



OUTER HOUSE, COURT OF SESSION

[2024] CSOH 67

CA78/23

OPINION OF LORD SANDISON

In the cause

DEEPMATTER LIMITED

Pursuer

against

THE UNIVERSITY COURT OF THE UNIVERSITY OF GLASGOW

Defender

Pursuer: Manson; Pinsent Masons LLP

Defender: Tariq; CMS Cameron McKenna Nabarro Olswang LLP

4 July 2024

Introduction

[1] In August 2015 the parties to this commercial action entered into a contract called an IPR [ie Intellectual Property Right] Option and Royalty Agreement, one of a series of contracts between them relating to a research project and the licensing of certain technology for the 3D printing of chemical and biological reaction vessels and the evolutionary synthesis of chemicals. As part of those arrangements, the defender assigned to the pursuer its rights in some of the fruits of the research project called the “Assigned Technology”. The pursuer subsequently became concerned about the activities of a company called Chemify Limited, which was incorporated in 2019, and includes amongst its shareholders a holding

company operated for the benefit of the defenders, as well as the principal academic engaged in the research project, Professor Leroy Cronin. Chemify Limited appears to share the same commercial objective as the pursuer, being in broad terms the digitisation of chemistry. The pursuer apprehends that the defender may have licensed certain patents to Chemify Limited, and that part of the subject matter of those patents has been derived from the technology previously assigned to it.

[2] Clause 11.4 of the IPR Option and Royalty Agreement is in the following terms:

“[The defender] will on [the pursuer’s] request and at [the pursuer’s] expense provide to [the pursuer] all information, documentation and assistance ... which [the pursuer] may reasonably require to enable it to take any action in relation to the defence and/or the enforcement of the Assigned Technology”.

The pursuer avers that it may want to take certain actions in relation to the enforcement of its rights in the Assigned Technology. It wishes to take informed legal advice on how best to do so, and maintains that it has unsuccessfully requested information, documentation and assistance which it maintains it reasonably requires to that end from the defender. In this action it seeks an order from the court ordaining the production of specified material from the defender. That material is set out in the terms of a schedule appended to the summons in the following terms:

“[A]ll documents (as that term is defined in s.9 of the Civil Evidence (Scotland) Act 1988) including copies and electronic documents or documents stored by electronic means (but excluding documents prepared for or in contemplation of litigation) held by the defender or by anyone else on the defender’s behalf and which show or tend to show any of the following:

- i. the content of any discussions which took place in relation to the ‘Assigned Technology’ (as defined in the IPR Option and Royalty Agreement executed by the defender on 25 August 2015 (‘the Royalty Agreement’));
- ii. use being made of the ‘Assigned Technology’;
- iii. that the ‘Assigned Technology’ formed part of or was used in the development of the inventions which form the subject matter of the defender’s Machine Learning patent (priority date 2018-07-04); Networked

- Reaction Systems patent (priority date 2018-03-06); and Digital Reactionware patent (priority date 2018-01-09);
- iv. the provision of information in relation to the Assigned Technology to any party (including, but not limited to, Chemify Limited (company no. SC645290) or to representatives or agents of Chemify Limited);
 - v. discussions taking place concerned with whether notification should or needed to be given to the pursuer in respect of 'Assigned Technology' as contemplated by the Royalty Agreement;
 - vi. discussions taking place concerned with the licensing - or the possibility of licensing - the 'Assigned Technology';
 - vii. decisions being taken in connection with the questions of notification or disclosure to the pursuer in respect of 'Assigned Technology';
 - viii. details of any due diligence exercise which the defender has undertaken in respect of Chemify Limited's freedom to operate but only to the extent of entries connected with the pursuer and the 'Assigned Technology'; and the results thereof.

[T]he identities of persons with knowledge of the activities carried out by the defender and Professor Leroy Cronin in relation to the Assigned Technology and of the matters disclosed in any of the documents falling under the terms of paragraph 1 above; and to provide reasonable assistance in facilitating precognition facilities to the pursuer and its law agents in relation to those persons."

The defender maintains that the pursuer already has all of the information reasonably required to take the actions it proposes. It denies that it has assigned or licensed any Assigned Technology to Chemify Limited and claims that the pursuer has waived, or is personally barred from asserting, any rights which it may have had in the relevant patents.

[3] The parties agreed by joint minute that the material documentary productions should be taken as being what they bore to be. A Scott Schedule was prepared which summarised the parties' position in relation to the material sought, and in which the defender advanced proposed restrictions to the material to be recovered in the event that the court was minded in principle to allow recovery to some extent. Both parties lodged extensive affidavit or statement evidence and the defender lodged an expert report from a patent attorney. I determined that further evidence was unnecessary in the case and that I should decide it on the basis of the written witness material and the submissions of parties.

Affidavit and report evidence

Pursuer's evidence

[4] The pursuer lodged an affidavit dated 17 November 2023 from **Dr Mark Warne**. In common with all the witness evidence lodged in the action, the affidavit was lengthy and complex, but for present purposes may be summarised as follows:

[5] Dr Warne (49) had been a director of the pursuer since 15 September 2015 and its Chief Executive Officer since July 2018. He had a BSc, MSc and PhD in Chemistry from the University of Bristol. The pursuer was a “big-data” and analysis company, focused on enabling reproducibility and predictability in chemistry by way of the development of hardware and software to deliver applications which enabled scientists across a range of industries easily to capture, access and exploit the vast amounts of data which were created in a broad range of chemical reactions. It wanted to enable automation or robotics, using AI algorithms, for the manufacture of chemicals (including medicines) in the most effective way. As part of that, it developed, acquired and maintained intellectual property (including a patent estate, trademarks and knowhow) related to its fields of activity. It licenced its capabilities to other companies in the pharma, biotech and chemical fields.

[6] The pursuer was previously named “Cronin 3D Limited”. In February 2014, it entered into an agreement which created a 6-month research project funded by it at the University of Glasgow. He was involved in the negotiation of the investment that enabled that work to take place. The research was directed towards the digitisation of chemistry activities relating to peptides and some other small molecular chemistry. The research was to take place in a laboratory at the University’s School of Chemistry which was overseen by Professor Leroy Cronin. The pursuer had originally been formed as a University “spin-out” company. The University licensed IP from the laboratory to the spin-out. Professor Cronin

was a founder, and at the time a director, of the pursuer. The pursuer entered into a further research agreement with the University in April 2015, funding further research to be carried out in a laboratory at the University, and overseen by Professor Cronin. In practice, this was simply a continuation of the work carried out under the research agreement of the previous year. There was no gap in the research work carried out in the interim period between the two agreements, and the 2015 agreement ran for 36 months, until April 2018. A further research agreement between the parties was entered into on 18 April 2017, representing a further 12 months of funding for work in a laboratory at the University to be overseen by Professor Cronin, and the pursuer continued to fund research undertaken by him, and to provide him with consultancy funding, to February 2019.

[7] On 28 February 2014 the pursuer and the University entered into a licence agreement whereby the University licensed to the pursuer certain technology relating to the 3D printing of chemical and biological reaction vessels, as well as certain IP generated by the University under the 2014 research agreement. An amended and restated licence agreement which added additional technology for the evolutionary synthesis of chemicals to the licence and, therefore, authorised its use and commercialisation by the pursuer, was entered into at the time of the 2015 research agreement.

[8] On 25 August 2015 the pursuer signed an assignation agreement with the University which replaced the 2015 licence agreement. The University assigned:

“its whole right, title and interest past, present and future... in and to the Assigned Technology ... together with any and all rights, powers, privileges and immunities conferred on the University as the proprietor of the foregoing”.

Essentially, the assignation agreement related to the IP for systems or platforms made up of distinct technologies (such as hardware, software, data and algorithms) for a variety of chemistry applications. The transfer of these rights allowed the pursuer to develop and

sub-license the IP rights to third parties to build full or partial automation or robotics systems, using AI algorithms, for the manufacture of chemicals. The research project under the 2015 research agreement continued from 20 April 2015 to April 2018.

[9] In 2019, Professor Cronin initiated correspondence with the pursuer regarding the possibility of licensing its Assigned Technology to a spin-off company from the University, to be led by him. These discussions came about as Professor Cronin wanted the opportunity to pursue certain activities and he wanted access to the Assigned Technology in order to do so. Between February 2019 and March 2020 various iterations of draft heads of terms were discussed at length but, ultimately, nothing was agreed. It was clear from the draft heads of terms that the University and Professor Cronin considered that the spin-off company, Chemify Limited, would require a licence for the Assigned Technology, the pursuer's rights under the IPR Option and Royalty Agreement and the pursuer's "Chemputer" trademark. Dr Warne understood from the draft heads of terms that Professor Cronin wanted to launch the business of Chemify to design, develop, manufacture and sell systems (robots) for chemical synthesis, discovery and manufacture of chemicals and materials. Dr Warne understood that if it was going to do more than that and work with the IP arising out of the research project, then it would need to come back to the pursuer for a licence. The pursuer would have been attracted to doing that, as representing an opportunity to own a stake in a business more focused on directly developing robotics. However, as the negotiations progressed, it became clear that the financial and structural terms proposed by the University and Professor Cronin were not acceptable and the University's proposals were ultimately rejected by the pursuer's board of directors. In particular, in respect of the financial discussions, it was difficult to agree the value of the shares the pursuer would be given in Chemify in return for licensing the Assigned Technology to it, together with a

novation of the IPR Option and Royalty Agreement and a transfer of confidential know-how. It became clear that the parties were unable to converge on agreeable terms and the messaging from the University and Professor Cronin became more about Chemify being non-competitive with the pursuer, and not ultimately needing a licence for the IPR. The pursuer was ultimately told that the University and Chemify did not need the IP anymore. That seemed strange given the previous desire to obtain the licence from the pursuer and it was not clear what had changed from when discussions had begun and Professor Cronin had sought a licence from the pursuer. No clear view or explanation as to precisely what it was that Chemify was going to do was ever provided, but it must have been closely connected with the research project and Assigned Technology otherwise there would have been no need to start the negotiations.

