

## **PATENTS ACT 1977**

IN THE MATTER OF an application  
under section 28 for restoration of  
European Patent (UK) 0426753 in the  
name of Matelect Limited

### **DECISION**

#### **Background**

1. The renewal fee for European Patent (UK) 0426753 (“the patent”) in respect of the eleventh year became due on 26 July 1999. The fee was not paid by that date nor on expiry of the period of grace allowed by section 25(4) of the Patents Act 1977. In view of the non-payment of the renewal fee, the patent ceased on 26 July 1999.

2. An application for restoration was made by Matelect Limited (“Matelect”), the proprietor of the patent, on 28 July 2000 which was within the period prescribed under rule 41(1)(a) of the Patents Rules 1995. After considering evidence filed in support of this application, the Patent Office took the preliminary view that a case for restoring the patent had not been made. The Office’s view, as well as the reasons for it, were communicated to Beresford & Co., the agent acting for Matelect, in an official letter dated 26 September 2000. Matelect did not accept this preliminary view and the matter came before me at a hearing held on 21 November 2000. Matelect was represented at the hearing by Dr Unvala, a Director of the company, and the Office was represented by Mr Williams.

#### **The facts**

3. The evidence filed in support of the application for restoration consists of a witness statement by Dr Unvala and a witness statement by Mr Howard Field, a patent attorney with the firm of Beresford & Co.

4. The patent arose from an international patent application made in 1989 by Matelect.

This application was prepared and filed on behalf of Matelect by Mr Field who went on to prosecute the international application during its international phase and to initiate the regional phase at the European Patent Office. Mr Field also instructed an Associate in the USA on the national phase entry of the international application there, which resulted in US Patent No. 526241 (“the US patent”).

5. In September 1994 the US patent and the still pending European patent application were assigned to a Canadian company, AMRA Technologies Inc. (“AMRA”). As a consequence of this assignment, Mr Field instructed the Renewals Department of his firm to amend its record system so that entries for the US patent and the European patent application would not generate reminder notices and worklist entries. The UK Patent Register has entry dated 16 December 1994 indicating that French patent attorneys, Germain and Maureau, became the new representative for the European patent application. Subsequently, Dr Unvala asked Mr Field to monitor the US patent to ensure that renewal fees were paid by AMRA. Mr Field relied on diary entries for this purpose.

6. Some time after the assignment of the US patent and the European patent application, Dr Unvala learnt that AMRA was in financial difficulty and he sought an agreement with its Trustee in Bankruptcy to re-acquire the US patent and the now granted European patent. He called on Beresford and Co. to assist him with the preparation of formal assignments and their recordal at the relevant Patent Offices, including the UK Patent Office. This task fell to Mr Field who wrote to Dr Unvala on 11 March 1996 to advise him of the likely cost involved. In this letter and an attachment Mr Field also set out the cost of patent renewal payments which were due towards the end of July, and promised to send Dr Unvala “a reminder regarding the payment of the next annuity”.

7. On receipt of a cheque for £1000 from Dr Unvala, Mr Field put in hand the assignment arrangements but he did not instruct the Renewals Department at Beresford & Co. to open new records for the family of patents, including the patent in suit, which arose from the European patent application. Eventually, on 15 June 1999, the assignment of the patent from AMRA to Matelect was recorded on the UK Patent Register. This was confirmed in a letter dated 15 June 1999 from the Patent Office. The letter also enquired if Beresford & Co. were the new address for service for all matters relating to the patent, and included a reminder

