

## **PATENTS ACT 1977**

IN THE MATTER OF an application  
under section 72 by Edward Evans Barker  
for the revocation of Patent No 2314392  
in the name of Oystertec plc

### **PRELIMINARY DECISION**

#### **Introduction**

- 1 The grant of the patent in suit, GB 2314392 entitled “Joint”, was announced in the “Patents and Designs Journal” on 19 July 2000. The patent is concerned with a plumbing joint suitable for use in central heating systems. The patent and the application for it have been the subject of a number of assignments, the latest being to Oystertec plc (“Oystertec”) on 6 February 2001. The named inventor is Paul Anthony Davidson.
- 2 On 1 March 2002 Edward Evans Barker (“EEB”) applied to the comptroller to revoke the patent under section 72 of the Patents Act 1977. The statement of case filed on that date stated that revocation was being sought on the grounds that:
  - the alleged invention was not patentable, since it was not new, or alternatively was obvious and did not involve an inventive step, having regard to two published patent specifications and common general knowledge;
  - the specification of the patent did not disclose the alleged invention clearly enough and completely enough for it to be performed by a person skilled in the art; and
  - the matter disclosed in the specification of the patent extended beyond that disclosed in the application for the patent as filed.
- 3 A counterstatement was invited from Oystertec, but they have objected on the grounds that they do not believe EEB to be the real applicant and that the identity of the applicant will be material to the content of any counter-statement. Correspondence between the parties having failed to resolve the matter, it came before me at a hearing on 31 May 2002. Richard Miller QC, instructed by Burge & Co, appeared for Oystertec, and Guy Burkill QC appeared for EEB.
- 4 Oystertec provided evidence in support of their case in the form of a witness statement from their technical manager John Timothy Milligan. I think the points that Mr Milligan makes about the difficulties faced by Oystertec were all brought out in Mr Miller’s arguments before me, and, except for some of the documents exhibited to it, I need make no further reference to it.

#### **The issues for decision and the background**

5 The introductory part of section 72(1) of the Patents Act 1977 states (emphasis added):

“Subject to the following provisions of this Act, the court or the comptroller may on the application of *any person* by order revoke a patent for an invention on (but only on) any of the following grounds, that is to say - ...”

On Form 2/77 initiating the application for revocation, EEB have named themselves as the applicant for revocation (at section 4 of the form) and have given their name and address as the agents for the applicant and the address for service (at section 6).

6 It is not disputed that EEB are a well-known firm of patent agents. Oystertec believe that EEB are acting for a principal who is the true applicant for revocation and seek an order disclosing the identity of that principal. EEB however do not believe an order to compel the disclosure of the names of any clients has any relevance to the proceedings since they say that they - EEB - are the true applicants, and in any case they believe that the identity of their clients, where not a matter of public record, is legally privileged information under section 280 of the Copyright, Designs and Patents Act 1988.

7 Mr Miller argued his case from the standpoints of both construction of the Act and Rules in the light of the requirements of the Human Rights Act 1998 for a fair and public hearing, and of preventing abuse of process before the comptroller. It was a main plank of that argument that, when construing section 72 and the Rules, the questions which needed to be answered were the narrow one of whether the Act and Rules entitled a firm of professional patent agents to put themselves forward as acting for themselves when, he alleged, they were acting for a client, and the broader one of whether the Act and Rules allowed a nominee application at all. As Mr Miller saw it the question of who was the applicant was a matter of substance, not form: it flew in the face of common sense to suggest that EEB were the applicants when in fact they were professional agents acting for a client and they could not change that status simply by asserting on the application form that they were the applicants.

8 Mr Burkill on the other hand believed the point in issue to be a much simpler one, namely that “any person” in section 72 meant just that. In his view, it was a deliberate choice of words replacing “any person interested” in the corresponding section of the Patents Act 1949, the underlying principle being since the public at large were bound by patents and, since any person could infringe, so any person - including a patent agent - could apply to revoke. He thought it therefore followed that, so long as there were grounds for revocation, a person’s motives for bringing proceedings were utterly irrelevant, and investigating the circumstances in which an application for revocation was brought was an irrelevant exercise.

9 At the hearing Mr Miller developed his arguments on the basis that EEB were *in fact* acting as agents. Mr Miller took this to be sufficiently established from the unusual circumstances of the case - a firm of patent agents attacking a patent for a central heating joint - and the absence of any denial or explanation from EEB. The basis for this, as I understand it, is the letters written on 18 April and 1 May 2002 by Oystertec’s patent agents asking if EEB were acting as a nominee and the responses from EEB on 23 April and 7 May 2002. EEB did not directly answer the question but said that they did not act for a predecessor in title to the patent in suit. Copies of these letters except

the last are exhibited as "JTM1" to Mr Milligan's witness statement.

