

PATENTS ACT 1977Pat/Linda
3Y60**IN THE MATTER OF**

Patent Application Nos. GB9310692.0 and
GB9724420.6 in the name of Humberstone
Goodbrand Limited

DECISION

1. Patent application Number GB9310692.0 ("the application") in the name of Humberstone Goodbrand Limited ("the applicant") was filed on 24 May 1993 without claim to priority. The application was searched in the normal way and published under number GB2278360A on 30 November 1994. A request for substantive examination was filed on 30 May 1995.
2. The invention relates to wallpaper adhesive compositions containing colouring agents which become colourless upon drying.
3. The examiner issued an examination report under section 18(3) of the Act under cover of an official letter dated 29 February 1996. This raised objections that the invention as defined in certain claims was lacking in novelty and inventive step, as well as other matters of a more minor nature. As is normal for first reports under section 18(3), a period for response was set at six months, ie to expire on 29 August 1996. The letter covering the report included the normal warning that if no response was received within the time specified, the application was liable to be refused.
4. The next action on the case was an official letter dated 10 September 1997 from the formalities examiner which pointed out that no response to the section 18(3) report dated 29 February 1996 had been filed and warned that the Office intended to treat the application as having been refused on 24 November 1997. As usual the letter included an invitation to submit comments.

5. On 18 November 1997 the agents for the applicant filed amendments directed at meeting the examiner's objections, together with a divisional application, which was accorded the application number GB9724420.6 ("the divisional"). The papers filed on this date included requests that the comptroller's discretion should be exercised to allow the late filing of the amendments and of the divisional application. In respect of the divisional, the request invoked rule 110(1) which I have taken to be a request to allow late filing in the event that the amendments on the parent application were to be refused.

6. Patents Forms 52/77 have also been filed in respect of extending by one month the period specified under rule 34 for putting both applications in order. Such extensions being as of right, the said periods accordingly now expire on 24 December 1997.

7. The requests were supported by evidence in the form of a Statutory Declaration by Mr Edward J G Goodbrand, the inventor and a major shareholder in the applicant company. This is the subject of a direction by the comptroller as to confidentiality under rule 94(1) because it contains commercially sensitive information, but I summarise its contents in the following paragraphs.

8. The applicant company has no income or business other than the exploitation of its patent portfolio which now comprises only an earlier UK patent (No. GB2216131) and the two applications in suit which are developments thereof. Applications had been filed in other countries but these were abandoned before grant because of financial constraints.

9. For a number of years, Mr Goodbrand had been making determined and continuous efforts to interest manufacturers and retailers in the inventions of the earlier patent and of the applications in suit, but always without success despite some promising early signs. Meanwhile, the costs of maintaining his patent and then of prosecuting the application had been mounting and to finance these costs it was necessary for him to take out loans and invest considerable amounts of his own money. Since he has muscular dystrophy and is confined to a wheelchair, this money could have been spent on making life more comfortable for himself.

10. Then came the official letter dated 29 February 1996, which required a response by 29 August 1996. It was at this point that Mr Goodbrand made a decision not to proceed with the application and he instructed the agents accordingly.

11. When the official letter dated 10 September 1997 warning of the impending refusal of the application was received by the agents they did not communicate its contents to the applicant because they regarded the application as abandoned. However unbeknown to them Mr Goodbrand had restarted his attempts to interest various companies in the invention and had reached the point in negotiations with another party where a possible licence was under discussion. It was in the context of these discussions in early November that the other party's patent agent suggested to Mr Goodbrand the possibility of reviving the application. Mr Goodbrand then instructed his own agents accordingly.

12. Having considered these submissions, the examiner wrote on 21 November 1997 indicating that the reasons given did not appear to justify the exercise of comptroller's discretion to allow late filing of the amendments and that refusal of the application was likely, subject to the applicant's right to be heard. The official letter mentioned that a further consequence of this would be to cause the divisional application to have been filed out of time.

13. The agent replied on 28 November 1997 with further arguments and a request for a hearing in the event that agreement could not be reached with the examiner.

