

## **PATENTS ACT 1977**

IN THE MATTER OF

Patent Application Number GB9401938.7

In the name of Steven Kaye

### **DECISION**

#### **Introduction**

1. In accordance with section 20(1) patent application number GB9401938.7 was treated as refused on 2 August 1998 for failure to put the application in order for grant within the period prescribed in rule 34(1)(a) (rule 34 period). The applicant, Mr Steven Kaye subsequently requested that the rule 34 period be extended under rule 100(2) on the grounds that the Patent Office failed to warn him that the application was about to be treated as refused. From the evidence available the Patent Office took the view that normal procedures had been followed and that discretion under rule 100(2) was not available. This view was not acceptable to Mr Kaye and the matter came before me at a hearing on 31 August 1999 when Mr Kaye represented himself. Mr Lyndon Davies attending on behalf of the Patent Office.

#### **Relevant Legislation**

2. Before considering the facts relating to this matter, it would help put the issue in context if I first set out the relevant legislation and the practice followed by the Patent Office.

3. Section 18(3) reads as follows:

“If the examiner reports that any of those requirements [the requirements in the Act and Rules] are not complied with, the comptroller shall give the applicant an opportunity within a specified period to make observations on the report and amend the application so as to comply with those requirements (subject, however, to section

76 below), and if the applicant fails to satisfy the comptroller that those requirements are complied with, or to amend the application so as to comply with them, the comptroller may refuse the application.”

4. Section 20(1) reads:

“If it is not determined that an application for a patent complies before the end of the prescribed period with all the requirements of this Act and the rules, the application shall be treated as having been refused by the comptroller at the end of the period, and section 97 shall apply accordingly.”

5. The period referred to in section 20(1) is prescribed in rule 34(1)(a) as:

“(i) the period of four years and six months calculated from its declared priority date or, where there is no declared priority date, from the date of filing of the application; or

“(ii) the period of twelve months calculated from the date the first report under section 18 in respect of the application is sent to the applicant, whichever expires the later”

6. If, therefore, on substantive examination of a patent application the patent examiner concludes that the application does not comply with the requirements in the Act or Rules he will record his objections in an examination report which will be sent to the applicant who will be given an opportunity to file amendments to overcome the examiner’s objections. In the letter that accompanies the report the applicant is warned that if no reply is forthcoming by the date specified in the letter the Comptroller may refuse the application. The Office is prepared to extend the period specified for filing amendments provided the applicant provides adequate reasons for not meeting the deadline.

7. If the applicant does not reply to the letter that accompanies the examination report or

requests an extension, the Office would send a further letter (“warning of refusal letter”) to the applicant forewarning of the intention to refuse the application on the date the rule 34 period expires which will be specified in the letter. The letter explains that the rule 34 period could be extended by one month by filing a Patents Form 52/77 and fee of £135 and for a longer period if the Office is satisfied that there are good reasons. In fact, to obtain a further extension the applicant would need to file a Patents Form 52/77 and fee of £135 and, if the request was accepted, file a Patents Form 53/77 and a further fee of £135. The warning of refusal letter also offers the applicant the opportunity submit comments on the imminent termination of the application.

8. If, on receipt of the warning of refusal letter, the applicant requests an extension of the rule 34 period and the request is approved it would allow him time to request an extension of the period specified in the examination report for filing amendments. If he is allowed to file late amendments, it could enable him put his application in order for grant before the rule extended 34 period expires.

9. Rule 100 reads as follows:

“(1) Subject to paragraph (2) below, any document filed in any proceedings before the comptroller may, if he thinks fit, be amended, and any irregularity in procedure in or before the Patent Office may be rectified, on such terms as he may direct.

“(2) In the case of an irregularity or prospective irregularity -

(a) which consists of a failure to comply with any limitations as to times or periods specified in the Act or the 1949 Act or prescribed in these Rules or the Patents Rules 1968**(b)** as they continue to apply which has occurred, or appears to the comptroller is likely to occur in the absence of a direction under this rule;

(b) which is attributable wholly or in part to an error, default or omission

on the part of the Patent Office; and

(c) which it appears to the comptroller should be rectified, the comptroller may direct that the time or period in question shall be altered but not otherwise.

“(3) Paragraph (2) above is without prejudice to the comptroller’s power to extend any times or periods under rule 110 or 111.”

10. Therefore, paragraph 2 of rule 100, sometimes referred to as the “proviso” to the rule, provides the Comptroller with discretionary power to extend a time or period if the failure to comply with that time or period can be said to be attributable wholly or in part to an error, default or omission on the part of the Patent Office.

