

PATENTS ACT 1977

IN THE MATTER OF a reference under section 37(1) by Mrs Aline Rosemary Holmes in respect of UK patent No. 2280345 in the name of Gordon Lee Baldwin

SECOND PRELIMINARY DECISION

1. On 19 November 1996 Mrs Aline Rosemary Holmes ("the referrer") filed a reference under section 37(1) of the Patents Act 1977, together with a statement in which she claimed that she was the true inventor of a non-slip mat for use under saddles in horse riding, the mat being one of two embodiments claimed in UK patent No. 2280345. She asked that the comptroller make a determination to this effect. UK patent No. 2280345 was granted on 3 April 1996 to Gordon George Baldwin ("GGB"), however the applicant and inventor named at the time the patent application was filed was Sidney Arthur Arnold ("Arnold") who later assigned ownership of the patent application to GGB on 10 April 1993.

2. The present proprietor, Gordon Lee Baldwin ("GLB"), who is the son of GGB and to whom GGB further assigned the patent on 18 October 1996, has requested discovery of documents at a very late stage, after the rounds of evidence have been completed and after the Patent Office had informed the parties in a letter dated 12 August 1998 that the case was in order for the substantive hearing. Following the proprietor's request for discovery the referrer has also asked for discovery of documents, in the event that I should be minded to grant discovery to the former. It is to this matter of two way discovery that this decision relates, a preliminary hearing having been held via the video link on 10 March 1999. Mr Penny appeared as counsel for the proprietor at the hearing and Mr Brown, patent agent with Alpha & Omega represented the referrer.

3. At an earlier date, on 25 September 1997, the parties came before me at a first preliminary hearing concerned with section 37(8) and I decided not to exercise the Comptroller's discretion to decline to deal with this action. In my decision of 21 October 1997, following the first preliminary hearing, I allowed the parties four weeks in which

to file written submissions regarding any proposed directions involving discovery and disclosure, which Mr Penny had indicated that he would be seeking if I found against him on the section 37(8) point. In the event only the referrer wrote to the Patent Office in the specified time period saying that full discovery, full disclosure etc would "merely add to the cost of this case without benefiting either party". In the absence of any request at this stage on behalf of the proprietor, evidence rounds took place as normal.

4. Subsequently to this, the proprietor requested discovery and, after being requested to further particularise the discovery sought, he revised his request to embrace six classes of documents connected with proceedings in the Exeter County Court, case No. 9301841, and with proceedings in the High Court of Justice, case No. 1993 L No. 750. These two court cases both involved the referrer and Arnold and also a company called Limpet Safety Products Limited, with which both the referrer and Arnold were involved.

5. In response, the referrer has asked for discovery of all the file correspondence concerning the filing and prosecution of the application for the patent in suit, including the initial filing instructions in respect of the priority application GB 9202980.

6. This case is unusual in that some of the documents requested by the proprietor under discovery have already been filed on his behalf as annexes 6 and 7 in connection with his counterstatement, but many of the documents filed as annex 6 are faint and the Patent Office has asked the proprietor on several occasions to file clear copies. However, as Mr Penny confirmed at the hearing, the documents connected with the Court actions are not in the possession, custody or power of the proprietor but in the possession, custody or power of the referrer, and hence the proprietor is not in a position to provide clear copies. Mr Penny indicated to me that it was in fact Arnold who had provided the proprietor with the copies which formed Annexes 6 and 7.

7. Mr Penny drew my attention at the hearing to the fact that serious allegations have been made against Arnold. Indeed, I am aware that there are self-contradictory statements, statutory declarations and affidavits by Arnold on file in connection with this section 37 reference. Mr Penny said that when the matter came to a substantive hearing he would like, under cross examination, to put to Arnold questions about statements made in the two Court actions, as they appeared to be relevant to the inventorship issue. He made it clear to me that he was particularly concerned with receiving disclosure of documents concerned with the Exeter County Court case in view of the lack of clarity

of the copies filed but that he was also interested in documents concerned with the High Court case in so far it would enable the proprietor to know for sure that he had the full set of relevant documents in the High Court case. Mr Penny also gave, by way of example of relevant documents in Annex 6, the affidavit by Holmes (page 10 of Annex 6), saying that the proprietor would have some questions to ask about that affidavit, particularly paragraph 4, in order to establish what had happened in 1991 and 1992. Mr Penny argued that I should order discovery because the documents requested were potentially relevant and necessary for me to fairly dispose of the reference.

