

PATENTS ACT 1977

IN THE MATTER OF a reference under section 12(1) and an application under section 13(1) to introduce Ian David Slack as co-applicant and co-inventor in respect of Patent Application No. PCT/GB96/02512 in the name of SCS Consultancy Services.

DECISION

1. International Patent Application No. PCT/GB96/02512 was filed on 9 October 1996 taking its priority from GB application 9521040.7 (the “priority application”) filed on 13 October 1995. It was published on 17 April 1997 with an International Publication No. WO 97/13898. The inventor named (and applicant for US purposes) is Philip Trevor Slack. A number of countries and regions are designated. GB is designated both in its own right and via a European Patent.

2. As filed the application relates to a method for producing a substantial helical or zig-zag crimp in a continuous filament prepared from a thermoplastic material, preferably polypropylene. This method has become known under the Registered Trade Mark “Autocrimp” and further details will become evident at later more appropriate sections of this decision.

Background

3. SCS Consultancy Services is the company of Philip Trevor Slack (PTS), brother of Ian David Slack (IDS) the referrer in the present application. At the time that the priority application was made PTS was researching into self-crimping polypropylene fibres in part of the premises owned by Extrusion Systems Limited (ESL), a company of which for a long time IDS had been a Director, where PTS had an office in the name of SCS. He was solely a tenant but it seems that there was a verbal agreement that, in return for the provision of space and electrical power, ESL were to be exclusively licensed under any patents resulting from applications filed by PTS and have the right to produce the necessary machinery with the exception of certain special spinnerets.

4. Thus, from the outset, it will be seen that this unfortunately is a family dispute which has reached down so as to not only involve PTS and IDS but their respective children all who have

had, in the past, some considerable connection with ESL. For this reason it is important that reference is made to a brief history of the key members of the family with particular mention of their roles in ESL in the period both before and after the devising of the Autocrimp process.

5. Without going right back into the family history it is clear that IDS and PTS were involved together in one of the family companies, Plasticisers Limited, from about the mid 1950's until the late 1970's. PTS then started his own firm, PFE Engineering Limited and IDS his own firm, I. D. Slack Consultancy Limited. After 18 months of trading as a consultant IDS formed a separate company, ESL, because of the demand for special machines in the synthetic fibre industry. Eventually I. D. Slack Consultancy Limited was voluntarily liquidated in favour of the continuance of ESL.

6. IDS continued as chairman and managing director of ESL until 1989 when he had a serious heart attack leading to a bypass operation in 1992. It is clear from the evidence that IDS was very much respected as the leading light in ESL and so following his heart attack in 1989 the family took steps to keep him involved on a reduced basis whilst at the same time putting in place a structure that would enable ESL to operate effectively. It is part of IDS' case that he kept his position as chairman of the company but relinquished his role as managing director and became a non-executive director. In addition it is alleged that he became a part-time consultant to ESL with a commitment to working 17½ hours a week and that for the remainder of the time he was free to act as a private consultant. This apparent arrangement continued up until the time that ESL went into receivership in the latter part of February 1998. His actual involvement in the running of the company and the question of when in a normal working week he was working for the company as opposed to working for himself was to become a major point of argument in the subsequent hearing to decide the ownership issue, not least because there was no evidence exhibited of a contract between him and ESL.

7. When IDS took on a reduced role in 1989 he was succeeded as managing director by one of his sons, Jonathan David Slack (JDS), who continued in this role until he became executive chairman in January 1997. This latter position was held until ESL went into receivership. Another son, Richard William Slack (RWS), was appointed commercial director of ESL in 1989 and succeeded his brother, JDS, as managing director in 1997, a role he too occupied until ESL went into receivership.

8. When PTS severed his relationship with PFE he formed his own consultancy, SCS Consultancy Services, and became involved chiefly as a consultant to the polypropylene fibre industry. In 1993 the price of polypropylene increased tremendously and a business associate

asked PTS whether he could think of a way in which fibres based on this raw material could be produced more cheaply. He conceived of the idea of using spinnerets having holes of a circular cross-section but where one quarter was not removed. He termed this a 'Pacman' (RTM) shape after the shape of the character of the video game of the same name. Using these spinnerets in preliminary testing he obtained fibres crimped to a considerable degree. In late 1994/early 1995 he was offered the space in ESL's premises, as referred to above, to set up a small pilot line in order to interest prospective customers. It was later in 1995 that certain events happened, centred on how the priority application came to be drafted, that were to prove to be the origin of this dispute.

9. True to the tradition of ESL being very much a family firm two additional family members had a significant role in its activities. Simon Philip Slack (SPS) is the son of PTS. Having previously worked for his father at PFE, SPS joined ESL in 1986 as Research and Development Manager. In August 1992 he became Development Director, a post he held until ESL went into receivership. Julia Ruth Drake (JRD) is the daughter of IDS and was employed by ESL from 1984. In 1991/2 she became secretary to IDS when his previous secretary retired and although there is much dispute about her official role within the company it is clear that she performed a considerable number of duties by virtue of being a family member.

10. In concluding this brief history I need only to mention what has happened since ESL went into receivership in February 1998. JRD, together with her husband Ian Drake decided to make a bid to buy the assets of ESL and were informed by the receiver on 26 March 1998 that they had been successful. ESL then became Extrusion Systems (Leeds) Limited (ESL (Leeds)). At the behest of the receiver an agreement was reached with PTS in the form of an assignment dated 22 April 1998 which *prima facie* clearly put the ownership of the Autocrimp technology and the intellectual property rights in the hands of PTS trading in the name of his company, SCS Consultancy Services. However, a new company called Autoconcept Limited, the directors of which are PTS and SPS, is involved in the development of the Autocrimp technology and also an arrangement is in place which gives to ESL (Leeds) first refusal on the manufacture of any equipment arising from this technology.

11. It would appear that IDS has finally decided to retire and that RWS and JDS have set up their own company known as Fibre Extrusion Technology Ltd (FET).

History of the proceedings

12. This application was made by the filing of Form 2/77 and a statement of case on 4 March 1998. Subsequently the form and the statement were amended so that it became clear that the

application was proceeding under sections 12(1) and 13(1) and most significantly that IDS was seeking only the right to be entered as co-inventor and co-proprietor. The respondent's counterstatement was filed on 2 June 1998.

13. Thereafter evidence on behalf of the referrer was filed in the normal course of events by IDS, JRD, JDS, RWS, Colin Croft, David Mackenzie Hill and Ian Roberts. Likewise evidence on behalf of the respondents was filed by PTS, SPS and Joseph Keith Neville.

