

0165/93

PATENTS ACT 1977

IN THE MATTER OF a reference under
Section 12(1) by Giorgio Frossati and
Nei F Oliveira in respect of EP Patent
Application 91306958.9 in the name of
Oxford Instruments Ltd

DECISION

European Patent Application 91306958.9 was filed on 30 July 1991 in the name of Cryogenic Consultants Ltd ("Cryogenic") of Metrostore Building, 231 The Vale, Acton, London W3 7QS, United Kingdom, claiming priority from an earlier application GB 9017011 dated 2 August 1990 and designating the following Contracting States: United Kingdom, France, Germany, Netherlands. The application was published under serial number EP 0470751 on 12 February 1992 naming Giorgio Frossati and Nei F Oliveira as inventors.

On 26 October 1992, the UK Patent Office was notified by the European Patent Office that the applicant had been changed from Cryogenic to Oxford Instruments Ltd ("Oxford") of Old Station Way, Eynsham, Witney, Oxon OX8 1TL, United Kingdom.

Prior to this notification, a reference under section 12(1) was made on 27 August 1992 by Professor Giorgio Frossati and Professor Nei F Oliveira asking the comptroller to determine who is the owner of the rights to the European patent application in suit and for a decision that they are the owners of the rights in the invention forming the subject of the application. They also ask for an award of costs.

According to the statement under rule 7(1) accompanying the reference

"3. It is contended that there was never any Assignment, either express or implied, of the rights in the invention from the Inventors to the original applicants, Cryogenic Consultants Ltd, and hence that any assignment from the liquidators of that company to Oxford Instruments Ltd is void and ineffective.

4. It will be shown that the inventors, namely Messrs Frossati and Oliveira, elicited the help of Dr J Good, the then Managing Director of Cryogenic Consultants Ltd, to obtain a patent on the dilution refrigerator forming the subject of British Application number 9017011.9. They did this because of the existence of an Agreement between Leiden Cryogenic BV, which is a Dutch company partly owned by Professor Giorgio Frossati, and Cryogenic Consultants Ltd whereby Leiden Cryogenic agreed to supply the dilution refrigerator forming the subject of European Patent Application number 91306958.9 to Cryogenic Consultants Ltd. The Agreement contained a clause that if Leiden Cryogenic ceased to manufacture or sell such dilution refrigerators, then Cryogenic Consultants Ltd would be offered a sole licence to manufacture the product paying a royalty to Leiden Cryogenic.

5. It will also be shown that Dr Good duly consulted the firm of Chartered Patent Agents, Messrs Lloyd Wise, Tregear & Co who acted for Cryogenic Consultants Ltd and that that firm prepared a specification for a British preliminary application which was filed as Patent Application number 9017011.9 and from which European Application 91306958.9 claims priority.

6. It will be shown that Messrs Lloyd Wise, Tregear & Co prepared the specification on the basis of notes prepared by the inventors, Messrs Frossati and Oliveira, and that they were always aware that Messrs Frossati and Oliveira were the inventors of the invention forming the subject of British Application No 9017011.9. The application was filed urgently in view of a potential disclosure.

7. Dr Good on behalf of Cryogenic Consultants agreed to file the Application on behalf of the Inventors and to pay the costs of filing the preliminary British Patent Application in order to protect the marketing position of Leiden Cryogenics for the product forming the subject of the application as set out in a Licence Agreement. Cryogenic Consultants was to be reimbursed by deductions from the purchase price of refrigerators bought from Leiden Cryogenics BV. Dr Good believed that in view of the fact that Cryogenic Consultants were paying for the cost of applying for the patent, the Application should be filed in the name of Cryogenic Consultants Ltd

acting, in essence, as trustees for the inventors and gave verbal instructions to that effect on 2 August 1990. There was some confusion of thought but Dr Good felt that the filing of the invention in the name of Cryogenic Consultants would safeguard his payment of the costs of the Application. However, Dr Good never thought that he had ownership in the invention and he was aware that he could not acquire the inventors rights originating in their making the invention, without their written agreement.

