

PATENTS ACT 1977

IN THE MATTER OF

a reference under sections 12 and 37

by Aubrey Ralph Berrange

in respect of Patents and Patent Applications

Nos PCT/GB 94/01049, PCT/GB 95/02616, PCT/GB 96/01708, EP 94915236.7, EP 95936635.2, EP 96924977.0, GB 9709165.6

in the name of Compaction Technology (Soil) Limited

DECISION

Background

1. On 17 February 1998, Aubrey Ralph Berrange ("the referrer") initiated a reference under sections 8 and 12 of the Patents Act 1977 ("the Act") in respect of patent applications nos PCT/GB 94/01049, PCT/GB 95/02616, PCT/GB 96/01708, EP 94915236.7, EP 95936635.2, EP 96924977.0, GB 9709165.6 in the name of Compaction Technology (Soil) Limited. GB 9709165.6 was granted at about the time of the launching of the proceedings, so that through the operation of section 9 of the Act the reference under section 8 was treated as having been made under section 37. Compaction Technology (Soil) Limited ("the opponent") subsequently filed a counter-statement, later amended, opposing the reference.

2. A period was set for the filing of the referrer's evidence-in-chief, but was extended twice on the suggestion that the parties were negotiating with a view to a settlement. The opponent had no objection to either extension, but indicated on the second occasion that it would not consent to any further extensions. In a letter from its patent agents dated 22 December, the day after the expiry of the extended period, the referrer stated that "... we hereby withdraw from the above proceedings. However, a further Patents Form 2/77 is being filed today ..." That further form was indeed filed and launched proceedings, which are not the subject of this decision, essentially identical to the present ones which had been withdrawn.

3. The Patent Office invited the opponent's comments on the referrer's actions and their effects, indicating that any submission as to costs should provide reasons and make clear whether an award outwith the normal scale was being sought. The Office added that in the absence of any comments it proposed to treat the reference as withdrawn leaving no matters outstanding.

4. In reply, the opponent noted the referrer's withdrawal and requested an award of costs on the normal scale, pointing out that the referrer started the proceedings and it was their decision to withdraw those proceedings. The opponent further commented that it was their understanding that the withdrawal of the proceedings was in effect a mechanism to obtain additional time to file evidence, and the referrer should be responsible for the consequences of doing this. The referrer responded that it would not oppose an award made on the standard scale up to a maximum of around £500, but would oppose any award higher than this, given the delays on both sides in these proceedings.

Withdrawal

5. The opponent has not contested the referrer's withdrawal of these proceedings, save as to costs, and I do not believe I have any alternative but to allow that withdrawal. However, I confess the circumstances of it concern me. The referrer has not offered any reasons for the withdrawal, although it is only fair to note that the Office has not asked for any. Equally, it is only the opponent's assertion, albeit unchallenged, that the withdrawal was in effect a mechanism to obtain additional time to file evidence. However, given that the referrer launched a second identical reference on the same day that it withdrew the present one, it is hard to escape the conclusion that the withdrawal was a procedural device intended by the referrer for its own advantage or convenience.

6. It has not been put to me that such a course, of withdrawal and refiling, on the part of the referrer is unallowable. However, I feel I should not let this case pass without indicating the comptroller's disapproval of that course. The result has been that essentially the same proceedings have been relaunched some ten months after their initial launching. Not only has there been delay in resolving the underlying dispute, there has also been unnecessary expense. Such an approach

on the part of the referrer is not conducive to a just and expeditious handling of cases consistent with the recent reforms of civil procedure before the courts following the Woolf Report, which the Office is seeking to emulate in proceedings before the comptroller. It is to be discouraged; an appropriate award of costs can play a part in doing that.

Costs

7. Section 107 of the Act gives the comptroller a wide discretion as to the costs she can award, but very much the usual practice is for her to award not full costs but a contribution to costs guided by a scale published from time to time, most recently in the *Office Journal (Patents)* on 1 June 1994. The leading case in regard to the award of costs by the comptroller is *Rizla Ltd's Application* [1993] RPC 365. In that case, on page 374, the Deputy Judge had no doubt that if the comptroller were of the view that a case had been brought without any *bona fide* belief that it was soundly based or if in any other way she were satisfied that her jurisdiction was being used other than for the purpose of resolving genuine disputes, she has the power to order compensatory costs. On page 377 he added that there are a large number of other circumstances such as deliberate delay, unnecessary adjournments etc where the comptroller will be entitled to award compensatory costs, but he felt it unnecessary to attempt to define what he described as clearly a wide discretion.

8. Although I have criticised one aspect of the referrer's approach, I do not believe it deserves an award representing full compensation. I am also mindful that the opponent requests an award of costs on the normal scale, and that the referrer is prepared not to oppose an award up to around £500, but would oppose a higher one. In this situation, I think it would be wholly disproportionate to the worth of this case to incur the additional expense of a prolonged dispute as to costs. Using the published scale as a guide not a straitjacket, and taking into account that aspect of the referrer's conduct of the proceedings which I feel should be discouraged, I consider that in all the circumstances an award of costs of £400 is appropriate.

9. I therefore order that the referrer, Aubrey Ralph Berrange, should pay the opponent, Compaction Technology (Soil) Limited, the sum of £400 as a contribution to its costs in these

withdrawn proceedings.

Appeal

10. Since this is a decision other than on a matter of procedure, any appeal must be lodged within six weeks from the date of this decision.

Dated this 8th day of September 1999

S N DENNEHEY

Divisional Director, acting for the comptroller

THE PATENT OFFICE