



**PATENTS ACT 1977**

BETWEEN

Tip-top.com Ltd	Claimant
and	
Salvus Technology Limited	Defendant

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PROCEEDINGS

Application under section 72 of the Patents Act 1977 for revocation of patent number  
EP(UK)1558311 B

HEARING OFFICER                      Peter Slater

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**DECISION – COSTS**

**Introduction**

- 1 Patent EP(UK)1558311 B stands in the name Salvus Technolgy Limited (“Salvus”). The patent was granted with effect from 6 December 2006. On 16 July 2010, Tip-top.com Ltd (“Tip-top”) applied to revoke the patent relying on three earlier published patent documents.
- 2 The original Hearing Officer, Mr Stephen Probert, issued a preliminary evaluation on 17 February 2011 in which he highlighted certain inconsistencies between the claimant’s statement of grounds which appeared to contest both novelty and inventive step, and the defendant’s counterstatement where it appeared that inventive step alone was in question. Both parties were subsequently given an opportunity to amend their respective statements in order to resolve this inconsistency.
- 3 The claimants filed an amended statement of grounds on 11 March 2011, and the defendants a supplementary counterstatement on 25 March 2011. However, the inconsistency remains. Furthermore, the claimants at paragraph 21 of their amended statement took the opportunity to raise an additional ground for revocation on the

basis of sufficiency (section 72(1)(c)). The defendants objected to this and asked me to consider having this additional ground struck-out.

- 4 A case management conference was held on 14 July 2011 to address these matters and to clarify the exact boundaries of the dispute. The applicant was represented by Julian Crump and Anne Campbell of Mintz Levin, and Barry Liversidge (CEO, Tip-top.com Ltd) was also present. The defendant was represented by Richard Gillard of Elkington and Fife. Following the case management conference, I issued a preliminary evaluation on the 10 November 2011 exercising the comptroller's discretion in favour of the claimant and agreed that the additional grounds for revocation under section 72(1)(c) should be admitted. Both sides were then given an opportunity to file additional submissions on the issue of sufficiency prior to the normal rounds of evidence.
- 5 However, during the proceedings the defendants filed a number of supplementary and further counterstatements which they were requested to consolidate prior to the substantive hearing.
- 6 At the hearing on 26 -27 April 2012, I found claim 1 as granted lacking in novelty. However, the defendant was given an opportunity to file amendments under Section 75 of the Act to avoid revocation. They have subsequently done so. At the hearing and in my substantive decision I deferred the question of costs pending further written submissions from the parties. These have now been provided and form the basis on which my decision has been made.

### **Costs before the Comptroller**

- 7 It is long-established practice for costs awarded in proceedings before the Intellectual Property Office (IPO) 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 IPO ought to be a low cost tribunal for litigants, and builds in a degree of predictability as to how much proceedings before the IPO may cost them. Tribunal Practice Notice (TPN) 4/2007<sup>1</sup> sets-out the standard scale and explains how costs are to be determined in proceedings before the Comptroller.
- 8 The claimant's submissions on costs are as set-out in their letter dated 3 September 2012. They appear to accept that costs should be awarded in line with TPN 4/2007 but are claiming additional costs in respect of reviewing and advising on the defendant's supplementary and further counterstatements and attending the case management conference on 14 July 2011 amongst other things. In total, the claimants have requested an award of £19,500.
- 9 The defendant's submissions are set-out in their letter dated 6 September 2012, in which they are claiming an award of costs towards the top-end of that specified in TPN 4/2007, a figure of £10,000 in total.

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<sup>1</sup> See <http://www.ipo.gov.uk/p-tpn-42007.htm>

## **Conclusions and Order**

- 10 So who is entitled to an award of costs? The patent has survived revocation but only as a result of amendment. The claimant has therefore succeeded in establishing that the patent as granted was invalid and as such has been at least partially successful in its claim, and is entitled to an award of costs in its favour. Whilst the proceedings have not gone as smoothly as possible and have taken longer than would normally have been expected, I do not think this has been particularly onerous on either party, and can see no need to stray from the standard scale. It is true to say that some of the additional rounds of correspondence, amended statements and evidence could perhaps have been avoided had the defendant's case been clearer from the outset. However, I cannot ignore the fact that the claimants have added to this by introducing an additional ground for revocation later on in the proceedings which I note was unsuccessful. My decision has therefore taken all of these factors into consideration.
- 11 I therefore order the defendant Salvus Technology Limited to pay the claimant Tip-top Limited £6000 as a contribution towards its costs in these proceedings. This sum should be paid within seven days of expiry of the appeal period below. Payment may be suspended in the event of an appeal.

## **Appeal**

- 12 Any appeal must be lodged within 28 days.

**P R SLATER**

Deputy Director acting for the Comptroller