14. I have already referred to the role played in the company by the family members during the significant period of 1989 to 1998 and for completeness will describe the role played by non-family members that qualified them to give evidence in these proceedings. Colin Croft is a business consultant who first came into contact with ESL in 1996 at a time when the company was seeking funds from a venture capitalist. These funds were denied and he was asked to help the board of ESL to address its problems which he did starting in January 1997. Of note is the several meetings he had with PTS concerning the viability of the Autocrimp process and the attempted negotiation of a licence agreement related to the Autocrimp patent. He is now chairman of a company called Longclose Group and has arranged commercial offices in the buildings of Longclose for the new company FET formed by JDS and RWS on the collapse of ESL. There is an agreement in place to the effect that Longclose would agree to manufacture any equipment designed by this new company. Joseph Keith Neville was Financial Controller and Company Secretary of ESL from 1992 until the company went into receivership and is now the Financial Controller of ESL (Leeds). Hence, both Colin Croft and Joseph Neville could be argued to have some interest in the result of this action. David Mackenzie Hill and Ian Roberts are Managing Director and Operations Director respectively of a company called Perident Limited and their evidence deals with the relationship between IDS and Perident for whom the former did some work.

15. In order to provide a full summary concerning the evidence I must refer to an extremely unusual set of circumstances relating to the conduct of the hearing which ultimately led to the filing of further evidence. The hearing eventually started before me on 9 December 1999 with Mr P Colley as Counsel for the referrer and Mr J Denmark of Bailey Walsh & Co as Agent for the respondent.

16. Initially the hearing was down for 9, 10 and 14 December 1999 with an option on a fourth day some time later should it be required. At the end of the first day, and confirmed on the second, Mr Colley indicated that he would not be calling Julia Drake because after the

evidence IDS had given in the witness box he no longer needed to rely on her evidence. Mr Denmark clearly wanted the opportunity to cross-examine her but, after clarification from Mr Colley, I eventually ruled that her evidence had been withdrawn and therefore that option was not open to him.

17. When the hearing re-convened on the third day, 14 December 1999, I was immediately confronted with a request from Mr Denmark for leave to introduce Julia Drake as a witness on behalf of the respondent apparently because she believed that certain evidence on the first two days had not been presented truthfully. After a brief adjournment I ruled that since Julia Drake was potentially a very material witness I was prepared to admit her new evidence. Thus, the hearing was adjourned for a longer period to allow for the filing of Julia Drake's written evidence and reply evidence to be filed on behalf of the referrer. As a consequence the hearing did not recommence until 28 February 2000 and continued to 2 March 2000, another four days.

18. Apart from JRD's evidence, evidence in reply was received from IDS, RWS, JDS and Stephen John Sutherland (SJS). A further statutory declaration was also filed by SPS on behalf of the respondent.

19. All these, of course, apart from Mr Sutherland, are family members who had filed evidence previously. SJS joined ESL in April 1996 as Managing Director Designate but was never elected as a director of the company. He eventually left the company for another position in February 1997.

20. As will be evident from what I have said above the hearing lasted for seven days and even then closing submissions on behalf of the parties had not been presented. Agreement was therefore reached that these submissions should be provided on paper and I have carefully considered these along with the considerable cross-examination at the hearing in coming to my decision.

Assessment of witnesses

21. It is without question that the bulk of the seven days of the hearing was taken up with cross-examination. In fact all of those mentioned above as putting in written evidence with the exception of David Mackenzie Hill were eventually subject to cross-examination. Further, having been cross-examined once, both IDS and JDS were cross-examined again towards the close of the hearing as a result of the evidence filed by JRD on behalf of the respondents.

22. Clearly the witnesses fall into two basic categories, the family members who were obviously closer to what was going on in ESL over a long period of time, and the non-family members who had varying degrees of insight into what was happening during the relevant time. Having said that, not all the family members had the same knowledge of what was going on in the company, for example PTS could give evidence about the circumstances leading to the invention in suit but could not be relied upon to give a detailed analysis of the inner workings of the company. Likewise, some of the non-family members were only able to give evidence in respect of very specific incidents or periods in the life of the company.

23. I must say that having heard the witnesses being cross-examined at such great length I regard the value of such an extensive exercise towards determining what actually went on, particularly in the period surrounding the devising of the invention, as disappointingly limited. It is usual in decisions such as this to reflect in turn on the impression gained from the cross-examination of each witness. That I think in the present case would not be an altogether fruitful exercise. Therefore I intend simply to make some general observations about the cross-examination.

24. In my view the cross-examination suffered in its effectiveness for a number of reasons the most significant being:-

i) The inordinate amount of time spent going over old ground perhaps in the hope that a witness would be worn down. This rarely produced a positive effect and, on occasions, lines of argument were simply abandoned without having revealed anything new. From a personal point of view I felt I had been left with a mass of information to somehow unravel without any guidance along the way from the representatives of both parties about the weight they thought I should be giving to their particular approach.

ii) The considerable amount of time spent on examining what happened during time periods well away from the period directly connected with the devising of the invention. In particular, although I accept that the history of events following ESL going into receivership might have been of interest in showing that both sides have a very obvious stake in the outcome of this application, much of that history is of no value to me in coming to my decision.

iii) The impression left by witnesses on both sides, and here I refer most specifically to the family members, that they had individually and together thought through their

particular versions of events and were going to stick to those versions come what may. On a significant number of occasions there were hesitations before answering which suggested to me that they were marshalling their thoughts to give an answer that fitted in with their carefully rehearsed story. Further, sometimes it seemed to be enough for the witnesses to merely say that they did not know in answer to a question to deflect both representatives from a line of argument which up to then had seemed to be fruitful.

iv) The fact that ESL was a family run firm with very informal and overlapping lines of communication also, I think, made it inevitable that cross-examination was not going to prove overwhelmingly decisive. In such a situation it would seem to me to be extremely difficult for everyone involved in the running of the company and subsequently at the hearing to be as objective as they ought. There was ample evidence that all sorts of meetings took place amongst differing associations of family members, even around the dining room table, that made it very likely that not everybody who needed to know was completely in the picture about what was going on. Consequently much of what came across as truth may well have been somebody's perception of a particular situation. Moreover, such was the regard for IDS, who clearly had been the mainstay of ESL during its better days, a position that others could not emulate once his health deteriorated, that some would have considered it disloyal to stand against him. On the contrary, once the future of ESL seemed bleak in the extreme, others to protect their own futures moved to get as much out of the rapidly changing situation as possible. All in all ESL, because there was a lack of objectivity amongst the family members, had contributed to its own downfall and then there appeared to be a mad scramble for individuals to try and retain something out of the mess.

25. Although I have declined to give a detailed assessment of the value of each witnesses' cross-examination evidence I feel that must say something about the evidence given by JRD. Initially, as I have already mentioned, Mrs Drake had given written evidence on behalf of the referrer but her evidence was withdrawn by Mr Colley thus removing the possibility of her being cross-examined. She then changed sides, as it were, with the result that I allowed her to file written evidence on behalf of the respondents as well as allowing the referrer to file written evidence in reply. Cross-examination of her was then possible against the background of her new evidence and in fact took place on all of the fourth and part of the fifth day of the hearing. At the end of that cross-examination Mr Colley asked that I should strike out Mrs Drake's evidence because so much was hearsay and was largely peripheral to the real issues of the case. Even Mr Denmark confirmed the latter as being true. In the event, I declined to strike out the evidence

even though being in some agreement with Mr Colley's assessment of it because there are documents in the proceedings which support some of what she said. Also, one of the effects of allowing it to be struck out would have been to deny the right of Mr Denmark to cross-examine those who had put in reply evidence. Given the contradictions raised by some of this evidence this did not seem right. So I have approached Mrs Drake's evidence with a considerable amount of caution using it only when it is supported by the more objective evidence of others in the proceedings.