[10] On 5 November 2019 Dr Warne became aware that Chemify had been incorporated, and in September 2021 he became aware that it had launched and had secured seed funding. A University holding company and Professor Cronin (who was also a director) were amongst the shareholders. The landing page of Chemify's website stated: "At Chemify we are building the infrastructure to digitize chemistry and enable the execution of chemical code for drug discovery, chemical synthesis and materials discovery." It appeared clear that the work of Chemify remained the type of work it had intended to undertake when it was in discussions with the pursuer regarding licensing its IP. On 23 March 2022 Dr Warne was also made aware by the University's Melville Anderson that the University had entered into an agreement with Chemify to licence patents.

[11] Concerns had arisen in 2020 relating to Professor Cronin's attitude towards the ownership of intellectual property. In February 2020 the pursuer became aware that 288 unique lines of code had been directly copied from its Evolution Software source code.

This source code formed part of the Assigned Technology. The copy code was posted on GitHub by Professor Cronin. The code was identical to that which had been supplied to the pursuer on a disk by the University on the basis that it was Assigned Technology. GitHub was a web-based hosting service for software development projects that allowed developers to store, manage and share code. The pursuer raised its concerns that its IP had been published in that way at a meeting with the University in April 2020. However, the 288 unique lines of code remained available on GitHub until on or around 28 July 2022. They were removed after a complaint was made on behalf of the pursuer. In addition to the 288 unique lines of code, additional code was posted on a GitHub repository called Chemputer, owned by "Croningp", which remained live. It was not identical to, but included modifications of, the Evolution Software source code which performed the same function. There were vestigial elements of the Evolution Software within the infringing code in the repository, including the 288 unique lines of copied code. The Evolution Software was proprietary and strictly confidential: no third party had the right to publish it, to use it to create derivative works, or to incorporate it within another product.

[12] The pursuer was further aware that a number of patents had been filed by the University with Professor Cronin listed as the inventor, namely Digital Reactionware (US20200335181, published 22 October 2020, priority date 9 January 2018); Networked Reaction Systems (US20210031162, published 4 February 2021, priority date 6 March 2018); Machine Learning (US20210233620, published 20 July 2021, priority date 4 July 2018); Fluid Handling Device and Methods (WO2021209773, published 21 October 2021, priority date 17 April 2020); and Automated Chemical Synthesis Platform (WO2021219999, published 4 November 2021, priority date 28 April 2020). It was also aware of a patent application

made by the University, namely Autonomous Exploration for the Synthesis of Chemical Libraries (WO2023131726, published 13 July 2023, priority date 10 January 2022).

[13] Each of those patents looked like it derived from the same place as the Assigned Technology. The research they derived from appeared to be extremely similar to the research described in the research agreements the pursuer had with the University. That research envisaged the development of an integrated chemo-robotic system comprising wetware (reagents), hardware (reactors and sensors) and software (genetic algorithm) capable of discovering new molecules. The pursuer had compared the claims in the Digital Reactionware patent, the Machine Learning patent and the Networked Reaction System patent against the 3D Printing and Evolution patents and the programme of research set out in the 2015 research agreement, in order to assess whether those patents fell within the definition of Assigned Technology, and believed that the Digital Reactionware patent utilised and built on the 3D Printing patent element of the Assigned Technology), that the Machine Learning patent appeared to be an improvement to the invention described in the Evolution patent, and that the Networked Reaction Systems patent built on the technology disclosed in the Evolution patent.

[14] The pursuer had received disclosures from the University about IP derived from research performed in the laboratory of Professor Cronin. Under clause 4.1 of the IPR Option and Royalty Agreement, it had a right to see any IP that came from the research, with the option to negotiate to licence it. Each disclosure was, on the face of it, something the pursuer considered to be covered by the Assigned Technology, or which required access to the Assigned Technology to enable freedom to operate. The pursuer opted not to seek to exercise any option available to it because it considered that its existing patent estate provided sufficient protection for its rights in the Assigned Technology.

[15] The pursuer was concerned in all the circumstances that Chemify was using IP created during the course of the research projects that belonged to the pursuer. It had sought to engage with the University for assistance and information to ensure that the IP that fell within the definition of Assigned Technology had not been provided to and then used for commercial purposes by a third party which was in competition with it. However, that had not been forthcoming. Further concerns had arisen through press articles regarding the activities of Chemify. Professor Cronin had written an article entitled "*Artificial Intelligence: How AI could help discover new drugs billions of times faster – Lee Cronin*" in *The Scotsman* online version on 13 February 2023. References were made in the article to the development of the "Chemputer" at the University of Glasgow. "Chemputer" was a trademark belonging to the pursuer which Chemify had sought to challenge. It had been filed by the pursuer concurrently with the output from the research project.

[16] "Chemputer" was described within the article as "a computer software or robot" and Professor Cronin stated that:

"At the University of Glasgow, we are on the right track. In my own work, we have developed the ability to discover new drugs from within the vast realm of possibilities by using detailed data about molecule production fed into an AI model...to achieve it, we developed a 'Chemputer.'"

That description of the Chemputer, and the explanation of what it could do in the future, strengthened the pursuer's concerns that Chemify was using IP belonging to it.

[17] A further news article, first published in the *Financial Times* and thereafter reported by a number of news sources, including the BBC, dated 1 August 2023, reported that Chemify had raised either \$33 or \$43 million and again made reference to a "chemputer". The pursuer was concerned that Chemify had, within a very short period of time, seemingly

raised up to \$43 million for something that sounded very similar to the Assigned Technology.

[18] The activities listed on the Chemify website were largely indistinguishable from the pursuer's. In particular, Chemify made reference to: "digitalizing chemistry and enable the execution of chemical code for drug discovery, chemical synthesis and materials discovery" and:

"Our technology enables the full stack digitization of chemistry from code to molecules and molecules to code for molecular discovery, optimization, and synthesis. We make the chemical synthesis of complex new molecules significantly faster, perfectly reproducible".

It was essentially seeking to digitalise chemistry in a way which would compete with the pursuer. The activities of Professor Cronin had always spanned and overlapped with the activities of the pursuer. The pursuer wanted to consider its options in relation to Chemify's activities, and in particular to understand what use, if any, Chemify had made of Assigned Technology arising out of the research projects.

[19] The pursuer's contractual arrangement with the University permitted the University to use (and grant sub-licences to third parties to use) the Assigned Technology for certain academic and research purposes on the terms set out in the Assignment Agreement. However, Chemify's activities did not seem to fall within the scope of that exception. The Assigned Technology could not be used by commercial entities which were engaged in any business that was directly competitive to that of the pursuer.

[20] The actions which the pursuer wanted to take included: considering for itself whether it had a basis to take steps to enforce its rights in the Assigned Technology; taking advice from patent attorneys, experts and lawyers on its ability to take legal action and the prospects of any formal legal or similar proceedings in relation to the Assigned Technology;

and providing to its advisers as full a picture as possible of the facts so that its patent attorneys, experts and lawyers could consider and advise; and, if necessary, have formal proceedings prepared based on those facts and the analysis of them.

[21] In a supplementary statement dated 22 March 2024, Dr Warne noted that Professor Cronin had continued to act as a consultant to the pursuer until February 2020 and made various observations about the content of the professor's witness statement, none of which is material for present purposes.

Defender's evidence

[22] **Melville Wishart Anderson** (59), Head of IP and Commercialisation at the University of Glasgow, swore an affidavit dated 1 December 2023 in which he stated that he and his team worked with academics and researchers at the University to support the identification, protection and commercialisation of innovations which arose from their research work.

[23] The first agreements entered into by the parties were a research agreement and a licence agreement, both dated 26 February 2014. The licence agreement granted the pursuer an exclusive license to certain of the University's intellectual property rights, including its 3D Printing IPRs, and any intellectual property which arose from the research carried out under the research agreement. The parties then entered into two further agreements on 20 April 2015, being a second research agreement and an amended and restated licence agreement. The second research agreement facilitated further research and development of the technology involving the 3D Printing IPRs and the Evolution IPRs in Professor Cronin's laboratory. The second license agreement provided the pursuer with exclusive rights to the Evolution IPRs, in addition to the rights in the 3D Printing IPRs and the results of the first

and second research agreements. The parties further entered into an assignation on 25 August 2015 whereby the 3D Printing IPRs, the Evolution IPRs and the Foreground IPRs were assigned to the pursuer. The assignation included a non-exclusive, non-transferable, royalty free and perpetual licence back to the University to use the Assigned Technology for any internal academic purpose, which was standard practice amongst UK universities. On 25 August 2015, the parties also entered into an option and royalty agreement, the rationale of which was to afford the pursuer the opportunity to consider and negotiate terms for a license of any relevant intellectual property that might arise in Professor Cronin's research group, outside of the first and second research agreements (such additional research being funded by third-party grant funding organisations such as the Engineering and Physical Sciences Research Council. Clause 11.4 of the option and royalty agreement related only to the Assigned Technology. During the term of the option and royalty agreement, the University had offered the pursuer options over various items of IP, including a Digital Reactionware patent application; Networked Reaction Systems technology, later patented as US20210031162; and a Machine Learning patent application, but none was taken up by it. No concerns relating to potential infringement issues created by the patent applications, nor any claim that any of them arose from work undertaken in the projects funded under the first and second research agreements, had been raised. The University had proceeded on the basis that the pursuer did not wish to licence the intellectual property. It had further informed the pursuer that it proposed to grant a licence of its Digital Reactionware and Machine Learning patents to a third party, and no objection had been raised. Professor Cronin had advised the University that the patents arose from research funded entirely separately to any research carried out under the first and second research agreements.

[24] The pursuer had access to copies of the patents and relevant publications and consequently had all the information it needed for its patent attorneys to determine whether the patents infringed the assigned technology. The University had taken advice from its patent attorneys, who confirmed that use of the Assigned Technology was not required to use any of the patents.

