

PATENT ACT 1977

IN THE MATTER OF application
under section 28 for restoration of
patent GB 2249125 in the name of
Mr James Anthony Barry

DECISION

Background

1. The renewal fee in respect of the ninth year of the patent fell due on 23 September 1999. 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 23 September 1999. The application for restoration of the patent was filed on 23 April 2001, 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's patent agent Mr M J Ajello of the firm of Urquhart-Dykes & Lord on 8 January 2002 informing him that it was the preliminary view of the Patent Office that the requirements for restoration, as laid down in section 28(3), had not been met. The applicant, Mr James Anthony Barry, did not accept this preliminary view and the matter came before me at a hearing on 9 April 2002.
2. Mr Barry attended the hearing in person. Mr Des Williams attended on behalf of the Patent Office.
3. The evidence filed in support of the application consists of a witness statement by Mr Barry dated 3 May 2001 and two witness statements by Mr Ajello dated 14 May and 14 June 2002. Mr Ajello's witness statements were supplied after the hearing with my agreement.

The Facts

4. After being granted the patent, Mr Barry arranged for Mr Ajello, who was working as an independent patent agent at the time, to remind him when it was time to pay the annual renewal fees on the patent. At first the system used for paying the fees involved Mr Ajello contacting Mr Barry by telephone to remind him when a renewal fee was due and how much needed to be paid. Mr Barry would then write a reminder and the amount due in his diary and later instruct his secretary to send a cheque to Mr Ajello who would then arrange for the fee to be paid. However, when Mr Ajello went to work for the firm of chartered patent attorneys Urquhart-Dyke & Lord (UDL), the Renewal Liaison Department of that firm sent written reminders to Mr Barry at his home address. In the case of the ninth year renewal fee, Mr Barry says in his witness statement that UDL sent him at least one reminder before the renewal due date and at least one after that date. He does not deny that the reminders were delivered to his home but says he did not respond to them because of circumstances at the time which adversely affected his ability to deal with such administrative matters.

5. The circumstances to which Mr Barry refers can be summarised as follows:
 - In 1998 he took on a new secretary with whom he subsequently encountered problems over the standard of her work.
 - From May 1999 he was in dispute with his landlords over the increase in rent they wanted to charge for his business premises. This took up a considerable amount of his time and eventually led to him having to move his business facilities to a new location in August 1999.
 - At around the same time, he was encountering problems with a major customer over the cancellation of an order and had to engage a solicitor to recover costs he had incurred in purchasing materials for the order.
 - He was also experiencing difficulties following the retirement of his bank manager with whom he had built up a close and fairly informal working relationship and eventually transferred his account to another branch of his bank.
 - Also, in 1999 he was involved in repair and redecoration work on his home.
6. In view of the work being done at his home, Mr Barry says he decided to transfer the file on the patent, which contained correspondence relating to renewal fees, to his business premises. Whether that file contained the reminders for the ninth year renewal fee is unclear. However, Mr Barry says he would have passed any correspondence concerning patent renewal fees, which was delivered to his home, to his secretary. She was then expected to place the correspondence on the patent file though it appears that she was given no instructions to take any further action.
7. Mr Barry placed the patent file on his desk in his Office. However, he admitted at the hearing that he did not have any kind of system for drawing the UDL reminder letters to his attention after they had been placed in the file. In the event, he says the file was removed from his desk and placed in a filing cabinet and forgotten. Consequently, the reminder letters remained unactioned and the fee unpaid resulting in the ceasing of the patent.
8. At the hearing Mr Barry was unsure whether UDL was under instructions to pay renewal fees on his instructions after he had received their reminders or was required to pay the fees automatically and simply recover the money they were owed from him later. As this was an important fact in determining whether restoration should be allowed I agreed to give Mr Barry a further month to check the situation and provide further evidence on the matter. Mr Barry subsequently filed a witness statement by Mr Ajello dated 14 May 2002.
9. In his witness statement of 14 May 2002, Mr Ajello says that when he practised as an independent patent agent, Mr Barry would respond to his verbal requests for payment of renewal fees and he would then pay the fee on Mr Barry's instructions. After joining UDL in November 1997, Mr Ajello says that the Renewals Liaison Department

at UDL “would send documentary reminders to Mr Barry for the purposes of obtaining from him the relevant monies to pay the renewal fees”. However, Mr Barry did not respond to those written reminders. When Mr Ajello was alerted by the Renewal Liaison Department that they had not received a reply he would approach Mr Barry personally, as he had done before he joined UDL. In his statement Mr Ajello says that on the last occasion when he had to resort to this method “it proved almost too late in submitting the renewal fee”.