26. Of the non-family members Colin Croft and Stephen Sutherland both joined ESL after the time that the priority application had been drawn up in September/October 1995 and therefore their evidence is of limited value except in so far as it gives an impression of the involvement of the family members at ESL and the inner workings of the company. I must say that I found Mr Sutherland's evidence on cross-examination to be particularly objective, something that was not a feature shared by others in the proceedings. David Hill and Ian Roberts had only been able to observe the running of ESL from the outside when involved with IDS on one particular project and therefore their evidence too is only of value in conjunction with other confirming evidence. As for Joseph Neville, he had been financial controller and company secretary from December 1992 until ESL went into receivership so his evidence certainly covers the relevant period. However, it is apparent even from his own evidence that being a non-family member he was not privy to much of the internal workings of ESL and except for one or two specific instances his evidence was bound to be limited in value.

27. At the end of the day such a weight of evidence, even if largely inconclusive, has served to present two opposing views with some clarity. Which view I accept as being the nearest to the truth obviously remains for me to decide but first I think it is appropriate to look at the law as it relates to the issues in this case.

The law - sections 7, 12(1), 13(1), 39 and 125

28. Section 7 relates to the right to apply and obtain a patent and the relevant parts read as follows:-

7.-(1) Any person may make an application for a patent either alone or jointly with another.

(2) A patent for an invention may be granted -

(a) primarily to the inventor or joint inventors

(b)

(c).....

(3) *In this Act “inventor” in relation to an invention means the actual deviser of the invention and “joint inventor” shall be construed accordingly.*

29. This action is brought under sections 12 and 13 the relevant sub-sections of which read as follows:-

12.-(1) *At any time before a patent is granted for an invention in pursuance of an application made under the law of any country other than the United Kingdom or under any treaty or international convention (whether or not that application has been made)-*

(a) *any person may refer to the comptroller the question whether he is entitled to be granted (alone or with any other persons) any such patent for that invention or has or would have any right in or under any such patent or an application for such a patent;*

(b)
and the comptroller shall determine the question so far as he is able to and may make such order as he thinks fit to give effect to the determination.

13.-(1) *The inventor or joint inventors of an invention shall have a right to be mentioned as such in any patent granted for the invention and shall also have a right to be so mentioned if possible in any published application for a patent for the invention and, if not so mentioned, a right to be so mentioned in accordance with rules in a prescribed document.*

30. Section 39 relates to the right to employees’ inventions and has relevance in respect of the arguments concerning the status of IDS at the time of making the invention the subject of the patent in suit. Sub-section (1) of that section is particularly relevant and reads as follows:-

39.-(1) *Notwithstanding anything in any rule of law, an invention made by an employee shall, as between him and his employer, be taken to belong to his employer for the purposes of this Act and all other purposes if-*

(a) *it was made in the course of the normal duties of the employee or in the course of duties falling outside his normal duties, but specifically assigned to him, and the circumstances in either case were such that an invention might reasonably be expected to result from the carrying out of his duties: or*

(b) *the invention was made in the course of the duties of the employee and, at the time of making the invention, because of the nature of his duties and the particular responsibilities arising from the nature of his duties he had a special obligation to further the interests of the employer’s undertaking.*

31. There has been much argument about what is the invention at issue in the present

proceedings. The 1977 Patents Act does not define “invention” as such but section 125(1) is as close as one gets and is usefully stated here:-

125.-(1) For the purposes of this Act an invention for a patent for which an application has been made or for which a patent has been granted shall, unless the context otherwise requires, be taken to be that specified in a claim of the specification of the application or patent, as the case may be, as interpreted by the description and any drawings contained in that specification, and the extent of the protection conferred by a patent or application for a patent shall be determined accordingly.

32. Thus, having set out the law, it is incumbent on me to consider what is the invention around which this dispute is centred. Once that has been done I can move on to decide who it is that can be regarded as the actual deviser of the invention, bearing in mind that section 7 allows for more than one person to be so regarded.

What is the invention?

33. In paragraph 8 above I have already referred to the fact that PTS had conceived of the idea of using spinnerets having Pacman shaped holes as a means of saving costly raw material. Fortuitously, not only did it do this but it led to the production of highly crimped fibres and this had been shown on a machine which became known in the proceedings as the Clariant machine. The evidence, in the form of a delivery note of 26 April 1994 from a firm named Microkerf, shows that he was certainly in possession of such spinneret plates at the end of April 1994 and confirms that the idea of their use must have been in his mind well before that.

34. On 30 April 1994 PTS applied for a patent under application number GB 9408674.1 (publication no. GB 2289012A) which does not refer to the Pacman shape as such but which might be interpreted as embracing such a shape by reference in the description and appendant claim 9 to forming filaments having a cross-section with a major axis in one direction, a minor axis at right angles to the major axis and mid-way along the length of the major axis, and a cross-sectional area which is greater on one side of the minor axis than on the other side of that axis. Unfortunately this application was sometimes in the proceedings called the “first” patent which conflicted with the fact that the real first patent in the proceedings was the priority application filed on 13 October 1995 and around which argument concerning who was the inventor and proprietor has centred. In a very real way, however, the lack of a specific reference to Pacman spinnerets in the application of 30 April 1994 was at least partly instrumental in the need for the filing of the application on 13 October 1995.

35. Putting aside for one moment how the priority application of 13 October 1995 actually came about it is clear that section 125 (1) of the Act directs attention primarily to the claims of

the application for an understanding of the underlying invention. Claim 1 is the only independent claim of the application in suit and reads as follows:-

“A method of producing a substantial helical or zig-zag crimp in a continuous filament, the method comprising the steps of generating a turbulence in a thermoplastic material intended to form the filament whilst the thermoplastics material is in its glass transition phase and maintaining the stresses induced in the formed filament by said turbulence whilst the filament passes into its crystallised phase.”

This is the method which has become known as “Autocrimp”.

36. Having said that I am very conscious that the priority application filed on 13 October 1995 did not itself contain claims and therefore it might not be appropriate for me to focus primarily on claim 1 as quoted above but take the approach of the Hearing Officer in *Viziball Ltd’s Application* [1988] RPC 213 where he concentrated on the essential elements of the invention as understood by a careful reading of the specification. In effect the end result is no different because on page 2 of the priority application there is what might be regarded as a statement of invention and this statement appears almost word for word as claim 1 in the subsequently filed PCT application.

37. Taking this statement into account in conjunction with the rest of the description the essential elements of the invention seem to be as follows:-

- i) the generating of turbulence in a polymer flow prior to, or at the point of, formation of the filament;
- ii) generating such turbulence whilst the thermoplastics material is in its glass transition state thereby inducing stress in the formed filament which must be maintained whilst the filament passes into its crystallised phase.

Taking the remainder of the description into account one might add that (i) is generally achieved by means of different shaped holes in the spinneret and (ii) by effectively cooling the molten filaments once they leave the spinneret.

