



BL O/156/05

**PATENTS ACT 1977**

13<sup>th</sup> June 2005

BETWEEN

Archibald Kenrick & Sons Limited

Applicant

and

Laird Security Hardware Limited

Opponent

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PROCEEDINGS

Application under section 27 of the Patents Act  
1977 to amend patent number GB 2297796

HEARING OFFICER

D J Barford

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**PRELIMINARY DECISION**

**Introduction**

- 1 Archibald Kenrick & Sons Limited (“the applicant”) filed a request to amend patent number GB 2297796 under section 27 on 29 July 2003. Correspondence with the Patent Office resulted in some changes to the proposed amendments, following which they were advertised for opposition in the Journal on 17 March 2004. On 17 May 2004, a notice of opposition to the proposed amendments together with a statement of grounds was filed by Laird Security Hardware Limited (“the opponent”).
- 2 In response, the applicant filed a counter-statement accompanied by a letter dated 6 September 2004 objecting that the opponent’s statement was “purely speculative”, accusing the opponent of delaying tactics and requesting that the opposition be dismissed with costs.
- 3 The Patent Office in a letter dated 20 September 2004 proposed that the opponent have one month in which to address the points raised by the applicant “subject to any further comments from the defendants [ie the applicant] within 14 days”. No response was received from the applicant, and on 15 October 2004 the opponent filed a supplementary statement entitled “Further particulars in support of the opposition”.
- 4 In response, the applicant filed what is effectively a supplementary counter-statement

accompanied by a letter dated 17 November 2004 opposing admission of the supplementary statement, repeating its request that the opposition be dismissed, and requesting that the opponent be “heavily penalised in costs” in the event that the opposition was not dismissed. This was disputed by the opponent in a letter dated 15 December 2004, and following further interchanges of correspondence, both sides confirmed that they were content for these preliminary matters to be decided on the papers.

### **The issues**

- 5 In the statement, which runs to two pages and five paragraphs, the amendments are opposed on the grounds that:
  - the proposed claims are not clear and/or concise as required by section 14(5)(b), a passage in claim 1 being described as ambiguous and lacking in clarity
  - the said passage in claim 1 adds matter contrary to section 76(3)(a) and/or is not supported by the description as required by section 14(5)(c)
  - the proposed claims are not new and/or do not involve an inventive step having regard to GB 2217770, EP 0411271 and US 3120970.
  
- 6 The statement ends with the following rider “All facts and matters relevant to the exercise of the comptroller’s discretion to allow the amendments sought (other than those set out above) are within the knowledge of the patentee and its advisors. Save as set out herein, the opponent does not advance any positive case as to why the amendments sought should be refused in the exercise of the comptroller’s discretion but reserves the right to supplement its case after the patentee has given disclosure and served its evidence in support of its application to amend the patent”.
  
- 7 The applicant requests dismissal (or striking out) of the opposition, on the grounds that the statement is “scant and obscure” and “appears to be more of a statement of possible grounds of future attack rather than a substantive statement of the grounds of opposition”. In particular the applicant argues:
  - that the opponent’s objection that the amendments to claim 1 are “ambiguous and lack clarity” is a bland and speculative statement with no supporting explanation
  - that the objection that the amended claims “are not new/and or do not involve an inventive step” is a general and speculative statement which provides no guidance as to the opponent’s interpretation of the prior art documents or of applicable case law
  - that the rider to the statement quoted above indicates that the opponent has reserved its position and failed to comply with rule 40(3) which requires the statement to “set out fully the facts”.
  
- 8 The supplementary statement comprises 11 pages and 24 paragraphs and adds considerable detail to the objections to lack of clarity, added matter and invalidity raised in the statement. In addition the added matter objection is extended to a second passage in claim 1.
  
- 9 The applicant argues that the length of the supplementary statement compared to that of the original statement supports its objection that the statement does not set out fully the facts. The applicant also submits that admitting the supplementary statement would effectively

allow the opponent two separate and distinct opportunities to attack the proposed amendment since:

(1) the objection to lack of clarity has been extended to features of the claims as granted, which is not a valid objection under section 27; and in any case this was not foreshadowed in the original statement

(2) there is an objection to ambiguity in the original statement but not in the supplementary statement

(3) US 3120970 is referred to in the original statement but not in the supplementary statement, which leaves a question mark over the status of this document.

- 10 The opponent states that it does not accept that its original statement was insufficient, but that it has addressed the issues raised by the applicant in response to the invitation by the Patent Office in its letter of 20 September 2004; and points out that the applicant was given an opportunity in that Office letter to comment on this proposed course of action. It goes on to argue that it is in the interests of justice that the grounds for dispute are fully set out prior to the substantive hearing provided there is no prejudice to the other side.

