

PATENTS ACT 1977

IN THE MATTER OF a reference to the Comptroller under Section 37(1) by R W Hartley and E R Livesey (trading as Earl Plastics) in respect of patent No. 2271755 in the name of Advanced Extrusion Developments Limited

FINAL DECISION

Introduction

1. In my further interim decision of 25 February 1999, which was made on the papers as also was my earlier interim decision of 20 May 1998, I proposed three orders and gave the parties two months to make submissions on these proposed orders, stating that after that time I would make such orders as I deemed appropriate in the circumstances. This final decision relates principally to the orders to be made. The secondary matter of costs also remains to be settled. I found in my further interim decision that the referrers are due a small contribution to their costs, but the exact sum was not decided at that time.

2. No appeal has been lodged against my findings in the further interim decision, neither were any submissions filed by either party with regard to my proposed orders.

Orders

3. In the absence of any submissions from the parties and also in the absence of an appeal I can see no reason to alter my three proposed orders in any way. Thus, I make three orders which are identical with the three proposed orders set out in my further interim decision. They are -

- (i) the assignment of 8 November 1994 being invalid, the register shall be corrected to reflect this and to return the patent to Paul Lever as sole proprietor;
- (ii) the agreement of 29 September 1992 shall be deemed to be terminated, leaving Paul Lever free to assign his patent, if he so wishes to whoever he wishes, without the agreement of the other four named individuals;
- (iii) and, Earl Plastics should be granted a royalty-free, non exclusive licence in respect of Patent number 2271755.

Costs

4. The absence of an appeal also means that my findings in the further interim decision regarding costs stand. Only the referrers have asked for costs, the counterstatement being silent as to a request for costs by the opponents and no submissions about costs having been made on behalf of the opponents at a preliminary hearing held to decide whether the late filing of the counterstatement should be allowed. In my further interim decision, in considering the subject of costs, I took into account that (a) the referrers had only been successful in part in their reference, (b) although the referrers were involved in expense with regard to filing three letters in connection with the preliminary hearing, at which they were not represented, in finding in favour of the opponents with regard to the late filing of the counterstatement I nevertheless had conferred some blame on the opponents, and (c) the non-filing of evidence by the opponents had limited the expenses of the referrers. Thus, in the further interim decision I concluded -

"In the circumstances I believe that the referrers are due a small contribution to their costs, to be paid to them by the opponents Advanced Extrusion Developments Limited. I shall make a decision with regard to the exact sum to be awarded at the same time as I make my final decision over orders."

Accordingly, I now have to decide what costs to award to the referrers.

5. The comptroller's authority to award costs is provided by section 107(1), which reads:

"The comptroller may, in proceedings before him under this Act, by order award to any party such costs or, in Scotland, such expenses as he may consider reasonable and direct how and by what parties they are to be paid."

6. This gives me considerable discretion. However, it is the comptroller's normal practice to award a contribution towards costs using a scale which is periodically announced in the Patents and Designs Journal. Departure from the normal practice requires exceptional circumstances and I do not think that there are any exceptional circumstances in this case.

7. According to the scale, in proceedings before the Comptroller in which the referrers have filed evidence but the opponents have not filed evidence, which is the situation in the present section 37(1) reference, an appropriate award for a fully successful referrer would be in the range of £335 - £535, depending on the amount and complexity of the evidence filed, and, in addition, costs may be allowed for each hearing held. In the present proceedings, one hearing, the preliminary hearing of 21 January 1997, has been held.

8. I consider that, since the referrers were not successful with regard to the points of relief in their reference concerning their proprietorship of the patent and the assignment of the patent to all five original applicants, the referrers should be awarded only a fraction, about one half, of the normal costs. Also, in deciding where in the range I should set the costs, I should consider the complexity and length of the evidence. The evidence filed by the referrers in support of their case consists of one eleven page affidavit and eight straightforward exhibits. In addition, two substantially identical two page affidavits by Pate and Lonsdale were later filed by the referrers after I had given both parties a further opportunity to file sworn evidence from Pate and Lonsdale in support of their respective cases. It seems to me that the total evidence filed by the referrers cannot be regarded as being of such complexity and length as to suggest costs at the top end of the range.

9. With regard to the preliminary hearing of 21 January 1997 at which the referrers were not represented, I found for the opponents and allowed the late filing of the counterstatement but I conferred some blame on the opponents because they had acted somewhat unwisely in not getting written confirmation of the acceptance of the 35% share offer and, in the absence of any firm confirmation that the section 37(1) reference had been withdrawn, in allowing the matter of filing the counterstatement to drift. Bearing this in mind, I consider that no costs are due to the referrers with respect to the preliminary hearing.

10. I am aware that the referrers started appeal proceedings against the interim decision of 20 May 1998 but withdrew the appeal, asking for the appeal to be withdrawn without an Order for costs. I do not consider that this aborted appeal affects my award of costs.

11. As a result of my findings I therefore order the opponents, Advanced Extrusion Developments Limited, to pay to the referrers, R W Hartley and E R Livesey (trading as Earl Plastics), £220 (two hundred and twenty pounds) as a contribution to their costs.

Appeal

12. Since this is a decision other than on a matter of procedure, any appeal shall be filed within six weeks from the date of this decision.

Dated this 19th day of May 1999.

G M BRIDGES

Divisional Director, acting for the Comptroller

THE PATENT OFFICE