[25] The idea for the new company which became Chemify arose in January 2019. It was initially intended to be a vehicle for Professor Cronin to get investment to commercialise the patents, other IP rights, and the assigned technology. Included in the idea was the “Chemputer” trademark registered to the pursuer. For around 15 months, significant time and resources had been deployed on trying to reach agreement, with multiple versions of term sheets being exchanged. Ultimately, no agreement was reached. The original proposals for the new company included the pursuer providing a license of the Assigned Technology to the new venture. Professor Cronin believed that the company having rights to use the Assigned Technology would bolster its patent portfolio and attractiveness to investors. Ultimately, as negotiations became difficult, he told the University that the Assigned Technology was not needed for the new spin-out company to operate, and it was proposed to the pursuer that the requirement for a license to the Assigned Technology be dropped from the term sheet, which it was.

[26] The University had taken significant legal and patent attorney advice to ensure it had complied with its obligations under the various agreements with the pursuer. The pursuer had not provided any evidence which countered the University’s position, had not engaged with any of the points made by the University in years’ worth of correspondence, and had simply repeated the same requests for information again and again.

[27] **Leroy Cronin** (51) gave a witness statement dated 15February 2024 in which he stated that he was the Regius Professor of Chemistry at the University of Glasgow, and a director and the Chief Executive Officer of the University's spin-out Chemify Ltd. He was previously a founder and director of the pursuer, but resigned as a director in 2019. He was the scientist who invented the underlying technology to the PCT/EP2019/050439 - Digital Reactionware; US20210031162 - Networked Reaction Systems; and PCT/EP2019/067948 - Machine Learning patents, and the inventor of the technology covered by the patents which were assigned to the pursuer in 2015.

[28] He had various collaborators and funders in his work, often many at once. One frequent funder was the Engineering and Physical Sciences Research Council. Research projects funded by the EPSRC were the source of the inventive concepts for the three specific patents just mentioned. As part of that work, he had invented what was known as the "Chemical Computer" or "Chemputer". That was a robotic platform which automated and standardised the process of chemical reactions and chemical synthesis. That predated the work between the University and the pursuer.

[29] In 2014, the University and the pursuer entered into a first research agreement. At that time, the pursuer was interested in exploring 3D printing for evolution technologies. The University had two patents in relation to that, which formed the 3D Printing IPRs and part of the Evolution IPRs. The work under the first research agreement focused on using and developing that intellectual property. No new intellectual property came out of the research performed under the first research agreement, beyond a paper that was published on 3D printing and which contained no material that would have been separately patentable.

[30] The University and the pursuer then entered into a second research agreement in 2015. As part of the project carried out under that agreement, two post-doctoral researchers who worked under Professor Cronin began using existing technology to do some chemical reactions. The core system of that was a prototype Chemputer. The researchers took the existing Chemputer pumps and valves, together with other pre-existing IP, and started using that to try to demonstrate that it was possible to use the existing technology to do some synthetic chemistry. The pursuer had also registered a trademark for the word “Chemputer” in 2016. As this research explored known chemistry with existing hardware, no new IPRs arose from the second research agreement. The pursuer considered that the work was not commercially interesting and decided to pivot its business towards focusing on “digital glassware” technology (a type of sensor system used to record reactions). This had nothing to do with the existing automation technology. The research planned under the second research agreement, other than basic chemical reactions, was thus not actually carried out. The two post-doctoral researchers involved later left the University to work for the pursuer.

[31] It was normal academic practice for research projects in the same field to build on one another. That could mean that project descriptions for different research projects were very similar or overlapping. The EPSRC projects and the projects under the first and second research agreements both involved an integrated chemo-robotic system; the Chemputer. The elements of wetware and hardware involved were so generic to the kind of work in question that they could not possibly be said to be unique to any work carried out with the pursuer.

[32] Chemify was established as a spin-out from the University in October 2019. Professor Cronin’s view was always that Chemify did not need a license to any of the

Assigned Technology in order to operate. However, he knew that all patents could be valuable and that the Assigned Technology patents appeared to be adjacently relevant, and so would have taken a license to them had this been offered as part of the deal with the pursuer without additional cost. Chemify was not using and had not used the Assigned Technology. Further, the pursuer had registered a trademark for the word “Chemputer” in 2016, and Professor Cronin was worried that it would claim that Chemify should not be developing the Chemputer technology, despite the pursuer having pivoted its core business away from that type of work, and despite it not owning nor intending to develop any technology relating to the Chemputer. He therefore discussed the possibility of the pursuer giving the trademark to Chemify for a nominal fee. The pursuer did not own or have any interest in the Chemputer technology, only in the trademark itself, and Professor Cronin therefore thought it would be easier if Chemify had rights also to use the trademark going forward. However, when the pursuer included an Assigned Technology licence in proposals for the heads of terms for the establishment of Chemify, and attached a significant price to it, he communicated to Mr Anderson that that was not required. Chemify had no need to use any of the Assigned Technology. Simply not referring to the word “Chemputer” in publications or online would be sufficient to resolve the problem.

[33] In a supplementary statement dated 19 April 2024, Professor Cronin noted that the April 2017 research agreement extension was entered into in order to introduce a new, narrower research plan for the research to be undertaken under the second research agreement, because the original research programme under that agreement was scaled back and redirected after the research began, due to the pursuer’s pivot towards focusing on “digital glassware” technology. Professor Cronin had intended the projects under the first and second research agreements to utilise the technology invented and developed under the

EPSRC grants, to allow the pursuer to benefit from the existing technology. No new IP arose from the work because the attempt at using the Evolution IPRs with the existing technology from the EPSRC grants failed. No EPSRC funds were used in the work under the first and second research agreements and no funds obtained from the pursuer were used in the work under the EPSRC grants. No researchers worked on both projects at the same time.

[34] **Mark Johnston** (50) gave a witness statement dated 15 February 2024 in which he noted that he was Director of IT at the University of Glasgow. The University was a very large organization with a complex IT infrastructure, made up of multiple data centres run by many of the departments across the campus. A central file store and research data archive facilities were provided, but different teams and departments within the University also used their own technologies for their specific disciplines or projects. There was no single centralised IT team with oversight over all IT across the University, and some IT applications were not under the remit of the IT teams at all. There were nearly as many people responsible for IT at the University who fell outside of his team as there were inside it.

[35] He estimated that the University held at least 3.4 Petabytes of data on its systems and servers as a whole. The scale of any operation to search the electronic repositories of the University for the information sought by the pursuer would be enormous, and might be almost impossible fully to satisfy.

[36] **Robert Gregory**, Patent Attorney of Hindles Ltd, provided an expert report dated 15 February 2024 in which he stated that he was a Chartered UK Patent Attorney and a European Patent Attorney, and had worked in the patent profession since 1999. He had a PhD in organic chemistry.

[37] He had examined the various patents in issue. The claims of the University's patents were not identical to the claims of the Assigned Technology patents. There were similarities, but also substantial differences, between them. They reflected several patent families, each of which seemed to relate, in essence, to a different concept or series of concepts. Some of the later University patents referred back to the earlier Assigned Technology patents, and it was possible that, when carrying out inventions described in those later patents, some of the published subject matter of the content of the earlier Assigned Technology patents could be utilised. Therefore, parts of the later University patents could be said to build on technologies described in parts of the earlier Assigned Technology patents, whilst introducing new concepts. That was not unusual. A relevant question might be whether the carrying out of acts in accordance with what was stated in the University patents could amount to infringement of the Assigned Technology patents. That would depend in part on the scope of the claims in the granted Assigned Technology patents, and on which of many acts which could theoretically be carried out in accordance with the large reservoirs of information within the University patents were actually carried out. It was possible to operate in accordance with what was exemplified in the University patent families without infringing the pursuer's patents. In particular, it was possible to carry out a procedure in accordance with the University's Digital Reactionware patent family without infringing the pursuer's 3D Printing IPRs. It was theoretically possible that there could be infringement, but that would seem to require the 3D-printing of a reagent, catalyst or solvent, which was not exemplified in, nor a claim of, the University's Digital Reactionware patent family. Secondly, it was possible to carry out a procedure in accordance with the University's Machine Learning patent family without infringing the pursuer's Evolution IPRs. If one followed what was exemplified in the University's Machine Learning patent family, it was

likely that there would be no infringement of patents in the Evolution IPRs. Finally, it was possible to carry out a procedure in accordance with the University's Networked Reaction Systems patent family without infringement of patents in the pursuer's Evolution IPRs, although it was also possible to carry out such a procedure which could infringe.

[38] It was not evident that any further information, documentation or assistance was required for the pursuer, or a patent attorney acting for it, to be able to assess whether there might be infringement in the Assigned Technology patents.

Pursuer's submissions

[39] Counsel for the pursuer moved the court to grant decree as concluded for, or alternatively to determine that the pursuer had a reasonable basis to seek to enforce clause 11.4 and to put the case out by order for any discussion required on the particular terms and scope of the order needed to give just effect to the court's decision. The pursuer sought implement of the obligations undertaken by the defender in terms of clause 11.4 of the IPR Option and Royalty Agreement dated 25 August 2015. It wished to take certain action in relation to the defence or enforcement of the Assigned Technology and had a reasonable basis upon which to require the defender to provide the information, documentation and assistance sought.

[40] On a natural and ordinary reading of the words the parties used in clause 11.4, the defender's obligation became engaged when the pursuer wished to take any "action" in relation to the defence or enforcement of the Assigned Technology. The word "action" was not given any special meaning. The court therefore required to give it its ordinary meaning. "Action" should be taken to mean any step which could reasonably be related to the defence or enforcement of the Assigned Technology. Relevant actions would therefore include

carrying out investigations; considering matters; providing information to lawyers; providing information to witnesses (factual or skilled); providing information to patent attorneys; issuing instructions to lawyers; and deciding whether to instruct the preparation or initiation of formal proceedings.