### **The Facts**

11. Patent application GB9401938.7 was filed on 2 February 1994 and on 20 September 1995 it was published as GB2287572. On 26 February 1996 Mr Kaye filed a Patents Form 10/77 with its respective fee requesting substantive examination in accordance with section 18(3). On 23 April 1997 the patent examiner dealing with the application sent a substantive examination report to Mr Kaye with a covering letter. In the letter the patent examiner indicated that in his opinion the application did not comply with the requirements of the Act and gave Mr Kaye until 23 October 1997 to file amendments to overcome the objections raised in the report. The letter concluded by stating: “The application may be refused unless you reply to this report by the date stated”. Mr Kaye duly replied to the report on 31 August 1997. After considering Mr Kaye’s response, the patent examiner issued a second examination report with an accompanying letter dated 9 October 1997. The letter explained that the application still did not comply with the requirements in the Act and gave Mr Kaye until 9 February 1998 to deal with the points raised in that second examination report by filing amendments. The letter again concluded by stating: “The application may be refused unless you reply to this report by the date set.” The Office received no reply to that second

examination report.

12. At the hearing Mr Kaye said he had a recollection of receiving the second examination report. However, he also said that he was given to understand that he would be sent a further letter warning him when the application would be refused. No reference had been made to a warning letter in any of the Office's earlier correspondence, including the examination reports and accompanying letters, and Mr Kaye was unable to explain how he came to be aware that it was the Office's practice to issue such letters.

13. According to the information held on the Patent Office's file for the application, a warning of refusal letter was sent to Mr Kaye on 13 May 1998. The letter reads:

“You have not filed a reply to the report under Section 18(3) dated 9<sup>th</sup> October 1997.

“This Office intends to treat your patent application as having been refused on 2<sup>nd</sup> August 1998. That date can be extended by one month by filing a Patents Form 52/77 and fee of £135. Further extensions of time are possible but only if the Patent Office is satisfied there is good reason.

“Any comments you wish to make about the imminent termination of your application should be sent to this Office as soon as possible and marked “Urgent”.”

14. No reply was received to the letter and the application was treated as refused on 2 August 1998 in accordance with section 20(1). The refusal of the application was recorded on the Register of Patents on 7 October 1998 and the application was advertised as treated as refused in the Official Journal (Patents) of 28 October 1998.

15. On 8 December 1998 Mr Kaye spoke over the telephone with Mr Donal Grace who was the patent examiner who had dealt with the application and had issued the examination reports. Mr Grace sent Mr Kaye a letter that same day reporting on their conversation. In the letter Mr Grace explained that Mr Kaye had said that he could not recall seeing the

examination report issued on 9 October 1997 or the letter of 13 May 1998 warning of the imminent refusal of the application. Mr Kaye subsequently wrote to Mr Grace on 22 December 1998 confirming that he did not receive the warning of refusal letter dated 13 May 1998 and later asked for discretion to be exercised under rule 100(2) to extend the rule 34 period on the grounds that the Office had omitted to issue the letter.

16. Mr Davies subsequently carried out a full investigation within the Patent Office following which he sent a letter to Mr Kaye on 8 April 1999. In his letter Mr Davies said that he was satisfied that the warning of refusal letter had been correctly addressed and issued on 13 May 1998 and that he could find no grounds for exercising discretion under rule 100(2) in Mr Kaye's favour. Mr Kaye then asked to be heard in the matter. During the hearing Mr Davies said that as part of his investigation he had interviewed Mr Paul Carlyle, a Formalities Examiner whose signature is shown on the copy of the warning of refusal letter kept on the Office's file. Mr Carlyle told Mr Davies that he remembers preparing and issuing the letter in the normal way and placing a copy on the file. Mr Davies also confirmed at the hearing that he could find no evidence to suggest that the letter had not been dispatched in the post.

17. At the hearing Mr Kaye offered no evidence to counter Mr Davies' report on his investigations but indicated that in the absence of absolute proof that the Office had issued the letter "there should be some give" in his favour.

### **Assessment**

18. From what Mr Kaye had to say at the hearing, it would appear that he relied on the receipt of the warning of refusal letter to prompt him take action to pursue his application. This would have required him to request an extension of time to submit amendments to overcome the objections raised in the second examination report so as to put his application in order for grant before the end of the rule 34 period.

19. The irregularity was the failure to put the application in order for grant within the rule 34 period. What I have to decide is whether that failure was attributable wholly or in part to

an error, default or omission on the part of the Patent Office. If the answer is in the affirmative, then it would be possible to exercise discretion under the rule by extending the rule 34 period and in so doing reinstate the application to allow Mr Kaye to request an extension of time to file amendments to overcome the objections raised in the second examination report.

20. In deciding this matter, I think it would be helpful to refer to comments made in two Court of Appeal judgements in which the exercise of discretion under rule 100 was addressed.

