



## **Evidence**

- 7 The evidence submitted in support of the request for restoration consists of :
- A letter from Mr. Perry received on 13 June 2012 filed with the Form 16, but no fee was paid at that time on the Form 16.
  - Letters from Mr. Perry dated 10 October 2012, 20 November 2012 and 18 December 2012.
  - A letter from Mr. Perry received on 12 June 2013, enclosing a copy of a bank statement. This evidence was received as a result of additional time I allowed at the hearing.
  - A letter from Mr. Perry dated 26 September 2013, enclosing a copy of another bank statement. This evidence was received as a result of additional time I allowed after the hearing.

## **The Law**

- 8 Section 28(3) of the Patents Act 1977 states:

*If the Comptroller is satisfied that the failure of the proprietor of the patent-*

*(a) to pay the renewal fee within the prescribed period; or*

*(b) to pay that fee and any prescribed additional fee within the period of six months immediately following the end of that period,*

*was unintentional, the Comptroller shall by order restore the patent on payment of any unpaid renewal fee and any prescribed additional fee.*

## **The arguments**

- 9 Examination of the evidence filed prior to the hearing led the Office to maintain its position that a successful case for restoration of this lapsed patent had not been made. This was based firstly on the fact that in his first letter accompanying the (unpaid) Form 16 filed on 13 June 2012, Mr. Perry had unequivocally stated that he “*could not afford to renew it at the time...*” the renewal was due by 31 August 2011 or in the following six months with appropriate additional late fines. The Office notified Mr. Perry that it was minded to refuse the application based on that evidence, but invited him to file any further evidence he felt appropriate in supporting his case.
- 10 The subsequent correspondence listed above between the Office and the applicant up until the hearing in June 2013 concentrated on a number of issues:
- Mr. Perry’s confusion over whether he had paid the renewal fee at the same time as he had paid another fee on another of his patents at about the same time.
  - Mr. Perry’s assertions that he was advised by the Office in a telephone

conversation “*around October 2011*” that the cheapest way to renew his patent was to wait until after the six months late payment arrangements had lapsed, wait for the patent to cease and then apply for restoration instead.

- Getting to the bottom of the conversation Mr. Perry alleges he had in around October 2011 with a male IPO official in which he received the advice referred to in the above bullet point. A recorded telephone conversation between Mr. Perry and an official in the IPO Information Centre (Mr. John Hurley) was traced to have taken place on the on 8 *November* 2011 and a copy of it was supplied to Mr. Perry, together with a written transcript of the conversation. That recording and transcript shows that Mr. Hurley supplied Mr. Perry with correct advice about what fees and fines were due on the patent in suit and no advice about delaying payment in favour of restoration was given.
- Mr. Perry’s insistence that the conversation with Mr. Hurley was not the one he was referring to and that he had had another conversation with another male official at the Office. No record of another conversation has come to light in the evidence and Mr. Perry could not supply any specific information in order for further official records to be checked.

- 11 Based on the above, the Office maintained its position and upheld its decision to reject the application for restoration. The Office’s position was that as Mr. Perry had clearly stated that he had no money to pay for the renewal of the patent in suit, had not provided any evidence to the contrary and as he was aware of his inability to pay, this was a *conscious decision* not to pay. Whatever his underlying intention to keep the patent in force had been - Mr. Perry had stated throughout the proceedings that it had never been his intention to let the patent lapse - that inability to pay the renewal fee was not grounds for restoration within the meaning of s.28(3).
- 12 The above issues were all discussed in more detail at the hearing. At the hearing it was clear that Mr. Perry had become very confused about when and what amount he actually had to pay at various points during the period when the patent could still have been renewed. Indeed the recorded conversation with Mr. Hurley had also amply demonstrated this.
- 13 Despite Mr. Perry’s initial assertions of impecuniosity, he had also subsequently asserted in evidence and at the hearing that at various stages throughout the period when the patent could have been renewed, he did in fact have funds in place to do so. Indeed at the hearing this became the main focus of his submissions, albeit couched in confusion as to exactly when and what amount he had to pay and strong submissions about the erroneous advice he was allegedly given.
- 14 It was because of this obvious confusion that at the hearing I allowed Mr. Perry further time in which to file additional evidence about his financial position during the relevant period, because in essence, this was going to be the decisive factor in this case.
- 15 In his evidence received on 12 June 2013, subsequent to the hearing, he submitted evidence in the form of bank statements showing that in between May 2011 and July 2011 (i.e. within the 3 months prior to the renewal being due – the due date being 8

August 2011), he had sufficient funds in his account to pay the renewal fee of £150 (no fines were applicable at this point).

