains to be seen, but it is unlikely that there will be legislative changes to UK copyright law for some time. The IP Federation will look to influence any such changes to ensure that the interests of rights holders and third parties are balanced.

An example of an area where the IP Federation has consistently advocated for such balance is in resisting the expansion of criminal sanctions to infringement of design rights. The Intellectual Property Act 2014 introduced a criminal offence for the intentional infringement of a registered design. A recent government Post-Implementation Review of the measure concluded that this had been a success, despite a severe shortage of evidence – only one successful prosecution was referenced, and even then the offender was also found guilty under the Trade Marks Act 1994. The review even led to calls from some quarters

for the introduction of criminal sanctions for infringement of unregistered design rights. This is a measure that the IP Federation has opposed and will continue to actively oppose: there is considerable uncertainty as to scope of protection, validity and even ownership of an unregistered design, each of which makes the application of criminal sanctions for their infringement wholly inappropriate. Furthermore, there are adequate criminal sanctions under trade mark and copyright law that can already be effectively used against counterfeiters.

Turning to international matters, the IP Federation has long been active in advocating for harmonisation and convergence of IP laws to increase certainty and reduce bureaucracy for businesses trading internationally. The Federation is, along with BusinessEurope, currently exploring how it may become more engaged with convergence initiatives in the design field, such as those being led by the Industrial Design 5 Forum of the relevant intellectual property authorities of China, Japan, EU, Korea and the United States.

Danny Keenan

Copyright and Design Committee Chair

(1) *Beverly Hills Teddy Bear v PMS International Group PLC* (case C-728/19)

(2) *Response Clothing Ltd v The Edinburgh Woollen Mill Ltd* [2020] EWHC 148

(3) *Cofemel v G-Star Raw* (CJEU case C-683/17)

Trade Mark Committee

2020 has been an active year for the Trade Mark Committee. We began the year with a committee meeting at Norton Rose Fulbright, with the fabulous views of the City that firm has.

Ironically, I encouraged the group to “attend the next meeting in person” as we were due to have Darren Meale of Simmons & Simmons attend to demonstrate his trade mark comparison AI tool, Rocketeer™. Little did I know at that point that we wouldn’t be meeting in person, or indeed coming to the City at all, for the rest of the year.

The UK’s departure from the EU has of course continued to be of crucial importance to trade mark owners in industry, especially with the end of the transition period looming, and has taken up a significant amount of the committee’s time. Among the topics we have considered are addresses for service (see another article in this publication for more detail); EU trade mark (EUTM) to UK trade mark conversion and the potential for duplication as a result; and approaches that members will take to EUTM filing after the end of the transition period. It has been helpful to share our approaches and perspectives on these complex topics and I hope that the results have been of merit for preparing our respective organisations for the UK’s new relationship with the EU.

In March, I was interviewed by Jonathan Walfisz of the World Trademark Review as part

of an article he was writing on the ways UK trade mark professionals can work alongside the government to advise on IP policy. The article was published in early April with the snappy title: “Moving the needle: how trademark professionals achieve change”. It was a great opportunity to share our experiences of interacting with bodies such as the UK Intellectual Property Office (UK IPO) and generally to champion the fine work that the IP Federation does.

We have followed case law developments closely, perhaps most notably in 2020 on the Sky v SkyKick case at the Court of Justice of the European Union (CJEU). Katharine Stephens of Bird & Bird gave us a fantastic in-depth analysis of the judgment and we explored what it could mean for us from a practical perspective. We then discussed the case again at our second committee meeting of the year following Arnold LJ’s High Court decision in the light of the CJEU judgment. The consensus was that it was generally a good thing that “total-infection” (an entire right being invalidated due to certain goods and services having been too remote) wasn’t endorsed as a concept but that it was surprising how far Sky trade marks at issue had been declared partially invalid in light of the



CJEU guidance. Perhaps this could be the first area in which UK TM law could depart from EU law after the end of the transition period? Of course, trade mark owners generally will have to be careful of overly-broad specifications in the future, but it seems fair to say that the decisions were not quite as far-reaching as they could have been, in terms of their retroactive treatment of marks.

It was a great opportunity to share our experiences and champion the fine work that the IP Federation does.

I have continued to join the UK IPO Marks and Design Forum meetings and report back on them to the committee. These have remained invaluable forums to discuss hot topics with the UK IPO and get updates on the challenges they are facing and the developments they are implementing.

At one of our committee meetings, David Llewellyn of Arm raised the important topic of benchmarking and tracking the work we do through certain KPIs etc., and this has led to some fruitful discussions where we have shared best practices and experiences of practising trade mark law within industry. This has been particularly helpful when reacting to Covid challenges, and I for one have found it valuable

to hear of others' experiences of how working life and indeed IP have been impacted.

One positive of the pandemic (there aren't many, it seems wise to celebrate them!) has been an increase in attendance of committee meetings as those members with long journeys to central London or home commitments have found it easier to join virtually. I have been really impressed with the turnout this year and really valued everyone's contributions. It has also been nice to see everyone's faces (albeit only on a webcam) during meetings, something that we have not been able to do in the past with our international members.

