



Date 6 May 2009

PATENTS ACT 1977

BETWEEN

Leonard Stanley Stockley

Claimant

and

Husqvarna UK Limited

Defendant

PROCEEDINGS

Reference under section 72 of the Patents Act 1977 in
respect of European patent number EP 1367016 B1

HEARING OFFICER

A C Howard

PRELIMINARY DECISION

Introduction

1. This is a preliminary decision in proceedings brought under s. 72 of the Patents Act 1977 ("the Act") by Mr Leonard S Stockley for revocation of European Patent (UK) no. EP1367016 ("the patent") in the name of Husqvarna UK Ltd ("Husqvarna"). Husqvarna oppose the reference.
2. The patent relates to a cable storage device for a lawn mower having a cable spool holder which is integrally formed with the grass box. For the purposes of this decision it is not necessary to go into detail about how it is constructed.
3. Mr Stockley initiated the proceedings on 15 July 2008. Before receipt of Husqvarna's counterstatement, the Office wrote to Mr Stockley (who does not have the benefit of professional representation) indicating that it would be necessary for him to file an amended statement setting out in concise manner the facts and grounds upon which the application for revocation was based, and specifying the remedy requested. Mr Stockley duly filed an amended statement on 28 October 2008 and Husqvarna responded with their counterstatement on 22 December 2008.

4. At this point, I reviewed the papers. Although Mr Stockley's amended statement sets out the alleged facts in a more structured way, in contrast to his original statement it does not specify with any clarity what he wants the comptroller to do or the legal basis on which the case is made. I therefore took it to supplement, rather than replace, the earlier original statement.
5. Having considered the statements in this way, I had some concerns about the statutory grounds on which Mr Stockley had made out his case. These concerns were communicated in an official letter dated 19 January 2009 in which I invited both parties to make submissions on the points I had raised. The letter indicated that I would make a formal decision on how the reference is to proceed having considered the parties' submissions, or, if one or both desired it, heard them in person.
6. A further preliminary matter at issue is a request by Mr Stockley for any hearing in these proceedings to be held in private. The official letter of 19 January pointed out that no reasons for the request had been given and invited submissions on this matter also.
7. In a letter dated 31 January 2009, Mr Stockley requested leave to amend his statement and gave reasons for his request for confidentiality. He also indicated that he was content for me to decide all the preliminary matters on the papers.
8. The Office forwarded Mr Stockley's letter to Mayer Brown International LLP, acting for Husqvarna, under cover of an official letter dated 12 February in which Husqvarna was asked to confirm if it wished to comment on any of the preliminary matters at issue. In an e-mail dated 9 March 2009, Mr Ian Wood of Mayer Brown indicated that Husqvarna did not intend to reply to the official letter of 12 February, from which I infer that they also are content for me to decide on the papers. That, then, is what I shall proceed to do.

The matters at issue

9. In summary, Mr Stockley makes the following allegations of fact (as set out in his statement filed on 28 October 2008).
 - He is the proprietor and inventor of granted UK patent GB2420772 and co-inventor of patent application GB01267664.1, both of which relate to spoolholders.
 - After the filing of GB01267664.1, Mr Stockley showed in public a model of a spoolholder integral with the grassbox of a wheeled mower. This model was based on a design which he had had communicated to his patent attorney in connection with the preparation of application GB01267664.1, although a drawing figure relating to this design had not been included in the application as filed for reasons which are unclear to Mr Stockley.

- At about this time, a partner of Mr Stockley (Mr Le’Baigue) had drafted a letter to Electrolux [now Husqvarna] seeking a meeting to explore the possibility of going into partnership. This letter was not sent and Mr Stockley’s business relationship with Mr Le’Baigue subsequently ended.
- Mr Stockley found a new business associate and filed the application which led to GB2420772 in December 2004. He found some interest in his design and in the course of negotiations with possible partners became aware of Husqvarna’s patent, which was still at the application stage before the EPO.
- Mr Stockley contacted Husqvarna and sent them information about his design. There followed some discussions on a without prejudice basis; Mr Stockley was under the impression that the objective of these was to negotiate a licence for his design, but this was not what happened. Instead, Husqvarna amended claim 1 of their patent application. An email from Husqvarna to Mr Stockley dated 10 June 2007, a copy of which is attached to Mr Stockley’s statement, indicates that Husqvarna considered this amendment to distinguish their invention from Mr Stockley’s design and thereby eliminate any need for a licence.