- 16 However, he clearly decided not to pay the fee at that time and that evidence offers no explanation as to why, so has no determinative bearing on these proceedings.
- 17 It is clear from the evidence that Mr. Perry spoke to the Office on 8 November 2011 (i.e. with Mr. John Hurley) and in that conversation he was notified that at that time, the fee to pay was the £150 renewal fee, plus two months worth of late payment fines of £24 per month, making a total fee of £198 payable in order to renew the patent.
- 18 In that conversation, Mr. Perry had said to Mr. Hurley that although he did not have the full amount payable as of that date, he would have sufficient money to pay the money “...next week when I get paid”.
- 19 It seems to me that this is crucial to Mr. Perry’s case and because of this I allowed him a further opportunity to provide evidence to show whether as at 8 November 2011 until the last day in November (that being the final date when these fees and fines still applied), that he had sufficient funds to pay the £198 to renew the patent in suit.
- 20 On 26 September 2013, Mr. Perry submitted a letter enclosing copy of a bank statement showing that as of 28 November 2011, he had a balance of £314.44 in that particular bank account.
- 21 This is proof positive that Mr. Perry did indeed have sufficient funds to pay the £198 he needed to pay at that time to renew his patent. This of course begs the question why didn’t he pay it if, as he asserts, it was never his intention to let the patent lapse? This goes to the heart of the determination I need to make in this application for restoration.

### **Was the failure to pay the renewal fee on time “unintentional”?**

- 22 The essential determination to be made under Section 28 (3) of the Act is that the Comptroller shall restore the patent if he is ‘satisfied that the failure... [to pay the renewal fee] .....was unintentional’.
- 23 It is important that the meaning of this requirement is read and understood in totality.
- 24 Whilst it is tempting to look at the word ‘unintentional’ and decide whether the evidence demonstrates that the circumstances surrounding the facts of the case were outside the applicant’s control and unintentional. However, that is not the test.
- 25 The determination is not to be reached by examining the general surrounding circumstances but rather what the reasons were specifically in relation to the failure to renew the patent on time and whether that failure was unintentional.
- 26 In *Anning’s Application* (BL O/374/06) the Hearing Officer interpreted ‘unintentional’ according to its normal English meaning (not done on purpose) and warned against going against the clear meaning of the statute. Although there was a continual underlying intention to proceed it did not follow that the failure was unintentional.

- 27 On appeal, in *Anning's Application* [2007] EWHC 2770 (Pat) the court was clear that the test is not concerned with looking at the unintentionality of a consequence which follows from the failure to do the required thing, but solely about the failure to do the thing itself.
- 28 It has never been in dispute that Mr. Perry always had an underlying intention not to let his patent lapse, but was his failure to pay the renewal fee on time unintentional?

### **The analysis**

- 29 At the hearing and again in his letter of 26 September 2013 Mr. Perry stated that the reason for not paying the renewal fee and late payment fine by the end of November 2011 when it has been shown he had the money to do so was because soon after speaking to Mr. Hurley on 8 November, he rang the Office again and was further advised that it would be cheaper to allow the patent to lapse and then restore it. Now whilst I have no evidence of this at all, this matter was discussed in some detail at the hearing and Mr. Perry is adamant that this advice was given to him, albeit he suggested the date was around October 2011, not after November 2011. The effect of that alleged official advice was that he thought he could delay the renewal of his patent and await the restoration process.
- 30 What am I to make of this line of argument? At the hearing I gave Mr. Perry my view that this would be wholly inaccurate advice for any IPO official to give and that there is no evidence that it was given. On the other hand Mr. Perry did point out that other errors had been made in the processing of this patent. He pointed out that in a previous restoration action on this same patent, the application for restoration was successful on basis of errors made within the Office. Mr. Perry also pointed me to various small clerical errors made during these proceedings.
- 31 I pointed out to Mr. Perry at the hearing that given he had been through the restoration process before on this patent, I found it somewhat odd that he should be seemingly so unfamiliar with it and the renewals process. Mr. Perry's arguments here were that he was an extremely busy man on various fronts to do with his business, his other patents and indeed other Intellectual Property rights and because of this he is often shifting his monetary and business priorities etc, and admitted to being extremely confused by exactly where he is at any given point with many of his dealings on his patents. He claimed that he was totally unfamiliar with the restoration process because even though he had been through it before, he merely followed the IPO's instructions at the time and really wasn't aware of what process he was in.
- 32 On balance, the best I can make of this line of argument is to accept that Mr. Perry did seek further advice from the Office after his conversation with Mr. Hurley and whatever advice he was given after the correct advice provided by Mr. Hurley, he *understood it* to mean that he could delay the renewal of his patent and await the restoration process as this would be a cheaper option. This seems like wholly unlikely advice in my opinion, but Mr. Perry seemed to me at the hearing to be an open and honest individual, who was clearly struggling to stay on top of his dealings with his patents on various fronts and because of this was hopelessly confused as to what advice he was being given, by whom and how and when to follow that advice.

- 33 It is very clear from the evidence that Mr. Perry has been confused throughout the process about when and how much to pay in order to renew his patent. On the balance of probabilities, taking the best view that I can, I accept that whatever he understood from the official advice given to him, it confused him to such a degree that it led to the fatal non payment of his renewal fees on the patent in suit.
- 34 On that basis it is also clear that the failure to renew the patent in time was unintentional within the meaning of the Act.

### **Conclusion**

- 35 It is my view that the evidence provided in this case is sufficient to satisfy the Comptroller that the 'unintentional' test has been met. As such I order that the patent be restored.

G.J Rose'Meyer  
Hearing Officer  
Acting for the Comptroller