

COPYRIGHT, DESIGNS AND PATENTS ACT 1988

IN THE MATTER OF a reference under section 246(1) by Carflow Products (UK) Limited for determination of subsistence, term and ownership of design right in a design, and an opposition thereto by Autoaccessori Farad SRL.

DECISION ON COSTS

Background

1. The referrers, Carflow Products (UK) Limited ("Carflow"), launched this reference on 28 January 2000, referring to the Comptroller the questions of subsistence of design right, the term of that right, and the identity of the person in whom the right first vested, relating to the design of a locking nut for a motor vehicle wheel. On 23 March 2000, Carflow filed a Statement of Case, which the Office deemed to be insufficient. Carflow submitted a revised Statement of Case on 13 April 2000, and the opponents, Autoaccessori Farad SRL ("Farad") responded with a Counterstatement on 21 June 2000.

2. Following the filing of the Counterstatement, Carflow had, under Rule 3(4) of the Design Right (Proceedings before the Comptroller) Rules 1989, a period of 21 days (ie until 12 July 2000) in which to file a further statement. In fact, following three requests for extensions of time in which to file the further statement, and during which negotiations between the parties were said to be taking place with a view to settling the matter, Carflow withdrew the reference on 29 September 2000. In their letter withdrawing the reference, they also submitted that there should be no order for costs. Farad, on the other hand, requested that costs be awarded in their favour. Both parties agreed that they did not wish to be heard on this matter, requesting that it be decided on the papers. This I shall now do.

Reasoning

3. In seeking an award of costs, Farad have referred to the repeated requests for extensions and the subsequent abrupt withdrawal by Carflow. They suggest that they have been put to significant expense in assembling the case for rebutting the reference. On the other hand, Carflow say that having regard to the fact that they have withdrawn at a very early stage, there should be no order for costs.

4. I agree that the withdrawal has been made at an early stage, before the commencement of the evidence rounds, and thus the opponents have been saved a considerable potential expense. However, they have still been inconvenienced and put to some expense on an action that Carflow, having seen the conflict of facts in the Statement and Counterstatement, for whatever reason, thought it inappropriate to pursue. I therefore feel it is appropriate that I make an award of costs to the opponents. This award should reflect the work involved in considering the Statement and preparing a Counterstatement. I am also prepared to make a small allowance for the work involved in dealing with the requests for extension of time, though since the opponents consented to the first two requests and merely suggested a shorter time period for the third request, that allowance should be small because the extra work involved will have been small. In saying that, I am not in any way criticising them for being so amenable - indeed, given that negotiations were taking place with a view to settling the matter, their attitude is to be commended.

5. Costs in proceedings before the Comptroller are normally based on a standard scale. The action was launched on 28 January 2000, *ie* before 22 May 2000, so the scale of costs set out in Annex B of Tribunal Practice Notice 2/2000 applies. I see no reason to depart from that scale, and accordingly I order that the referrers pay to the opponents the sum of £150 as a contribution towards their costs. This sum is to be paid within 7 days of the expiry of the appeal period, unless an appeal is lodged. In that event, the payment will be suspended pending resolution of the appeal.

Appeal

6. Under section 251(4) of the Act, any appeal against this decision is to the High Court, and the period for appeal should be determined by the Civil Procedure Rules 1998 and its associated Practice Directions. I regret, however, that it is not entirely clear to me from those Rules what the appeal period should be. Proceedings under the Copyright, Designs and Patents Act 1988 are expressly included in Part 49, but Practice Direction 49E does not make any mention of appeals under section 251(4), although it does cover appeals from the Comptroller under the 1949 and 1977 Patents Acts.

7. I observe that under the previous rules, as amended by the Rules of the Supreme Court (Amendment) Act 1998, the appeal period for appeals under section 251(4) was the same as for appeals under the Patents Acts. If the High Court takes the view that the period should still be the same as for patents appeals, as this decision is not on a matter of procedure, the period within which any appeal must be filed would be six weeks from today. Alternatively, it may be the High Court would take the view that, in the absence of any specific provision elsewhere, rule 52.4(2) of the Civil Procedure Rules applies. That sets the appeal period at 14 days unless I direct otherwise. To avoid any uncertainty, I hereby direct that if rule 52.4(2) applies, the period within which any appeal against this decision must be lodged is six weeks. This means that, either way, the appeal period is six weeks.

Dated this 27th day of November 2000

P HAYWARD

Divisional Director, acting for the Comptroller

THE PATENT OFFICE