

PATENTS ACT 1977

IN THE MATTER OF an application
under section 28 for restoration of
Patent Number GB 2303563 in the name
of Leonard Harris

DECISION

Background

- 1 The renewal fee for Patent Number GB 2303563 (“the patent”) in respect of the fifth year became due on 27 July 1999. The fee was not paid by that date nor on expiry of the period of grace allowed by section 25(4) of the Patents Act 1977. The patent therefore ceased on 27 July 1999.
- 2 An application for restoration was made by Mr Leonard Harris on 25 April 2000 which was within the period prescribed under rule 41(1)(a) of the Patents Rules 1995. After considering evidence filed in support of this application, the Patent Office took the preliminary view that a case for restoring the patent had not been made. The Office’s view as well as the reasons for it were communicated to Mr David Avery, who is a business associate of Mr Harris, in official letters dated 23 November 2000 and 8 January 2001. Mr Harris did not accept this view and the matter came before me at a hearing held on 9 February 2001. Mr Harris appeared in person at the hearing and was accompanied by Mr Avery who was authorised to act on his behalf in all matters relating to the patent. Mr Ian Sim attended on behalf of the Patent Office.

The facts

- 3 The evidence filed in support of the application for restoration consists of an affidavit and two witness statements by Mr Harris and an affidavit by Mr Avery. One of Mr Harris’s witness statements was produced after the hearing with my agreement.
- 4 On 27 July 1995 Mr Harris applied for the patent, which relates to a low pressure liquid screening apparatus. Mr Harris employed a patent agent, Craske & Co (“Craske”), to file his patent application and to prosecute it through to grant, which was announced in the Official Journal (Patents) on 7 April 1999. The Patent Office notified Craske by letter on 9 March 1999 that the patent had been granted and the Office issued the Grant Certificate the following month. On 10 August 1999 the Patent Office sent the so-called PREN 5 letter to Craske stating that the renewal fee for the patent was overdue.
- 5 Mr Harris exhibits various letters with his witness statement of 10 October 2000. These letters are from Craske and are addressed personally to Mr Harris or L. Harris Engineering at the same address, namely “15 North Street, Northam, Bideford, North Devon, EX39 1DH”. The first of the letters (Exhibit 3), which is dated 11 March 1999, states that the Examiner has accepted Mr Harris’s patent application and that Craske had been advised that the patent would be granted on 7 April 1999. The final paragraph of the letter asks Mr Harris to settle his account by the end of the month to avoid delays in issuing the patent documentation. The next letter (Exhibit 4) is dated 12 April 1999 and informs Mr Harris that Craske have received the patent

documents from the Patent Office. It goes on to advise that if Mr Harris settles his account the Grant Certificate would be forwarded to him. The third letter (Exhibit 5) is dated 13 August 1999 and starts by reminding Mr Harris that he still has an outstanding account. The rest of the letter deals largely with payment of the first annual maintenance fee, which was already due at that time. Mr Harris is asked to pay £449.50 by 23 August 1999 to settle his account and to cover the cost of the maintenance fee. The final paragraph of the letter warns Mr Harris that if full payment is not received by the stated date, Craske will assume that the patent is no longer of interest and the file will be closed without further communication. These exhibited letters are copies of file copies, which were released by Craske to Mr Avery after Mr Harris settled his account with Craske towards the end of August 2000.

- 6 Mr Harris states in his witness statement dated 10 October 2000 that he has searched his files and has no trace of these letters from Craske. Mr Harris also states that while he believes that he received notification around 11 March 1999 that the patent would be granted, he does not recollect receiving the letters dated 12 April 1999 and 13 August 1999. Even if Mr Harris did receive these letters and has since forgotten about them, it is safe to say that he did not respond to any of them. Furthermore, there is no indication in the letters that the Patent Office letters, dated 9 March 1999 and 10 August 1999, and the Grant Certificate were forwarded to Mr Harris before Mr Avery obtained them from Craske with the other documents on Craske's file towards the end of August 2000.
- 7 In September 1999 Craske wrote to L. Harris Engineering again and Mr Harris acknowledges that he did receive this letter (Exhibit 6 to Mr Harris's witness statement dated 10 October 2000). The letter is short one and it is clearly dated 21 September 1999. Since it was central to the Office's preliminary view that restoration should not be allowed, I will quote the main body of the letter in full with the emphasis as it appears in the letter -

"Dear Mr Harris

UNITED KINGDOM Patent No. 2 303 563
Application No. GB 95 15 431.4
for SCREENING DRUM

With reference to our conversation, I confirm that the total fees required amount to **£553.90**.