Finally, as trailed at the start of this article, we had Darren Meale of Simmons & Simmons come to present to us on his exciting AI tool, Rocketeer, which processes data from EU Intellectual Property Office decisions and uses a clever algorithm (can you tell I'm out of my depth?) to give users the chance to compare two marks to see if the case law suggests there would be a likelihood of confusion. Darren is not proposing to replace us with the AI quite yet, as human interpretation of the results is crucial, but this is a fascinating piece of tech which demonstrates how our lives could be made easier by harnessing available data.

Thomas Hannah
Trade Mark Committee Chair

Why IP matters

The term “innovation” is used to describe the process by which ideas are applied to create new or improved products or services, ways of producing them and ways of delivery them.

It occurs in and across all sectors of society, from music, literature, design and film in the arts (where it is often referred to as “creation”), through more traditional industrial sectors such as the energy, construction and transportation industries, through “high tech” industries in the digital and medical sectors. The “4th industrial revolution” based on Artificial Intelligence and development of green technologies will affect and be based on innovation across all sectors.

Innovation can involve big breakthroughs which can have significant benefits to society.

Innovation, particularly in developed economies, is key to economic growth and lies at the heart of modern life and businesses. It increases productivity, leads to market growth and creates and supports high-value jobs. It is sustained by a robust and balanced framework of intellectual property (IP) rights.

Innovation can involve big breakthroughs which can have significant benefits to society, but these are comparatively rare. More often, and equally valuable, it involves smaller changes, adaptations and improvements to existing products and processes the benefits of which, when viewed in aggregate, at least match those of the breakthroughs.

Those who innovate range from individuals through SMEs, through academic and philanthropic organisations, through the largest multi-national corporations. Although some are driven to innovate without a profit motivation, a large proportion of innovators and those who provide their funding are looking to derive a commercial return.

Although ideas may come free, all innovation – the application of those ideas to practical uses

– involves cost. There is the historical cost of creating, transferring and acquiring the background skills and knowledge which give rise to and which are used to apply the idea and the cost in time and effort developing the new product. In addition, there is the often very significant financial cost of providing the resources needed to develop the new or improved product or service.

Innovation funding comes from both the public and not-for-profit sectors and the private, for profit sector. Although the role of the public sector should not be underestimated, in the UK over two-thirds of innovation funding comes from the private sector. That funding may come from the funds of the innovator itself or from third parties, for example private equity funding.

The cost of innovation is incurred at risk – risk that the hoped-for innovation cannot be achieved or that its hoped-for benefits do not materialise. These risks are inherent in innovation. Those involved in undertaking or funding innovation assess the risks and decide whether to commence or fund a project. Little can be done at a systemic level to reduce or eliminate these risks.

There is a further risk when a project succeeds and delivers benefits – the risk of imitation. An imitator will usually be able to produce the product at significantly less cost than is incurred by the innovator and will incur little commercial risk because it knows that there is demand for the product. Without control of imitation, there would be no incentive to incur the cost and risk of innovation, and innovation at scale would simply not occur.

The risk from imitation is alleviated by the IP system. IP rights, whether copyright, patents, rights in designs or trade marks, define certain types of protected innovative subject-matter

and enable specific activities which imitate or copy that subject matter to be prevented. For example, production of a product can be prevented by the owner of a valid patent for that product for 20 years.

By regulating imitation, IP rights enable the value of innovation to be captured. They are vital incentives to invest in innovation and create a framework for collaboration and knowledge transfer which facilitates and drives innovation.

Modern history shows that the most successful economies are those that have robust but balanced IP systems. For example, the UK has a high-class IP system. In 2016, firms in the UK market sector invested an estimated £63.8 billion in IP-protected assets and industries with above average use of IP rights accounted for 26.9% (£298.5 billion) of UK non-financial value-added output, 15.5% of UK employment and 52.1% of goods exported.

Innovation takes place in a complex ecosystem. Such things as education and skill level, infrastructure, and research funding all play important parts but a effective IP framework is critical to a thriving innovation ecosystem.

A robust IP system will not guarantee innovation but it is almost guaranteed that without it innovation will not thrive.

Whatever the quantifiable economic benefits of IP may be, they pale into insignificance compared to the unquantifiable impact. The products being used, adapted and developed to fight Covid-19 are a product of today's IP framework. Remarkable advances in the application of communication, health, transport, computer, digital and energy technologies in the last 50 years have transformed the lives, lifestyles and quality of life of billions of people. Many, perhaps most, of those advances would not have happened without strong IP systems and further advances will be based on those systems as they improve and adapt in the face of new technologies.

That is why IP matters.

David Rosenberg,
Policy Advisor



IP Federation biographies 2020–2021

The President is assisted by the Vice-President and Immediate Past President, and the day-to-day running of the IP Federation is in the hands of the Company Secretary and Office Manager.

