



Neutral Citation Number: [2023] EWHC 2949 (Pat)

Case No: HP-2020-000024

**IN THE HIGH COURT OF JUSTICE**  
**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**  
**INTELLECTUAL PROPERTY LIST (ChD)**  
**PATENTS COURT**

Rolls Building  
Fetter Lane  
London, EC4A 1NL

23 November 2023

**Before :**

**MICHAEL TAPPIN KC**  
**(sitting as a Deputy Judge of the High Court)**

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**Between :**

**SAINT-GOBAIN ADFORS S.A.S**  
**(a company existing under the laws of France)**

Claimant

**- and -**

**3M INNOVATIVE PROPERTIES COMPANY**  
**(a company existing under the laws of Delaware, United States)**

Defendant

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**Approved Judgment**

I direct that no official shorthand note shall be taken of this judgment and that copies of this version as handed down may be treated as authentic.

This judgment was handed down remotely at 10.30 am on 23 November 2023 by circulation to the parties' representatives by email.

## The Deputy Judge:

1. I now have to deal with the costs of the applications addressed in my judgment [2023] EWHC 2769 (Pat). It is agreed that 3M should pay SG's costs of the applications on the standard basis and that I should summarily assess those costs. The parties were agreed that I should deal with the matter on the papers and I received written submissions from both parties.
2. SG's statement of costs claims a grand total of in excess of £104,000, made up of solicitors' costs of in excess of £66,000, counsels' fees in excess of £33,000 and other disbursements in excess of £5,000. 3M submits that SG should recover no more than about £68,500. In support of that, it refers to its statement of costs which is in the sum of about £61,500. However, as SG notes, it does not cover the whole of the period covered by SG's statement of costs (it does not cover the period before 3M's current solicitors were instructed, nor has it been updated to take account of the fact that the hearing took longer than expected or to take account of post-hearing work.).
3. CPR 44.3(1)&(2) provide that the court will not allow costs which have been unreasonably incurred or are unreasonable in amount and will only allow costs which are proportionate to the matters in issue. Any doubt as to whether the costs were reasonably incurred or were reasonable and proportionate in amount is to be resolved in favour of the paying party. CPR 44.3(5) provides that costs are proportionate if they bear a reasonable relationship to, inter alia, the sums in issue in the proceedings, the value of any non-monetary relief in issue in the proceedings, and the complexity of the litigation. CPR 44.4(3) sets out the factors to be taken into account in deciding the amount of costs, which include the conduct of the parties, the value involved in the proceedings, the importance of the matter to the parties, the complexity of the proceedings, the skill and specialised knowledge of the lawyers and the place where the work was done.
4. I have had regard to the guidance in the Guide to the Summary Assessment of Costs (2021 edition) ("the Guide"), including in particular paragraph 15 regarding the application of the test of proportionality (by reference to *West v Stockport NHS Foundation Trust* [2019] EWCA Civ 1220), paragraphs 27-29 and Appendix 2 regarding the guideline figures for solicitors' hourly rates, and paragraphs 36-37 regarding counsels' fees.
5. The principal dispute between the parties concerns the hourly rates claimed by SG's solicitors. Paragraphs 27-28 of the Guide indicate that the guideline figures in Appendix 2 are intended to provide a useful starting point, and are not scale figures but rather broad approximations only. Further, paragraph 29 indicates that in substantial and complex litigation an hourly rate in excess of the guideline figures may be appropriate where factors such as the value of the litigation or the level of complexity of the matter would justify a significantly higher rate. It also notes that the rates for London 1 cover 'very heavy commercial and corporate work' and that within that pool of work there will be degrees of complexity.
6. 3M referred me to the judgment of the Court of Appeal in *Samsung Electronics Co Ltd v LG Display Co Ltd* [2020] EWCA Civ 466, where Males LJ referred to the guidance in paragraph 29 of the Guide and then said that "*If a rate in excess of the guideline rate is to be charged to the paying party, a clear and compelling justification must be provided.*" SG responded by referring me to the observations of Adam Johnson J in *Lappet Manufacturing Co Ltd v Rassam* [2022] EWHC 2158 (Ch) that a departure from the

guideline rate was justified “*on the basis of the long-established principle that specialist solicitors in specialist areas of activity should recover an uplift to reflect that specialism, where that is justified in the circumstances*”, citing HHJ Pelling in *ABS Co Ltd v Pantaenius UK Ltd* [2020] EWHC 3720 (Comm). However, in those two cases the issue was whether the receiving party should recover at a rate above that applicable for Nottingham or London 3. As Males LJ observed, the London 1 rate already assumes that the work in question is ‘very heavy commercial and corporate work’, though paragraph 29 indicates that within that pool of work there will be degrees of complexity which may justify an hourly rate in excess of the guideline.

