BL O/352/04

1st December 2004

PATENTS ACT 1977

BETWEEN

Smith International Inc. Claimant

and

Specialised Petroleum Group Services Defendant

PROCEEDINGS

Reference under section 72(1)(a) of the Patents Act 1977 in respect of patent number GB 2335687 B

HEARING OFFICER P Hayward

DECISION

Background

1 The patent in suit, GB 2335687 B, was filed on 25th March 1999 and granted to the defendant in the present proceedings, Specialised Petroleum Services Limited, on 20th February 2002. The patent claims priority from six earlier applications that had been filed at various dates in 1998. On 31st January 2003 the claimant, Smith International Inc, made an application to the comptroller for revocation of the patent under section 72(1) of the Patents Act 1977 ("the Act") on the grounds that the invention claimed was not patentable in that it was not novel and/or did not involve an inventive step.

2 In the claimant's original statement of case three prior patent specifications, GB 2295838 ("D1"), US 4515212 ("D2") and US 5330003 ("D3"), were cited as grounds for lack of novelty and/or inventive step of the claimed invention. On 26th March 2003 the defendant filed a counterstatement together with an unconditional offer to amend to resist revocation.

3 The claimant responded with a supplementary statement of case filed on 16th June 2003, in which it submitted that the new claims were still neither novel nor inventive having regard to D1 to D3 and a further prior art document, US 3123157 ("D4"). It followed this up with a second supplementary statement of case on 17th July 2003, introducing two more prior art documents, US 3814180 ("D5") and US 3316971

("D6") as further grounds for lack of novelty and/or inventive step of the amended claims. On the same date, the claimant also filed evidence in the form of a witness statement by their expert Mr McGarian.

4 On the 19th November 2003 the defendant filed a further set of amended claims, including two new appendant claims, a supplementary counterstatement and, as evidence, witness statements by their experts Mr Leitch and Mr Telfer. The second offer to amend was also unconditional.

5 On the 19th January 2004 the claimant filed a third supplemental statement of case and a supplemental witness statement by Mr McGarian. The claimant submitted that the further set of amended claims were neither novel nor inventive in the light of D6 and they also submitted that the proposed amendments were not allowable because they added matter, contrary to section 76 of the Act. The claimant also gave notice that it would resist any further attempts at amendment.

6 The matter came before me at a hearing on 23rd June 2004. The claimant was represented by Mr Richard Miller QC, instructed by A A Thornton, and the defendant by Mr Guy Burkill QC instructed by Kennedys. The only issues still live by the time of the hearing were those set out in the preceding paragraph.

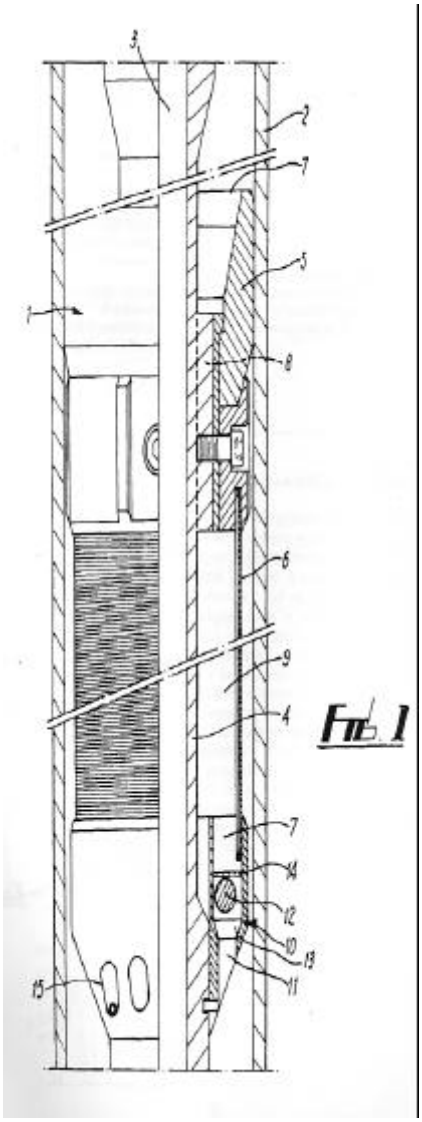
The patent

7 The patent is entitled "Apparatus for catching debris in a well bore" and relates to cleaning the fluid and walls of a well bore, such as is found in the oil and gas production industries. This is done using a tool comprises a filter through which the well fluid is circulated to remove debris from the fluid. Debris dislodged from the sidewall of the well bore by a wiper is also trapped by the filter.

8 Figure 1 shows the first embodiment described in the patent specification. The tool has an internal bore 3 which communicates with a fluid circulation path, a cylindrical fluid filter screen 6 for trapping debris particles in an annular chamber 9, and a resilient cylindrical cup 5 for wiping debris particles off the sidewall 2 of the well bore and also for diverting fluid flowing in a downward direction relative to the tool into the chamber 9. There is also a ball valve mechanism 10-14 which opens when fluid flows in an upward direction relative to the tool so that the fluid bypasses the filter screen 6.

9 No filtering occurs when the tool is inserted into the well bore, because the fluid is then flowing in an upward direction relative to the tool. The well fluid simply passes through the open ball valve into the chamber 9 and through the bores 8 into the space between the cup 5 and the mandrel 4. When the tool is withdrawn from the well bore, well fluid travels between the cup and the mandrel 4 into the chamber 9 where, because the ball valve is sealed by the pressure of the well fluid, it passes through the filter screen 6. Debris particles are therefore left behind, trapped in the chamber 9. The description says that the well fluid may also be filtered by holding the tool stationary and pumping the fluid down the annulus between the well string and the well wall.