38. These two elements, of course, beg many questions and were, indeed, the subject of much dispute at the hearing, one of the problems being that the concept of turbulence found in the priority application was so far removed from what was immediately evident in the work

originally done by PTS in April 1994.

39. It is clear that in April 1994 using a Pacman spinneret on the Clariant machine PTS obtained highly crimped filaments. I am prepared to accept, as indeed I think was IDS, that the only change that PTS made to the Clariant machine and the manner in which it was operated was to replace the normal spinneret with the Pacman spinneret. Thus, on the fifth day of the hearing at page 599 of the transcript PTS was able to say:-

“I thought under those circumstances it reasonable to assume that the crimping effect that I was observing must be due to the spinneret or the shape of the hole in the spinneret”

In the passage of time a pilot line was set up on the premises of ESL and approaching October 1995 there was the realisation that the Pacman feature as such was not covered by the “first” patent. There was also a major concern that a significant trade exhibition was shortly to take place in Milan at which the technology was to be exhibited. At this point, and there is a dispute about whether this is over a single or several days, IDS got involved and provided a set of notes which eventually formed a substantial part of the priority application. There is no doubt that without PTS’ work on Pacman and the need to have it properly protected that neither IDS’ notes or the subsequent application based thereon would have materialised. Equally I am convinced that PTS did not really know what was happening to produce the crimping effect and would not, at that time been able to produce a patent application in the same terms as that produced by IDS. Indeed, when it was put to PTS on the sixth day of the hearing that the paragraph on page 2 of the notes of IDS, equivalent to the statement of invention of the priority application, was the true invention about which everyone was arguing about he said, at page 701 of the transcript:-

“I know that I took a spinneret of a certain shape, passed polymer through it, did certain things to that fibre that issued from it and achieved, without anybody else’s assistance, without disclosing it to anybody, crimped fibre. Whatever was causing it was created by the Pacman shape and the processing conditions. To explain that in text, if that constitutes the invention, the verbiage, rather than what actually works, then I suppose perhaps you are right.”

However, it cannot be disputed that PTS had made an invention even though he may not have appreciated the full nature of the science underlying it.

40. It fell to IDS to provide that appreciation in his notes which is where the idea of turbulence and the freezing in of the stresses caused by turbulence comes in. In the notes alongside Figures 1 to 5, at least some of which are spinnerets devised, though not tested, by IDS, is Fig 6 the Pacman spinneret of PTS. If I accept for the time being, which I must, that what is

set out in the statement of invention in the priority application is really the invention, even though I am not sure that it is the whole picture, I cannot therefore on the basis of what I have said above go along with the notion that what IDS came up with in his notes is an invention distinct from whatever PTS had invented. That for a time seemed to me to be the thrust of some of the argument on behalf of IDS and I cannot accept it.

41. In fact at the conclusion of the cross-examination of PTS on the sixth day of the hearing I asked him about who contributed the concept of the importance of providing turbulence in the extruding filament and his answer put things into the perspective of the industry as a whole as well as the events surrounding the invention. He said at page 756 of the transcript:-

“ There is something very unusual which has not come out, and perhaps this is important, sir. If you put a normal spinneret of any cross-sectional shape, the fibre comes out straight if the holes are drilled straight. With a Pacman spinneret, that does not happen. I do not know why. That is the thing that characterises it. It comes out at 66 degrees. I have done it repeatedly and measured it. I felt that this had something to do with the secret of why this particular shape made crimping fibre, and I got the idea that.....Turbulence has been talked about a lot in the industry. My brother even exhibits a paper by ICI telling you to get rid of it all, streamline your holes, do this, do that and do the other, because you do not want turbulence in the fibre. It is known that pushing polymers through the spinneret orifice can create turbulence. Obviously, my Pacman shape was creating turbulence of a different kind but in a controlled manner. I do not think.....You can say there is turbulence there. If you could jump into the (inaudible) and be melted with the granules and pushed through, you would know whether you spun round or not. I suppose even now, to be honest, there is a certain element of conjecture. Is it this or is it that? We have to try and say what it was. What we were trying to do was view the very same thing as the first patent, which was that you differentially cooled it and did not specifically mention the Pacman shape. It was trying to focus on Pacman specifically, not any other shape, but Pacman specifically. I had had the citations, so we knew more or less that it would be better to describe this invention in different terms, if that was possible. It clearly was because we had something very different in the way that these fibres came out at a funny angle which had never been seen before, and I still have not found anything else that does it. So I theorized. I think I thought there was swirling, but my brother thought it was turbulence, and so it went on.”

42. From all this I think it fair to say that PTS accepted the fact that the invention was more than Pacman. However, faced with the dilemma of not having Pacman explicitly protected by the “first” patent and at the same time realising that the phenomena behind Pacman was worthy of wide protection it became necessary to think about what was going on so that adequate protection was achieved. Starting with Pacman the job fell to IDS to come up with ideas about

what was happening. He decided it was turbulence, PTS thought otherwise and still thinks it is open to conjecture, which it may be, but IDS was in the driving seat and it was his notes that came to be provided as the source for the subsequent patent applications. Thus the inventive concept has to be confirmed as residing in the two elements identified above, not obviously relating to Pacman solely but clearly embracing the Pacman technology.

Who is the inventor?

43. I think it must be apparent from what I have concluded above about the invention that I have come to the decision that both PTS and IDS have the right to be named as inventors in this application.

44. In coming to that conclusion I have given due attention to the written closing submissions by both parties and in fairness must deal with the arguments which they make to the contrary.

45. In respect of the arguments on behalf of IDS, I have already dealt with the impact of *Viziball* but reference is also made to the decision in *Henry Brothers (Magherafelt) Ltd v. The Ministry of Defence and Northern Ireland Office* [1998] RPC 693. Mr Colley, in his closing submission relies on the finding in the latter decision that in an invention which consists in a combination of elements it is not right to divide up a claim and seek to identify who had contributed each element. One must identify the person who in substance had been responsible for the inventive concept, namely the combination: whose idea it had been to turn a useless collection of elements into something which would work.

46. Whilst it might be superficially attractive to look at the claim in the present application and say that it was clearly IDS who was responsible for the inventive concept I believe that is all too simplistic. That approach focusses far too much on the words of the claim and ignores the fact that IDS was not starting with a useless collection of elements which he somehow had to make work. PTS already had an invention which worked and it fell to IDS to explain how it worked. The inventive concept was, to a degree, already there. It had just not been expressed in so many words nor had its import been fully appreciated. To that extent the summary of the situation that Mr Colley refers to in paragraph 47 of his closing submission is put the wrong way around. PTS' contribution came first. Once IDS had appreciated what was going on he was able to add other embodiments which *prima facie* might be expected to lead to a broader monopoly. Therefore in the context of the present case it does not seem unreasonable to me that both PTS and IDS should be mentioned as inventors.

