

## **PATENTS ACT 1977**

IN THE MATTER OF an application under section 72 and a reference under section 37(1) by Tellermate Cashroom Systems Limited and Cashbases GB Limited with regard to patent No. 2269088 in the names of John Hay and Stephen McNally

and IN THE MATTER OF an offer to surrender the patent.

## **DECISION**

### **Background**

1. Revocation of Patent No 2269088 was applied for on 5 March 1996 by Tellermate Cashroom Systems Limited (formerly Percell Group Limited ; hereafter “Tellermate”) and Cashbases GB Limited (hereafter “Cashbases”) on the primary grounds that the invention was not new and did not involve an inventive step in view of prior use by Cashbases, Tesco Stores Limited, and Percell Group Limited, disclosure in patent specifications numbers WO 88/09485 and GB 2115163, and common general knowledge. Tellermate and Cashbases also referred to the Comptroller on the same date the question of whether John Hay and Stephen McNally should have been granted the patent in suit.

2. In due course statements, counterstatements and the usual rounds of evidence were filed by the parties. A substantive hearing was arranged for 28 July 1998 but on the day before the hearing was due the Patent Office was informed that settlement negotiations were under way and the hearing was adjourned. Eventually, confirmation that a settlement had been reached was given to the Office in a letter dated 26 April 1999 from agents, Beck Greener, acting for

Tellermate and Cashbases. In this letter it was stated that a settlement had been agreed between Tellermate and Cashbases and one of the proprietors, John Hay. With regard to the other proprietor Stephen McNally, Beck Greener explained that they had been informed that Stephen McNally was not a party to the settlement because he had lost interest in the patent and the associated proceedings and had not responded when settlement documents had been sent to him for his signature.

3. In order to protect the rights of Stephen McNally and to keep him informed about the progress of the case the Patent Office wrote directly to Stephen McNally at his last known address on 11 May 1999 but received no response. In a letter dated 21 May 1999 solicitors Irwin Mitchell, acting for John Hay, made it clear to the Patent Office that they were no longer acting for Stephen McNally.

4. Subsequently, on 9 June 1999, John Hay gave notice to the Comptroller of his offer to surrender, and at the same time a statement in support of the settlement was filed which was signed by John Hay, Tellermate and Cashbases. The statement in support of the settlement states that John Hay offers to surrender the patent, that John Hay has lost contact with Stephen McNally, that Irwin Mitchell wrote to Stephen McNally at his last address requesting him to sign a consent to the surrender of the patent but that this Recorded Delivery letter was returned as “not called for”, and that Tellermate and Cashbases consent to the surrender of the Patent and give up any claim to entitlement to the Patent.

5. Since an offer to surrender takes effect from the date on which it is formally accepted by the Office, whilst revocation takes effect retrospectively, I have to consider whether it is appropriate to accept the offer to surrender or to order the revocation of the patent. Since all the evidence rounds had been completed before the offer to surrender was made I have considered the revocation matter taking into account the statement of case, the counterstatement and all the evidence filed.

6. I have considered all the grounds for revocation set out in the statement of case and have come to the conclusion that the invention as claimed in the only independent claims 1 and 9 does not

involve an inventive step having regard to the two patent specifications, the prior use and common general knowledge at the priority date to which claims 1 and 9 are entitled, namely 17 June 1993.

7. There being no response to the advertisement of the surrender offer in the Patents and Designs Journal, the parties were informed in letters dated 19 October 1999 that it was proposed not to accept the offer to surrender but instead to revoke the patent, subject to any objection which either proprietor might raise, Tellermate and Cashbases having earlier informed the office in a letter dated 9 June 1999 that they would have no objection to the patent being revoked rather than surrender taking place. Stephen McNally was sent an individual letter direct to his last known address. Directory enquiries have confirmed that the name McNally occurs in their records against his last known address.

8. Irwin Mitchell informed the Office in a letter dated 18 November 1999 that John Hay had no objection to the patent being revoked, but no response was received from Stephen McNally.

### **Conclusion**

9. I conclude that the claims of the patent are invalid for lack of inventive step and order that the patent be revoked. I decline the offer made by John Hay to surrender the patent.

### **Costs**

10. In separate letters, both dated 18 November 1999, Irwin Mitchell and Beck Greener state that an agreement has been reached between the parties that no party will pursue the other for costs and that the requests for award of costs should be taken as withdrawn. I therefore make no award of costs in this case.

### **Appeal**

10. In order to further safeguard the rights of co-proprietor Stephen McNally who has not responded to official letters sent him by the Patent Office, a period of six weeks is set in which

an appeal may be lodged, as this is not on a matter of procedure.

Dated this 21<sup>st</sup> Day of December 1999

**G M BRIDGES**

Divisional Director, acting for the Comptroller

**THE PATENT OFFICE**