8. At the hearing itself the classes of documents in the possession, custody or power of the referrer that were requested under discovery by the proprietor were considerably reduced from six to three, these three being -

With regard to the proceedings in the Exeter County Court, case No. 9301841 copies of the following -

- (i) all pleadings, exhibits, orders and affidavits
- (ii) all party to party correspondence
- (iii) all other relevant documents including client and solicitor correspondence, except where privilege is validly claimed.

And with regard to the proceedings in the High Court of Justice, case No. 1993 L No. 750, copies of the documents given in (i) (ii) and (iii) above, save for those already present in annex 7.

9. Presently, copies of the Exeter County Court case and the High court case are merely exhibits connected with the counterstatement, rather than documents filed as evidence and I asked both sides to address me on how, should I be mindful to order discovery, any discovery documents should be viewed. Both Mr Penny and Mr Brown agreed that any documents disclosed under a discovery order should have the same legal standing as documents filed in the evidence rounds and I consent to this.

10. As far as the referrer's request for discovery of documents concerned with the filing and prosecution of the patent applications is concerned, Mr Brown made it plain to me that if I did not see fit to order discovery on behalf of the proprietor he would withdraw the referrer's request for discovery. He wished to resist the discovery requested by the proprietor and said that the main aim of the referrer was to get this section 37(1) reference to a substantive hearing as quickly as possible. Mr Brown drew to my attention that, in the referrer's opinion, the other side had unduly held things up, that my decision of 21 October 1997 had set out the procedure to be adopted over discovery and the other side had not complied with it.

11. I am very aware of the late stage at which this discovery has been requested. When I asked Mr Penny why the opportunity given in my preliminary decision of 21 October 1997 was not taken up by the proprietor, he told me that he could not specifically answer, but that while the evidence was being drawn up, which included a large number of statutory declarations, it seems that the eye was taken off the ball as far as discovery was concerned. He apologised profusely, saying that his side had not intentionally held things up. I consider that the reason given is poor.

12. However, promptness of the request for discovery does not appear in the Rules of the Supreme Court as a necessary qualification for the success of the request. I am moreover aware of the dictum of Mr Justice Whitford in Poseidon Industri AB v Cerosa Limited and others [1975] FSR 122 that "it is of course thoroughly undesirable that applications of this kind (for discovery of documents in an infringement case) should be made as late as this application was in fact made (a few days before the main issue was due to be heard), but mere lateness in my view, should not necessarily exclude from consideration by the court any document which is in fact going to be of assistance in the determination of the matters which the court has to decide".

13. It is highly desirable that this section 37(1) reference reach a substantive hearing as soon as possible and, in view of this, I asked both parties whether, if I was mindful to order discovery, they would be happy with a 28 day period in which to provide copies of the requested documents followed by a 28 day in which to provide, if they wished, submissions including, possibly, witness statements about the discovered documents. Both sides agreed to this time scale, Mr Penny offering a reduction to 14 days for the filing of submissions, to which Mr Brown agreed.

14. With regard to the substantive hearing, both Mr Penny and Mr Brown agreed that it should be possible for this to take place no later than June 1999 and that the hearing could be expected to last for about three days.

Findings

15. As I indicated at the hearing, it seems to me that the documents requested by both sides do relate to the matter in question in the proceedings, namely inventorship, and that disclosure is necessary for me to dispose fairly of the proceedings. Thus, as I also indicated at the hearing and in spite of the lateness of the request, I will make orders for discovery consistent with this finding, but I shall set tight and short time limits for the

filing of the discovered documents and for the filing of submissions resulting from the filed documents and I shall expect the substantive hearing to take place no later than June 1999. I will not extend these time limits except for a good reason.