47. Likewise, it is all too simplistic to view IDS' contribution to the invention as being

merely by way of advice or assistance of the nature envisaged in section 43(3) of the Act. This essentially is the argument advanced in Mr Denmark's closing submissions. PTS had an invention, which on his own admission needed to be covered in a different way to that adopted in the "first" patent and based on the experience of a number of years his brother had provided a platform for this to be done. As well as forming an idea of what was going on IDS also thought up alternative embodiments. Whether these alternative embodiments actually work as well as the Pacman embodiment is immaterial. They together with his input on the inventive concept must surely go beyond merely advice and assistance.

48. In his closing submission Mr Denmark seeks to rely on the decision in *Beecham Group Limited v. Bristol Laboratories International SA* [1978] RPC 521 to justify the idea that the time of making the invention was when PTS saw the first crimped Pacman fibres, and that was when the necessary advantage was appreciated. I do not find that decision to be particularly helpful being, as it is, directed to when an invention is actually made in the context of a pharmaceutical selection patent. In the present case it seems to be clear that PTS in April 1994 did not really know what invention he had made beyond the fact that he had used a Pacman spinneret in an otherwise standard piece of spinning equipment. If that was all the present application was about then he might arguably be regarded as the sole inventor but it is about more than that and it is in the extra that IDS has made an inventive contribution.

49. Before concluding this particular section of my decision I must make it clear that there were several issues explored at great length at the hearing which, although I have taken into account, I do not really feel that they contribute one way or another to my finding on inventorship. Even if I felt the need to go into these issues at great length they would not change my decision. I will, however, mention one of them and that is the question of what was making the filaments to be produced having a high degree of crimp. IDS was firmly of the opinion that all spinnerets will create turbulence and that the crimping effect that was observed by PTS was not so much the result of the turbulence caused by the Pacman shape but of the differential cooling which induced a temperature gradient in the material. As I understood it IDS' view was that the real benefit of using a Pacman spinneret was when "selective" cooling rather than "differential" cooling was employed.

50. As fascinating as I have found the considerable argument about the nature of the cooling in the context of when the application was made I am not convinced that either party in September/October 1995 appreciated whether this was important to the invention or not. What was clear was that PTS had produced self crimping fibre using a Pacman spinneret on the machine at Clariant. He most certainly would have seen the invention as residing in what was

happening due to that particular shape. Looking at the notes produced by IDS I am not convinced that other than appreciating the importance of turbulence created by using spinnerets of different shapes he appreciated that the precise manner in which the filament was cooled could be a significant factor in consistently producing self crimped fibre. In referring to the different shapes shown in Figures 1 to 6 of his notes the emphasis is entirely on how those shapes produce turbulence and significantly at pages 3-4 in respect of Figure 6, the Pacman shape, he says this:-

“ It is also possible to create orifices having a greater shear on one side. Fig. 6 shows a round section orifice with a 90 degree segment ‘filled in’. Polymer flowing down the hole is subject to higher rates of shear adjacent to the filled in quadrant than polymer flowing down the remainder of the cylindrical part of the bore. Such filaments display severe turbulence in the regions (A) and (B).”

Later he says:-

“ From the results obtained by trial, any orifice that causes uneven shear and hence turbulent flow in the polymer has the potential of producing a self-crimping fibre.

It is a necessary part of the self-crimping process that the viscous molten polymer is cooled rapidly to below the glass transition temperature whilst the turbulence is still present in the fibre.”

and when it comes to talking about cooling, he says on page 6:-

It has also been observed by trials that the system of self-crimping effect by this method as described is not dependent on asymmetric cooling. A filament cooled by blowing air from more than one direction relative to the filament produces the same effect providing the filament solidifies to the crystalline state before the internal stresses are dissipated.”

Thus, the significance given to the importance of a particular type of cooling, let alone “selective” cooling, which IDS attached during cross-examination is far in excess of that envisaged by his notes created just before the filing of the priority application. As far as that application is concerned the importance is on the two elements of the invention identified above and therefore arguments about cooling in the way they were presented at the hearing are not material in deciding the issue of inventorship.

To whom does the invention belong?

51. Having decided that IDS is entitled to be named as joint inventor I now have to decide

whether his position in respect of ESL, particularly during September/October 1995 was such as to entitle him to be named personally as joint applicant with PTS or whether his contribution to the invention by virtue of his employment originally belonged to ESL. In doing so I clearly have a need to bear in mind the law as set out in section 39 of the Act and to which I have already referred above. It is to be noted that in the latter case, because of the turn of affairs since ESL went into receivership, the title has subsequently passed through ESL (Leeds) to SCS.

52. As is abundantly clear from the evidence IDS was the managing director of ESL and very much its leading light up until ill health caused him to step down from the Managing Director role in 1989. On 10 February 1989 a notice over Jonathan Slack's signature was pinned to the notice board at ESL announcing the consequent changes. The only clue in this notice to IDS' future responsibilities was in paragraph 1 in the following terms:-

“ My father and other directors have asked me to take up the position of managing Director with immediate effect. This will allow my father to devote his maximum effort to the technical development and enhancement of our products and technology.”

So, IDS was to continue in employment with ESL but it would be difficult from this statement to be fully aware of his duties and the conditions under which he was to be employed. Indeed, IDS himself seemed to have a problem with this and a little while later apparently had a meeting with JDS to sort things out. As a consequence a letter alleged to be a contract of employment was signed and a further notice, based on this letter, was placed on the notice board to inform ESL employees more precisely of IDS' duties. The problem in these proceedings is that neither the letter or the further notice were filed as evidence although there were allegations by IDS that they were in the files of ESL.

53. Without evidence of a contract it is difficult to be precise about the limits of IDS' duties but *prima facie* it would seem to be that 1) he retained the title of Chairman of ESL, 2) he was a non-executive Director, 3) he was a part time consultant and 4) he was committed to working afternoons every day (in effect 17½ hours a week). According to the first declaration of JDS the consultant duties of IDS included a) proposing ideas for new machines, b) solving problems with existing equipment, c) advice on updating old designs, d) advice on Patents and Trade Marks and e) writing technical specifications.

54. Of necessity much of the hearing was taken up with an examination of what IDS actually did to fulfil his new responsibilities at ESL and more specifically in an analysis of the capacity in which he was working during September/October 1995 when he prepared the notes which

were later to mature into the priority patent application. It stands to reason that IDS wanted to prove that he was working in a personal capacity, independent of ESL, at this time whereas PTS would want to prove the very opposite, the more so given the history of events following ESL going into liquidation.

55. I do not feel the need to go into great detail about IDS' involvement with ESL following the changes of 1989 for the simple reason that it is beyond doubt, much of it on his own admission, that he did not simply take a back seat because he was no longer the Managing Director. What he said in relation to his feelings in 1989, that the company had been his whole life, continued right through to ESL going into receivership in 1998. Indeed, whether he was contracted to work 17½ hours a week or not, the truth was that he did a normal working day and most certainly did not draw the line at a certain point when he thought he had done enough on behalf of ESL. The reality was that most days he was on the premises of ESL to do whatever work there was around and he was not in the way of thinking that saw a clear divide between what was his time and what belonged to ESL. As SJS said on the sixth day of the hearing at page 808 of the transcript under cross-examination by Mr Denmark:-

"I said he was available. When he was there, when I saw him he always made himself available to me. He did not say to me, "I am available any time, day or night, call me." When he was there, he was a nice open man, willing to help. He would not be bound by, if you like, "I am only contracted to work 17.5 hours a week". If help was needed he would provide that help."

