

PATENTS ACT 1977

0122/94

IN THE MATTER OF

a reference under Section 8(1)
by SPS (Holdings) Ltd in respect of
Patent Application No. 8926394.1
(Serial No 2226355) in the name of
JGB Steelcraft (Manufacturing) Ltd

DECISION

Application No. 8926394.1 was filed on 22 November 1989 by JGB Steelcraft (Manufacturing) Ltd, claiming priority from an earlier Application, No. 8828164, filed on 2 December 1988, and naming as inventors Joseph Harrison and Brendan Thomas O'Brien. The application was published as GB2226355 on 27 June 1990 and was subsequently granted on 10 February 1993. It relates to the construction of security doors.

On 16 March 1992, SPS (Holdings) Ltd ("the referrers") referred to the Comptroller the question whether they owned the rights in the application in suit. The reference was filed under Section 8(1)(a) of the Patents Act, and, since the grant of the patent, is now proceeding under Section 37, in accordance with the provisions of Section 9.

The referrers claim that they are the beneficial owners of all industrial property rights of Ronald William Watt by virtue of a consultancy agreement and a specific assignment, and they allege that Mr Watt is in fact the true inventor of the invention disclosed in the application in suit. They allege that Mr Watt commissioned JGB Steelcraft (Manufacturing) Ltd, (hereafter "Steelcraft"), to make a door according to a design disclosed in Patent No GB2212542 owned by Mr Watt and subsequently assigned to the referrers, and during discussions between Mr Watt and Steelcraft, Mr Watt disclosed details of improvements to his door, which details now form the basis of the disclosure in the patent in suit.

The referrers have filed two statutory declarations by Mr Watt, and the Patentees have filed statutory declarations by Mr Harrison, who is one of the named inventors on the patent in suit and also managing director of Steelcraft, and by Bernard Greenan and Ian Clark, two employees of Steelcraft.

At a hearing before me on 15 December 1993, Mr R D Arnold appeared as counsel for the referrers, SPS (Holdings) Ltd, and Mr P S Hodge appeared as advocate for the proprietors, Steelcraft.

Two preliminary matters were raised at the hearing. Firstly, Mr Hodge applied on behalf of the referrers for leave to file further statutory declarations by Mr Harrison and Mr O'Brien. Although these declarations were foreshadowed in correspondence between the parties between April and August 1993, they were only given to the patentees two days before the hearing, largely, it seems, as a result of inactivity while a settlement was under discussion. Mr Hodge conceded that the declarations were not decisive, and Mr Arnold, as well as complaining at the delay and the short notice, assured me that the declarations were not confined to rebuttal evidence. It seemed to me that if I admitted the evidence, an adjournment would be necessary, and I considered that the cost and inconvenience of an adjournment was not warranted. Accordingly, I refused to admit the declarations.

Secondly, applications had been made by the referrers to cross-examine Mr Harrison on his statutory declaration and by Steelcraft to cross-examine Mr Watt. Mr Hodge did not resist the application to cross-examine Mr Harrison, and I allowed that application. Mr Arnold handed me a letter from Mr Watt's doctor certifying that Mr Watt was too ill to travel to London for the hearing. Whilst conceding that in the absence of any cross-examination of Mr Watt the weight to be attached to his evidence might be adversely affected, Mr Arnold said that his clients were reluctant to seek an adjournment because of the additional expense but were content to proceed without the benefit of Mr Watt's cross-examination. He sought my direction under Rule 103(2), that Mr Watt need not be cross-examined. Mr Hodge said that although it was his client's wish that Mr Watt be cross-examined, it was also their wish to avoid expense. To maintain the request to cross-examine would increase the expense as

it would involve an adjournment of the hearing, so he withdrew his application to cross-examine Mr Watt. I thus directed that Mr Watt need not be cross-examined.

