

BLO / 094 / 90

PATENTS ACT 1977

IN THE MATTER OF  
an application under section 72  
by C JENKINS MINING & ENGINEERING CO LTD  
for the revocation of  
British Patent No 2092257  
in the name of JOHN HARDING

DECISION

In an interim decision in these proceedings dated 19 October 1987 I rejected a number of objections to the patent, but found that it was invalid on the ground of added subject matter in claim 3. I rejected an attack based on added matter in claim 1, but this particular finding was reversed on appeal by the Patents Court. The order of the Court, entered on 18 May 1988 provided as follows:-

".. that the said Appeal be allowed as to one point only and that the said Decision dated 19 October 1987 be varied so as to provide the following  
'that removal from claim 1 of a requirement for captivation of chain did contravene Section 72(i)(d) of the Patents Act 1977'

THIS COURT remits the above mentioned Application of the Appellant to the Comptroller-General for him to take such further steps as may be necessary in the light of the judgment of this Court"

The patentee filed amendments at the Patent Office in a letter dated 20 July 1988. These were advertised under Rule 78 of the Patents Rules on 8 February 1989, and no notice of opposition to the amendments was filed during the three months time limit set by Rule 78. On 15 June

1989 the file copy of the specification was amended, the accuracy of the amendment being certified by a Principal Examiner. However, neither the patentee nor the applicants were informed at that stage that this had been done.

Although the applicants did not enter opposition to the amendments under Rule 78, they had written to the Patent Office on 1 September 1988 to say that:-

"The amendment to claim 1 is opposed on the grounds that it is an amendment which as a matter of discretion should be refused."

and

"It is noted that it is proposed to rewrite the statement of invention. It is not understood why this is being done, nor what need or justification there is for such a change."

The letter supported the opposition by quotations from the transcript of discussions in the Patents Court on the form of order, and also pointed out that:

"In the interim Decision of 19 October 1987 the Hearing Officer considered discretion to make a different amendment and, as the Hearing Officer noted, the particular invalidity which he had then found had not been brought to the patentee's attention.

The situation over the amendment now sought is different from that of the invalidity considered in the Office Decision.

The invalidity found by Whitford J. was put to the patentee's solicitor by letter dated 21 June 1985. The reply dated 1 July 1985 maintained the previous

attitude of pugnaciously seeking to enforce the (invalid) patent. It is the writers' recollection that these letters were referred to at the Office Hearing but copies are now attached also. The patentee chose to enforce the patent even though the invalidity had been plainly pointed out, and his solicitor went so far as to say that any invalidity did not matter.

Even now the patentee seeks to enforce the patent before any amendment has been allowed by the Office. A copy of his agents' letter to us of 21 July 1988 is attached."

The Office replied on 28 October 1988 that as discretion had not been raised on the appeal, the Hearing Officer's decision to exercise it in favour of allowing amendment was considered to stand. The applicants' response to that, in a letter dated 23 November 1988 was:

"It is the writer's understanding that the matter of discretion was not raised at the Appeal because Mr Justice Whitford remitted the entire issue of amendment (including discretion) to the Office. It was only after Mr Justice Whitford had found in our favour on the added matter point that the question of different amendments arose: the issue was raised by Counsel as explained in our letter of 1 September.

It is our view that the amendments now offered, in response to the finding of the Patents Court, are rectifying an invalidity notified to the patentee's solicitor, before their letter to us of 1 July 1985. For this reason we contend that the reasons to refuse discretion for these amendments are much stronger than reasons applying to the amendments offered previously. They should not therefore be regarded as automatically covered by the previous Office

Decision."

The letter went on to say that the applicants thought that the appropriate course for them to follow would be to appeal the Comptroller's final decision.

There was no further correspondence between the Office and the applicants before the amendments were certified to have been made, and the first action thereafter was a letter sent by the Office on 7 September 1989 to both parties saying:

"I apologise for the lengthy delay in the processing of this case since the expiry of the opposition period following the advertisement of the amendments. ;

The amendments filed by the patentee on 25 July 1988 were certified by the Principal Examiner on 15 July 1989. However the letter from applicants for revocation dated 23 November 1988 was overlooked and consequently it was assumed that they were not objecting to the amendments.

If this assumption was wrong, the correct course of action would have been to appoint a hearing before a Superintending Examiner. In these circumstances, it is proposed to treat the Principal Examiner's certificate as ineffective. If the applicants for revocation wish formally to oppose the amendments, they are asked to do so within 14 days of the date of this letter. If they do, a hearing will be appointed. If they do not, a formal decision will be issued allowing the amendments."

