



19 August 2014.

PATENTS ACT 1977

BETWEEN

Airscience Technology International Limited Claimant

and

Wallenius Water AB Defendant

PROCEEDINGS

Application for revocation under section 72 of the Patents Act 1977 of patent
number EP(UK) 0 800 407 B1

HEARING OFFICER

Phil Thorpe

Mr Brian Dewsbury for the claimant and Mr Howard from Carpmaels
and Ransford for the defendant participated in a telephone
Case Management Conference held on 28th April 2014

PRELIMINARY DECISION

Introduction

- 1 This decision concerns a number of preliminary issues in an action for revocation brought by Airscience Technology International Limited. The proceedings to date have been protracted and have already been the subject of two preliminary decisions.
- 2 The facts, so far as they are relevant to the matter before me, are as follows. Airscience seeks revocation of EP(UK) 0 800 407 B1. It filed its statement of case on the 6th September 2012. This claims that the patent is invalid for both lack of novelty and inventive step. Wallenius Water AB filed its counterstatement on 3rd December 2012. The counterstatement raised concerns about the level of detail in the claimant's statement. In particular it highlighted the claimant's failure to use the Windsurfing/Pozzoli¹ approach in formulating its attack of lack of inventive step.
- 3 Following a delay whilst a question of estoppel was dealt with, the claimant filed its evidence in chief on 16th October 2013. This consisted of a witness statement from a

¹ *Windsurfing International Inc. v Tabur Marine (Great Britain) Ltd*, [1985] RPC 59 & *Pozzoli SPA v BDMO SA* [2007] EWCA Civ 588

Mr Dewsbury, a Director of the claimants. The defendant then filed its evidence in chief on 4th December 2014. This comprised a statement from an expert Professor Torbjorn Reitberger. The defendant also suggested that the claimant's evidence in chief had sought to introduce new grounds into the proceedings in particular that the patent did not disclose the invention clearly enough and completely enough for it to be performed by a person skilled in the art. At the same time the defendant also sought amendment of the patent under section 75(5).

- 4 Both sides agreed that an amended statement of case should then be filed, clearly incorporating any additional grounds raised in the claimant's evidence in chief and also addressing the amendments proposed to the patent. This was duly filed on 23rd January 2014. The amended statement raised a number of objections to the proposed amendments.
- 5 An amended counterstatement was filed on 6th February 2014. This again questioned whether the amended statement of grounds had clearly set out the grounds for revocation in particular as they related to lack of inventive step.
- 6 The claimant filed its amended evidence in chief on 20 February 2014. This comprised an amended version of the earlier witness statement provided by Mr Dewsbury. The defendant provided its amended evidence in chief and in reply on 6th March 2014. This comprised an amended version of the earlier witness statement provided by Professor Torbjorn Reitberger. In response the claimant filed its evidence in reply on the 22nd April 2014. This comprised a new report from an expert, Mr Gordon Morris.
- 7 Shortly after this the defendant requested that the claimant's evidence in reply be struck out because it is not evidence strictly in reply. It also argued that the evidence had been submitted out of time and that the request made by the claimant for an extension of time to file its evidence in reply should be refused. The defendant also repeated its objection to the claimant's evidence in chief arguing that it was mere argument. It is to these points that the case management conference (CMC) held on 28th April 2014 was initially directed though in the event the CMC considered also some other outstanding issues. More precisely the CMC considered the following:
 - Admissibility of the claimant's amended statement of grounds
 - Admissibility of the allegation that the amended claims extended the scope of protection
 - Admissibility of Mr Brian Dewsbury's witness statement of 20th February 2014
 - Admissibility of Mr Gordon Morris' expert report of 22nd April 2014
- 8 I should also mention that Mr Dewsbury confirmed at the case management conference that the claimant had dispensed with its professional representation and that he would be representing the claimant. I explained the difficulties that may arise if a party is not professionally represented and urged Mr Dewsbury to consider whether the claimant's interests would be better served with representation. Mr Dewsbury highlighted the cost already incurred by the claimant in this matter. The effect of the lack of representation at the CMC was that Mr Dewsbury was not really

able to answer many of the points raised by Mr Howard on behalf of the defendant. I have however taken into account the written submissions on these points that were submitted by the claimant, with the aid of professional representation prior to the CMC.