The field of the invention in this case is that of security doors for unoccupied business or private premises. It is common practice to board up the door and window openings of unoccupied houses and shops to prevent unauthorised access. The simplest form of security screen comprised a number of boards often simply nailed to the door or window frame. These could easily be jemmied off, so to provide better security an alternative form of securing the boards was proposed. This was to clamp them between pairs of joists, one of each pair being located inside the opening, the other outside, the joists being secured together by bolts. Unfortunately, this arrangement could be circumvented by setting a fire under the joists to destroy them, the bolts eventually dropping out and releasing the boards.

To avoid this problem, it was proposed to use joists of steel, preferably channel-sectioned, and either top-hat or C-section. For blocking doorways, it was obviously desirable to have an arrangement that could provide easy access to an authorised person but was an effective barrier to unauthorised persons. Thus the idea of dispensing with the boards and instead pivoting a sheet metal door member to a first member of each of two pairs of channel-section sheet metal clamping members was put forward, and both the Watt and the Steelcraft patents are concerned with such arrangements.

In order to secure the door to the clamping members in its locking position, Mr Watt proposed, in his patent application, to provide the back of the door and one of the clamping members with respective inter-engageable lips, the hinge arrangement being such as to allow the door to be displaced vertically downwards in its closed position to bring about the inter-engagement, locking means being provided to secure the door in its lowered position thus preventing its opening. The hinge arrangement proposed by Mr Watt in his patent is of the double pivot type, a spring being mounted on one of the pivot pins to support the weight of the door, but allow its downward displacement into its locking position.

Claim 1 of Mr Watt's patent No 2212542 reads as follows:

"A security door assembly comprising a panel having inner and outer sides, at least two fastening members fastened to extend from the inner side of the panel, the fastening members presenting free edges facing in the same direction and mounting means comprising at least two first mounting members and at least two second mounting members, the second mounting members each being so interconnected to a first mounting member that an entrance surround of a building can be clamped between the first and second mounting members, the second mounting members having a free edge which can interengage with that of an associated fastening member secured to the inside of the panel, the second mounting members and the fastening members being hingedly interconnected by double pivot hinges which permit the panel to move in a direction within its main plane normal to the free edges of the fastening members secured to the inside of the panel, whereby, when assembled and fitted, the panel can be moved between a first position where the panel can be swung open and closed and a second position where the closed panel is prevented from being swung open by said interengagement of said free edges and the panel carrying locking means operable from outside the panel for retaining the panel in the second position against unauthorised entry."

In their patent, Steelcraft provide horizontally-extending locking bars on the back of the door, and these are engageable in apertured members mounted on the clamping members when the door is in its closed position. More particularly, two pairs of oppositely directed horizontally extending bolts operable by centrally located locks are mounted at the rear of a door of sheet steel. The door is mounted by means of two simple hinges to two C-sectioned clamping members, a further pair of C-sectioned clamping members being attached one to each of the first-mentioned clamping members by adjustable nut and bolt arrangements. These two pairs of clamping members are intended to secure the device within an existing doorway, and when the door is in its closed position, lying against the clamping members, the locks are actuated to project the bolts into apertured keepers mounted in the clamping members.

Claim 1 of the patent in suit reads:

"A security door comprising a door panel and two pairs of mounting members, the door panel being hingedly mounted on the mounting members and the mounting

members forming clamp means to secure the security door in a door frame, retaining means being provided to secure the door panel, in a closed position, to the mounting members, the retaining means comprising retaining bolts provided for securing the door panel to the mounting members at each end of one of each pair."

Turning now to the events giving rise to this dispute, some time early in 1988, Mr Watt, a Chartered Architect, approached Steelcraft through his associate Mr Laird, to commission them to manufacture a door according to that disclosed in his patent, that is, a door of the type which requires a vertical displacement to effect locking. A critical feature of such a door is the design and manufacture of the hinges, and in the original Watt design, double-pivot hinges were specified, the latter each incorporating a spring to bear the weight of the door. It is Mr Watt's evidence that because of the difficulty in manufacturing such a hinge arrangement, he proposed a simple single pin hinge and details of this were communicated in a drawing to Steelcraft on 9 May 1988.