- 10 Mr Burkill said that he made no formal admission that EEB were nominees, and that even if they were, this was of no significance. As he saw it, by putting their name to the form EEB had made themselves the true applicants for revocation: they had submitted to the jurisdiction of the Patent Office and would be personally bound by any orders that were made in the proceedings.
- 11 Mr Milligan's witness statement also has exhibited at "JTM4" a copy of a statement of case and covering letter in an action commenced on 1 May 2002 against Oystertec, Mr Davidson and others concerning entitlement to the patent, with the suspension, pending determination of the entitlement action, of a projected claim for infringement. EEB have confirmed in a letter dated 23 May 2002 that they were not aware of this action before receiving the witness statement and that they are not acting (in relation to any matter) for any of the parties to it.

## **Argument and analysis**

### *Case law*

- 12 It was not disputed that of the cases before me, leaving aside for the moment any considerations under the Human Rights Act, the following were the closest precedents:
  - Decision G03,04/97 of the European Patent Office Enlarged Board of Appeal in the European Patent Office ("EPO"), *INDUPACK, GENENTECH / Third-party opposition* [2000] EPOR 81,
  - *Cairnstores Ltd v Aktiebolaget Hassle*, an unreported decision of Pumfrey J in the Patents Court on 19 March 2001; and
  - *Sanders Associates Inc's Patent* (BL O/89/81), a decision of the comptroller under the Patents Act 1949, on which I had asked the parties to address me.

It was also not disputed that of these only *Cairnstores* was binding on me (unless distinguished), and that the others were merely persuasive.

- 13 *INDUPACK* turned on the interpretation of Article 99(1) EPC, the first sentence of which reads (emphasis added):

"Within nine months from the publication of the mention of the grant of the European patent, *any person* may give notice to the European Patent Office of opposition to the European patent granted."

The Enlarged Board decided *inter alia* that an opposition was not inadmissible purely because the person named as an opponent was acting on behalf of a third party, but would be inadmissible if the involvement of the opponent was to be regarded as circumventing the law by abuse of process. The Board held that such circumvention would arise in particular if the opponent were acting on behalf of the patent proprietor, or if the opponent were acting on behalf of a client in a way typically associated with

professional representatives but without possessing the required qualification; but would not arise purely because a professional representative was acting in his own name on behalf of a client.

- 14 Mr Miller and Mr Burkill each directed me to various parts of the Board's decision and, although lengthy, I think it will be helpful to quote these parts in full to show the reasoning behind the decision (the underlined and italicised wording in italics being my emphases and additions respectively):

"2.1 The status of opponent is a procedural status and the basis on which it is obtained is a matter of procedural law. The EPC addresses this in article 99(1) in conjunction with Article 100, Rules 55 and 56(1) EPC. On this basis the opponent is the person who fulfils the requirements of the EPC for filing the opposition; in particular, the person must be identifiable ...

3.2 However, acting on behalf of a third party cannot be seen as a circumvention of the law unless further circumstances are involved. The purpose of opposition proceedings alone does not offer sufficient grounds for regarding an opposition on behalf of another person as an abuse of procedural provisions.

3.2.1 The respondents have argued that the patent proprietor, the EPO and the public had an interest in knowing the identity of the person at whose instigation the opposition had been filed. Though the patent proprietor may have an economic interest in finding out who is trying to attack his patent, such an interest is not legally protected by the legislative arrangements for the opposition procedure. ...

3.2.2 If, therefore, it cannot be required that the opponent have an interest in the revocation of the patent, then logically it can only mean that the opponent's motives are of no consequence for the EPO, at least as long as no conduct involving an abuse of process arises from additional circumstances. As a matter of principle, therefore, the patent proprietor cannot expect the EPO to compel the opponent to disclose his motives in order to exclude the possibility that he may be acting in the interest of a third party.

This also applies where the opponent is in fact acting in the interest of a third party. By filing the opposition, he himself has assumed the procedural status of an opponent. Therefore, in relation to the patent proprietor and the EPO, he is the only person who matters. ...

3.2.3 All of this shows that the opponent's motives are of no consequence for the purposes of the opposition procedure. ... Opposition should be a simple, speedily-conducted procedure in which, on the one hand, relevant objections to patentability are given appropriate consideration, and on the other hand, a decision on the validity of the patent is reached as quickly as possible, in the interests of both parties. In this respect, investigating a straw man challenge would mean that more matters in dispute would have to be considered which could delay the proceedings. Setting limits, not provided for by the EPC, on the admissibility of oppositions would conflict with the public interest in each opposition being examined on its merits and in having the proceedings brought to a swift conclusion (see G01/84 (*the MOBIL OIL case discussed below*) above, at p.303).

In consequence of the restricted purpose of the opposition procedure, the EPO has only inadequate procedural means for ascertaining whether a man of straw is involved. For example, it cannot compel a party to attend the proceedings or to make a statement under oath ...

However, the purpose of the provision in Article 99(1) EPC is precisely that the opponent should not be required to have any kind of interest and therefore should not have to prove such an interest (see point 3.2.1 above). The opponent may not therefore be allowed to suffer a disadvantage purely because he has no such interest. It is also necessary to protect the

opponent's interest in not being obliged to reveal to the patent proprietor why a patent disturbs him. His opposition is already fully justified by the fact that he like anyone else, has to respect the patent if it remains valid, which means at all events that an abstract restriction is imposed on his freedom of economic action. ...

