



PATENTS ACT 1977

APPLICANT Daihatsu Motor Co., Ltd; Diamond Electric Mfg. Co.,
Ltd; Toyota Jidosha Kabushiki Kaisha

ISSUE 'Whether the time limit for putting patent application
number GB0811884.6 in order for grant can be
extended under rule 107 or rule 111

HEARING OFFICER Mr. G.J. Rose'Meyer

DECISION

Background

- 1 International application PCT/JP2007/051550 was lodged in the UK on 30 June 2008 and allocated application number GB0811884.6 in the names of Daihatsu Motor Co., Ltd; Diamond Electric Mfg. Co., Ltd; and Toyota Jidosha Kabushiki Kaisha (the applicants) and was published on 15 October 2008 as GB2448436.
- 2 The application proceeded routinely until 8 June 2010, when the Intellectual Property Office (IPO) sent the applicants, via their appointed attorneys Tillbrook & IPS (the attorneys) the examination report under section 18(3) of the Act. Within the covering letter to the examination report, the examiner included the following paragraph:

"You should note that, in accordance with rule 30(2)(b), the normal unextended period allowed for complying fully with the requirements of the Act will end on 8 June 2011, that is 12 months after the date of this letter."
- 3 On 8 December 2010, the attorneys replied to that examination report with detailed submissions. The examiner re-examined the application and issued a further examination report on 8 February 2011, giving the applicant until 8 April 2011 to respond.
- 4 The next action according to the official case file was an official letter issued to the attorneys on 5 October 2011 saying that as the application had not been put in order for grant on 8 June 2011, it had been treated as having been refused. The letter asked that any comments about the termination of the application should be marked "Urgent".
- 5 Nothing further is recorded on the official file until 29 October 2013 when the attorneys sent a fax copy of a letter of the same date to the IPO saying that on reviewing the status of the application on the IPO online web portal, they had noted

an examination report dated 8 February 2011, with a deadline for reply of 8 April 2011 was issued, but which they had never received by post. The attorneys also stated that they had noted that the case had been listed as terminated before grant, but that they had been given no notice of this event or given the opportunity to correct any deficiencies. The attorneys asked for the examination report to be reissued with a fresh extended deadline.

- 6 The IPO replied on 13 November 2013 saying that it was unable to reissue the examination report with a new deadline because the application had been terminated as of the 8 June 2011 through the failure to be in order for grant on that date. The letter also said that it was now too late to file an application for reinstatement under section 20A of the Act.
- 7 The official letter of 13 November 2013 also referred to rule 107 (Correction of irregularities) and rule 111 (Delays in communication services), as possible avenues to extend the missed time limit. However, the official letter also stated that a check of the office systems had indicated that the official letters of 8 February 2011 and 5 October 2011 had issued correctly and that there did not seem any scope to use the provisions of rule 107 to extend the time limit.
- 8 The letter went on to say that rule 111 concerns delays in communications services and permits the comptroller to extend any period of time where he is satisfied that the failure to do something (e.g. put an application in order before the compliance date) was wholly or mainly attributable to a delay in, or failure of, a communication service. The official letter noted that the attorneys were aware of the compliance date of 8 June 2011 because they had received the first examination report dated 8 June 2010 which stated 8 June 2011 as the date allowed for complying fully with the requirements of the Act . The attorneys had replied to that examination report in their letter of 8 December 2010. In these circumstances, the official letter suggests the attorneys would have expected an official reply to their letter of 8 December 2010 at some time before the compliance date of 8 June 2011.
- 9 The official letter notes that the attorney did not contact the office until 29 October 2013 – almost three years after their response to the first examination report - and that therefore the failure to put the application in order before the compliance date could not be said to be wholly or mainly attributable to a delay in, or failure of, a communication service. As such, the letter states that rule 111 also does not seem to be appropriate and the application must remain terminated. The official letter cited the office decision in YKK Europe Limited (BL 0/006/13) for further reference on rule 111.
- 10 The letter offered the attorneys the chance to make further observations or to request a hearing.
- 11 On 5 December 2013 the attorney replied to the official letter of 13 November 2013 contending that reinstatement of the application does merit reconsideration. The main arguments in that letter can be summarised as follows:
 - There is no proof that the official letters of 8 February 2011 and 5 October 2011 were ever printed or posted by the IPO. They were not received at the attorneys' offices.

