

PATENTS ACT 1977

IN THE MATTER OF a request
under Rule 110(4) of the Patents Rules 1995
to extend the time limit for entry into
the national phase of International
application WO 95/01045

DECISION

Background

1. On 15 November 1999 Mr Jean-François Meunier requested the Patent Office to begin the national processing of International application WO 95/01045 (“the application”). Mr Meunier also requested under rule 110(4) of the Patents Rules 1995 an extension of the period for the application to enter the UK national phase, as determined by rule 85(1)(b)(i) of the then current Rules, because the unextended period had expired on 17 December 1995. After considering evidence filed in support of the request for an extension, the Patent Office took the preliminary view that this request should be refused. The Office’s view, as well as the reasons for it, were communicated to Wynne-Jones, Lainé & James, the agent acting for Mr Meunier, in an official letter dated 14 February 2000. Mr Meunier did not accept this preliminary view and the matter came before me at a hearing held on 1 December 2000. Mr Meunier was represented by Mr Giles Fernando of Counsel, who was instructed by Mr William Newell, a partner of the firm of Wynne-Jones, Lainé & James. Mr Lyndon Davies of the Patent Office also attended.

The facts

2. The evidence filed in support of the request for extension of the period for entry into the national phase consists of an affidavit by Mr Meunier, an affidavit by Mr David French who is Mr Meunier’s Canadian patent attorney, a statutory declaration by Mr Guy Selby-

Lowndes who prosecuted the application during the regional phase before the European Patent Office, and a statutory declaration by Mr William Newell who has taken over responsibility for the file relating to the application from Mr Guy Selby-Lowndes. I also had available to me documents which were filed at the Patent Office on 3 March 1999 by Mr Guy Selby-Lowndes with a request for an unofficial view on whether the application could proceed as a United Kingdom patent application.

3. I turn now to the events which led to the request to allow the application to enter the national phase late. On 17 June 1994 Mr Meunier filed the application under the Patent Cooperation Treaty (“PCT”), claiming priority from an earlier Canadian patent application filed on 17 June 1993. Forty-one states, including the United Kingdom, were designated in the application under rule 4.9(a)(i) of the PCT Regulations for the purpose of obtaining national patents. The application also indicated under rule 4.9(a)(ii) of these Regulations that a European patent was sought for sixteen designated states, including the United Kingdom. Thus, the United Kingdom was designated twice, once as a national designation and once as part of a regional designation for a European patent.

4. While the application was still in its international phase Mr Meunier, as the inventor, assigned it to the Canadian Space Agency but retained rights under licence in respect of his invention. Whilst the Canadian Space Agency took responsibility for national filings in the USA and Canada, it was left to Mr Meunier to cover the cost of national and regional filings elsewhere. For these other filings Mr Meunier instructed Mr French.

5. In a fax dated 15 December 1995 from Mr French to Mr Meunier (which fax is one of the documents filed at the Patent Office with the letter of 3 March 1999 from Mr Selby-Lowndes), Mr French refers to discussions with Mr Meunier about the application and states that -

“You have confirmed that you do not wish to support any foreign patent filings for the above invention beyond a filing for a European patent.”

Then, on 16 January 1996, Mr French faxed Mr Selby-Lowndes to request that he “*make a National Entry filing before the European Patent Office*”. Mr Selby-Lowndes complied by

effecting a European regional entry which initially designated fourteen EPC states, including the United Kingdom. In the meantime, Mr French finalised with the Mr Meunier which EPC Contracting States should be designated in the European patent application. This led to Mr French faxing Mr Selby-Lowndes on 10 April 1996 to advise him that Mr Meunier wanted to designate all fourteen states less Austria, Belgium, Denmark, Ireland, Luxembourg, Portugal and Sweden. Mr Selby-Lowndes responded by letter on 11 April 1996 to confirm that the countries to be designated were Switzerland, Germany, Spain, France, United Kingdom, Italy and the Netherlands. Unfortunately, sometime later, Mr Selby-Lowndes misconstrued the fax of 10 April 1996 and inadvertently designated the countries that Mr Meunier wanted to exclude rather than those he wanted to include. As a result the United Kingdom, among other countries, was not designated in the European patent application.

6. On 5 October 1998 Mr Selby-Lowndes wrote to Mr French informing him that the European patent was due to be granted on 11 November 1998. In this letter Mr Selby-Lowndes states -

“For the United Kingdom no action need be taken. When the European patent is granted the patent will come into force. The first renewal fee in respect of the sixth year will become due on 17th June 1999.

