

THE PATENTS ACT 1977

IN THE MATTER OF a reference under Section 37(1)
and an application under Section 13(3) by Kevin Bowden
in respect of Patent No. GB2270629
in the name of BNOS Electronics Ltd.

FINAL DECISION AND ORDER

Background

1. This reference under section 37(1) and application under section 13(3) made by Mr Kevin Bowden came to a substantive hearing before me on 16 to 18 November 1998. I issued an Interim Decision on 18 December 1998 following the hearing. That decision sets out the circumstances of the case, and considers the arguments and the evidence that were put forward. My findings were i) that Messrs Howard Alfred Buckenham, Andrew Sharpe, Damon Andrew Cookman and Kevin Bowden who were originally named as inventors in respect of Patent No. GB2270629 were not inventors but that Mr Peter Thomas Dearman was, and ii) that Mr Bowden is not the, or even a, true proprietor of the patent.

2. The interim decision invited the parties to agree between them on the form of an order to put these findings into effect, or if they were unable to agree, to make separate submissions. They were unable to agree and duly made separate submissions. This led to a further hearing before me on 28 June 1999, at which Mr David Gibbins of Needham & Grant represented Mr Bowden and Mr Roger Wyand instructed by Finers appeared for BNOS Electronics Ltd (“BNOS”).

Inventorship

3. Mr Bowden's original application under section 13(3) requested the comptroller to certify that he is the only person entitled to be mentioned as inventor. BNOS on the other hand asserted that all five of the inventors named in the patent application were properly so named and should remain. My finding that of the five only Mr Dearman was an inventor did not

concur with the position of either party, and I now need to determine the appropriate order in the light of the parties' subsequent submissions.

4. Mr Gibbins' view was that, since I had found that Mr Dearman was the only inventor, a certificate should issue to that effect, and the names of the other inventors should be removed. Mr Wyand's preferred position was that since Mr Bowden had made a particular application and had failed in it, the application should simply be dismissed leaving the patent in the names of the five original inventors. However, he modified this somewhat at the hearing, and while not entirely relinquishing his preferred option said that if I disagreed with it, then he considered that the order Mr Gibbins was seeking would be the correct outcome.

5. I do not believe Mr Wyand's preferred position is appropriate because of the wording of section 13(3) which reads:

(3) Where a person has been mentioned as sole or joint inventor in pursuance of this section, any other person who alleges that the former ought not to have been so mentioned may at any time apply to the comptroller for a certificate to that effect and the comptroller may issue such a certificate; and if he does so, he shall accordingly rectify any undistributed copies of the patent and of any documents prescribed for the purposes of subsection (1) above.

This provides for the applicant to challenge the inventorship of "a person". In my view, this means that Mr Bowden's application under subsection 13(3) was effectively a number of distinct applications for the removal of each of the other inventors originally named in the patent. He has succeeded so far as three of the inventors are concerned, and I consider I ought to make an order that reflects this.

6. However this raises a further question since neither party sought to have Mr Bowden's name removed, and the wording of subsection 13(3) - or indeed that of subsection 13(1), which was also mentioned in the statement of case - does not appear to give the comptroller the power to remove the names of inventors not challenged by the applicant. Mr Wyand and Mr Gibbins helpfully addressed me on this point and both took the view that the comptroller did have the power to remove Mr Bowden's name as inventor even though it had not been challenged in the application under section 13. As Mr Gibbins said, it would be strange if the

comptroller could not give effect to a decision as to who are the inventors.

7. I have come to the conclusion that I do have the power to remove Mr Bowden's name as inventor, but probably not under subsection 13(3). I found Mr Bowden was not an inventor on my way to deciding on his proprietorship when considering the reference under section 37. Subsection (1) of this section reads:

(1) After a patent has been granted for an invention any person having or claiming a proprietary interest in or under the patent may refer to the comptroller the question-
(a) who is or are the true proprietor or proprietors of the patent,
(b) whether the patent should have been granted to the person or persons to whom it was granted, or
(c) whether any right in or under the patent should be transferred or granted to any other person or persons:
and the comptroller shall determine the question and make such order as he thinks fit to give effect to the determination.

This gives me wide powers to take remedial action in order to give effect to my determination, and I believe these powers are sufficient to enable me to make under this section the same order in respect of my finding that Mr Bowden was not an inventor as I need to make under section 13 in respect of Messrs Buckenham, Sharpe and Cookman.

8. Accordingly I direct that this decision should serve as a certificate to the effect that Messrs Howard Alfred Buckenham, Andrew Sharpe, Damon Andrew Cookman and Kevin Bowden ought not to be mentioned as inventors in respect of patent No GB2270629. I further direct that this be stated on erratum slips which should be issued with any future copies of the patent.

Entitlement

9. Mr Bowden's reference under section 37 requested the comptroller to declare that he, Mr Bowden, is and at all times has been the true proprietor of the patent in suit. He asked for the patent to be transferred into his own name and for him, Mr Bowden, to be registered as the sole proprietor. I found that Mr Bowden is not the, or even a, true proprietor.

10. The question now is what order should I make under section 37 in respect of proprietorship? Mr Gibbins's view was that Mr Dearman ought to be the proprietor. He said I had found in the Interim Decision that Mr Bowden had not assigned any rights he might have had in the patent to BNOS. The circumstances relating to an agreement between Mr Dearman and BNOS were the same as those between Mr Bowden and BNOS, so, he argued, I should also find that Mr Dearman had not assigned any rights in the patent to BNOS. Since I had found that Mr Dearman was the only inventor, the patent could only belong to Mr Dearman, and absent any subsequent assignment, BNOS would have no proprietary interest. My order should therefore transfer the patent from BNOS to Mr Dearman.

