

PATENTS ACT 1977

IN THE MATTER OF a reference under section 37(1) and an application under section 13(1) & (3) by Andrew Webb in respect of Patent no. 2291342 in the name of Sandra Agnes McGriskin

DECISION

Background

1. In my interim decision issued on 3 February 2000 I found the present proprietor, Sandra Agnes McGriskin (“McGriskin”), and the referrer, Andrew Webb (“Webb”), to be joint inventors and to have joint ownership rights in the patent, which relates to a stool on convergent rockers. In line with this finding I directed that, under section 13(1) of the Patents Act, Webb be mentioned as an inventor together with McGriskin in the granted patent and that erratum slips should be prepared for the patent, in accordance with Rule 14(5), for this purpose. However, in view of the clear antagonism between the parties at the substantive hearing and because I considered that my orders should ensure that it is possible for each of McGriskin and Webb to manufacture and sell the stool of the invention without being beholden in any way to the other, I allowed the parties 3 weeks from the date of the decision in which to make submissions as to the form of order I should make under section 37(2) which is consistent with my findings of joint rights in the patent.

2. I gave three examples of possible such orders, these being -

1. the patent should simply proceed in joint names;
2. the patent should proceed in the name of McGriskin alone with the grant of an irrevocable, royalty-free, non-exclusive licence to Webb;
3. the patent should proceed in the name of Webb alone with the grant of an irrevocable, royalty-free, non-exclusive licence to McGriskin.

3. I set out the disadvantages, as I saw them, associated with each of these three options, and indicated (b) to be my preferred option.

4. In my interim decision I also stated that I proposed to defer consideration of the matter of costs until I had decided upon my order and that I would deal with the matter of costs in my final decision.

5. The decision was not appealed. Both parties have sent in submissions about what order I should make under section 37(2) and both parties have stated that they are willing for me to decide my order on the papers.

Submissions regarding orders

6. Webb submitted in a letter dated 16 February that he would prefer me to make an order that the patent proceed in the names of both parties and that, since he may want to enter into a licensing arrangement with a third party in the future, the order should also give each party the freedom to enter licensing agreements without requiring the agreement of the other party. He asked me whether, if this first preference of his is not possible, both parties could sign in advance an agreement to all future licensing by the other. He also queried whether it would be possible for me to order that if either party defaulted on renewal fees that they would lose their rights in the patent. In this letter he also stated that any order which left him having to pay royalties to McGriskin would be deeply offensive to him and he also stated that the patent is important to him as his entire livelihood depends on the design.

7. Submissions on behalf of McGriskin were sent in by Davis & Co. (Solicitors) Limited in a letter dated 24 February 2000. In these submissions it was requested that I should make an order along the lines of option (b), namely that the patent should proceed in McGriskin's name alone and that Webb should have a benefit of a non-exclusive, royalty free, irrevocable licence. In this letter it was also requested that (a) the licence should be personal to Webb and should not permit sub-licensing, because Webb is fully equipped to work the invention and has no need to sub-licence to earn a healthy profit from the invention whereas McGriskin is not so equipped and so can only exploit the invention by granting licences, (b) Webb should be restricted from promoting his product as an aid to teaching the Alexander Technique, since he did not appreciate the value of the stool for this purpose, and (c) in view of the possibility that in the future the patent could be held invalid as a result of Webb's disclosure of a stool on convergent rockers at a meeting at Fellside School in the summer of 1995 (the date and the private or public nature of the meeting being disputed at the substantive hearing), Webb should give an indemnity in favour of McGriskin covering reasonable costs in prosecuting the patent application, paying renewal fees

and resisting his claim to proprietorship, and should also extend to expenses incurred in making arrangements to have the stool manufactured under licence along with her expectations for royalty payments from such licensing.

8. In addition to these submissions of 24 February, the Office received an E-mail from McGriskin on 23 March 2000, in which she made the point that she does not believe that it would be fair to grant joint ownership to Webb as her rights to enter into a licensing agreement would be restricted and that, contrary to an assumption made by Webb in his letter of 16 February 2000, she intends to have the stool of the invention produced in the future. In this E-mail she also pointed out that, firstly, if Webb were allowed to license the patent to a third party this would negate everything she has in mind for her patent in consideration of the Alexander Technique and leave her financially compromised by the third party manufacturing and marketing the stool of the invention, and secondly, in view of the extreme difficulties experienced in reaching any agreement between her and Webb in the past five years, separate licensing agreements as a form of resolution in this matter would not be practicable.

9. Webb also made some further points in letters dated 1 March 2000 and 10 March 2000 respectively, these being that (a) if he were to be prevented from promoting the stool as an aid to teaching Alexander Technique it would be logical and fair to prevent McGriskin from promoting it for any use other than as a aid to teaching Alexander Technique, as she did not appreciate that it had any other uses, (b) both parties should be treated in an identical way, with no restrictions on their activities, and (c) any decision which did not allow him to license to third parties would give him less freedom than he originally had under design rights.

The law

10. In my interim report I set out Sections 37(1) & (2), sections 7(2) to (4), section 36(3) and sections 13 (1) & (3) of the Patents Act. I also drew attention to the fact that section 37(2) gives me considerable discretion over what order I can make.