14. The examiner persisted in her view and a hearing was appointed for 16 December 1997. However, the agent subsequently indicated that the applicant would be content for the matter to be decided on the basis of the papers on the file. That is therefore what I shall proceed to do.

15. The relevant provision dealing with examination reports and the period for response is section 18(3) of the Act which states that

"If the examiner reports that any of those requirements are not complied with, the

comptroller shall give the applicant an opportunity within a specified period to make observations on the report and to amend the application so as to comply with those requirements (subject, however, to section 76 below), and if the applicant fails to satisfy the comptroller that those requirements are complied with, or to amend the application so as to comply with them, the comptroller may refuse the application."

16. The circumstances in which the period specified under Section 18(3) may be extended have been considered in *Jaskowski's Application* [1981] RPC 197, a case in which an extension was being sought on the grounds of alleged difficulty in the chain of communication between the agents and their clients.

17. In his decision on that case, the hearing officer (Mr Miller) said

"Section 18(3) clearly gives the comptroller discretion to extend the specified period, but unless a coach and horses is to be driven through the subsection he must have some adequate reason for exercising that discretion which is peculiar to the particular applicant or application in suit."

18. Following that decision the Patent Office wrote a letter to the Chartered Institute of Patent Agents (reported in the CIPA Guide to the Patents Acts, Fourth Edition at page 246) with clarification about when extensions were likely to be granted. The letter stated that:

"In general we would expect to grant extensions only by reason of unforeseen incidents such as illness, personal accident, disruption or destruction caused by fire, natural disasters, political upheavals and the like. So far as interruptions of and dislocations in the postal service in the United Kingdom are concerned, sufficient protection to applicants may be afforded by Rules. 97 and 111: ad hoc (but not endemic) postal interruptions and dislocations may, however, justify an extension. An isolated slip in office procedure by the applicant, his agent or his servants may be a good ground. Voluntary absences from base by applicants and agents on holiday or business would not normally warrant an extension; on the other hand, really exceptional complexity of subject-matter or of objections raised,

or difficulty of communication between applicant and agent, also the necessity of adducing technical evidence and abnormal pressure in the agent's office (the applicant having given his instructions as to the response in good time) might do so".

19. The letter to CIPA is of course not the law. It has however stood for a number of years as exemplary of the practice of how discretion may be exercised in these cases.

20. A common thread running through the examples given in the letter is that there is at all times a desire to maintain the application in being but the applicant is somehow prevented by a sudden or exceptional event from doing what is required within the timescale permitted.

21. In their submissions, the agents for the applicant have argued that Mr Goodbrand's medical condition, while not an "unforeseen incident", is a factor which has made financial hardship more difficult to bear. They also referred to the decision in *Fibre Optics'* application (available from the Science Reference and Information Service under their reference SRIS O/156/85) in which it was stated that the comptroller should take into account the extent to which the burden placed on the applicant exceeded the norm.

22. I have considered these arguments carefully, and I have the greatest sympathy with Mr Goodbrand's medical condition and the difficulties which this, coupled with the general state of his finances, have caused him. However, while these are clearly circumstances peculiar to him, the evidence does not lead me to the conclusion that they actually prevented a reply to the section 18(3) report being made within the period set. Rather, I conclude that it was Mr Goodbrand's inability to interest any company in the invention which led him to make a considered decision (albeit a reluctant one) not to proceed with the application, and it is the subsequent appearance of a potential backer on the scene which caused him to change his mind. These things are the stuff of everyday commercial decisions and I do not consider them to be particularly unusual or exceptional.

23. I note here that in *Fibre Optics'* application, discretion was refused principally because the applicant in that case had also decided to abandon the application then had changed his

mind. Indeed, I find no support whatsoever for the proposition that discretion should be exercised in the case where there has been a change of mind, as opposed to an error or omission or some unforeseen event. The only event in the present case which might be termed "unforeseen" is the appearance of the potential backer on the scene, but this in itself is not the cause of the failure to respond to the section 18(3) report.

