

PATENTS ACT 1977

IN THE MATTER of UK patent application
No. 9708681.3, International patent application
No. PCT /GB98/00652 and European patent
application No. 98908220.1 in the name of
Bradford Hospitals NHS Trust
and
a reference under sections 8(1)(a) and 12(1)(a)
by Thirumani Sabanathan

DECISION

Introduction

1. The invention to which these applications relate is an obturator for insertion into a bronchial tube or tubule of a lung to seal against the passage of fluids. The device is intended for use in the treatment of emphysema by preventing air from being drawn into the blocked hyper-inflated alveoli which are a characteristic of this disease, thus allowing them to deflate and relieve pressure on neighbouring alveoli. It can also be used in cases of bleeding into the lung to confine the blood to a restricted area and prevent it from being spread by coughing.
2. UK Patent application No. 9708681.3 was filed in the name of Bradford Hospitals NHS Trust (“the Hospital”) on 30 April 1997. It was published as No. GB 2324729 A on 4 November 1998 and is currently undergoing substantive examination. No patent has yet been granted. Form 7/77 filed on 15 May 1997 identifies Sabaratnam Sabanathan as inventor and states that the right to be granted a patent is derived “by virtue of the employment of the inventor by the Applicant”.
3. International application No. PCT/GB98/00652 under the Patent Cooperation Treaty was filed on 3 March 1998 with a claim to priority from the above UK application. It names the Hospital as applicant for all designated States except the US, and the present referrer, Thirumani Sabanathan as applicant for the US only, by virtue of being heir of the deceased inventor. The international application was published as No. WO 98/48706 A1 on 5 November 1998.

4. European application No. 98908220.1 is the application which arises from the designation of a European patent in the international application.

5. The statement of case was filed in the name of the referrer on 7 September 2000, seeking to establish that the invention belonged solely to her through the estate of her husband, the inventor, and asking the comptroller to make certain orders as a consequence. The patent agents acting for the Hospital wrote to the Patent Office on 1 December 2000 stating:

“Bradford NHS Trust does not dispute the reference under Sections 8(1)(a) and 12(1)(a) filed by the inventor’s widow in the circumstances of the present case. Accordingly, no counter-statement will be filed. The hospital had understood that the reference was going to be filed from the requests for copies of correspondence etc. from our file, with which the hospital had co-operated.”

6. I take it therefore that the facts upon which Mrs Sabanathan relies in her statement represent common ground between her and the Hospital. Accordingly, it falls to me to decide, on the balance of probabilities, whether the case she sets out in the statement and the documents filed with it is sufficient to establish her entitlement to the invention.

The referrer’s case

7. The course of events as they appear from the statement is that the inventor, Mr Sabanathan, had been employed by the Hospital as a consultant in thoracic surgery in 1989 but also had a private practice in which he was self-employed. He died suddenly on 29 April 1997, one day before the filing of the initial UK application, No. 9708681.3.

8. After her husband died, Mrs Sabanathan allowed the Hospital to take the lead in developing the invention commercially, believing that she would be kept informed of progress, either by the Hospital or by their patent agents Dibb Lupton Alsop. On 31 March 1998 she executed a power of attorney appointing Mr Mark Lunt of Dibb Lupton Alsop as agent for the purposes of the international application which had recently been filed.

9. Mrs Sabanathan thereafter heard nothing further until February 2000, when she was approached by a representative of The Foundry (a US company) who expressed interest in the invention but explained that according to the Hospital’s patent attorneys, the international

application and the European application arising under it were deemed withdrawn. It appeared that the international application had been allowed to lapse without entering the national or regional phase in any of the designated States. Mrs Sabanathan made the present reference following negotiations with the Hospital and The Foundry.

10. Mrs Sabanathan's arguments can be summarised as follows:

- Mr Sabanathan was employed by the Hospital to care for patients and to teach; there was no requirement for him to conduct research. Therefore consistent with the decision of the Patents Court in *Greater Glasgow Health Board's Application* [1996] RPC 207 the Hospital could not claim ownership of the invention under section 39(1)(a) of the Act.
- He made the invention in the course of his private work and had no special obligation to further the interests of the Hospital, who could not therefore claim ownership under section 39(1)(b).
- He had at no time agreed that the invention was to be owned either wholly or in part by the Hospital.

In support of the first two of these arguments there has been filed a copy of a job description for Mr Sabanathan's post with the Hospital. In support of the third there has been filed correspondence between Mr Sabanathan and Mr Lunt during the period from 23 to 30 April 1997, and a letter dated 2 May 1997 from Mr Sabanathan's colleague Mr Richardson informing Mr Lunt of Mr Sabanathan's death.