Admissibility of the claimant's statement of grounds

- 9 The defendant argues that the grounds on which the claimant seeks to rely have not been clearly set out in the statement of case. It contends that the ground relating to inventive step is not properly formulated in that it does not follow the established *Windsurfing/Pozzoli* approach to determining inventive step. The defendant refers to *Ash & Lacy's Patent*² as an example of where a statement of case was considered totally inadequate because it did not identify the common general knowledge relied on in an inventive step objection. The defendant argues that the statement of case here is similarly deficient.
- 10 The relevant rule in this respect is Rule 76(4)(a) which states that the statement of grounds should include a concise statement of the facts and grounds on which the claimant relies. In this instance the claimant seeks to argue lack of novelty and inventive step. The novelty arguments are sufficient. But as the defendant notes the claimant has not sought to present the inventive step arguments in the structured way provided by *Windsurfing/Pozzoli*. But whilst it can be beneficial to set out an inventive step objection in this way and indeed may indeed strengthen the case, it is not always strictly necessary. The test as noted above is whether the statement is a concise statement of the facts and grounds on which the claimant relies. I believe on balance that there is enough detail in the amended statement to enable the defendant to understand the basis of the attack. That the defendant in its amended counterstatement has been able to present a detailed response to the claimant's case lends some further support to the adequacy of the statement. I would also note that in *Ash and Lacy's Patent* the claimant was relying on a combination of prior art and general knowledge and the deficiency was its failure to address anywhere what the common general knowledge was. The situation here is different in that the claimant relies essentially on mosaics of different pieces of prior art. In the limited circumstances in which the claim refers to common general knowledge then it has made an attempt to identify what that knowledge is.
- 11 The defendant has also questioned the clarity and conciseness of the statement in view of the repetition of a number of paragraphs. The identified paragraphs were introduced into the amended statement in response to the amendments to the patent sought by the defendant. Whilst there is indeed some repetition, it is not in my view such as to justify striking out the statement for lack of conciseness.
- 12 In summary I believe that the claimant's amended statement is allowable. I would add that if either party believes it has been put to unnecessary expense by the manner in which the other side has presented its case then that can be raised when costs are considered.

² Radiuscrown Limited v Ash & Lacey Building Products Limited BL O/060/02

Admissibility of the allegation of extension of protection

- 13 The defendant contends that the claimant's argument that the amended claims extend the protection provided by the patent, which is set out in paragraph 14 of the amended statement, is unsubstantiated and should therefore be struck out. The claimant in response argues that the allegation is admissible.
- 14 It is perhaps useful for me briefly to set out the typical process for dealing with amendments submitted in the course of revocation proceedings. Unsurprisingly the claimant is given an opportunity to comment on the amendments. This it did here in its amended counterstatement which was filed on 23 January 2014. In paragraphs 5-15 of that statement the claimant sets out why it considers that the amendments were not allowable. These included a fairly detailed discussion of why the amendments lacked clarity and why they add matter to the application as filed. The statement concludes its discussion of the amendments by arguing that the amendments extend the scope of protection. The claimant does not substantiate why it believes the scope of protection has been extended. In addition to allowing the claimant to comment on the amendments, third parties are also given the opportunity to oppose the amendments. Prior to that, the IPO will typically consider whether prima facie the amendments are allowable. This will include a consideration of whether the amendments extend the scope of protection. In this instance the IPO did conclude that they did not prima facie extend the scope of protection. It is though not clear whether this consideration took into account the arguments of the claimant. The amendments were however advertised as open to opposition from 26th February 2014 to 19th March 2014. No formal opposition to the amendments were filed.
- 15 The CMC did not discuss in detail the amendments and hence this will be a matter for the substantive hearing. The claimant will be given an opportunity to argue why the amendments are not allowable. Any such argument should be based on the material submitted to date and should not introduce new material. The defendant will also have the opportunity to make representations. It is important to note that the onus of showing that the proposed amendments are allowable rests with the defendant and that includes showing that they do not extend the scope of protection. For the comptroller to exercise discretion under section 75(5) he will need to be satisfied, taking into account any observations from the parties that the amendments are allowable. Hence even if I was minded to strike out the claimant's argument about the scope of protection being extended which I am not, the hearing officer would still need to consider the issue before allowing the amendments.

