

0/107/91

**PATENTS ACT 1977**

IN THE MATTER of a reference  
to the Comptroller under Section 12(1)(a)  
by A Kastner in respect of European Patent  
Application No 85304051.7 in the name of  
Rizla Limited

**DECISION**

European Patent Application number 85304051.7 was filed on 7 June 1985 by Rizla Limited (who I will refer to below as the Applicants), claiming priority from United Kingdom application No 8415758 dated 20 June 1984. It was published by the European Patent Office as Publication No 0165747 on 27 December 1985.

On 15 September 1987 Arnold Kastner (whom I shall refer to below as the referrer) referred to the Comptroller under Section 12(1)(a) the question as to whether he was entitled to be granted a patent for the invention which is the subject of the application in suit or would have any right in or under any such patent. In such circumstances the proceedings before the European Patent Office are stayed in accordance with the provisions of Rule 13(1) of the European Patent Convention.

The reference proceeded through the normal statement, counterstatement and evidence stages. At one point it was necessary to hold a preliminary hearing to decide on requests by both parties for discovery of documents and attendance of witnesses. The matter of a request by the applicants for an increase in security for costs put up by the referrer was also considered at that hearing and I gave a preliminary decision on these issues on 5 June 1989.

There followed a period of disagreement between the parties as to whether the documents discovered met the terms of my preliminary decision, but arrangements were made for the

substantive hearing of the reference to be held on 17, 18 and 19 July 1990. However, by a letter dated 9 July 1990, the referrer notified the Office and the applicants that they had decided to withdraw the reference.

In response, in a letter of the same date, the applicants sought either to be heard on the content of any final decision or alternatively that the Comptroller permit withdrawal only on conditions (a) that the referrer, or his associated companies, made no further claim to the invention of the subject application, (b) that the allegations made against the applicant and its employees were irrevocably withdrawn and (c) that the referrer pay to the applicants their costs or such sum as the Comptroller might award.

The referrer submitted, in letters dated 10 and 11 July 1990 that the Comptroller had no need to consider the merits of the case and cited in support an unreported decision of the Comptroller under Section 8(1)(a) dated 22 May 1990 in the case of Lupa's patent application. That in fact was a case in which the Comptroller gave the referrer leave to withdraw unconditionally from the proceedings.


The applicants did not pursue their submissions on the matter of conditional withdrawal, and in view of the lack of any further action by the parties the Patent Office issued a letter dated 13 March 1991 proposing that the substantive matter be resolved by issue of a decision directing that the application proceed in the name of the applicants and making an award of costs in their favour.

In response, in a letter dated 10 April 1991, the applicants agreed to the issue of a decision in such terms on the substantive issue but sought a hearing on the matter of costs, arguing that they should be awarded costs well above the standard scale amount in view of the conduct of the referrer. The applicants also submitted a schedule of their actual costs.

Following further argument, first from the referrer (9 May 1991) and then the applicants (15 May 1991) on the matter of costs, the Patent Office wrote again to both parties proposing that the substantive matter be dealt with by means of a formal decision dismissing the reference (thereby enabling prosecution of the application before the European Patent Office to be resumed), but reserving the question of costs for further argument at a hearing.

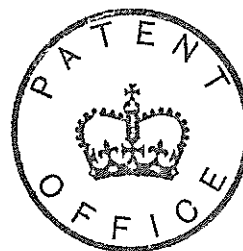
There having been no objection to this proposal by either party within the time allowed, or subsequently, I hereby reserve my decision as to costs in this matter pending arguments from the parties at a hearing to be arranged. Subject to that I hereby dismiss the reference made to the Comptroller by Mr Kastner, with the result that the application in suit continues to proceed in the name of Rizla Limited.

Dated this *10th* day of September 1991



W J LYON

Superintending Examiner, acting for the Comptroller



THE PATENT OFFICE