

## **PATENTS ACT 1977**

### **IN THE MATTER OF**

European Patent (UK) No 0052510

in the name of Syntex (USA) Inc.

and an application under section 71(1)

for a Declaration of Non-infringement by Oakwood Laboratories L.L.C.

### **DECISION**

1. This application under section 71(1) was launched on 16 July 1999 by receipt in the Patent Office of the appropriate form and fee and the statement required under Rule 74(1). A counterstatement from the proprietors was then filed on 22 September 1999.

2. There then followed considerable correspondence, initiated by the proprietor "Syntex", as to whether the application had been properly launched by the applicant "Oakwood". The outcome was that an amended statement was filed on 23 December 1999 followed by an amended counterstatement filed on 6 January 2000. Subsequently, Oakwood's evidence-in-chief was filed on 31 January 2000 and that from Syntex on 26 May 2000. Whilst waiting for Oakwood's evidence-in-reply a hearing date was settled for 19 and 20 December 2000.

3. However, at the end of September 2000, a correspondence arose between the parties concerning whether a sample provided by Oakwood for testing by Syntex was a correct sample or not, whether the validity of the patent could be put in issue in the present proceedings and whether the action could be transferred to the High Court. A letter, dated 5 October 2000, then issued from the Office suggesting that the proceedings should be withdrawn and relaunched, if necessary in association with section 72 proceedings, together with an agreed sample, before the Office or the High Court.

4. In a letter dated 31 October 2000 Oakwood withdrew their application and the hearing

was subsequently cancelled. All that is left for me to do, therefore, is to decide the matter of costs in the case.

## **Costs**

5. Oakwood have indicated in their letter of 31 October 2000 that they expect to have costs awarded against them for withdrawing from the application. They further submit that because they have avoided considerable extra work those costs should be no more than the standard calculated from the scale of costs operated by the Patent Office. Syntex, in a letter dated 1 November 2000, confirm their request for costs and say that they are entitled at least to full scale costs.

6. It is a long-established practice that costs in proceedings before the Comptroller are awarded after consideration of guidance given by a standard published scale and are not intended to compensate parties for the expense to which they have been put. Rather, an award of costs is intended to represent only a contribution to that expense. However, it has been recognised that in certain circumstances, particularly where there has been unreasonable behaviour by a party, the Comptroller has the ability to award costs off the scale.

7. All this is affirmed in a Tribunal Practice Notice TPN 2/2000 which addresses the Comptroller's practice on costs and is therefore relevant to the issues before me even if I have to use the scale of costs existing before 22 May 2000, the date of the Notice, because the present proceedings were commenced before that date.

8. Having studied all the papers on the case I have come to the conclusion that the behaviour of both sides was more or less reasonable in the context of what needed to be proved. This means that scale costs would seem to be appropriate but I do not think that it would be unreasonable for me to lift those costs a little to take account of the dispute over the sample and the experiments that the proprietor had to commission in respect thereof.

9. I therefore order that Oakwood pay Syntex the sum of £1000 as a contribution towards

the costs of the latter in this withdrawn application .

### **Appeal**

10. Any appeal against this decision should be filed within six weeks of the date of this decision.

Dated this 28<sup>th</sup> day of November 2000.

**G M BRIDGES**

**Divisional Director, acting for the Comptroller**

**THE PATENT OFFICE**