3.2.5 In the referral decision ... attention is drawn to the risk that any lack of clarity in the position of the parties and witnesses in relation to each other, or that of any persons giving evidence, may impede the process of finding the truth. However, since only the formally authorised person is to be seen as the opponent, the principal will under no circumstances be treated as a party. In any event, therefore, doubts about the position of the parties cannot arise.

3.3.1(*relating to a possible plea of res judicata*) ... As has already been explained, the EPO lacks the procedural scope for investigating a straw man challenge (see point 3.2.3 above). By contrast, the national courts can use all the customary and proper instruments of civil procedure to clarify the facts.

3.3.2 (*referring to the possibility of a licensee infringing a no-challenge agreement by opposing a patent*) ... By contrast, the EPO - in this case, as in others - has almost no procedural means of compulsorily eliciting the truth of the actual circumstances from an opponent who deliberately sets out to conceal the existence and identity of a principal ...”

- 15 This is I think highly persuasive that, in the absence of abuse, there is no need to go behind the name of the applicant as given on the application form in revocation proceedings under the 1977 Act, given the references to revocation at paragraph 3.2.2 and to the public interest at paragraph 3.2.3. However, Mr Miller sought to persuade me that *INDUPACK* was inconsistent with earlier EPO authority and ought not to be followed. As he saw it - and I think paragraphs 3.3.1 and 3.3.2 are especially relevant here - *INDUPACK* was a decision of expediency and a triumph of form over substance recognising that, unlike national courts, the EPO did not really have the powers to investigate whether an opponent was a “man of straw” and no powers of compulsion to dig out the truth.
- 16 Instead, Mr Miller took me to the decision of the EPO Technical Board in T10/82 *BAYER/Admissibility of opposition* [1979-85] EPOR Vol B 381. In his view this was on all fours with the present case and had been approved by the Enlarged Board in G01/84 *MOBIL OIL/Opposition by Proprietor* [1986] 1 EPOR 39. In *BAYER*, an opposition brought by professional representatives without specifying their client was not allowed on the grounds that it resulted in confusion as to the respective roles of representative and client. In *MOBIL OIL*, the Enlarged Board held that a notice of opposition was not inadmissible merely because it had been filed by the proprietor of the patent (in this case as a means of making amendments without going before each designated State), but observed that the alternative of naming a “man of straw” as the opponent could reduce the proceedings to a sham. The Board expressly declined to decide whether an opposition filed by a “man of straw” was or was not admissible in any circumstances, and did not do so, but saw no reason to question the rightness of the decision in *BAYER*.
- 17 Mr Miller and Mr Burkill disagreed as to whether the Enlarged Board in *MOBIL OIL* had in fact supported *BAYER*, but Mr Burkill stressed that in any case EEB's situation was different, as EEB were the true applicants. He also considered that *INDUPACK* was to be preferred, being the latest case from the Enlarged Board and having expressly considered the decisions in *MOBIL OIL* and *BAYER*. (I note that the Board also

considered the decisions in T635/88 *DE ERVEN G. DE BOER* [1994] EPOR 358 and T798/93 *ROAD TRAIN* [1998] EPOR 1, which Mr Miller had drawn to my attention for the sake of completeness. However, Mr Miller accepted that these did not add anything to his case, and I do not therefore think I need to consider them further).

18 Whilst I accept that, as Mr Miller explained, EPO Boards are not tightly governed by a system of precedent such as operates in the United Kingdom, I believe that Mr Burkill is correct as regards the reliance to be placed on *INDUPACK*.

19 Further, as Mr Burkill pointed out, whether or not *INDUPACK* turns on particular circumstances in the EPO, its reasoning has been followed by the Patents Court in *Cairnstores*, in which revocation proceedings were launched against a pharmaceutical patent by an “off-the-shelf” company which neither traded nor had assets and had no apparent objects relating to the pharmaceutical industry. Pumfrey J accepted that the want of any explanation as to why they were pursuing the proceedings entitled him to regard them as “straw men”.

20 However, Pumfrey J accepted that the applicants were entitled to bring proceedings (indeed as I read it this did not appear to be disputed by the patentees) and moreover declined to strike them out as an abuse of process or to require joinder of any person(s) standing behind *Cairnstores*. In reaching this decision he drew a parallel between revocation proceedings under section 72 of the Act and opposition proceedings under Article 99 EPC and summarised the *INDUPACK* decision in the following terms:

“The words ‘any person’ mean ‘any person’ and there is no requirement that a person applying to revoke a patent in the European Patent Office need have any interest, whether commercial or otherwise, in the outcome of the opposition proceedings. However, there are circumstances in which it can be envisaged that the commencement of opposition proceedings might amount to an abuse of the opposition procedure, in which case the European Patent Office has the right to prevent the abuse of opposition from going forward.”

