



PATENTS ACT 1977

CLAIMANT	Bollard Proof Limited
DEFENDANT	Michael Harrison
PROCEEDINGS	Application under section 72 for revocation of patent GB2502993
HEARING OFFICER	H Jones

DECISION ON COSTS

Introduction

- 1 This is a decision on costs arising from an application for revocation that was decided in the defendant/patentee's favour ([BL O/0052/23](#)). At paragraph 63 of the earlier decision, I indicated that the defendant was entitled to an award of costs in their favour and that I did not expect the award to depart from the comptroller's standard scale of costs, i.e. the scale of costs set out in [TPN 2/2016](#) (given that proceedings commenced before January 2023). I invited written submissions from both sides before making a final order, these being filed by the claimant on 20 March 2023 and by the defendant on 15 March and 3 April 2023. I take these submissions into account in my assessment of the appropriate award of costs set out below.

Assessment on costs

- 2 The defendant requests an award of costs totalling £3336.08, which is broken down as follows: £400 for considering the claimant's statement and preparing a counterstatement (including the section 75 amendments); £1500 for preparing expert evidence and considering and commenting on the claimant's expert evidence; £1300 for preparing for and attending the hearing; and £138.08 inclusive of VAT for attending the hearing for cross-examination.
- 3 The claimant challenges the defendant's request for costs in considering the claimant's statement of case. They say that they (i.e. the claimant) should be entitled to their own costs for the preparation of the statement of case on the basis that in pre-application (without prejudice save as to costs) correspondence, the defendant had simply asserted that the patent was valid. They say that it was only following the filing of the application for revocation on essentially the same facts that had been presented to the defendant previously, and giving the defendant ample opportunity to respond, that invalidity was admitted and the unconditional amendments put forward. They say that had the defendant admitted invalidity prior to the filing of the application for revocation and offered the amendment when given the opportunity to do so, then the claimant may not have proceeded to file an application for revocation

at all in relation to the more limited patent and the entire proceedings may have been avoided. The claimant also challenges the defendant's claim to expenses when the hearing was held by video conference.

- 4 In their reply, the defendant does not deny the fact that they asserted the patent to be valid in the pre-application correspondence. However, they do dispute any suggestion that it was a result of the defendant's conduct that the revocation action was brought. The defendant provides a copy of the licensing agreement between the two sides, which they say requires the licensee (the claimant in this case) to join the licensor (the defendant) in defending any attack of the licensed patent. The defendant acknowledges that the license does not specifically envision an attack on the patent being made by the claimant but says that the claimant avoided entering into any discussion to seek to resolve any issues prior to bringing their action. The defendant provides copies of email correspondence between the two sides in which the defendant attempts to arrange a meeting to discuss the royalties that they claim were due for payment. In an email dated 31 August 2021, the claimant notes the existence of prior art that could result in revocation of the patent and that the process of revocation would be relatively straightforward. After receiving legal advice relating to the license agreement, the defendant replies on 4 October 2021 offering an alternative approach to resolving the commercial dispute but mentioning nothing about the validity of the patent. The claimant replies a few days later urging the defendant to recognise the susceptibility of the patent to further scrutiny and to propose a more realistic approach to finding a settlement to the financial dispute, saying that if no such proposal is received within 14 days then the necessary documents would be collated and handed to their legal team to initiate proceedings to have the patent revoked.
- 5 I note that the application for revocation of the patent was filed at the IPO on 20 January 2022.
- 6 The claimant says that the entire proceedings may have been avoided had the defendant admitted invalidity prior to filing the application for revocation and offered the amendment when given the opportunity to do so. However, once proceedings were initiated, the defendant did propose unconditional amendments at the earliest opportunity and the claimant did continue proceedings based on the more limited patent even though it says it may not have done so pre-application.
- 7 The defendant has asked for £400 as a contribution to its costs in considering the claimant's statement of case and preparing its counterstatement, compared with a maximum amount of £650 for this task as set out in TPN 2/2016. Taking all of the above into account, on balance, I am content that an award of £400 for this element is appropriate. The amount of £1500 for preparing and considering evidence is well within the scale of costs for this task and seems reasonable given the nature of evidence presented, so I am content to allow this cost. The same applies to the cost of preparing for and attending trial. As to the travel expenses claimed, which the claimant challenges because the hearing was held by video conference, I am prepared to allow this modest cost on the basis that the defendant says it was necessary for Mr Ball to travel to and from Cheltenham for the cross-examination by video. It seems sensible to round down the total amount to the nearest pound.
- 8 The claimant makes a final point in respect of my preliminary view that the defendant should be entitled to an award of costs in their favour. They say that in view of the unusual circumstances in this case, the comptroller should not risk being seen as

rewarding a patentee who necessitates an otherwise avoidable revocation action by making assertions which are wholly unsustainable, and that I should consider making no award of costs in this matter. From the email correspondence I have seen, it seems clear that in the negotiations regarding payment of royalties that it was not possible for the parties to resolve their differences despite best efforts and that one of the sides considered it necessary to initiate proceedings to resolve the dispute. In my experience, that is not unusual, so I do not see this as a case of rewarding possible unreasonable behaviour by the successful party.

Order

- 9 I hereby order Bollard Proof Limited to pay Michael Harrison the sum of £3336, this sum to be paid within seven days of the expiry of the appeal period below.

Appeal

- 10 Any appeal must be lodged within 28 days after the date of this decision.

H Jones

Deputy Director, acting for the Comptroller