

IN THE MATTER OF an application
under section 72 by Camfil AB
for the revocation of Patent No GB2329854
in the name of Interfilta (UK) Ltd

DECISION

- 1 This decision is concerned with the question of whether I should take account of submissions that came in, uninvited, from the defendants eight weeks after the main substantive hearing of this application for revocation of the defendants' patent. Taking account of those submissions would, according to the defendants, involve ordering disclosure, allowing probably three more rounds of evidence, and having a further hearing at which a witness who has already been cross-examined once would be cross-examined afresh, but they argue I must do so to ensure justice is done. I will start by explaining the background.

Background

- 2 This application under section 72(1)(a) of the Patents Act 1977 for revocation of patent GB2329854 was launched on 3 July 2000 by Camfil AB. The substantive hearing was arranged for 25 July 2001, then rearranged for 4 October 2001. That date too was then lost because of the unavailability of a witness and the need to deal with some preliminary issues that had been raised (though I did have a hearing on 4 October to deal with those preliminary issues). The substantive hearing eventually took place on 13 and 14 May 2002. Camfil AB were represented by Dr Heather Lawrence, instructed by Boulton Wade Tennant, and the patentee, Interfilta (UK) Ltd, were represented by their agent, Mr K Leaman of Laurence Shaw & Associates.
- 3 Two events which are particularly relevant to the question I now have to consider took place at the hearing. First, the hearing included the cross-examination of one of the claimants' witnesses, a Mr Gil, via a video conferencing link to America. This was the first time the Patent Office had been involved in cross-examination via a video link. There appeared to be no published guidance from the courts as to what arrangements might be appropriate, so the Office told the parties it expected them to agree between them suitable arrangements for supervising the witness. What they agreed was that the witness's own American patent attorney would supervise. At the start of the hearing Mr Leaman confirmed he was happy with this - his words as recorded in the transcript were "I can see no objection". I commented - with hindsight, a little too glibly - that if the parties were happy with this arrangement, so was I.
- 4 During the cross-examination the attorney was off-camera, but his hand appeared on-camera from time to time helping Mr Gil find the relevant papers, and at one time I had to stop him when he spoke up to object to a question. I have subsequently learned that

it is not unusual for a witness in the US to have his or her own attorney with them during cross-examination, and one of the functions of the attorney is to object to questions. That is not, of course, the way things work in the UK, where it would be up to counsel for the relevant party to raise any objections. At the conclusion of the cross-examination, I said I felt it would have been better if the witness had been supervised by an independent attorney but I also said (to quote the transcript with correction of an error that is obvious from the context) “in the event I do not think it influenced things”.

- 5 The second noteworthy event at the hearing was a concession made by Mr Leaman. Part of his case - and this was also reflected in his cross-examination of Mr Gil - was based on a misreading of the written evidence. He had got it into his mind that a trade show at which a sample was allegedly displayed by a company called Chase had taken place in 1996, and he was challenging this evidence on the grounds that Chase did not have the machinery to make the sample in 1996. In fact the written evidence clearly states that the trade show was in 1997 (although there was some confusion over its location), and the defendants were not disputing that Chase did have the necessary machinery by then. When this muddle was sorted out at the hearing, Mr Leaman then conceded that in the light of this, the sole independent claim, claim 1, and one of the two subordinate claims were not valid.
- 6 At the end of the hearing I reserved my decision. In the normal course of events I would have been ready to issue the decision by mid June, but because I was diverted by other duties, completing the decision took me a month longer than usual. On 12 July, when the decision was nearly ready and eight weeks after the hearing, the Office received a letter from the defendants’ representatives “formally objecting” to the evidence offered by cross-examination of Mr Gil. They argued that there had been severe procedural irregularities which had severely tainted parts of Mr Gil’s answers. This, they said, tainted the whole of Mr Gil’s evidence, so it should all be thrown out. They also said - I assume as an alternative position - that if the applicant for revocation wanted to rely on any of Mr Gil’s evidence, they should be given the chance to re-cross-examine him.
- 7 Receiving uninvited submissions from a party after the conclusion of the substantive hearing is almost unheard of in Patent Office proceedings, and the Office’s first reaction - which I freely acknowledge was prompted by me - was to write back telling the defendants that these issues should have been raised at the hearing itself, that they were now too late and that if they were unhappy with the decision when it issued, the correct procedure would be to appeal. However, the defendants persisted in a further letter on 17 July, at the same time also seeking to reopen an argument on a different point (as to whether a particular demonstration should be treated as an “enabling disclosure”) that Mr Leaman had abandoned during the hearing. The upshot was that I put the issue of my decision on hold whilst we had another hearing to consider whether I should take account of these late submissions.
- 8 That hearing took place on 18 September. Dr Lawrence once again represented the claimant, but the defendants was this time represented by Mr Giles Fernando who was instructed by Lawrence Shaw & Associates. I had directed that this hearing was to consider:

(1) Whether I had the discretion to take account of submissions like these made after the conclusion of the substantive hearing.

(2) If yes, whether I should exercise that discretion in the defendants' favour in the present case.

(3) If I was persuaded that I should exercise discretion in the defendants' favour, what arrangements I should put in place to deal with the substantive objections in the letters of 12 and 17 July.

(4) Costs in respect of the further hearing.

On point (2), I had stated that I was expecting the defendants to explain the delay in making the submissions, and also explain why the conduct of the disputed cross-examination was still a relevant issue despite a concession made by Mr Leaman at the hearing that claim 1 of the patent, and claim 3 when appendant to claim 1, were not novel. On point (3), I had explained that this hearing would not be an appropriate time to hear the parties on the substance of the submissions because the claimants would first have to be given a chance to respond to them.

- 9 At the hearing, Mr Fernando dealt with the relevance of the conduct of the disputed cross-examination by submitting that Mr Leaman had not conceded at the hearing that claims 1 and 3 were invalid, or if he had, the defendants now wished to resile from that concession. He also put in a request for disclosure of a fairly wide range of documents, arguing this was necessary to investigate the concerns about Mr Gil's evidence. He did not, however, pursue the other point that had been raised in the defendants' letter of 17 July, namely, reopening the enabling disclosure argument, so I have not considered that further.

Jurisdiction

- 10 I will now turn to the first of the issues to be addressed at the hearing, namely, whether I have the discretion to take account of the submissions. I had raised this question because, although I was not aware of anything that might suggest I did not have discretion, I was unaware of any previous instance in which the matter had been raised in *inter partes* proceedings before the comptroller. However, I can deal with it very briefly. Both counsel acknowledged that such submissions are sometimes made to judges after the trial and that judges have discretion to take them into account. Dr Lawrence suggested that typically they might be made to strengthen submissions, pick up points that counsel had forgotten during the trial, draw attention to new case law or (after judgment) correct mistakes by the judge.
- 11 The fact that judges do receive late submissions, not only before judgment is handed down but also after, is also confirmed by some of the case law to which I was referred. For example, in *Stewart v Engel and another* [2000] 1 WLR 2268 Sir Christopher Slade said:

“For many years it has been accepted that a judge who has given judgment has

the power to reconsider his conclusion and in effect reverse his own decision provided that the order recording his earlier decision has not yet been formally completed.”