[41] The word “reasonably” acted as a control on the pursuer’s entitlement to enforce the obligation. It meant that the pursuer could not insist that the defender be required to make production in the abstract and on a whim. There had to exist some reasonable basis for the demand which would be recognised as such by an objective and reasonable person. The defender had misconstrued the clause in seeking to argue that the court had to undertake an intricate enquiry informed by an assessment of necessity (viewed, so it appeared, from the defender’s subjective standpoint). That approach found no warrant in the language used in the clause.

[42] The defender argued – wrongly - that if the pursuer already had, in the defender’s view, enough information available to it in order to take a step, then the obligation was not engaged. That would rob the clause of any useful function. It was directed at facilitating access by the pursuer to information which it did not have readily available to it. In other words, a mechanism was created whereby the pursuer could seek to improve upon the base of knowledge and material which it already had, even if that base was already quite substantial. The clause did not properly give rise to an enquiry as to the sufficiency of what the pursuer did have access to. The wording did not have the effect that the acquisition of a sufficient body of material from other sources would bar the pursuer from making a request of the defender.

[43] The joint intention at the date of contracting was that the clause would be operated by the parties in a manner consistent with the general principle of good faith and fair

dealing in contract which acted as a contextual background element in construing and applying obligations: *Van Oord UK Ltd v Dragados UK Ltd* [2021] CSIH 50, 2021 SLT 1317 at [19]; and McBryde, *The Law of Contract in Scotland* (3rd ed) at 17.23 - 17.34 (particularly 17.27). The clause might properly be regarded as a fortification of the pursuer's right to the property being transferred to it by the defender. On a proper and commercially sensible construction of clause 11.4, the enquiry was quite simple: did the pursuer have a reasonable basis to make the request for information, documentation or assistance; and was the request related to an action concerned with the defence and/or enforcement of the Assigned Technology? In view of the facts and circumstances set out in Dr Warne's statements and the documents placed before the court, both elements of the enquiry could be resolved affirmatively. Separately, the defender's approach to the construction and operation of the clause was discordant with the promotion of good faith between the parties which acted as the backdrop to their agreement.

[44] The factual background was not in material dispute: the pursuer operated a business concerned with the development of hardware and software systems for use in the fields of scientific data analysis (particularly in respect of chemistry). It was formerly known as "Cronin 3D Limited". It was concerned in the development of hardware and software to deliver applications which facilitated the capture and analysis of large volumes of data in relation to chemistry. The development and acquisition of IP was a key part of the pursuer's operations and it also engaged in licensing. The defender was a Scottish university and research institution. The pursuer started life as a so-called "spin-out" from the defender's chemistry department. Between February 2014 and August 2015, the pursuer and the defender entered into a series of contracts. These regulated a research project funded by the pursuer and carried out by the defender concerned *inter alia* with the digitisation of

chemistry, including 3D printing of chemical and biological reaction vessels. The contracts which regulated the research project and related matters were dated 18 February 2014, 20 April 2015 and 18 April 2017. The research project was led by Professor Leroy Cronin and took place within his laboratory, assisted by a team of researchers. Professor Cronin was a former director of the pursuer and the current Regius Chair of the defender's School of Chemistry. In total, the pursuer funded the research project to the extent of £916,000 net of VAT. Notwithstanding the existence of the separate contracts, matters were run as one continuous project without any pauses from February 2014 until November 2017.

[45] In August 2015 the parties agreed the terms of an assignation under which the defender assigned to the pursuer the defender's whole right, title and interest to some of the fruits of the research project in the form of so-called "Assigned Technology". The terms of that assignation were effected and regulated by a contract dated 25 August 2015. On or around the same date the parties also entered into a contract entitled the IPR Option and Royalty Agreement. By virtue of the definitions agreed upon in the assignation and the royalty agreements, "Assigned Technology" was agreed to consist of: "3D Printing IPRs"; "Evolution IPRs" and "Foreground IPRs" created or developed by the defender after 26 February 2014 in the performance of the research project. That technology was wider in range than the defender's patents which had subsequently given rise to concern.

[46] The pursuer's concerns could be distilled into six heads which, taken together, satisfied the contractual requirement that the pursuer should have a reasonable basis to require the defender to produce the information, documentation and assistance called for.

[47] First, in 2019, the pursuer was approached by Professor Cronin in connection with the question of a licence being granted by the pursuer. This was contemplated as being in favour of another "spin-out" company of the defender. Professor Cronin contemplated that

the licence would relate to *inter alia* the Assigned Technology. He exhibited a draft set of heads of terms which contemplated such licensing. What began with this approach developed into a more detailed negotiation in which professional advisers were engaged and which saw the production of an evolving body of heads of terms. Those terms showed that the defender's spin-out with the interest in securing the licence for the commercial use of *inter alia* the Assigned Technology was Chemify Limited, a company incorporated on 24 October 2019. The licensing of the Assigned Technology for commercial use by Chemify formed a material part of the negotiation. The potential commercial value being ascribed to the Assigned Technology in the negotiations over the heads of terms was £1.5 million. A reasonable person apprised of the whole context would have taken from the content of the heads of terms that the defender and Chemify were acting on the basis that a licence in relation to the Assigned Technology was required for their purposes. Until 19 March 2020, the objective of securing a licence in relation to the commercial use of the Assigned Technology was something which the defender, Chemify and Professor Cronin took sufficiently seriously as to engage in a meaningful and active commercial negotiation with the pursuer on the matter. The defender and Chemify then changed their position and started to represent to the pursuer that they did not require a licence from it. The pursuer did not know what it was that brought about that *volte face* in relation to the objective which Chemify and the defender plainly had. It was not obliged simply to accept at face value the explanations proffered at the time by Mr Anderson of the defender, nor to accept Professor Cronin's current version of events. There was already room for doubt over the accuracy of Professor Cronin's account of matters in his affidavit given that he sought to suggest that it was the pursuer who introduced the idea of a licence when, as could be seen from the contemporaneous documents prepared by him, the idea of a licence in relation to

the assigned IP was always part of his proposition. The pursuer did not know whether the change of position in the negotiation was performed because Chemify determined that it could take the chance of crossing the line on unauthorised use of the Assigned Technology undetected or, alternatively, that it satisfied itself that it could tread dangerously close to the line or, alternatively again, that it determined that it could operate safely well away from the line altogether. Against the background of the aborted negotiations - and in all the further circumstances - the pursuer was reasonably concerned that the line might well have been crossed, whether deliberately or not.

[48] Secondly, in February 2020, Professor Cronin made unauthorised use of 288 unique lines of code copied directly from material forming part of the Assigned Technology. He posted this on the platform GitHub (a web-based hosting service for software development projects). The defender had been left unable to dispute that the posted code was identical to that forming part of the Assigned Technology. Mr Anderson attempted to dilute the significance of this activity but did not quarrel with the objective fact founded upon by the pursuer, namely that its IP in the Assigned Technology was used, without consent, by Professor Cronin. Professor Cronin's own affidavits were deafening in their silence on the matter. No explanation or justification had been tendered by him as the principal actor involved in the unauthorised use of the pursuer's IP in the Assigned Technology.

[49] Thirdly, the pursuer had identified what it at least considered to be a separate instance of its IP in the Assigned Technology being used on an unauthorised basis. This related to another post on GitHub on a repository entitled "Croningp". The pursuer's consideration of the code there posted led it to believe that it had been derived from elements of the Assigned Technology. Neither Mr Anderson nor Professor Cronin had engaged with this aspect of the pursuer's concerns. Even if the only inference which could

be drawn was that they denied any suggestion of infringement, all that would serve to demonstrate would be that there was an active dispute concerned with the use to which the Assigned Technology had been put. Given the name attached to the repository, it was not unreasonable for the pursuer to draw the inference that Professor Cronin was involved.

[50] These three matters made it plain that the pursuer had demonstrated an objective basis in fact for entertaining reasonable apprehensions in connection with unauthorised use of the Assigned Technology.

[51] Fourthly, the pursuer had undertaken a comparative assessment between the Assigned Technology, on the one hand, and a series of patents filed by the defender, on the other. Based on that assessment, the pursuer reasonably believed that there might have been an infringement of its rights in the Assigned Technology. The court was not, in this action, being invited to adjudicate on the question of whether there had in fact been an infringement; rather, it was simply being invited to recognise that the pursuer had an apprehension which was not baseless or unreasonable. In relation to the report procured by the defender from the patent attorney, Dr Gregory, its production and the use to which the defender sought to put it in the action served to confirm the misconceived understanding which the defender had in relation to the nature of the action. The defender was not entitled, competently or relevantly, to found upon Dr Gregory's opinion that it was not evident that the pursuer did not require any further information, documentation or assistance to enable it to take action in relation to the defence or the enforcement of the Assigned Technology. That was a question for the court alone and not a matter for the expert, given that it was that evaluation which was central to the outcome of the case: cf. *Kennedy v Cordia* [2016] UKSC 6, 2016 SC (UKSC) 59, 2016 SLT 209 at [49]. It was not for Dr Gregory - or the defender for that matter - to have the last word on the extent of

information which the pursuer should accept as sufficient. Further, Dr Gregory looked only at the patents and not the whole body of material which the court had before it in assessing whether the pursuer had a relevant basis to invoke its contractual rights. In any event,

Dr Gregory's analysis and opinion was:

- that "there are similarities, but also substantial differences, between the [defender's] patents and the Assigned Technology Patents";
- that it is "theoretically possible that there could be an infringement";
- that whether subject matter forming part of the defender's patents had been derived from the Assigned Technology and could infringe the Assigned Technology "depends on which of many possible acts – which are theoretically possible – are actually carried out";
- that the defender's "Digital Reactionware Patent family utilises and builds on [the pursuer's] 3D Printing IPRs";
- that:
 - "it may be theoretically possible that someone following the procedures described in [the defender's] Digital Reactionware Patent family could choose to do something (in this case, using a 3D printer to apply reagent, catalyst or solvent) which would bring their actions within the scope of [the pursuer's] 3D Printing IPRs, if one were following what is exemplified in [the defender's] Digital Reactionware Patent family, it is likely that there would be no infringement";
- that in certain respects the defender's Machine Learning patent application "bears to be a development and/or improvement of the invention forming part of [the pursuer's] Evolution IPRs", which is not itself considered to be unusual but "subject to not infringing an earlier patent";
- that the defender's Networked Reaction Systems patent application "bears to be a development and/or improvement of the invention forming part of [the

pursuer's] Evolution IPRS" which is not itself unusual provided that a certain process is adopted;

- that:

"in theory, some of the methods described in the [defender's] Networked Reaction Systems Patent application seem capable of infringing [the pursuer's] Evolution IPRs";

and

- that whether or not there has been an infringement in relation to the Assigned Technology "would depend on exactly which acts are chosen to be carried out".