that renewal fees must be paid annually to keep the patent in force. Mr Field forwarded this letter to Dr Unvala under cover of a letter dated 28 June 1999. In this covering letter Mr Field asked if Dr Unvala wanted him to make arrangements for payment of renewal fees, and requested confirmation whether Beresford & Co. should be registered as the UK address for service. This covering letter also dealt with the assignment of the equivalent French patent and requested Dr Unvala to add his signature to the relevant assignment document. Mr Field wrote to Dr Unvala again on 1 July 1999 and on 9 August 1999 about the assignments of foreign equivalents of the patent and in these letters he repeated his request for instructions concerning the address for service and the arrangements for paying renewal fees. Although Dr Unvala addressed other matters raised in these three letters, there is no evidence that he gave Beresford & Co. any instructions concerning the UK address for service or the payment of the renewal fees for the patent. At one point during the hearing Dr Unvala told me that he had given instructions over the telephone to Mr Field to handle the renewals for the patent. However, when questioned on this point, he admitted that his recollection was vague and it may well have been the case that he simply assumed that Beresford & Co. would send him reminders as they had done in the past for other patents. This is consistent with both his own witness statement and that of Mr Field and in the light of Dr Unvala's uncertain recollection of events, I must proceed on the basis that no specific instructions concerning the renewal of the patent or the address for service were given by Dr Unvala to Beresford & Co.

8. Mr Field explains in his witness statement that having raised the payment of renewal fees and address for service with Dr Unvala three times, he did not pursue these matters any further. The result was that no renewal record was opened for the patent on a computerised system operated by Beresford & Co. This in turn meant that Dr Unvala did not receive any of the renewal reminders that the system normally generates nor was Mr Field prompted by his firm's Records Department to contact Dr Unvala.

9. Neither Beresford & Co. nor Dr Unvala received the standard letter (the so-called "PREN 5" letter) from the Patent Office warning that the renewal fee on the patent was overdue. This letter, dated 9 August 1999, was sent to Matelect c/o Hulse & Co. who were at that time recorded on the UK Patent Register as the address for service for the patent. Hulse & Co. wrote twice to Germain & Maureau asking for instructions on the renewal of the patent. They also wrote to Germain & Maureau on 27 January 2000 to confirm that the patent

had ceased. No evidence was provided of what action, if any, Germain & Maureau took in response to these letters.

10. Ultimately, Mr Field checked and discovered that the patent had ceased after his firm's Records Department was prompted by a diary reminder to send him the file for the US patent.

## **Assessment**

### ***Basis for restoration***

10. At the very outset of the hearing I explained to Dr Unvala that for the patent to be restored, he needed to establish that he had taken reasonable care to ensure that the renewal fee was paid by the latest date allowed. This principle is enshrined in section 28(3) of the Act which provides:

*“If the comptroller is satisfied that the proprietor of the patent took reasonable care to see that any renewal fee was paid within the prescribed period or that that fee and any prescribed additional fee were paid within the six months immediately following the end of that period, the comptroller shall by order restore the patent on payment of any unpaid renewal fee and any prescribed additional fee.”*

### ***Did Dr Unvala have the authority to make decisions about renewing the patent?***

11. There is no evidence to indicate that anyone other than Dr Unvala had the authority to take decisions on behalf of Matelect about renewing the patent. Therefore I must proceed on the basis that Dr Unvala had this authority and that it fell to him to take reasonable care to see that the renewal fee and any additional fees were paid in time to prevent the patent ceasing.

### ***Dr Unvala's medical condition***

12. Before I turn to the events that led to the breakdown in communication between Dr Unvala, Beresford & Co. and the Patent Office, I must consider a matter first raised by Dr Unvala at the hearing. When he put his case to me, he explained that for part of 1998 and

most of 1999 he had suffered excruciating pain because of osteoarthritis in both his knees. Dr Unvala stated that this medical condition had adversely affected his ability to deal with Beresford & Co. at the time they were reassigning the family of patents, including the patent in suit, to Matelect from AMRA.

13. Dr Unvala did not provide any medical evidence to support this claim. However, I note that despite his osteoarthritis, he was able to deal with matters raised in the letters of 28 June 1999, 1 July 1999 and 9 August 1999 from Beresford & Co. but not the requests for instructions concerning payment of renewal fees and address for service. Moreover, although Dr Unvala told me that he could walk only very short distances at that time, he also told me that he normally dealt with Beresford & Co. by telephone because he is a very bad letter writer. I am therefore not persuaded that I should accept Dr Unvala's submission to me on this point as exonerating his failure to respond to three requests from Beresford & Co. for instructions on the payment of renewal fees and on the address for service. I believe that he could have dealt with these matters over the telephone, as was his normal practice, despite his osteoarthritis.

