

PATENTS ACT 1977

IN THE MATTER OF a reference under Section 37(1) and an application under Section 13(1) & (3) by Andrew Webb in respect of Patent no.2291342 in the name of Sandra Agnes McGriskin

SUPPLEMENTARY DECISION

Background

1. In my decision issued on 13 April 2000, which followed an earlier interim decision of 3 February 2000, I found Andrew Webb and Sandra McGriskin to be joint inventors and to have equal joint rights in the patent, which relates to a stool on convergent rockers. I ordered, under sections 13 and 37, that -

- (i) the patent shall proceed in the joint names of Sandra Agnes McGriskin and Andrew Webb and, under rule 51, an entry shall be made in the register to this end, and an erratum slip shall be prepared for the patent;
- (ii) each proprietor shall have the right to license out the invention to a third party without the agreement or interference of the other proprietor;
- (iii) each proprietor shall pay half the renewal fees in a timely manner and shall only have the right to stop such payment of renewal fees if agreement is reached to do so with the other proprietor.

2. I also ordered that if either of the co-proprietors should default in the matter of payment of fees, the other should have the right to return to the Patent Office to claim appropriate relief from the Comptroller.

3. No appeal was lodged against the decision of 13 April 2000.

4. Andrew Webb (“Webb”) paid his share of this year’s renewal fee on 12 July 2000. When Sandra McGriskin (“McGriskin”) had not submitted any payment by 17 August 2000 Webb made a request for appropriate relief from the Comptroller.

5. The renewal fee became due on or before 17 June 2000, the anniversary of the filing date of the patent application. In accordance with section 25 (3) of the Patents Act, the patent shall cease to have effect at the end of the period prescribed for payment of any renewal fee if it is not paid within the period. However, section 25 (4) states that if, during the period of six months immediately following the end of the prescribed period, the renewal fee and any prescribed additional fee for late filing are paid, the patent shall be treated as if it had never expired. The Patent Office currently allows the renewal fee to be paid within one month of the end of the prescribed period without requiring payment of a late filing fee, but after that time a late filing fee becomes payable for each subsequent month.

6. Following a query by McGriskin, Patent Renewals Section of the Patent Office faxed McGriskin on 11 July 2000 informing her that the fee for the sixth year was £70 and that no late extension fee would be incurred if the payment was received by 17 July 2000, but a late payment of £24 would be incurred after 17 July.

7. When McGriskin had not paid her half share of the renewal fee by 17 July 2000, the Patent Office wrote to her on 31 July 2000 reminding her that the order required her to pay her half of the renewal fee “in a timely manner” and telling her that the fee payable by her, including a one month extension fee “must be made on or before 17 August 2000. If no payment is received Mr Webb will have the right to request a variation of the order.”

8. She failed to pay any fee by 17 August 2000, and this caused Webb to write to the Office on 31 August 2000, saying that, as McGriskin had declined to pay any of the renewal fee, (i) the Patent Office should make him the sole owner of the patent, and (ii) no licence should be granted to her, but if a licence were to be granted to her, any manufacturers of the invention must contact him direct and keep him informed of the number of stools produced and sold .

9. McGriskin was given two weeks from 4 September 2000 to make observations on the contents of the Webb’s letter. In the event she informed the Office on 9 September 2000 that it was her intention to submit the renewal fee as soon as possible but that she had just returned from abroad and was unaware that her previous correspondence to renewal section of the Office had not been received. Following this information and in spite of no such correspondence apparently having been received by the Office, McGriskin was given until 2 October 2000 at the latest to pay the necessary fee, which she did not do.

10. Both parties were then given 14 days from 4 October 2000 in which to indicate whether they wished an oral hearing or were content for the issue of appropriate relief from the Comptroller to be decided on the basis of the papers on file. In the event of the latter being chosen the parties were asked to file submissions within the same time period. Webb informed the Office that he

had no further submissions to make and would like the matter to be decided on the papers. McGriskin failed to make any reply in the set period and the Office subsequently tried unsuccessfully to contact her by phone on two occasions. On both occasions a work colleague of McGriskin at her place of work said McGriskin would return the call, but she did not do so.

11. At this point I made the decision to decide the issue on the basis of the papers. After I started drafting this decision McGriskin suddenly paid renewal fees on 6 November 2000 to the value of £127, but without any explanation whatsoever as to their late filing. The fees she paid were inadequate to cover the necessary late filing fees required by section 25(4) in addition to the actual renewal fee, and so payment of the renewal fee for this year is deemed not to have taken place.