[52] These aspects of the report served to support the conclusion that it was not unreasonable for the pursuer to have concerns in relation to use of the Assigned Technology. The extent of the similarity between the Assigned Technology and the patents and whether the differences were substantial (or not) were questions of degree. These questions of degree would form a material part of the battleground in any proceedings in which infringement was in fact alleged. But, in the present context, a patent attorney confirming the view that there were similarities served to confirm that the pursuer's apprehensions could not simply be dismissed as unreasonable. The pursuer was reasonably entitled to seek to take advice on and have its own patent attorneys or skilled witnesses assess the analysis and conclusions reached by Dr Gregory. It reasonably wished to do so armed with more information than it had at present. Any fair reading of Dr Gregory's report would see the reader recognise that the door had not been shut on the idea of infringement; and that there were a series of contingencies at play which might be bottomed out in a way which would result in a conclusion that infringement had taken place. A reasonable person in the position of the pursuer faced with such an analysis would seek to discover and recover as much information as possible on the matter if it had the means so to do. Such a party would

want to test the questions of degree, and resolve the contingencies. More information might convert the theoretical into the actual or it might confirm that matters had always remained in the realm of the theoretical. It was repeated that the present action was not concerned with securing findings on the commission of an infringement. Rather, it was concerned with the pursuer having a reasonable basis to seek to secure more information with a view to facilitating its assessment of the very matters raised by Dr Gregory. The pursuer's concerns were not neutralised by the terms of Dr Gregory's report, which served to confirm that it was not unreasonable to have the possibility of infringement in mind standing the content of the patents. That was enough in and of itself to justify the action the pursuer wanted to take, and viewed in the context of all of the other matters which had been raised, added substantial weight to the pursuer's case.

[53] Fifthly, the pursuer drew attention to the content of certain press articles in which Chemify was said to be undertaking activities which mapped very directly onto the research project work (including the use of a "Chemputer" which was a term used and trademarked by the pursuer). That had to be viewed with all of the preceding factors kept in mind but, particularly, the aborted negotiations initiated by Professor Cronin and in which Chemify sought out a licence from the pursuer in relation to the Assigned Technology. It appeared that Chemify was now indeed operating in the same area as the pursuer and being run by the principal actor who led the research project. The way matters appeared to the pursuer - not unreasonably - was that Chemify had come out of nowhere and, from a standing start, secured millions of pounds of commercial funding to operate in the same areas with which the research project and Assigned Technology were concerned. A question which reasonably arose was whether there was no standing start but, rather, a head start procured by dint of some use of the Assigned Technology. The answer to that question

might be yes; it might be no; or it might remain unclear, but it was not an unreasonable question in all the facts and circumstances disclosed by the pursuer to the court.

[54] Sixthly, it was curious that the defender had resisted the pursuer's requests as vociferously as it had. It had challenged the action in every conceivable respect, at great expense, and in circumstances where it was seeking to assert that there was nothing to see and nothing to provide. If that was correct, then one would have expected it to allow an order to pass and proceed safe in the knowledge that there was no risk to it. It was not unreasonable for the pursuer and the court to draw an inference that the defender was being so defensive because there was something to defend. There were any number of practical ways in which the defender could have opened its books to show that that was not the case.

[55] In all of these circumstances, the pursuer had a reasonable basis upon which to seek to invoke its entitlement under clause 11.4. It could not be said that it had acted unreasonably in seeking to procure the information, documentation and assistance contemplated by the clause. The court should find that the pursuer had a reasonable basis to require the defender to provide information, documentation and assistance in connection with the Assigned Technology.

[56] The defender's refrain that it had already provided a great deal of information, documentation and assistance failed to appreciate that it was required in terms of clause 11.4 to provide all such material as the pursuer might reasonably require for the identified purpose. Nor was the pursuer obliged by that clause, or otherwise, to accept the defender's assertions as to what had happened without access to all the relevant information.

[57] *Watney Mann Ltd v Langley* [1966] 1 QB 457, [1964] 2 WLR 858, cited by the defender, was a statutory interpretation case which did not vouch the proposition that the phrase "reasonably required" in clause 11.4 imported some criterion of necessity. Rather, the

question which the clause invited was: “What would a reasonable and prudent person require in the circumstances?” Equally, the word “enable” in the clause did not mean that the pursuer had to be entirely disabled from taking a relevant action before being entitled to invoke its terms. It sufficed that the information being requested would improve the ability of the pursuer to take that action.

[58] The order sought in implement of the obligations in clause 11.4 was as per the terms of the adjusted schedule to the summons, with the exception that sub-paragraph (v) was no longer insisted upon, given that it related to “Founders Additional IPR” (another variety of intellectual property defined in the parties’ contractual arrangements) which fell outwith the scope of clause 11.4. Sub-paragraph (vii) of the schedule could be restricted to questions of disclosure to the pursuer and exclude “notification”, since the latter term was associated in the Royalty Agreement with Founders Additional IPR. Likewise, no claim to privileged material was being insisted upon, and sub-paragraph (viii) could be modified so as to make it clear that no privileged communications with a patent attorney were being sought. The disclosures sought were all related to Assigned Technology in accordance with the scope of the clause. The defender’s objections to the disclosures as per its responses marked on the Scott Schedule were misconceived and ill-founded.

[59] The defender had misconstrued the contract, setting an unreasonably high bar for the circumstances in which a call in terms of clause 11.4 could be made. The test which the defender proposed (to the effect that the measure was what a legal professional would reasonably require) was erroneous and had no basis in the contract. In any event, a legal professional would, rather obviously, say “please obtain as much information as you reasonably can”. Further, the pursuer had acted reasonably and enjoyed a reasonable basis upon which to make the calls it had made. The defender’s reliance upon waiver and

personal bar was irrelevant in the context of this action. Those doctrines could only be relevant if there had been a change of position or abandonment of right in relation to clause 11.4. The question of waiver or bar affecting any claims which the pursuer might advance in the future was not a matter which could be adjudicated upon in this case (not least because the identity of the parties against whom any future claim might be directed was not yet known). The defender's averments on these matters were manifestly insufficient to enable any conclusion, even a provisional one, to be reached on them.

[60] It might be expedient for the court to issue its decision in relation to the pursuer's entitlement and afford to parties a short period within which to seek to agree a form of order and discuss the question of cost in the light thereof.

[61] In conclusion, the pursuer had not acted unreasonably in entertaining apprehensions regarding the need to enforce and/or defend its rights in relation to the Assigned Technology. In those circumstances it was entitled to invoke its rights in terms of clause 11.4 and procure - at its own expense - information, documentation and assistance from the defender beyond that which it deigned to disclose in the course of its defence of these proceedings.

Defender's submissions

[62] On behalf of the defender, counsel submitted that it had provided all information, documentation and assistance that the pursuer reasonably required to enable it to take legal advice in relation to the potential enforcement of the Assigned Technology. It remained entirely unclear why the information or documentation still sought was necessary to enable the pursuer's legal representatives, or any patent attorney, to advise it. It had already been provided with a substantial amount of information, assistance and documentation by the

defender relating to the subject-matter of the action. The defender had engaged with the pursuer candidly and in good faith from the earliest correspondence between agents. Its own advisers had felt themselves able to provide it with advice without any further information. It remained unclear what, if anything, the pursuer had done with the information, documentation and assistance provided by the defender. It was acting unreasonably in seeking disclosure of the information or documentation listed in the schedule to the summons in the circumstances of the case.

[63] If the pursuer had any rights in or to the patents, it had waived any entitlement to the Digital Reactionware, Networked Reaction Systems and Machine Learning patents. It was, further, personally barred from claiming any entitlement to the Digital Reactionware, Networked Reaction Systems and Machine Learning patents.

[64] The principles for the interpretation of contracts were well-established and recently re-stated in *Lagan Construction Group Limited (in Administration) and others v Scot Roads Partnership Project Limited* [2023] CSIH 28, 2024 SC 12 at [10]. The court required to ascertain the intention of the parties. That was most obviously gleaned from the language which they had chosen to use and was an exercise directed at what a reasonable person, having all the background knowledge of the parties, would understand from the language selected by them. As the Royalty Agreement was a complex and sophisticated contract negotiated by skilled professionals, it was possible in this case to interpret it principally by textual analysis. The pursuer was entitled to all information, documentation and assistance which it might reasonably require to enable it to take any action in relation to the defence and/or enforcement of the Assigned Technology. Two patents formed part of the Assigned Technology: (i) WO2013121230 - Apparatus and Methods for the Preparation of Reaction Vessels with A 3D-Printer (filed 18 February 2013); and (ii) WO2013175240 - Methods of

Evolutionary Synthesis Including Embodied Chemical Syntheses (filed 24 May 2013). The Assigned Technology also included any IP created or developed by the defender after 26 February 2014 in the performance of the research projects under the first and second research agreements. The defender's understanding was that no IP arose from these agreements. Professor Cronin noted that only two of the researchers who worked for him in relation to the Engineering and Physical Sciences Research Council grants also worked on the projects under the first and second research agreements, Dr Stefan Glatzel and Dr Anna Andreou. They left the defender's employment to join the pursuer. If the pursuer had doubts about Professor Cronin's position, the obvious investigation would be to contact these researchers to see whether they confirmed or contradicted it. The pursuer's failure to undertake such investigations or, alternatively, the fact that it could be inferred that any such investigations did not yield any useful basis for it to dispute Professor Cronin's account, was relevant to the question of whether the orders sought were "reasonably required" in the circumstances of this case.