21 The patentees in the case pointed to a number of problems which arose from the unavailability of the true applicant and which in their view amounted to abusive conduct. These comprised failure to meet the overriding objectives of legal process identified in the Civil Procedure Rules (including encouraging settlement of disputes), the unavailability of discovery relating to common general knowledge in the art, and the avoidance of *res judicata* by the true applicant. Interestingly these overlap with the reasons given in the present case as suggesting lack of fairness, and I will deal with these in more detail later in this decision when I consider the impact of the Human Rights Act 1998.

22 However Pumfrey J was quite clear that there had been no abuse of process. As he put it, pointing out that what was really being objected to was the *personality* of the claimant:

“It is to be observed that every one of the patentees’ objections would always be good in ‘straw man’ cases ... . In my view, if these objections were to be upheld, the statutory entitlement of any person to seek revocation of a patent would, to all intents and purposes, be circumvented if that other person were being assisted or even sponsored by some third party.

...

In the result I have come to the conclusion that these proceedings are proceedings of precisely

the kind which are contemplated by section 72 of the Patents Act 1977 and do not amount to an abuse of the process of the court. ... It is in the public interest that invalid monopolies be kept off the register of patents, and in my view no public interest is served by preventing Cairnstores from applying to revoke the patent, if it considers these monopolies to be invalid.”

23 Mr Miller sought to distinguish *Cairnstores* on the grounds first that although it had been decided shortly after the Human Rights Act came into force, that Act was not relied upon or even considered by the court; and second that it was distinguishable on the facts in that the present case involved a professional patent agent. Mr Miller believed it still to be the case that a professional agent should not be allowed to put themselves forward as acting for themselves when they were acting for a client. Mr Burkill however disagreed that *Cairnstores* was distinguishable because it involved a shelf company rather than a qualified patent agent; in his view UK procedure did not draw any distinction between qualified and unqualified patent agents (anybody could act as an agent) and so EEB were in no different a position from the shelf company in *Cairnstores*.

24 I will defer consideration of the Human Rights Act aspects for the moment, but on Mr Miller’s second ground even in the absence of further authority I would have seen no reason to distinguish *Cairnstores*. However, in *Sanders Associates* a chartered patent agent was allowed to bring an opposition to an amendment under the 1949 Act, even though apparently acting as a nominee for an undisclosed third party and having no personal interest in the patent.

25 Section 29(4) of that Act allowed “any person” to give notice of opposition to an amendment - as compared with “any person interested” for oppositions under some other sections of the Act. The hearing officer stated in his decision, given a few years after the 1977 Act had entered into force:

“It is to be observed that certain Sections of the Act, and in particular section 29, will continue to be operative for many years to come, and it would seem to me to be an anomalous situation if the requirement of interest for an intending opponent under that Section, where the public interest is considered paramount, were to be taken as more stringent than that now pertaining to revocation proceedings under the 1977 Act.

Thus, following the precedents, I am of the opinion that the public interest would be served best if the Comptroller were in a position to take into account all the matter brought to him by Mr Horton before deciding whether or not to exercise his discretion and allow the patentees to amend their specification. Indeed, on the basis of these precedents I am persuaded that when the statute specifies that ‘any person’ may oppose, the matter of his interest need not and should not be taken into consideration. ....

Again, with reference to Mr Watson’s submission that the opponent’s action as a nominee of an undisclosed third party constituted an abuse of the procedure, being at least a lack of candour, I would say that in view of my conclusion that no interest is required I do not consider that this action, even if inconvenient to the patentee, is such as to warrant a refusal to entertain the opposition on the grounds of abuse. Therefore, although opposition under Section 29 by a nominee, as appears to be the case here, may not be a wholly desirable state of affairs, I can find no reason to reject it.”

26 Mr Miller focussed on the final sentence of the above passage, and said that even though there had been no allegation of unfairness in *Sanders Associates* the Human Rights Act now gave me the power to remedy the lack of transparency in the present

case in a way that was not open to the hearing officer faced with a similar situation in 1981.

### *Conclusions*

- 27 In the absence of any considerations under the Human Rights Act, I consider that *INDUPACK* is to be preferred over *MOBIL OIL* and *BAYER*, and that I am in any case bound by its adoption in *Cairnstores*. I also consider that, in view of the explicit reference that it makes to section 72 proceedings, *Sanders Associates* is sufficiently persuasive to justify treating EEB in the same light as the shelf company in *Cairnstores*. I would therefore have had no hesitation, in the light of those cases, in finding that the public interest in removing invalid patents from the register entitled EEB to bring an action for revocation in their own name irrespective of whether or not they were acting for a client; that the situation was not prima facie an abuse of process; and that there was no justification for the disclosure at this stage of the name of any client for whom EEB might be acting.
- 28 However, as Mr Miller has rightly pointed out, the provisions of the Human Rights Act 1998 have to be taken into account since its entry into force on 2 October 2000 has significant consequences for the interpretation of legislation and the conduct of hearings, and so I must consider what difference if any that makes to the interpretation of the relevant legislation and case-law.

