

## PATENTS ACT 1977

IN THE MATTER OF a reference under Section 37(1) by Craig Medical Products Limited in respect of Patent No 2083762 in the name of Timbale Corporation NV, formerly Enak Limited

## PRELIMINARY DECISION

A reference under Section 37(1)(a) by Craig Medical Products Limited in respect of Patent No 2083762, which was granted in the name of Enak Limited but which was transferred to Timbale Corporation by virtue of an assignment dated 27 June 1988, was filed on 31 July 1988 contemporaneously with an application under Section 72 for the revocation of the patent. According to the accompanying statement filed under Rule 54(1), the reference under Section 37 "... is being made solely to cover the possibility that the Comptroller of Patents might decide that there was novelty and inventive step in the invention claimed in claim 1 of Patent 2083762." and "In the event that the Patent is revoked as a result of the Application for Revocation, then the present reference under Section 37 will be immediately withdrawn".

In their agents' letter of 9 February 1987 the patentees requested that the proceedings under Section 37 should be deferred pending the outcome of the revocation proceedings and, in response in their agents' letter of 30 March 1987, the referrers raised no objection to this proposal. The stay of the proceedings under Section 37 was confirmed in the official letter of 8 May 1987.

In their letter to the Comptroller of 15 January 1991 the referrers requested the immediate resumption of the Section 37 proceedings which, subsequently, was resisted by the patentees. The official letter of 21 February 1991 expressed the view that it would not be appropriate to resume the Section 37 proceedings until the proceedings under Section 72 have been completed and the referrers, in their letter of 26 February 1991, asked for the official letter to be issued in the form of a decision which could be appealed. Both of the parties declined an invitation to be heard in the matter and the delay in issuing this decision has been occasioned by an appeal to the Patents Court to which I shall refer later.

The referrers argue in their letter of 15 January 1991 that the Revocation Proceedings have been pending for some time and they wish the Section 37 proceedings to go forward so that they can be resolved a reasonable time before the patent (if upheld) lapses. In addition, they point out that the situation regarding the commercial exploitation of the patent has altered considerably since March 1987 when they made no objection to suspension of the proceedings, and the ownership of the patent is now vested in a company located outside the jurisdiction of the English Courts. They also point out that the product of the invention, the "Symphony Ostomy Bag", is now on sale in the United Kingdom, its exploitation is continuing vigorously and it is desirable that ownership of the invention should be settled as soon as possible.

The referrers also express the view that the passage of time causes recollection to dim and important witnesses may die or become unavailable, thus making it impossible for the Patent Office to reach a fair and just decision. They further contend that the suspension of Section 37 proceedings until after the revocation issue has been decided will only save time and money if the entire patent is revoked.

In their further letter dated 30 January 1991, the referrers point out that one of the alleged co-inventors, Mr Samways, died some years ago.

In opposing a resumption of the Section 37 proceedings, the patentees make the general point in their letter of 6 February 1991 that it is both logical and in the public interest that it be decided first whether or not there is an invention before deciding who is entitled to claim ownership of that invention; they take the view that, if the Section 37 proceedings are reactivated at this stage, both the parties and the Patent Office will have to spend both time and money which will have been wasted if the revocation action is ultimately successful.

Commenting upon the specific points made by the referrers, the patentees say that delays in the revocation proceedings have been as much at the instance of the referrers as the patentees and that the referrers were aware that the proprietors were outside the jurisdiction of the English courts in October 1988, and made no objection save for requesting an undertaking for security for costs which they were given.

The patentees admit that the invention has been actively exploited since the middle of 1988 but say that, since the referrers have already served their substantive evidence in the Section 37 proceedings, there should be no difficulty with regard to the recollection of events on the part of their witnesses; they do not see that the death of Mr Samways makes any difference in the dispute over the resumption of the proceedings.

I am mindful of the fact that the revocation proceedings have been pending for some considerable time, as the referrers have pointed out, and that it is also in the public interest that the revocation and entitlement issues should be resolved as soon as possible. Since the referrers submitted their

request for the resumption of the Section 37 proceedings, however, the dispute between the parties over certain procedural matters in the revocation proceedings has been resolved following an appeal to the Patents Court; the outcome of that action is that the evidence stages in the revocation proceedings should be completed by the middle of July of this year and the action can proceed to a substantive hearing shortly thereafter.

I have given careful consideration to the respective submissions regarding the future course of the Section 37 proceedings and I am not persuaded that the balance of the argument lies in favour of lifting the stay at this time. The revocation action should be heard in about 3 months time and, if the referrers are successful in that action, the proceedings under Section 37 would be otiose; on the other hand, if the referrers are unsuccessful, that might be an appropriate time to lift the stay on the Section 37 proceedings notwithstanding the possibility of an appeal on my decision in the Section 72 proceedings.

In summary, therefore, I decline to order the lifting of the stay in the proceedings under Section 37 and I will reconsider the matter when I decide upon the issue of revocation.

There is a final matter with which I must deal concerning the request in the referrer's letter of 2 April 1991 that, in this decision, I should set a firm timetable for the future progress of the revocation proceedings. This request was made before the hearing in the Patents Court, to which I have already referred, when a timetable for resolving the outstanding difficulties with the evidence in the revocation action was agreed. Thus I do not need to make any order concerning the revocation proceedings and that dispute can

proceed to a hearing as soon as the matters agreed in the Patents Court have been completed.

Dated this 14 day of May 1991

A dark, rectangular redaction mark covering a signature.

P J HERBERT  
Superintending Examiner, acting for the Comptroller

THE PATENT OFFICE