10 The proposed set of amended claims include two independent claims, claims 1 and 23, and 29 other claims. For the moment, it will be sufficient to recite claims 1 and 23. Claim 1 is to the tool and claim 23 to a method of cleaning a down-hole environment. The text below identifies the changes compared with the claims as granted. Deletions are indicated by crossed out text and insertions by italicised text. In full-colour copies of this decision, the deletions will also appear in blue and the insertions in red.



1. A down-hole tool for collecting debris particles in a well bore, the tool comprising;

a body connectable in a work string~~, diversion means for diverting through the tool body well fluid passing the tool, and a filtration means~~ *having an internal bore running axially therethrough which communicates with a circulation path in the work string;*

a [dedicated] filter in the tool for filtering debris particles from at least some of the well fluid*;*

and diversion means for diverting said well fluid passing the tool through a flow path in the tool, distinct from the internal bore, which bypasses the filter when fluid flow is in a first direction relative to the tool and through the filter when fluid flow is in the reverse direction relative to the tool.

23. A method of cleaning a down-hole environment *while running a tool on a work string, the tool having an internal bore axially therethrough for the circulation of fluid through the work string and a [dedicated] filter for filtering debris particles from well fluid,* comprising the steps of:

~~a) running a tool having a filtration means on a work string down-hole;~~

~~b)~~ creating relative movement *in a first direction* between the down-hole fluid and the tool~~; and~~

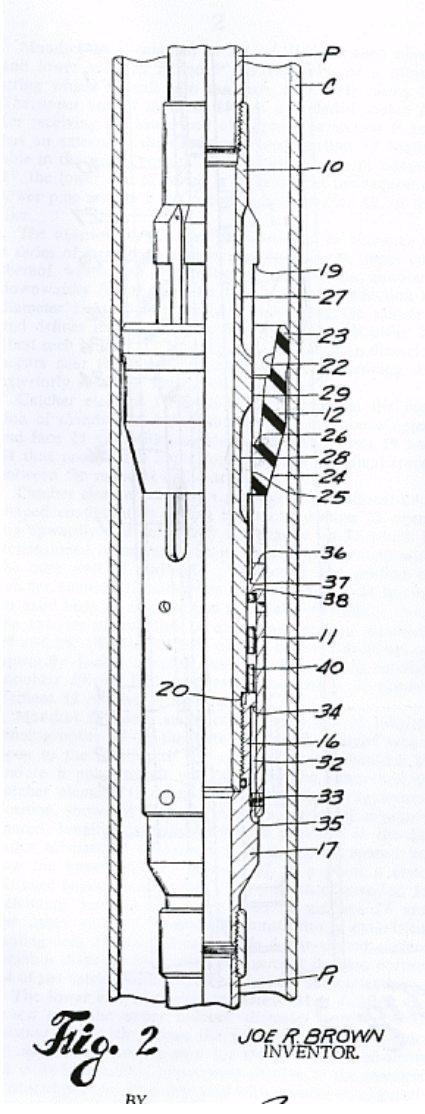
~~c)~~ *while* actively guiding at least some of the fluid passing the tool through the ~~filtration means~~ *tool in a relatively unrestricted flow path distinct from the internal bore, so as to by-pass the [dedicated] filter; and creating relative movement in a reverse direction between the down-hole fluid and the tool while actively guiding at least some of the fluid passing the tool through the [dedicated] filter in the tool.*

11 I have inserted brackets around the word “dedicated” because the claimant had complained it was unclear and at the commencement of the hearing Mr Burkill offered to delete it. Mr Miller objected to deletion, arguing that the amendments to the claims had been offered unconditionally and that if the claims were found to be bad then further amendments should not be allowed. I told Mr Miller at the hearing that in this particular context I did not believe that this was a realistic approach and that I would allow the deletion of the word “dedicated”. I will return to this point later, but the hearing proceeded on the basis that “dedicated” had come out.

The prior art

12 The claimant is not maintaining any novelty or inventive step objections on the basis of the prior art documents D1 to D5 and I only need to consider the disclosure of D6. D6 was published on 2nd May 1967, well before the date of the present invention, and relates to a sand trap or junk catcher apparatus for use in well bores.

13 Referring to figure 2 of D6, the apparatus comprises a tubular mandrel 10, a spring-loaded positioning sleeve 11 slidably mounted on the mandrel, and an upwardly facing cup-type catcher element 12 slidably mounted on the mandrel above the positioning sleeve. When the apparatus is stationary within the well, the catcher element 12 settles in a position slightly higher than that shown in figure 2, with the portion 25 of the catcher element aligned with the portion 29 of the mandrel. In this position the catcher element forms a seal between the mandrel and the well bore wall, so any sand or debris settling from above will be trapped by the catcher element. When removing the apparatus from the well, the mandrel and positioning sleeve are forced downwards by fluid pressure into the position shown in figure 2. Well fluid now flows downwards (relative to the apparatus) through the passage formed by the catcher element, lower grooves 28 in the mandrel, and slots 36 in the positioning sleeve. The slots in the positioning sleeve are said to be dimensioned to prevent the passage of larger fragments of debris which might prevent the release of the tool, although smaller debris, for example, very fine sand, may pass through the slots.



14 For the sake of completeness, I should explain that when the apparatus is being lowered into the well, the catcher element is forced upwards until shoulder 26 engages stop 19. In this position, well fluid can flow past the catcher element via upper grooves 27

formed in the mandrel.

The law

15 I need to say little about the law because the relevant sections of the Act are all well known. Section 1 of the Act says that a patent may only be granted for an invention which, *inter alia*, is new and involves an inventive step. Sections 2 and 3 of the Act expand on this:

Section 2(1)

> "An invention shall be taken to be new if it does not form part of the state of the art."