10. As I have remarked above, Mr Stockley’s amended statement does not refer to sections of the Act, but his original statement asks for revocation of the patent under sections 72(1)(b) and (e). My concerns, as set out in the Official letter of 19 January 2009 made the following points:

- A reference under s. 72(1)(b) may only be made by a person who has been “found by the court in an action for a declaration or declarator, or found by the court or the comptroller on a reference [under section 37], to be entitled to be granted that patent or to be granted a patent for part of the matter comprised in the specification of the patent sought to be revoked” (the words of s.72(2)(a)). However no indication was given in the statement that any such prior proceedings had ever been brought.
- S. 72(1)(e) states that a patent may be revoked if “the protection conferred by [it] has been extended by an amendment which should not have been allowed”. However, no indication was given of how the protection conferred by the patent is alleged to have been extended.
- Paragraph 10 of Mr Stockley’s second statement appears to raise allegations of lack of novelty or inventive step which would normally be grounds for revocation under s. 72(1)(a). However this is not made clear, and nor was there any supporting explanation with reference to the claims of the granted patent as to why it is considered not to be patentable.
- Finally, it was noted that Mr Stockley had requested that any hearing be in private under rule 84(2) of the Patents Rules 2007, however no grounds for this request were given. It was pointed out that by virtue of rule 84(3) good reason had to be shown, and that the other party would need to be heard in the matter, before acceding to such a request.

11. Mr Stockley gave his response in a letter dated 31 January 2009. In this letter he stated
- that he no longer wished to rely upon s. 72(1)(b) but requested the substitution of s.72(1)(a) as a ground for revocation;
 - his view that s.72(1)(e) was an appropriate ground for these proceedings because “the only reason Husqvarna amended their claim on June 13th 2007 was based on information from [Mr Stockley] on 31st May 2007 which showed a spoolholder integral with a grassbox”. He went on to argue that under Rule 27(1)(b) of the implementing regulations to the European Patent Convention (the EPC Rules), Husqvarna ought to have amended the description to acknowledge the background art which had prompted this amendment;
 - the reason for his request under Rule 84(3)(a) for the hearing to be held in private was to prevent embarrassment for the attorneys who has been acting for Husqvarna in respect of what he considered to be the omission they had made in handling the application before the EPO.

The law

12. The comptroller’s powers to revoke a patent upon application are set out in section 72 of the Act, the relevant provisions of which read as follows:

Section 72(1)

Subject to the following provisions of this Act, the court or the comptroller may by order revoke a patent for an invention on the application of any person (including the proprietor of the patent) on (but only on) any of the following grounds, that is to say -

- (a) the invention is not a patentable invention;
- (b) that the patent was granted to a person who was not entitled to be granted that patent;
- (c) the specification of the patent does not disclose the invention clearly enough and completely enough for it to be performed by a person skilled in the art;
- (d) the matter disclosed in the specification of the patent extends beyond that disclosed in the application for the patent, as filed, or, if the patent was granted on a new application filed under section 8(3), 12 or 37(4) above or as mentioned in section 15(9) above, in the earlier application, as filed;
- (e) the protection conferred by the patent has been extended by an amendment which should not have been allowed.

Section 72(2)

An application for the revocation of a patent on the ground mentioned in subsection (1)(b) above -

(a) may only be made by a person found by the court in an action for a declaration or declarator, or found by the court or the comptroller on a reference under section 37 above, to be entitled to be granted that patent or to be granted a patent for part of the matter comprised in the specification of the patent sought to be revoked; and [.....]

13. The powers of the comptroller in relation to proceedings before him are set out in Rules 82-84 of the Patents Rules 2007, the relevant provisions of which read as follows:

Rule 82

(1) Except where the Act or these Rules otherwise provide, the comptroller may give such directions as to the management of the proceedings as he thinks fit, and in particular he may—

(a) require a document, information or evidence to be filed;

.....