### **Principles to be applied**

- 11 Rule 40(3) requires a notice of opposition to be “supported by a statement .. setting out fully the facts upon which the opponent relies and the relief which he seeks”.

- 12 Regarding amendments to statements of case, guidance is provided by Part 17 of Civil Procedure. On general principles for grant of permission to amend, paragraph 17.3.5 of Civil Procedure reads:

““The overriding objective (of the CPR) is that the court should deal with cases justly. That includes, so far as practicable, ensuring that each case is dealt with not only expeditiously but also fairly. Amendments in general ought to be allowed so that the real dispute between the parties can be adjudicated upon provided that any prejudice to the other party or parties caused by the amendment can be compensated for in costs, and the public interest in the efficient administration of justice is not significantly harmed” per Peter Gibson L.J. in *Cobbold v. London Borough of Greenwich*, August 9, 1999, CA.”

- 13 There is no dispute that the comptroller has discretion to allow amendment, however it is the applicant’s case that I should not exercise that discretion in the opponent’s favour given the particular circumstances.

### **Conclusions and findings**

- 14 From the above summary it is manifest that the statement was open to clarification and amplification - the fact that the former is two pages in length and the latter eleven pages speaks for itself. Moreover the rider at the end of the statement is clearly intended to leave the door ajar. However it does not inevitably follow that the opponent’s description of the statement as “purely speculative” is valid. In the statement *inter alia* objection is taken against a specific passage in claim 1 under sections 14(5)(b) and 76; and a validity attack is

raised based on three prior art documents.

15 Regarding the filing of a supplementary statement, the applicant was given the opportunity to comment on the Patent Office's invitation to the opponent to clarify its grounds and chose not to - which to my mind can only weaken its objection to admission of the supplementary statement. However it subsequently raised the specific points numbered (1) to (3) above.

Regarding these:

(1) upon a quick inspection it seems to me that the claims at grant are analysed in the supplementary statement with a view, primarily at least, to construing the proposed amendments, rather than being objected to in their own right.

(2) on the point that the original statement describes the amendments as "ambiguous" but the supplementary statement does not, it seems to me that the applicant can hardly complain if it objects to the use of a word and then the opponent removes it. In any case the point seems to me to be without significance; an objection that a passage is ambiguous is manifestly an objection that it is not clear and therefore falls squarely with the terms of section 14(5)(b).

(3) that the supplementary statement makes no reference to the US document is consistent with the line taken by the applicant when proposing its amendments. The applicant itself refers to the three prior art documents in question and states that the GB and the EP documents "both prejudice claim 1 of the patent". In any case there is clearly no extension of the pleadings here.

16 I conclude that the supplementary statement is largely directed to clarifying and amplifying the grounds for dispute in response to questions raised in the statement, with the limited exception of an extension of the section 76 issue. There is therefore no significant shift of grounds; although for completeness I note that even if fresh grounds had been introduced that would not automatically have been justification for rejection. It is commonplace for grounds to be amended - indeed there is a whole part of Civil Procedure devoted to the subject; and the reason for that is to ensure "that the real dispute between the parties can be adjudicated upon". However that is not to say that parties should not make every effort to set out all grounds as fully as possible at the outset; as is made clear by the wording of rule 40(3).

17 The question I have to address is whether or not the applicant would be materially prejudiced if the supplementary statement were admitted. There can be no doubt that it has been put to inconvenience and delay, which to a limited extent can be recognised through an award of costs, but that to my mind does not justify refusal to admit the supplementary statement; and in my view there is no case for dismissing or striking out this action. Accordingly I admit the supplementary statement.

### **Costs**

18 Although in admitting the supplementary statement I have found for the applicant, any award of costs must be in favour of the applicant. The applicant has requested that the opponent be heavily penalised in costs, however I am not persuaded that I should depart from the published Patent Office scale in circumstances which are not exceptional.

- 19 Based on the published Patent Office scale then, I award Archibald Kenrick & Sons Limited the sum of £500 to be paid by Laird Security Hardware Limited not later than 7 days after the expiry of the appeal period. If an appeal is lodged, payment will be automatically suspended pending the outcome of the appeal.

**Next steps**

- 20 The applicant has stated that it does not wish to file any further supplement to its counterstatement, whether or not the supplementary statement is admitted. The next step in these proceedings then is for the applicant to file its evidence in chief (the normal order of filing being reversed in section 27 opposition proceedings). This evidence should be filed within 6 weeks of this decision. If an appeal is lodged, the evidence rounds will be automatically suspended pending the outcome of the appeal.

**Appeal**

- 21 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

**DAVID BARFORD**

Deputy Director acting for the Comptroller