The fact was that ESL was still seen to be his firm, even in his reduced role, and because it was very much a family firm there were no rules in place which said when or when he was not entitled to be around or what he should be doing. Of course, he was answerable to JDS, the new Managing Director, but it was highly unlikely that JDS was going to take a hard line with his father particularly as the company had been his in the past, his expertise was still invaluable and he was the major shareholder. In a very real way the company needed IDS and he needed the company and this would explain why the vast bulk of IDS' energies on a day-to-day basis were invested in the company.

56. Much was made of whether IDS attended board meetings of ESL the inference being that if he did not this was a sign of his being distanced from executive decisions in the company. There is no disputing that he attended two board meetings and that he chaired annual general meetings when he was available. My own view is that he probably attended more, but there is little other than JRD's somewhat unreliable evidence to support it. As a director he certainly had a right to attend board meetings and given that the firm was effectively his life it is difficult to imagine that he could keep out of the centre of things, although he may have been wise enough to scale things down a little. However, board meetings were only one small part of the equation.

It is important to keep in mind that ESL was very much a family firm where those at the centre were close knit family members. After all, JDS took over as Managing Director from his father IDS and he was eventually succeeded by his brother RWS in 1997. JRD also had a privileged role in the company as a family member although there is the likelihood that she assumed certain positions rather than being appointed to them. So as well as board meetings there were so-called management meetings, progress/design meetings and/or operations meetings (and perhaps other kinds of meetings) and there are also indications that informal family meetings would quite naturally assume an importance to the company far beyond their original intent.

57. All in all the evidence points to the fact that decisions at ESL, certainly in the period leading up to the preparation and filing of the priority application, were made in a manner that was far less formal than might have been if ESL had not been a family firm. Because of this and IDS' day-to-day involvement in the firm I cannot accept that he was somehow detached from what was going on, carefully monitoring his time between what was his own and what belonged to ESL and only taking low key decisions. In reality, life to IDS was ESL. He had been a significant figure in its history, he still was a significant figure and all he did was motivated by his desire for it to be continually successful.

58. What then of the circumstances surrounding the making of his notes that were eventually to become the foundation of the priority application?

59. On 22 August 1995 PTS received a letter from his patent agent concerning the search report received on the "first" application. On the second page of that letter there are two paragraphs which were relevant to the filing of the present priority application. Those paragraphs read as follows:-

" We also observed that whilst your present application does contain two examples of non-circular configurations for the cross-section of the filaments your application makes no reference to the cross-section you have currently found to be (sic) most advantageous for the process, namely a circular filament with one quarter missing therefrom. Further, there is no reference in your patent application to the holes in the spinneret plate being drilled at an angle other than at an angle of 90E to the plane of the spinneret plate and by which arrangement even a filament drawn through a hole with a bore of circular cross-section will result in the production of an ellipse.

We look forward to receiving your instructions if we are to proceed with a new application limited to the preferred cross-section for the filament, and the method of drawing the filaments through spinneret holes drilled at an angle to the plane of the spinneret plate."

This letter is clearly relating to the Pacman shape as well as holes drilled through a spinneret plate at an angle.

60. PTS had of course been working on the premises of ESL since early 1995 on a pilot machine using the Pacman spinnerets and had entered into a verbal agreement with ESL for them to make the machines in respect of any orders taken for a production line using those spinnerets. However, PTS would provide the spinnerets for such machines. His version of the events, having received the letter from his patent agent, was that he approached IDS sometime in late September 1995 because he was concerned that he did not have patent protection for the use of the Pacman shape and the Milan exhibition in October was looming. It was his view that a series of discussions then took place about what was happening in respect of the Pacman shaped holes so as to produce the highly crimped fibres and it was during these discussions that the idea of turbulence came up. As a consequence PTS asked IDS to write up a set of notes which would form the basis of information required by the former's patent agent. PTS maintains that there were several drafts of these notes, typed up by JRD, over a period of about 7 to 10 days before 3 October 1995.

61. IDS, on the other hand, says that his brother did not approach him until 2 October 1995 and recognising the seriousness of the situation he spent the rest of that day and virtually all the night of 3 October thinking through what was going on with the Pacman spinnerets and writing up his notes. On the morning of the 3rd he asked JRD to type up the notes and according to him he was continuously editing them as they were printed from the computer. Moreover, it was his view that a deal was struck with PTS to the effect that they would share equally in any patent resulting from the notes meaning, it seems, that he and PTS would be named as co-inventors and co-applicants and share in any money made out of the invention. All this was consistent with his evidence under cross-examination where he hung on to the notion that he was acting in a private capacity, independent of ESL. In the event, of course, only PTS was named as inventor and applicant through his company SCS Consultancy Services.

62. As important as it is to decide whose version of events is true, I believe the issue to be much wider than that. What I must say is that I confess to finding it very difficult to accept IDS' version of things. As pointed out on page 16 of Mr Denmark's closing submissions there are references in both the first and second declarations of IDS to PTS approaching him in September of 1995. Mr Colley in his closing submissions has recognised the discrepancy between the "overnight" and "September" versions in IDS' evidence but suggests that the latter's evidence

is still to be preferred because it could hardly have taken 7 to 10 days to produce the notes and surely IDS would not have bothered to argue about the matter unless he was right. I do not think that either of these suppositions is self-evidently right and they are certainly not supported by the statement of JRD exhibited to the first declaration of IDS or the second declaration of JRD. Even though I have indicated my caution about the evidence of JRD, on this matter in contrast to IDS she has been consistent and was in a good position to know being the person who typed the notes. Clearly the “overnight” version would be of maximum benefit to IDS in securing whatever rights he might have in the application because it would allow him to claim that he alone thought up the idea of turbulence. The “7 to 10 days” version potentially made it much more difficult for him, but in the event I have decided that it does not really matter.

63. What does matter, and this is picked up in Mr Colley’s closing submissions, is in what capacity did IDS produce his notes and here I need to consider his position in the context of what is set out in section 39 of the Act.

64. Section 39 offers the general proposition that in an employer/employee situation an invention made by the employee belongs to the employer. There are conditions attached to this proposition but before looking at them the present case throws up the prospect that in all discussions with PTS and the subsequent drafting of the notes IDS was not in the employment of ESL but was in fact working as an independent consultant. That certainly was how IDS saw it, but not PTS. As far as the latter was concerned IDS was synonymous with ESL, a view supported when he was at PFE after receiving a letter in February 1989 from JDS on ESL notepaper containing the following paragraph:-

“ My father, David Slack, and the other Directors have asked me to take up the position of Managing Director. This will allow my father to devote maximum time to the development of our products and technology. He will continue working for the company on a full time basis as a technical consultant.

As far as PTS was concerned nothing had changed since then and therefore if IDS had been working as a private consultant during the events of September/October 1995 that should have been made clear to him.

