

## **PATENTS ACT 1977**

**IN THE MATTER OF** an application  
under section 27 by Vicor Corporation  
to amend patent No EP0100356, and  
opposition thereto by:

- i) C&D Charter Power Systems Inc
- ii) Computer Products, Inc

## **DECISION ON COSTS**

### **Background**

1. Vicor Corporation (“Vicor”) applied on 5 March 1996 under Section 27 of the Patents Act 1997 to amend their patent, number EP0100356. The Patent Office duly advertised the amendments in the Official Journal of Patents on 15 May 1996, and as a result of this advertisement, notices of opposition to the application to amend were received from C&D Charter Power Systems Inc. on 16 July 1996 and from Computer Products, Inc. on 29 July 1996.

2. In due course statements and counterstatements and the usual rounds of evidence were filed by the three parties. The case was not ready for arrangement of the substantive hearing until June 1998, and even then there was further delay. Eventually on 12 March 1999, Vicor telephoned the Office to say they intended to withdraw their application to amend, and this was followed by a letter from them on 24 March confirming their intention.

3. Neither of the existing opponents objected to the withdrawal. Vicor’s intention to withdraw was advertised in the Patents and Designs Journal on 2 June 1999 to bring the matter to the attention of any other third parties, but no response was received to the advertisement. As a

result, the comptroller exercised her discretion and allowed withdrawal of the application to amend.

## **Costs**

4. There is an outstanding question over disclosure, but that is now clearly irrelevant. The only remaining issue is therefore one of costs. Both Computer Products and Charter Power seek costs. Computer Products say that they have had very high expenses during the action, most recently having had to instruct counsel for the hearing for more than a year, and having been unable during that time to obtain a date for the hearing from Vicor. They assess their expenditure at £63,000. They say that the matters they raised were essential and highly relevant to the amendment proceedings, and that Vicor's case lacked merit because the corresponding European patent had been declared invalid in Germany in the light of prior art. They request the comptroller to award them the maximum amount of costs. Charter Power simply say they are content for costs to be decided by the comptroller on the usual basis.

5. Vicor accept that since they have withdrawn from the action they are likely to get costs awarded against them, but argue they should be at the lower end of the comptroller's normal scale. They support this contention by explaining why they have withdrawn. They say they have argued all along that the amendments were not essential but were merely desirable to distinguish their claims more clearly from certain prior art, and that as a corresponding patent has been upheld in US reissue proceedings, the value of continuing with the request for amendment looks slight and not worth the cost involved. They acknowledge that the claims of the corresponding German patent have been found to be invalid, but say they were not allowed to present their case properly in the German proceedings. They also justify their contention that costs should be low by arguing that much of the opponents' action was an improper generalised attack on validity, and that much of the expense was occasioned by matters peripheral to the section 27 amendment proceedings.

6. None of the parties wish to be heard on the question of costs. Rather, all three have agreed that I should decide the costs on the basis of the written arguments they have submitted, and

that is what I will now do.

7. I consider that the opponents to the application for amendment are entitled to costs since Vicor have withdrawn from the action and the opponents have therefore been put to unnecessary trouble in launching and pursuing their opposition actions. Vicor are right to concede this point. The only real question, therefore, is whether I should depart from the comptroller's usual scale for costs in this particular case. I have come to the conclusion that none of the factors raised by the parties warrant departing from the usual scale. I do not think it would be right for me to attempt to assess the reasonableness of Vicor's behaviour in first launching the action and then withdrawing from it, because that would be tantamount to assessing the substantive issues without the benefit of full argument from each side. Certainly I would be reluctant to draw any inferences one way or the other from the fates of the US and German patents without rather more information. Equally, *prima facie* the arguments and evidence put forward by the opponents seem to me to have been generally pertinent to the case, so I consider there is no justification for them to be disadvantaged in terms of costs on that account.

8. There are, of course, two opponents, not one. They seemed to have worked independently, employing different legal representatives, so I consider they are both entitled to costs. However, I am aware that Computer Products put rather more into their opposition than Charter Power. They gathered rather more evidence, and they were preparing to attend the substantive hearing whereas Charter Power were not. I have therefore decided that Computer Products are entitled to higher costs than Charter Power.

9. Accordingly I order Vicor Corporation to pay Computer Products, Inc the sum of £1000 as a contribution towards their costs and to pay C&D Charter Power Systems Inc the sum of £650 as a contribution towards their costs.

## **Appeal**

10. As this decision does not relate to a matter of procedure, any appeal must be lodged within

six weeks.

Dated this 13th day of December 1999

**P HAYWARD**

Divisional Director, acting for the comptroller

**THE PATENT OFFICE**