

15th February 2008

PATENTS ACT 1977

BETWEEN

Secretary of State for Defence

Claimant

and

Farrow Systems Ltd

Defendant

PROCEEDINGS

Application under section 72 for revocation of GB 2344348 and GB 2372039

HEARING OFFICER

Peter Back

PRELIMINARY DECISION

Background

- 1 Applications for revocation of patents GB 2344348 and GB 2372039 (“the patents”) in the name of Farrow System Ltd (“the Defendant”) were filed by the Secretary of State for Defence (“the Claimant”) on 9 January 2004 accompanied by statements of case. In a letter dated 2 April 2004 the Patent Office (as it was then called) gave the defendant the usual period of six weeks to file a counter-statement. The Defendant sought and was granted three consecutive extensions of one month to this period, their final letter dated 14 July 2004 referring to an approach made to the claimant to settle the dispute by mediation.
- 2 The Defendant wrote to the Office on 28 July 2004 asking the comptroller to exercise his inherent discretion and order the parties to undertake Alternative Dispute Resolution (ADR) in accordance with a specified timetable and to stay the revocation proceedings until this had been completed. The Claimant argued that ADR was not suitable for revocation proceedings and opposed the request. The parties were content to have this matter dealt with on the papers. A preliminary decision was issued on 11th January 2005 declining to make such an order and allowed one month from the date of that preliminary decision for filing of the Defendant’s counterstatement.

- 3 The Defendant filed counterstatements in respect of both patents on 11th February 2005, and, after some correspondence and a six-week extension to which the Defendant consented, amended statements of case were filed by the Claimant together with their evidence-in-chief on 15th June 2005. The Defendant, in a letter dated 19th July 2005, opposed the amendments and asked for a hearing to be appointed to decide the issue. The parties duly agreed for the matter to be dealt with on the papers. A further preliminary decision was issued on 23 November 2005 allowing the amendments. Furthermore, the Defendant's request, dated 19 August 2005, for an Order of standard disclosure was considered and declined.
- 4 Subsequently, the Defendant, in a letter dated 28 February 2006, made a number of additional requests for information from the Claimant and asked for an extension of time in which to file their evidence. The Claimant refused their request in a letter dated 15 March 2006. The Defendant then wrote to the Comptroller on 17 March 2006, stating that they were unable to file their evidence by the deadline of 20 March 2006, without having first been provided with the additional information they had requested. The Defendant also asked to be granted a three month extension in-order for them to further investigate the allegations of prior-use introduced into the statement of case on 15 June 2005. The Patent Office, in a letter dated 20 March 2006, gave a preliminary view on the Defendant's request for further information and their request for an extension of time. The letter stated that the Claimant should provide such information as it could reasonably assemble within 14 days, by close on 3 April 2006, and that to require the Claimant to meet the Defendant's request in full was unreasonable. The Patent Office agreed that the deadline for filing the Defendant's evidence would be extended by six weeks to 1 May 2006.
- 5 Following the Patent Office letter of 20 March 2006, there have been numerous rounds of correspondence on issues of disclosure, clarity of case and costs.
- 6 The Defendant, in a letter to the Comptroller dated 18 April, requested that those paragraphs of the Claimant's Statement of Case which allege that the patents are insufficient and/or do not disclose a technical effect be struck out or alternatively that the Patentee be granted summary judgment. The Claimant, in a letter dated 21 April 2006, suggested that it would be more appropriate to continue with the evidence rounds and proceed to the substantive hearing. The Patent Office, in a letter dated 21 April considered the issue and expressed the view that a further preliminary hearing at this stage would have been inappropriate and that summary judgment did not appear to be a satisfactory means of resolving a dispute concerning the validity of patents on this occasion nor did a partial striking out of the Claimant's case. Proceedings were to continue as set out in the Patent Office letter of 20 March 2006.
- 7 Subsequently, the Defendant requested a hearing on 27 April 2006. The matters on which the Defendant wished to be heard were then confirmed, in a letter dated 22 May 2006, as (i) the allegation of insufficiency and (ii) the allegation that the invention is not a patentable invention, requesting in each case that an Order striking out the allegations be made or alternatively the Defendant be granted summary judgment.

8 At the hearing, the Claimant (Secretary of State for Defence) was represented by Mr. Richard Davis and the Defendant (Farrow Systems Ltd) was represented by Mr. Giles Fernando.