- 12 Mr Fernando and Dr Lawrence agreed that because judges have discretion to take such late submissions into account, so by analogy do I. I accept this. Accordingly, I can move straight on to the question of how I should exercise that discretion. First I need to establish the principles I should apply in doing so.

Exercising discretion: the case law

- 13 The starting point whenever the comptroller now has to exercise discretion in *inter partes* proceedings is the overriding objective of the Civil Procedure Rules, which the Comptroller ‘adopted’ for proceedings before her in Tribunal Practice Notice TPN 1/2000. The key criteria for present purposes are ensuring the parties are on an equal footing, saving expense, being expeditious and being fair. However, I was referred to a number of court cases which, counsel submitted, also provided guidance, and I will start by looking at them.
- 14 In *In re Barrell Enterprises* [1973] 1 WLR 19 there was an attempt to reopen an appeal in the Court of Appeal. The Court had previously given oral judgment dismissing the appeal, but for some reason the order had not been passed and entered. Whilst the Court of Appeal accepted that it could reopen a matter after oral judgement in exceptional circumstances, it declined to do so in that case, saying:

“When oral judgments have been given, either in a court of first instance or on appeal, the successful party ought save in most exceptional circumstances to be able to assume that the judgment is a valid and effective one.”

It went on to say:

“It is clearly not permissible for a party to ask for a further hearing merely because he has thought of a possible ground of appeal that he originally overlooked. The discovery of fresh evidence has never been suggested as a ground for reopening the argument before the Court of Appeal. If fresh evidence comes to light, of such a character as to call for further consideration of the issues, the right way to deal with the situation is by applying for leave to appeal to the House of Lords.”

- 15 *Barrell* pre-dates the overriding objective of the Civil Procedure Rules, but it was cited with majority approval in *Stewart v Engel* after the introduction of that objective. In this case, on the day judgment in the High Court was handed down the plaintiff’s counsel expressly stated that she did not wish to pursue a claim for conversion the judge had earlier invited her to consider. Before the order was perfected, the plaintiff, having taken advice from leading counsel, applied to amend her statement of claim to plead a claim for conversion. The judge allowed this, but ordered the plaintiff to pay the defendants’ costs of her application. On appeal by the defendants, the Court of Appeal by a majority verdict (Clarke L J dissenting) ruled that the judge should not

have allowed it.

16 In his judgment Sir Christopher Slade said:

“Neuberger J in *In re Blenheim Leisure (Restaurants) Ltd (No 3)*, The Times, 9 November 1999 gave some helpful examples of cases where the jurisdiction [to reconsider an order] might justifiably be invoked before the order in question was drawn up:

“a plain mistake on the part of the court; a failure of the parties to draw to the court’s attention a fact or point of law that was plainly relevant; or discovery of new facts subsequent to the judgment being given. Another good reason was if the applicant could argue that he was taken by surprise by a particular application from which the court ruled adversely to him and that he did not have a fair opportunity to consider.”

It is to be observed that in all these instances, if the court had no power to reconsider its order before it was drawn up, the only remedy open to the party prejudiced would be by way of appeal from the order. Though on such hypothetical facts an appeal would itself have a good chance of success, common sense suggests that in such cases the judge who made the order should himself have the power to vary it before the appeal procedure has to be set in motion, with the likelihood of exposing all parties to far greater expense and delay than an application to the court of first instance.”

17 Sir Christopher Slade went on to say:

“Since there must be some finality in litigation and litigants cannot be allowed unlimited bites at the cherry, it is not surprising that, according to the authorities, there are stringent limits to the exercise of the discretion conferred on the court by the *Barrell* jurisdiction. . . . The principle recognises that the doing of justice requires justice to both parties in litigation, not merely one.”

and later:

“In my judgment, however, her change of mind after receiving such advice [ie the fresh legal advice] did not constitute exceptional circumstances sufficient to justify the judge in exercising the *Barrell* jurisdiction. A contrary decision would mean that courts would be wide open to applications to revoke their judgments before they had been perfected simply because a party, who had expressly abandoned a point before judgment, thereafter wished to have the opportunity to reopen it after receiving new legal advice. I cannot think that this would accord with the “overriding objective” of the Civil Procedure Rules.”

18 In concurring with Sir Christopher Slade, Roch L J commented:

“The power of a court to reopen, whether by revocation or variation, its judgment or order must be exercised sparingly in my judgment, if it is to be

exercised in accordance with the overriding objective of the Civil Procedure rules.”

- 19 In his dissenting judgment Clarke L J considered that reliance on *Barrell* was unhelpful in the post Civil Procedure Rules era, but he nevertheless also reached his conclusion by applying the overriding objective. Moreover, he said:

“I agree, for example, that after a full trial, the application of the overriding objective would be unlikely to lead to the conclusion that the losing party should be permitted to reopen the matter save in an exceptional case . . .”

Just prior to this, he had quoted with approval some comments by Neuberger J in *Charlesworth v Relay Roads Ltd* [2000] 1 WLR 230 on the reopening of issues determined at trial. Two of those points are worth citing here:

“. . . (2) the court must clearly exercise its discretion in relation to such an application in a way best designed to achieve justice; (3) the general rules relating to amendment apply so that: (a) while it is no doubt desirable in general that litigants should be permitted to take any reasonably arguable point, it should by no means be assumed that the court will accede to an application merely because the other party can, in financial terms, be compensated in costs; (b) as with any other application for leave to amend, consideration must be given to anxieties and legitimate expectations of the other party, the efficient conduct of litigation, and the inconvenience caused to other litigants; . . .”

Whilst these comments predate the introduction of the overriding objective, they are consistent with that objective.

- 20 In all these cases, the courts were being asked to reopen issues after judgment had been handed down but before the order had been perfected. In the present case, Mr Fernando pointed out, my decision has not even been issued and that, he urged, meant that I should adopt a more-liberal approach. In support of this argument he referred me to a number of judicial comments. For example, in *Stewart v Engel* in response to a submission that it should make no material difference whether the application to amend the pleadings had been made before or after judgment Sir Christopher Slade said:

“I cannot agree with this submission, which overlooks the fundamental difference in the principles applicable in a case where the argument before a judge is still open and continuing and a case where he has actually delivered judgment. In a case where the application to amend is made before delivery of judgment, the court has a wide discretion to permit amendment in the interests of justice, and, even at a late stage, will be disposed to exercise that discretion in favour of the applicant, subject to an appropriate order as to costs, if it considers that this is necessary to dispose of all the true issues arising between the parties.”