24. I have also considered the possible hardship to be suffered if discretion were to be refused. This cannot be estimated in quantifiable terms since the evidence gives no indication of the potential value of the invention, nor does it indicate whether the success of the most recent negotiations depends wholly on the grant of the applications in suit, bearing in mind that the applicant already has an earlier patent in the same field. Nevertheless I have assumed that at least some financial advantage would accrue to the applicant if the present applications were to progress to granted patents. In weighing the possible hardship I must bear in mind that, as commented by the hearing officer in *Fibre Optics*, the purpose of the comptroller's discretionary power is not simply to prevent hardship, otherwise almost any request for an extension should be allowed. Moreover in the present case, any hardship which may arise would not have been caused by the comptroller's original timetable as such, since at the time the issue was not that the applicant needed longer to reply to avoid hardship, but had simply decided not to proceed with the application.

25. The time frame is another factor which must be taken into account. It is logical that the burden on the applicant to show why discretion should be exercised will increase with the length of the extension sought and the delay in seeking the extension. As remarked by Mr Miller in *Jaskowski's Application*:

"a main purpose of the provision [for setting a period for reply in section 18(3)] is to ensure a smoother flow of amended cases through the Office than under the 1949 Act as much in the interests of applicants as a whole as of the Office."

26. Here, an attempt to revive the application has come almost at the end of the rule 34 period and after a delay of over fourteen months. This implies that the circumstances must be very

exceptional indeed in order to justify the exercise of discretion.

27. Having taken all the above into consideration, I am of the opinion that this is not a case in which comptroller's discretion should be exercised, and accordingly I refuse to allow the requested extension of the period for response to the report under section 18(3) dated 29 February 1996. It follows that under the terms of section 18(3) I refuse the application as a whole.

28. I shall now turn to the question of the divisional application.

29. The relevant provisions governing the time for filing divisional applications are set out in the first part of rule 24(1) which reads as follows:

"Subject to paragraph (2) below, a new application for a patent, which includes a request that it shall be treated as having as its date of filing the date of filing of an earlier application, may be filed in accordance with section 15(4) not later than the latest of -

(a) the beginning of the sixth month before the end of the period ascertained under rule 34 in relation to the earlier application as altered, if that be the case, under rule 100 or rule 110 ("the rule 34 period");

(b) where the earlier application is amended as provided by section 18(3) so as to comply with section 14(5)(d), the expiry of the period of two months beginning on the day that the amendment is filed; and

(c) where the first report of the examiner under section 18 is made under subsection (3), the expiry of the period specified for reply to that report

...."

30. It is clear, in the light of my refusal to allow an extension of time for filing a response to the section 18(3) report on the parent application, that the divisional is filed out of time having regard to the provisions of rule 24 as set out above. There is however the possibility of alteration of this period under rule 110. The applicant has not explicitly requested this, but, as I have remarked above I have interpreted his invocation of rule 110(1) as such.

31. Rule 110(1) states

"The times or periods specified by these Rules for doing any act or taking any proceeding thereunder, other than times or periods prescribed in the provisions mentioned in paragraph (2) below, and subject to paragraphs (3) and (4) below, may be extended by the comptroller if he thinks fit, upon such notice to the parties and upon such terms as he may direct; and such extension may be granted notwithstanding that the time or period for doing such act or taking such proceeding has expired."

32. The time for filing a divisional application under rule 24 is not listed under any of the exclusions or restrictions in the following subparagraphs and the comptroller therefore has the power to vary the period for filing of divisional applications. However, to do so in the present case would effectively circumvent the refusal of the parent application, which itself is a consequence of a refusal to exercise comptroller's discretion. It would thus clearly be inappropriate to exercise the comptroller's discretion under such circumstances, and I therefore refuse to allow the filing of the divisional application.

33. This being a procedural matter, the period for appeal is two weeks.

Dated this 19th day of December 1997

A Howard

A C HOWARD

Principal Examiner, acting for the Comptroller

THE PATENT OFFICE