65. In my view there is something in that argument. In reality, as long as the work in which IDS was involved was in the normal area of expertise of ESL, he made no distinction between whether he was doing it for ESL or for himself as an independent consultant. There was no sharp distinction on a normal working day between working for ESL and working for himself and I am far from convinced that he ever made the distinction, as he claimed, of working for himself in

the mornings and ESL in the afternoons. From his own evidence it is clear that he did only a small amount of consultancy work on his own behalf, and then very often without charge. Admittedly there were occasions when he did work for which there was a charge, such as in relation to the United States Surgical Corporation and Perident contracts, and the evidence shows that at least on these occasions it was clear to those employing him whether he was doing the work on his own behalf or not. Such matters had certainly not been discussed with PTS in relation to the Autocrimp technology.

66. All in all there must have been many days when he clearly worked solidly for ESL. When looked at in the context of how things had developed since 1989 having a contract, always assuming that he did, was more of a safety net for both parties. It certainly did not dictate IDS' work patterns nor did ESL have to rigidly enforce it because IDS was not pulling his weight. On the contrary, he was effectively working full time for ESL and when he was not, there should always have been procedures in place which made that very clear. That there were no consistent procedures in the period from 1989 onwards was largely due to the family nature of ESL and IDS' patriarchal role within it.

67. Since I cannot accept that IDS was not in an employee/employer relationship with ESL during the time of the discussions with PTS and the drafting of the priority application it is clear that section 39 of the Act is highly significant. Sub-section 1(a) requires that an invention belongs to the employer if it was made by the employee as part of his normal duties or duties specifically assigned to him such that in either case an invention might reasonably be expected to result.

68. There is no doubt in my mind that in the context of what went on during that September/October period an invention might reasonably have expected to be the end result and indeed the filing of the subsequent patent application and my finding of IDS' involvement as co-inventor is evidence of this. Further, as outlined in JDS' first declaration, this would have been in the context of IDS' normal duties and specifically related to equipment in the mainstream of ESL's activities. When on day two I questioned IDS about how he saw the distinction between his work for ESL and his work as a consultant, he replied at page 160 of the transcript:-

"Firstly, I think the main criteria was that work that would be referred to me by my sons really as managing director or commercial director. That was the main reason for me doing any particular work. Sometimes I might pick up on an idea which would improve the standard range of equipment which ESL manufactured. In that instance, I would work on the project, on that item and perhaps work out stresses and strains, mechanical forces, temperatures, heat capacities and that sort of thing. Mainly when it concerned....Another thing was resolving mechanical

failures or problems such as why was a particular bearing in a particular machine always failing and what could be done to stop that. Those were the kinds of matters.

On my private side, many things that I gave advice on was not concerning the equipment manufactured by ESL and processes which were not covered by the equipment of ESL. Sometimes a company were wanting to make a product and a machine of ESL could be adapted or modified to do that. Generally speaking, it was advice about processes and equipment that were not part of the ESL schedule. Then again there were some processes which were complimentary or ancillary to the... For instance, one was cleaning spinnarettas (sic).....”

At the very least IDS was producing new ideas for a machine out of which ESL would hope to do very well and in which they had a clear stake. I do not place any significance on whether or not IDS' sons had specifically allotted the project to him, given it was something in which he knew at least JDS was very involved and there was clear concern in ensuring proper patent protection was available quickly given the very short time before the machine was to be exhibited in Milan. I therefore find that the invention, at least in so far as it relates to IDS' contribution, belonged originally to ESL by virtue at least of the requirements of section 39(1)(a).

69. Even if I am wrong on that, I find it beyond doubt that IDS' involvement falls firmly within the separate requirement of sub-section 1(b) namely that at the time the invention was made, because of the nature of his duties and the particular responsibilities arising from the nature of his duties IDS had a special obligation to further the interests of ESL's undertaking.

70. It could be argued that if anybody had an obligation to further the interests of ESL it was IDS. He had founded the company, he had and still lived the company, he still drew one of the highest salaries from the company and was in receipt of other benefits, as a Director he had a duty to the company and he was the major shareholder in it. Of course, other people especially the family members had considerable obligations towards ESL but IDS knew and showed by his normal day-to-day attitude where his primary obligations were.

71. Indeed, on the second day of the hearing when I had an opportunity to put questions to IDS, I put it to him (here I am quoting from page 162 of the transcript):-

“Q. *You were concerned that it would be exhibited at ESL (sic) under the ESL banner without patent protection?*

A. *I was, yes, because we had borrowed, I think around £1 million or used £1 million from the bank to get to that stage. The bank had lent money on the clear understanding that there was patent protection for that and no one else would be able to copy it. That was*

the worry.

Q. *Despite that, you think you were working for the good of ESL*

A. *When*

Q. *..... when you produced those notes?*

A. *I knew that ESL would be working under a licence agreement and using that technology, yes”.*

72. In my view, and particularly as IDS was well aware of the verbal agreement between PTS and ESL, these answers were a typical expression of the special obligation IDS knew he had towards ESL. This makes it particularly difficult to reconcile with his claim that he and PTS had an agreement to share the patent between them. As Mr Denmark says at page 40 of his closing submissions:-

“ The fact that Ian David Slack, Jonathan David Slack and Richard William Slack all said that the idea of Ian David Slack patenting something on his own and using it against the company’s interests was unthinkable and indeed insulting. Clearly therefore every one of them had the understanding in his head that Ian David Slack simply was not in a position to do such a thing, or put another way had particular responsibilities to further the interests of ESL.”

73. In summary, I therefore find that although IDS has the right to be named as a co-inventor he does not, by virtue of both sub-sections 1(a) and 1(b) of section 39 of the Act, have the further right of being named as co-applicant.

74. I am fortified in my above finding by a number of pieces of documentary evidence.

(i) Firstly, earlier GB Patent No 2247697 is in ESL’s name, despite having IDS specified as inventor by virtue, of IDS’ employment with ESL. This patent was *prima facie* applied for in 1990 (ie after the 1989 change of status of IDS). Although IDS tried to distinguish this case by saying it had been produced as part of the 17 ½ hours work he did per week for ESL, I do not see matters as being as clear cut as that. This patent relates to filament production in a manner similar to the Autocrimp process. I find it hard to believe that, given IDS’ admitted role in innovation for ESL, any clear distinguishing line can be drawn between the two cases.

(ii) Secondly, the ESL ‘Business Plan and Finances Proposal’ dated 5 August 1996 and produced by Robson Rhodes. This contains numerous references announcing the potential of the ‘Autokrimp’ (*sic*) technology (eg at sections 1.4, 3.4, 4.3, 4.4

and 4.5) and refers specifically at section 1.4 to “*The Autokrimp process is a patented process **unique to ESL***” and at section 3.4 to “*The Autokrimp process...was invented in 1994 and **developed by ESL** during 1995*”. This document was provided as part of his evidence by the referrer himself but does not anywhere contain any suggestion of (part) ownership by IDS personally as opposed to ESL.