Bearing in mind that the present request came in only just before I would have issued my decision, Mr Fernando also drew my attention to a comment by Clarke L J that in his view it shouldn't make any difference whether a request came in just before or just

after:

“To take an example, if the application in this case had been made on 25 September, the day after the judge made his order, it surely could not have been said that it would not have been just to grant it merely on the ground that it was made a day late. There is to my mind no doubt that if the application had been made on 24 September . . . [the judge] would have granted it. The fact that it was made the next day would be just one of the matters to take into consideration in the exercise of the discretion.”

- 21 In view of the Office’s original comment that it was too late to make submissions and that if they were unhappy with the decision when it issued, the correct procedure would be to appeal, Mr Fernando also drew my attention to the Employment Appeal Tribunal case *Anthony v Governing Body of Hillcrest School* EAT/1193/00 (“*Hillcrest*”). Here the Chairman of the original Tribunal had made a remark which could have been seen as prejudging an explanation that a witness was being asked to give. No complaint was made at the time, nor during the subsequent three days of the hearing, nor in the written final submissions. In the event the Appeal Tribunal decided the remark did not show a real danger of bias, but it nevertheless observed that had it found otherwise, it would have regarded the delay in raising the issue as amounting to a waiver of the appellant’s right to complain. This shows, Mr Fernando said, that in the present case the defendants would have been wrong simply to raise their complaint about Mr Gil’s cross-examination in an appeal, as suggested by the Office. I think the thrust of *Hillcrest* is against Mr Fernando in that it suggests the defendants’s complaint should have been raised very much earlier - either at the hearing or very soon afterwards. Nevertheless I do accept that having got themselves into the position where it was 8 weeks after the hearing before they decided to complain, it was right for them to raise it before the Office rather than leave it to an appeal. I agree, therefore, that the Office suggestion was wrong.
- 22 On the question of the defendants’ acquiescence at the time of the hearing to the cross-examination arrangements, Dr Lawrence referred me to *Locobail (UK) Ltd v Bayfield Properties Ltd* [2000] QB 451. In this case - and I shall simplify the facts slightly as there was actually more than one case - Lawrence Collins QC, a solicitor and senior partner in the firm of Herbert Smith, was sitting as a deputy judge of the High Court. After the 7th day of a 16 day trial, as a result of reading through freshly-discovered documents, he became aware of a potential conflict of interest: unbeknown to him, his firm Herbert Smith had acted in previous litigation which, though not directly involving one of the parties, had the potential to affect them. The deputy judge made an immediate disclosure of this the next morning. Neither party’s counsel made any response to the deputy judge’s statement, and so the hearing continued for its remaining 8 days. After judgment, the claimant applied for a rehearing before a different judge. The refusal of this application was appealed to the Court of Appeal.
- 23 Two passages in the Court of Appeal’s judgment are particularly relevant to the present case, in paragraph 26:

“If, appropriate disclosure having been made by the judge, a party raises no objection to the judge hearing or continuing to hear a case, that party cannot

thereafter complain of the matter disclosed as giving rise to a real danger of bias. It would be unjust to the other party and undermine both the reality and the appearance of justice to allow him to do so.”

and 68:

“In our judgment, Mrs Emmanuel and her lawyers had to decide on 28 October what they wanted to do. They could have asked for time to consider the position. They could have asked the deputy judge to recuse himself and order the proceedings to be started again before another judge. They could have told the judge they had no objection to him continuing with the hearing. In the event they did nothing. In doing nothing they were treating the disclosure as being of no importance. The hearing then continued for a further seven days . . . and judgment . . . was given three and a half months later. During all this period Mrs Emmanuel and her lawyers did nothing about the disclosure that had been made on 28 October. They only sprang into action and began complaining about bias after learning from the deputy judge’s judgment that Mrs Emmanuel had lost.”

24 Finally, my attention was drawn to several cases going to a slightly different point - the question of whether a party can resile from a concession it made at an earlier stage in the proceedings. This question also arose, of course, in *Stewart v Engel* discussed above, but counsel brought in a number of other cases on this point. The first such case that Mr Fernando relied on was *Gale v Superdrug Stores Plc* [1996] 1 WLR 1089. The defendants, through their insurers, had admitted liability for personal injuries and made an interim payment. Two years later, when legal proceedings were launched and the defendants brought in solicitors, they sought to resile from this admission. The Court of Appeal, in a majority judgment, allowed them to do so. In rejecting a submission that the starting point was the sufficiency of the excuse advanced by the party seeking to resile, Waite L J said:

“Excuse (or lack of it) is not entitled, in my judgment, to any particular emphasis; it is just part of the overall picture and will carry no more weight than the particular circumstances require. I prefer Mr Vineall’s submission that the discretion is a general one in which all the circumstances have to be taken into account, and a balance struck between the prejudice suffered by each side if the admission is allowed to be withdrawn (or made to stand as the case may be).”

Millett L J took the view that the issue should be treated on the same basis as an application to amend the pleadings, and concluded:

“I consider that the court should ordinarily allow an admission to be withdrawn if it can be done without injustice to the other party and if no question of bad faith or overreaching is involved.”

Bearing in mind that this case was prior to the introduction of the Civil Procedure Rules and their overriding objective, it is perhaps worth noting that, in dissenting, Thorpe L J said:

“I ultimately conclude that this was a decision to which the judge was entitled to come in the exercise of discretion and in furtherance of a more disciplinary approach to adversarial manoeuvring which the public interest now requires.”

- 25 The second of Mr Fernando’s cases on this point was *In re Medicaments and Related Classes of Goods (No 2)* [2001] 1 WLR 700. During a lengthy hearing in the Restrictive Practices Court, a lay member of the court had applied for a job with a consultancy firm and then realised that one of the firm’s directors was a principal expert witness for one of the parties. The other party, a trade association, applied to the court for orders requiring the lay member to recuse herself on the grounds of her apparent bias and for the other members of the court to withdraw as well. By the time the application was heard, counsel for the trade association conceded that the lay member no longer had any prospect of employment by the firm but maintained the application. The application was dismissed, and on appeal the trade association was represented by different counsel who sought to resile from this concession. He was allowed to do so, the Court of Appeal saying at paragraphs 32 and 33 of its judgment:

“When it was put to Mr Sumption [the new counsel] that it had been conceded before the court below that Dr Rowlatt could plainly have no further hope of being employed by Frontier, Mr Sumption submitted that this was not his case, and that in a matter as important as this it would be wrong for this court to approach the facts fettered by any concession made in argument below as to their implication. We agree with Mr Sumption that, in a case such as this, it is for the court to consider the facts and to decide for itself whether having regard to those facts the tribunal or any member of it is disqualified from continuing to sit.”