***Dr Unvala's assumption***

14. In his witness statement Dr Unvala explains that he has always found Beresford & Co. reliable when administering renewal fee payments for other patents on his behalf. He knew that in the past they had reminded him when patent renewal fees were due and he assumed that they would do the same when the patent was due for renewal. According to Dr Unvala, he relied on the promise made in the letter of 11 March 1999 from Beresford & Co. that "We shall send you a reminder regarding the payment of the next annuity". This promise comes after a reference in the letter to an attached schedule which indicates sums for payment of the next annuity for patents in a number of countries, including the patent in suit. At the hearing Dr Unvala also told me that he took it for granted that Beresford and Co. would act as the address for service and deal with the renewals because he had employed them to handle the assignments. From the evidence before me there is nothing to indicate that Beresford & Co. ever sent a reminder in respect of the patent, as promised in their letter of 11 March 1999.

15. On the other hand Beresford & Co. did write to Dr Unvala after 11 March 1999 on

three separate occasions to request instructions on the address for service and the payment of renewal fees. Dr Unvala states that he did not respond to these requests because he believed that he would receive the normal renewal reminders from Beresford & Co. in any event. In his witness statement Dr Unvala also explains that he did not appreciate the urgency of these matters at the time and did not take immediate action. In fact, as I have already concluded, he did not take any action at any time in respect of these matters before the patent finally ceased.

16. It is well established that a patent proprietor can demonstrate “reasonable care” by delegating responsibility for payment of his renewal fees to a professional adviser, provided the proprietor has taken reasonable care in the selection of the adviser and in the instructions and arrangements for payment. On the basis of Mr Field’s description in his witness statement of his firm’s computerised renewals system, it is clear to me that Beresford & Co. have a reasonable system for administering patent renewals on behalf of their clients. Therefore, the question I must decide is whether Dr Unvala took reasonable care in the instructions and arrangements for payment? To answer this question I must weigh Dr Unvala’s assumption that Beresford and Co. would administer the renewal of the patent for him and in particular remind him when the renewal was due, against his failure to respond to three specific requests for instructions concerning the address for service and the payment of renewal fees. While I have some sympathy for Dr Unvala, based on the fact that Beresford & Co. promised to send him “a reminder regarding the payment of the next annuity”, I find that I cannot ignore his failure to respond to the requests for instructions. In my view the three specific requests made by Beresford & Co. should have at the very least caused Dr Unvala to question his assumption and to query the matter. In the event he did neither. Thus, I take the view that Dr Unvala did not take reasonable care to give instructions to and make arrangements with Beresford & Co. for renewing the patent.

***The “PREN 5” renewal reminder***

17. Of course the fact that the patent was not recorded on Beresford & Co.’s computerised renewal system might not have mattered if in any event the standard renewal reminder letter (PREN 5) addressed to Matelect had been received by Dr Unvala. However, the fact that this reminder letter was sent to Matelect c/o Hulse & Co. was a consequence of Dr Unvala’s failure to ensure that Matelect could be contacted through or at the address for service entered

in the UK Patent Register for the patent. Mr Field sought confirmation whether Beresford & Co. should become the address for service for all matters relating to the patent on two occasions before the Patent Office issued the PREN 5 letter on 9 August 1999 but Dr Unvala did not respond. Therefore, I also find that Dr Unvala did not take reasonable care to ensure that Matelect would receive letters relating to the renewal of the patent issued by the Patent Office.

### **Conclusion**

18. In conclusion I find that Dr Unvala, as the person who had the authority to take decisions on behalf of Matelect on the renewal of the patent, did not take reasonable care to see that the renewal fee was paid by the latest date allowed. I therefore refuse to order restoration of European Patent (UK) 0426753. Any appeal against this decision must be lodged within six weeks of the date of the decision.

Dated this 7th day of December 2000

R J Walker

Assistant Director, acting for the comptroller

**THE PATENT OFFICE**