### *The Human Rights Act 1998*

- 29 Mr Miller mounted his argument on the following sections of the 1998 Act:

- “3 - (1) So far as it is possible to do so, primary legislation and subordinate legislation must be read and given effect in a way which is compatible with the Convention rights.  
(2) This section -  
(a) applies to primary legislation and subordinate legislation whenever enacted; ...
- 6 - (1) It is unlawful for a public authority to act in a way which is incompatible with a Convention right.”

The rights in question are defined in section 1(1) of the Act and include Article 6 of the European Convention on Human Rights. Article 6(1) reads (emphasis added):

“In the determination of his civil rights and obligations or of any criminal charge against him, everyone is entitled to a *fair and public hearing* within a reasonable time by an independent and impartial tribunal established by law. Judgment shall be pronounced publicly but the press and public may be excluded from all or part of the trial in the interests of morals, public order or national security in a democratic society, where the interests of juveniles or the protection of the private life of the parties so require, or to the extent strictly necessary in the opinion of the court in special circumstances where publicity would prejudice the interests of justice.”

Mr Miller did not believe the exceptions to be of relevance; the kernel of his argument was that the applicant in proceedings under section 72 of the 1977 Act had to be determined as a matter of substance, not of form, if any hearing of the matter was to be both fair and public.



30 Some guidance as to how I should approach the matter is to be found in Volume 2 of “Civil Procedure 2002” at pages 864 - 865, paragraphs 3D-5 and 3D-9.1, the relevant pages of which were helpfully supplied by Mr Miller with the provisions of the 1998 Act although not specifically referred to at the hearing. Thus, whilst at 3D-5:

“Unfocused recourse to generalised propositions in Strasbourg jurisprudence, whether before or after the incorporation of the Convention into English law, is positively unhelpful, cluttering up the court’s considerations of adequate and more precise domestic principles and authorities governing the issues in play: *R v North West Lancashire Health Authority, ex p A* [1999] Lloyd’s Rep. Med. 399, CA”;

nevertheless at 3D-9.1:

“Section 3(1) introduces a new canon of construction. It is a ‘strong adjuration’ which may involve adopting a meaning other than the natural and ordinary meaning of the statutory words: see *R v D.P.P., ex parte Kebilene* [2000] 2 A.C.326, *per* Lord Cooke of Thorndon. The court must first test whether, on an ordinary construction, the provision is compatible with Convention rights. If it is not, the court must then see whether it can be read and given effect in a manner which is compatible: *Brown v Procurator Fiscal* [2001] 2 All E.R. 97.”

I turn now to the specific concerns raised by Mr Miller.

### *Fairness*

- 31 (a) Independence of an expert witness Without knowledge of the identity of the principal in this case Mr Miller believed that it would not be possible for Oystertec, or indeed the court, to assess the independence of any expert appearing on behalf of EEB - or at the least Oystertec would be seriously hampered in the enquiries it might wish to make. On this Mr Miller took me to *Liverpool Roman Catholic Archdiocese Trustees v Goldberg* [2001] 4 All ER 950, a case where, in proceedings for professional negligence, a tax barrister was not allowed to rely on the expert evidence of a fellow member of chambers who was also a friend of long standing - the latter having admitted that his sympathies were likely to be engaged to a greater extent than would probably be normal for an expert witness. This, Mr Miller said, demonstrated that an expert should be seen to be independent, and that independence was a question of fact turning on the nature and extent of the relationship between the expert and the party.
- 32 Mr Burkill thought that concern over the independence of possible experts before the evidence rounds had been reached was premature. I am in agreement, and I do not think that *Liverpool &c Trustees* has anything to say about when experts should be appointed and when any concern about their independence should be dealt with.
- 33 (b) Disclosure Mr Miller said that it would not be possible for Oystertec to obtain disclosure from the real applicant, which might seriously disadvantage their defence, particularly if the real applicant were a competitor - the best evidence for rebutting an obviousness attack might frequently be found in the internal contemporaneous documents of the party alleging obviousness.
- 34 Mr Burkill thought that this was another premature concern on the part of Mr Miller, since no counter-statement had yet been filed to define what precisely was in issue

between the parties. He also believed that lack of disclosure cut both ways: it could equally disadvantage EEB, since Oystertec, being several steps down the chain of assignments, might be in no position to give disclosure relating to the making of the invention.