Section 3

> "An invention shall be taken to involve an inventive step if it is not obvious to a person skilled in the art, having regard to any matter which forms part of the state of the art . . ."

the "state of the art" referring to everything made available to the public before the priority date of the invention. Section 72(1)(a) gives me the power to revoke a patent on the grounds that the invention is not a patentable invention within the meaning of section 1.

16 Allowance of the defendant's proposed amendments is governed by section 75(1), and 75(2) allows another person, in the present case the claimant, to oppose any such amendment. Section 75(1) indicates that the allowability of any amendment is subject to the provisions of section 76(3) which requires:

> "No amendment of the specification of a patent shall be allowed under section 27(1), 73 or 75, if it -
>
> (a) results in the specification disclosing additional matter, or
>
> (b) extends the protection conferred by the patent."

Evidence

17 As I mentioned earlier, both sides have provided evidence from expert witnesses. The claimant's expert witness, Mr Bruce McGarian, is employed by the claimant to manage a team of mechanical design engineers working on new tool design. The defendant's first expert witness, Mr Andrew Leitch, is employed by Strata Oil Tools Ltd, Aberdeen, Scotland to design downhole tools and the defendant's second expert witness, Mr George Telfer, is employed by Specialised Petroleum Services International Ltd to design downhole tool equipment.

18 The parties agreed beforehand that cross examination of the expert witnesses at the hearing would not be necessary. However, the defendant did have some initial reservations that failure to request cross examination of Mr McGarian might lead to criticism on appeal or that Mr McGarian's views would have to be accepted unquestioningly by the comptroller. Whilst I understand the defendant's concerns, perhaps I can reassure it by saying that I do not think that cross examination of Mr McGarian would have assisted it in this case.

19 Having said that, the witness statements submitted by all three experts were unsatisfactory in that none of them said what their instructions were or that they understood that their duty was to the tribunal rather than their client or employer. As both the Civil Procedure Rules and the Patent Hearings Manual makes clear, it is important that experts do this. If they don't, there is an immediate question mark over the credibility of what they say, particularly if they are employees of or associated with the parties, as is the case with at least two of the witnesses here. In addition, I have a further concern with Mr McGarian's evidence because it is not confined to technical matters but includes references to case law and other legal matters. This is worrying, because Mr McGarian's qualifications do not suggest he is both a technical and a patent expert. I must presume that the witness statements in his name were written by legal advisers and he was content to sign them even though they included matters beyond his knowledge. That does not enhance his credibility.

20 In the event, the evidence of Mr Leitch and Mr Relfer has not helped me at all, so my concerns about their credibility do not matter. The same is also true of most of Mr McGarian's evidence. However, there are a couple of aspects of his evidence that I have had to consider. In doing so, because of my concerns about his credibility I have not felt bound to accept everything he says as unchallengeable fact.

Novelty of claim 1

21 I will now turn to the first of the issues I must consider, namely, whether claim 1 is novel in the light of document D6. The test for novelty is well established in case law and was not in dispute. The defendant's skeleton argument referred by way of example to *Smithkline Beecham PLC's Patent (No. 2) [2003] RPC 43*, but that in turn refers back to earlier case law, including what is probably the most-quoted statement of the relevant principle in *General Tire & Rubber Company v Firestone Tyre & Rubber Company Limited [1972] RPC 457* at pages 485-6:

> "If the prior inventor's publication contains a clear description of, or clear instructions to do or make, something that would infringe the patentee's claim if carried out after the grant of the patentee's patent, the patentee's claim will have been shown to lack the necessary novelty, that is to say, it will have been anticipated."

22 The prior art document D6 discloses a sand trap for use in well bores which also collects fragments which might prevent the release of the tool string. There is no dispute that the prime function of the sand trap as described in D6 is not the same as that of the well bore cleaner as described in the present patent. According to the

present patent, the well bore cleaner is lowered into the well bore and then withdrawn again soon afterwards, and it carries out its main cleaning function as it is being withdrawn from the well bore. The sand trap of D6, on the other hand, carries out its main described function whilst stationary at the bottom of the well bore, where it may sit for months or years. However, claim 1 is a claim to the tool itself. The mere fact that the use ascribed to a prior art tool is not the same as the use ascribed to the tool in the present patent does not mean that the prior art tool cannot anticipate claim 1. I need to compare the tool described in D6 with the wording of claim 1. If it has all the features required by the claim, under the *General Tire* principle the claim lacks novelty, whereas if it doesn't, the claim is in the clear.

23 Mr Burkill said there were three features required by claim 1 which are missing from D6. First, it doesn't have a filter; second, it doesn't collect debris particles; and third, it doesn't have a diversion means.

24 Mr Miller and Mr Burkill went to great lengths to provide extensive submissions on the meaning of the word "filter", with both sides relying upon selected dictionary definitions and the evidence of their respective experts to support their standpoints. Dictionary definitions are, as Mr Burkill conceded, acontextual. Because of this, I rarely find them useful in interpreting patent claims, and the present case was no exception. Accordingly I do not propose divert into an analysis of the dictionary definitions in this decision.

25 The expert evidence on the filter and the collection of debris particles is somewhat polarised, with Mr McGarian, on one side, saying that D6 incorporates a filter because fragments of debris are removed by the apparatus, but with Mr Leitch and Mr Telfer, on the other side, saying that D6 does not comprise a filter as the D6 apparatus does not remove particles suspended in the well fluid and does not clean the well fluid. Given that there is no dispute about how D6 works and that claim 1 contains no abstruse technical terms requiring expert interpretation, I did not find any of this evidence very helpful because it amounted to little more than assertions about the matters I have to decide. I will therefore turn to the other arguments put forward by counsel.

