

PATENTS ACT 1977

IN THE MATTER OF an application under Sections 12 and 13 by St Bartholemews and The Royal London School of Medicine and Dentistry, Nicholas Wald and Lynne George in respect of Patent Applications WO 95/32431 and EP 0763206 both in the names of Oxford Brookes University, University of Edinburgh, Nigel Groome and Euan Wallace.

PRELIMINARY DECISION

Background

1. International patent application WO 95/32431 was filed on 22 May 1995 taking its priority from a United Kingdom application GB 9410345.4 filed on 24 May 1994. Initially a reference under sections 8, 12 and 13 of the Patents Act 1977 was filed together with a statement of case on 14 July 1997 but this was amended to a reference under sections 12 and 13 only following observations from the Office that a reference under section 8 was not applicable. Thus an amended statement was filed on 28 July 1997 which as well as referring to the International application also referred to European Patent 0763206, the publication number given to the International application on entering the regional phase.

2. A counter-statement was filed on 29 September 1997. Evidence, in re-filed form, was received from the referrers on 27 February 1998. Evidence from the respondents, again in re-filed form, was received on 3 July 1998. The referrers' evidence-in-reply has still not been filed for reasons which will come apparent.

3. It appeared from a letter dated 30 October 1998 from the referrers' solicitors that the parties were discussing a settlement of the proceedings and, in the circumstances, an extension

until 18 February 1999 was set for filing the evidence-in-reply. However, on 15 February 1999, another letter was received from the referrers' solicitors explaining that Professor Wald, one of the joint referrers, had developed a serious medical condition. Since his evidence was considered to be crucial to the case a further extension was sought. In the same letter it was reported that the referrers had filed an Opposition at the European Patent Office (EPO) against EP 0763206 and the suggestion was made that if the respondents agreed the Hearing Officer might be minded to stay the present proceedings pending the outcome of the Opposition.

4. Although agreeing an extension of one month the respondents were not prepared to agree to a stay of proceedings and in a letter dated 11 March 1999 from their patent agents they set out their reasons. Three reasons were given for not agreeing to a stay which I summarise as follows:

1) The statement of case suggested that the inventors had knowingly based the patent application on information that had been obtained from the referrers. Since plagiarism is regarded as a serious matter in the scientific community it was important that this sort of allegation was resolved without further delay.

2) The amount of time it would take to take the case through the EPO Opposition procedure plus any appeal would make it unlikely that issues concerning validity would be resolved before 2003.

3) On the evidence to date it was clear that the invention was made wholly independently by the respondents. Support for this contention was to be found by reference to key parts of the referrers' evidence in respect of who contributed to the inventive step as identified in paragraph 11 of the referrers' statement of case. It was clear to the respondents that the evidence, on the referrers own admission, pointed to a Dr Knight of the University of Reading as making the inventive step and not to Ms George or Professor Wald at Bart's.

5. A formal request from the referrers to stay the proceedings was received from the referrers' solicitors in a letter dated 16 March 1999. In that same letter the referrers rebutted the three points raised above as follows:

1) The referrers were not seeking to undermine the reputation of the respondents. There

had been collaboration between the parties into methods for the detection of Down's Syndrome out of which the referrers now considered they had a genuine grievance concerning the entitlement to the patents, hence the action before the Comptroller.

2) They considered the timetable of the Opposition before the EPO to be pessimistic. In the mean time the respondents were not in any way unfairly prejudiced by a stay of the section 12 and 13 proceedings.

3) The section 12 and 13 arguments should be left to the hearing proper. What was clear to the referrers was that the evidence of Professor Wald is critical to their case and if a stay was not granted an extension of time was requested in which to file his evidence.