- 35 In any case he thought that the point about contemporaneous documents was a considerable over-simplification. As he pointed out, Pumfrey J in *Cairnstores* had emphasised the “very secondary importance” of such disclosure, particularly when used to support an allegation of invalidity, and the need to keep it firmly in place. I note Pumfrey J’s comment that to say the lack of availability of such disclosure represented an abuse seemed “hyperbolic”. Mr Burkill also took me to *Coflexip SA v Stolt Comex Seaways MS Ltd* [1999] FSR 911 at page 915, where Laddie J made the point that “it may well be the case that discovery relating to particular steps taken by particular companies or persons before the priority date add greatly to the length and cost of litigation without adding anything of significant probative value”.
- 36 Mr Burkill also reminded me that *Merrell Dow Pharmaceuticals Inc’s (Terfenadine) Patent* [1991] RPC 221 had made the point that disclosure was not normal in proceedings for the comptroller, and I observe it is stated in the Patent Office’s Tribunal Practice Notice TPN 1/2000 that that is not expected to change.
- 37 I consider that Mr Burkill’s argument on this point is to be preferred. I would particularly agree with him that any consideration of disclosure before it is clear precisely what are the points in dispute is premature. I do not think that Mr Miller has put forward any convincing argument to dissuade me from following Pumfrey J’s reasoning in *Cairnstores*.
- 38 (c) Estoppel Mr Miller was concerned, that, particularly because there had been a number of predecessors in title in this case, it would not be possible to check whether the real applicant was estopped by operation of law, for example because he was a predecessor in title, or otherwise shared privity of “blood, title or interest” (as mentioned in *Kirin-Amgen Inc v Boehringer Mannheim GmbH* [1997] FSR 289 at page 305). In his view the nature of EEB’s responses to the questions put to them by Oystertec showed that the true identity of the party for whom they were acting was relevant; it was not fair that Oystertec should simply have to accept this and they should be entitled to look into it - EEB might unwittingly be acting for an associate of a predecessor in title.
- 39 Mr Burkill believed this to be mere speculation in the absence of clear and convincing evidence of abuse, and did not entitle Oystertec to delve into the background. I think that is right. In essence I believe this is the same point that Pumfrey J made in *Cairnstores* when rejecting the argument that whoever stood behind the shelf company might evade a finding of *res judicata* in subsequent proceedings.
- 40 (d) Inconsistency Mr Miller’s concern here was directed to the court proceedings concerning entitlement which I have mentioned above. In his view these claims implied that the patent was of value and was valid, and so if the claimants were the same as those now applying for revocation, who had asserted invalidity, there would be an inconsistency - a case of “approbation and reprobation” not permitted in law. Although

EEB had stated that they were not acting for anyone in the court action, Mr Miller saw this as something that, as with the issue of estoppel, Oystertec were entitled to look into. On the general principle Mr Miller drew my attention to *Express Newspapers plc v News (UK) plc* [1991] FSR 36, a case of “tit for tat” copying in which the plaintiff’s claim and defendant’s counterclaim were in the same terms and the plaintiff having obtained summary judgment on its claim was not allowed to put forward an inconsistent case against the defendant’s counterclaim for summary judgment.

- 41 As with point (c), Mr Burkill thought that this argument was speculative. He also said that there was no authority to suggest that one could not both claim entitlement to a patent and apply to revoke it; and that it would appear to be a possible scenario under section 72 in view of section 72(1)(b) which prescribes as a ground for revocation the grant of a patent to someone not entitled to be granted it. Mr Burkill also drew support from “Terrell on the Law of Patents” (15<sup>th</sup> edition), at page 369, para. 11.84:

“There is jurisdiction to entertain an application for a licence of right under a patent, notwithstanding that the applicant is attacking the validity of the patent by way of defence to infringement proceedings. The two courses of action are not inconsistent courses requiring an election.” ;

the comment on election referring to *Halcon S D Group Inc’s Patent* [1989] RPC 1. Mr. Burkill concluded that a party in entitlement proceedings for which they wished to own a patent was not estopped from also alleging the patent to be invalid.

- 42 I believe that Mr Burkill’s conclusion is correct, and the examples that he quotes are more persuasive. To my mind the situation of a claimant pursuing simultaneous but different claims relating to a patent cannot be equated with the “mirror image” claim and counterclaim by opposing parties which occurred in *Express News*.
- 43 (e) Breach of contract Mr. Miller thought it would not be possible to check whether the attack on the patent had been made by somebody in breach of contract or motivated by malice, for example a disgruntled employee. He noted that a related published European patent application (No 98955748.3) had been the subject of anonymous observations to the EPO (exhibited to Mr Milligan’s witness statement at “JTM2”), which also cast doubt on the validity of the patent in suit, and that the present application for revocation relied on the same prior art and alleged the same added matter. He considered that such astonishingly similar attacks justified Oystertec in wondering just what was going on. In Mr. Burkill’s view it did not matter since motive was irrelevant.
- 44 Again Mr Burkill thought this was speculative and again I agree. I would also add that, without wishing to presume what motives might underlie these actions, it does not seem to me entirely unexpected, that where someone had tried to get the EPO to take up the issue of patentability, the same person or someone else might try to use the same grounds to revoke corresponding patents elsewhere. Details of observations to the EPO on patentability are after all open to public inspection. I note that EEB have said in their letter of 7 May 2002 that they had not filed any observations against the European application but were intending to do so.
- 45 (f) Settlement Mr. Miller doubted the ability of Oystertec to discuss settlement since, if

they did not know the identity of the attacker, they could not enter into any meaningful negotiations. In *Cairnstores* the identity of the parties was not considered to be a relevant factor in the encouragement of settlement, Pumfrey J being of the view that any co-operation necessary ought to be possible between Cairnstores and Hassle. As Mr Burkill put it, if there were to be any negotiations then EEB could be contacted. I do not think that Mr Miller has put forward anything to justify me in taking a different view, given the public interest issue in revocation proceedings.