- 26 Dr Lawrence, however, drew my attention to *Hytec Information Systems Ltd v Coventry City Council* [1997] 1 WLR 1666. In this case the defendant’s solicitor and counsel were described by Ward L J as negligent in their conduct of the litigation on their own client’s behalf in failing to comply with a court order. Mr Fernando has not suggested that the defendants’ legal representatives were negligent in this case, but he has said Mr Leaman should not have made his concession at the hearing, and to this extent the judicial comments in *Hytec* are potentially relevant.

“Ordinarily this court should not distinguish between the litigant himself and his advisers. There are good reasons why the court should not: first, if anyone is to suffer for the failure of the solicitor it is better that it be the client than another party to the litigation; secondly, the disgruntled client may in appropriate cases have his remedies in damages or in respect of the wasted costs; thirdly, it seems to me that it would become a charter for the incompetent (as Mr MacGregor eloquently put it) were this court to allow almost impossible investigations into apportioning blame between solicitor and counsel on the one hand, or between themselves and their client on the other.”

- 27 Dr Lawrence also drew my attention to *Worldwide Corporation Ltd v Marconi Communications Ltd* (1999) 96(28) LSG 25. The facts in this case are summarised by the introduction to the judgment of Waller L J in the Court of Appeal when refusing leave to appeal:

“This is an application for permission to appeal from an order made by Mr Justice Moore-Bick on 24 December 1998 when he gave judgment for the defendants, in effect, in default. He held that the claimants had, through their leading counsel then instructed, abandoned their original primary claim for breach of contract in the context of seeking leave to amend to plead a different primary claim. He further held that, once leave to appeal had been refused, the claimants, through the same leading counsel, confirmed that abandonment and made clear that the claimants had no intention of continuing with the original points of claim, including the very much lesser claim based on a quantum meruit. The judge thus held that it was not open to the claimants through a different leading counsel to resuscitate the claim at first pleaded and that it was not open to them to continue with that claim.”

Just to complete the picture, I should add that the original attempt to plead a different primary claim took place immediately before a 24 day trial and 2¾ years after the claim had originally been launched.

- 28 The circumstances in this case were clearly fairly extreme and I think the Court of Appeal refusal of leave to appeal has to be viewed in that context. Moreover, the Court of Appeal followed the approach it had adopted in *Hytex* and as a result, so far as the present case is concerned, *Worldwide* doesn't really add very much to *Hytex*. Nevertheless Dr Lawrence did draw my attention to the following comments of Waller L J on the fact that an assertion had been made without any evidence:

“ . . . it cannot be right that the question whether leading counsel was negligent or that he might have immunity should have to be investigated and allowed to enter the scales. Even clearer must be the situation that existed in this case, where it is mere assertion without any evidence as to what happened. In my view the judge cannot be criticised in this case for not putting into the scales what was a mere allegation of negligence . . . ”

- 29 Mr Fernando also said that in *Douglas and others v Hello! Ltd*, heard in the Court of Appeal in November 2000, Sedley L J had allowed a party who wished to resile from a concession following a change of counsel to do so. However, Mr Fernando acknowledged that this had happened in an unreported interchange with counsel, and he failed to give me any information about the circumstances. I do not therefore feel I can gain any assistance from this case.

- 30 I was also referred to a number of other cases, including *Kirin-Amgen Inc v Transkaryotic Therapies Inc* [2002] RPC 2, *Farmers Build Ltd v Carier Bulk Materials Handling Ltd* [1999] RPC 461 and *Taylor v Williamsons* The Times 9 August 2002. I have not quoted from these here because, so far as the present case is concerned, I do not feel they add anything to the numerous cases I have already quoted.

Exercising discretion: conclusions to be drawn from the case law

- 31 I have gone through these cases in some detail because the issues before me are ones that, so far as I know, the comptroller has not had to address before. I must now assess what lessons I can draw from them so far as the present case is concerned. These lessons, of course, all build on the foundation of the overriding objective, which underlay most of the comments in the above cases. In drawing these lessons I have taken account of the fact that in two of the Court of Appeal cases the judgments were not unanimous.
- 32 First, since there must be some finality in litigation, the discretion to reopen issues after judgment must be used sparingly, in exceptional circumstances only. This comes from *Barrell* and from all three judges in *Stewart v Engel*. The fact that the other party can, in financial terms, be compensated in costs is not sufficient since I have to do justice to both parties, and that includes considering the anxieties and legitimate expectations of the other side (*Charlesworth*, and Sir Christopher Slade and Clarke L J in *Stewart v Engel*). *Barrell* suggests that the discovery of new facts is not a sufficient reason for reopening a case, but I think that view, which predates the overriding objective, must be treated as superceded by the views in *Blenheim* and *Stewart v Engel* that it is better to reopen a case than leave the matter to appeal. However, acquiescence at the time of the hearing and then delay in raising the issue after the hearing are both factors that weigh against reopening an issue (*Hillcrest* and *Locobail*).
- 33 These cases were all concerned with reopening issues after judgment. Taking the comments of both Sir Christopher Slade and Clarke L J in *Stewart v Engel* together, I conclude that a slightly more liberal approach can be adopted pre-judgment. Nevertheless, I would like to make two important qualifications to that. First, what I have described as a slightly more liberal approach does not mean that the making of uninvited submissions after the hearing has taken place should be a normal or commonplace occurrence. Such submissions will inevitably introduce both delay and extra expense, because the other side has to be given a chance to respond to them, and that can easily escalate into yet further rounds of submissions and evidence. For the proper administration of justice in accordance with the overriding objective, the presumption must be that the parties have made all their submissions by the end of the hearing.
- 34 Second, it would clearly be wrong to adopt a more liberal approach to requests to introduce fresh issues after the hearing than the comptroller adopts to such requests prior to the hearing. If it were otherwise, parties would have an incentive not to raise issues at the earliest opportunity, and that would fly in the face of the principles laid down in the overriding objective. Pre-hearing requests are not allowed on the nod but are carefully weighed in the light of the overriding objectives, and so the same must apply to post-hearing requests, but with the scales weighted that little bit more against allowance.
- 35 There is another factor that relates specifically to the present case. It is technically correct that the issues in question have been raised prior to, not after, my decision. However, having conceded at the hearing that the main claim and one of the two subordinate claims were invalid, the defendants can have had no doubt about what the main thrust of my decision would be when it issued. This puts the defendants somewhat closer to the position of a party who is trying to reopen a case after

judgment.