26 Mr Miller submitted that the patent is concerned with collecting debris particles in a well bore and that it puts no limitation on the size of particles which should be removed from the fluid. There are, for example, references on pp 1 and 2 to debris particles of various sizes and then on p5 to using a wire screen "sized to prevent particles of a predetermined size from passing therethrough". He conceded that whilst the catcher element of D6 would itself stop the passage of large pieces of debris, it could not reasonably be regarded as a filter within the meaning of claim 1. He concentrated instead on the slots 36 in sleeve 11. He argued that these slots provide a filter, relying on the passage at column 4, lines 5-11 which says *"...the slots will ordinarily be dimensioned to prevent the passage of larger fragments..."* even though "*some very fine sand"* may pass through the by-pass passages 28 and the slots. Mr Miller also contended that the when the well fluid flows in a first direction (upwards) relative to the tool so that the catcher 23 is displaced to its uppermost position, the catcher diverts well fluid through a path which bypasses slots 36. Conversely, when the fluid flow is in the reverse (downwards) direction relative to the tool so that the

catcher is in the figure 2 position, the catcher diverts the well fluid so that it has to go through the slots. Thus, Mr Miller contended, the device meets all the requirements of claim 1.

27 Mr Burkill disagreed. He pointed out that when the tool of D6 is sitting in the well functioning as a sand trap, with the catcher element 12 resting on the sleeve 11, there is a complete seal between the catcher and the mandrel 10. In this state sand and fluid cannot pass below the tool and the sand in the fluid settles on the catcher. When, perhaps after a period of some years, the work string is to be removed, the tool adopts the configuration shown in figure 2 so that it can be pulled out. It is no longer necessary to keep the sand away from the equipment below the tool in the well and the sand trapped in the catcher is in fact released into the fluid below the catcher. Thus, he argued, far from filtering the well fluid when the fluid flow is in the downward direction relative to the tool, the tool actually made the fluid dirtier by releasing some of the sand that had been trapped. Consequently, he submitted, the fluid cannot possibly be said to be filtered. He acknowledged that the dimensioned slots would prevent the passage of larger fragments which may be present, which might prevent the release of the tool string, but argued this was not filtering within the meaning of claim 1 but merely providing a catchment area for collecting the larger debris.

28 Mr Burkill also submitted that if the slots 36 are part of a filter, the bottom of the catcher 24 must also be a part of the filter, because if it were not present, larger pieces of junk would simply go over the top of the slots and get through. However, if the catcher is part of the filter, at no time is there a fluid path which can be said to bypass the filter.

29 I have looked very carefully at the disclosure in D6 relating to the slots 36 in the sleeve 11. The drawings show the slots as having a similar width to the grooves 28 in the mandrel, but if they did indeed have the same width, the slots would not in use block the passage of anything because any debris larger than the slots would never reach them - it would be blocked by the grooves 28. Mr Burkill relied on this to argue that slots 36 could not be a filter because anything that actually reached them would be small enough to pass through them. However, there is clear teaching in the description that the top portion of the slotted sleeve blocks the passage of larger fragments whilst allowing the passage of fluid, and that is not consistent with Mr Burkill's interpretation. I must conclude that the skilled person would regard the drawings as merely schematic and would understand that slots 36 must be narrower than the grooves 28 and should be sufficiently narrow to achieve the required degree of blocking. On that basis, I have no doubt in my mind that the slots 36 can properly be described as a filter. It is of no matter that finer particles can pass through the slots, because all filters only block particles above a certain size. The key point is that the slots are capable of blocking some particles.

30 However, is Mr Burkill correct in saying that this cannot be filtering within the meaning of claim 1 because, when the tool is withdrawn from the well bore, sand is released into the fluid that was below the tool when it was stationary? To answer that, I need to consider the language of the claim carefully, as Mr Miller rightly urged me to do. The claim is not directed to a method of filtering well fluid but to a tool for collecting debris particles. On conventional claim construction, that simply means a

tool suitable for this purpose. Likewise, when the claim requires a filter for filtering debris particles from at least some well fluid, all that is required is something that is suitable for doing this. In my judgment, slots 36 are entirely suitable for doing this. If there are debris particles in the well fluid above the tool - and that, of course, is the situation envisaged by the present patent - slots 36 will filter them out as the tool is withdrawn, provide they are larger than the width of the slots 36. That is sufficient to constitute a tool for collecting debris particles and to meet the requirements for the filter in claim 1. I accept that smaller particles such as sand will pass through, but that doesn't take it outside the scope of claim 1. After all, it is clear from the passage on p 5 of the present specification to which Mr Miller drew my attention that even the filter of the present invention will let smaller particles through.

31 I will now turn to the question of whether there is any disclosure in D6 of bypassing the filter. I have carefully considered Mr Burkill's argument that there is no bypassing because the catcher must be regarded as part of the filter, but I do not accept it. Any filter requires some sort of fluid-channelling arrangement to ensure the fluid goes through the filter and not around it, and that is all the catcher is doing when in the figure 2 position. I have no doubt there are some contexts in which the skilled person would use the term "filter" in a way that embraced the channelling arrangement and others in which he or she would regard the channelling arrangement as not being part of the filter, but I don't need to consider the question in the abstract. All I need to decide is how the skilled person would interpret the bypassing requirement in claim 1 in the context of the whole claim. The skilled person is expected to construe claim 1 purposively, and doing that, I am quite satisfied that he would see the requirement as a functional one - in one direction the fluid is filtered and in the opposite it is not. On that basis D6 meets the requirement.

