

PATENTS ACT 1977

CLAIMANT

S.M.R. (UK) Ltd

PROCEEDINGS

Reference under section 37 in respect
of granted UK patent GB2521115

HEARING OFFICER

H Jones

DECISION

Introduction

- 1 This decision concerns a dispute between the claimant, S.M.R. (UK) Ltd, and the registered proprietor of granted UK patent GB2521115B (“the patent”), M.A.S.HBM Ltd, concerning ownership of the patent. The claimant filed its reference under section 37 in February 2019, claiming that it was the rightful owner of the patent and requesting that the patent be recorded on the UK Patent Register as being in its name. M.A.S.HBM Ltd initially opposed this reference, and the proceedings then ran their usual course through the evidence rounds and a date for hearing agreed.
- 2 Shortly before the matter was due to be heard in February 2020, the Office was informed by Pinsent Masons that M.A.S.HBM Ltd had entered administration and that they were acting for the Joint Administrators of the company. Pinsent Masons asked the Office to note that the filing of the Notice of Appointment of Administrators had created a statutory moratorium and that no legal process could be instituted or continued against the company, pursuant to paragraph 43(6) of Schedule B1 of the Insolvency Act 1986. They said that the Joint Administrators were urgently considering whether to provide leave for the section 37 proceedings to continue. I directed an immediate stay of the proceedings and asked for a progress report from the parties at regular intervals.
- 3 Pinsent Masons wrote to the Office in October 2020 to say that the Joint Administrators for M.A.S.HBM Ltd were prepared for the proceedings to continue and that they would not be taking an active role in the proceedings. The Office wrote to Pinsent Masons to clarify what they meant by this, e.g. did it indicate that they were no longer defending the claim and were supporting the claimant’s case or did they maintain their opposition and simply did not wish to expend any further time and effort in doing so. The Office also asked for clarification on the issue of costs.
- 4 Pinsent Masons replied on 7 December 2020 saying that their client would not be submitting any further arguments and would not participate in the cross-examination of witnesses at a hearing. They added that their client would not oppose any decision that the Tribunal might make in favour of the claimant. On the subject of costs, they

said that the parties had agreed separately that the claimant would not seek an order that the costs incurred would be an expense of the Administration; instead, any costs award in favour of the claimant would be ranked as an unsecured claim in the administration of M.A.S.HBM Ltd.

- 5 The Office wrote to both sides in March 2021 informing them that the reference under section 37 would be treated as uncontested, meaning that the defendant would be taken as supporting the claimant's case and that the counterstatement and evidence of M.A.S.HBM Ltd that had been admitted into the proceedings would be disregarded. Neither side objected to this approach.

Summary of facts

- 6 Since this reference is to be treated as unopposed, I must accept the facts of the case to be those described in the Statement of Case and the supporting evidence. These facts can be summarised as follows.
- 7 The application for the patent was filed by METSSL Ltd on 11 October 2013 under the number GB1318607.7, naming Mr Sebastian Love as sole inventor. The patent was granted on 30 January 2018 in the name of M.A.S.HBM Ltd.
- 8 Mr Love was employed by S.M.R. (UK) Ltd from November 2004 until May 2015. He held various positions within the company, initially employed as a Product Manager before taking on the position of Technical Director.
- 9 In 1999, Mr Clive Holloway formed the company S.M.R. (UK) Ltd. Mr Holloway was employed in the Managing Director role from November 1999 to July 2016. The company was set up to manufacture and sell the SMR Proprietary Binder product that Mr Holloway had invented. This binder was a soil stabiliser that he developed with the UK market and UK conditions in mind. The soil stabiliser was designed to be mixed with soil dug up from roads and other surfaces during utility and civils projects so as to permit the soil to then be re-used.
- 10 The SMR Proprietary Binder product was a blend of cement, sodium metasilicate, casting plaster and mineral oil. The ratio of these components was kept confidential within the company.
- 11 In 2012 Mr Holloway reformulated his SMR Proprietary Binder product to have an improved formulation. The reformulated SMR Proprietary Binder product no longer included mineral oil and therefore was a blend of cement, sodium metasilicate and casting plaster. As with the original product, the blend was specifically formulated with UK conditions and markets in mind and the product was designed to be mixed with excavated soil so as to permit the soil to then be re-used. An "Ecobind" variant and a "Geobind" variant of the SMR Proprietary Binder product were also developed.
- 12 The reformulated SMR Proprietary Binder product was produced from April 2012 onwards. The reformulated SMR Proprietary Binder product has the formulation: 78.7% ordinary Portland cement (OPC), 9.3% sodium metasilicate pentahydrate and 12% fine casting plaster.

Claims to entitlement

- 13 The claimant says that Example 1 of the patent corresponds to the reformulated SMR Proprietary Binder product and that Example 2 of the patent is a more general example which covers the reformulated SMR Proprietary Binder product as well as the "Ecobind" variant and the "Geobind" variant of this product. It is claimed that these binder compositions were invented by Mr Holloway and that the patent rights belong to S.M.R. (UK) Ltd. In the alternative, even if Mr Love thinks he was the inventor of the binder compositions of the patent, which the claimant disputes, the ownership of the patent rights would still belong to S.M.R. (UK) Ltd, as his employer, under section 39(1) of the Patents Act.

Conclusion and Order

- 14 The documentary evidence submitted by S.M.R. (UK) Ltd provides material support for the facts set out in the Statement of Grounds. I find that S.M.R. (UK) Ltd is entitled to ownership of the granted UK patent GB2521115 B and I order that the registered proprietor of the patent be recorded as being S.M.R. (UK) Ltd.

Costs

- 15 The claimant is entitled to an order of costs in its favour and I shall determine the amount based on the standard published scale of costs set out at Annex A of Tribunal Practice [Notice 2/2016](#). I determine the amount of the award in favour of S.M.R. (UK) Ltd as follows:

Preparing a statement and considering the other side's statement: £300

Preparing evidence and considering/commenting on the other side's evidence £700

Total £1000

- 16 Given that M.A.S.HBM Ltd has entered administration, S.M.R. (UK) Ltd should seek to recover this sum as an unsecured claim in the administration of M.A.S.HBM Ltd.

Huw Jones

Deputy Director, acting for the Comptroller