- 36 On the question of whether a party can change its mind and eg resile from a concession, at first glance the above cases do not convey a consistent message. *Gale v Superdrug* and *Medicaments* allowed parties to change their mind. *Worldwide* and *Stewart v Engel* did not. However, on a closer look it is clear that the circumstances of the various cases were very different. In *Gale v Superdrug* the concession was a commercial decision made by insurers well before they knew that they were likely to face legal proceedings. The concession was not made or maintained in the legal proceedings themselves. Moreover, this case precedes the overriding objective, and it may well be that the dissenting approach expressed by Thorpe L J would now be given more weight. In *Medicaments* the Court of Appeal clearly felt that the issue of potential bias in the court below was of such gravity as to weigh the scales firmly towards allowing the concession to be withdrawn. Conversely, in *Worldwide* the concession was a carefully considered one which had been expressly confirmed at least twice, by a party whose attempts to change tack were having a major disruptive effect on a lengthy trial, so it is hardly surprising the Court of Appeal took a dim view of the later attempt to resile from it. Similarly in *Stewart v Engel* the decision not to pursue a particular claim was again a carefully considered one, made despite three invitations from the judge to do so. The conclusion I draw from this is that any request to resile from a concession must be considered in the light of all the circumstances against the criteria of the overriding objective. Certainly the fact that a party has been given fresh legal advice is not a sufficient reason for allowing the party to change its mind, and this is consistent with the *Hytec* principle that ordinarily a party has to live with whatever its legal adviser does on its behalf.

Exercising discretion in the present case

- 37 Having established the appropriate principles on which the exercise of my discretion should be based, I now need to apply those principles to the facts of the present case. I will start with some of the objections raised by Dr Lawrence.
- 38 First, she pointed out that the case had taken two years to get to trial, and that reopening matters now would extend the proceedings significantly. Further, where there is a risk that a patent would be found to be invalid, there is a public interest, in addition to the interests of the parties, in sorting the matter out quickly. I agree with her on both points. Dealing with cases expeditiously - one of the factors in the overriding objective - carries even more weight where the public interest is at stake, as it is here. Reopening these proceedings could delay the final conclusion significantly, especially as the defendants are simultaneously asking for disclosure because that is likely to lead to more evidence rounds and substantial delays. Thus the potential delay is a significant factor weighing against the defendants' request.
- 39 I should perhaps say - because I know Mr Fernando did not like the word - that I am using the term "reopen" in the present context simply as a convenient shorthand to refer to what the defendants seek. Hair-splitting lawyers could doubtless debate for hours about whether the term is really appropriate in the present context. I should also say that Mr Fernando used the public interest point in his favour, arguing that because a

patent is a public monopoly, there is a public interest in considering everything very carefully before adjudicating on its validity. That to my mind is a specious argument. There is certainly a public interest in having a patent system to encourage innovation, but there is no strong public interest in maintaining any one specific monopoly. There is, however, a strong public interest in getting rid of a bad monopoly quickly. Thus the public interest from the claimants' perspective carries rather more weight than the public interest from the defendants' perspective.

- 40 Second, she argued that the failure of the defendants to object to the cross-examination arrangements until eight weeks after the hearing should weigh heavily against them. Again I agree these are relevant considerations in the light of the case law I have discussed above. The defendants, it must be remembered, had actually agreed to the arrangements in advance. Mr Leaman failed to make any objection to them whilst cross-examination was in progress and said nothing when, at the end of the cross-examination, having commented that I did not feel the arrangement had been very satisfactory, I expressly said I did not think this had influenced things. Mr Fernando argued the defendants should not be penalised for this because the failure to say anything sooner had made no difference - if Mr Leaman had objected at the time, it would still have been necessary to have another hearing. I disagree. If the defendants had not agreed to the cross-examination arrangements the problem would not have arisen in the first place, and if Mr Leaman had objected at the time, the arrangements could have been adjusted there and then - eg by opening the camera angle so that everyone in the room at the US end was on screen, or by insisting that Mr Gil's attorney left the room or moved away from, and behind, Mr Gil. Thus the failure of the defendants to object to the arrangements until eight weeks after the event is another significant factor weighing against them.
- 41 On a related point, Mr Fernando submitted that establishing what were the appropriate arrangements for cross-examination by video link was an important point of public interest and that argued in favour of reopening the case. I agree this is an important point of public interest, but it is not necessary to reopen the present case to resolve it because the answer is obvious. In the light of the experience in this case, the Office should - and will - insist on the witness being supervised by an attorney who is independent of both parties. Indeed, as I mentioned at the close of the present hearing, I have already arranged for our Hearing Officers' Manual to be amended to make this clear. It will, of course, also be open to cross-examiners to enquire about who else is present at the start of the cross-examination. Accordingly, I do not think this point carries any weight one way or the other.
- 42 Dr Lawrence also raised a number of the points that came up in the case law discussed above. For example, she argued that getting a different opinion from new legal advisers was not a good enough reason for reopening the case. Further, if the defendants were not, with hindsight, happy with what their legal representative had and had not said at the hearing, that too was not a sufficient reason. In the light of the case law I agree with her on these points. However, it is not a question of these points weighing against the defendants, but rather, of them not weighing in their favour. To put it another way, the onus of establishing that it would be right to reopen the case falls very clearly on the defendants, but these are not points that help them to discharge that onus.

- 43 I turn now to the main arguments advanced by Mr Fernando. These centre round the submission that there were serious procedural irregularities at the hearing, they cast doubt on the soundness of Mr Gil's evidence and justice to the defendants makes it imperative that these issues be investigated. Whilst the case law makes clear that justice and fairness have to be considered from both parties' perspectives, I accept that the risk of serious injustice to the defendants could be enough to outweigh all the counter points I have discussed above. However, is an allegation that there is a risk of serious injustice sufficient to swing the balance in favour of reopening the case, or do I have to be satisfied that there is potentially some substance in the allegations, ie that there is a real risk of injustice?
- 44 Mr Fernando argued that the mere allegation of a risk of injustice was enough. The defendants had been entitled to a fair hearing, and if there were any allegations that the hearing had not been fair I had no option - I would have to hear them. Further, he said, the directions I had given for the present hearing had expressly stated that this hearing would not be an appropriate time to hear the substance of the submissions because the claimant would first have to be given a chance to respond to them. On the basis of my directions he had not made any preparations for dealing with the substance of the allegations at this hearing. Rather, he had assumed the hearing would effectively be no more than a short case management conference to make arrangements for a further hearing at which I would decide whether the allegations warranted further investigation.
- 45 Dr Lawrence disagreed with Mr Fernando's approach and with his interpretation of the directions. What the defendants had done, she said, was come out with a series of allegations that were unsupported by any evidence and did not tally with the recollections of those members of the claimants' legal team who were present at the previous hearing, and that wasn't good enough. On Mr Fernando's argument, she said, the defendants could come along with any wild allegation, I would have no option but to investigate and allow disclosure, more evidence rounds and more hearings, all with their concomitant costs and delays, and the claimants would just have to put up with it. As for the directions, they had clearly stated that the hearing was to consider whether I should exercise my discretion in the defendants' favour by agreeing to take account of the late submissions. It was incumbent on someone seeking exercise of discretion to put before the hearing officer all the material that was needed for a proper consideration of how that discretion should be exercised.
- 46 I have considered these two diametrically-opposed views carefully, and come to the conclusion that Dr Lawrence is right. In the light of my directions it would clearly be wrong for me to indulge in a close examination of the defendants' allegations, but if I were to act merely on the fact that an allegation of risk of injustice has been made, that would be elevating the need to be fair to the defendants above the need to be fair to the claimants. The "fairly" element of the overriding objective - and, for that matter, the right to a fair trial enshrined in Article 6 of the European Convention on Human Rights - requires fairness to both parties, not just one. Accordingly I have to be satisfied there really is a risk of injustice, and to do that I have to look at the allegations sufficiently to be satisfied there is some substance in them, ie that they do have the potential to stick.
- 47 I am also satisfied that the directions I gave for the hearing cannot reasonably be