- Their wider experience of communications from IPO shows that post intended for them doesn't always reach them.
- The IPO web portal (Ipsum) does not always list all submissions or events and therefore cannot be relied upon as backup.
- The IPO should be aware of the frailties and uncertainties of the postal service and understand that not all post it sends out reaches its intended destination, or indeed that it is necessarily always sent.
- Although they spend an inordinate amount of time and resources in case study checks within their offices, it is not feasible nor economic to continually track every individual case.
- The IPO relies upon a postal service that is fundamentally unreliable for its intended purpose and in which there is no unequivocal or inevitable link between despatch and receipt.
- The YKK decision does not preclude reinstatement of the subject application as when the last communication from the IPO was received there was no procedural deadline beyond that met by their last response (8 December 2010) which might have put the case in order for acceptance.
- It is merely necessary to recognise 1. a communication failure and 2. a default arising from that.

12 The attorneys' letter said that in the event these submissions were not successful in persuading the Comptroller to reissue the examination report, they requested a hearing.

13 The office replied to that letter on 14 January 2014 upholding its previous position and saying that a hearing would therefore be appointed.

14 The hearing took place before me by telephone on 9 April 2014. The attorneys representing the applicant were Mr Christopher J. Tillbrook, assisted by Ms Susan Chapple.

The evidence

15 The evidence I have considered comprised of the following the documents held on the official file referred to above at paragraphs 1 to 11 and the emailed skeleton arguments from the attorneys dated 3 April 2014.

The hearing

16 The attorneys had helpfully provided me with their skeleton arguments prior to the hearing. At the hearing I clarified with Mr. Tillbrook whether they were pursuing their case under both rules 107 and 111, as the skeleton did not make this clear. Mr. Tillbrook confirmed that they were pursuing both grounds.

- 17 At the hearing I also reminded Mr Tillbrook that the office had drawn his attention to the YKK Europe Limited (BL 0/006/13), in which the office had stated its position that as the application had been terminated, it was considered that an extension of time under rule 111 of the Patent Rules 2007 would not reverse the terminated status of the application.
- 18 I asked Mr Tillbrook if he wished to address me on this specific point at the hearing. He said he would prefer to pursue the rule 111 argument and if successful he would need to consult further with his clients on that issue, so would not be addressing it at the hearing.
- 19 After the hearing and prior to the issuing of this decision, the office has changed its position on the reversal of the terminated status issue. The official position is now that any party able to satisfy the comptroller under the terms of rule 111 will be able to extend the period being sought, even after termination.
- 20 I shall therefore consider the submissions under rule 111 on that basis.
- 21 Mr Tillbrook made his submissions at the hearing, which I will summarise below as submissions under rule 107 and rule 111 separately, although they were not necessarily specifically referred to as such at the hearing. To assist understanding, I will reproduce those rules here:

Rule 107 - Correction of irregularities

107.—(1) Subject to paragraph (3), the comptroller may, if he thinks fit, authorise the rectification of any irregularity of procedure connected with any proceeding or other matter before the comptroller, an examiner or the Patent Office.

(2) Any rectification made under paragraph (1) shall be made—

(a) after giving the parties such notice; and

(b) subject to such conditions,

as the comptroller may direct.

(3) A period of time specified in the Act or listed in Parts 1 to 3 of Schedule 4 (whether it has already expired or not) may be extended under paragraph (1) if, and only if –

(a) the irregularity or prospective irregularity is attributable, wholly or in part, to a default, omission or other error by the comptroller, an examiner or the Patent Office; and

(b) it appears to the comptroller that the irregularity should be rectified.

Rule 111 – Delays in a communication service.

111.—(1) the comptroller shall extend any period of time specified in the Act or these Rules where he is satisfied that the failure to do something under the Act or these Rules was wholly or mainly attributable to a delay in, or failure of, a communication service.

(2) Any extension under paragraph (1) shall be made –

(a) after giving the parties such notice; and

(b) subject to such conditions,

as the comptroller may direct.

(3) In this rule “communication service” means a service by which documents may be sent and delivered and includes post, electronic communications, and courier.

The rule 107 argument at the hearing

- 22 The attorneys’ argument here is that the office states that a check of its systems indicated that the official letters of 8 February 2011 and 5 October 2011 were correctly issued but that cannot be proved in any way. Even if the office could prove it printed and posted those letters, it cannot verify they were delivered correctly to the attorneys’ address.
- 23 Mr Tillbrook made submissions to the effect that his firm have had examples over the years and more recently of correspondence sent by the IPO being misdirected and not delivered and indeed of even Registered Mail sent to the IPO having been recorded as being received in the office, then subsequently going missing. All this is an indication that procedural errors do occur in the IPO and that the office should acknowledge this fact.
- 24 Mr Tillbrook also made the point that the IPO should be aware of the frailties and uncertainties of the postal service and to understand that not all post it sends out reaches its intended destination, or indeed that it is necessarily always sent.