32 It might be helpful to look at that another way. In the defendant's own tool, the cup 5 is an essential part of the arrangement for channelling fluid through the filtering element 6 - without it, the fluid would be able to flow past the outside of the filtering element. If Mr Burkill is right, the cup 5 must be regarded as part of the filter, in which case the patentee's own tool would fall outside the scope of their own claim 1 because there would be no bypassing of the filter as required by claim 1. I do not believe the skilled reader, construing the claims purposively, would take this line because it would make nonsense of the claim. He would see the filter as being just the element 6, and by the same token, I am satisfied he would see the filter in D6 as being just the slots 36.

33 I am therefore satisfied that the diversion means required by claim 1 is present in D6. When the tool of D6 is being lowered into the well bore, the catcher is displaced into its uppermost position and fluid flows through the upper grooves 27 (to bypass the catcher) and then past the outside of the slots 36. That is clearly a flow path which bypasses the slots 36, ie bypasses the filter. Conversely, when the tool is being raised and the catcher is in the figure 2 position, the fluid is constrained to flow through the slots 36, ie through the filter.

34 There is no dispute that the other features required by claim 1 are present in D6. Accordingly, I find that claim 1 is not novel because it is anticipated by the disclosure of D6.

Novelty of claim 23

35 I must now turn to method claim 23. In broad terms, this requires much the same features as claim 1 but with one additional feature: it specifies that the filter by-pass flow path distinct from the internal bore is relatively unrestricted when the well fluid flows in a first direction relative to the tool. "Relatively unrestricted" construed in the light of the description, can only mean less restricted then when the fluid flow path is through the filter. Further, construed purposively, "less" must mean less by a significant rather than a minuscule amount. However, I am satisfied this additional feature is present in D6 because the flow path between the catcher 12 and the upper grooves 27 with fluid flowing in an upward direction is significantly less restricted than the fluid path through the slots when fluid flows in the opposite direction, at least when the slots are narrowed as invited by the description of the invention.

36 As Mr Burkill stressed to me, though, there is a more important difference between claim 23 and claim 1. Claim 23 is not claiming an apparatus which must be suitable for certain purposes. It is claiming a method of doing something, specifically a "*method of cleaning a down-hole environment while running a tool on a work string*". The novelty of a method claim like this is only destroyed by a disclosure of such a method, and I can find no disclosure in D6 of cleaning or filtering the fluid whilst running the tool. What D6 tells us is that in the rest position during well-bore operations, debris settles on the catcher. When the tool is pulled out, filter 11 holds all but the smallest debris (eg sand), but there is no disclosure of any cleaning taking place during this operation. Indeed, the presumption is that all the debris will have settled, so there is nothing left to clean. Accordingly I find that D6 does not anticipate claim 23.

Obviousness of claim 1

37 Claim 1 is attacked for obviousness, but not claim 23. As I have found claim 1 not novel, I do not strictly have to consider obviousness. However, as the point was argued before me, I have decided it would be helpful to consider the issue now in case I am found to be wrong on novelty at appeal.

38 The law on obviousness, like the law on novelty, is well known. Mr Miller referred me to one of the best-known cases, *Windsurfing International Inc v Tabur Marine (Great Britain) Ltd [1985] RPC 59* which proposed a four step approach. However, he did not take me slavishly through the four steps, but instead his argument essentially concentrated on the fourth step, that is, whether the differences between the prior art and the invention, viewed without any knowledge of the invention, constituted steps that would have been obvious to the skilled man or whether they required any degree of invention. I agree that this is the most important one in the present case and the only one on which I really need to concentrate.

39 An equally important point in the present case is whether, for a step to be obvious, there must be some motive for the skilled person to take it. Counsel referred me to a

number of precedents on this point. Mr Burkill relied on cases such as *Hallen Co v Brabantia (UK) Ltd [1991] RPC 195*, a Court of Appeal case in which Slade LJ said at p212:

> "one cannot assume that the skilled man simply makes technical trials for the sake of doing so"

and later, at p213:

> "he is not expected to take steps or try processes which he would not regard as worthwhile. In using the word "worthwhile", we mean worthwhile as a possible means of achieving or assisting in practice the objective which he has in view."

as establishing that a motive is necessary. He reinforced this by referring to *Hoechst Celanese Corp. v BP Chemicals Ltd [1997] FSR 547* where Laddie J said at page 572:

> "Even if the step from the prior art is a small one, to prove obviousness it is necessary to demonstrate that there is some reason for taking it."

40 Mr Miller, on the other hand, relied on *Pharmacia Corp v Merck & Co Inc [2002] RPC 41* where Aldous LJ, referring back to Laddie J's re-statement of this point on p573 of *Hoechst*, said at p819:

> "That statement of the law was, I expect, apt on the facts of that case, but should not be followed generally. A step from the prior art, albeit made without reason, can still be obvious. . . . The true test, as made clear in *Windsurfing*, is to ask whether the invention is obvious. Whether or not there is a reason for taking the step from the prior art may well be an important consideration, but that does not mean that it is an essential requirement of a conclusion of obviousness."

41 *Pharmacia*, argued Mr Miller, showed that whilst motive may be an important consideration, it is not decisive. I agree, and would add that I see no inconsistency in this respect between *Pharmacia* and *Hallen* because *Hallen* does not suggest that a step cannot be obvious if there is no motive to take it. *Hallen* does say that if the skilled person is trying to solve a problem, he cannot be expected to try things that he wouldn't expect to work, but that is a different matter altogether

42 I will now turn to the present claim. The starting point for assessing whether claim 1 is obvious or not must be the presumption that claim 1 is novel (see *Pharmacia* at the beginning of paragraph 122). In the present context, that means I must work on the presumption that the top portion of the slotted sleeve 11 is not a filter within the meaning of claim 1.