11. Mr Wyand disagreed. He said that the findings of fact in this case had already been made in my Interim Decision and it was not appropriate to revisit that decision and make new findings. He also said that the question whether there had been an agreement between Mr Dearman and BNOS had never been in issue in the proceedings and that there was no indication in the evidence whether or not such an agreement had existed.

12. I agree entirely with Mr Wyand. The parties have not had the opportunity to address directly the question of Mr Dearman's relationship with BNOS. Arguably it arose indirectly in the discussion of Mr Bowden's relationship with BNOS but has not itself been a point at issue during the proceedings. I am therefore quite clearly unable to make any finding in relation to it. If I were to do so, I would breach the natural justice principle that parties must know what case they have to answer and be given the opportunity to do so. I am consequently not prepared to accept Mr Gibbins's proposal that I should infer the absence of an agreement between Mr Dearman and BNOS, or to make any determination as to the ownership of the patent on that basis.

13. Mr Wyand's view was that Mr Bowden had failed in his reference and the appropriate remedy was therefore simply to dismiss the reference under section 37 and make no order. I agree with that, and accordingly make no order in respect of the entitlement claim.

Costs

14. I said in the Interim Decision that BNOS should be awarded costs based on the usual scale but with a small reduction in view of the referrer's success at a preliminary stage (at

which discovery was ordered in three out of four categories requested) and minor success (in respect of some aspects of his application under section 13) at the substantive stage. I deferred settling the actual amount just in case further costs were warranted in respect of subsequent events. However, notwithstanding what I had said in my Interim Decision, the parties wished to address me on costs at the hearing on 28 June and I heard what they had to say.

15. BNOS's submission prior to the hearing was that the action was very important for them and that they had spent a lot of money defending it. It suggested they should have two lots of costs, one for the section 13 action and one for the section 37 action and that the costs should be above the normal scale, perhaps as much as the actual costs in view of the expense of the action and its importance to BNOS's business. They also filed some bills put in by some of the witnesses in respect of time spent on this action. At the hearing, in relation to the suggestion that the costs might be reduced to reflect Mr Bowden's partial success, Mr Wyand referred me to the case of *Re: Elgindata Ltd (No.2)* [1992] 1 WLR 1207, the gist of which, he said, is that costs go to the successful litigant and are not reduced simply because they may have been unsuccessful on some issues.

16. Mr Bowden's submission prior to the hearing was that no costs should be awarded since BNOS were unsuccessful in their assertion that all five individuals were inventors and in establishing that there was an agreement between BNOS and Mr Bowden (these being part of their defence), and Mr Bowden was successful at the preliminary hearing. At the hearing, however, Mr Gibbins accepted that he would have to pay some costs, but urged me not to go above the standard scale of costs before the comptroller. He took me to *Rizla Ltd's Application* [1993]RPC365 in which it was accepted that an award above the scale might be appropriate if the action had been vexatious or conducted deliberately so as to increase the cost, but argued that did not apply in the present case.

17. I have considered these points but they do not persuade me to vary what I said in my Interim Decision (even assuming I have the power to do so). Whilst it is right that I should pay attention to what happens in the courts, at the same time it is important to remember that costs in actions before the comptroller are not calculated on the same grounds as in the courts. In particular, and as BNOS's submission recognised, the costs awarded are not intended to compensate parties for their expenses; they are merely a contribution.

18. Looking at the arguments in more detail, whilst I recognise the action was important to BNOS and they have probably spent a lot on it, that in itself does not justify deviating from the scale. The sort of considerations mentioned in *Rizla* might do so, but I agree with Mr Gibbins that they do not apply in the present case. I do not consider it is appropriate to take the bills submitted by BNOS in respect of the attendance of witnesses into account because it is not entirely clear to what extent they relate to the present proceedings, they form only a small part of BNOS's total expenses, and the standard scale does already include a contribution for the attendance of witnesses. There seems no justification for awarding separate costs for the section 13 and section 37 aspects of the action because the issues were consolidated at an early stage and involved single sets of evidence, with each hearing covering both issues. The duration and complexity of the proceedings which were increased by the need to consider both issues is already accounted for in the usual calculation. Further, I do not feel *Elgindata* is very relevant. In *Elgindata*, one side had achieved the relief they sought, although some of their arguments for claiming that relief had been rejected. The issue was whether the costs awarded to them should be reduced because they had not been successful with all their arguments, and the Court of Appeal said that, in general, the answer should be no. In the present case, it is not simply a question of some arguments being unsuccessful but others successful. BNOS have not achieved all the relief they sought because Mr Bowden succeeded in his claim to have three of the inventors deleted. Thus I consider some reduction in costs is justified. However, as I recognised in my Interim Decision, Mr Bowden's partial success is in truth a fairly trivial victory because he lost on all the important issues, and therefore the reduction should be small.

19. On the other side of the coin, I cannot accept Mr Bowden's earlier suggestion that no costs should be awarded. The limited success that Mr Bowden did have does not weigh very greatly against his failure on the important issues and is certainly not sufficient to overturn the presumption that BNOS should receive appropriate costs.

20. Accordingly I will stay with the basis for costs set out in my Interim Decision. I do not feel it is appropriate to make any adjustment one way or the other to reflect the costs of of the present hearing because of the various submissions made, each side has won some and lost some. Accordingly I order that Mr Kevin Bowden pay to BNOS Electronics Limited the sum of £1800 as a contribution towards their costs.

Appeal

21. Since this is not a decision on a matter of procedure, under the relevant High Court Practice Direction any appeal should be filed within six weeks.

Dated this 21st day of July 1999

P HAYWARD

Divisional Director, acting for the Comptroller

THE PATENT OFFICE