Mr Watt states that he proposed these modifications for discussion at a meeting with Steelcraft that had been arranged for 13 May 1988. He goes on in his declaration to say that he continued to give thought to the problems presented by his door design, and on 11 May 1988, he devised a new design which he put down in a sketch on that day, and this design was discussed with Steelcraft at the meeting on 13 May but was not pursued. In his first declaration Mr Watt has exhibited a drawing (exhibit RWW2), bearing the date 11 May 1988, which he asserts was the drawing he discussed with Steelcraft on 13 May 1988. This drawing shows a door on the rear of which are mounted horizontally-extending sliding bolts engageable, when the door is closed, in apertures in flanges mounted on the channel-sectioned clamping members. This, in essence, is the securing arrangement used by Steelcraft in the patent in suit.

Mr Watt goes on to say that he took delivery of a security door having a single pin hinge arrangement in June 1988 for demonstration to potential clients. About this time, Mr Watt and Steelcraft fell out over financial matters and so the liaison between them came to an end. Some months later, on 2 December 1988, Steelcraft filed an application for a patent, and that application provides the priority for the patent in suit.

Mr Harrison states in paragraphs 2 and 3 of his declaration that at the time that Mr Watt approached Steelcraft to make a security door to his design they were already in the process of manufacturing a prototype security door for testing by a neighbouring company, McLauchlans. He claims that he wrote a letter (exhibit JH1 is a copy of the letter) to Mr Watt on 4 February 1988 warning him of this fact, considering that it was necessary to do so in case Mr Watt felt his position might be compromised by this possible conflict. It is also Mr Harrison's evidence that Mr Watt saw the door that was being made for McLauchlans on his visits to the Steelcraft factory. Mr Watt denies receiving the letter. He states that if he had, he would not have had dealings with Steelcraft. He also refutes the suggestion that he saw the other door at Steelcraft's factory.

Mr Harrison claims that this door had a locking arrangement corresponding to that in the patent in suit, and has filed as evidence to support this contention a drawing (exhibit JH3) he says he made of the McLauchlans door shortly before it was delivered in May 1988. Although the drawing is undated, Mr Harrison says he is sure it was made in April 1988, a few weeks before the door was delivered, to record the essential constructional details of the door should they need to make another, there being no documentary details of the construction at that time. Mr Harrison stated under cross-examination that the door had been developed because existing security doors were heavy and had unsatisfactory locking arrangements. He proposed manufacturing a door from folded sheet metal to reduce its weight and he got the idea of the sliding bolt locking arrangement from the locking arrangement used on roller shutters installed at Steelcraft's premises.

Regarding the modification to the hinges put forward by Mr Watt in his note dated 9 May 1988 (JH7) and drawing of 5 May 1988 (JH8), Mr Harrison agreed in his declaration that he had received such a drawing, but argued that the ideas were suggested to Mr Watt by Steelcraft, and Mr Watt had subsequently put them forward as his own.

Mr Harrison denies having seen Mr Watt's drawing dated 11 May 1988 showing the horizontally-extending locking bolts (exhibit RWW2) prior to the commencement of the present action in March 1992. In any case, it is Mr Harrison's contention that Steelcraft had already manufactured a door having such a locking arrangement, the door being

manufactured for McLauchlans, and was in fact delivered to McLauchlans on 10 May 1988. To support this claim, besides the drawing JH3 already referred to, statutory declarations have been made by two Steelcraft employees, Bernard Greenan and Ian Clark, who both state that they were involved in the production of a security door for a customer other than Mr Watt during a period commencing in December 1987, and a work card (exhibit JH5) and job identification sheet (exhibit JH6) have been filed in evidence to support their assertion that a door was delivered to the customer, McLauchlans, on 10 May 1988.

