

## **PATENT ACT 1977**

IN THE MATTER OF applications  
under section 28 for restoration of  
European patent (UK) 0482037 in the name of  
Mr Jes Tougaard Gram

### **DECISION**

#### **Background**

1. The renewal fee in respect of the ninth year of the patent fell due on 11 July 1998. The fee was not paid by that date or during the six months allowed under section 25(4) upon payment of the prescribed additional fees. The patent therefore lapsed on 11 July 1998. The application for restoration of the patent was filed on 3 February 1999, within the 19 months prescribed under rule 41(1)(a) for applying for restoration. After considering the evidence filed in support of the application for restoration an official letter was sent to the proprietor Mr Jes Tougaard Gram on 2 July 1999 informing him that the Patent Office was not satisfied that the requirements for restoration, as laid down in section 28(3), had been met.

2. The matter came before me at a hearing on 8 October 1999. Mr Gram appeared in person. Mr Ian Sim attended on behalf of the Patent Office.

3. The evidence filed in support of the application consists of two sworn statements by Mr Gram.

#### **The Facts**

4. For renewal fees prior to the ninth year, Mr Gram, who resides in Birkerød, Denmark, used the patent attorneys Holme Patent A/S, based in Copenhagen, to remind him when to pay renewal fees on the patent. Holme Patent would send Mr Gram reminders when each fee was

due and would pay the fee on his instructions.

5. In 1998 a dispute started between Mr Gram and Holmes Patent over the fees that Holmes Patent was charging Mr Gram. During the dispute Holmes Patent discontinued sending reminders to Mr Gram. However, Mr Gram knew that the ninth year renewal fee needed to be paid and that he could pay the fee with additional fees in the six-month period. He therefore decided to pay the fee at the end of that period as had been done in previous years when Holmes Patent arranged for the renewal fees to be paid on his behalf. The six-month period expired on 11 January 1999, ie six months from the renewal due date of 11 July 1998 which was the anniversary of the date of filing. However, Mr Gram thought that the renewal due date was the last day of the month in which the date of filing occurred, ie 31 July 1998. Consequently, he believed that the six-month period expired six months from that date, ie on 31 January 1999. There were two reasons that lead him to believe that this was the case. Firstly, the renewal due date in the other European countries where he held a European patent for the same invention was the last day of the month in which the filing date occurred. Secondly, the filing date of his only other patent, which was also a European patent (UK), was 30 September 1987 which meant that the renewal due date on that patent happened to be the last day of the month.

6. It was not until he contacted the Patent Office around 20 January 1999 to check the amount of fee he had to pay that he discovered that the six-month period had already expired on 11 January 1999 and his patent had ceased.

7. Mr Gram said that he never received the statutory renewal reminder notice that the Patent Office is obliged to issue in accordance with rule 39(4). At the hearing, he said that Holmes Patent had never forwarded these statutory reminders to him in the past despite the fact that they had been sent to their UK associates Boulton Wade Tennant who were also the registered address for service for the patent. Therefore, Mr Gram was not aware of the existence of such reminders.

## Assessment

8. What I have to decide is whether or not Mr Gram took reasonable care to see that the ninth year renewal fee was paid. In deciding this matter it is appropriate to bear in mind the following direction given by Laddie 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.”

9. The error that Mr Gram made, which led to his failure to pay the ninth year renewal fee in time, was that he mistakenly believed that the renewal due date was 31 July 1998 and that accordingly the six-month period ended on 31 January 1999. The question is, was that an unreasonable error to make in the circumstances?

10. There were several factors which, taken together, contributed to Mr Gram's error. After the European Patent Office granted his patent, he relied entirely on his agents to deal with the renewal of the patents in the various European countries that he had designated, including the United Kingdom. All he was required to do was instruct the agent to pay after receiving their reminders. It has been held (*Frazer's Patent* [1981] RPC 53) that placing responsibility for renewal fees in the hands of a professional adviser, such as a patent agent, amounts to reasonable care. Therefore, it was a perfectly reasonable for Mr Gram to rely on his agents to handle renewal payments on his behalf. Unfortunately, when the agents unexpectedly withdrew their services after Mr Gram questioned the fees they were charging him, he was left to pay the ninth year renewal fee himself. Because he had relied on the agents, he had no reason to familiarise himself with the details of paying renewal fees. However, he was aware that he could pay the fees with additional fees in all the European countries he had designated in the six-month period following the renewal due date. What he did not realise was that the UK operated a slightly different regime to the other designated European countries in that it was the only country in which the renewal due date was the anniversary of the date of filing and not the end of the month in which that date occurred. As

there was nothing to suggest to Mr Gram that the UK operated a different regime, he had no reason to believe that the six-month period for paying the ninth year renewal fee on the subject patent was not the same as for the other European countries.

11. His mistaken belief was not helped by the fact that the only other patent he had was also a European patent (UK) the filing date, and accordingly the renewal due date, of which coincidentally happened to be the last day of the month.

12. The fact that Mr Gram did not receive the rule 39(4) reminder notice contributed to his failure to realise when the six-month period actually ended. That notice, which the Office issued on 27 July 1998, included the following passage:

“The patent may still be renewed by paying the renewal fee, together with the appropriate extension fee within a maximum period of six months from the due date shown above.”

13. The renewal due date was given in the reminder notice as 11 July 1998 (not 31 July 1998) which meant that the six-month period expired on 11 January 1999. Therefore, if Mr Gram had received that reminder notice, it is quite possible that it would have at least prompted him to check when the six-month period expired in the UK.

14. I can understand why the agents would not have forwarded the rule 39(4) reminder notices to Mr Gram when they were sending him their own reminders. However, it is unfortunate that they apparently did not forward to him the reminder notice in respect to the ninth year renewal fee bearing in mind that they had decided not to send him their own reminders, despite the fact that Mr Gram had not asked them to cease providing him with a service, and that by not sending him any reminders, including the rule 39(4) reminder notice, his patent would be put in jeopardy.

15. Taking all these factors into account, it is perhaps not surprising that Mr Gram mistakenly believed that he had until 31 January 1999 to pay the ninth year renewal fee with

additional fees.

16. Given this somewhat unique set of circumstances, I can appreciate why Mr Gram thought that he had more time than he actually did to pay the ninth year renewal fee with additional fees. His misconception seems to have been a genuine mistake which could not have been anticipated, particularly as he was not forwarded the rule 39(4) reminder notice which indicated when the fee had to be paid. Therefore, I am satisfied that the misunderstanding was not due to a lack of reasonable care on Mr Gram's part. To the contrary, when he realised that his agents had withdrawn their services he had the presence of mind to take action himself to see that the renewal fee was paid. He was convinced in his own mind that he had until 31 January 1999 to pay the fee with additional fees and that all he had to do was check the amount due with the Patent Office before that date. This action constitutes reasonable care and his unfortunate mistake should not detract from that.

17. It follows that I am satisfied that the requirements of section 28(3) have been met and that restoration should be allowed. In accordance with rule 41(4), this decision is subject to the proprietor filing a Patents Form 53/77 and the prescribed fee of £135 together with Patents Form 12/77, duly completed, and the amount of any unpaid renewal fee. An order for restoration will then be issued by the Patent Office.

Dated this 23<sup>rd</sup> day of November 1999

M C Wright

Senior Legal Adviser, acting for the Comptroller

**THE PATENT OFFICE**