10. Mr Ajello’s reference to it being “almost” too late, suggested that there was still time to pay the renewal fee when he contacted Mr Barry. I therefore invited Mr Barry to provide further evidence to clarify this point which he did by supplying a further witness statement by Mr Ajello dated 14 June 2002. In that statement Mr Ajello says that what he meant by his comment about it being “almost too late to submit the renewal fee” was that although the normal period for paying the fee and extension fees had expired, there was still time to file an application for restoration.

Assessment

11. The criterion for restoration is set out in Section 28(3) of the Patents Act 1977, which reads:

"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."

12. What I have to decide therefore is whether Mr Barry took reasonable care to see that the ninth year renewal fee on his patent was paid in time.
13. Mr Ajello’s comment that the reminders were sent “for the purpose of obtaining from him the relevant monies to pay the renewal fees” is a clear indication that UDL would only pay the renewal fee if Mr Barry first provided them with the payment they requested, as was the case with Mr Ajello when he dealt with renewal fees before joining UDL. Mr Barry should have been in no doubt that UDL would only pay the renewal fee if he responded to their reminders by sending them a cheque to cover the payment.
14. I can understand the difficulties Mr Barry was experiencing around the time he received reminders from UDL. However, I am not persuaded that they were such as to prevent or absolve him from taking reasonable care to see that the renewal fee was paid by responding to those reminders and paying UDL the money they requested. It is clear that he was capable of carrying on a number of quite demanding activities, such as arranging for his business to be moved to new premises, recovering money from a previous customer and repairing and redecorating his home. The fact that he chose not to take immediate action on receiving UDL’s renewal reminders and simply filed them away without any apparent system to bring them to his attention later suggest to me that he did not give payment of renewal fees the same degree of care and attention as

these other activities with which he was preoccupied.

15. It seems that Mr Barry relied more on luck than judgement that after the reminders were placed in his file they would come to his attention in time to send the necessary instructions and money to UDL. Therefore, if the file had remained on his desk and not been put away, there was no guarantee that he would have acted on UDL's reminders before it was too late to pay the renewal fee. This does little to convince me that Mr Barry took steps to see that ninth year renewal fee was paid once he had been reminded that it needed to be paid.
16. While Mr Barry's secretary may have had her shortcomings, I do not think any blame can be placed on her for the failure to pay the renewal fee as I have no evidence that she was told about the significance of UDL's reminders or given any instructions about what to do with them other than to place them in the patent file.
17. Even if Mr Barry had not encountered the various difficulties he was experiencing when the ninth year renewal fee could have been paid and had seen all the reminders from UDL, I am not convinced that he would have taken the necessary action to ensure that the renewal fee was paid. I say this because he did not take any action when he received UDL's written reminders for the previous two years renewal fees and only took the required action after Mr Ajello, as a last resort, contacted him in person.
18. There was no obligation on UDL's Renewal Liaison Department to continue alerting Mr Ajello if they had not received a reply to the written reminders they sent to Mr Barry nor was there any obligation on Mr Ajello to contact Mr Barry by telephone. Therefore, the fact that this had been done in respect to the seventh and eighth year renewal fees but not apparently for the ninth year fee does not mean that the Renewal Liaison Department or Mr Ajello can be held responsible for that fee not being paid. Nor does it excuse the failure by Mr Barry to respond to UDL's written reminders.

Conclusion

19. Mr Barry's failure to take appropriate action on receipt of UDL's reminders falls well short of what I would consider to be reasonable care to see that the ninth year renewal fee was paid. I am not therefore satisfied that the requirements for restoration, as set out in section 28(3), have been met and accordingly must refuse the application for restoration. I should add that I have not found this an easy decision to reach as I am conscious of the pressures facing small businessmen like Mr Barry.
20. Any appeal against this decision must be lodged within six weeks of the date of this decision.

Dated this 19th day of June 2002

MC Wright
Assistant Director, acting for the Comptroller
THE PATENT OFFICE