The other countries designated are Austria, Belgium, Denmark, Ireland, Luxembourg, Portugal and Spain.”

The “other countries” listed are those that Mr Meunier did not want to designate apart from “Spain” which seems to have been quoted by mistake in place of “Sweden”. After the European patent was granted, Mr Meunier instructed Mr French that he only wanted it to have effect for the United Kingdom and that it should be registered in the name of the Canadian Space Agency. This led Mr French to fax Mr Selby-Lowndes on 7 January 1999 with instructions to put the matter in hand.

7. About a month later, on 8 February 1999, Mr French telephoned Mr Selby-Lowndes for a status report. During this telephone conversation Mr Selby-Lowndes mentioned the mistake that had occurred with the designations in the European patent application with the

consequence that the European patent did not extend to the United Kingdom. On 15 November 1999 Mr Meunier lodged with the Patent Office his late request for the application to be treated as an application under the Act. The request was accompanied by the fee (£10) then applicable for entry into the national phase (The Patents (Fees) (Amendment) Rules 1999).

Assessment

8. Section 89A of the Act specifies when the international phase of an international application ends and the national phase begins. According to subsection (3) the national phase begins at the end of a prescribed period or earlier if the applicant requests. However, even at the end of the prescribed period an international application does not enter the national phase automatically because a translation must be filed, if the application is not in English, and a fee must be paid. In the present case the application was in English and so only a fee was required. Subsection (4) spells out the consequences of not filing the translation and fee before expiry of the prescribed period as follows -

“(4) If the prescribed period expires without the conditions mentioned in subsection 3(a) being satisfied, the application shall be taken to be withdrawn.”

9. The prescribed period is set out in rule 85(1) and depends on whether the international application was elected in accordance with Chapter II of the PCT and whether a priority date is declared. (The periods prescribed by this rule were amended by the Patents (Amendments) (No. 2) Rules 1999 but in this case the unamended rule applies because the changes came into force after the request was made on 15 November 1999 for the application to enter the national phase.) According to rule 85(1)(b)(i), as it stood on 15 November 1999, the prescribed period for the application was thirty months calculated from its declared priority date. This means that in the normal course of events, the fee for the application to enter the national phase should have been paid by 17 December 1995. However, the request for national processing and the fee were not filed until almost four years later on 15 November 1999. Thus, before the application can proceed as an application under the Act the prescribed period must be extended.

10. The extension of time limits prescribed by the Rules is regulated by rule 110.

Rule 110(4) states -

“Without prejudice to paragraph (3) above, a time or period prescribed in the rules referred to in that paragraph may, upon request made on Patents Form 52/77, be extended or further extended if the comptroller thinks fit, whether or not the time or period (including any extension obtained under paragraph (3) above) has expired; and the comptroller may allow an extension, or further extension, under this paragraph on such terms as he may direct and subject, unless he otherwise directs, to the furnishing of a statutory declaration or affidavit verifying the grounds for the request.”

Rule 85(1) is one of the rules referred to in paragraph (3) of rule 110 and so may be extended at the Comptroller’s discretion even if the period prescribed has expired and the application is taken to be withdrawn under section 89A(4). Therefore, what I must decide is whether it is appropriate for the Comptroller to use her discretion in this case to allow an extension under rule 110(4) of the period prescribed for filing the fee for entry of the application into the national phase.

11. The Patent Office’s preliminary view, not to allow the requested extension, was based essentially on an earlier decision of the Office in *Heatex Group Ltd.’s Application* [1995] RPC 546. In that case the applicants sought an extension to file a late request for substantive examination. However, the evidence produced indicated that some eight months before the substantive examination request was due, a decision had been taken by those responsible for prosecuting the application not to proceed with it. In other words, the request for an extension represented a change of mind.

12. In reaching his decision not to allow the extension in *Heatex*, the Principal Examiner acting for the Comptroller noted that the then rule 110(3A) gave the Comptroller discretion to extend a time or period retrospectively but gave no specific guidance as to the way the discretion should be used. The Principal Examiner therefore began by considering the overall scheme of the Act and Rules and on this he observed -

“It seems to me that the scheme of the Act and Rules is such as to provide a satisfactory degree of certainty for third parties as to whether an application or a patent has lapsed.”

“ , I consider that there is a basic principle to be drawn from the scheme of section 28 and of rules 100 and 111 and it is this: that an applicant should not suffer loss of rights through unforeseen circumstances. Put another way, the circumstances leading to the failure must have been set against a continuing underlying intention to proceed with the application or patent.”