[65] The phrase "reasonably require" was to be construed objectively. The phrase had been construed in *Watney Mann Ltd v Langley* as meaning "reasonably necessary" and not "reasonably demanded". In the present case, the phrase ought to be construed in the same manner. The pursuer was only entitled to information, documentation and assistance which was, objectively viewed, reasonably necessary for it to take advice on the contemplated litigation. Even if the phrase were to be construed as meaning "reasonably demanded", the pursuer's demand was not a reasonable one in the circumstances, including the lack of clarity about what was supposedly insufficient about the material already provided and about what the pursuer had done to make enquiries along other avenues open to it. The issue of whether the pursuer wanted certain information or documentation was not the test

under clause 11.4 for whether it was entitled to it. Further, the word “enable” in the clause should be given its ordinary meaning of making an action possible or effective. In *West Derby Union v Metropolitan Life Assurance* [1897] 1 Ch 335, Rigby LJ said at 358 that the word enable:

“in itself, has the primary meaning, in the case of a person under any disability as to dealing with another, of removing that disability; not of conferring a compulsory power as against that other”.

Applying that to the present case, the pursuer required to be unable to take advice on the contemplated litigation on the basis of the information and documentation provided to it to date, and to need the disclosure of the information and documentation listed in the schedule to the summons before it was able to take such advice. The pursuer’s pleadings and evidence fell far short of meeting the test for disclosure under clause 11.4. At no stage had it sought to explain why the information and documentation sought was necessary before its legal representatives, or any patent attorney, would be able to advise it in relation to the contemplated litigation. At no stage had it said that those legal representatives or any patent attorney were unable to provide the advice sought in the absence of further information and/or documentation. The defender had already provided in pre-action correspondence and in the course of the action a substantial amount of information and documentation to allow the pursuer to take informed legal advice. The nature and extent of this material far exceeded the material that was ordinarily available to legal representatives, or patent attorneys, when they required to advise their clients about the prospects of contemplated litigation. The defender had engaged with the pursuer candidly and in good faith from the earliest correspondence with its agents. It had confirmed in a letter dated 28 April 2022 that:

“The University has not granted any rights to use the Assigned Technology to Chemify. As far as the University is aware, Chemify is not making use of the Assigned Technology and has no need to do so. DeepMatter has not provided any evidence that Chemify is using and/or infringing the Assigned Technology. If DeepMatter has evidence which suggests otherwise, please let us know and the University will investigate this.”

It had repeated that position in further correspondence, in its defences, and in the Scott Schedule.

[66] In light of these repeated assurances and offers of further assurances, it was difficult to see the basis upon which the pursuer sought disclosure of further information and/or documentation in relation to whether the defender had licensed, or considered the possibility of licensing, the Assigned Technology to Chemify or any other third party. The pursuer had not provided any evidence which contradicted the defender’s stated position.

[67] As to the bases upon which the pursuer maintained that it entertained reasonable concerns about what had happened, it had been the pursuer, and not Professor Cronin, which had suggested that Chemify should take a license in relation to the Assigned Technology; he had never been of the view that one was required. The defender had been willing to investigate the alleged software code copyright breaches by Professor Cronin, but had not been furnished with enough information by the pursuer to enable it to do so. It was not accepted that there had been copyright infringement. The allegations made about the defender’s patents had been dealt with comprehensively by Dr Gregory; his report demonstrated that the allegations were improbable. There had been nothing secret, far less underhand, about the setting up and operation of Chemify Limited.

[68] The defender’s patents complained of in the summons were: (i) PCT/EP2019/050439 - Digital Reactionware (filed 9 January 2019); (ii) PCT/EP2019/067948 - Machine Learning (filed 4 July 2019); (iii) US20210031162 - Networked Reaction Systems (filed 6 March 2019);

(iv) WO2021219999 - Automated chemical synthesis platform (filed 28 April 2021);

(v) WO2021209773 - Fluid handling device and methods (filed 19 April 2021); and

(vi) WO2023131726 - Autonomous Exploration for the Synthesis of Chemical Libraries (patent application published 13 July 2023). However, the pursuer only made specific averments about the first three patents. There were no specific averments about the others.

A call placed by the defender on the pursuer to explain the relevance of the other patents to these proceedings remained unanswered. The defender had encouraged the pursuer to seek the advice of a patent attorney. The development of the patents could be examined by a suitably qualified technical expert and such an examination would clearly show the direct link between the work anticipated to be undertaken in the EPSRC grant funded project, the papers which arose from that project, and the patents filed. The pursuer instead relied on comments made by Mr Warne (who was not a patent attorney) concerning his opinions on the “similarities” between the patents and the Assigned Technology. Those opinions were inadmissible as Mr Warne was not qualified to comment on those matters. They were also irrelevant as the purported “similarities” did not of themselves constitute any patent infringement. In any event, Dr Gregory had responded to Mr Warne’s claims in his expert report, and rejected his analysis. Dr Gregory stated that the claims of the patents were not identical to the claims of the Assigned Technology patents. There were similarities, but also substantial differences. He concluded that there were several patent families, each of which seemed to relate to a different concept or series of concepts. He noted that parts of the patents could be said to build on technologies described in parts of the earlier Assigned Technology patents, whilst introducing new concepts, and that that was not unusual as whenever a patent document was in the public domain, anyone was free to consider its content and build on it to develop new patentable inventions. His opinion was that one

could determine the scope, or potential scope, of the pursuer's Assigned Technology patents merely by analysing the documents alone, and that it did not seem necessary to obtain any further documents to determine whether the carrying out of acts in accordance with what was stated in the patents could amount to infringement of the Assigned Technology. The fallacy in the pursuer's approach was demonstrated by its refusal to explain whether it had taken advice from a patent attorney; if so, whether that patent attorney was unable to advise on any potential claims because of a lack of information; and if so, how the orders sought would cure any apparent gaps in the information.

[69] The words "any action" in clause 11.4 was not limited to court action but also included prior steps relating to the enforcement of Assigned Technology, such as taking advice from legal representatives and a patent attorney. However, that was not to say that the pursuer could seek disclosure under clause 11.4 to investigate any frivolous, speculative or contrived potential claim in relation to the Assigned Technology. There was a duty incumbent upon it to act reasonably and in good faith. There was no basis for the pursuer's apprehension that it required to take enforcement action in relation to Assigned Technology. It was acting unreasonably in seeking disclosure of the information and documentation listed in the schedule to the summons.

[70] The phrase "in relation to the defence and/or enforcement of the Assigned Technology" had repeatedly been overlooked in the pursuer's requests for disclosure under clause 11.4. The schedule to the summons until recently included requests for many orders relating to Founders Additional IPR (as defined in the Royalty Agreement). The pursuer had belatedly deleted references to Founders Additional IPR from the orders sought, but had declined to accept that it had no entitlement to information or documentation in relation to that IPR. In these circumstances, the defender's position was that all the references to

Founders Additional IPR in Mr Warne's statements were irrelevant and should be ruled as inadmissible. The orders sought now appeared to be confused as they still spoke to the language of disclosure or notification of Founders Additional IPR, but clause 11.4 was restricted to Assigned Technology.

[71] The pursuer's stated purpose of seeking disclosure under clause 11.4 of the Royalty Agreement bore little resemblance to its own evidence. First, the pursuer said that it wanted to identify potential wrongdoers. However, the pursuer did not need the information or documentation in the schedule to the summons to identify potential wrongdoers. Second, the pursuer said that it wished to identify relevant witnesses, but it already knew who those witnesses might be. It had had direct dealings with some of them, such as Mr Anderson and Professor Cronin, over a period of several years. Both of those witnesses had provided affidavits and witness statements explaining their positions. Further, the pursuer knew the identity of the two researchers who worked for Professor Cronin in relation to the first and second research agreements and the EPSRC grants - namely, Dr Stefan Glatzel and Dr Anna Andreou. They were subsequently employed by it. Third, the pursuer claimed that it did not have visibility of what had occurred between the defender and Professor Cronin in relation to the Assigned Technology. The defender had explained that Professor Cronin considered that Chemify did not need a licence of the Assigned Technology from the pursuer, and had produced contemporaneous correspondence between Professor Cronin and representatives from the defender which recorded that decision. The pursuer had been aware of that explanation for almost 5 years. In addition to Mr Anderson and Professor Cronin's explanations (which were vouched by contemporaneous documents), the pursuer had the benefit of the defender's confirmation that it had not assigned or licensed any Assigned Technology to any third party, including Chemify; and Professor Cronin's

confirmation in his witness statement that Chemify was not using and had not used any of the Assigned Technology. In these circumstances, it was clearly incorrect to state that it did not have visibility of what had occurred between the defender and Professor Cronin in relation to the Assigned Technology. Fourth, the pursuer said that it did not have visibility of the setting up of Chemify. On the contrary, the parties had been in lengthy negotiations about the setting up of Chemify for many months prior to its incorporation on 24 October 2019. At all times, the defender and Professor Cronin had been transparent with the pursuer about their plans for the incorporation of Chemify. Fifth, the pursuer said that it did not have visibility of the circumstances which gave rise to the defender's patents. However, as early as in correspondence dated 10 August 2022, the defender had provided a detailed explanation about the circumstances which gave rise to the development of those patents.

[72] In the schedule to the summons, the pursuer sought disclosure of information and documentation of:

“any due diligence exercise which the defender has undertaken in respect of Chemify's freedom to operate but only to the extent of entries connected with the pursuer and the 'Assigned Technology'; and the results thereof”.

Any advice that the defender received from its patent attorneys about whether use of its patents would infringe the Assigned Technology was protected by legal advice privilege.