There were then filed a statement by the applicants setting out their grounds of objection to the amendments, and a counterstatement by the patentee, and I heard the parties on 12 July 1990 when Mr Geoffrey Hobbs appeared as

counsel for the patentee and Mr George Hamer appeared as counsel for the applicants for revocation.

Mr Hobbs submitted that the patent had already been validly amended, and that the applicants' objections could not be considered. He said that the only correct method of lodging objections was that laid down by Rule 78, which the applicants had not followed, and that insofar as the Comptroller had a discretion in accepting amendments, he had made it clear in the interim decision that the timescale and formal arrangements of Rule 78 were to be used. Moreover, in two letters after the case had been received back from the Patents Court the Comptroller had made it clear that the amendments were to be advertised, with the necessary implication that Rule 78 was the mechanism for attracting objections to the amendments.

Although it is commonplace for amendments to be offered and advertised during the course of revocation proceedings, the Patents Rules do not expressly deal with the interaction between the proceedings for revocation under section 72 and the proceedings for amendment under section 75. I said at the hearing that I understood the Comptroller's practice to be that applicants for revocation were not bound to enter opposition to amendments by following the procedure under Rule 78. Mr Hobbs said he had heard it said that that was the practice, but if so he submitted that the practice was wrong. I can, I believe, best deal with this point by quoting from an earlier decision of my own in Eickhoff's Patent No 2004317, issued on 5 March 1987. I believe that that decision set out the Comptroller's practice then and now, that the decision is still correct, and that it covers all of Mr Hobbs' submissions on the point. I said in that case:

"[Counsel for the patentee argued] that I must apply

Rule 78 as it stands, and that the natural meaning of the words in it was that any opposition to the proposed amendment must be filed within the specified time limit. He said that the applicants had disentitled themselves from questioning the amendments, because they had failed to enter opposition under Rule 78. He contrasted this with the rules for implementing the parallel jurisdiction of the Patents Court, where Order 104, Rule 3 makes it clear that the applicant for revocation is treated as being a party to the amendment proceedings.

Applications for amendment under Section 75 are confined to the situation where the validity of the patent has been put in issue. Such an application is therefore an interlocutory matter in the particular proceedings in which the patent is already under attack. I turn to Rule 78 therefore expecting that if there are any special requirements for the attacker to comply with they will be clearly set out.

Rule 78 is printed under the title:-

'Amendment of patents in infringement or revocation proceedings.

Procedure on advertisement of proposed amendment under Section 75'

and reads:-

'78. (1) Where in proceedings before the comptroller a proposed amendment under Section 75 is advertised, notice of opposition to such an amendment shall, within the period of three months from the date of advertisement in the Journal, be filed on Patents Form No. 15/77.

(2) Such notice shall be accompanied by a copy thereof and be supported by a statement in duplicate setting out fully the facts upon which

the opponent relies and the relief which he seeks. The comptroller shall send a copy of the notice and statement to the proprietor of the patent and any other party to the proceedings before the comptroller.

(3) The comptroller may give such directions as he may think fit with regard to the subsequent procedure.'

Although the titles are not part of the Rules for the purposes of interpretation, they are consistent with the view expressed by [counsel for the applicants] that Rule 78 is concerned with advertising to attract new parties into the proceedings. I agree with [counsel's] interpretation. The point of advertising is of course to inform persons who are not already parties to the validity proceedings of the proposed amendment, the parties to the proceedings being automatically made aware of the amendments. Since the advertisement is not therefore primarily directed to existing parties it seems reasonable to conclude that an existing party wishing to oppose the amendments is not bound by the requirement to file notice of opposition, and that had Rule 78 been intended to bind existing parties there would have been an explicit reference to that effect especially in view of the contrary court practice, mentioned above, and in view of the practice under the 1949 Act of an existing party being able freely to oppose amendments.

In support of this conclusion I should mention that, as [Counsel] pointed out, advertising a proposed amendment is at the discretion of the Comptroller. If the Comptroller decides in a particular case not to advertise the amendments filed in response to a revocation action then I consider it beyond dispute

that the applicant for revocation might still oppose the amendments.

In my view, Rules 78(1) and (2) set out a procedure, with a certain time limit, by which new parties can enter the proceedings. When the time limit expires, Rule 78(3) comes into operation, and that gives the Comptroller discretion to admit objections from the existing parties. It is however a matter of discretion."