21. In *M's Application [1985] RPC 249, line 14* Oliver LJ took the view that for discretion to be exercised under rule 100(2) a proprietor would have to demonstrate that the following conditions were met:

- (a) The Patent Office was guilty of an error, default or omission and the omission must be omission to do something which the Office had some sort of obligation to do.
- (b) Such error, default or omission contributed to the failure to meet the time limit.
- (c) The error, default or omission although not necessarily the sole cause, was at least a partial cause of the irregularity in the sense of having actually brought it about.

22. This approach was endorsed by Slade LJ in *Mill's Application [1985] RPC 359, line 31* subject to the following rider with regard to (a):

“the failure to do something “which the Patent Office is under some sort of obligation to do” is, in an appropriate case, capable of constituting an “omission” within the wording of the proviso, even though the obligation is not of a legally enforceable nature.”

23. In the same judgement (page 360, line 16) Slade LJ went on to say:

“In my judgement this failure by the Office to perform a specific promise made to the appellant’s agent in accordance with a well-established and generally well-known practice amounted to an “omission” within the meaning of the proviso to rule 100 . . .”

24. With regard to the first of the conditions proposed by Oliver LJ’s in *M’s Application* the Office is under no statutory obligation to warn an applicant when an application is to be refused. However, the Office’s practice of issuing warning of refusal letters is well-established. Moreover, I think it is reasonable to assume that many of those who frequently file patent applications with the Office will be aware of the practice. While Mr Kaye may not deal with the Office on a regular basis, it would appear that he knew that the Office issued warning of refusal letters and relied on the receipt of such a letter as a final prompt to take action to request an extension of the period specified for file amendments in reply to the second examination report. Therefore, taking account of the comments made in the Court of Appeal judgements to which I have referred, any failure by the Office to issue the warning of refusal letter or to address it correctly to Mr Kaye, would appear to constitute an error, default or omission within the meaning of the proviso to rule 100.

25. As for the second and third conditions proposed by Oliver LJ’s, if Mr Kaye relied on the receipt of the warning of refusal letter to remind him to requesting an extension of the period specified for filing amendments then the non receipt by him of the letter could be said to have played at least a partial role in his failure to put his application in order for grant before the expiry of the rule 34 period.

26. The question I have to address then is whether the non receipt by Mr Kaye of the warning of refusal letter was attributable in some way to an error, default or omission on the part of the Office. It appears to me that the only error, default or omission by the Office which could have caused this to happen would be if the Office did not send the letter or addressed it wrongly.

27. It is evident from the copy of the warning of refusal letter kept on the Patent Office file for the present application that it was correctly addressed. Moreover, as the Office uses



window envelopes when issuing such letters, there would have been no reason to enter the address on the envelope itself and so no possibility of an incorrect address being entered on the outside of the envelope. Therefore, I am satisfied that the letter was correctly addressed. As for the issuing of the letter, Mr Carlyle positively recalls sending it and Mr Davies' investigations found no evidence to suggest that it was not dispatched in the post. Mr Kaye has not provided any evidence to contradict these findings.

28. At the hearing I asked Mr Kaye if it was possible that the letter may have been picked up by someone else who lived at his address and who may have inadvertently mislaid it. Mr Kaye said that he had never known this to happen in the eight years he had lived at the address and did not think that this was a possible explanation.

29 I also asked Mr Kaye if the fact that, as a member of Equity, he sometimes used his professional name "Steven Kligerman" may have had anything to do with him not receiving the letter. He mistakenly used that name when he originally applied for the patent and in a subsequent letter he sent to the Office though I should stress that the file copy of the warning of refusal letter dated 13 May 1998 shows the name Steven Kaye as the addressee. Mr Kaye did not consider this to be a contributory factor.

30. If then the letter was correctly addressed and sent by post to Mr Kaye but was not received at his address, the only remaining explanation is that it was lost in the post.

31. In summary, while I accept that it is conceivable for the Patent Office to fail to issue a letter, on the balance of probability, having weighed up the evidence before me, I am inclined to the view that in this instance the Office correctly addressed the warning of refusal letter and sent it by post to Mr Kaye on 13 May 1998. I therefore find that the non receipt of the letter by Mr Kaye's and his subsequent failure to file a request for an extension of the period specified for filing amendments to overcome objections raised in the second examination report was not attributable wholly or in part to an error, default or omission on the part of the Patent Office. It follows that I am not satisfied that a case has been made out for the exercise of discretion under rule 100(2).

32. This being a procedural matter any appeal must be lodged within 14 days of the date of this decision.

Dated this 8<sup>th</sup> day of October 1999

M C Wright

Senior Legal Adviser, acting for the Comptroller

**THE PATENT OFFICE**