“In my view, to allow extensions on the basis of a change of mind would be a massive assault on public certainty and one which the Patent Office is right to resist. Moreover, if discretion favourable to the applicant were exercised in a case of a change of mind it is not apparent to me when it would ever be appropriate to exercise discretion against applicants.”

The present rule 110(4) provides no more guidance on the use of discretion than did the old rule 110(3A).

13. At the hearing Mr Fernando submitted that the requested extension of time should be permitted for the following reasons:

- (a) the Office’s preliminary view was based on a finding of fact which is unsupported by the evidence; and
- (b) in reaching its preliminary view the Office had failed to take proper account of the continuing intention to obtain patent protection in the United Kingdom.

I will consider these points in turn.

Was the Office’s preliminary view based on an unsupported finding of fact?

14. Mr Fernando challenged a statement in an official letter dated 24 November 1999

that -

“..... although it always was your intention to seek protection for your invention in the United Kingdom it was never your intention to do so by entering the UK national phase.”

Mr Fernando put it to me that there is no evidence to suggest that it was never Mr Meunier’s intention to pursue the application in United Kingdom national phase. Mr Fernando drew my attention to the original designation of the United Kingdom, as a national designation in the application, to show that there was indeed an intention to pursue the national phase in the United Kingdom when the application was filed. Mr Fernando made the further point that the application actually took effect as a regular United Kingdom application at this time in accordance with Article 11(3) PCT.

15. Whether Mr Meunier originally designated the United Kingdom and the other forty states with the intent of pursuing the application nationally in all of them, is not a question I need decide because at the hearing Mr Davies clarified what had been intended by the statement in the official letter. Mr Davies explained that the intention had been to refer to a decision taken by Mr Meunier at the time when the application was due to enter the national phase in the United Kingdom. More particularly, the Office’s preliminary view was based on an understanding that a decision had been taken at that time to enter the European regional phase but not to enter the United Kingdom national phase.

16. Mr Fernando accepted this clarification but went on to make the point that just because a decision was made at the end of 1995 to pursue the European regional phase, it should not be assumed that Mr Meunier never intended to pursue the United Kingdom national phase. Mr Fernando explained that where you have a system which recognises options A and B as co-extensive, it cannot be said that a party in pursuing Option A necessarily abandons Option B. According to Mr Fernando there is no express evidence of abandonment and the reality is that Mr Meunier intended to pursue whichever routes he could in order to obtain protection for his invention in the United Kingdom. Thus, in Mr Fernando’s view the circumstances surrounding the present request for an extension differ from those in *Heatex* where the Principal Examiner had found that there had been a clear,

positive decision to abandon the application. However, Mr Fernando acknowledged at the hearing that there is no unambiguous evidence to support his submission that Mr Meunier had had a continuing underlying intention to pursue the United Kingdom national route. In the absence of any such evidence, I asked Mr Fernando how he reconciled his submission with the statement in Mr French's fax of 15 December 1995 to Mr Meunier that -

“You have confirmed that you do not wish to support any foreign patent filings for the above invention beyond a filing for a European patent.”

Mr Fernando informed me that he had not been aware of this fax before I drew it to his attention but nevertheless maintained that the statement was consistent with his submission. Mr Fernando invited me to read the statement as indicating that Mr Meunier did not wish to support any foreign filings, apart from a European patent, for the time being. In the absence of supporting evidence, I can see no basis for adding this gloss. On the contrary, in my view the statement is clear as it stands and indicates that on or about 15 December 1995 Mr Meunier decided not to follow any of the national routes open to him and for which he would have to meet the cost. I therefore conclude that Mr French's fax of 15 December 1995 goes to show that Mr Meunier did decide not to pursue the application in the United Kingdom national phase. It follows that the Office's preliminary view, as clarified by Mr Davies, was based on an correct finding of fact. It also follows that I do not accept Mr Fernando's submission that the circumstances of the present case are distinguished from those in *Heatex* at least to the extent that in both cases there had been a positive decision to abandon the application. However, before I draw any conclusions from this finding of fact, I must consider the second main limb of Mr Fernando's submission to me. That is in reaching its preliminary view the Office failed to take proper account of the continuing intention to obtain patent protection in the United Kingdom.