(e) allow a statement of case to be amended;

.....

(2) The comptroller may control the evidence by giving directions as to—

(a) the issues on which he requires evidence;

(b) the nature of the evidence which he requires to decide those issues; and

(c) the way in which the evidence is to be placed before him,

and the comptroller may use his power under this paragraph to exclude evidence which would otherwise be admissible.

(3) When the comptroller gives directions under any provision of this Part, he may—

(a) make them subject to conditions; and

(b) specify the consequence of failure to comply with the directions or a condition.

Rule 83

Striking out a statement of case and summary judgment

(1) A party may apply to the comptroller for him to strike out a statement of case or to give summary judgment.

(2) If it appears to the comptroller that—

(a) the statement of case discloses no reasonable grounds for bringing or defending the claim;

(b) the statement of case is an abuse of process or is otherwise likely to obstruct the just disposal of the proceedings; or

(c) there has been a failure to comply with a section, a rule or a previous direction given by the comptroller,

he may strike out the statement of case.

(3) The comptroller may give summary judgment against a claimant or defendant on the whole of a case or on a particular issue if—

(a) he considers that—

(i) that claimant has no real prospect of succeeding on the case or issue, or

(ii) that defendant has no real prospect of successfully defending the case or issue; and

(b) there is no other compelling reason why the case or issue should be disposed of at a hearing.

Rule 84

Hearings in public

(1) Subject to paragraphs (3) and (4), any hearing before the comptroller in proceedings relating to an application for a patent, or a patent, shall be held in public.

(2) Any party to the proceedings may apply to the comptroller for a hearing to be held in private.

(3) The comptroller may grant an application under paragraph (2) where—

(a) he considers there is good reason for the hearing to be held in private; and

(b) all the parties to the proceedings have had an opportunity to be heard on the matter,

and where the application is granted the hearing must be held in private.

14. In exercising the comptroller's jurisdiction in *inter partes* proceedings under the Act, I am also bound by the overriding objective as set out in Rule 74 which reads as follows:

(1) The rules in this Part set out a procedural code with the overriding objective of enabling the comptroller to deal with cases justly.

(2) Dealing with a case justly includes, so far as is practicable—

(a) ensuring that the parties are on an equal footing;

(b) saving expense;

(c) dealing with the case in ways which are proportionate—

(i) to the amount of money involved,

(ii) to the importance of the case,

(iii) to the complexity of the issues, and

(iv) to the financial position of each party;

(d) ensuring that it is dealt with expeditiously and fairly; and

(e) allotting to it an appropriate share of the resources available to the comptroller, while taking into account the need to allot resources to other cases.

(3) The comptroller shall seek to give effect to the overriding objective when he—

(a) exercises any power given to him by this Part; or

(b) interprets any rule in this Part.

(4) The parties are required to help the comptroller to further the overriding objective.

Discussion

15. I shall take each of Mr Stockley's points in turn.

Substitution of s. 72(1)(a) for s. 72(1)(b)

16. Mr Stockley has implicitly accepted that he has not made any case out which would be relevant under s. 72(1)(b). It seems to me that this was probably just a misconception on his part and he always intended to argue for revocation on the basis of prior disclosure.

17. From the material available to me I see no reason to conclude that Mr Stockley would have no hope of presenting an arguable case for lack of novelty and/or inventive step, although in my view the detail he has provided so far falls short of what would be required to do so. In particular, the statement refers to this aspect in only vague terms: it does not specify exactly what was disclosed and by what means, or when and to whom it was disclosed. Neither does the statement identify the claims of the patent which are under attack or explain how the prior disclosed features correspond to the features of those claims. The interests of justice require the statement to cover such things in as much detail as is practicable so as to allow the defendant to know the extent of the case which must be answered.