It was because of this difficulty of interpretation of the Rules that I gave specific directions in my interim decision in these proceedings for the procedure to be followed in lodging objections to the patentee's amendments. I allowed the patentee a period of six weeks from the interim decision in which to propose amendments, and directed:

"...that any such amendments should be advertised under Rule 78(1) of the Patents Rules 1982, and that any objections by the applicants should be filed within three months of the advertisement, and in the form prescribed by Rule 78(2)."

Mr Hobbs' submission was that this direction became operational again on the case being remitted to the Comptroller, because my interim decision was affirmed by the Patents Court except in a respect that had no effect on this direction. In my view, however, any time limits I specified must necessarily have been overtaken by the appeal, but in any case, I only regard my direction as setting a latest date for filing objections. Mr Hobbs' submission here is that the objections are out of time because they were filed too early, that is, before the amendments were advertised under Rule 78(1); I reject that submission.

Following what I said in the Eickhoff case, it is a



matter of discretion whether to entertain the applicants' objections to the amendments. I consider that the objections notified by the applicants in their letter dated 1 September 1988 were made at an appropriate time and should have been considered before the amendments were allowed. To the extent that this was not done, there was in my view an error, default or omission in the Patent Office, and the subsequent acceptance of the amendments, so far as this was effective, given that it was only communicated to the parties in an official letter which also stated that the acceptance was being set aside, may be, and is hereby, set aside under the authority of Rule 100 of the Patents Rules. Rule 100 provides (so far as is relevant) as follows:

"(1) Subject to paragraph (2) below .....any irregularity in procedure in or before the Patent Office may be rectified, on such terms as [the comptroller] may direct."

Paragraph (2) relates to the alteration of time limits and is not relevant.

Mr Hobbs reminded me of the law relating to Rule 100 as laid down by the Patents Court in Application de Gaz's Application [1987] RPC 279 and said that the causal link between the Office's failure to act on the applicants' pre-advertisement objections and the failure of the applicants to lodge objections to the amendments that were advertised was broken by the Office's notification that it intended to advertise. It is well known that the Office conducts an ex parte enquiry into the amendments before advertising them, and therefore, he submitted, the applicants should have checked that the amendments that emerged from that enquiry were still in their view objectionable. However the Office does have a well established practice of keeping applicants for revocation informed of the progress of amendments, and I consider that the applicants were entitled to rely on the Office to

say whether any more was expected of them after they had made their pre-advertisement objections.

The present state of the proceedings therefore is that amendments have been offered by the patentee with a view to meeting the order of the Patents Court, and those amendments are opposed by the applicants on two grounds.

The first ground, which was subsequently particularised in the applicants' notice of opposition dated 20 September 1989, is that the amendment to rectify the added matter in claim 1 should be refused in the exercise of the Comptroller's discretion. The applicants say that this particular invalidity was brought to the patentee's attention by letter in 1985, and that the patentee persisted in asserting his patent against the applicants, knowing of this alleged defect in his patent. Mr Hamer enlarged on this at the hearing by submitting that this matter of discretion was not properly considered by me in my interim decision, because I did not find that claim 1 was invalid, and it was not considered by Mr Justice Whitford on appeal, because he stopped at the point of finding claim 1 invalid and at that point remitted the case back to the Comptroller.

It is certainly the case that discretion to rectify any invalidity in claim 1 was fully pleaded in the original application for revocation and was fully argued at the first hearing, but equally true that I did not need to consider the matter because I did not find that claim 1 was invalid. I did have to consider the exercise of discretion in relation to the invalid claim 3, and Mr Hamer is quite right to say that the adverse factors relating to the amendment of claim 1 do not apply to the amendment of claim 3. That is to say, the invalidity in claim 3 was not pointed out to the patentee, and he did not assert claim 3 against the applicants.

The relevant part of my interim decision on this point is as follows:

"Mr Ford [for the applicants] also invited me to consider whether leave to propose amendments should be refused in limine. It is well settled that the allowance of amendments is a discretionary matter, and that in certain circumstances a patentee will not be allowed to salvage anything from his invalid patent.

It is admitted that the applicants told the patentee that the patent was invalid, and that the patentee nonetheless sought to enforce it, though it is not clear on the pleadings that the particular invalidity that I have found was brought to the patentee's attention. But in any case I am satisfied that the law is on the patentee's side on this point. It is not suggested that the patentee believed that his patent was invalid when he endeavoured to enforce it, and that is what is required in my view if discretion to amend is to be withheld.

