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**PATENTS ACT 1977**

IN THE MATTER OF an application under Section 72 by Stolt Comex Seaway A/S for the revocation of European Patent (UK) No 0478742 standing in the name of Coflexip

**PRELIMINARY DECISION**

European patent (UK) No 0478742, which relates to the laying of flexible conduits from floating supports, was granted by the EPO on 19 July 1995. On 25 July 1995 Stolt Comex Seaway A/S filed an application under Section 72 for revocation of the patent. At the same time they filed at the European Patent Office a Notice of Opposition to the grant of the corresponding European patent.

The application for revocation was accompanied by copies of documents, apparently intended to serve as a statement. These included a copy of the Reasoned Statement filed with the Notice of Opposition at the EPO, setting out the grounds of lack of inventive step being relied on. On 9 August 1995, the Office wrote expressing the prima facie view that this failed to satisfy the requirements of Rule 75(1) and in response, on 14 September 1995 the applicants filed an amended statement. This took the form of a revised version of the Reasoned Statement, reworded so as to be directed to an application to the Comptroller for revocation but unchanged in substance.

A further letter from the Office on 2 October 1995 raised questions concerning the clarity of the grounds relied upon in the amended statement.

On 16 October 1995 the applicants requested a stay of proceedings pending the outcome of the European opposition.

The proprietors opposed a stay in their agents' letter dated 2 November 1995. They argue that the applicants should withdraw the application and that there should be an award of costs

against them to take account of the unnecessary trouble and expense the proprietors have been put to in instructing United Kingdom patent agents and preparing to respond to the Statement.

In their agents' letter dated 7 December 1995, the applicants indicated that they had no intention of withdrawing. As both parties have indicated in letters dated 18 and 19 January 1996 that they do not wish to be heard in the matter, it falls to me to decide the matter on the papers before me.

The proprietors stated in their agents' letter of 2 November 1995 that they are on the point of commencing infringement proceedings in the High Court against the applicants and/or another company in the same group. They say a letter to this effect was sent to the applicants on 28 July 1995 and in response, the applicants indicated that they would plead invalidity as a defence. In their letter dated 7 December 1995, the applicants state that if the threatened infringement proceedings were brought, they would request that the present application for revocation be transferred to the Court.

However, infringement proceedings have not, to my knowledge, been commenced as yet and in deciding on whether to stay these revocation proceedings, it would be wrong of me to assume that they will be.

Before considering the particular facts of this case, I will consider what effect a stay might have on the time and expense involved in the proceedings, whether there would be any adverse effect on the public interest, and whether the proceedings might be more appropriately dealt with by the Comptroller or the Opposition Division of the EPO.

Turning first to the question of time, if I were to stay the Section 72 proceedings and the EPO were to find against the proprietors, that would be an end of the matter as the European patent would then be revoked in all designated states. However, if the European patent were found valid, revocation proceedings before the Comptroller, if resumed, would have been subject to some considerable delay whilst the EPO reached their decision. There is, therefore, a possibility of prolonging the proceedings by ordering a stay.

As regards expense, unnecessary cost and duplication of work would be avoided if I were to stay the Section 72 proceedings and the EPO were to find the European patent invalid as only one set of proceedings would then have been necessary. However, if the EPO found the patent valid and proceedings before the Comptroller were resumed, there would be no saving. Thus, there is the possibility of avoiding unnecessary expense by ordering a stay. However, it is accepted by the parties that the technical issues in the European opposition and in the Section 72 proceedings will be the same. As such, any additional costs and duplication of work associated with separate proceedings before the Comptroller and the EPO will be reduced but will still be substantial.

An early decision on the validity of the European patent (UK) is clearly in the public interest. As regards the likely timing of a decision from the Comptroller, the applicants have yet to satisfy the Office that their amended statement meets the requirements of Rule 75 (1). Once they have done so, the proprietors will have two months in which to file a counterstatement. The applicants will then have two months in which to file evidence in support of their case, after which the proprietors will have two months in which to file their evidence. The applicants will then have a further two months in which to file evidence in reply.

Thus, although the proceedings before the Comptroller are at an early stage, assuming the above timetable is strictly adhered to, a hearing could be appointed and a decision issued as early as about the end of this year. This is somewhat earlier than a decision would be likely to be handed down by the Opposition Division of the EPO. Even if there were to be some slippage in the timetable, it is likely that a decision would be forthcoming from the Comptroller before a decision from the EPO.

As to whether the Comptroller or the EPO might be a more suitable forum for deciding the validity of the patent, both have jurisdiction to decide revocation on the grounds of lack of inventive step. Moreover, I note that neither party is based in the United Kingdom. The proprietors are based in France and the applicants in Norway. There is no reason why both the Comptroller and the EPO are not equally appropriate and convenient fora for determining the validity of the patent effective in the United Kingdom.

Now considering the particular facts of this case, the applicants have not explained why they instituted parallel proceedings before the EPO and, albeit imperfectly, before this Office, and then sought to stay the latter proceedings. There seems little, if any, point in such action especially since no time period is prescribed in which to institute revocation proceedings in this country. Such action verges on abuse of process causing unnecessary work for the proprietor and for the Comptroller.

As the proprietors have not agreed to the stay it would not be proper for me to order it. To do so would be to condone the action taken by the applicants in the absence of any satisfactory explanation.

Proceedings before the Comptroller, as in litigation before the courts, should be conducted expeditiously and in proper form. As indicated above the revocation application was not accompanied by an actual statement setting out fully the facts relied upon. The statement which was filed on 14 September 1995 gave rise to an objection by the Office of lack of clarity and the applicants were asked to file a satisfactory statement by 16 October 1995. On that date the applicants sought an extension of time until after the question of stay has been determined. Requests for extension of time should be sought in advance of the end of the specified period.

Since I have decided not to stay these proceedings, the applicants should file an amended statement in duplicate setting out fully, *and clearly and consistently*, the grounds of revocation within three weeks of the date of this decision. If the statement is not filed the application will be treated as withdrawn by not being properly launched.

The proprietors have sought costs. If this application is so treated as withdrawn then clearly the proprietors are entitled to costs. Having regard to the scale of costs which as a matter of custom guides the Comptroller in awarding costs, an award of £200 to be paid to the proprietors would be appropriate. Since the applicants have provided to the Office a cheque for £900 in respect of security for costs, I hereby direct that if the application is so treated as withdrawn, the sum of £200 will be paid by the Office to the proprietors with the remainder - £700 - of the security being refunded. If on the other hand this application is proceeded with, then the issue of costs will be deferred until the conclusion of the proceedings. However, at

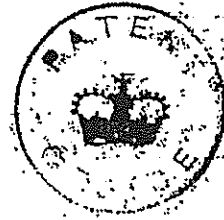
that time it would be appropriate for the extra costs incurred by the proprietor by the action, or, perhaps more correctly, inaction, of the applicants to be taken into account in assessing the final sum.

Since this is a matter of procedure, the period for appeal under Order 104, rule 19(2) of the Rules of the Supreme Court is 14 days from the date of this decision.

Dated this 26 day of February 1996

B G HARDEN

Superintending Examiner, acting for the Comptroller



THE PATENT OFFICE