Striking out/Summary Judgment

9 The Defendant has requested that those paragraphs of the Claimants' Statement of Case which relate to (i) insufficiency and (ii) that the alleged invention is not a patentable selection invention as it provides no comparative advantage or technical effect over the known prior-art should be struck out as they are not adequately made or supported by the evidence. Alternatively, they have asked that I consider giving summary judgment in respect of the allegations contained therein. The specific paragraphs to which they refer are as follows:

- Paragraphs 10 and 46 to 48 of the Statement of Case relating to the '039 patent; and
- Paragraphs 10 and 46 to 48 of the Statement of Case relating to the '348 patent; and Paragraphs 11, paragraph (a) and the following paragraphs 50-51 and paragraph (b) and the following paragraphs 52-53 of the Statement of Case relating to the '348 patent.

10 The relevant law is summarised in paragraphs 2.69-2.71 of the Patent Hearings Manual as follows:

"2.69 A party may apply to the comptroller to have another party's statement of case struck out either in part or in its entirety. Any application for striking out should identify precisely what is to be struck out and the grounds on which this is sought.

2.70...

*2.71 The summary procedure of striking out should be used sparingly. In line with the principles set out in rule 3.4 of the Civil Procedure Rules 1998, it may be used to strike out something which discloses no reasonable grounds for bringing or defending the claim, although often amendment of the pleadings will be more appropriate than striking out. It may also be used when there has been abuse of process, or a failure to comply with any rule or with an order of the comptroller. (For examples of striking out, see *Justwise Group Ltd v Magis S.p.A* BL O/126/05 and *Aleshin v Sony United Kingdom Ltd* BL O/056/05; in *Justwise* a reference under section 246(1) of the Copyright, Designs and Patents Act 1988 was struck out because there was in fact no dispute on any of the matters covered by that section.) The comptroller also has the power, in line with rule 24.2 of the Civil Procedure Rules 1998, to give summary judgment against either party on a claim or on a particular issue where it is clear (without conducting a "mini-trial") that there is no real prospect of success or no other compelling reason for a trial - see *Entertainments UK Ltd's Patent* [2002] RPC 11. This overlaps with the power to strike out (see 'Civil Procedure' at 3.4.6), and should likewise be used sparingly. For instance in *Entertainments*, where success of the pleaded case was improbable as it stood but not impossible, the hearing officer declined to dismiss the case without first giving the claimant an opportunity to submit a revised statement. It should be borne in mind that a summary judgment will create an estoppel in respect of future proceedings (see Chapter 1), but striking out will not - see *Robert Price v Elf Print Media Ltd*, Patents Court 1 February 2001 (unreported)."*

11 I think it is important from the outset to emphasize that the provision to strike out a claim in part or in its entirety is one which is to be used *sparingly*, and that I must have no doubt in my mind that there is no reasonable grounds for bringing such a claim in the first place before I can make any order in this respect. Furthermore, I can only give summary judgment in the clearest of possible cases where there is no real prospect of success or no other compelling reason for a trial, *Entertainments UK Ltd's Patent* makes that quite clear.

12 I will now consider each of the specific paragraphs identified by the Defendant and decide (i) whether the claim is a reasonable one and as such should not be struck out; and (ii) whether it is appropriate for me to make a summary judgment in respect of the claims contained therein.

Invention is not a patentable invention

13 The Claimants in their Statement of Case allege that the invention is not a patentable selection invention and provides no comparative advantage or technical effect over the known prior-art (see paragraphs 10 and 46 to 48 of the Statement of Case relating to the '039 patent, and paragraphs 11, paragraph (a) and the following paragraphs 50-51 and paragraph (b) and the following paragraphs 52-53 of the Statement of Case relating to the '348 patent).

14 Having heard the arguments put forward at the hearing and considered the correspondence at some length; I think there is some misunderstanding on behalf of the parties as to the true extent of this claim.

15 The Defendants consider the claim to be excessively broad, unreasonable and there to be no evidence in support of the assertion that the invention provides no comparative advantage or technical effect over the known prior-art. In their opinion, the Claimant must provide some material evidence in the form of comparative or experimental data in order to further their claim. The Defendant's view is that they cannot be expected in the absence of any such evidence to carry out their own investigations to prove that the invention is technically better than each and every piece of prior art, and to ask them to do so would be unreasonable. However, I do not think that this is the case they are being asked to address.