The continuing intention to obtain patent protection in the United Kingdom

17. On the basis of the evidence provided I accept that Mr Meunier had always wanted patent protection for his invention in the United Kingdom. The decision in 1995 to achieve this goal by pursuing a European patent application rather than a national patent application does not change that fact. I can therefore move on to consider Mr Fernando's submission that

discretion should be exercised to allow the extension of time in circumstances where the applicant always intended to secure national protection for his invention. Mr Fernando gave three reasons why this should be so -

- (a) discretion should not be artificially limited to cases where protection is sought by particular means but should be exercised so as to do justice;
- (b) discretion should be exercised in a manner which recognises the aims of the PCT; and
- (c) an applicant should not be deprived of a patent without very good reason, particularly in a case where there has been an ongoing intention to obtain patent protection in the United Kingdom.

I will consider each of these three reasons in turn.

Discretion should not be fettered in ways not specifically provided for in rule 110(4)

18. Mr Fernando sought to persuade me that the Comptroller's discretion under rule 110(4) is unfettered and should be exercised where there has been a continuing intention to protect an invention in the United Kingdom. On this matter I find myself in a similar position to the Principal Examiner in *Heatex* in that rule 110(4) gives broad discretion but no specific guidance on how this discretion should be used. However, I think the correct approach is for me to use the ideas set out in *Heatex* to the extent that I consider them right in themselves, and applicable and appropriate to the circumstances of the present case.

19. On the one hand I have considerable sympathy for Mr Meunier's predicament in that due to a mistake made by his agent, he has lost the rights that the European patent would have given him in the United Kingdom. On the other hand, I must bear in mind the scheme of the Act and Rules which should provide a satisfactory degree of certainty for third parties as to whether an application or a patent has lapsed.

20. On the matter of third party or public interest, Mr Fernando told me at the hearing that

Mr Meunier is so keen to obtain United Kingdom patent protection for his invention that he would accept any terms necessary for the protection of third parties who may have acted in the belief that the invention had passed into the public domain. If I were to exercise discretion in favour of Mr Meunier, it would certainly be necessary to impose such third party terms since it would have been reasonable for third parties to assume with a high degree of certainty and as long ago as early 1996 that Mr Meunier's invention would not be the subject of patent protection in the United Kingdom. After all the application had entered the European regional phase without the United Kingdom being designated and no request had been made for the application to be treated as an application under the Act.

21. In considering the public interest I am also drawn back to the fact that Mr Meunier decided not to follow the United Kingdom national route. In 1995 the option was there for him to pursue the application simultaneously in the national and regional phases, something many applicants do for a variety of reasons. However, at that time Mr Meunier decided not to follow both routes and he decided instead to put all his eggs in the one basket by seeking just a European patent. This was a perfectly reasonable thing to do. Mr Meunier only sought to pursue the application in the UK national phase after discovering that the European patent did not provide the expected geographical coverage. Even with the possibility of third party terms, these considerations seem to outweigh Mr Meunier's undoubted continuing intention to obtain patent protection in the United Kingdom. A decision to allow the application to be treated as an application under the Act and the possible eventual grant of a patent could lead to the public being presented with a new monopoly right more than five years after Mr Meunier decided not to enter the UK national phase. In my view it would be an unacceptable assault on public certainty if I disregarded Mr Meunier's change of mind and gave him a second bite of the cherry by allowing the application to enter the national phase under section 89A(3). Moreover, I do not consider it unjust to deny Mr Meunier access to the national route now since he chose not to follow it when the opportunity was there without question in 1995.

Recognition of the aims of the PCT

22. At the hearing Mr Fernando put it to me that I should exercise discretion in a way which recognises the aims of the PCT because the long title of the Act indicates that one of

its purposes is to give effect to certain international conventions. The PCT is of course one of these conventions. Mr Fernando went on to draw my attention to the overriding objective of the PCT to establish a Union, as set out in Article 1 of the Treaty, for the purpose of -

“cooperation in the filing, searching, and examination, of applications for the protection of inventions,.....”.

My attention was also drawn to Article 3(1) PCT which states -

“Applications for the protection of inventions in any of the Contracting States may be filed as international applications under this Treaty.”

On the basis of these provisions Mr Fernando sought to persuade me that when the United Kingdom is designated in an international application, the United Kingdom has a broad obligation under the Treaty to recognise the applicant’s intention and it matters not which route, regional or national, is indicated. In other words, to construe the Comptroller’s discretion narrowly by drawing a distinction between an intention to protect an invention generally and an intention to protect an invention by a particular route puts too narrow a construction on the United Kingdom’s obligations under the Treaty.

