BL O/182/04

24 June 2004

PATENTS ACT 1977

BETWEEN

Spaclean Limited — Claimant

and

Kenneth William Grunwell — Defendant

PROCEEDINGS

Reference under section 12 of the Patents Act 1977 in respect of patent application number PCT/GB2002/00725

HEARING OFFICER P Hayward

DECISION

1 This decision is concerned with the question of whether I should strike out a reference under section 12 for want of prosecution.

Background

2 Patent application number PCT/GB2002/00725 (now published as WO2002/066143) was filed on 20 February 2002 in the name of Kenneth William Grunwell. On 24 January 2003 Spaclean Limited ("Spaclean") made a reference to the comptroller under section 12 of the Patents Act 1977, submitting that it was entitled to be granted any patents for the invention, or at least was entitled to an exclusive licence. This reference was opposed by Mr Grunwell. The usual evidence rounds followed, with Spaclean filing the final round of evidence (ie its evidence in reply) on 5 January 2004.

3 I should perhaps record that, behind the scenes, there were a number of changes to the parties' representatives. Initially, Spaclean was represented by Boult Wade Tennant and Mr Grunwell by Wilson Gunn M'Caw. However, on 15 April 2003 the Patent Office was informed that Mr. Grunwell would be representing himself and on 25 September 2003 that he was being represented by Class Law Solicitors LLP. Later, on 19 April 2004, Boult Wade Tennant informed the Patent Office that they were no longer representing Spaclean

and that correspondence was to be sent to the address of Lord Harry Odone, a director of Spaclean.

4 The evidence rounds being complete, on 6 January 2004 the Patent Office issued a letter to both sides inviting them, by 30 January, to agree a mutually convenient date for the hearing, nominate representatives, and say whether they were seeking to cross examine any witnesses. No proposals were received because the representatives of both sides reported that they were unable to obtain instructions from their clients.

5 The Patent Office letter of 6 January warned the parties that if they failed to come up with a date by the deadline of 30 January, the Patent Office would simply set one of its own volition. Accordingly I directed that the hearing should take place on 5 May 2004 and both sides were so informed in a Patent Office letter dated 23 March 2004. That letter told the parties that if they did not wish to continue contesting the case, they should tell both the Office and the other side as soon as possible, warning that failure to do so could be reflected in an adverse costs order if the other side were put to unnecessary trouble as a result. It also gave them the option of having the matter decided on the papers.

6 Nothing was heard from either side until 19 April, when, as mentioned above, Boult Wade Tennant informed both the Patent Office and the other side that they had ceased to act for Spaclean. The Office wrote to the new address for service that had been supplied (ie that of Spaclean's director, Lord Odone) to confirm that it had been notified of the change. Shortly afterwards, on 28 April, Class Law Solicitors, on behalf of Mr Grunwell, sent a letter flagging up a preliminary point that his counsel wanted to raise at the hearing.

7 Conscious that no communication had been received from the claimant, on 28 April 2004, a week before the date appointed for the hearing, the Patent Office wrote to Spaclean at the address of Lord Odone, saying that unless it confirmed by 11.00 am on 4 May that it was maintaining its claim, it would be assumed that it wished to withdraw from the proceedings and that they would be struck out subject to costs. This letter prompted a telephoned response on 29 April from Lord Odone's secretary, explaining that he was in the United States and was unwell. He would therefore not be able to attend the hearing.

8 Concerned that this simply left everything in mid air, the Patent Office immediately wrote to Spaclean, requested medical evidence of the nature and probable duration of Lord Odone's illness and an indication of when he would be available to resume his duties in relation to the case. Despite a reminder issued on 14 May, there was no response. On 17 May, both sides were informed that the case would be referred to me with a view to striking out for want of prosecution and offering two weeks for submissions of costs. The defendant responded to this invitation, but nothing was received from the claimant.

Ruling

9 I must now consider whether to strike out. This reference has been initiated by the claimant, and so the onus is on it to prosecute the case diligently. Since filing the evidence in reply in January, six months have passed by with no response or action from the claimant. In particular, it failed to do anything about setting a hearing date, and then when the Office had

appointed one, made no attempt to say it couldn't make the date until the Office itself tried to find out what was happening. That generated one telephone call from a secretary, but that was the end – there has been no response to the correspondence sent subsequently.

10 If the claimant was a private individual and if there was evidence that the individual was seriously ill and had been unable to manage his affairs throughout this period, that might be forgivable. However, the claimant is a company, not a private individual, and one doesn't expect a company to go through lengthy periods when no one is managing the company's affairs. Moreover, insofar as responsibility for the company's affairs may rest primarily with Lord Odone, I have been given no evidence to suggest that his illness is so severe and so prolonged that he has been unable to respond to any of the correspondence sent since 6 January, despite an invitation to supply evidence about his illness. I am satisfied that this conduct amounts on the part of the claimant to an abuse of process. It would be unfair to leave the defendant in his current state of uncertainty for any longer, and I therefore strike out the proceedings for want of prosecution.

Costs

11 The defendant is clearly entitled to costs, and he has provided a schedule of the actual costs he has incurred, amounting to over £12,500. In proceedings before the comptroller, it is long-established practice that costs awards are guided by a published scale, so long as neither party has behaved unreasonably in the way it has conducted the proceedings. The proceedings went smoothly up to the final round of evidence, and I can see nothing in either side's behaviour that would warrant a departure from the scale for events up to that stage. Thereafter Spaclean's behaviour has not been acceptable, and this has caused the defendant to incur costs - in instructing counsel – that could have been avoided if Spaclean had withdrawn its reference rather than simply doing nothing. I do not think this entitles Mr Grunwell to costs higher than he would have received had the hearing gone ahead and resulted in a decision adverse to Spaclean. Accordingly I feel the correct approach is to stay with the scale, but calculate costs as though the hearing had gone ahead. On that basis, I order Spaclean Limited to pay Kenneth William Grunwell the sum of £2300 as a contribution to his costs. This must be paid within five weeks.

Appeal

12 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

P HAYWARD
Divisional Director acting for the Comptroller