Admissibility of Mr Brian Dewsbury witness statement of 20th February 2014

- 16 The defendant argues that Mr Dewsbury's first witness statement is inadmissible as it consists entirely of argument from a person who does not claim to be an expert. That Mr Dewsbury is not an expert was confirmed by the claimant in writing prior to the CMC and was also confirmed by Mr Dewsbury at the CMC.
- 17 The statement of Mr Dewsbury does indeed contain argument that would have been better made in the statement of case. There does not however seem to be any point in striking it out now or asking for it to be amended. The evidence rounds are now

effectively complete and I have no doubt that the hearing officer at the substantive hearing will recognise the statement for what it is and give it the appropriate weight when reaching his decision. As I indicated earlier, if the defendant believes that it has been put to unnecessary expense, then that can be considered in relation to the question of costs.

Is the report of Mr Gordon Morris evidence strictly in reply?

18 Before I consider whether the claimant's evidence in reply is just that, I should mention that the defendant had initially objected that it had been filed out of time and that the requested extension of time should be refused. However in the course of the CMC the defendant helpfully dropped that objection. I turn now to what of all the issues before me, is perhaps the most significant at least in terms of the subsequent processing of the case. That is whether the statement of Mr Morris admissible as evidence in reply.

19 The defendant argues that the report of Mr Morris is not evidence strictly in reply. It contends that the normal three rounds of evidence in proceedings before the comptroller, as applied in this instance, consist of the claimant's evidence in chief, the defendant's evidence in chief and reply and finally any evidence strictly in reply from the claimant. It argues that the third round is for filing evidence strictly in reply and that this term has a particular meaning. It refers to the IPO's Manual of Patent Practice (MoPP) at paragraph 72.19 which reads as follows:

72.19 The applicant for revocation should not wait until the reply stage to complete the evidence necessary to make out his case. Further evidence filed at this stage must be strictly in reply to the proprietor's evidence. In *Scragg (Ernest) Ltd's Application*, [1972] RPC 679, which was an opposition under the 1949 Act, Graham J quoted Halsbury's Laws of England as authority for the principle that the party on which the onus of proof falls (which in the present case is the applicant for revocation) must adduce all his primary evidence when presenting his case and not seek thereafter to adduce additional evidence to strengthen his case. He stated (at page 682) "to my mind it is quite wrong in these cases that there should be any sort of skirmishing in regard to evidence, and if an opponent has a case he should straight away state what his case is and should put in declarations dealing with any evidence which he thinks may be relevant to his case". In *Peckitt's Application* [1999] RPC 337 some further evidence was allowed to stand which was little more than repetition of elements of the case put in chief with some minor clarification and comment. The important factor was said to be that it did not either alter or strengthen the party's case or be such as to prolong the pre-hearing procedure by justifying another round of evidence from the other party."

20 It also refers to *Ford Motor Company Limited (Nastas's) Application*³ where Mr. Justice Lloyd-Jacob held that the purpose of evidence strictly in reply is to meet any criticisms of the evidence in chief. Jacob in striking out parts of the claimant's evidence in reply noted:

This paragraph is not in my judgment justified as being in reply. Having put forward the construction shown in the drawing G.L.2 as being their selected basis upon which an alleged saving in cost should be judged and applied as a factor in the consideration of the obviousness objection, they are not in truth meeting the applicants' criticisms of it by diverting attention to a different construction. The rules here being considered are directed to securing finality of the pre-hearing procedure and it is manifest that, if this different construction is permitted to be introduced at this stage, a hearing which proceeded upon the evidence as it stands would work so serious injustice upon the

³ [1968] F.S.R. 213

applicants that they must in fairness, as the hearing officer has acknowledged, be given an opportunity to work out their own estimated production costs. If, as is possible, this establishes another conflict of fact, the applicants would then file additional evidence, the opponents may well want to reply to this and, even if no new drawing emerges, a final hearing of this opposition will be very greatly delayed.”