6. At this stage it was becoming very clear that any compromise over the way forward was going to be exceedingly difficult to achieve and this was confirmed in a letter from the respondents dated 30 April 1999. The thrust of this letter was that it would be clearly inappropriate to grant a stay of proceedings because the referrers had failed to make out even a prima facie case. In the view of the respondents if Professor Wald's evidence-in-chief had completely failed to substantiate the referrers' allegations as set out in the statement of case evidence-in-reply from him could not do so. Moreover, the respondents were sticking to their estimate of how long it would take to conclude the Opposition proceedings before the EPO. Thus the Office should insist that the long overdue evidence-in-reply should be filed without delay and that the case should proceed even if Professor Wald was not fit enough to provide his reply evidence given that his evidence-in-chief does not support the referrers' statement of case.

7. Arguments of this nature continued in correspondence throughout the remainder of 1999 despite the Office setting a revised timetable for the proceedings in a letter dated 24 June 1999. In the same letter the Office had communicated the view that the proceedings should not be stayed pending resolution of the EPO opposition, particularly in view of the likely protracted nature of such and the fact that the parties were not in agreement in this regard.

8. In a further letter from the Office dated 19 October 1999, reflecting on the fact that the

parties were far from agreement, it was suggested that a decision should be made on the papers by the Hearing Officer or alternatively an oral hearing should be arranged. Both parties subsequently agreed to a decision about a stay pending the outcome of the EPO opposition being made on the papers. In doing so the respondents requested that the Hearing Officer reviews the evidence to determine whether the referrers have made out a *prima facie* case.

9. This decision, therefore, arises out of a consideration of all the argument that has gone on through the considerable correspondence, significantly from the end of October 1998 when it appeared that the parties might be in reach of a settlement without recourse to further proceedings. I am aware that what I have already said in this background ignores much of the argument raised since about the middle of 1999. Much of this however relates in detail to the issues that I must decide, namely whether there should be a stay of proceedings in the light of the opposition before the EPO and whether on the face of the evidence filed to date the referrers have made out a sustainable case. I have considered this detailed argument fully as informing the decision which I have come to below.

The question of whether the referrers have made out a *prima facie* case

10. Before considering the question of a stay of proceedings it would seem appropriate to consider the whole issue, raised by the respondents, of whether the referrers have indeed made out a *prima facie* case. I believe I can deal with this issue quite briefly.

11. As I have already said it was first raised in a letter from the respondents dated 11 March 1999 following a request by the referrers that the proceedings be stayed pending the opposition before the EPO. Significantly it centres on the role of a Dr. Knight of the School of Animal and Microbial Sciences at the University of Reading and whether it was he or somebody else who made the inventive step underlying the invention forming the subject matter of the applications in question. Thereafter the issue is revisited right up to the final letter filed before the preparation of this decision on the papers i.e. the letter dated 7 January 2000 from the referrers.

12. What is clear to me, having reviewed all the correspondence on this matter to date, is the

need for the issues to be decided before too long at a substantive hearing . There is a substantial amount of evidence filed already and the referrers have yet to file their evidence-in-reply. It seems to me that it would be quite improper, given the seriousness which with the referrers have approached their case and the considerable rebuttal of the respondents arguments in the correspondence, for me to come to a decision on the papers about whether a *prima facie* case had been made out. If both sides were in agreement that I should do so that may perhaps be another matter but clearly they are not. In my view, based on the experience of hearing a number of entitlement cases, the evidence is typical of the sort of disagreements which occur. This should not be surprising given that such cases are contested by parties who quite frequently have been involved in some sort of working relationship and each brings their perception, as well as hard facts, to what has happened in the build up to a disagreement. It remains therefore for the evidence to be tested, perhaps by means of cross examination, at a substantive hearing in the near future. Therefore, under the circumstances I decline to rule that the referrers have not made out a *prima facie* case.

The question of whether or not to stay

13. In their letter of 7 January 2000 the referrers report that it is now likely that the actual date for the hearing of the opposition before the EPO is to be 16 November 2000. In their view the argument that this will cause a delay adverse to the respondents thus falls away. I am far from certain that the matter is as simple as that. Even if the hearing takes place on that date it will presumably be some time before the parties receive a written decision against which they might consider an appeal. If the case goes to appeal it is clear from what is known about proceedings before the EPO that a final decision will be some time away. In any case even a hearing date in November is still about 9 months away from the present and I would hope, given the considerable delays that have already occurred in connection with this case, that these entitlement proceedings would be completed before then. It follows therefore that I am not prepared to order that the case be stayed simply because a hearing date has been set for later on this year.