construed as suggesting it was to be nothing more than a short case management conference. As I put it to Mr Fernando at the hearing, on his interpretation we would have been having a hearing to decide whether to have a hearing to decide whether to have a hearing, which would have been manifestly stupid. Dr Lawrence was quite right in saying the onus was on the defendants to make sure they gave me all the material I needed to exercise my discretion, and if they chose not to do so, they were clearly running a risk.

48 There is, though, one other aspect. If the defendants - or more probably, their counsel - had genuinely misunderstood the purpose of the hearing, am I denying them an adequate opportunity to put their case if I now consider whether the allegations have any substance without first giving them another chance to put their case on discretion by arranging another hearing? This point troubled me at the hearing when, right at the start, Mr Fernando announced that he hadn't come prepared to deal with - as he put it - "paragraphs 12 to 86 of Dr Lawrence's skeleton" because that isn't what he understood the hearing was for. However, I have come to the conclusion that I do not need to give the defendants another chance. These are their own allegations, and they shouldn't be making them if they can't substantiate them. It would be preposterous for them to argue that they were not yet in a position to show that the allegations do have the potential to stick.

49 I have to say it was clear to me that Mr Fernando had prepared his case in great haste, as his skeleton argument was unacceptably late - causing difficulties for the claimants that they should not have had to deal with - and failed to mention three of the precedents on which he relied. In apologising at the hearing for the lateness of his skeleton, he explained that he was extremely heavily committed on another very big case and that his clerk should never have said he was free for the present hearing. I do wonder, therefore, whether Mr Fernando's submission on his interpretation of the purpose of the hearing may have had more to do with covering what he may have felt was his own unpreparedness than with a genuine misunderstanding of the onus that was his to discharge.

50 I will now look at the allegations the defendants have made about the cross-examination of Mr Gil. They are summarised in the defendants' letter of 12 July and fall into four categories:

C That Mr Gil's copy of the bundles appeared to carry manuscript notes and highlights.

C That because the sample of the filter was missing from Mr Gil's bundles, we cannot be sure the papers Mr Gil had were identical to those we had in London - there may have been additional papers. (As further support for this concern, they also allege that at one point Mr Gil was working from a document not available at the UK end - I will come back to that.)

C That Mr Gil was assisted and prompted by one or more US attorneys, forcing Mr Leaman to cross-examine a team rather than an individual, the evidence being: (i) the hand of a person otherwise off-camera could be seen helping Mr Gil find the right place in the bundles or handing him the right bundle on several

occasions; (ii) that there were occasions when that person actually spoke, once to object to a question (a point I have already mentioned), once (whilst we were trying to resolve problems with the audio link) to ask if we at the London end could hear them and, on two or three occasions following a pause in Mr Leaman's questions, to ask if there was another question; (iii) that on some occasions Mr Gil was looking to his left before turning back to face the camera and answer a question.

C That because the audio quality was so poor, the transcript may not be accurate.

- 51 The first point surprises me. I concede I spent more time looking at Mr Gil's face than at the papers in front of him, but I did look at the papers on a number of occasions to check that Mr Gil had found the right page in the bundles and I certainly don't recall noticing any annotations or highlighting. This allegation would carry more weight if the defendants had identified specific instances when they noticed this, but instead they are relying on a vague assertion and I do not think that deserves much weight.
- 52 The second point is without substance. The sample was missing not only from Mr Gil's bundles but also from all the other bundles, because there was only one sample in existence and that I was holding in my own hands. To use this as the pretext for arguing that it was possible the bundles were different is not merely manifestly unsound, but casts doubt on the defendants' sincerity. Further, the allegation that Mr Gil was working from a document not available at the UK end is clearly wrong, as the document in question is in my copy of the bundles and was part of the formal written evidence. This allegation can carry no weight at all.
- 53 The third point is overstated in that there is no way Mr Leaman was cross-examining a team - all his questions were addressed to Mr Gil and all the answers came from Mr Gil - but leaving that point to one side, if Mr Gil was indeed receiving material help, that would put a significant question mark over the validity of the evidence he gave in cross-examination. However, there is one consideration the defendants are overlooking. I too was there during the cross-examination and was watching what was going on very closely, as I became aware that Mr Gil's attorney was sitting next to him, off camera, right from the start. I was reluctant to intervene because I knew the arrangements had been agreed between the parties (although with hindsight, it might be better if I had), but I did keep a very close watch on what was going on and, as I said in the hearing, concluded that the presence of Mr Gil's attorney had not influenced the cross-examination. Before the defendants made their post-hearing submissions I had already set out my assessment of the cross-examination more fully in a paragraph I had written for the decision, and I think it will be useful if I quote what I had written now:

"I do not feel the unsatisfactory nature of the arrangements have adversely affected the defendants in this instance. I became aware of the potential problems very early on and accordingly kept a close watch for signs of illicit help, but was satisfied from the promptness and confidence with which Mr Gil answered the questions that his answers were not being influenced by anything going on at the American end. Moreover very little of the cross-examination touched on factors that have, in the end, been material to my decision. However, insofar as there was anything material, Mr Gil struck me as a reliable

witness whose evidence was consistent with the available facts.”

In considering the defendants’ third point, I do not think fairness to the defendants requires me to put aside my own observations and pretend I wasn’t even at the hearing. On the basis of my observations, I consider there is little prospect of it eventually transpiring that there is real substance in this point.