If you can let me have this by **no later than 7 October** I will ensure that the patent remains in force until the next maintenance fee falls due in July 2000.

Yours sincerely

S. A. CRASKE
Patent Attorney"

- 8 In his evidence Mr Harris states that he has no recollection or record of a conversation with Mr Craske on or about 21 September 1999 and at the hearing he confirmed that he does not recollect the conversation mentioned in this letter. Mr Harris also states that when he received the letter, he read it quickly and understood that the next maintenance fell due in July 2000 and that he did not have to pay anything until 7 October 2000 to keep the patent in force. In the witness statement, which was produced after the hearing, Mr Harris states that he did not know

that he owed any money to Craske before he received the letter dated 21 September 1999 and even then he assumed that the payment requested was for Patent Office fees. Mr Harris did not respond to the letter and did not receive any subsequent reminders, phone calls or correspondence from Craske prior to the expiry of the grace period for renewing the patent. The renewal fee was never paid and the patent ceased.

Assessment

- 9 What I have to decide is whether Mr Harris has met the requirements for restoration as set out in section 28(3) of the Act which provides:

“If the comptroller is satisfied that the proprietor of the patent took reasonable care to see that any renewal fee was paid within the prescribed period or that that fee and any prescribed additional fee were paid within the six months immediately following the end of that period, the comptroller shall by order restore the patent on payment of any unpaid renewal fee and any prescribed additional fee.”

In my view the requirement that the patent proprietor should take reasonable care to see that any renewal fee is paid, places an onus on him to establish a reasonable system, which among other things will ensure that he is reminded when the patent is due for renewal, and then to operate that system with reasonable care. I therefore need to consider whether Mr Harris had a system, whether this system was a reasonable one and whether it was operated by Mr Harris with reasonable care.

Did Mr Harris have a renewal system?

- 10 Mr Harris states that he relied on Craske to ensure that the patent was renewed, although there is no evidence that Mr Harris gave Craske specific instruction to handle the renewal. Nevertheless, it is clear from the letters dated 13 August 1999 and 21 September 1999 from Craske to Mr Harris that Craske were prepared to provide this service on the condition that Mr Harris paid them for work they had already done. In the later of these two letters Craske offered to renew the patent if Mr Harris paid fees totalling £553.90 by 7 October 1999. As mentioned above, Mr Harris received this letter but did not respond to it and received nothing further from Craske during the remaining months of the grace period for renewing the patent.
- 11 This leads me to conclude that at least until Craske’s deadline of 7 October 1999 Mr Harris had a system and that it was one that relied on his patent agent. I have no information whether Craske closed their file on the patent when they did not receive payment from Mr Harris by 7 October 1999 and so I am unable to determine if Mr Harris had a system in place from that date until the final date for renewing the patent on 27 January 2000. This is not to say that following his misreading of the letter of 21 September 1999 from Craske, Mr Harris did not continue to believe that he could rely on Craske to handle matters relating to the patent after 7 October 1999.

Was Mr Harris’s renewal system a reasonable one?

- 12 It is well established that a lone patent proprietor has a reasonable renewal system if he has entrusted the renewal of his patent to a patent agent. Thus, Mr Harris had a reasonable system at least until 7 October 1999 in view of Craske’s willingness to handle the renewal of the patent up to that time. The fact that Craske’s involvement was conditional on Mr Harris settling his

outstanding account, does not in my view have a bearing on whether the system, as opposed to the way Mr Harris operated it, was a reasonable one.

Did Mr Harris operate his renewal system with reasonable care?