Mr Ford said that the case law on this topic is concerned with invalidity for external reasons (such as conflicting prior art). He submitted that where the invalidity is created by the patentee's own voluntary amendment, then discretion to amend should normally be refused. However, added subject matter is usually a matter of judgement, and I think it is still the case that bad faith is required before discretion to amend is refused. There may well be examples of amendment that create a presumption of bad faith, where appearances are that the patentee is 'trying it on', but that is not the case here."

On this point, Mr Hobbs submitted that my decision was expressed at a sufficiently general level to cover both the alleged invalidity in claim 1 and the actual

invalidity in claim 3, and that I therefore could not go over the same ground again. In addition, both counsel drew my attention to the discussion between Mr Justice Whitford and counsel after judgment (at page 17 of the transcript at D and E where Mr Justice Whitford agreed that the decision of the Office (to exercise discretion in favour of permitting amendments) had to be "re-made."

However I do not consider that I am required to, or indeed ought to, reconsider the matter of discretion from first principles. Although Mr Ford for the applicants had argued for me to reject any amendments in limine on discretionary grounds, it seems to me that in fact I was rejecting Mr Ford's entire attack in limine so far as it was based on the patentee's past conduct. In my view the consequences of the patentee's wrongful addition of subject matter to claim 1 were considered and adjudicated upon in the interim decision.

Mr Hamer made two submissions on discretion which I think were not considered at the first hearing. First, he pointed out that, once a patentee has been appraised of a problem with the patent, then if he chooses not to amend, the onus is on him to satisfy any tribunal that they did not act in bad faith, and he referred me to Terrell on Patents, paragraphs 8.37 and 8.70. Mr Hobbs, however, contrasted the present circumstances with those in Bentley Engineering [1981] RPC 361 wherein there was clear evidence that the patentee was aware that the form of claim was invalid. But, as I have already indicated, my original decision has already covered this matter and did not find any evidence of bad faith on the part of the patentee and I do not need to consider this matter further.

Mr Hamer also referred to the recent decision of the Court of Appeal in Procter & Gamble Co v Peaudouce (UK) Ltd [1989] FSR 614, in which the Court refused to consider

amendments submitted towards the end of litigation on a patent. In contrast, in this case, although amendments were submitted following the judgment of the Patents Court, they were very similar in effect to the amendments that were filed by the patentee with his counterstatement in February 1986.

In summary, I am satisfied that objections to the exercise of discretion to allow the deletion of the added matter were fully considered in my interim decision and I decline to consider them again.

The second ground of objection to the amendments was that the statement of invention was being unnecessarily amended. This was amplified in the notice of opposition dated 20 September 1989 to say that:

"The amendment of the passage extending from page 1 line 28 to page 2 line 44 is opposed on the grounds that it modifies the statement of invention, which could modify the scope of the protection conferred by the patent. No justification has been put forward for making such extensive change to the statement of invention and it is submitted that the Comptroller should exercise his discretion to refuse revision of a statement of invention where there is nothing showing the changes to be needed."

Mr Hamer did not identify any statutory basis for this objection, but he said that the amendment involved the effective deletion of a sentence that could be used as an aid to the interpretation of the claims, and the Comptroller should exercise his discretion to refuse such an amendment unless good cause for it is shown by the patentee. The sentence in question is to be found in lines 28-30, page 1 of the granted patent. The proposed amendments considerably alter the sentence and combine it with a revised following paragraph to form a statement of invention corresponding essentially with the proposed

amendment to claim 1. A similar amendment which also involved the effective deletion of the sentence in question and its conversion into a statement of invention was submitted as part of the conditional amendment submitted by the patentee on 5 February 1986 with his original counterstatement to the application for revocation, but it was not until this hearing that the precise objection to it was made clear. In view of that, I do not think it would be right now to prolong these proceedings by entertaining a new, and non-statutory, objection to this particular amendment, which on its face is merely consequential upon the amendment to claim 1.

In the result, I decline to exercise the Comptroller's discretion to refuse the amendments. I have studied the amendments filed by the patentee with his letter of 20 July 1988; I am satisfied that they may properly be allowed, and I hereby allow them. I direct that the specification now be reprinted.

No submissions were made at the hearing about costs. They were dealt with by Mr Justice Whitford up to the point when the case was remitted back to the Comptroller. As regards subsequent events, I have in the main found for the applicants on the law and for the patentee on the merits of the case. In these circumstances I make no order for costs.

Dated this 13 day of August 1990



W J LYON  
Superintending Examiner acting for the Comptroller

THE PATENT OFFICE