SCOTT ROBERTS, PRESIDENT



Scott is a UK Chartered Patent Attorney and European Patent attorney with 20 years of experience in patents gained in both industry and private practice. Scott joined the patent profession after 10 years' experience as a software engineer and a period lecturing in computer science. He has worked in-house at both British Telecommunications and IBM specialising in computing and telecommunications technologies. Scott has represented both BT and IBM at the IP Federation since 2008 and chaired the IP Federation patent committee from 2016 to 2019.

Scott is the UK industry representative at the Standing Advisory Committee of the European Patent Office (SACEPO) and also sits on the SACEPO working parties for Rules and Guidelines. In addition to these roles, Scott is a member of the UK Government Department for International Trade's IP Thematic Working Group. He also represents UK industry at the BusinessEurope patents working group. Since 2009 he has been a member of the Examination Committee of the European Qualifying Examination (EQE) for professional representatives. He is also a co-author of the CIPA European Patents Handbook.

Originally from South Wales, he now lives in the South of England with his wife and three children where he tutors maths, science and computing. He volunteers at a local NHS trust where he works with nurses to address the challenges in their professional practice. In his down-time he can be found indulging in dystopian literature.



SONIA COOPER, VICE-PRESIDENT

Sonia is a UK Chartered Patent Attorney and European Patent Attorney with over 20 years of practical experience in all aspects of intellectual property, gained both in private practice and in industry. Sonia specialises in the fields of software, artificial intelligence and telecommunications and has a degree in physics from the University of Bristol, a master's degree in the management of intellectual property from Queen Mary University of London and a graduate diploma in law from the University of Law.

Sonia is responsible for IP policy in Europe at Microsoft and works closely with Microsoft Research in Cambridge. She has represented Microsoft on the Council of the IP Federation since 2017 and chairs the recently formed IP Federation data & copyright committee.

Outside work, Sonia enjoys spending time with family, friends as well as hiking and camping with her Labrador, "Sunny".

SUZANNE OLIVER, IMMEDIATE PAST PRESIDENT

Suzanne is a UK Chartered Patent Attorney and European Patent Attorney, as well as a Chartered Engineer. She has over 15 years of experience in patents, having entered the profession after working for a number of years as an engineer for Nortel Networks; she has a master's degree in electronics from the University of York.

Suzanne has represented Arm on the Council of the IP Federation since 2013 and she supports a wide range of IP strategy, patent and trade mark management issues for Arm. Suzanne was involved in Arm, becoming a founder member of ORoPO, the world's first open patent register. In 2016, Suzanne joined the launch panel for the inaugural "Women in IP" networking event, as a part of the UK's "IP Inclusive" initiative. She is also one of Managing Intellectual Property's Corporate IP Stars for 2019.

Before joining Arm in 2012, Suzanne worked in a private practice law firm in Cambridge, UK.

Outside of work, she likes to travel, as well as spend time with her family and friends. She is also a keen Rambler.

She was President of the IP Federation from 2019 to 2020.

continued...

...Biographies continued

DAVID ENGLAND, COMPANY SECRETARY



David joined the IP Federation as Secretary in June 2010. He is a UK and European Patent Attorney with 25 years of experience gained at Reckitt & Colman, Astra Pharmaceuticals and BTG International. During his career, he has worked extensively on the creation, defence and licensing of intellectual property (mainly patents, but also designs and trade marks), and has represented his employers on both the Patents and Designs Committees of the IP Federation.

In his spare time, David sings with the highly regarded BBC Symphony Chorus, performing regularly at venues including the Barbican and the Royal Albert Hall.

HELEN GEORGHIOU, OFFICE MANAGER



Helen joined the IP Federation as Admin Assistant in November 2016. This was a completely new sector for her, as she had spent over 20 years as a PA and office manager in market research companies. She then followed her personal passion and entered the world of property development, where she still works on a part-time basis. Some could say that in many respects intellectual property and physical property have similarities when it comes to ownership and rights, so joining the IP Federation made perfect sense. It has proven to be a rewarding environment.

With two teenage daughters, a husband and a dog, there's not much time left! But where possible, Helen enjoys interior designing, socialising... and the odd vodka or two!

IP Federation Members 2020

The IP Federation represents the views of UK industry in both IPR policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed below.

The CBI, although not a member, is represented on the Federation council, and the council is supported by a number of leading law firms which attend its meetings as observers. It is listed on the joint Transparency Register of the European Parliament and the Commission with identity No. 83549331760-12.

AGCO Ltd

Airbus

Arm Ltd

AstraZeneca plc

BAE Systems plc

BP p.l.c.

British Telecommunications plc

British-American Tobacco Co Ltd

BTG plc

Canon Europe Ltd.

Caterpillar U.K. Ltd

Cummins Ltd.

Dyson Technology Ltd

Eisai Europe Limited

Eli Lilly & Co Ltd

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GE Healthcare

GKN Automotive Limited

GlaxoSmithKline plc

Hitachi Europe Ltd

HP Inc UK Limited

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Merck Sharp & Dohme Ltd

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