### *Public hearing*

46 In support of his argument that the use of a nominee conflicted with the rule that hearings should be held in public, Mr. Miller illustrated the desirability of public hearings by reference to:

- the leading case of *Scott v Scott* [1913] AC 417, a divorce case in which the House of Lords in robust and colourful language condemned the holding in camera of a hearing relating to a nullity suit, and

- the judgement of the European Court of Justice in *Preto v Italy* [1983] 6 EHRR 182 in which a complaint was rejected that judgement had not been pronounced in public, merely made available to the public on request, and that proceedings had not been completed within a reasonable time.

Although the complaint in *Preto* was rejected, Mr Miller said that it highlighted that the administration of justice must not be in secret and must be open to public scrutiny. As he put it, the administration of justice must be transparent.

47 Mr Miller did not dispute that neither of these cases involved nominees or “straw men”. His concern was to point out a number of instances of the lack of transparency that would flow from allowing the true applicant to keep his identity secret. As I understood it, these essentially boiled down to the possibility of him manipulating the proceedings by using a nominee, e.g., to say things that he knows to be untrue, to bring proceedings in breach of contract, and to avoid being seen to apply for revocation in order to put himself at an advantage in hiding a secret infringement or in applying for a license under the patent.

48 Mr Burkill pointed out that “transparency” is not a word found in the Human Rights Act. As Mr Burkill put it, Mr Miller’s submission appeared to suggest that to ensure a fair and public hearing both parties should be entitled to “rifle through each other’s briefs” and investigate matters that had absolutely nothing to do with issues in the case. Mr Burkill considered it to be just as contrary to EEB’s right to a fair trial for them to be faced in effect with the demand “Tell us why you are doing this.”

49 He also pointed out that the Patent Office hearing would be in public, and that the fact that a hearing is in public had never required the disclosure of private, irrelevant or privileged matters. *Preto* in Mr Burkill’s view went no further than saying that “in public” meant that the public had a right to be admitted.

50 Again I think Mr Burkill’s argument is the more persuasive. In the absence of any

reference in *Scott v Scott* and *Preto* to the position of nominees, I do not think that Mr Miller's argument gets off the ground. As with many of the points raised under the head of fairness, the concerns that he has raised seem to me to be speculative in the absence of any clear evidence of abuse.

### *Conclusions*

- 51 Having carefully considered the respective arguments of Mr Miller and Mr Burkill on the issues of fairness and publicity, I have to say that on all counts I believe that Mr Burkill's approach is the one to be preferred. I see nothing in Mr Miller's arguments to displace the view, stated above, that I have taken as to the interpretation of the precedent cases. The case law on which he has relied would seem to me to go no further than illustrating a number of general legal principles with reference to facts far removed from those in suit. These cases are not to my mind sufficiently persuasive to suggest that "any person" in section 72 of the 1977 Act is incompatible with Article 6 of the European Convention on Human Rights, or needs to be interpreted in a different way from *Cairnstores*.
- 52 I should say that it was not in issue between the parties that in respect of *inter partes* hearings the comptroller is in fact a tribunal governed by Article 6, and I do not in any case think that the arguments that were raised require me to decide the matter.

### *Abuse of process*

- 53 Throughout the proceedings there has been an underlying theme of abuse of process, and it is explicitly mentioned in *INDUPACK*, *Cairnstores* and *Sanders Associates*. However, Mr Miller suggested that this was an independent ground under which I might find in his favour if - as has proved to be the case - I was not convinced by his arguments on construction. As he pointed out, in *Rhone Poulenc's Patent* [1989] RPC 570 at page 573, Falconer J confirmed that the comptroller had inherent jurisdiction to prevent abuse of process by striking out or staying proceedings.
- 54 As I understood it, Mr Miller's argument was that it was an abuse for a professional agent to put himself forward as acting for himself when he was in fact acting on behalf of a client, and that even if abuse could not be shown for certain, there was nevertheless a real risk of injustice which entitled me to act. I note that both *Cairnstores* and *Kirin-Amgen v Boehringer Mannheim* (mentioned above) refer to the statement of Lord Diplock in *Hunter v Chief Constable of West Midlands Police* [1982] AC 529 that abuse was misuse of the court's procedure in a way which, although not inconsistent with the literal application of its procedural rules, could nevertheless be manifestly unfair to a party to litigation or would otherwise bring the administration of justice into disrepute amongst right-thinking people. In Mr Miller's view, even if I decided that the application could properly be made by EEB as a nominee on behalf of a client, I should order disclosure of the principal or client for whom they are acting, so that Oystertec could properly defend itself from the attack being made on the validity of the patent. He relied on the decision of the EPO Technical Board in *BAYER* as showing that the roles of representative and client should not be elided.
- 55 I cannot see that there is anything in this argument which is not comprehended by the

points which I have already considered, and particularly by the judgment in *Cairnstores*. I do not think that I therefore need to consider *BAYER* further, and in any case I do not believe that it can now be relied on in the view of the later decision in *INDUPACK*.