7. In the present case, apart from drawing attention to *Lappet*, SG submits that the proceedings which led to the applications were technically and legally complex. I agree that they involved a fair amount of legal complexity and some (though not a high level of) complexity from a technical point of view. The applications themselves were neither technically nor legally complex, but they did justify instructing the solicitors and counsel who had been involved in the proceedings at trial. I believe that a modest uplift from the guideline rates is justified, but that an uplift of the amount claimed cannot be justified according to the guidance in the Guide and in the authorities I have cited. I am therefore going to allow recovery at the following maximum hourly rates: Grade A £600, Grade B: £400, Grade D: £200. I am conscious of the fact that 3M’s solicitors’ hourly rates were also somewhat higher than those figures, but I have to apply the guidance to which I have referred.
8. 3M also submits that I should disallow certain specific items of costs on the ground that they were not reasonably incurred or were disproportionate:
  - (1) It is said that Mr Wilson’s sixth statement was repetitive of his fifth statement and contained submissions. I agree that Mr Wilson’s sixth statement should be confined to evidence which was in addition to that which was already in his fifth statement. However, I doubt that this would have made much difference to the amount of time spent on evidence. It is not possible, from the information I have, to identify the amount of time spent, and by whom, on Mr Wilson’s sixth statement. Doing the best I can, while being conscious that I have to resolve doubts in favour of the paying party, I am going to deduct 1.2 hours of Grade A time for individual (c) and 2 hours of Grade B time spent on evidence.
  - (2) 3M observes that SG has claimed for 21.4 hours of attendance on others, whereas 3M only recorded 11.1 hours of attendance on others. SG explains that attendance on others included attendance on counsel and on its EPO representatives, and that it was necessary to spend time engaging with SG’s EPO representatives in order to prepare the application. It also explains that 7 hours of Grade B time was spent attending remotely the EPO hearing on one of the oppositions to which I referred in paragraph 12 of my judgment on these applications. It points out that 3M had, in the EPO, alleged that SG had breached its obligations under CPR 31.22 and says that the submissions made by 3M in the EPO would have been highly relevant to the applications; it also says that attendance allowed SG’s solicitor to liaise quickly with SG’s EPO representatives in response to any submissions made. I accept that it was reasonable for SG’s solicitors to liaise with its EPO representatives when preparing the applications, given the allegations that had been made in the EPO by 3M. However, I do not see why the cost of remote attendance at the EPO opposition is properly attributable to these applications. Attendance for the purpose of assisting

SG's EPO representatives appears to be a cost attributable to the EPO opposition rather than these proceedings, and any submissions made by 3M which were of relevance to these applications could have been noted by SG's EPO representatives and passed to SG's solicitors. I am therefore going to disallow the 7 hours of Grade B time, but no other aspect of attendance on others.

- (3) 3M says that SG's statement of costs claims for 7 hours attendance at the hearing, and observes that the hearing only took 3.5 hours (plus an hour for lunch). SG says that the remaining 2.5 hours was spent on work on the draft order (including taking instructions and liaising with counsel). I accept that it was reasonable to spend some Grade A and Grade B time on that topic, but find it hard to see how it can have been reasonable to spend 2.5 hours, nor why any significant amount of Grade D time was needed. I am going to disallow an hour of Grade A and Grade B time and two hours of Grade D time.
  - (4) 3M notes that 15 hours, including 11.65 hours of Grade B time, is claimed for hearing preparation, and notes that there is a separate claim for bundle preparation (there is a further one for work on the skeleton, so that the three together total almost 18 hours of Grade B time). 3M questions the time spent on hearing preparation and invites an explanation. SG does not provide an explanation, merely saying that this is a surprising submission given that 3M recorded 13.1 hours of Grade B time on the skeleton and hearing preparation. That is not a satisfactory response, and given my obligation to resolve doubts in favour of the paying party I am going to disallow 5 hours of Grade B time.
  - (5) 3M complains about the level of SG's counsels' fees, and in particular that it was represented by both senior and junior counsel. In my view, it was reasonable for SG to instruct leading counsel for this hearing, given the importance which SG attaches to its ability to continue to use the CT Scan Files. It was also reasonable for it to instruct the counsel who represented it at trial, and it must have been cheaper to involve junior counsel in that aspect than leave all the work to leading counsel. However, I agree with 3M that the overall level of SG counsels' fees seems to be unreasonably high, and there is no transparency as to the split between the fees of leading and junior counsel. Doing the best I can, I am going to assess counsel's fees at £28,000.
  - (6) 3M complains about the claim for client travel (about £3150) and accommodation (about £1450), saying that these costs seem to cover either multiple individuals, or first class tickets and accommodation at a very expensive hotel. SG explains that the costs only relate to a single individual, and that it was necessary to book tickets in advance that allowed him to arrive by the start of the hearing window and leave at the end of the window. However, these costs do appear to be unreasonably high, and I am only prepared to allow £3000 for travel and accommodation costs.
9. By my calculations, that means that having addressed the points raised by 3M I have arrived at figures (with minor roundings) of £6,131 for attendances on SG, £4,275 for attendances on 3M, £5,922 for attendances on others, £7,000 for attendance at the hearing and post-hearing work, £20,529 for work on documents, £28,000 for counsels' fees and £3,624 for client travel and accommodation and for transcript costs. That comes to a grand total of £75,481, which I propose to round down to £75,000.

10. The guidance in paragraph 15 of the Guide by reference to *West v Stockport* requires me to consider the proportionality of that sum by reference to the factors in CPR 44.3(5). I accept that SG regards its ability to use the CT Scan Files as valuable and that the stance which 3M took in the EPO meant that resolution of the dispute between the parties by means of these applications was necessary. The result is that SG has obtained relief which it regards as valuable. The difficulty is in knowing quite how valuable that relief is. The EPO and other tribunals may take a view similar to that I took at trial, namely that the evidence did not establish that the Rowenhorst particles were the inevitable result of practising the Rowenhorst prior art, and may therefore conclude that material derived from the CT Scan Files does not assist SG in seeking to invalidate patents using the Rowenhorst prior art. However, they may come to a different view. It is therefore very hard to decide whether £75,000 is a proportionate sum of money for SG to have spent on these applications. With some hesitation, I do not feel that I can say that it is disproportionate and I am therefore going to assess SG's costs in the sum of £75,000.