Before I proceed to consider the various conflicts of evidence, I should consider the matter of what relative weights I should attach to the evidence of Mr Watt and Mr Harrison. I am aware, of course, that in ruling that Mr Watt need not be cross-examined, there has been no opportunity for his evidence to be directly tested before me. Mr Hodge drew my attention to *Loewy Engineering Co's Application (1952)69RPC3* in which a witness declined to attend a hearing despite an offer by the party wishing to cross-examine him to pay his costs. In giving leave for the declarations to be received and read, the Comptroller held that the failure of the respondent to present himself for cross-examination and have his evidence tested in court should be a factor in assessing the weight to be given to his evidence. In that case, the Comptroller said of the witness's written evidence (at page 7, line 31 of the report) that

"... it is not clear whether he is really suggesting that all or any of these particular inventions in dispute in the present case were really made by him other than in the course of his work for the company or, if so, which inventions were so made....I must note that he did not put this matter in issue in his counter-statement, or at any stage before he filed his second declaration out of time, and that he has not presented himself for cross-examination, and I cannot in these circumstances accept a vague statement of this kind in the second declaration, unsupported by any other evidence, as negating the company's suggestion that the inventions arose during the course of design work during a particular project to which they directed the respondent."

The failure of the witness to appear for cross-examination was therefore only one of a number of factors that led the Comptroller to prefer the company's case. Nonetheless, it is in my view, a factor I can take into account, though Mr Watt's circumstances are quite different from the witness in *Loewy's application*. His evidence is given clearly in his

declarations, and he has a credible excuse for not attending for cross-examination. On the other hand one hopes to be able to assess, as a witness gives oral evidence, how reliable that evidence is with greater accuracy than by reading his statutory declaration. If a witness gives answers under cross-examination which are credible and entirely consistent with his written evidence, it would be contrary to human nature not to have more confidence in his evidence than in that of a witness who has not been tested in that way. Of course a witness in person also takes the risk that his evidence will be shown to be implausible or inconsistent.

Mr Arnold described Mr Harrison as an evasive witness, and submitted that I ought to prefer the evidence of Mr Watt, who was independent of the referrer company, not a manufacturer (that is to say, not a competitor of the proprietor), and a professional man. I do not regard these three factors as of any weight. I know little of the relationship between Mr Watt and the referrer, except that they are the inventor and assignee respectively of Patent No 2212542; I do not think I can assume that there is no moral or legal obligation on Mr Watt to assist the referrer, whether in its role as a patentee or as a manufacturer. I also know of no recognised practice of preferring the testimony of professional persons such as architects to that of the owners of small businesses.

The first major point of divergence in the accounts of Mr Watt and Mr Harrison concerns the letter of 4 February 1988 (JH1). Mr Harrison says he sent it, but Mr Watt says he did not receive it. Much has been made of the fact that the copy retained by Steelcraft appeared to be on headed paper. Under cross-examination, Mr Harrison explained that paperwork at Steelcraft is something of a jumble, and suggested that in this particular instance the original copy was photocopied before signature to provide a file copy. It was suggested by Mr Arnold that the letter had been created later to give credence to the suggestion that Steelcraft were working on their own design of security door at the same time as working on Mr Watt's design. There may be a number of plausible reasons advanced to explain why Mr Watt did not receive this particular letter, and, although I am prepared to accept Mr Watt's word that he did not receive it, I do not necessarily believe that the reason for this was that the letter was not written. For example, the letter may simply have been lost in the post, or, given the haphazard way in which Steelcraft organises its paperwork, the letter might not have been posted at all.

Pursuing the matter of whether or not Steelcraft were working on two different security doors at the same time, Mr Harrison's evidence is that the two were side-by-side on Steelcraft's premises and they would have been seen by Mr Watt. On the other hand Mr Watt denies ever having seen any security door on the premises other than the one being fabricated for him. It is not clear how many visits Mr Watt made to Steelcraft. The evidence is that he was there on 13 May 1988, but Mr Harrison says that by that date, the door being made for McLauchlans had already been delivered so was no longer on the premises. It is not clear from Mr Harrison's evidence for what period of time the alleged two doors were to be seen side by side, and it seems to me perfectly possible that Mr Watt did not visit Steelcraft during that period. To accept that there was only a single door, I should have to conclude that the evidence of Mr Harrison, Mr Greenan and Mr Clark is incorrect. I must confess that I do find it surprising that the only evidence that has been put in to corroborate Mr Harrison's account of the existence of this other door is the drawing JH3, the time card JH5 and the job sheet JH6. Nevertheless, given the nature of operations at Steelcraft, as described by Mr Harrison, with its somewhat haphazard documentary records, I am satisfied that Steelcraft produced a door for Mr Watt and a door for McLaughlans.