### **Findings and consequential matters**

- 56 I therefore find that EEB are entitled to bring this action for revocation in their own name irrespective of whether or not they are acting for anyone else; that this of itself is not an abuse of the process before the comptroller; and that an order for disclosure of the name of anyone for whom EEB are acting is not justified at least at this stage of the proceedings.
- 57 It is not therefore necessary for me to decide whether EEB are acting for anyone else and I make no finding on this.
- 58 I must emphasise that in reaching my decision I have had particular regard to the stage which the proceedings have reached. No counter-statement has yet been filed, and so the issues between the parties are not yet defined. Further, as EEB have pointed out, all the grounds that they have put forward to justify revocation are objective, depending on the construction of the specification and its relationship to the prior art, and not on the face of it having any connection with the identity of the applicant. I cannot see that any of the matters which Oystertec have raised prevent them from filing a counter-statement which states the grounds on which they oppose the application for revocation. If Oystertec believe that there are areas where the identity of the applicant may have a bearing on those grounds of opposition, then they are free to specify these in the counter-statement.
- 59 All this is without prejudice to whether the comptroller may need to consider some or all of the matters raised by Oystertec at a later stage in the proceedings. However Oystertec would need to prove that there is a real risk of abuse as distinct from a mere possibility. Without that, I do not think that the identity of anyone for whom EEB may be acting, however important it might turn out to be in the overall picture of the litigation between the parties, is of sufficient significance to hold up the revocation procedures before the comptroller, bearing in mind the public interest that invalid patents ought not to remain on the register. Indeed, as I reminded the parties at the hearing, even if the application were to be undefended or withdrawn, the practice of the comptroller is still to consider in the public interest whether any of the grounds put forward by the applicant justify the revocation of the patent. (This is explained in paragraphs 72.09 and 72.26 of the Patent Office's "Manual of Patent Practice")

### *Privilege*

- 60 It follows that I do not need to consider whether the identity of a client, where not already a matter of public record, is privileged in accordance with section 280 of the Copyright, Designs and Patents Act 1988, and Mr Burkill did not develop his argument on this in any depth. Mr Miller doubted that the identity alone would fall within the protection of section 280 as this was directed to *communications* with patent agents, and thought that in any case - taking his cue from *Lillicrap v Nalder* [1993] 1 WLR 94, a case of a client suing his solicitor - any claim to privilege would have been impliedly

waived by the bringing of the application to revoke. I make no decision on this point.

*Amendment of the application form (Form 2/77)*

61 There was some discussion at the hearing about the manner in which Form 2/77 had been completed. Although Mr Burkill put the view that anyone can act as his own agent, I believe that in the context of these proceedings, it is confusing for them to be named as both applicant and agent on Form 2/77. As I have found, I see nothing to prevent EEB from bringing the proceedings in their own name, and I think the form should reflect the fact that they regard themselves as the true applicants. I therefore consider that Form 2/77 should be amended by the deletion of EEB's name at section 4, showing them only as applicants, with their address for service remaining at section 6. I am content for this amendment to be made in the Patent Office.

**Orders**

62 I am mindful that, as Mr Burkill has pointed out, Oystertec would seem to have been aware for some time of the prior art on the application for revocation is based. I am prepared however to give them a short period of time to prepare and file a counter-statement, but I will not without a compelling reason extend this period further. I therefore order that:

- Oystertec plc should within 21 days of the date of this decision file a counter-statement, and

- Form 2/77 should be amended in the Patent Office to delete the name of Edward Evans Barker at section 4.

63 If no counter-statement is filed, the comptroller will treat the application as undefended. As explained in paragraph 72.09 of the "Manual of Patent Practice", the proprietor will forfeit the right to take any further part in the proceedings. The comptroller will then consider the application as if each specific fact set out in the statement were conceded, except insofar as it is contradicted by other documents available to the comptroller. If on this basis it is determined that a ground has been made out, the patent will be revoked. If no ground appears to have been made out, the applicant will be offered a hearing before the application is dismissed.

**Costs**

64 EEB have won their case, and in line with the current practice of the comptroller I am minded to award costs at this stage in respect of this preliminary hearing, guided by the current published scale. However, at the hearing when I explained the current practice, Mr Miller suggested that EEB might be a litigant in person and/or appearing on a direct access basis and not entitled to costs.

65 I am doubtful whether these concepts apply to costs before the comptroller as they do to the courts, but before making any order for costs I will give the parties a period of 14 days from the date of this decision to make any submissions on the matter.

## **Appeal**

- 66 Whether or not the name of the party to the application for revocation is a matter of form or substance, I consider that this decision relates to matters of procedure, and so any appeal against it must be lodged within 14 days.

Dated this 25th day of July 2002

**R C KENNELL**

Deputy Director acting for the Comptroller

**THE PATENT OFFICE**