Intellectual Property Office BL O/714/21 29 September 2021

THE PATENTS ACT 1977 (THE PATENTS RULES 2007)

CLAIMANT

PMF Products Ltd

ISSUE

Application under section 72 for revocation of UK Patent GB2578612B in the name of Net World Sports Ltd

HEARING OFFICER

H Jones

DECISION

Introduction

- 1 An application under section 72(1)(a) of the Act for revocation of UK patent GB2432556 was filed by PMF Products Ltd ("the claimant") on 18 June 2021. The patent stands in the name of Net World Sports Ltd ("the patentee") and was granted on 18 November 2020.
- 2 The patent relates to a frame assembly for a sports goal. As set out in the claimant's statement of case, revocation is sought on the grounds that all eight claims of the patent lack novelty and/or inventive step based on sales of the patentee's FORZA Alu60 and Alu110 football goals to the public before the filing date of the patent. The Forza range of goals are intended for self-assembly by the customer, and the claimant alleges that the assembly instructions accompanying each goal provided an enabling public disclosure of the invention set out in the patent. Evidence of sales of the Forza range of goals before the filing date of the patent is said to be supported by copies of sales receipts, witness statements, various extracts of online blogs and screenshots from online retailers and video sharing websites.
- 3 The patentee was invited to file a counterstatement but did not do so. Therefore, in accordance with rule 77(9), the comptroller must treat the patentee as supporting the claimant's case.
- 4 From the evidence provided by the claimant, a case for revocation of the patent based on the lack of novelty of claim 1 (at least) has been made out.

Costs

5 The claimant has requested that it should be awarded full costs on the basis that the patentee appears to have filed the patent in bad faith knowing that they had publicly disclosed their invention before the earliest filing date of the patent. The claimant

says that the patentee has also tried to enforce the patent against them knowing the patent to be invalid. The claimant has not provided a breakdown of its costs.

- 6 Tribunal Practice Notice <u>TPN 2/2016</u> sets out guidance on costs awards in proceedings before the comptroller. A standard scale of awards in relation to various aspects of proceedings is intended to provide a contribution to a party's costs as opposed to full costs recovery, consistent with the tribunal's aim of providing a low-cost forum for settling disputes. The comptroller has freedom to award costs off the scale in order to deal proportionately with unreasonable behaviour, and paragraph 5.47 of the <u>Hearings Manual</u> provides examples of what might warrant departure from the scale.
- 7 The examples of unreasonable behaviour alleged by the claimant, i.e. filing the patent application and enforcing the patent when it knew it wasn't valid, all occurred before commencement of these proceedings, so I cannot take them into account in my overall determination on costs even if the evidence supported it. It was the claimant's choice to initiate proceedings, and once it had done so the patentee did not seek to defend its patent once notified that proceedings had commenced. However, the patentee was aware of the claimant's position regarding the validity of the patent as a result of correspondence between the two sides leading up to the application for revocation, so the costs incurred by the claimant in these proceedings could have been avoided had the patentee offered to surrender the patent as it was invited to do so by the claimant in their letter dated 4 May 2021 (in response to the patentee's "cease and desist" letter sent the previous month). The claimant's letter stated that it had a large amount of prior art evidence of the patentee's products being available to the public before the earliest date of the patent (much of which I expect has been submitted as evidence in these proceedings). The patentee's response on 20 May 2021 was to request the documentary evidence the claimant said it had.
- 8 The claimant's letter of 4 May 2021 said that it reserved the right to revoke the patent under section 72 and/or to initiate a groundless threats actions under section 70A without further recourse to the patentee. As noted above, the patentee's response was to request to see the documentary evidence upon which the claimant based its allegations, and this response was sent within the fourteen days specified in the claimant's letter. I do not know whether any further exchange of correspondence took place before the application for revocation was filed a month later.
- 9 I cannot tell to what extent the patentee was aware of the evidence available to the claimant before the application for revocation was filed. Even if it had seen the totality of evidence submitted in these proceedings, I do not consider it unreasonable that it did not seek to surrender the patent in the weeks between its letter of 20 May to when the application for revocation was filed. Once notified that proceedings had commenced, the patentee did not attempt to defend its patent and I assume it knew that it would very likely be revoked in due course. This seems a perfectly reasonable approach for the patentee to have taken, so I do not consider it appropriate to depart from the standard scale in the circumstances.
- 10 The longstanding practice of the IPO is to not award costs in "without notice" or "undefended actions" before the comptroller (see TPNs <u>2/2000</u> and <u>4/2007</u>, referenced also in TPN2/2016). The practice is such that costs will not be awarded against rights holders or applicants who do not defend an action, unless factors

exists which suggest otherwise. I do not consider there to be any reason why I should depart from this practice in this case and so make no order for costs.

Order

11 I order that UK patent GB2578612 be revoked.

Huw Jones

Deputy Director acting for the Comptroller