

- b) A witness statement from Mr. Rory Moore, a Patent Attorney in the firm of Computer Patent Annuities Limited Partnership (CPA)
- c) Two witness statements from Monsieur Jean-Claude Vieillefosse, Vice-President in charge of the Patent Department of Aventis Pharma

Background

- 5 The applicants are Aventis Pharma SA, a pharmaceutical subsidiary of Aventis, a company created following the merger of two other major pharmaceutical companies in December 1999. As a result of the merger, four patent departments with five databases existed worldwide – two in the USA, one in Germany and two in France. Each of the databases were independently operated.
- 6 Further to the merger, it was decided to migrate the data and the management of the patent cases from the five independent databases to into one shared database. The new database consists of tens of thousands of patents worldwide.
- 7 The complex process of amalgamating the databases began with the two French databases in September 2001 and was followed by the German and USA databases in November 2001. The new database is located and managed in Romainville in France. The other French database was previously located in Antony.
- 8 Just before the merger of databases began two experienced managers of the Romainville and Antony sites left the company, but were immediately replaced with other trained, but less experienced managers.
- 9 The supervision of the database merger and the complexities surrounding this was undertaken by M. Jean-Claude Vieillefosse, Vice President in charge of the Patent Department and a number of experience colleagues within the Department. M. Vieillefosse had undertaken projects to update or change patent databases three of four times previously and the methods he employed this time – working closely with software suppliers, employing manual checks to ensure no due dates were missed and operating the old and new systems in parallel for a period, with their outputs being cross-checked – had worked before and represented a standard way to manage this kind of change.
- 10 As the merging project progressed during the summer of 2001, M. Vieillefosse became aware of various errors occurring. As a result, as well as the methods mentioned above, he also instigated manual checks at the Romainville site against correspondence received in both Romainville and Antony, to ensure that all due dates were properly recorded or calculated in the database. This correspondence cross-check took place from September through to the end of 2001 and

included official correspondence from Patent Offices as well as from Attorneys and service providers such as CPA. Hundreds of letters were manually checked in this period.

- 11 The rule 39(1) period in which patents can be renewed early runs from three months before the due date for renewal. In this case that is from the 9th September 2001. On the 6th August 2001, CPA received a letter from Aventis Pharma instructing CPA to take the patent in suit on to their records and to send Aventis Pharma reminders of upcoming annuities. This CPA duly did and on the 12th September, 12th November and on the 12th December 2001, they sent reminders to Aventis Pharma informing them of the due date for renewal of this patent.
- 12 The renewal window allowed under section 25(4) in which the renewal fees can be paid late with fines closed in this case on the 9th June 2002. On the 12th April 2002, CPA sent a Final Reminder/Lapse Notice to Aventis Pharma. In addition to their own reminders, on the 16th January 2002 CPA also forwarded to Aventis Pharma the official reminder notice issued by the UK Patent Office (the PREN 5 letter) and finally on 22nd July 2002, they forwarded on the official ceasing notification (the CEA 1 EP).
- 13 None of these reminders or official notices were received by Aventis Pharma.
- 14 On the 26th November 2001, Aventis Pharma sent a computer generated listing of what they believed to be 50 patents instructing payment of the annuities on each of those cases. For reasons that will become clear later in this decision, Aventis Pharma believed the patent in suit was on that listing. In fact only 49 patents were on that list, the current case having been missed off by what Aventis Pharma later attributed to a computer error.
- 15 The error only came to light when instructions to CPA to pay the seventh year annuity on the patent led to the discovery that the sixth year had never been paid.

The Law as it applies to this case

- 16 The evidence shows and I was assured at the hearing (and I accept) that the omission of the patent in suit from the computer generated list sent to CPA was “unintentional” and that the patent should certainly have appeared on that list and had its sixth year annuity paid. Indeed it was argued in Mr. Campbell’s skeleton arguments prior to the hearing and at the hearing that I should in some way take into account the fact that the requirements for restoration set out in Section 28(3) of the Patents Act 1977, were amended with effect from 1 January 2005. This amendment of the law replaced the standard which required the Comptroller to be satisfied that the proprietor took “reasonable care” to see that the renewal fee was paid, with a requirement that the

Comptroller has to be satisfied that the failure to pay the renewal fee was “unintentional”. However, the new standard only applies to patents that ceased on or after 1 January 2005. Therefore, in the present case it is the standard of “reasonable care” that still applies.