- 13 I am content to conclude that Mr Harris did not receive at the relevant times the Patent Office's standard grant letter dated 9 March 1999, the Grant Certificate which was issued in April 1999 and the standard PREN 5 reminder letter which was dated 10 August 1999. All of these documents contain information on the payment of renewal fees. As indicated above, I also cannot dismiss the possibility that Mr Harris did not receive the letter from Craske, which was dated 13 August 1999 and which contained information about the renewal of the patent. If Mr Harris did not receive this letter, as well as the documents issued by the Patent Office, I accept that he would not have been aware of all the details concerning the renewal of the patent for its fifth year. However, there is no doubt that Mr Harris did receive the letter from Craske dated 21 September 1999 and it is this letter that lay at the heart of the Patent Office's preliminary view that restoration of the patent should be refused on the grounds that Mr Harris did not read it with reasonable care and then take appropriate action.
- 14 At the hearing Mr Avery drew my attention to a statement by Aldous J (as he was then) in *Continental Manufacturing & Sales Inc's Patent* [1994] RPC 535 at page 542 lines 46 - 48 that -

"The words 'reasonable care' do not need explanation. The standard is that required of the particular patentee acting reasonably in ensuring that the fee is paid".

In his submission to me Mr Avery suggested that Mr Harris had acted reasonably when faced with a poorly drafted letter dealing with the renewal of the patent in circumstances where he did not realise that the renewal fee was due.

- 15 I cannot agree with Mr Avery's submission that the letter is poorly drafted and in my opinion it is reasonably clear. It is clearly dated 21 September 1999 and Mr Harris has never suggested that he received it after 7 October 1999. Thus, in my view Mr Harris should have appreciated on this basis alone that the reference in the letter to the "7 October" was a reference to "7 October 1999" and not a reference to "7 October 2000". In addition there is the explicit invitation to Mr Harris to pay to Craske fees so that they could then ensure that the patent remained in force until the next maintenance fee fell due in July 2000. In my opinion the message here is absolutely clear and Mr Harris should have realised that he had to pay something in advance of the next renewal due in July 2000 to keep the patent in force until then. Moreover, I cannot see that even if Mr Harris assumed that the sum of money mentioned related solely to Patent Office fees, as he states in his evidence, this could have caused him to misinterpret the basic message contained in the letter.
- 16 The letter also refers to a conversation between Mr Harris and Mr Craske but Mr Harris states that he does not recollect it. Even taking account of a statement in Mr Harris's witnesses statement dated 15 February 2001 in which he declares that he never had a telephone conversation with Mr Craske concerning fees, it is not absolutely clear to me whether Mr Harris did not recollect the conversation when he received the letter or whether he had forgotten about it by the time he made his witness statement more than a year later on 10 October 2000. I am thus faced with two possibilities, the first that the conversation did take place as indicated in the letter and Mr Harris has forgotten about it, and the second that there was no such conversation.

I therefore need to consider both possibilities and assess how they might affect my decision concerning the care taken by Mr Harris when playing his role in the operation of his renewal system. If the conversation did take place, I consider it inconceivable that the matter of renewing the patent was not raised and so Mr Harris's subsequent failure to respond to the confirmatory letter would show a clear lack of reasonable care. But what if the conversation did not take place? We then have a situation where Mr Harris received out of the blue a letter, which referred to a fictitious conversation and which asked for fees totalling £553.90. In my view when faced with such a letter, it would have been reasonable for him to contact Craske and question what was said in the letter. If he had done so, I have no doubt that he would have been told that the patent was due for renewal. In the event it did not occur to Mr Harris to question the letter when he received it and as a consequence I can have no sympathy for Mr Avery's submission to me that Mr Harris did not renew the patent because he was not aware at that time that the renewal of the patent was due. I therefore conclude that Mr Harris did not take reasonable care when reading the letter. Furthermore, if the conversation confirmed by the letter never took place, Mr Harris failed to take reasonable care by not querying the reference to it with Craske and so obtain the vital information that the patent was due for renewal.