Analysis

11. The first two of Mrs Sabanathan's arguments turn on section 39 of the Act, the relevant portion of which reads:

“(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 normal course of 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.

(2) Any other invention made by an employee shall, as between him and his employer, be taken for those purposes to belong to the employee."

12. As I have explained above Mrs Sabanathan's arguments are not contested by the Hospital. If this is indeed the truth of the matter, then clearly under section 39 the invention belonged to Mr Sabanathan rather than the Hospital. However, I believe that before coming to this conclusion I should consider the matter in the light of the job description for Mr Sabanathan's post with the Hospital, which was filed with the statement.

13. I observe that this does not on the face of it appear to be a contractual document. From the matter at the foot of page 4 referring to subsequent interviews it would seem to a copy of a document sent to prospective interviewees. Nevertheless, in the absence of any contest of the matter by the Hospital, I am satisfied that it does indeed define and describe the duties which the Hospital required Mr Sabanathan to perform.

14. Turning to what appear to me to be the relevant parts of this document, sections 1 and 2 state that the post is for a Consultant in Thoracic Surgery to be based at Bradford Royal Infirmary, and its purpose is stated in section 4 to be "To join the Consultant Surgeon in post to provide comprehensive Thoracic Surgery services to the catchment population of approximately 1 million". The duties of the post are listed as items (i) to (vii) in section 7.

15. Items (i) to (v) deal with surgical services, emergency hospital cover, out-patient clinics, surgical audits, and advice to other consultants, and are matters which the postholder *will* provide. Item (vi) *expects* the postholder to participate in certain regional cardiothoracic

meetings and post-graduate training programmes. Research is covered by the final item, (vii), which (emphasis added) states:

“It is hoped that the appointee will promote and initiate research in Thoracic Surgery”.

A provisional time-table follows, allocating time under the headings Management, Teaching, Surgical Audit, Ward Round, Operating and Clinic. No mention is made of study or research, and only alternate Friday afternoons are left free.

16. Some further guidance as to the relevant importance of research in relation to the other duties can be gleaned from the following statements elsewhere in the document:

“Consultants have a primary role to provide clinical services to patients referred to them.”
(Section 6 lines 5-6 :Consultants relationship with Health Authority and General managers.)

“The University of Bradford has a Department of medical and Surgical Sciences and makes its laboratory facilities available to Consultants engaged in research projects.” (Section 8 lines 5-8: Postgraduate and Research.)

“Research funds are available in competition with other bids from the Regional Health Authority.” (Section 10 lines 3-4: Developments.)

17. In the light of the judgment of Jacob J in *Greater Glasgow Health Board’s Application* [1996] RPC 206, to which the referrer draws attention, I think it is clear that the Hospital did not in reality engage Mr Sabanathan to carry out research, and did not expect an invention to result from the carrying out of his duties. Unlike the other listed duties, the “duty” to carry out research is expressed merely in terms of hope rather than obligation or expectation. I do not think the Hospital were doing anything more than giving Mr Sabanathan an opportunity to engage in research if he wished, in such time as he could spare from his primary duties relating to patient care, teaching and management .

18. Thus, in the *Greater Glasgow* case the inventor was employed as a hospital registrar on terms which included expectations, not listed as part of the specific duties of the contract, that he would engage in teaching and research. Whilst involved in private study at home he made an

invention which enabled him to do his job better. As Jacob J. put it at page 222 lines 24-34:

“One gets a very clear picture of what the doctor was doing. He was doing some teaching, and any professional man in his position would be taking an interest in research so far as it was possible consistent with his primary and essential function of treating patients.

Dr Montgomery made the invention in his own time, actually when he was preparing for some further examinations. He was not treating a patient. He was considering the problem of eye examination generally.

I have come to the very, very clear conclusion that when he made that invention he was not acting in the course of his normal duties as a registrar.”

and at page 223 lines 17-22, construing the second limb of section 39(1)(a) in the light of *Harris’ Patent* [1985] RPC 19:

“Falconer J pointed out that the circumstances referred to were not the general circumstances of employment but the particular circumstances surrounding the making of the invention. ... The particular circumstances in which this invention was made were nothing to do with Dr Montgomery carrying out his duties. He was at home. He was doing his exams.”

19. It being common ground that the invention was made in Dr Sabanathan’s own time, the circumstances are on all fours with *Greater Glasgow*. Indeed they favour the inventor even further in that there is merely a “hope” - not even an “expectation” as in *Greater Glasgow* - that research will be carried out. Whilst I accept that, unlike *Greater Glasgow*, the hope is expressed as a duty, I do not think that affects the underlying reality

20. That suffices to dispose of the argument under section 39(1)(a). However, I am referred also to section 39(1)(b), which was not in issue in *Greater Glasgow*, and this refers to inventions made in the course of the “duties”, as distinct from the “normal duties” of the employee. Nevertheless I consider my reasoning above to apply equally to the first limb of section 39(1)(b). This suffices to dispose also of the argument under this subsection, and I do not need to consider its second limb, namely whether Mr Sabanathan was acting under a special obligation to further the interests of his employer’s undertaking when he made the invention.

