



BL O/324/04

25 October 2004

## PATENTS ACT 1977

BETWEEN

Harald Philipp

Claimant

and

(1) Atoma International Corp  
(2) Intier Automotive Closures Inc

Defendants

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### PROCEEDINGS

References under sections 8(1) and 12(1) and applications under sections 13(1) and 13(3) of the Patents Act 1977 in respect of patent application numbers (1) WO 02/12669 (PCT/CA01/01122) and equivalents and (2) WO 03/03820 (PCT/CA02/01685) and equivalents

HEARING OFFICER R C Kennell

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## PRELIMINARY DECISION

### Introduction

- 1 This decision arises from a request on 14 October 2004 by the patent agents acting for both Atoma International Corporation (“Atoma”) and Intier Automotive Closures, Inc. (“Intier”), the applicants for WO 02/12669 and WO 03/03820 respectively (hereinafter “the defendants”) to extend the period for them to file counter-statements in the proceedings. The international applications were filed in Canada on 3 August 2001 and 4 November 2002, respectively claiming priorities of 3 August 2000 and 2 November 2001 from United States applications 60/223,106 and 60/335,315. It does not appear to be in dispute that the two applicants are the same company, Atoma having changed its name to Intier.
- 2 For each of these parallel actions, the claimant filed a statement on 2 August 2004. The two statements are broadly similar in terms. The statements were sent to the defendants and the named inventors on 10 August 2004, but the claimant was allowed a period of two weeks (later extended by three weeks at the request of the claimant’s agent because of the absence of the only person familiar with the case) to file the documents referred to in the statement. The filing of counter-statements was not therefore invited until 10 September 2004, the usual six-week period expiring on 22

October 2004.

### **Arguments**

- 3 The defendants' patent agents wrote to the Patent Office on 14 October 2004 asking that this period be extended by six weeks. The reasons that they gave were that the defendants were subsidiary companies of a large multinational company, Magna International, Inc, whose in-house patent agents were co-ordinating the two cases, and that for such a large company it was not easy to locate the relevant personnel and paperwork for matters which took place over five years ago - efforts to date had yielded two large boxes of documents which would need to be reviewed.
- 4 The defendants' patent agents also explained that it would not be possible for them to meet with Magna representatives before 8 November (the absence on business of the responsible person in their firm from 18 October to 3 November 2004 not being a factor in this date), and that a provisional meeting with the claimant and his representatives had been arranged for 10 November to explore the potential for an amicable settlement, provided the counter-statements were filed by the due date.
- 5 The claimant's patent agents took issue with this request, asking why more could not have been done, given that the claimant's statements had been sent to the patent applicants and the inventors a month before the counter-statements were invited, and given the resources at the defendants' disposal and the lack of any language barrier. They suggested that the relevant personnel were the inventors, since they had been dealing with the claimant when the latter was undertaking development contracts for the defendants and the relevant paperwork was that surrounding those contracts - but no request appeared to have been made of either of the defendant companies for papers.
- 6 The claimant's agents said that they were indeed interested in pursuing the possibility of a settlement, but did not see that meaningful negotiations were possible until the defendants had studied the case in sufficient depth to be in a position to file counter-statements. They thought that an extension would simply delay the time for initiating negotiations, and that the defendants were delaying proceedings in order to allow time for foreign patent rights to be granted and so fall outside the Office's jurisdiction. They did not consent to any extension, since as they saw it this would simply reward the torpitude of the defendants whilst being directly to the claimant's detriment.
- 7 Subsequent correspondence and discussions with the Office failed to resolve the matter. The defendants saw the extension granted to the claimant to file the documents referred to in the statement as justification for them having an extension, and said they were prepared if necessary to agree a four-week extension. The claimant however maintained his position. Both sides are agreed that I should decide the matter on the basis of the papers on file.

### **Analysis and conclusions**

- 8 In deciding whether to grant the extension which has been requested, I believe that in this case I should have particular regard to the reasons given by the defendants for the

request and whether they made it promptly, the effects which allowing or refusing the request will have on each party, and the interests of the administration of justice.

- 9 I have to say that I find little merit in the defendants' request. To my mind it beggars belief that the defendants' parent organisation, on the defendants' own admission a substantial multinational concern with an in-house team of patent attorneys working on the cases, having had a sight of the claimant's statement four weeks before even being invited to file the counter-statement, should not be able to do more than locate a couple of boxes of papers which even now still need to be reviewed in detail. The question which arises out of the defendants' assertion that it is not easy for a company of this size to locate papers and personnel relating to events over five years ago must surely be "Why on earth not?". I think it tells against the defendants that, when questions along these lines were raised by the claimants, no attempt was made by the defendants to substantiate their allegation, but they merely fell back on the tit-for-tat argument, that they should be granted an extension because the claimant had already had one to file the documents which should have accompanied the statements.
- 10 I think it also counts against the defendants that the request was only made eight days before the period was due to expire. If there were going to be real difficulties for the defendants in getting everything together in time, I find it very difficult to accept, without further explanation, that difficulties of this nature would not have manifested themselves much earlier than this.
- 11 As to the effects on the parties of allowing or refusing the extension, I do not think there is much to tip the scales in either direction. I accept the claimant's point that delay increases the risk that patents might be granted some of the foreign applications, but there is nothing before me to suggest that any such grants are imminent. In any case, if this was a pressing concern for the claimant, it might have been expected that the statements would have been filed with all the necessary documentation in the first place.
- 12 However, notwithstanding the above, I think that in the interests of the administration of justice an extension is justifiable to allow the parties to explore the possibility of a settlement, and perhaps avoid the need for filing counter-statements. To their credit, both sides have said they are interested in this. However, neither side have suggested that a meeting any earlier than 10 November 2004 is feasible, and the only thing that appears to be holding up the meeting provisionally arranged for that date is the claimant's view that the defendants need to have studied the statements in sufficient depth to be in a position to file counter-statements. The claimants certainly need to be in a position to undertake detailed discussions, but I do not see that the filing of counter-statements is a necessary pre-condition for meaningful negotiations to take place.
- 13 I therefore extend the period for the filing of counter-statements (whether by the defendants or by any other persons entitled to do so) in the two actions by three weeks, to **Friday 12 November 2004**. I see no reason why the defendants should not, in accordance with this timetable, be able to study the papers in sufficient depth to enable at least the possibility of a settlement to be explored on the projected date and to file counter-statements if these get nowhere. This is of course substantially less than the

defendants originally asked for, but I do not think that any longer extension is justified in the circumstances of the case.

**Costs**

- 14 No request for costs is made in the statements, and neither party has made any request in the subsequent correspondence. I make no order for costs in this preliminary matter.

**Appeal**

- 15 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