Did Mr Harris take reasonable care merely by ensuring that information on the renewal of the patent could be sent to him?

- 17 In his submission to me at the hearing, Mr Avery drew my attention to Craske's 'Terms of Engagement' printed on the back of their letters and in particular to the term that Craske "have a legal duty to act in the clients interests and to pass on any information received on their behalf". Mr Avery pointed out that the documents, issued by the Patent Office and relating to the grant of the patent and its renewal, could have been forwarded to Mr Harris but were not. It is not for me to consider in these proceedings under section 28 of the Patents Act 1977 what duty of care Craske owed to Mr Harris. It is sufficient for the purposes of section 28 that I note that these documents were not forwarded to Mr Harris at the relevant times.
- 18 Mr Avery went on to propose that restoration should be allowed where reminders from the Patent Office did not reach the patent proprietor. There are a number of earlier cases where restoration has been allowed where the proprietor of a patent has taken it on himself to pay renewal fees without professional assistance and through no fault of his own, he has not received the statutory reminder from the Patent Office. Restoration has also been allowed in other cases where the proprietor of a patent employed professional assistance and the patent ceased because of a mistake made by his agent and through no fault of his own. I have already established that Mr Harris relied on Craske to handle the renewal of the patent and therefore the earlier cases where a patent proprietor did not employ professional assistance do not help me in this case. I am therefore left to consider whether the patent ceased because of a mistake or oversight on the part of Craske.

Did the patent lapse due to a mistake or oversight by Mr Harris's agent?

- 19 Craske wrote to Mr Harris on 11 March 1999 to advise him that the patent would be granted on 7 April 1999. This letter was therefore written a few days after the Patent Office issued the statutory grant letter on 9 March 1999. Craske also wrote to Mr Harris on 13 August 1999 to notify him that the first annual renewal fee was due on the patent. This letter followed the issue of the PREN 5 reminder letter on 10 August 1999. I am therefore satisfied that Craske took steps to advise Mr Harris of relevant events when prompted by the letters from the Patent Office. Of course, as noted above, Mr Harris cannot trace or recall these letters. At the hearing

Mr Avery suggested that there is no evidence that these letters were ever sent to Mr Harris and I would not disagree with that. However, it is equally true that there is no evidence that they were not sent, and it is this evidence that Mr Harris would have had to produce to establish that the patent was not renewed due to some oversight on the part of Craske. Even if such evidence had been produced, I would have had still to consider it alongside Mr Harris's failure to respond to Craske's letter dated 21 September 1999.

Was Mr Harris's failure to respond to his agent a consequence of not having letters from the Patent Office forwarded to him?

- 20 At the hearing Mr Avery also sought to persuade me that Mr Harris would have been better informed about the renewal of the patent if Craske had forwarded all the documents issued by the Patent Office from the time the grant letter was issued on 9 March 1999. For example, Mr Harris would have had known that the patent was first due for renewal on 27 July 1999 and that he had until 27 January 2000 at the latest to pay the renewal fee. At the hearing Mr Harris told me that paperwork bores him and in particular that paperwork and him don't mix. He went on to explain that this was the reason why he employs professionals, such as Craske, to handle matters for him. Thus, it seems to me that even if Mr Harris had received all the information contained in the letters from the Office, he would have continued to rely totally on his agent to deal with the patent and to remind him of what to do and when. I am therefore not persuaded that the outcome would have been any different if Craske had forwarded to Mr Harris all the letters from the Patent Office, which were relevant to the renewal of the patent.

Conclusion

- 21 Therefore, in general I do not accept Mr Avery's submission that payment of the renewal fee was overlooked for some reason outside Mr Harris's control. On the other hand, I do agree with the Office's preliminary view that the failure to pay the renewal fee rests squarely on Mr Harris's shoulders in that he did not take reasonable care following receipt of the letter dated 21 September 1999 from Craske. I therefore refuse to order restoration of Patent No. 2303563. Any appeal against this decision must be lodged within six weeks of the decision.

Dated this 28th day of February 2001

R J Walker
Assistant Director, acting for the comptroller
THE PATENT OFFICE