17 Section 28 (3) of the Patents Act 1977 as it applies to this case states:

If the comptroller is satisfied that –

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

the comptroller shall by order restore the patent on payment of any unpaid renewal fee and any prescribed additional fee”

18 In accordance with Section 28 (3), I have to determine whether or not the applicant took “reasonable care” to see that the sixth year renewal fees were paid on the patent in suit. In deciding this matter it is helpful to bear in mind the following direction given by Aldous J in *Continental Manufacturing & Sales Inc’s Patent* [1994] RPC pages 535 to 545:

“The words “reasonable care” do not need explanation. The standard is that required of the particular patentee acting reasonably in ensuring that the fee is paid”.

Assessment

19 The above account of the background to this case is a chronological distillation of the facts from the evidence submitted in this case. During the proceedings, it took the case officers of the Office several attempts to try and illicit a clear picture of events and responsibilities and indeed I allowed a further period after the hearing for more evidence to be submitted for further clarification. The evidence was far from clear in some instances, with differing interpretation of events and indeed some contradictory evidence.

20 However, in essence, the applicants argue the lapse of this patent occurred due to its undetected omission from a computer generated list sent from Aventis Pharma to CPA in November 2001. However, they argue they had put in place reasonable steps to ensure its renewal and that its lapse was an unfortunate, unintentional and isolated event.

21 There is no doubt in my mind that given the size of the applicants’ operation and the number of patents the applicants hold, they *generally* have in place very organised and professional systems to ensure renewal which more than satisfy the statutory standards. They had several databases worldwide, amalgamated into one at the time this renewal was due, dealing with tens of thousands of patents every year.

The new database generated renewal reminder lists in good time and these were supplemented prior to this with reminders sent to them by expert patent professionals such as CPA and J A Kemp & Co. That by any standard is at least “reasonable” care.

- 22 However, the fact that a proprietor has set up a system which is reasonable for the renewal of patents *in general* will not necessarily justify restoration – see *The Cement and Concrete Association’s Patent*, [1984] RPC 131. I need to assess whether in the circumstances surrounding this patent, reasonable care was taken.
- 23 The evidence shows that the decision to renew the patent was taken essentially by Mme. Le Pennec, who was an experienced European Patent Attorney employed by Aventis Pharma . It was a decision based on Aventis Pharma’s policy at that time to renew all patents relating to the “taxoid” family of patents (which includes the patent in suit), unless there was a specific decision not to renew a specific one. No such decision not to renew was made in this case.
- 24 It was Mme. Le Pennec’s belief at the time that the patent was correctly entered on to Aventis Pharma’s database, and as such would be renewed under the standing arrangements with CPA. These arrangements were that CPA would remind Aventis Pharma of upcoming annuities and Aventis Pharma would then authorise payment. Due to the numbers of patents involved, this in practice for Aventis Pharma meant a computer generated list of patents to be renewed would be sent to CPA to effect the renewals of those on the list.
- 25 From the background above, it can be seen that the patent in suit was omitted from the list it should have appeared on. The questions to be addressed then are:
- i. Why did the list not contain EP0876361, the patent in suit?
 - ii. Why was this not spotted before the list being sent to CPA?

Why did the list not contain the patent in suit?