14. However, further argument has taken place throughout the correspondence based on three precedent decisions, namely *Pall Corporation v Commercial Hydraulics (Bedford) Ltd & Ors*

[1989] RPC 703 at page 711, *Kimberley - Clark Worldwide v Proctor & Gamble and Bracco SpA v The General Hospital*, the latter two not yet being reported but copies of which have been filed by the referrers. It is the referrers view that in the light of these precedents the current view of the English courts is that parallel proceedings in the UK and the EPO are undesirable and, in the absence of any compelling arguments to the contrary, UK proceedings should be stayed until the outcome of the EPO proceedings are known.

15. I have had a look at all three precedent decisions and am not immediately persuaded that they carry the weight that the referrers suggest would lead to a result in their favour. All three relate to situations which are neatly described as true “parallel proceedings”, that is they relate to overlapping revocation proceedings, albeit that before the High Court, unlike the EPO, infringement issues can also be considered. The matter before me is one of entitlement and therefore there is no real overlap with the opposition proceedings now launched before the EPO.

16. What is clear from all three decisions is that the trial judges carried out a balancing exercise in relation to the various procedural considerations which would result from deciding whether to stay or not. Different cases could conceivably lead to different results and the sort of things arising from these decisions that might reasonably be taken into account would be the time it was likely to take to complete proceedings before the EPO, the injustice that might be inflicted on a party or be against the public interest and possibly the difference in costs by following one course of action rather than the other.

17. I have already indicated above that these proceedings, in my view, have been going on for far too long already. They were initiated in the middle of 1997 and now, two and a half years later, the evidence-in-reply is still outstanding, although I accept that there was a pause for about four months during late 1998 and early 1999 when it looked as if the parties might be able to come to an agreement. Potentially the conclusion of proceedings before the EPO is still some time away. If the referrers are confident of their case in the present proceedings then it is presumably in their interests to get on with things because a decision in their favour would make the opposition unnecessary. Moreover, having put the respondents to the test it seems to me that the referrers have an obligation to pursue the matter with vigour rather than leaving it hanging for

some considerable length of time.

18. On the matter of savings on costs, I would only make the observation that the outstanding costs to bring these proceedings to a conclusion are apparently relatively small compared to the cost of the opposition proceedings plus any appeal before the EPO. Moreover, if the referrers are successful in this action a substantial saving would be achieved because it would not be necessary to pursue the opposition proceedings. On the other hand, if they lose, the opposition would presumably go ahead and all they would have lost financially would be the costs involved in bringing these proceedings to a close.

19. There is one other factor which seems to be extremely relevant. Recognising the importance of knowing who is entitled to a patent in pre-grant and opposition proceedings the European Patent Convention in Rule 13 of the Implementing regulations allows for the grant or opposition proceedings to be stayed so that entitlement issues can be settled. Once a decision on entitlement is issued the EPO will set a date for the resumption of the stayed proceedings. In the present case the referrers are asking for the opposite of this procedure which to my mind reverses the priority that should prevail. Thus, taking this and the other factors into account it follows that I refuse to order a stay of the present proceedings.

20. I have therefore come to the conclusion that there should be no delay in proceeding towards the substantive hearing on this case. Too many delays have occurred already and I propose to set a timetable to get things back on track.

21. I therefore order that the referrers evidence-in-reply should be filed within six weeks of the date of this decision. Also within this time they should file the documents and affidavit referred to at point 2 in the letter from the Office dated 8 July 1998. In parallel, the parties should consult with their legal advisers to agree a date for the substantive hearing. That date should be no later than two months from the date on which the evidence-in-reply is served.

22. This being a matter of procedure any appeal must be lodged within a period of 14 days from the date of this decision.

Dated this 3rd Day of February 2000

G M BRIDGES

Divisional Director, acting for the Comptroller

THE PATENT OFFICE