Considering now the sequence of events in the fabrication of the door for Mr Watt, there is no dispute that modifications were made to the original design. The difficulty of making the double pivot hinges led to a proposal that a single pin hinge be substituted. Mr Watt claims to have made this proposal, though Mr Harrison says that the idea originated with Steelcraft. In any event, it is not in dispute that the door manufactured by Steelcraft for him incorporated single pin hinges. The proposal to go further to a simple hinging door secured by multiple sliding bolts engaging keepers on the clamping members is also claimed by Mr Watt, and he has filed a copy of his sketch RWW8 which is dated 11 May 1988, to support his claim.

In response, Mr Harrison says that by that date Steelcraft had manufactured and delivered a door incorporating the relevant locking arrangement to McLauchlans for testing and assessment. This claim is corroborated by Mr Harrison's drawing JH3 - undated but said by Mr Harrison to have been drawn in April 1988 - and the time sheet JH4 and job sheet JH5. It is possible of course that Mr Watt and Mr Harrison each thought of the multiple

sliding bolt arrangement independently. Again, it may be that Mr Watt picked up the idea subconsciously from the Steelcraft premises. I note in passing that the drawing RWW2 of Mr Watt and the drawing JH3 of Mr Harrison are remarkably similar. Mr Watt's explanation for that is that Mr Harrison copied his drawing; Mr Harrison's explanation was given most clearly is the following extract from his cross-examination by Mr Arnold for the referrers:

"Q. So it is correct that you proposed modifications to the hinge which you regarded him as having pinched? A. The object of this crib was the way that Ron Watt did business all the time. He would come and speak to us on a regular basis when he was completely bankrupt of ideas. We would suggest several possible solutions. He would go away. The following morning a fax would come through saying "Here we are", and he would draw a sketch for it and in the corner "copyright" would appear."

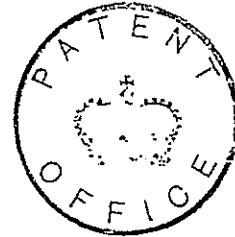
Mr Harrison went on to give another specific example.

The evidence in this case is not as full as one might hope. Mr Harrison and Mr Watt give inconsistent accounts of the material sequence of events, which occurred mainly in April and May 1988, and I would have found it helpful to have heard Mr Watt's account from the witness box. In addition, it seemed to me that there might well be documents that could corroborate one account or the other. I had these matters in mind when considering the two preliminary applications, but both counsel told me that their clients were modestly sized companies which did not want the expense of an adjournment. I was surprised by a number of the matters of which Mr Harrison gave evidence. I mention here the lack of documents relating to the manufacture of the door for McLauchlans, and the absence of any dimensions on the drawing JH3, despite the fact that its purpose was said to be to enable the door to be replicated should the need arise. Nevertheless I consider Mr Harrison to be an honest witness, whose occasional lapses I attributed to the length of time since the events he was being questioned about. I have therefore accepted his evidence on these points.

In my view Mr Harrison's account is the more credible, and I am satisfied that Steelcraft had been working on the McLauchlan prototype for some months prior to 11 May 1988 - the date of drawing RWW2 - and that this prototype incorporated multiple sliding locking bolts.

In consequence, I find that the referrer, SPS (Holdings) Ltd, has failed to satisfy me that Mr Watt devised any part of the subject matter of Patent No 2226355, and I make no order in these proceedings, except in respect of costs. I award the proprietor JGB Steelcraft (Manufacturing) Ltd the sum of £900 as a contribution to its costs, and direct that this sum be paid to it by the referrer SPS (Holdings) Ltd.

Dated this 7 day of February 1994



W J LYON

Superintending Examiner, acting for the Comptroller

THE PATENT OFFICE