- 26 As I have described, the evidence shows that the company was in a major restructuring programme, including the merging of five patent databases. It is clear that the programme was run on professional lines, using tried and trusted staff and methods. However, it is also admitted that there were known errors occurring during the programme. It became very difficult during the prosecution of this application at the Office, for the case officers to establish the nature and more importantly, the *effect* of these errors in the patent renewal processes of Aventis Pharma. The question was could the errors, whatever was causing them, have resulted in missing numbers from the computer generated renewal lists, such as that sent to CPA on the 26th November 2001? Indeed even at the hearing this was still at issue. Mme. Le Pennec could not shed any great light on it in her evidence nor at the

hearing. However, in M. Vieillefosse's last witness statement filed after the hearing, he offers what I regard as definitive an answer as I am likely to receive. He says at paragraph 4:

"I have been asked whether I had reason to believe that the database errors could have led to individual patents being left off listings such as that of 26th November 2001. I had no reason to believe this might happen since, as I say, both new and old systems were run in parallel and there were manual checks on all correspondence as well. These procedures should have picked up errors of this type. I do not know how this particular error happened."

27 This leads to the second question:

Why was this not spotted before the list being sent to CPA?

28 Should the renewal lists have been checked prior to being sent out? In a perfect world the answer is perhaps yes. However, M. Vieillefosse's statement above offers a perfectly plausible explanation as to why this wasn't done at the relevant time. As Mr. Campbell reminded me at the hearing, more can always be done, particularly in hind-sight, but the law does not ask for the ultimate, but for "reasonable" care. In his view, this has been amply demonstrated.

29 I agree.

30 It has taken an inordinate amount of time to establish the salient facts in this case, but once established, in my judgement I agree that the applicants have demonstrated the requisite standard expected by the law.

Reasoning

31 In my view, using the terminology of Lord Oliver in the House of Lords in the *Textron* case [1989] RPC 441, M. Vieillefosse should probably be regarded as the "directing mind" in this particular case, although that is not necessarily the applicants' view. As Vice-President in charge of the Patents Department at Aventis Pharma, he was at least partly responsible for the company policy at the time to renew all their "taxoid" family of patents. This included the patent in suit.

32 The Patent Department had in place professional representatives to administer the renewal process in the shape of Mme. Le Pennec and CPA. It seems that despite all the renewal reminders going astray and the manual checks put in place by Aventis Pharma failing to find them, the renewal of the patent in suit should still have been executed. The general decision on the taxoids should have seen to this. Mme. Le Pennec was aware of this policy. She was also of the belief that the patent in suit was correctly entered on to the newly merged database, and therefore had no cause to think it would be omitted from the automatically generated renewal list of 26th November 2001.

- 33 Although M. Vieillefosse and various other responsible colleagues within Aventis Pharma knew of problems within the merged database programme and sought to manage the risks in various tried and trusted ways, they had no reason to suspect these errors would cause a patent to be missed from a renewal list. The reason for the fatal omission remains a mystery. The patent in suit obviously did appear on the computer generated list for the seventh year, as this is how the mistake in the sixth year renewal was discovered.
- 34 In *Marbourn's Patent* (BL 0/376/99) restoration was allowed where a previously effective system within the company broke down following restructuring of the company. Although the factual circumstances here are quite different, I feel the outcome is rightly the same. Aventis Pharma is a major organisation handling large numbers of patents worldwide on a monthly basis. For this reason they have in place professional systems to administer renewals. Perhaps the amalgamation of their five major databases caused what they describe as this isolated error, but there is no evidence to suggest this is necessarily so. It seems that despite their reasonable efforts, a mistake still occurred in the case of the renewal of the patent in suit.

Conclusion

- 35 On the evidence before me I am satisfied that the applicant exercised the degree of care to see that the renewal fee was paid which I consider was reasonable under the circumstances relevant to this particular application for restoration. I am therefore satisfied that the requirements in section 28(3) have been met and that restoration should be allowed.
- 36 In accordance with rule 41(4) of the Patents Rules 1995, an order for restoration will be made if, within two months from the date of this decision, the proprietor files a Patents Form 53/77 and fee of £135, together with Patents Form 12/77, duly completed, and the amount of any unpaid renewal fee. The effect of the order will be as specified in section 28A.

G J Rose' Meyer

Divisional Head of Administration

Acting for the Comptroller