- (iii) Thirdly, the report dated 15 May 1997 by the Chartered Accountants ‘Grant Thornton’. This contains at section 5.4.6 on page 19 a statement to the effect that the IP rights associated with the Autokrimp process vests in PTS. Mr Colley for the referrers attempted to belittle this report during his cross-examination of SPS on the fifth day arguing (pages 571-574 of the transcript) that, despite a statement in section 1.2.3 on page 1 of the report that it had been discussed in draft form with the directors who had confirmed its factual accuracy in all material respects, that this did not explicitly prove that it had been discussed with IDS himself. I cannot accept this proposition, in a tight knit family firm such as ESL it seems inconceivable that IDS would not have been involved in something as important as this.

75. I therefore find that the invention, at least in so far as it relates to IDS’ contribution, belonged originally to ESL.

Giving effect to my findings

76. Since the application in suit is one filed under the Patent Cooperation Treaty (PCT) in respect of a number of countries and regions I recognise my jurisdiction as somewhat limited. By and large that jurisdiction is limited to any United Kingdom application that may be filed in the national phase although I can make a recommendation in respect of any application filed under the European Patent Convention. As far as other countries and regions are concerned it is up to IDS to find out what he needs to do to be named as co-inventor and take the appropriate action.

77. In respect of any UK domestic application, and at this point in time I am not aware of such an application, I order that an addendum should be issued naming Ian David Slack as co-inventor with Philip Trevor Slack.

78. Article 62 of the European Patent Convention deals with the right of an inventor to be

mentioned and says:-

“The inventor shall have the right, vis-à-vis the applicant for or proprietor of a European patent, to be mentioned as such before the European Patent Office.”

and Rule 18 of the Regulations to the Convention states that:-

“ (1) The person designated as the inventor shall be mentioned as such in the published European patent application and the European patent specification.

(2) In the event of a third party filing with the European Patent Office a final decision whereby the applicant for or proprietor of a patent is required to designate him as the inventor, the provisions of paragraph (1) shall apply.”

79. In view of my finding as to inventorship, and although I have no jurisdiction directly to order the addition of Ian David Slack’s name to any European application, it is open to him to take the action stipulated in paragraph (2) of Rule 18, citing this decision.

Costs

80. The Comptroller has a wide discretion to award costs under section 107 of the Act. Normally those costs will be in line with a standard scale which reflects the fact that in proceedings before the Comptroller costs are not intended to compensate parties for the expense to which they have been put but are to represent only a contribution to that expense.

81. In exceptional circumstances however it may be possible to depart from the standard scale and the leading precedent case providing guidance is *Rizla Ltd’s Application* [1993] RPC 365. Both parties in their closing submissions on costs have urged me to see their case as exceptional and therefore to award them costs on a compensatory basis.

82. Put simply PTS has asked for full compensatory costs because IDS brought his action in bad faith with little chance of success. On the contrary, because of IDS’ perceived significant contribution to the invention and the subsequent disruption to the case occasioned by the filing of JRD’s later evidence, as well as the late introduction of bundles of evidence just before the start of the hearing, IDS seeks compensatory costs for himself.

83. Of course, as well as taking these arguments into account I have to reflect on the effect

of my decision that IDS is entitled to be named as co-inventor but not as co-applicant. Superficially this might suggest that both parties have won something and therefore an honourable draw might be seen as a fair result. Then I could get on with looking at issues which might suggest a compensatory result in favour of one of the parties. However, this would be a little simplistic.

84. Although IDS has the right to be named as co-inventor he was clearly looking for more than this and it might reasonably be argued that he has lost more than he has won. Co-propriatorship would have been of significantly more benefit to him than co-inventorship. Therefore I start from the position that if costs are to be awarded on the standard scale PTS should have an award of costs in his favour. I do not believe that these costs should drift towards compensatory costs because IDS has won on one point and was justified in bringing his case based on his contribution to the filing of the priority application.

85. Against any costs that I might award to PTS I have to consider whether there ought to be any compensatory costs awarded to IDS in relation to the evidence I have referred to in paragraph 82 above.

86. There is no doubt that the effect of JRD giving evidence on behalf of PTS, once her evidence on behalf of IDS had been withdrawn, was to put IDS and his witnesses to considerable extra work and expense in relationship to the filing of further declarations and to the further 3 days or so of the hearing. This extra cost has been calculated by Mr Colley to be in the order of £50,000. I have thought to ask about the origins of this further work and expense.

87. JRD had originally filed a declaration concerning the typing up of IDS' notes on what became the basis for the priority application. On the face of it this evidence was factual and was put in presumably to support IDS' case. Whatever was going on behind the scenes at the time I can well imagine the concern to PTS when it became apparent that Mr Colley was withdrawing that evidence thus completely denying Mr Denmark the opportunity of cross-examination on what was perceived to be something very important to the case. It would have been one thing to simply not cross-examine JRD but Mr Colley's decision to withdraw her evidence completely would have set alarm bells ringing in the mind of even the most fair-minded person.

88. I have come to the conclusion that once JRD thereafter had offered her services to PTS he and his representative, Mr Denmark, had no alternative but to ask that she be allowed to file further evidence. The consequence of this was that I had to allow IDS the opportunity of filing

evidence in reply and of course this could only be done by adjournment of the hearing. In the circumstances I would argue that IDS had brought a lot of this extra work on himself.

89. At this point, therefore, I would be looking towards increasing PTS' costs but I think I have to take into account JRD's further evidence and the subsequent actions. JRD's evidence was on her own admittance produced by herself and was accompanied by one single 131-page exhibit which was a bundle of papers put together by her from various sources. In this form I have to say that it fell far short of the standards required and it is no wonder that Mr Colley had a problem in his cross-examination. It also contained serious allegations of perjury and conspiracy against IDS, JDS and RWS, allegations which were not pursued and therefore inappropriate if they were just JRD shooting from the hip in some kind of revenge. I have already said that I find much of this evidence to be hearsay and peripheral to the real issues in this case and I regret, as I assume do others, that the hearing was considerably extended because of it.

90. However, it did produce some valuable evidence in reply from Mr Sutherland who although Mr Colley described in his closing submissions as an impressive witness for IDS nevertheless was telling in IDS' involvement on a day-to-day basis at ESL. Mr Sutherland clearly felt that IDS was around too much and could easily understand why other employees thought that IDS was working full time. My opinion was that Mr Sutherland brought some of the most unbiased evidence to the whole of the proceedings and certainly confirmed some of the thoughts I was having about the effects of ESL being a family firm run along totally different lines from one far less family orientated.

91. Looking at everything in the round I have come to the conclusion that I should not make an award of costs in this case. Both sides have done things which have moved me in their favour, but equally there has been conduct which has not impressed me and has left me with the view that no award of costs to either party would be appropriate.

Conclusions

92. I conclude, therefore:-

D) that Ian David Slack has the right to be named as co-inventor with Philip Trevor Slack in respect of the invention claimed in Patent Application No. PCT/GB/96/02512.

ii) that Ian David Slack does not have the right to be named as co-applicant of Patent

Application No. PCT/GB/96/02512.

iii) that I should not make an award of costs in the present application.

Appeal

93. Since this is not a matter of procedure, any appeal should be lodged within six weeks of the date of this decision.

Dated this 16th Day of May 2000.

G. M. BRIDGES

Divisional Director acting for the Comptroller

THE PATENT OFFICE