

BCC / 073 / 95

PATENTS ACT 1977

IN THE MATTER OF an application
for the restoration of Patent No
2166482 in the name of Marcel J
Paulus (deceased)

DECISION

The renewal fee in respect of the eighth year of the patent was not paid by the due date of 29 May 1992 or in the following six months as allowed under section 25(4) upon payment of an additional fee. The application for restoration was filed on 10 May 1993 well within the period prescribed under rule 41(1). Evidence in support of the application was supplied over a lengthy period of time and consists of a statutory declaration by a Mr Dow (filed on 24 August 1993), a first affidavit filed by Dr Edmund Paulus, who is a surgeon resident in Canada and the eldest son of Mr Marcel Paulus, (filed on 2 November 1993) and a second affidavit by Dr Edmund Paulus (filed on 24 June 1994).

In a letter dated 12 July 1994 the Office expressed the view that there was insufficient information in the evidence to satisfy the Comptroller, as required by section 28(3), that the proprietor had taken reasonable care to see that the renewal fee in question was paid within the prescribed period. After considerable further delay the matter came before me at a hearing on 24 March 1995 at which the applicant for restoration was represented by Mr Anthony Burrows, a Chartered Patent Agent.

I have to say at the outset that this application presents a most unusual combination of circumstances. Marcel Paulus resided in Iraq and it was there that he first met Mr Dow who was on a business trip to that country. The two became friends and Mr Dow agreed to act as address for service in respect of the patent. Under this agreement, which continued until 1990, Mr Dow would pay the annual renewal fee and would be reimbursed either by Marcel Paulus or by one of his family (Marcel Paulus also had two younger sons Stanley and Antoine who, it would appear, lived outside Iraq). It is not clear exactly what arrangements

were in place to ensure that the renewal fees were paid, but there was clearly some sort of system because the fees were paid successfully by Mr Dow in 1989 and again in 1990 when Mr Dow was reimbursed by Stanley Paulus who was on a business visit to London at the time.

Mr Dow believes he received a reminder from the Patent Office concerning the renewal fee due on 29 May 1991 which caused him to telephone the Office to explain that, since the Gulf War, there was no way in which he could contact the patentee in Iraq, that he did not know how to contact any of his relatives outside Iraq and that he was unwilling to incur any personal expense since he could not see how he would be reimbursed. However, the Office informed Mr Dow that payment of the renewal fee had been received in the meantime. In fact the fee and an accompanying Form 12/77 had been filed by Dr Edmund Paulus on 31 May 1991. Dr Paulus cannot recall reliably how he came to make that payment, but thinks it likely that his father had telephoned him to ask him to do so and had supplied the Form 12/77. This was Dr Edmund Paulus's first contact with the patent system and as far as he was concerned he was simply making a one-off payment to assist his father.

Marcel Paulus died on 25 October 1991, By a decision of a judge in the Court of Personal Affairs in Iraq dated 22 June 1992, the estate, which would have included the patent, was divided between the three sons, the widow and the only daughter of the deceased.

Mr Dow received the Patent Office reminder that the renewal fee which fell due on 29 May 1992 was overdue and in response he telephoned the Patent Office to explain that, insofar as he was concerned, the situation had not changed since 1991. At the time he was not aware that Marcel Paulus had died. Mr Burrows made the point that at this juncture the Office could have done more, for example by writing to Edmund or by suggesting that Mr Dow should send the reminder on to Edmund. In my view the Office acted entirely in accordance with its statutory obligations, and although it is easy with hindsight to suggest other actions which the Office might have taken, I doubt that the fact of Edmund's involvement in the payment of the renewal fee in 1991 would have been apparent at the time this telephone call was being dealt with, and of course the Office was similarly unaware that Marcel Paulus had died.

Mr Burrows explained that in Iraq it was customary for the position of head of family to pass to the eldest son upon death of the father and for the family to gather together on the first anniversary of the father's death. This, according to Mr Burrows, happened in this case, and it was not until the gathering took place with Edmund around October 1992 that the rest of the family would have been made aware of the existence of the patent. That may well be so. Stanley, who had reimbursed Mr Dow for the renewal fee in 1990, may not have known what the reimbursement was for. Edmund, on the other hand, must have known that the patent existed because he had paid the renewal fee in 1990, but he had not realised that renewal fees were due annually.