11. In view of the specific reference in section 36(3) to section 37 and also to any agreement for the time being in force, I interpret section 36(3) to mean that the contents of section 36(3), namely, *inter alia*, that one proprietor shall not without the consent of the other proprietor grant a licence under the patent, shall apply only if not overridden either by an order made under section 37 or by an agreement in force .

12. There is also another part of section 36, section 36(3), which is of relevance to joint proprietorship. It reads-

“36 (1) Where a patent is granted to two or more persons, each of them shall, subject to any agreement to the contrary, be entitled to an equal undivided share in the patent.

Considerations to be taken into account

13. Webb has submitted that I should treat both parties in an identical way and has opted for the patent proceeding in the names of both parties and for free licensing by both parties, whether as part of the order or because of an advance agreement about future licensing. On the other hand McGriskin has submitted that she favours my option (b), which does not treat the parties in an identical way as it would leave McGriskin as sole proprietor, and so free to license without the agreement of Webb, and give Webb a non-exclusive, royalty free irrevocable licence but no freedom to license out to third parties. As far as common ground is concerned, in their submissions each party claims to have a need for free licensing without having to obtain the agreement of the other party.

14. With regard to McGriskin’s wish to see Webb being restricted from promoting his product as an aid to teaching the Alexander Technique and Webb’s response to the effect that if he be so restricted then McGriskin should be restricted from promoting it for any other use, I consider that the teaching of the patent is of relevance to this matter. The invention is defined by claim 1 of the patent and there is no mention in claim 1, or indeed in any other claim, of the Alexander Technique. The stool is defined in the claim as a “therapeutic stool” without any further explanation of the therapy involved. However, section 125 of the Patents Act states that

“.. an invention for a patent for which an application has been made or for which a patent has been granted shall, unless the context otherwise requires, be taken to be that specified in a claim of the specification of the application or patent as interpreted by the description and any drawings contained in that specification.....”

Since the description of the patent in suit explains at length about the use of the stool during teaching of the Alexander Technique and explains no other use, the word “therapeutic” must be interpreted in this light. Accordingly, any proprietor of the patent in suit should have no restriction imposed on him or her over his or her right to promote the product as an aid to the Alexander Technique.

15. As far as McGriskin's concern, expressed on her behalf by Davis & Co, over the meeting at Fellside School in summer 1995 and its possible future influence on the validity of the patent, I would point out once again that I am not here considering the validity of the patent and thus do not propose to include in my order any indemnity clause. I note that McGriskin admitted that she was present at the meeting as well as Webb.

16. However, I do consider that my order should take on board the concern expressed by Webb in his letter of 16 February 2000 over either party defaulting over payment of renewal fees.

17. I have carefully considered whether or not my order should take an identical or non-identical approach. In finding that Web and McGriskin are joint inventors, and that, since section 7(2)(a) applies rather than section 7(2)(b), Webb and McGriskin should also have joint patent rights, I consider that I have found that Webb and McGriskin should have **equal** joint patent rights, in much the same way as section 36(1) holds that joint proprietors have equal rights, rather than uneven rights.

18. Thus, it seems to me that I should go down the route of identical treatment to both parties in my order, while at the same time ensuring that the order meets both their needs, as set out in their submissions, with regard to working the patent. Accordingly, I no longer find option (b) to be my preferred option since it does not give each party identical treatment. My order should also take into account that the wording of section 36(3) suggests that it may, in appropriate circumstances, be overridden by an order made under section 37.

Orders

19. Accordingly, I order, under sections 13 and 37, that -

- (i) the patent shall proceed in the joint names of Sandra Agnes McGriskin and Andrew Webb and, under rule 51, an entry shall be made in the register to this end, and an erratum slip shall be prepared for the patent ;
- (ii) Each proprietor shall have the right to licence out the invention to a third party without the agreement or interference of the other proprietor;
- (iii) each proprietor shall pay half the renewal fees in a timely manner and shall only have the right to stop such payment of renewal fees if agreement is reached to do so with the other proprietor.

20. If either of the co-proprietors should default in the matter of payment of renewal fees, I also

order that the other should have the right to return to the Patent Office to claim appropriate relief from the comptroller.

Costs

21. As I stated in my interim decision of 3 February 2000, I regard Webb as the successful party in these section 37 and 13 actions, albeit only partly so since I have made a finding of joint, rather than sole, inventorship and ownership rights. I also made it plain that it was not the general practice to award other than a contribution of costs in Patent Office proceedings.

22. Webb pointed out to me at the substantive hearing that he had made an offer through McGriskin's solicitors not to ask for costs if she did not contest the action and that, because this offer was declined, he had been put to an awful lot of work and costs. However, since Webb was only partially successful this point would not seem to be of relevance.

23. On the other hand, I am aware that Webb has been producing the stools throughout this action in significant numbers and so has already profited to a significant extent from the invention. McGriskin on the contrary, as I understand it, has not been in a position to work the invention at all, but has borne all the costs associated with the patent application so far.

24. In these circumstances and having regard to the fact that Webb has only been partly successful, I am not inclined to award costs in this case.

Appeal

25. Since this is not a matter of procedure, any appeal should be lodged within six weeks of the date of this decision.

Dated this 13th Day of April 2000.

G. M. BRIDGES

Divisional Director acting for the Comptroller

THE PATENT OFFICE