16 The Claimants case, as I understand it, relates to what are known colloquially as selection inventions. They are not asking the Defendants to prove whether by comparative testing or otherwise, that the invention has the alleged advantages over each and every piece of prior art, but are merely asking whether the invention, particularly that which is claimed in the '039 patent, is a selection invention and is it valid i.e. does the specification disclose a comparative advantage over the known prior art from which it has been selected or does it amount to nothing more than an arbitrary selection rather than a purposive selection? It is clear on the basis of the precedents that the "advantage claimed must be spelt out with particularity within the patent specification" (see *Hallen v Brabantia* [1991] RPC 195) To put it another way, what the Claimants are asking is, does the specification adequately distinguish the invention from the prior-art in terms of its advantages, if not then it falls. This is a matter of fact and should be discernible from the specification alone and does not require the filing of evidence

merely arguments. That said I think the case is clear and is a reasonable one. I therefore can see no reason to have it struck out.

- 17 The question then arises as to whether it would be appropriate for me to deliver summary judgment in this respect. For the Claimant to succeed in their claim it will be necessary for them to prove that the patent is not a valid selection invention and that the specification does not adequately spell out the claimed advantage over the prior art. *Prima facie*, there seems to be plenty of evidence on file to suggest that the particular range of parameters, particulate sizes and pressures claimed was known at the priority date. The patent must therefore establish and state explicitly the advantages associated with the specific ranges that have been selected and claimed, if it does not, then the claim may well be successful. I cannot say without doubt, on the basis of the evidence before me, that the claim is bound to fail nor can I see any compelling reason why this matter should not proceed to trial. I therefore think it inappropriate for me to issue a summary judgment on this issue.
- 18 The case in respect of the '348 patent is somewhat different as the claim requires the additional step of "*heating the fluid to a temperature of from 25 to 50C*" which strictly speaking may mean that this is not a selection invention at all, provided that the heating of the fluid per se was new and non-obvious at the time of the invention. However, I think this is again a reasonable argument which would benefit from further discussion by this tribunal. I therefore can see no reason to strike out the corresponding paragraphs nor can I see any grounds on which I should issue a summary judgment.
- 19 Furthermore, the Claimant suggests that there is also a question as to whether a selection invention can actually subsist in a mechanical case drawing my attention to the words of Slade LJ in *Hallen v Brabantia* as follows:
- "We agree with the judge (328/7- 9) that the well-known parts of Maugham J.'s judgment referred to above were directed to a chemical patent and care must be taken when applying them to a mechanical patent. Nevertheless, in the case of chemical selection patents, it might not be necessary for all the compounds in the broad class actually to have been made (they could be very numerous) so long as their formulae and common properties were ascertained. Thus, though being merely 'notional' compounds, they might still qualify as a broad class from which a selection patent stemmed. By analogy, we are not wholly persuaded that in the case of a mechanical patent a broad identifiable combination of known mechanical parts and substances commonly used therewith (e.g. oil) might never constitute a broad class from which a selection patent might stem, even though that combination did not yet physically exist."*
- 20 The fact that the judgment in *Hallen v Brabantia* leaves open the question as to whether a selection patent in a mechanical context can ever be considered inventive, I think is an arguable point and it would not be appropriate for me to pass summary judgment on that point without having heard the case in full.
- 21 At the hearing, the Defendants sought to draw an analogy with the EPO's practice on comparative testing in the case of selection inventions which would potentially require the Claimants to identify the closest prior-art, provide a *prima*

facie argument as to why it was obvious to vary or select the chosen parameters and to adduce in evidence material sufficient to overcome the presumption of validity. However, given that there are clearly differences in practice between this tribunal and that of the EPO, I do not think this approach can be applied here.

Insufficiency

- 22 The Claimants case for insufficiency is really one of clarity of claim and consistency. They argue that there is some ambiguity in the specification, and that it is not immediately obvious whether it is the temperature of the fluid impacting the blast surface or the temperature of the fluid in the blast pot which provides the cleaning effect and that this cannot be established without trial and cross-examination of witnesses. They argue that this is a matter of claim construction and as such is not amenable to summary judgment referring, in support, to the decision in *Monsanto v Merck* [2000] RPC 77.
- 23 The Defendants, on the other hand, argue that there is no such ambiguity and that it is "as plain as a pikestaff" that in the '348 patent; they are clearly talking about heating the fluid that is in the blast pot. Furthermore, the Defendants consider the judgment in *Monsanto v Merck* to apply only in those cases where the tribunal would require expert evidence in order to decide the issue, which they say is not the case here. They argue that this is a simple matter and one which lends itself to summary judgment.
- 24 However, having considered the arguments for and against, I am not convinced that this is as simple as the Defendants would have me believe and feel that it should be aired at trial. I therefore think that it would be inappropriate for me to have this claim struck out, as there is clearly a matter here which is subject to debate, and I can see no compelling reason why this should not proceed to trial. I therefore chose not to issue a summary judgment in this respect.

