

19th March 2008

PATENTS ACT 1977

BETWEEN

GAT Microencapsulation Gmbh

Claimant

and

Syngenta Ltd

Defendant

PROCEEDINGS

Application under section 72 for revocation
of Patent No EP 0824313

HEARING OFFICER

Peter Back

**DECISION ON COSTS AND CERTIFICATE OF CONTESTED
VALIDITY**

Background

- 1 An application for revocation of EP(UK) patent number EP 0824313 (“the patent”) in the name of Syngenta Ltd (“Syngenta”) was made by GAT Microencapsulation Gmbh (“GAT”), then GAT Formulation Gmbh, on 7 August 2006.
- 2 The patent was filed as a PCT application on 18 April 1996, claiming a priority date of 27 April 1995, and was granted by the European Patent Office on 9 August 2000. The claims relate to microcapsules containing insecticide and a UV protectant. GAT alleged that the claims are excluded from patentability as lacking an inventive step and that the specification as a whole is insufficient.
- 3 Syngenta did not attempt to defend the patent as granted. Instead, it proposed amendments to the claims and sought to defend the patent as amended from the allegations of lack of inventive step and insufficiency. GAT objected to the attempt to amend, and maintained that the amendments did not overcome its objections in any event.
- 4 In a decision dated 13 February 2008 [BL O/039/08] I found the application to

amend to be allowable. I further found that the attacks based on insufficiency and lack of inventive step failed and that the patent as amended was valid.

- 5 I indicated at the hearing that I would take submissions as to costs, bearing in mind the preliminary decision already issued in this case on 31 January 2007 [BL O/037/07]. Both parties made submissions on costs with respect to both hearings and the Defendant has requested a Certificate of Contested Validity. Both parties have agreed to these issues being decided on the papers. I will deal with the certificate request first and I note that the Claimant has confirmed that it has no objection to the issue of such a certificate.

Certificate of Contested Validity

- 6 The law regarding such certificates is set out in Section 65(1) which states that:

“If in any proceedings before the court or the comptroller the validity of a patent to any extent is contested and that patent is found by the court or the comptroller to be wholly or partially valid, the court or the comptroller may certify the finding and the fact that the validity of the patent was so contested.”

- 7 The facts are simple, the validity of EP(UK) patent number EP 0824313 was contested on the grounds that that the claims are excluded from patentability as lacking an inventive step and that the specification as a whole is insufficient. In the decision referred to above I rejected that attack and found the patent as amended to be valid.
- 8 Accordingly I certify that the validity of EP(UK) patent number EP 0824313 was contested on the grounds that that the claims are excluded from patentability as lacking an inventive step and that the specification as a whole is insufficient and I have found the patent as amended to be valid.

Costs

- 9 I now turn to the issue of costs. It is long-established practice for costs awarded in proceedings before the comptroller to be guided by a standard published scale. The scale costs are not intended to compensate parties for the expense to which they may have been put but merely represent a contribution to that expense. This policy reflects the fact that the comptroller ought to be a low cost tribunal for litigants, and builds in a degree of predictability as to how much proceedings before the comptroller, if conscientiously handled by the party, may cost them. The standard scale for proceedings commenced before 3 December 2007 is set out in Annex A of Tribunal Practice Notice TPN 2/2000 at.
- 10 With regard to the substantive hearing the issue is straightforward. The Defendant has been successful and there has been no suggestion from either side that there has been any unreasonable behaviour to suggest a departure from the scale. Accordingly, in accordance with normal practice the Defendant is entitled to an award of costs against the Claimant. The Defendant has submitted an itemised request for costs against the standard scale which amounts to £5,250. I note that in doing so it has requested costs at the maximum level

wherever the scale allows for an award within a range. What it has not done is offer any reason why I should opt for the maximum level of the scale and I can see none. I am satisfied that a more moderate application of the scale is appropriate and that the Claimant should pay the Defendant the sum of £3,800 as a contribution towards its costs in the substantive hearing.

- 11 The preliminary decision is a little more complex and both parties are claiming an award of costs. The issue at that hearing was, as the hearing officer put it, "*whether the counterstatement in this case is adequate or not adequate in respect of the allegation of obviousness.*" The Defendant's position was that its counterstatement was adequate but that if the hearing officer found against it, it should be allowed to amend the counterstatement. The Claimant's position was that the counterstatement was inadequate and should be struck out.
- 12 In the event, the hearing officer found "*that the way in which the counterstatement deals with the obviousness argument in paragraph 3(a) of the Statement of Claim is not adequate.*" He went on to find that striking out at that stage would not be an appropriate action and he allowed the Defendant an opportunity to amend the counterstatement to rectify this deficiency. Whilst there is an element of swings and roundabouts in this outcome it seems to me to be clear that had the counterstatement been adequate in the first place, no preliminary hearing would have been required. The Claimant has asked for an award of costs of £1,000. For the reasons given above I consider that the Claimant has been put to expense through the inadequate nature of the Defendant's counterstatement and, applying the scale, I am satisfied that £1000 is an appropriate sum.
- 13 Thus I am awarding a sum of £3,800 to the Defendant and a sum of £1,000 to the Claimant. This is effectively an award of £2,800 to the Defendant. Accordingly I order the Claimant to pay the Defendant the sum of £2,800 as a contribution to its costs. This sum should be paid within 7 days of the expiry of the appeal period below. Payment will be suspended in the event of an appeal.

Appeal

- 14 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days from the date of this decision.

Peter Back

Divisional Director acting for the comptroller