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PATENTS ACT 1977

IN THE MATTER OF an application for the restoration of Patent No 2049606 in the name of Russell Matthews Industries Ltd

DECISION

Patent No 2049606 ceased through failure by the proprietor to pay the renewal fee which fell due on 20 March 1990 either by that date or during the following period of six months allowed under section 25(4) upon payment of an additional fee. The application for restoration was filed on 21 October 1991 within the period prescribed by rule 41(1) of the Patents Rules 1990. Evidence in support of the application was provided by a Mr Matthews who is the managing director of the proprietor company, and by a Mr Hopkins who is a New Zealand patent attorney acting for the proprietor company.

The office communicated the view that it was not satisfied that the proprietor took reasonable care to see that the renewal fee was paid - this being one of the conditions required for restoration as prescribed by section 28(3). A hearing having been requested by the proprietor, the matter came before me on 23 April 1992 when the proprietor was represented by Mr E A Hitchcock of Lloyd Wise, Tregear & Co, chartered patent agents, and Mr M C Wright attended on behalf of the office.

The salient facts relevant to the lapse of the patent can be stated very briefly. The UK patent was initially applied for, along with patents in a number of other European countries and in many other countries besides because the invention concerned was at the time thought to have commercial importance over a very wide area. Amongst the patents obtained was one which was registered in Singapore on the basis of the patent in the UK. The Singapore patent, which is said to be of vital importance to the proprietor, only remains effective as long as the UK patent remains in force, a fact which was communicated to Mr Matthews in 1986 if not before, as the evidence shows. On 3 March 1990 Mr Matthews, who for present purposes must be regarded as the directing mind of the proprietor company, having reached

the conclusion that the invention did not, after all, have a bright commercial future in Europe, instructed his patent attorney to allow all the patents which were effective in Europe including the UK patent, to lapse. At the time he gave this instruction Mr Matthews had completely forgotten the dependence of the Singapore patent on the UK patent remaining in force, but it was never his intention to allow the Singapore patent to lapse.

If there is any circumstance which might possibly be regarded as helpful to the proprietor company in this application it is the fact that a renewal reminder sent by the patent attorney and referred to Mr Matthews for decision did not include any reference to the Singapore patent. The reason for that was that, as Mr Hitchcock explained at the hearing, renewal fees are not payable on patents registered in Singapore. The system set up to provide patent renewal reminders did not make special provision for patents registered in territories such as Singapore, it only provided reminders for patents on which renewal fees had to be paid. It may well be said that this was a weakness in the system.

Mr Hitchcock drew a parallel between the circumstances of the present case and those relating to an application made by Norsk Hydro Polymers Ltd for the restoration of Patent No 1181425 and its Patent of Addition No 1281089. The Norsk Hydro application was allowed by the office without the need for a hearing (in fact I myself signed the final order for restoration on 2 September 1986), but I do not think that the allowance of that earlier application assists the present applicants.

Norsk Hydro's system specifically provided for reminders to be sent to proprietors by a specialist renewal firm, for patents of addition as well as the parent patents. Due to an omission in the specialist firm's computer records a reminder for Patent No 1281089 was not sent out. Moreover, there was a safeguard in the system in that the specialist renewal firm would refer back to a proprietor any instructions which inconsistently renewed a patent of addition but allowed the parent patent to lapse.

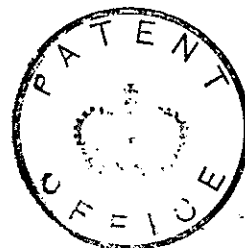
Thus while there are superficial similarities between the present case and the Norsk Hydro application, the facts are significantly different. In my view the general principles to be applied in the present application are similar to those in Cement and Concrete Association's

Patent [1984] RPC 131 where Whitford J held that, although the renewal system used by the proprietor was otherwise perfectly reasonable, there ought to have been some arrangement whereby the relevant department would be automatically notified that, as long as a licence agreement continued in force, the renewal fee on this particular patent must be paid. In the present case it would seem to clearly follow that for reasonable care to have been taken there ought to have been some arrangement to automatically remind Mr Matthews that, as long as patent protection in Singapore was required the UK patent should be renewed. Both cases seem to me to be examples of the same general type, namely that there was a good reason, not immediately apparent, for keeping the patent in force, and because of this there should have been a special safeguard to ensure that this was not overlooked.

Mr Hitchcock sought to draw a distinction between the facts in Cement and Concrete and the present case in that in the former it was rights in a single patent which were involved whereas here there are two separate patents effective in different countries and under which there are independent rights. That is of course perfectly true, but it does not seem to me to be a material difference. It might have been expected by the proprietor that the system adopted should provide independent reminders for the UK and Singapore patents, but that was not the system and Mr Matthews must have been aware that it was not. He could have made or have caused to be made some internal cross reference between the two patents to ensure that the dependence of the Singapore patent on the UK patent was not forgotten. This he did not do, just as in the Cement and Concrete case the proprietors failed to make any adjustment to their normal system to cater for the special circumstances of that particular patent. From time to time the proprietor had requested a status report on all their patents from their patent attorney, but the evidence does not suggest to me that these were provided automatically or were called for on a regular basis, certainly not as a regular and essential preliminary to making a decision on whether or not to renew the UK patent.

I have therefore come to the conclusion that the proprietor in this case did not exercise reasonable care to see that the renewal fee was paid and I refuse the application for restoration.

Signed this 1st day of May 1992



K E Panchen
Superintending Examiner acting for the Comptroller

THE PATENT OFFICE