43 D6 teaches that the slots in the sleeve should be dimensioned so as to prevent the passage of fragments which might prevent the release of the tool string. Mr Miller contended that it would be obvious to place a mesh or a piece of wire across the slots so as to filter finer fragments from the well fluid using the apparatus. He supported this reasoning using two arguments: one relying on a common sense, *prima facie*, obviousness argument ("it would be an obvious thing to do"), the other relying on Mr

McGarian's evidence.

44 I will consider the common sense argument first. There may be circumstances in which appealing to common sense will be sufficient, but this approach needs to be exercised with care because it is all too easy to jump to the wrong conclusion by not looking at things properly through the eyes of the skilled person, as required by the fourth *Windsurfing* step. What my seem obvious to a lay person may not be obvious to the skilled person because the latter is aware of potential snags. Conversely, what may seem very clever to the lay person may seem perfectly obvious to the skilled person.

45 D6 teaches that the slots are dimensioned in accordance with the size of the fragments of debris to be trapped. If the notional unimaginative skilled person had reason to trap finer particles, this teaching would lead him or her to use narrower slots. Choosing not to narrow the slots and instead add a separate mesh or extra wire is a diversion from the path suggested by D6. It is not merely a diversion, but a diversion down a more complicated route, since it means adding an extra component and finding a way of doing so that is robust-enough to withstand the rigours of a downhole environment. I am at a loss to see why that is a *prima facie* obvious step to take. From a "common sense" viewpoint, this <u>is</u> a step that needs a motive, and I cannot see one because, on the face of it, the skilled person can achieve all they need by narrowing the slots. Accordingly, even if the "common sense" approach is a valid one, I do not consider it demonstrates that claim 1 is obvious.

46 I turn now to the evidence of Mr McGarian. He says in his first witness statement that:

> "The slots 36 in the sleeve 11 of the tool in D6 are merely defined to be dimensioned to prevent the passage of larger fragments of debris. It is, however, obvious to me that the slots 36 could be replaced or augmented by wire screen or (*sic*) appropriate size, or indeed, a series of wire screens of different permeabilities to enable debris of different sizes to be collected at different points in the trap"

I have already expressed my reservations about Mr McGarian's evidence. However, for the moment I will assume that to Mr McGarian this step really is obvious (or, to be strictly accurate, would have been obvious at the relevant time). That, of course, doesn't immediately kill claim 1, because the test is whether it is obvious to the notional unimaginative skilled addressee, not whether it is obvious to any one particular expert.

47 Picking up on this point, Mr Burkill drew my attention to the Court of Appeal decision in *Rockwater Ltd v Technip France SA and another [2004] EWCA (Civ) 381*. At paragraph 12, Jacob LJ observes:

> " For that purpose it does not matter whether they [the experts] do or do not approximate to the skilled man. What matters is how good they are at explaining things."

and he expands on this at paragraph 15:

> "Because the expert's conclusion (eg obvious or not), as such, although admissible, is of little value it does not really matter what the actual attributes of the real expert witness are. What matters are the reasons for his or her opinion. And those reasons do not depend on how closely the expert approximates to the skilled man."

48 As Mr Burkill rightly said, Mr McGarian fails to give any reasons to back up his assertion that it would be obvious to him to add a wire mesh filter to the slots or trap of the D6 tool. That makes his assertion valueless. Because of this, even ignoring my concerns about the weight I can safely attach to his evidence (and also ignoring the fact that he has failed to say whether it would have been obvious to him in 1998), I do not consider that the evidence provided by Mr McGarian is sufficient to establish that the step of adding a filter is obvious.

49 Hence, claim 1, if novel, is not obvious.

Added Matter

50 The claimant's added matter objection relates to new claims 16 and 17 included with the proposed amendments filed on 19th November 2003. They read:-

> *16. A tool as claimed in any one of the preceding Claims wherein the aggregate flow area through the filter is greater than the aggregate cross-sectional area of the flow paths at any point upstream of the filter.*
>
> *17. A tool as claimed in any one of the preceding Claims wherein the filter is elongate and vertically disposed, parallel to the internal bore.*

51 In the supplementary counterstatement that accompanied the proposed amendments, the defendant argued that support for the new claims was to be found in the figures. However, the claimant objected that the words used in claims 16 and 17 do not appear in the original specification and that figures do not clearly and unequivocally lead the skilled person to the features specified. There is no evidence on this issue, so I will have to consider it on the face of the documents.

52 I will start with claim 16. Mr Miller drew my attention to the judgment in *Vax v Hoover [1991] FSR 307* where the issue of the extent to which dimensional features can be derived from the figures of a patent specification was considered. The question was whether a fluid cleaning head as described in a priority document provided dropwise flow. Mr Capron Tee, Vax's expert, concluded that dropwise flow would occur, and part of his calculation to support his reasoning relied on the size of an aperture in the cleaning head derived from a measurement taken from the figures. However, Aldous J (as he then was) was not convinced by this argument, and commented:

> "I cannot accept his evidence. The drawing of the first provisional appears to be a drawing that might have been produced by an engineering draughtsman, but it is not said to be drawn to scale. The skilled reader would know that patent drawings

> are not designed to be used to denote precise measurements unless so stated. They are there to illustrate the concept and the overall relationship of the parts."

Against this background, Mr Miller submitted that the drawings in the present patent specification were insufficient to support a claim specifying relative "aggregate flow areas" as such support could only be based on measurements taken from the drawings.

53 Mr Burkill, on the other hand, referred me to the judgment in *Strix v Otter [1995] RPC 607*, EPO decision *T169/83, Vereinigte Metallwerke* and *Wagner v SFS Haas [1992] EPOR 87* which all confirm the principle that it is allowable to amend a claim to include functional features which are only shown in the drawings. He also referred me to the EPO Case Law Handbook where in relation to the decision in *T748/91* ("*MIBA*") it says:

> "Size ratios could be inferred even from a schematic drawing as long as the delineation provided the relevant skilled person with discernible and reproducible technical teaching. In the board's view, schematic drawings depicted all the essential features."