- 54 Finally, the fourth point seems as worthless as the second. I cannot see how the possibility of errors in the transcript can cast doubt on Mr Gil’s evidence. In any case, transcripts almost always include the odd error, though the intended meaning is usually clear from the context. I can only presume that the defendants are suggesting that a 100% accurate transcript might have enabled them to find more alleged flaws in the cross-examination. That is pure speculation and is not a sound basis on which to reopen the proceedings.
- 55 In short, then, of the defendants’ four allegations about the cross-examination of Mr Gil, two are nonsense (and I make no apologies for describing them so harshly), one carries little weight because of its failure to be specific and one has only a low prospect of success. Far from providing a heavy counterbalance to the factors already on the other side of the scales, even from a cursory look they appear distinctly lightweight.
- 56 There is one last point I must deal with. Mr Fernando argued that because it was now clear Mr Gil had had his own legal representative, it was important to cross-examine him again to test whether he had been helped in preparing his evidence and coached in preparing for cross-examination. I find this argument unconvincing. As is customary in proceedings before the comptroller, most of the evidence from both sides was provided in the form of written statements. Both sides had their legal representatives, and I have not the slightest doubt that, in preparing those written statements, all the witnesses were “helped” by those legal representatives. Indeed Dr Lawrence admitted that Mr Gil’s witness statements were prepared in the UK by Boulton, Wade, Tennant, as were all Camfil’s witness statements. Such help is normal because the witness needs guidance as to what they need to cover in their statement. It is acceptable so long as the legal representative does not stray beyond this and influence the witness’s explanation of what happened to the extent of altering the facts, and that, of course, is one of the things that can be probed in cross examination. Moreover, Mr Gil was not the only witness to have his legal representative present at the hearing itself, as the defendants’ witnesses, Mr Holt and Mr Ridgeway, were sitting right behind Mr Leaman. Without a shred of evidence from Mr Fernando (eg culled from the cross examination) that Mr Gil’s legal representatives -whether in the US or the UK - strayed beyond the bounds of what is proper, I cannot accept that merely because he had such representatives is a ground for calling him back for further cross-examination. This point, therefore, does not add any extra weight to Mr Fernando’s side of the scales.
- 57 The onus is on the defendants to establish that I should exercise my discretion in their favour. Exercising my discretion requires me to weigh up the pros and cons. I have found two weighty cons - the potential delay in reaching a final conclusion in these proceedings and the defendants’ failure to object to arrangements at the hearing until 8 weeks after the event. These cons would not be persuasive in finding against the defendants if I felt that it was necessary to allow their request in order to permit the real

dispute between the parties to be settled, but I do not feel that is the case. On the other side of the scales, I have found that only two factors carry any weight at all, and both are lightweight. In short, the defendants have not satisfied me that the circumstances in this case justify the exercise of discretion in their favour. Since I have decided against exercising my discretion in the defendants' favour I do not therefore need to consider Mr Fernando's requests for disclosure.

58 I should point out that, in reaching this conclusion, I have not taken into account two witness statements that Camfil provided shortly before this hearing. I have deliberately ignored them because I felt it would be wrong to consider them without first giving the defendants a chance to consider whether they wished to file evidence in reply.

59 There is one other matter I need to consider, and that is the defendants' submission, that Mr Leaman did not concede at the hearing that claims 1 and 3 were invalid, or if he did, the defendants should now be allowed to resile from this.

60 The concession related to the third of three events which were alleged to destroy the novelty of claim 1 - an exhibition in 1997 at which Chase allegedly made available to visitors a document describing something falling within the scope of claim 1 and a sample within the scope of the claim. Mr Leaman's attack on novelty-destroying nature of this event was that the document on its own was inadequate and the sample cannot have been displayed then because at that time (which Mr Leaman wrongly thought was 1996) Chase had no means of making it. The second limb of this argument stemmed from Mr Leaman's misunderstanding about the dates, and once the misunderstanding became apparent during his cross-examination of Mr Gil, *prima facie* the attack was left with no basis. Indeed, having finished the cross-examination, during his subsequent submissions at the hearing Mr Leaman never attempted to rebut the allegations in respect of the third event. At the end of his submissions, therefore, I pointed this out to him and gave him the opportunity to put arguments in respect of the third event. We went through the confusion over dates yet again, and I then stressed to Mr Leaman that even if I accepted every other submission he had made, it was still crucial that he should deal with this event. What he then said was (and I quote from the transcript):

“In that case a skilled person looking at this sample would arrive at what the inventor claimed in claim 1 . . . However, one cannot deduce from looking at this particular sample the invention which is claimed and set out in claim 2 . . .”

61 I can remember being anxious to ensure Mr Leaman understood what he was conceding because I was well aware of its significance. This is brought out in the exchanges that followed:

“THE HEARING OFFICER: Am I to interpret that as a concession by you that in fact claim 1 is anticipated on the basis of the evidence that is available – on the basis of the evidence that is available to me, which is the evidence on file and the uncontroverted evidence that there was a trade show in Chicago at which the sale sheets and this [sample] were available?”

MR LEAMAN: Yes

THE HEARING OFFICER: You are now maintaining that nevertheless claim 2 survives?

MR LEAMAN: Yes. I do apologise it has taken us this long to get there.”

Mr Leaman then also conceded that claim 3 when appendant to claim 1 fell with claim 1.

62 I cannot accept Mr Fernando’s submission that the concession was not made. There is not the slightest doubt from the above exchanges that the concession was made, and was made in a carefully-considered manner. Mr Fernando based his submission in part on the fact that, in responding, Dr Lawrence had said:

“First, the concession on the combination of sale sheet and sample, very helpful, claims 1 and 3 will fall assuming that we have proved our case on the evidence.”

This, he said, showed she interpreted what Mr Leaman had said as meaning the claimants still had to prove their case on the evidence before claim 1 would fall. I disagree. The concession was clearly an unqualified one. What I assume Dr Lawrence was alluding to was simply the fact that it was based on evidence which the defendants had not challenged.

63 To be fair to the defendants, it is true there was one aspect of the evidence that had been challenged, and that was the location of the show. It was common ground that this particular show was held every year, but at different locations, eg Baltimore, Chicago and Philadelphia, and Mr Gil accepted that he wrongly remembered where the 1997 show had been held. I cannot, though, regard this as a significant issue, as in the circumstances it can hardly be surprising if someone gets confused about where a rotating show was held in any particular year. The fact that the document and sample had been available at the 1997 show - wherever that happened to be - had not been challenged.

64 I am satisfied, therefore, that the concession was made, and that it was made unambiguously. Should I nevertheless now allow the defendants to resile from it? As I said earlier, some case law goes one way and some the other, but what I must do is consider the particular circumstances against the criteria of the overriding objective. In the present case the request to resile arises from a change of representative, the new representative asserting that the former representative was wrong to make the concession. As I concluded earlier, that is not a sufficient reason for allowing a party to change its mind. There needs to be rather more than this. In the present case the defendants have not put forward any reasoned argument as to why the concession was wrongly offered, save for drawing attention to the confusion over the location of the show which I have already dismissed as not a significant issue. Rather, the request to resile flows from the request to cross-examine Mr Gil again. The defendants’ hope that such cross-examination would discredit Mr Gil as a witness to such an extent that I would end up throwing out most, if not all, his evidence, but that, of course, would achieve nothing if they were still stuck with their concession. Having declined their request to allow further cross-examination, the *raison d’être* for their request to resile falls away. In the absence of any other plausible justification, allowing the defendants’

request would not be consistent with the overriding objective and would simply be tantamount to giving them a second bite of the cherry. As I have already said, dealing with a case justly involves being fair to both sides. Justice for the defendants does not require them to be given a second bite, whereas allowing a second bite would clearly be prejudicial to the claimants, so the balance lies firmly against allowing the defendants' request.