Advice received from patent attorneys attracted the same privilege as advice received from solicitors. In terms of section 280 of the Copyright, Designs and Patents Act 1988, where a patent attorney communicated with his or her client about the protection of an invention, such communications, documents, material and information attracted privilege from disclosure. Advice about whether an invention infringed another's patent fell within the scope of this provision.

[73] If the pursuer had any rights in or to the patents, it had waived any entitlement to the Digital Reactionware, Networked Reaction Systems and Machine Learning patents. Such rights would now be extinguished. Reference was made to *Evans v Argus Healthcare (Glenesk) Ltd* 2001 SCLR 117. The expression “waiver” was used to describe a voluntary, informed and unequivocal election by a party not to claim a right or raise an objection which it was open to that party to claim or raise. The defender disclosed the Digital Reactionware, Networked Reaction Systems and Machine Learning patent applications to the pursuer on 13 December 2017, 14 March 2018 and 9 July 2018, respectively. It offered the pursuer an option over those patent applications under the Royalty Agreement (even though they were not Founders Additional IPR). There were many discussions between the parties during 2018 and 2019 regarding the applications. The pursuer discussed the possibility of taking licences to the patents with the defender. It sought and agreed a three-month extension in relation to the exercise of the option on the Digital Reactionware and Machine Learning patent applications, but then allowed the extended option period to expire without making a proposal to licence those applications. In relation to the Networked Reaction Systems patent application, the defender confirmed that it had no wish to licence this patent. On 20 January 2021, it notified the pursuer by letter of its intention to grant a licence of Digital Reactionware and Machine Learning patents to a third party. The pursuer again raised no objections or concerns. It did not state during those discussions that it considered that the patents were Assigned Technology because they arose from research under the first or second research agreements. In these circumstances, the pursuer had made a voluntary, informed and unequivocal election not to claim any rights in or to the Machine Learning, Networked Reaction System and Digital Reactionware patents. The pursuer had extensive discussions with the defender about these patent applications. It knew, or ought to have

known, about its rights to or in these patent applications. The defender had conducted its affairs on the basis that the pursuer was not asserting any rights in or to the patent applications. It would not have licensed some of these patents to third parties had the pursuer claimed rights in or to them without first seeking to investigate the substance and merits of the claims and, if appropriate, to resolve any dispute with the pursuer. If the pursuer had no rights in or to these patents, its contemplated litigation in relation to these patents being, or deriving from, Assigned Technology would be fatally flawed.

[74] Further, if the pursuer had any rights in or to the patents it was now personally barred from claiming any entitlement to the Digital Reactionware, Networked Reaction Systems and Machine Learning patents. Reference was made to *Ben Cleuch Estates Ltd v Scottish Enterprise* 2008 SC 252 at [85] - [94]. The basis of the plea was that there must be a representation made by A as to the existence of a certain state of fact; B must believe the representation and act in reliance on it to his prejudice; and the belief in the state of fact must be justified by the representation. Where a representation had produced a justified belief in a state of facts, the representor was personally barred from maintaining that the facts were other than as represented. In the present case, the pursuer had, because of its conduct, justified the defender in believing that the pursuer was not asserting any rights in or to the Digital Reactionware, Networked Reaction Systems and Machine Learning patents. The conduct relied upon was the pursuer's omission to state during the course of the extensive discussions that it considered that those patents were, or incorporated, Assigned Technology. This belief was further fortified by the pursuer deciding not to accept the option to licence those patents when presented with an opportunity to do so. That led the defender justifiably to believe that the pursuer had no interest in them. The defender relied upon the pursuer's conduct by entering into licences with third parties for some of

those patents. It would be prejudicial now if the pursuer was entitled to claim any rights in or to them. The pursuer was now personally barred from asserting any rights in or to the Machine Learning, Networked Reaction System and Digital Reactionware patents. If the pursuer had no rights in or to these patents, its contemplated litigation in relation to them being, or deriving from, Assigned Technology was again fatally flawed.

[75] In summary, the defender's case was that it had fully satisfied the obligation incumbent upon it under clause 11.4. It had provided the pursuer with a significant amount of information, assistance and documentation that should have enabled it to take any legal advice that it reasonably required in relation to any contemplated litigation about the Assigned Technology. The defender had legitimate concerns that although it had provided the pursuer with such material, it remained entirely unclear what the pursuer had done with that material, and why its legal representatives, or a patent attorney, required more material before they could give advice in relation to the contemplated litigation. It was not the case that just because the pursuer asked, the defender should provide additional material. That was particularly the case where Chemify was a competitor of the pursuer. It was incumbent upon the defender to comply with its contractual obligations, but where requests extended beyond the scope of that obligation, it required to balance the need to be of assistance to the pursuer with the interests of others, such as Chemify, which might question why the defender was disclosing potentially confidential information to one of its possible competitors. The court should refuse the orders sought, or at least grant them on the restricted basis put forward by the defender in the Scott Schedule.

Decision

[76] Objections were, somewhat faintly, advanced in argument in relation to Dr Gregory's expressed views on whether a patent attorney would require any further information than that publicly available in order to advise a client on the steps appropriate to defend or enforce rights in the Assigned Technology. For reasons which will become apparent, I do not consider that that is a relevant matter in the case, and it suffices to say that I have left it out of account. Similarly, the suggestion that Dr Warne was not qualified to express some of the views which he did about the nature and scope of the patents in issue did not accord with my understanding of what he was actually attempting to do in that regard, which was to explain the nature of the pursuer's concerns, be they well-or ill-founded. I have not placed any reliance on his relative remarks for any wider purpose than that. Subject to those observations, I have simply taken the contents of the various affidavits and statements as the honest views of those who provided them. As will become apparent, on the view I take of the legal issues which arise in the case, it has not proved necessary to form any further opinion as to their accuracy.

Proper construction of clause 11.4

[77] It is first necessary to determine the proper construction of clause 11.4 of the IPR Option and Royalty Agreement. As will be recalled, that requires the defender, on the pursuer's request and at its expense, to provide to it all information, documentation and assistance which the pursuer may reasonably require to enable it to take any action in relation to the defence and/or the enforcement of the Assigned Technology. The parties differed, in particular, on the proper import of the phrase "reasonably require to enable". My attention was drawn to the decision of Thompson J in *Watney Mann Ltd v Langley*. That

was a statutory interpretation case, the issue being whether information sought in a notice issued by a valuation officer was or was not “reasonably required” in terms of section 58 of the Local Government Act 1948 in order to enable him to compile a valuation roll. The context in which that phrase had to be interpreted was thus very different from that in the present case.

[78] Nonetheless, Thompson J’s exposition (at [1966 1 QB 465F - 467F]) of some of the issues which arose has resonance for these purposes. The learned judge identified that the word “required” in the phrase “as may be reasonably required” could sensibly bear the meaning “demanded or asked” on the one hand, or the meaning “needed or necessary” on the other. He preferred, as the more natural construction of the phrase, the latter option, so that the question to be answered was whether the information asked for was information which it was reasonably necessary for the valuation officer to have in order to enable him to compile an accurate valuation list. The defender in the present case asks me to adopt the same approach, so that the question to be answered here would be whether the material sought by the pursuer was material which it is reasonably necessary for the pursuer to have in order to enable it to take any action in relation to the defence and/or the enforcement of the Assigned Technology.

[79] The parties in *Watney Mann* did not, however, see the choice between those two available constructions of the word “required” in the relevant phrase as crucial to the outcome of the case. Rather, the issue which divided them was in relation to the meaning to be given to the word “reasonably” in the phrase. The rival contentions were, firstly, that the word “reasonably” modified the concept of necessity so as to locate what could be demanded in a spectrum of need which might extend at one extreme to that which was absolutely essential and at the other to that which was merely convenient or useful. In that

connection, reference was made to what had been said by Buckley J in *Stanford v Roberts* [1901] 1 Ch 44, where the question (in terms of section 13 of the Settled Land Act 1890) was whether an alteration to property was reasonably necessary to enable it to be let. It was held that an alteration was reasonably necessary, even if the property in question could in fact be let without it having been effected, if it was something that the reasonable and prudent owner of the property would carry out in order to facilitate a letting. The same touchstone of reasonableness and prudence was also used by Devlin J, as President of the Restrictive Practices Court (chairing and speaking for a panel including *inter alios* Lord Cameron and Upjohn J) in *In re Chemists' Federation Agreement (No. 2)* [1958] 1 WLR 1192. In that case, the question was whether enforcement of a restriction on the sale of medicine was reasonably necessary for the protection of the public in terms of section 21 of the Restrictive Trade Practices Act 1956, and it was held that it would be so necessary if a reasonable and prudent man concerned for the protection of the public would enforce it.

[80] The alternative view as to the role of the word “reasonably” advanced in *Watney Mann* was that it entitled and indeed compelled the court apply an overriding judgment of reasonableness, so that, even if satisfied that the information sought was necessary for the accurate compilation of the valuation list, the court would still require to consider all the circumstances of the case and balance the conveniences and hardships which would result from its validation of the information request in order to determine whether to do so.

[81] That submission was rejected by Thompson J, essentially on the basis that it would detract from his preferred construction of the phrase “reasonably required” as “reasonably necessary”. His Lordship noted that, had he been prepared to construe “reasonably required” as “reasonably demanded”, then there would have been more room for the contention that the court would be entitled to make some balancing assessment of the

convenience to be served on the one hand and the hardship that might be caused on the other by validation of the request.

[82] Turning to the issue of construction in the present case, I accept the submission on behalf of the pursuer that we are here concerned with an obligation entered into against a clear background of expected good faith and fair dealing. Although the implications of the (in Scots law, as-yet nascent) concept of a duty of good faith in contracting have yet to be thoroughly worked out, it is clear that in this instance the parties were engaged in clause 11.4 in setting out the framework for future co-operation between them in the context of upholding the validity and efficacy of the rights which were being conveyed from the defender to the pursuer. A construction of the clause detrimental to that ultimate end is not one which the parties ought to be taken as having intended. That said, the words used in the clause must remain the principal guide to its meaning, so that there is no scope for a construction which gives effect to the evident purpose of the clause at the cost of doing material violence to its language.