Mr Burkill pointed out that the *Vax* case was decided under the 1949 Act and submitted that it was preferable to follow the more modern practice established by *MIBA*. Following the approach in *MIBA*, it was permissible to measure the various features shown in the drawings and to derive flow areas from the results, and that the flow areas calculated using these measurements provided support for claim 16.

54 I do not think there is any dispute that one can rely on features shown only in the drawings, and that is all *Strix*, *Vereinigte* and *Wagner* go to. The question is whether one can rely on relative dimensions taken from the drawings, and at first glance *Vax* and *MIBA* seem inconsistent on this. However, neither counsel actually took me to the specific details at issue in those cases, and when one looks at those, it becomes clear there is no inconsistency.

55 The *MIBA* patent EP0155257 relates to a bearing coating having a profiled surface and a multilayered structure. The point at issue was whether there was support for a statement that the height of the undulations in a lower layer was less that the minimum thickness of an overlying layer. The drawing certainly showed the height as being less, but this was not explicitly stated in the description. Nevertheless, in the context of this particular drawing I can accept that it is probably quite reasonable to assume the skilled person would have seen the depicted relative thickness of the layers as significant, and that can be contrasted with *Vax*, where the skilled reader is unlikely to have assumed that the aperture was drawn accurately to scale. However, that is not all, because in *MIBA* the Board of Appeal did not simply rely on the drawings. They also considered the problem addressed by the invention and from that deduced that it was clear "that the depth of profile should be functionally substantially smaller". This is in marked contrast to *Vax*, where there was no functional requirement to support the relative dimensions in the drawings.

56 In short, it seems to me that the *Vax* and *MIBA* decisions, although apparently inconsistent at first glance, are not so on looking at the facts of each case. In *MIBA* the

skilled person would probably have assumed that the drawings gave a reasonably good indication of relative sizes, whereas that was not so in *Vax*. More importantly, in *MIBA* the skilled person would have appreciated what the relative dimensions needed to be from functional considerations, whereas in *Vax* they would not.

57 Turning now to the proposed claim 16, I am quite sure we are in a *Vax* scenario, not a *MIBA* scenario. The filter apertures are not the sort of thing one would expect to be drawn precisely to scale, and there is no apparent functional requirement that would lead the reader to the relative dimensions specified in the claim. I also observe that since the drawings do not show what happens in the well bore above the tool, even if the drawings were taken as accurately-dimensioned they provide no basis for the reference in claim 16 to <u>any point</u> upstream. Thus claim 16 is not allowable because it adds matter.

58 I also observe that, given the varied nature of filters in general, claim 16 isn't even clear because for many types of filter the expression "aggregate flow area through the filter" would be difficult, if not impossible to construe. To make the claim clear, it would probably have to be limited to filters having clearly recognisable apertures. However, given my finding on added matter, this point is of no consequence.

59 I will now turn to claim 17. Mr Miller drew my attention to the decision in *Palmaz's European Patents [1999] RPC 47*, where it was held that, while it was acceptable to make an amendment to reduce the claims down to one distinct sub-class which had been disclosed, even if it had not previously been noted as inventively distinct, matter was added if a feature was introduced into the claims which was originally disclosed only in a particular context without being noted as having inventive significance. Mr Miller submitted that using the term "filter" in claim 17 without also using the term "trap" (or "chamber") was doing this, creating what is often called an intermediate generalisation. Mr Miller also added that there is no disclosure that "elongate and vertically disposed" and "parallel to the internal bore" have any inventive significance.

60 I disagree. Claim 17 is not an intermediate generalisation that falls foul of *Palmaz* because the provision of the filter is the key part of the inventive concept, and the geometrical advantages of having an elongate vertically disposed cylindrical configuration in an elongate tubular well-bore leap out even to the non-expert and are clearly disclosed by the patent. Those advantages are not dependant on further features such as the trap, so the amended claim 17 does not include any features taken out of context. I consider that the specified features of claim 17 narrow the claimed subject matter down to a subclass. The claim is therefore acceptable so far as added matter is concerned.

Other subordinate claims

61 The claimant did not attack claims 6, 7, 12 and 19 to 22. Accordingly these claims stand. The other claims were attacked, so I need to go through them.

62 Claims 2-5 are appendant to claim 1. The claimant attacked them for lack of novelty, arguing that their features are all disclosed in D6. The defendant did not seek to

defend these claims as having any independent validity over and above claim 1. Accordingly, claims 2-5 fall with claim 1.

63 Claim 8 is appendant to any of claims 4 to 7 and specifies that the barrier, which prevents fluid flow outside of the tool, is rotatable about the tool body. At the hearing Mr Miller attacked this claim on the grounds that its features were disclosed in D6. Mr Burkill objected to this attack because, whilst an attack on this claim had been incorporated in the claimant's evidence, no objection had been raised against this claim in any of the claimant's statements. Technically Mr Burkill is right, but as the defendant had responded to the point in one of its own statements and as Mr Burkill was prepared to respond to the attack at the hearing, I will consider it.

64 Mr Miller relied on a statement in Mr McGarian's evidence that as the catcher is slidable on the mandrel and as there is nothing shown which would prevent the rotation of the catcher, it is implicit that the catcher would be rotatable about the body, and hence claim 8 is anticipated. Mr Miller also pointed out that there is no need for the catcher element to be aligned with the mandrel in any way. However, Mr Burkill argued that it was not clear from D6 whether the catcher was keyed into the mandrel or not. Even leaving aside my doubts about the weight I can safely attach to Mr McGarian's evidence, a novelty attack cannot be based on speculation about features of the prior art that are not actually disclosed. In the absence of any clear disclosure of the catcher of D6 being rotatable, I find that the attack on claim 8 fails.