Conclusion and next steps

- 65 I readily accept that I have had to give the defendants' submissions rather deeper and more careful consideration than I expected when the Office first received their letter of 12 July. Nevertheless, having given them that consideration, I have rejected them and decided not to exercise my discretion in the defendants' favour by allowing them to reopen these proceedings in the way they sought.
- 66 That then poses the question of what I should do about issuing my decision on the substantive issues. I put this "what if" scenario to Dr Lawrence and Mr Fernando at the hearing, and got totally conflicting responses. Mr Fernando argued that I should continue withholding the substantive decision pending any appeal against the present decision. If the present decision was successfully appealed, he said, the court was likely to order me to reopen the proceedings to hear whatever further evidence was necessary. It would be far better if I could do that without already having expressed views on the substantive issues, because I might end up coming to the opposite conclusion as a result of the further evidence. Dr Lawrence, on the other hand, argued that if I threw out the defendants' request to reopen the proceedings, there was no reason whatever to continue withholding the substantive decision - it should be issued right away.
- 67 I have considered these submissions, and come to the conclusion I prefer Dr Lawrence's. It sits better with the public interest and the balance of fairness as between the parties, but I also feel it carries no real disadvantages. As I observed to Mr Fernando at the hearing, if I issue my substantive decision and the courts then ask me to reopen the proceedings, I would be in no worse a position than any of the judges who have reopened matters after handing down judgment but before making their order. There is, though, another consideration. This patent was attacked on a number of grounds, not all of which depend so centrally on Mr Gil's evidence. If I withhold my substantive decision, neither the parties nor the court will be well sighted on the likely effects of allowing the defendants to attack Mr Gil's evidence in order to challenge, for example, the novelty objection based on the exhibition in 1997. Whilst success might save the patent, equally it might not make the slightest difference if the patent fails anyway from one of the other attacks. For this reason too I feel it would be better not to withhold the substantive decision so that the parties, and if necessary the court, can consider in a more informed way the question of any appeal from the present decision. Accordingly I propose to issue my substantive decision straight away.

Costs

- 68 As even the defendants acknowledge, the hearing on 18 September and this decision have been dealing with matters that they could and should have raised at the substantive hearing on 13, 14 May. The case law makes clear that in such circumstances, even if I were now exercising my discretion in their favour, it might still be appropriate to order that the defendants bear some or all of the claimants' costs. That must apply with even more force now that I have declined the defendants' requests, and I do not think the fact that I have had to consider the defendants' submissions carefully alters that.
- 69 The claimants have been put to a considerable amount of unnecessary effort and expense as a result of the way the defendants have handled these matters. I say "unnecessary" because I have already rejected the defendants' submission that their failure to say anything at the substantive hearing made no difference as another hearing would have been necessary anyway. I do not consider it is fair to expect the claimants to bear those expenses, and accordingly I feel it is right to depart from the comptroller's normal scale of costs and to come as close as I reasonably can to awarding them the full costs they have had to incur in dealing with these matters. There is, however, a difficulty because the comptroller has no system for detailed assessment of costs by a costs officer, nor am I keen to set one up given that it will always be rare for the comptroller to depart from the scale. I therefore propose to adopt a pragmatic solution by awarding a lump sum which, in my judgment, appears to come close to their full reasonable costs.
- 70 I will take as my starting point the schedule of costs which the claimants offered up at the hearing, amounting to just over £12,800. Clearly I cannot simply accept that without giving the defendants a chance to comment on it. Accordingly, I will allow the defendants until the expiry of the appeal period to submit any comments they may wish on this schedule. I would, though, emphasise that I will expect comments to be both specific and properly argued - I shall pay little attention to vague, blanket objections. I will then allow the claimants two weeks to reply to any comments the defendants might make. Unless either side insists on a hearing, I will then weigh up the comments and decide what costs to order.
- 71 For the avoidance of doubt, if the appeal period is extended, the period allowed for the defendants' comments on costs will likewise be extended. If an appeal is lodged, the latter period can be treated as automatically stayed, but the parties will need to come back to me for directions when the appeal is finally disposed of.
- 72 Finally, I am aware that what I am proposing would be making what is known as a "summary assessment" under Part 43 of the Civil Procedure Rules, and Mr Fernando argued I do not have the power to do this. He based this on the fact that the courts had had to be given specific powers to make summary assessments. Dr Lawrence disagreed, saying that the Patents Rules have always given the comptroller complete discretion and that her hearing officers have used that discretion routinely to award lump sum costs. I agree with Dr Lawrence. The comptroller has never had the same costs regime as the courts, so what the courts could and could not do is irrelevant. The discretion given to the comptroller by section 107 of the Patent Act 1977 is wide ranging and, as Dr Lawrence correctly points out, has been routinely used to make "summary assessments". Those assessments have normally been based on the comptroller's scale (which, unlike Part 45 of the Civil Procedure Rules, is not a fixed

scale), but Tribunal Practice Notice 2/2000 made clear in paragraphs 8 and 9 that the comptroller would be prepared to depart from the scale in appropriate circumstances. The present circumstances fall clearly within the type of circumstances envisaged in those paragraphs.

Appeal

- 73 This decision is on a matter of procedure, and that means, in accordance with the Practice Direction supplementing Part 49 of the Civil Procedure Rules, any appeal must be lodged within 14 days. In the present case, in view of the way I have decided to handle the decision on the substantive matters, it would make more sense for the appeal period for the present decision to expire at the same time as the appeal period for the substantive decision. The latter, by virtue of the same Practice Direction, will be 6 weeks. Unfortunately I have no power to prescribe a period longer than 14 days for the present decision. I can, though, allow an extension if so requested before the end of the 14 days. Accordingly, it might be helpful if I say now that if I receive a request to extend the appeal period for the present decision so that it expires at the same time as the appeal period for the substantive decision, I am likely to look favourably on it.

Dated this 7th day of October 2002

P HAYWARD

Divisional Director, acting for the Comptroller

ADDENDUM TO DECISION

The original version of this decision included a mistake in paragraph 51. I have now corrected that mistake.

Dated this 8th day of October 2002

P HAYWARD

THE PATENT OFFICE