[83] Happily, the language of clause 11.4 can easily be read in a manner consistent with its apparent purpose. I agree with Thompson J in *Watney Mann* that the phrase “reasonably required” naturally falls to be read as focussing on the nature of the supposed necessity for the material requested rather than on the nature of the request for it - in other words, that it falls to be read as authorising a request for material which it is reasonably necessary for the pursuer to have in order to enable it to take any action in relation to the defence and/or the enforcement of the Assigned Technology. That was the construction of that element of the relevant phrase urged on me by the defender.

[84] The next issue which arises is, thus, what is meant by “reasonably” in the phrase “reasonably required” as so construed. The decisions in *Stanford v Roberts*, *In re Chemists’*

Federation Agreement (No. 2) and *Watney Mann*, each dealing with radically different subject-matter from each other and from the present case, all reached the conclusion that something is reasonably necessary if a reasonable and prudent person placed in the position of the person with the power to make the demand or do the act in question would so consider it. I can see no reason why that would not be an equally apt criterion to apply in the context of the present case. It accords with the principal issue of construction, that “reasonably required” means “reasonably necessary” and the concept of a demand in terms of clause 11.4 being valid if it is one that would be made by a reasonable and prudent person in the position of the pursuer strikes a balance between the rights of the pursuer and the obligations of the defender which can readily be seen as having been within the contemplation of the parties when their bargain was struck. The alternative suggestion, that the question of reasonableness is one entirely at large for the court to determine in all the circumstances of the case, would detract from the construction of “reasonably required” as “reasonably necessary” by diverting focus from the need for the material requested onto wider and more nebulous considerations, and would thus introduce a substantial element of uncertainty into the operation of the clause, which (as well as being in itself undesirable) cannot be supposed to have been something in the contemplation of parties seeking to create a commercially sensible way of dealing with their future rights to and obligations of co-operation in relation to the rights being assigned.

[85] I do not overlook the fact that the pursuer is entitled to request material “to enable it to take any action in relation to the defence and/or the enforcement of the Assigned Technology”. It was, however, common ground between the parties - and I agree - that the word “action” was not limited in clause 11.4 to legal action, and encompassed any step reasonably related to the enforcement or defence of the assigned rights. That evidently

broadens significantly the scope of things which the material sought must be capable of enabling. As to the concept of enablement itself, while one meaning of that word may be the removal of an extant disability (*West Derby Union*), another available sense is the conferring of power, means, competence or ability. That is the sense which most closely fits with and complements the proper construction of the rest of the clause. I note that in *Stanford v Roberts* the assumed fact that the property in question was lettable without the alteration in question was held not to detract from the conclusion that its execution was reasonably necessary to enable the property to be let. Another way of expressing that is to say that the reasonableness element in the relevant phrase qualifies not only the necessity element, but also the concept of enablement also there present.

[86] In summary, my conclusion on the proper construction of clause 11.4 is that it enables the pursuer to require the defender to provide to it all information, documentation and assistance which a reasonable and prudent person would wish in order to give him the means, competence or ability to taking some step related to the enforcement or defence of the assigned rights.

Application of the legal test to the facts

[87] As a matter of generality, the pursuer is aware of material which would give a reasonable and prudent person in its position cause for concern as to what was happening at the hands of Professor Cronin and Chemify to the rights assigned to it, so as to justify questions of a serious nature being asked. There undoubtedly was a serious bilateral negotiation in which the idea of a licence of relevant rights being granted to Chemify was discussed in detail and then rather abruptly abandoned by it. There is a factual dispute as to who first floated the idea of a licence, but no proper basis for any suggestion that, once

floated, the idea was not apparently taken seriously by both the pursuer and Chemify.

Professor Cronin does not deny having published, without authorisation, 288 lines of code in which the IPR had been assigned to the pursuer. While I accept that that action need not in itself amount to breach of copyright in the code, it would raise in the mind of a reasonable and prudent owner of that copyright a question as to what else might be happening to its IPRs in the Assigned Technology generally. Further, it would appear from the report of Dr Gregory that there is a live question of the possibility, at least, of the carrying out of acts in accordance with what was stated in the University patents amounting to infringement of the Assigned Technology patents. I would not normally rely on the content of newspapers for forensic purposes, but Professor Cronin's authorship of one press article suggests that more credence than usual should be given to the material contained therein, which again would be of concern to a reasonable and prudent person in the position of the pursuer.

[88] I do not place any weight, given the somewhat unclear circumstances, to the further posting of what may be elements of the code in question by "Croningp" on GitHub.

Equally, the suggestion that the defender is protesting too much, and that an inference should be drawn from its behaviour that it has something to hide, is not one that I am prepared to accept. The defender is entitled to advance whatever position it sees fit in response to a demand for it to perform a disputed contractual obligation without any such inference being drawn.

[89] I appreciate that the defender maintains that many, perhaps all, of the sources of concern relied upon by the pursuer are readily explicable in a way which might deprive them of their force. That may or may not turn out to be the case, but the present exercise is designed to ascertain whether a reasonable and prudent person in the position of the pursuer would be sufficiently concerned by what he knew to seek to exercise the right

conferred by clause 11.4, and not in any way to look beyond that at the merits of any underlying factual dispute. In the light of the circumstances I have set out, I consider that such a person would seek to exercise that right, and that the pursuer is thus entitled to do so.

[90] The next question is whether any of the requests for information, documentation and assistance made by the pursuer exceeds the ambit of what a reasonable and prudent person in its position would ask for. Broadly speaking, the pursuer wishes to obtain from the defender any material in its possession disclosing: the content of any discussions which may have taken place in relation to the Assigned Technology; details of any use of the Assigned Technology; any relationship between the Assigned Technology and the development of the subject-matter of three of the defender's patents; the provision of information about the Assigned Technology to any other party; and the names of persons who might be able to give further information about these matters. Subject to a few points of detail to be dealt with subsequently, those issues appear to be well within the scope of the concerns which a reasonable and prudent person might entertain if placed in the position of the pursuer. In principle, therefore, the pursuer is entitled to make the requests which it has made in furtherance of its right in terms of clause 11.4.

[91] The defender's objections in principle to an order being made as requested by the pursuer now require to be considered. It suggests pervasively that the information, etc, which is sought is not needed in order to enable the pursuer to seek effective legal advice in relation to the enforcement or defence of the assigned rights. Whether or not that is actually the case, it misses the point. I understood it to be common ground - and in any event, I so hold - that clause 11.4 envisages material being sought to enable any variety of action (not merely legal action) to be taken in relation to the defence and/or the enforcement of the Assigned Technology. The concept of an "action" in that wide sense would encompass, for

example, the pursuer's board making a decision as to whether to involve its legal advisers in a potential dispute in the first place, and the idea that there is some implicit restriction in the clause to the effect that it is concerned, as a minimum, with the taking of legal advice is without foundation.

[92] The other core error reflected in the defender's position is its failure to appreciate that - as in *Watney Mann* and the other cases cited - the concept of "reasonable necessity" as the proper construction of "reasonably require" in clause 11.4 brings out the touchstone of what would be requested by a reasonable and prudent person as the applicable legal test, rather than any more exigent criterion. Thus, questions about what the pursuer has done with the material already voluntarily provided to it, what investigations it has or has not made, or who else has been approached for information by it, although matters which might sound in a test more directly based on such a criterion, fail, at least directly, to address the issue of what a reasonable and prudent person possessed of the right in clause 11.4 would do. I entirely accept that the test propounded by the clause is not merely what the pursuer subjectively wants to discover, but that is not the test which I have applied.

[93] The suggestion in the statement of Mr Johnston, that the defender would find it, if not impossible, then at least grossly inconvenient to search through all the data held by it for the information sought, was primarily directed at a list of suggested search terms formerly put forward by the pursuer, and has much less force now that that list is no longer insisted upon. In any event, I consider that the difficulty is overstated. No one would think it necessary, for example, to search the records of the history or modern languages departments of the University for the information sought by the pursuer; any search can and should be much more focused than that, and the defender could only properly be

criticised should it wilfully fail to look for the information required in places where a reasonable person might suspect it to be located.

[94] Dealing finally with the defender's submission that the pursuer has waived at least certain rights in the Assigned Technology, or else is personally barred from enforcing such rights, it may be the case that a reasonable and prudent person in the position of the pursuer would not seek any information, etc., in terms of clause 11.4 in relation to rights which obviously could not be enforced or defended. However, absent a demonstration at this stage that such is the case, the suggestion that issues of waiver or personal bar ought to be regarded as apt to persuade the court not to grant the orders sought is misplaced. The defender has provided no such demonstration. Indeed, although it is important to avoid forming any detailed view as to how any dispute in relation to these matters might ultimately be resolved, the suggestion that a refusal to take up an option in certain patents amounts to a waiver, or sets up a personal bar in relation to the enforcement, of rights said to be reflected or embedded in those patents, let alone in relation to rights which may or may not exist outwith their scope, seems somewhat optimistic.

Form of order

[95] The objections to the form of order sought by the pursuer which have been stated by the defender in the Scott Schedule reflect more or less directly those which have already been examined and rejected. For the reasons stated, I shall repel the defender's pleas-in-law, and sustain the pursuer's plea to the extent of granting an order in the terms already set out, subject to the following alterations (the necessity for which appears in the defender's argument and is conceded by the pursuer):

1. Paragraph (v) of the requested order shall be deleted;

2. In paragraph (vi) of the requested order, the words “questions of notification or” shall be deleted and “question of” substituted therefor; and
3. In paragraph (viii) of the requested order, at the end there shall be added “and excluding any communication with a patent attorney subject to the privilege conferred by section 280 of the Copyright, Designs and Patents Act 1988.”