21. I am therefore satisfied that under section 39 the invention belonged to Mr Sabanathan

and not the Hospital. It follows that the Hospital were not entitled to claim ownership by virtue of their employment of the inventor. I now turn to the question underlying the third of Mrs Sabanathan's arguments, namely whether there had been any agreement by the inventor that the invention was to be owned by the Hospital.

22. The correspondence which Mrs Sabanathan has put forward is in fact silent in the matter of ownership. It is concerned largely with the drafting of the patent specification and whether others besides Mr Sabanathan were entitled to claim inventorship. It is perhaps surprising that, if the Hospital did own the invention, Mr Lunt was corresponding directly with Mr Sabanathan in this way. In paragraph 12 of the statement it is surmised that Mr Sabanathan may have assumed that the acknowledgement of his inventorship by the Hospital was tantamount to an acknowledgement of his ownership. It seems all too likely that the ownership issue was never clearly resolved between the Hospital and Mr Sabanathan before his death.

23. There is therefore nothing before me to suggest a transfer of ownership from Mr Sabanathan to the Hospital, and displace the operation of section 39 in Mr Sabanathan's favour. Indeed the Hospital have not disputed Mrs Sabanathan's argument that there was no such transfer.

Findings and Orders

24. I find that therefore that the invention belonged to Mr Sabanathan by virtue of section 39(2) of the Act, and was not transferred to the Hospital. Although it is not made clear in the extract from the probate documents which were filed with the reference, I accept that his widow Mrs Sabanathan is his heir at law, and I find that she has the right to be granted a UK patent as his successor in title under section 7(2)(c) of the Act.

25. I therefore order that under section 8(2)(a) of the Act, UK patent application No. 9708681.3 should henceforth proceed solely in the name of the referrer, Thirumani Sabanathan.

26. Mrs Sabanathan has asked for orders to be made under section 12(1)(a) that she is entitled to the international application and such rights as remain in it for the purposes of entering the national phase in any designated State (except those designated via the European route); and to the European application and such rights as may be provided under Articles 60 and 61 of the

European Patent Convention to persons entitled to grant. However, both these applications may now fall to be treated as withdrawn through failure of the international application to enter any regional or national phases within the prescribed periods (although I note that the European Patent Office register shows the European application as still subsisting). If so, the decision as to whether the applications can be revived to allow a patent to be granted is one for each of the national and regional authorities before which Mrs Sabanathan wishes to proceed, and is not within my power to make. Whilst section 12 gives me a power to make such order as I think fit to give effect to my determination on entitlement, any such order will be subject to the appropriate national or regional law, and may be of limited effect.

27. Under section 12(1)(a,) I therefore merely declare that according to United Kingdom law the invention of international application No. PCT/GB98/00652 belonged to Sabaratnam Sabanathan and not to his employer Bradford Hospitals NHS Trust, and no rights in any patent application were transferred to the latter. It will then be open for Mrs Sabanathan as Mr Sabanathan's successor in title to produce this declaration in any designated State or region in which she wishes to proceed.

28. I note that section 12(6)(c) gives the comptroller power to order a new UK application to be made in a case where a published international application is withdrawn. However a UK application is still in being and I therefore make no order under this subsection.

29. As regards the European patent application, section 12(3) says that in its application to European patents section 12 is subject to section 82, which by virtue of section 82(3) applies to a question arising before grant of a European patent whether a person has the right to be granted a European patent or a share in such patent. By virtue at least of the fact that the Hospital has its principal place of business in the United Kingdom, I have a jurisdiction to determine that question under section 82(4) or 82(5) (depending upon whether or not it is construed as an employer-employee question). Section 82(8) allows me to make an order under section 12.

30. Having regard to my findings above, I therefore declare that under Article 60 EPC the right to a European patent arising from European application No. 98908220.1, insofar as it still subsists and including any rights arising in consequence under Article 61 EPC, belongs solely

to Thirumani Sabanathan as successor in title to the inventor Sabaratnam Sabanathan.

Costs

31. Neither party has asked for costs and I make no award.

Appeal

32. This not being a matter of procedure, the period for appeal is six weeks.

Dated this 25th day of January 2001

G M BRIDGES

Divisional Director, acting for the Comptroller

THE PATENT OFFICE