16. There is clearly the matter of privilege to be considered in connection with the referrer's request for discovery, and this is complicated by the fact that there have been many proprietors during the prosecution of this patent and that privilege can only be waived by the owner. Section 280 of the Copyright, Designs and Patents Act 1998 states that party and patent agent correspondence is privileged, just as solicitor and party correspondence is privileged under the Rules of the Supreme Court. Mr Penny was unwilling to commit himself at the hearing in this regard. Mr Brown, however, indicated that Arnold might be willing to waive privilege, but that Custom House Trust Corporation Ltd, a company named as the original applicant of the priority application GB No.9202980, might not now exist. Mr Brown acknowledged to me that there might be difficulties in getting patent agents Cleveland & Company to release documents prior to GGB being assigned the patent application, and on consideration I find myself reluctant to make any specific order for this period.

Orders

17. I accordingly order discovery of the following :-

- (1) All documentation in the possession, custody or power of Aline Holmes relating to the proceedings in the Exeter County Court action No. 9301841 which fall into the following categories -
 - (i) all pleadings, exhibits, orders and affidavits
 - (ii) all party to party correspondence
 - (iii) any other relevant documents including client and solicitor correspondence, except where privilege can be validly claimed and is not voluntarily waived
- (2) With regard to the proceedings in the High Court of Justice, case No. 1993 L No. 750, copies of the documents as given in (i) - (iii) above, save for those already present in Annex 7.

- (3) With regard to the filing and prosecution of the application for patent GB No. 2280345, all file correspondence in the possession, custody or power of Gordon George Baldwin or Gordon Lee Baldwin, except where privilege can be validly claimed and is not voluntarily waived.

18. Copies of these documents are to be exchanged within 28 days from the date of this decision. Following filing of the documents, I allow 14 days, from the date of filing of the latest filed document, for the parties, if they so wish, to file submissions including witness statements about the documents. These submissions are to be copied to the other party.

19. All the documents filed as a result of discovery and any witness statements filed in the submissions round are to be treated as primary evidence.

Other Matters

20. With regard to the substantive hearing, Mr Penny gave me to understand that his side would wish to cross-examine the referrer herself, Arnold, Susan Millington, a contact of the referrer who tried out some sample mats for her, and John Ryder, a friend of the referrer who was present at a meeting involving the referrer and GGB. Mr Brown indicated that his side would only be interested in cross examining GGB. He also indicated that there might be a query over the availability of Susan Millington. It was agreed that skeleton arguments would be provided two clear days before the hearing.

21. Mr Brown stated a preference for the substantive hearing to be held in Newport rather than in London. Clearly it would not be appropriate to hold the substantive hearing via the video link. I will bear Mr Brown's request in mind just as I also have to bear in mind that, because of Patent Office changes, the Patent Office London Court rooms are unlikely to be available during the period 7 - 18 June 1999. In fact, since the hearing the referrer has written requesting that the hearing take place at the end of May and indicating that the referrer may have to go into hospital for a knee operation.

22. I consider that the most appropriate thing for me to do in these circumstances is to allow the parties 28 days from the date of this decision to try to reach mutual agreement as regards the date and venue for the substantive hearing. Failing agreement in this regard, I will issue directions after considering submissions from the two sides.

Costs

23. Both sides have requested costs in relation to this preliminary hearing. As I indicated at the hearing, I will take the same line as I did in my earlier preliminary decision of 21 October 1997 and I will not make any award at this stage but will make an award of costs at the conclusion of this section 37(1) reference. At that concluding stage I will need to take into account the delay in requesting discovery. Mr Brown put it to me that this preliminary hearing might have been avoided by more prompt action on the part of the proprietor, but I do not think that this is necessarily so in the context of this case.

Appeal

24. This being a matter of procedure, the period for appeal is 14 days from the date of this decision.

Dated this 15th Day of March 1999.

G M BRIDGES

Divisional Director, acting for the Comptroller

THE PATENT OFFICE