23. In considering Mr Fernando’s submission on this point I need first to consider what the PCT says about designations where a regional patent is available for a designated state. In particular, could a designation referring to a regional patent be taken also to be a national designation of one or more of the states in that region under the terms of the PCT? It is clear to me that the PCT maintains a consistent distinction between the designation of national and regional patents. For example Article 4(1)(ii) includes the following -

“..... if for any designated State a regional patent is available and the applicant wishes to obtain a regional patent rather than a national patent, the request shall so indicate;”

And Rule 4.9(a) PCT reads -

“Contracting States shall be designated in the request:

(i) in the case of designations for the purpose of obtaining national patents, by an indication of each State concerned;

(ii) in the case of designations for the purpose of obtaining a regional patent, by an indication that a regional patent is desired either for all Contracting States which are party to the regional patent treaty concerned or only for such Contracting States as are specified.”

Thus the philosophy of the PCT is that it should be known at the outset where the applicant may pursue his application when the international phase comes to an end, and it would be counter to that if a designation for a European patent did not mean just that and no more. It follows in my view that the designation of a European patent does not place an obligation on a national authority to give effect to that designation by processing the international application as a national application.

24. However, in the present case the United Kingdom was also designated as a national patent and so, as Mr Fernando pointed out to me, when the international application was filed it took effect as a regular United Kingdom application under Art. 11(3) PCT. For an appreciation of the implications of such a designation in the scheme of the PCT, it is necessary to look beyond Art. 11(3) to Articles 22 and 24 of the Treaty. According to Article 24(1)(iii) when read with Article 22(1) the effect of an international application ceases in any designated state if the applicant fails to pay the appropriate national fee. Thus, under the scheme of the PCT system an applicant has various choices. At the outset the applicant can choose which contracting states he wishes to designate in his application and later he has to choose in which of those designated states he wishes the application to continue to have effect. In the present case Mr Meunier chose to allow the original United Kingdom national designation to cease and decided instead to pursue the designation of the United Kingdom in a European patent application. In view of these choices made by Mr Meunier in accordance with the provisions of the PCT, I do not accept Mr Fernando's submission that the

Comptroller would be acting in a way which fails to fully recognise the United Kingdom's obligations under the Treaty if the application were not allowed to enter the national phase now.

No good reason to withhold discretion

25. Mr Fernando's final submission to me was that Mr Meunier had always sought protection for his invention in the United Kingdom and that he should not be denied this merely because his agent had made an unfortunate error.

26. In *Heatex* the Principal Examiner recognised that an applicant should not suffer loss of rights through unforeseen circumstances. In the present case I accept that Mr Meunier could not have foreseen the mistake made by his agent. That is not to say that if Mr Meunier and his Canadian attorney had been more alert, they could not have spotted the mistake before the European patent was granted. The letter of 5 October 1998 from Mr Selby-Lowndes to Mr French lists the countries designated in the patent which was due to be granted the following month. Perhaps someone should have spotted then that these countries were the "wrong" countries.

27. In any event, the mistake occurred during the processing of the European patent application and the Comptroller does not have the power to consider or put right that mistake. I note that consideration has been given to the possibility of correcting the states designated in the European patent but in his statutory declaration Mr Newell states that the European Patent Office has advised that an application to them to correct the mistake would have minimal prospect of success. Again while I have sympathy for Mr Meunier, it is important in my view to recognise that the mistake occurred after Mr Meunier decided not to pursue the national route and so it could not have had a bearing on his decision. Put another way, there were no unforeseen circumstances which prevented the application entering the UK national phase without the need for the Comptroller's discretion. It is simply that Mr Meunier has now changed his mind about pursuing the application in the national phase. Thus, applying the reasoning of the Principal Examiner in *Heatex*, I consider that I should not exercise discretion in favour of Mr Meunier because he did not have a continuing underlying intention to proceed with the application in the national phase. Furthermore, I do not accept that the mistake made

by Mr Meunier's agent during the European regional phase provides justification to put this consideration aside and allow the requested extension. As I have stated above, to do so would be an unacceptable assault on public certainty.

Conclusion

28. Despite Mr Meunier's continuing intention to obtain a European patent for his invention in the United Kingdom, I find that the late request for the application to be treated as an application for a patent under the Act resulted from a change of mind. Therefore, I find that the Patent Office's preliminary view was correct and I refuse the request under rule 110(4) to extend the period prescribed by rule 85(1). As a consequence the request for the application to be treated as an application for a patent under the Act cannot proceed. Any appeal against this decision must be lodged within six weeks of the date of this decision.

Dated this 8th day of January 2001

R J Walker

Assistant Director, acting for the comptroller

THE PATENT OFFICE