The rule 111 argument at the hearing

- 25 The majority of Mr Tillbrook’s submissions centred round the failure to receive the second examination report. At the hearing he used or elaborated upon the points he had made in his skeleton arguments.
- 26 Mr Tillbrook outlined the systems employed to track cases in the Warwick office and some of the difficulties his firm faces, including those caused by their volume of work, their resources and the problems caused by delays in processing cases at the IPO.
- 27 He explained that the business address his firm occupies in Warwickshire is a prominent building in a prime location in a historic Grade II listed street alongside

Warwick Castle in the centre of Warwick. It is not an obscure location for postal deliveries and is within one mile of the local postal sorting office. His firm are the sole occupiers of the building. His firm has occupied the building since 1991 and there has in that time been confidence in the address being well known to the local postal service. The neighbours of the surrounding residential properties are known to his firm and on occasion misdirected mail has been retrieved from them.

- 28 Mr Tillbrook's point in availing me of these facts is that his firm has had reasonable confidence in the reliability of the incoming mail service to his office, although his firm have also been aware in the past several years of growing instances of postal failures. He says that ultimately in his view the postal service has not proved to be robust or reliable. He pointed me to the systems of WIPO and the OHIM who also utilise email and a web portal as well as post.
- 29 I shall refer to further submissions by Mr Tillbrook in my analysis below.

Analysis

Consideration under rule 107

- 30 To be successful under this ground, the attorneys need to convince me that there has been an 'irregularity of procedure' and that the irregularity or prospective irregularity is attributable, wholly or in part, to a default, omission or other error by the comptroller, an examiner or the Patent Office.
- 31 The attorneys' claim in essence that the IPO should not rely on the indication of its own systems to assume in this case that correspondence it purports to have sent, was actually sent.
- 32 The attorneys have produced no evidence of any irregularity, nor indeed pointed to any specific default, omission or other error on the part of the IPO, other than their contention that two pieces of correspondence the office says it sent out, were not received at the offices of the attorney.
- 33 Mr Tillbrook argued at the hearing and in his skeleton argument that the majority of the onus of proof of the failure of this correspondence to arrive at their offices in Warwick fell on the applicants and that the office could rely purely on its own assertions that it did something, with no further proof required.
- 34 Whilst to a degree that is correct, it is not entirely correct to say the office merely relies on assertion. The office has well established procedures and systems and when claims of irregularity or failings in processes or procedures are made, its officers are duty bound to investigate those claims fully. When failings are found the office is equally bound to admit them and correct them where permissible.
- 35 In this case the office checked its internal records and found that the two documents in question which were not received in the Warwick offices of the attorneys were produced at the correct time and were addressed correctly.
- 36 It is true to say that the office does not record if every letter or document it produces is placed correctly in the post and is delivered to its intended destination, but its long established practice and default position is to trust that both these actions occur

correctly, unless there is hard evidence to the contrary, either from its own records, or through external evidence. This would seem to me to be an entirely logical and defensible position. Indeed it would be entirely impractical and unreasonable to assume otherwise, as the attorneys themselves acknowledge in their skeleton arguments.

- 37 Other than generalisations about past procedural failures within their experience with the IPO and their contentions that the documents in question were never received at their offices, the attorneys have produced no evidence of any irregularities on the part of the IPO with regard to this application.
- 38 Based on this I cannot find that this ground succeeds.