- 21 The defendant argues that that the claimant has in effect conceded that the statement of Mr Morris is new evidence. It highlights the claimant’s admission that it had previously considered that an expert was unnecessary as it thought the technology was readily understandable and that it had instructed an expert in order to avoid the risk that the defendant’s expert evidence would be taken on face value. The defendant submits that this additional evidence is intended to strengthen the claimant’s case and is therefore not permissible. It also runs a second argument which draws on its early objection to the claimant’s evidence in chief. It suggests that since the claimant’s evidence in chief is mere argument from a person who was not an expert then in effect it has filed no evidence in chief and hence any further evidence that it files can only be seen as additional evidence to strengthen the claimant’s case.
- 22 In reply the claimant is keen to point out that proceedings before the IPO are intended to be cheaper than comparable court proceedings and that in deciding what evidence to put in initially it had sought to keep costs down. It had as noted thought the technology was straightforward and hence expert evidence was unnecessary. It goes further to suggest that the defendant had abused the more lax approach before the IPO by submitting expert evidence. It refers to the practice before the courts where the filing of expert evidence requires prior permission from the court⁴. It also notes that expert evidence under the CPR should be the independent product of the expert uninfluenced by the pressures of litigation and that the evidence should be objective and unbiased. It suggests that Professor Reitberger has been the senior research advisor to the defendant since 2008 and that this is not disclosed in his evidence and furthermore it is difficult to reconcile how this would allow him to provide an unbiased opinion.
- 23 I will deal with first with the claimant’s point about the status of Mr Dewsbury’s evidence and its impact on the claimant ability to file any evidence in reply. The purpose of the second round of evidence is for the defendant to file its evidence in chief and also to reply to the claimant’s evidence. The third and final round is intended to allow the claimant to respond both to the defendant’s evidence in chief and also to respond to criticism of its own evidence in chief. Hence even if the claimant had filed no evidence in chief, it would still be possible to file evidence in reply to the defendant’s evidence providing obviously it was just that. This can possibly be better illustrated by considering one of the cases referred to by the defendant above.
- 24 In *Ford Motor Company Limited (Nastas's) Application* the claimant (or opponent as he was there) in its evidence and in response to a claim by the patent applicant that its invention was cheaper to produce than the prior art, had submitted an example of a prior art device (example 1) which it claimed was cheaper to produce than the invention. In response the patent applicant put forward evidence to show that the prior art device was in fact more expensive to produce. In reply the opponent then

⁴ CPR 35.4(1).

sought to introduce another prior art device (example 2). This was rejected as not being evidence strictly in reply. If however the claimant in that case had not referred to any prior art device in its evidence but the defendant had introduced example 1 in its evidence in chief to show that the invention was cheaper to produce, then the claimant would have been able in its evidence in reply to put in evidence to show that example 1 was in fact cheaper to produce than the invention. Of course it would still be prevented from introducing example 2 but it could file evidence in reply to the claimant's evidence in respect of example 1 even though it had not raised this in its evidence in chief. Similarly here, even if Mr Dewsbury's statement is not evidence as such, the claimant would still be able to file evidence in the third round but only in reply to the defendant's evidence in chief.