Disclosure

- 25 The Defendants on a number of occasions have requested disclosure of the minutes of the BRDL/DRA Composite Liaison Meeting held on 25 September 1996. The Claimants having previously supplied a redacted version on the 13 April 2006 are opposed to further disclosure of the un-redacted version of the minutes as they are said to contain confidential information and are owned by a third party called Qinetiq. The Claimant stated that they had only been authorised to release them in the form they had done so and that they had been instructed by Qinetiq not to release them in any other form.
- 26 Having established, at the hearing, that what had been removed from the minutes was merely the names of those persons present at the meeting, I do not consider the Defendant's request to be an unreasonable one. The Defendants have argued that they would like the opportunity to contact the participants in that meeting to ask whether they would be prepared to assist in providing evidence. This evidence, they say, being particularly relevant to the proceedings in respect of obviousness.
- 27 The Claimants already appear to be in possession of an un-redacted version of

the minutes, so I do not think this would create any undue burden on their part should I order their disclosure. Indeed, the Claimants have said that they would release the names if instructed to do so by the hearing officer.

- 28 The Claimants presented their concerns regarding the potential delay which disclosure may introduce into the proceedings and brought to my attention the requirements of article 8 of the European Convention on Human Rights but did not specifically address me on this issue.
- 29 Having considered the arguments put forward, I do not think that the Defendants are asking too much by way of disclosure and their request seems to be a reasonable one, as it may lead to additional evidence of relevance when considering aspects of the case relating to obviousness. I am aware that this may introduce a slight delay into the proceedings but would not want to deprive the Defendants of the opportunity to contact those individuals, if it would be of relevance to the proceedings.
- 30 With regard to article 8 of the ECHR, the only submission made by the Claimant on this point appears to be in Mr Davies's supplementary skeleton argument where he says "*As a final point on this issue it is of relevance that the reason for the disclosure is to permit the Patentee to make approaches to these individuals and, as such, the tribunal will need to consider the individuals article 8 rights under the European Convention on Human Rights.*" Mr Davies did not say what form any such consideration should take and did not address me at all on this issue at the hearing.
- 31 The ECHR issue was addressed at the hearing by Mr Fernando who suggested that any concerns there may be about the privacy of the individuals whose names would be disclosed can be tackled by an order which specifically states that the names will only be disclosed to specific individuals, for example, the Defendant's legal representatives.
- 32 On balance, I consider it appropriate for me to order the Claimants to supply within 28 days an un-redacted version of the minutes of the BRDL/DRA Composite Liaison Meeting held on 25 September 1996 containing the names of those present, that the disclosure be limited to the Defendant's legal representatives and that it be solely for the purpose of contacting those individuals that were present at that meeting to ask if they will assist in giving evidence in this matter and nothing more.

Other issues

Independent validity

- 33 The Defendants agreed to specify, in writing within 14 days of the hearing, which of their patent claims were to be regarded as having independent validity.

Outstanding witness statement of Mark Durrant

- 34 The Defendants agreed to supply the Claimant with a copy of Mr Durrant's witness statement within 7 days of the hearing, but as there was still an issue

regarding the potential confidentiality of the evidence contained therein it would be supplied to the counsel and four named individuals only, under cover of a confidentiality agreement to be provided by the Defendants.

- 35 Furthermore, the Defendants agreed to supply the Patent Office with a copy of a letter which they allege had already been sent, outlining their reasons as to why the Mr Durrant's witness statement should be treated as confidential and not be placed on the public file. The Patent Office would then be in a position to resolve the matter.

Summary

- 36 In summary, I have decided to make no order in respect of striking out any part of the Claimants case. Furthermore, I think it would be inappropriate, at this point in the proceedings, for me to deliver a summary judgment in relation to any aspects of the case considered above.

- 37 I note that, in their letter dated 31 May 2006 the Claimant has voluntarily agreed to the striking out of paragraph 53 of the statement of case on the '348 patent.

- 38 I order the Claimants to disclose within 28 days an un-redacted version of the minutes of the BRDL/DRA Composite Liaison Meeting held on 25 September 1996 containing the names of all those present, that the disclosure be limited to the Defendant's legal representatives and that it be solely for the purpose of contacting those named to ask if they will assist in giving evidence in this matter and nothing more.

Costs

- 39 The parties made no submission on costs at the hearing reserving the right to make submissions in light of my decision. However, the Claimants had previously indicated in their skeleton argument that should they be successful, they would be looking to recover counsel's costs in the region of £4500. I think it only appropriate for me to allow both parties 28 days to file submissions on costs.

Appeal

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

Peter Back

Divisional Director acting for the Comptroller