Section 72(1)(e) as a ground for revocation

18. Mr Stockley argues in his letter of 31 January that the amendment introduced during the application phase of the patent on 13 June 2007 was improper because it was motivated by receipt of information from him and this fact was not communicated to the EPO. He refers to what was then Rule 27(1)(b) of the EPC Rules, which require the description of a European patent application to “indicate the background art which, as far as known to the applicant, can be regarded as useful for understanding the invention, for drawing up the European search report and for the examination, and, preferably, cite the documents reflecting such art”.
19. Unfortunately for Mr Stockley, he has misunderstood the meaning of s. 72(1)(e). This provision refers to amendment of a granted patent, and specifically to the situation where the scope of protection conferred by the patent has been extended. In the present case we are talking about an amendment which was made before the patent was granted, and moreover an amendment which apparently had the effect of limiting the scope of the claim. There is no question of such an amendment being considered to fall within the ambit of s. 72(1)(e). Whether or not Husqvarna ought to have acknowledged Mr Stockley’s earlier disclosure in their application in accordance with Rule 27(1)(b) EPC is not relevant, because non-compliance with this rule is not a ground for revocation of a patent, once granted.
20. For these reasons it is clear to me that Mr Stockley’s arguments on this point have no legal basis.

Confidentiality

21. Mr Stockley has indicated that the sole reason for his request for confidentiality was to avoid embarrassment for Husqvarna’s patent attorney, although I am not sure whether Mr Stockley himself is particularly concerned about the issue. I note that Husqvarna has made no submissions on the point. What this boils down to, then, is no more than speculation about the possibility of embarrassment. This comes nowhere near justification for holding the proceedings in private, given the very clear direction in rule 84 that hearings must be public in the absence of good reason to the contrary.

Further conduct of proceedings

22. I have concluded that the only ground on which Mr Stockley could possibly make out a case is under s. 72(1)(a), although his statement as currently framed is not adequate. I am conscious of the fact that he could relaunch proceedings if he were stopped at this point. However there seems no real advantage in forcing him to do this, and in the absence of any submissions from Husqvarna, I see no reason not to allow him the opportunity to amend his statement with a view to overcoming the defects I have identified.
23. The standard procedure¹ envisages in some cases that an opportunity for alternative dispute resolution should be allowed after exchange of statement and counterstatement, but I do not consider that appropriate in the present circumstances of an application for revocation. What I shall do is therefore to set a timetable for the proceedings based on a modified standard procedure.

Decision

24. Accordingly, I
 - allow Mr Stockley's request to be permitted to amend his statement to omit the claim under s. 72(1)(b) and substitute a claim under 72(1)(a);
 - strike out the claim under s. 72(1)(e); and
 - reject the request for confidentiality.

Directions concerning future conduct of the proceedings

25. Mr Stockley must, by four weeks from this decision, file an amended statement limited strictly to the grounds of s.72(1)(a). This must give full particulars of the alleged prior disclosure and identify the claims of the patent which are attacked. In the event that Mr Stockley fails to do so within this period, I shall deem the proceedings to be withdrawn.
26. Husqvarna will then be allowed four weeks in which to file an amended counterstatement. Following that, evidence rounds will continue at six-week intervals starting with Mr Stockley's evidence-in-chief, followed by Husqvarna's evidence, and finally Mr Stockley's evidence strictly in reply.
27. The hearing should take place within a four week window starting two weeks after the final evidence is in. The precise date is to be fixed by agreement between the parties and the Office by the end of six weeks following this decision. Failing that, a date will be set by the Office.
28. The above is summarized in a timetable annexed to this decision.

¹ Tribunal Practice Notice TPN 6/2007

Costs

29. I defer consideration of costs until the end of the proceedings.

Appeal

30. Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days. In the event that an appeal is lodged, the annexed timetable will be suspended.

A C HOWARD

Divisional Director acting for the Comptroller

ANNEX

Timetable for future conduct of the proceedings

By 3 June 2009	Mr Stockley to file amended statement
17 June 2009	Deadline for parties to agree hearing date
By 1 July 2009	Husqvarna to file counterstatement
By 12 August 2009	Mr Stockley to file evidence in chief
By 23 September 2009	Husqvarna to file evidence in chief
By 4 November 2009	Mr Stockley to file evidence in reply
18 Nov-16 Dec 2009	Window for hearing to take place