- 25 So is the report of Mr Morris evidence in reply? The report runs to some 39 pages including attachments. It starts with some background on Mr Morris himself and the instructions he received from the claimant. The report in the first part of section 3 then sets out Mr Morris' thoughts on ultraviolet light and its use as a germicidal agent drawing on various discloses. He then goes on in section 3.3 to comment on certain aspects of the patent highlighting parts that are not in his opinion clearly explained. The defendant argues that these parts of the report (as well as significant parts of the remainder) raise new points that are not in reply to its evidence in chief. I agree at least in respect of the passages that I have highlighted. The content of these paragraphs is not clearly evidence in reply but rather as the defendant notes new material. The report is therefore not admissible as evidence in reply in its current form.
- 26 Before considering how to proceed I will say a little about the evidence from Professor Reitberger and the claimant's objections to it. Whilst it is hoped that costs in proceedings before the comptroller can be kept down, the patent holder also has a right to defend any attack on its patent as it sees fit. In a case which involves questions of inventive step, it does not seem unreasonable that the patent holder might wish to submit expert evidence. Hence I see nothing in the claimant's argument that the defendant has in any way abused the process by submitting expert evidence. To the extent that it turns out that the evidence results in the claimant incurring unnecessary costs then that can be considered in costs.
- 27 As to the question of the impartiality of Professor Reitberger then if as the claimant contends he does have a relationship with the defendant then I would have expected that to have been brought out in his evidence. This together with whether the opinions are in any way biased is a matter that the claimant can if it wishes pursue at the hearing including possibly through cross examination of Professor Reitberger. There is however insufficient material before me to justify deeming his evidence inadmissible at this stage.
- 28 I turn now to consider how best to proceed in respect of Mr Morris's evidence. I can simply strike-out the report of Mr Morris in its entirety and then order that the case proceed to the substantive hearing. This has the advantage of simplicity. But I think such a course of action is too harsh on the claimant, notwithstanding that it has had the benefit of professional representation up to this point. There is also a wider public interest in ensuring only valid patents remain on the register. Hence I believe it would be fairer to allow the claimant an opportunity to resubmit an amended version of its evidence in reply. This should be limited to responses specifically to the evidence put

in by the defendant ie the evidence of Professor Reitberger. I have already highlighted parts of the initial report of Mr Morris that clearly do not meet this requirement. I note that the defendant has also provided a more detailed analysis of the report highlighting other sections of the report that it considers are not evidence in reply. It is not I believe appropriate for me to come to a decision here on each and every part of the report. Rather it is for the claimant to decide which parts it believes are clearly in reply. To the extent that the defendant is of the view that any amended report from Mr Morris still does not meet the requirements of evidence in reply then that can be considered at the substantive hearing with the presumption being that any part that is determined not to be evidence in reply will be struck out.

- 29 As an alternative to the above proposed course of action, the claimant can if it wishes request that the report of Mr Morris in its current form be admitted as new evidence. The claimant will need to set out reasons why it should be admitted so late in the proceedings. If it is allowed in then the defendant will be given a further opportunity to file evidence in reply. This route has the disadvantage that it will undoubtedly further lengthen what have already been protraction proceedings and may cause the defendant to incur additional expense which would need to be considered in any cost award.
- 30 A further alternative would be for the parties to agree to file a joint expert report from Professor Reitberger and Mr Morris identifying points of agreement and disagreement.
- 31 On balance I would suggest that filing an amended expert report from Mr Morris limited to matters in reply might be the most straightforward for the claimant though I leave the final decision on how it wishes to proceed to the claimant. Whatever it decides to do it should do within 4 weeks of the date of this decision.

Conclusions and Order

- 32 I find that the claimant's amended statement of grounds filed on 23rd January 2014 and the witness statement of Mr Brian Dewsbury dated 20th February 2014 are both admissible.
- 33 I also allow the claimant's request for an extension of time to file its evidence in reply. However I find that the report of Mr Morris filed on 22nd April 2014 is inadmissible in that it is not evidence in reply. I therefore order it to be struck out.
- 34 The claimant is however given a period of 4 weeks from the date of this decision to file an amended version of Mr Morris' report that better meets the requirement of evidence in reply. Alternatively it can within that period resubmit the original report of Mr Morris with a request that it be considered as new evidence. The request should clearly set out reasons why it should be admitted as such so late in the proceedings.
- 35 A further alternative would be for the parties to file within the 4 week period an agreed joint expert report from Professor Reitberger and Mr Morris identifying points of agreement and disagreement.

Costs

36 I will defer the issue of costs until the substantive hearing.

Appeal

37 Any appeal must be lodged within 28 days

P Thorpe
Acting for the Comptroller