

BL O/093/04

31<sup>st</sup> March 2004

PATENTS ACT 1977

BETWEEN

M-Systems Flash Disk Pioneers, Ltd.

Claimant

and

Trek Technology (Singapore) Pte. Ltd.

Defendant

PROCEEDINGS

Application under section 72 of the Patents Act 1977 for revocation of patent number GB 2371653

HEARING OFFICER R C Kennell

# PRELIMINARY DECISION

## Background

- 1 In these proceedings, the claimant having filed its statement of case, the Patent Office wrote to the defendant on 27 January 2004 inviting it to file a counter-statement by 9 March 2004 in accordance with rule 75(3) of the Patents Rules 1995.
- 2 On 9 March 2004, the last day of the period for filing the counter-statement, the defendant wrote to the Office asking for a one month extension of the period on the grounds that more time was needed. However, if the Office did not agree to this, the defendant enclosed a draft counter-statement to be treated as the official counter-statement in the proceedings. If the Office did agree, the defendant asked that the draft should remain confidential.
- 3 The claimant considered that no extension was justified. The parties have not been able to reach agreement on this matter, but both are willing for me to decide the matter on the basis of the papers on file.
- 4 Both parties have provided reasons in support of their views, which I will briefly mention. The present proceedings are taking place against the backdrop of pending litigation in Singapore concerning a corresponding patent. The defendant says that because of this it has not been able to devote sufficient time to preparing the counter-

statement. It points out that the claimant's statement is substantially longer than normal in revocation proceedings, since the basic statement is supplemented by a witness statement from the claimant's attorney in Israel comprising fifty pages and thirty appendices. The claimant, whilst accepting that the application is "voluminous" and might normally justify an extension of time on the grounds of fairness, believes that the issues presented in the witness statement had been well known to the defendant for some time prior to the initiation of the present proceedings on account of the litigation in Singapore and elsewhere.

#### Analysis and conclusion

- 5 If I were to decide whether the extension of time would be allowable, the lateness of the request for extension would be a factor for me to consider. However, within the period prescribed by the Patents Rules, the defendant has in fact filed a draft counterstatement (although this has not yet been copied to the claimant). Although the defendant in its agent's letter of 9 March 2004 says that it has not been able to devote sufficient time to the preparation of the counter-statement, it does not say where, if at all, the draft now filed might be deficient. In any case the defendant says it is willing if necessary for the Office to admit this document to the proceedings. The draft is formally acceptable as a counter-statement.
- 6 In the light of this I consider that the balance between expedition and fairness is best struck by admitting the draft as the counter-statement and allowing the case to proceed to the evidence rounds. I do not consider this to be unfair to the defendant, since it is still at liberty to seek the comptroller's discretion to amend the counter-statement if it considers this to be necessary.
- 7 In the event of such a request I would particularly need (i) to be satisfied that the defendant had been properly diligent in preparing its case, and that it had not deliberately or through incompetence failed to put its whole case forward at the outset; and (b) to consider the effect of any delay in requesting amendment on the claimant and on the public interest.

#### Order

- 8 I therefore direct that the Patent Office should send a copy of the counter-statement to the claimant who will then have an opportunity to file evidence in accordance with rule 75(4) of the Patents Rules 1995.
- 9 The defendant requested confidentiality for this document if I agreed the requested extension of time. Since I did not so agree, and since on the face of it the document contains nothing which is confidential, I make no direction for confidentiality under rule 94(1).

#### Costs

10 Neither party has raised the matter of costs in relation to this preliminary issue and I do not in any case consider that the circumstances warrant an order for costs at this stage.

# Appeal

11 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

### **R C KENNELL**

Deputy Director acting for the Comptroller