8. Messrs Lloyd Wise, Tregear & Co subsequently received instructions to file corresponding applications to British Applications No 9011709.9 (*this number should apparently read 9017011.9*) in, inter alia, Great Britain, Europe and the USA. There was no assignment of the rights in the invention to Cryogenic Consultants. The US Application was filed in the names of Messrs Frossati and Oliveira as the inventors. Despite a request from Cryogenic Consultants, the inventors refused to sign an Assignment of the rights of the invention. The European Application No 91306958.9 which claims priority from British Application 9017011.9, continued in the name of Cryogenic Consultants Ltd for convenience sake and with the full knowledge of Dr J Good, the Managing Director of Cryogenic Consultants Ltd that that company was acting, in effect, as trustees and that they did not own the rights in the application since no assignment or agreement to assign from the inventors to Cryogenic Consultants had at that time (or since) been entered into. However, Dr Good still anticipated that it would be possible that the inventors would agree to give manufacturing rights in the invention to Cryogenic Consultants and that at that time the inventors might assign the rights in the patents to Cryogenic Consultants Ltd.

9. It will be shown that as late as 20 September 1991 Cryogenic Consultants Ltd were still asking the inventors to agree either to total ownership or joint ownership by Cryogenic Consultants in "the patents" on the basis that they had "invested nearly £10,000 in them". However, the inventors never entered into any agreement regarding the ownership and indeed Cryogenic Consultants never paid the "£10,000"

which was due to Messrs Lloyd Wise, Tregear and Co. Nor did the Receivers of Cryogenic Consultants. (The inventors, however, have since paid for the US Patent Application and have agreed to pay for the corresponding European Application.)

10. A Designation of Inventor Form has been filed at the European Patent Office in connection with Application No 91306958.9 in which it is stated that the Applicant (ie Cryogenic Consultants Ltd) have acquired the right to the European Patent from the inventors "under an agreement of unknown date". It will be shown that that is a false statement which should never have been made.

In accordance with rule 7(2), a copy of the reference and statement was sent to both Cryogenic and Oxford under cover of an official letter dated 24 February 1993 allowing a period of two months in which to file a counter-statement under rule 7(3).

In response, the agents acting for both Cryogenic and Oxford informed the comptroller in a letter dated 8 April 1993 that their clients had decided not to file a counter-statement. The letter also contended that no award of costs should be made.

In the light of this response, the referrers were advised in an official letter dated 21 April 1993 copied to Cryogenic and Oxford that the comptroller would consider the reference on the basis that it was uncontested.

Before determining the substance of the reference, I must first satisfy myself that the comptroller has jurisdiction in these proceedings. This being a reference in respect of an application for a European Patent, the relevant provisions are contained in sections 82(2), (3) and (4)(a) of the Patents Act 1977. These provisions read as follows:

"(2) Section 12 above shall not confer jurisdiction on the comptroller to determine a question to which this section applies except in accordance with the following provisions of this section.

- (3) This section applies to a question arising before the grant of a European patent whether a person has a right to be granted a European Patent, or a share in any such patent, and in this section "employer-employee question" means any such question between an employer or employee, or their successors in title, arising out of an application for a European Patent for an invention made by the employee.
- (4) The court and the Comptroller shall have jurisdiction to determine any question to which this section applies, other than an employer-employee question, if either of the following conditions is satisfied, that is to say -
- (a) the applicant has his residence or principal place of business in the United Kingdom; or

From the definition in Section 82(3) of the "employer-employee question", it is clear that the proceedings in suit are not of that nature and, accordingly, fall to be considered under Section 82(4). Since the addresses of both Cryogenic (the applicant at the time the reference in suit was made) and Oxford (the current applicant) are in the United Kingdom, I am satisfied that each has his residence or principal place of business in the United Kingdom as required by Section 82(4). I am therefore also satisfied that the comptroller has jurisdiction in these proceedings in accordance with Section 82.

As regards the substance of the reference, I note that neither Cryogenic nor Oxford have contested either the facts set out in the referrers' statement or the relief sought therein. In the circumstances, in particular the absence of any dispute in the matter, I am satisfied on the basis of their statement of case alone that Giorgio Frossati and Nei F Oliveira, and not Cryogenic Consultants Ltd or Oxford Instruments Limited, are entitled to any right in European Patent Application No 91306958.9 and hereby make a determination to that effect.

Also in the circumstances, I make no award of costs in the proceedings.

Signed this 22 day of JUNE 1993

Principal Examiner, acting for the Comptroller

THE PATENT OFFICE