Consideration under rule 111

- 39 In order to determine whether the comptroller's powers under rule 111 may be used, it is first necessary to determine what was the failure to do something under the Act or Rules? This is not in dispute: the failure was in effect two-fold:
- a) Not to file amendments to or observations on the objections raised in the second examination report under section 18(3) dated 8 February 2011 by the date specified in that report of 8 April 2011, and
 - b) Not to put the application in order for grant by the rule 30(2)(b) compliance date of 8 June 2011.
- 40 I must now ask whether these failures were wholly or mainly attributable to a failure or delay in a communication service. This of course is the crux of the matter.
- 41 The attorneys in submissions and in evidence set out a picture whereby the IPO relies upon a postal service which is "fundamentally unreliable for the intended purpose and in which there is no unequivocal or inevitable link between despatch and receipt" (attorneys' letter of 5 December 2013) and "ultimately, the postal mail is or has proved not to be a robust or absolutely reliable sole means of communication" (skeleton arguments under point 3). They draw comparisons with other Intellectual Property offices which have different and they suggest, better communication methods. No specific factual evidence relating to e.g. the performance, reliability or delivery accuracy etc of the postal service was provided.
- 42 The attorneys say that despite the frailties of the postal service, they have reasonable confidence in the reliability of the incoming mail service to their prominent and locally well known offices in central Warwick.
- 43 Mr Tillbrook in his evidence and submissions at the hearing gave me an overview of the internal systems employed to track and check cases at their offices. He described past paper based processes, which have subsequently been increasingly replaced by more electronically based systems. In the case of the application in suit, I was told a hybrid of a paper based and database system was utilised to keep track of progress. At the hearing in particular Mr Tillbrook was very honest about some of the difficulties faced by his firm as a reasonably small operation in resourcing their workload and in dealing with their portfolio of cases and admitted that they could do

things differently, better or more rigorously, but they try their best in the circumstances they face. He added that the current lengthy delays in the IPO, particularly with regard to patent examination, were certainly not helping them.

- 44 I clarified with Mr Tillbrook at the hearing whether the diary system they employed for the case in suit would have recorded the rule 30 compliance date for bringing the case in to order for grant – in this case by 11 June 2011 – and he confirmed that the date for reply to the examination report and the compliance date was recorded on their system for this application.
- 45 However, he also submitted on several occasions during the hearing that they might not have been as rigorous as they would wish in making regular status checks on the case and that there was a long period when they may not have made the checks they would have wished to make in hindsight. Nevertheless, Mr Tillbrook argued, I should not lose sight of the fact that the letter which would have alerted them to act to bring the case into order or to at least make observations to the examiner i.e. the second examination report of 2 February 2011, did not arrive at their offices.
- 46 I specifically asked Mr Tillbrook that given they knew the compliance date and had entered it on to their diary system, why when no response was received from the IPO to their reply to the first examination report and the compliance date grew ever nearer, had they not chased the IPO at that point?
- 47 Mr Tillbrook's reply again was that they admit they could have been more rigorous; that delays at the IPO were not helping in that the prosecution of cases was being squeezed closer and closer towards the end of the compliance period; that the pressure of other work meant cases were not tracked as often as they might have been and a suggestion that rather than writing a second examination report, the examiner might have given them a quick phone call instead to discuss the case.
- 48 I have to say that after reading the skeleton argument and listening to the submissions at the hearing I was left wholly unconvinced as to what logic and systematic rigour the attorneys were placing upon the tracking of the progress of this application. Bearing in mind Mr Tillbrook's earlier submissions that the postal service was fundamentally unreliable, the need for internal rigour would to my mind seem all the more necessary. I accept this is not always easy and daily business circumstances can present difficulties, but in my view in this case there should have been a reasonable expectation and anticipation of an official response to the attorneys' reply to the first examination report and that that response would have been before the end of the compliance period of 11 June 2011. Whilst examination delays are undoubtedly being experienced in the IPO, in this case the first examination report had issued and the case was within a few months of its rule 30(2)(b) compliance date. Given that I was assured the attorneys' diary system had been marked with this date, I remain uncertain as to why when this date neared and passed, no action resulting from the diary entries ever seems to have taken place.
- 49 This leads to the question of the checks the attorneys were making. At various points throughout the evidence and hearing they say they spend an "inordinate amount of time and resources in case status checks", and made "periodic", "random", "overall" reviews of the status of this application and yet "nothing untoward" (skeleton arguments at point 1) was found.