I do not believe that until the decision of the Court of Personal Affairs had been received the entire estate of Marcel Paulus would have been completely untouchable in the sense that there was no means of finding out what was comprised in the estate or that no-one had the power to attend to routine day-to-day matters. However, if it be the case that none of the heirs of the estate of Marcel Paulus was able to act until the decision of the Court had been received, there would still have remained sufficient time for any member of the family who inherited part of the estate to discover that renewal fees were due annually on the anniversary of the date of the patent and to pay the fee before the end of the grace period. That would still be so even if the existence of the patent had not been made known to them until the family gathering took place.

Section 28(3) requires the comptroller to order restoration of a patent if he is satisfied that

(a) the proprietor of the patent took reasonable care to see that any renewal fee was paid within the prescribed period or that that fee and any prescribed additional fee were paid within the six months immediately following the end of that period.

In the case of Atlas Powder Co's Patent No 1593163 (to be reported) Aldous J (as he then was) expressed the view:

"that section 28(3) is concerned with the steps a proprietor takes to see that renewal fees are paid. Its aim is to allow restoration in circumstances where something goes

wrong with a proper system set up to pay the appropriate fee. It is not there to alleviate proprietors from decisions not to pay the fees, even though such proprietors may have taken reasonable care to come to a correct decision."

The Atlas Powder case was one in which a decision not to pay a renewal fee had been made on the basis of incomplete information. An appeal against the judgement of Aldous J has recently been dismissed by the Court of Appeal.

Mr Burrows submitted that if Marcel Paulus had failed to pay the renewal fee because of the difficulties of communication, there would have been a case for restoration, and the case before me should be even better in respect of the heirs who had been left with the responsibility of paying the first renewal fee after Marcel's death. While I can accept it as likely that the first part of the submission might be correct, I do not believe the second part is a proper extension of the first. It may not be clear exactly what system Marcel Paulus had for seeing that the renewal fees were paid, but there clearly was a system which had been made to work. Mr Dow, before Marcel had died, had effectively opted out of the system because he found his position impossible. Nevertheless Marcel managed to pay the 1990 fee via Edmund. If he could do that from within Iraq I find it difficult to accept that his sons who were outside Iraq would have had greater difficulty. The plain fact is that the fee was not paid because no-one made any attempt to pay it.

Mr Burrows also referred me to an unreported Office decision in the case of Whiteside's Patent No 1467044 (SRIS 0/44/84) in which the hearing officer made the comment:

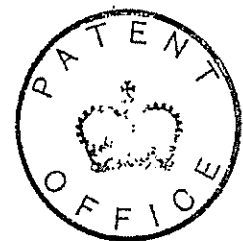
"If this had been the first renewal due since her husband's death, Mrs Whiteside might possibly have been excused for being unaware of the results of the failure to pay the fee. However, as I have explained the 1980 and 1981 fees were paid in response to reminders..."

I do not consider that comment to further the present application at all. Restoration in Whiteside was refused because Mrs Whiteside had cut herself off from the reminder system by going abroad and not leaving a forwarding address or specific instructions to renew. The

comment reproduced above to my mind is more in the nature of "she did not even have that as an excuse" rather than an expression of opinion that restoration would have been allowed if it had been the first renewal fee after her husband's death which had been missed. In any event, things have moved on since 1984 when that decision was made, and it seems clear to me that in considering whether or not the requirement for restoration has been met it is the actual actions of the proprietor in setting up and operating a proper system to ensure payment of the fee which are of primary importance.

It is quite clear in the present case that Marcel's system collapsed completely when he died and no alternative arrangements for maintaining the patent were introduced even though at least one member of the family had known of the existence of the patent since May 1990 or earlier. No serious consideration was given by the new joint proprietors as to what to do about the patent until after the final date on which the renewal fee could be paid had passed. In particular the eldest son Edmund, following the death of his father, had not taken any steps to discover anything about the patent, no doubt because of the considerable demands made on him as a surgeon. In view of this, I do not consider that the requirement of taking reasonable care to see that the renewal fee was paid can possibly be regarded as having been met. Therefore, despite the very unusual circumstances of the case, I have no alternative but to refuse to order restoration.

Dated this 25 day of April 1995



K E PANCHEN
Superintending Examiner, acting for the Comptroller

THE PATENT OFFICE