12. McGriskin's very late payment of the fees, well after the expiry of the latest date, namely 2 October 2000, by which she was told she must pay the renewal fees, and also well after the two week period she was given in official letter dated 4 October 2000 in which to indicate whether she wished to be heard, or wished to have the issue decided on the basis of the papers, and to file submissions, does not cause me to alter my decision that there is an issue to decide and that I should do this on the basis of the papers. I note that she told the Patent Office in writing on 9 September 2000 that she intended to submit the renewal fee "as soon as possible" but still did not submit any monies until 6 November 2000.

Considerations to be taken into account

13. I included in my orders a requirement that the payment of the renewal fees shall be made "in a timely manner". I intended this to mean that payment should be made in advance of the end of the period prescribed by section 25(3) or at least within the allowed one month free extension of this period. When McGriskin had not paid her share of the fee by the end of the one month extension, she was given a first deadline for payment, which was 2 months into the six month period; this she did not keep. Following a submission from her that she had been abroad, she was given a second chance and set a second deadline of 2 October 2000, which again she did not keep. I consider that the Patent Office has been generous in its interpretation of the requirement. Accordingly, I find that McGriskin has not paid her half of the renewal fees "in a timely manner".

14. I am aware that Patent Office records show that in 1999 McGriskin presented a cheque for her renewal fees on the very last day of the six month extension period allowed by section 25(4). However, she was subsequently permitted to pay the renewal fee in cash shortly afterwards. It

seems to me that it is accordingly likely that each year difficulties will arise and Andrew Webb will be left in the unfortunate situation of not know whether the patent might cease due to McGriskin not paying her share of the renewal fee. In the circumstances I consider that it is appropriate for me to vary my orders.

15. My decision of 13 April 2000, in which I went down the route of treating both parties in an identical way, took into account the following points - (i) Webb had submitted to me that I should treat both parties in an identical way, letting the patent proceed in the names of both the inventors but with each having the freedom to enter licensing agreements without requiring the agreement of the other party, (ii) McGriskin had favoured an option which left her as sole proprietor, and so free to license without the agreement of Webb, and gave Webb a non-exclusive royalty free irrevocable licence but no freedom to license out to third parties, (iii) McGriskin had argued that she was not equipped to work the invention and could only exploit the invention by granting licences whereas Webb was fully equipped to work the invention himself, (iv) the common ground of their submissions was that each party claimed to have a need for free licensing without having to obtain the agreement of the other party, and (v) Webb had expressed concerns over either party defaulting over payment of renewal fees.

16. It seems to me that I should still bear these points in mind as well as the submissions made by Webb in his letter of 31 August 2000, while at the same time taking into consideration that McGriskin chose not to reply to the official letter of 4 October 2000 and ignored the time period set for her payment of fees.

17. However, last but not least, in making my decision about varying my orders I should not forget that I have found McGriskin to be a joint inventor and, as such, she continues to have rights in the invention. This means that I should continue to be as even handed as possible in the circumstances.

18. Patent Renewals Section has indicated that it will not request any late filing fees if the remaining half of the renewal fee is paid by Webb.

Orders

19. Accordingly, I vary the orders I gave in my decision of 13 April 2000, replacing those orders with the following orders that -

- (i) the patent shall proceed in the name of Andrew Webb alone and, under rule 51, an entry shall be made in the register to this end and an erratum slip shall be prepared for the

patent, and Andrew Webb shall have the right to licence out the invention to a third party without the agreement or interference of Sandra McGriskin;

- (ii) Sandra McGriskin shall be given an irrevocable, royalty-free, non-exclusive licence for the invention and shall have the right to sub-licence out the invention to a third party without the agreement or interference of Andrew Webb, but any third party granted a sub-licence shall be required to provide Andrew Webb direct with a bi-annual account, due on 17 June and 17 December each year, of the number of stools of the invention produced and sold by that party;
- (iii) Andrew Webb shall pay, at the latest by 17 December 2000, the remaining half of the renewal fee presently due, or else the patent shall cease to have effect.

Appeal

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

Dated this 6th Day of November 2000.

G. M. BRIDGES

Divisional Director acting for the Comptroller

THE PATENT OFFICE