- 50 I must say I find this surprising to say the least. It had been the best part of three years since their reply dated 8 December 2010 to the first examination report, until their next contact with the office on 29 October 2013. In that period a reply which should have been expected from the IPO had apparently not been picked up upon; the compliance date had passed and had not been followed up despite internal diary entries having been made; and the “Terminated” status of the application had been recorded on the IPO viewable public records from October 2011, and yet the attorneys say they first discovered this in a “long term case review” in October 2013.
- 51 That delay in discovering the status of the application also resulted in the period when an application under section 20A for reinstatement could have been filed i.e. by 9 June 2012, running out.
- 52 As much as I am willing to accept Mr Tillbrook’s submissions on the numerous pressures and difficulties faced by firms of attorneys, I am finding it difficult to understand how over a three year period, when I am told that some, albeit not the most rigorous status checking of this application was taking place, that “nothing untoward” was found against the status of the present application.
- 53 In the evidence I have before me then, am I satisfied that the failure to do something under the Act or these Rules was wholly or mainly attributable to a delay in, or failure of, a communication service? I am afraid I am not.
- 54 The attorney while accepting things internally in their offices might in hindsight have been done better, always comes back to the fact that in their view the cause of the failure to respond to the second examination report by the specified date and leading to the failure to bring the case into order by the compliance date comes down to the failure of the postal service to deliver the second examination report to them. He argues that they relied on delivery of the second examination report (or preferably in their view, a phone call from the examiner) to act as a trigger for their further response, and therefore when no trigger occurred, the system broke down. He says that therefore shows that their failure was caused by the failure of the postal service. It seems to me that whilst that is a reasonable enough argument, it ignores all the other factors which they, as professional patent attorneys, should have heeded to ensure the failure to bring the case into order by the compliance date did not occur.
- 55 I accept entirely that from time to time post does go missing. I find it quite plausible that this may have happened in the case of the missing second examination report. In this case a second consecutive communication from the IPO – the notification of the refusal of the application dated 5 October 2011 – also went missing. Given Mr Tillbrook’s evidence that the address of his offices in Warwick is prominent and well known etc. that does seem unfortunate indeed, although it does support his other contention that the postal service is fundamentally unreliable.
- 56 However, in the circumstances I have had presented before me through the evidence and submissions, I am not satisfied that the failure to do something under the Act or these Rules was wholly or mainly attributable to a delay in, or failure of, a communication service, as required by rule 111. One other argument the attorneys touched upon in their letter of 5 December 2013, but did not elaborate on subsequently was that it is merely necessary to recognise a communication failure and a default arising from that failure. That is not the case in my view. The level of

evidential burden required for the comptroller to be “satisfied”, as required by rule 111 in order that an extension of time may be allowed, was discussed, albeit under the context of a different provision, in the Patents Court in the case of *Matsushita Electronics [2008] EWHC 2071 (Pat) 2008 RPC 35*, where Mr. Justice Mann gave some guidance on the matter. That level has not been reached by the evidence and submissions in this case.

- 57 In my judgement the *main* reason – I do not put it so high as to be the *whole* reason – for the failure was the lack of systematic rigour in the attorneys’ offices in Warwick, characterised by the failure to react to the diary dates they had entered on their systems and which would have saved the day despite the official correspondence going missing. This was exacerbated by finding nothing untoward with the application in a period spanning nearly three years since the attorneys last communicated with the office, when e.g. even cursory checks during the period October 2011 to June 2012 period would have revealed the true position of this application and enabled an application for reinstatement under section 20A to have been made in time.
- 58 At the hearing the attorney referred on many occasions to the fact that “in hindsight” he accepts things could have been done better. It is not with the benefit of hindsight that I come to my judgement. It must surely be a basic requirement of a professional firm of patent attorneys that the prosecution of any patent application must be handled scrupulously on every individual case. The level of care on every application must always be rigorous in the real time it is being prosecuted, regardless of the other numerous difficult factors - such as other individual cases or portfolios of work, or delays in national intellectual property offices or staff resources etc - attorneys are facing at any given time. An argument of ‘we accept we could have done things better in our office’ several years after things have gone wrong is not a convincing argument that the *whole* or *main* failure in this case was attributable to the failure of the postal service.
- 59 I accept it was a contributory factor, but it was not the *whole* or even the *main* one. That was attributable to failings in the Warwick offices of the attorneys.

Conclusions

- 60 On my interpretation of the facts from the evidence before me, I do not find that there was any irregularity of procedure connected with any proceeding or other matter before the comptroller, an examiner or the Patent Office or that an irregularity or prospective irregularity was attributable, wholly or in part, to a default, omission or other error by the comptroller, an examiner or the Patent Office.
- 61 Neither am I satisfied that the failure to do something under the Act or these Rules was wholly or mainly attributable to a delay in, or failure of, a communication service.
- 62 As such I find that I cannot extend the period for filing amendments to or observations on the objections raised in the second examination report under section 18(3) or to the compliance period prescribed by rule 30(2)(b) for putting the application in order for grant, under the provisions of either rule 107 or rule 111 of the Patent Rules 2007.

Appeal

63 Any appeal must be lodged within 28 days

G.J. Rose'Meyer

Hearing Officer

Acting for the Comptroller