65 The validity of appendant claims of 9-11 was also attacked on novelty grounds. The defendant did not maintain that these claims had independent validity, and therefore insofar as they are appendant to claims 1 to 5, they fall with those claims. However, they survive insofar as they are appendant to claims 6 to 8.

66 Appendant claims 13 and 14 specify that the filter comprises a wire screen and a permeable textile respectively. The claimant maintains that it would be obvious to place a wire screen or a permeable membrane across the slots in the sleeve of D6 to achieve fine filtering. However, this objection is essentially the same as the inventive step objection against claim 1 that I have already rejected. Accordingly, claims 13 and 14 stand.

67 Claim 15 specifies that the filter comprises a holed tube and Mr Miller submitted that the slots in the sleeve of D6 correspond to holes in a tube and therefore claim 15 lacked novelty. Mr Burkill disagreed, arguing that holes are only formed when the catcher contacts the sleeve, thereby providing a barrier across the top of the slot. It is clear that in D6 the filter portion of the sleeve (i.e. the upper portion of the slotted sleeve) comprises a number of open ended slots which are not wholly enclosed by the sleeve material. I agree that these open ended slots are not "holes" within any normal interpretation of that word. Claim 15 therefore stands.

68 Mr Miller attacked claim 17 on grounds of lack of novelty. As I have already explained, the claim specifies that the filter is elongate and vertically disposed, parallel to the internal bore of the tool. Mr Miller argued that the slots shown in D6 were elongate and parallel to the internal bore and therefore it followed that claim 17 was anticipated by D6. Mr Burkill argued that the actual filtering portion of the sleeve was

not elongate. It is true that the filter in D6 (ie the slotted end portion of the sleeve) is generally cylindrical, as is the filter in the present patent. However, it is a rather squat cylinder and I do not feel "elongate" is the most apt description of it. Accordingly I do not feel D6 provides an unambiguous anticipation of claim 17, so this claim stands.

69 Claim 18 specifies that the filter comprises two filters in series of differing permeability. Mr Miller argued that placing a mesh over the slots in D6 would provide two filters in series comprising the slots and the mesh. I have already found, with regard to claims 13 and 14, that it would not be obvious to place a wire screen or permeable textile across the slots to obtain finer filtering, so I cannot see that there is any basis for finding claim 18 obvious. Accordingly, claim 18 stands.

70 Method claims 24-31 are all appendant to claim 23 and I have rejected the attack on claim 23. Accordingly, claims 24-31 stand with claim 23.

Discretion to amend

71 I have found that claims 1-5 and (insofar as they are appendant to claims 1-5) claims 9-11 are invalid on grounds of novelty, and claim 16 is invalid because it adds subject matter. However, the attacks against the other claims have failed, and that raises the question of whether I should allow the defendant a further opportunity to amend the patent specification.

72 Allowing amendments is a matter of discretion. In proceedings before the comptroller, hearing officers have usually given a patentee a chance to amend after a finding of invalidity, unless there is no real possibility of a valid claim. The courts have not always been so generous. Mr Miller urged me to follow court practice, which in this case he said would mean refusing any further opportunity to offer amendments. Mr Burkill, on the other hand, argued that allowing an opportunity to amend would be appropriate.

73 Before I look at their respective arguments in detail, it is worth getting one point out of the way. There is a long-standing practice in the courts of distinguishing between amendments purely by way of deletion of invalid claims and other amendments. For convenience, I will describe these as "claim-deleting" and "claim-validating" amendments respectively. The former are almost invariably allowed, whereas the latter may not be. The case law from which this distinction derives was discussed fully in *Palmaz*. I do not need to go into it here because Mr Miller accepted that the defendant should be allowed to make claim-deleting amendments. That, of course, means amendments that are <u>in substance</u> just deletion - some textual amendments to the claims are bound to be needed when a surviving subordinate claim has lost the main claim to which it was appendant, and of course consequential amendments may also be necessary in the description.

74 This point is relevant because both counsel were in the position of having to make their arguments without knowing what my finding on validity would be and therefore without knowing what sort of further amendments the defendant might want to make. It is possible that, in the light of my findings, the defendant will only wish to make

claim-deleting amendments, in which case the whole issue falls away. However, since the matter was argued at length before me, I will assume for present purposes that the defendant might wish to make some claim-validating amendments. On that basis, I will now turn to the arguments.

Claimant's arguments

75 Mr Miller drew my attention to *Kimberly-Clark Worldwide Inc v Procter & Gamble Ltd [2000] RPC 422* where the Court of Appeal confirmed that the exercise of discretion to give an opportunity to amend or to allow amendments remains relevant. He also reminded me that the principles on which the exercise of my discretion should be based are set out in *Smith Kline French v Evans Medical [1989] FSR 561*:-

(i) the onus to establish that amendments should be allowed is upon the patentee and full disclosure must be made of all relevant matters;

(ii) amendment will be allowed provided the amendments are permitted under the Act and no circumstances arise which would lead the court to refuse the amendment;

(iii) it is in the public interest that amendment is sought promptly, so a patentee who delays for an unreasonable period before seeking amendment must show reasonable grounds for delay;

(iv) a patentee who seeks to obtain an unfair advantage from a patent, which he knows or should have known should be amended, will not be allowed to amend;

(v) the court is concerned with the conduct of the patentee and not with the merit of the invention.

76 Mr Miller argued that the defendant had not discharged the onus upon it to show that the proposed amendments should be allowed because it had not provided full disclosure of all relevant matters. Indeed, it had made no attempt to demonstrate that the comptroller's discretion should be exercised by explaining the situation or addressing the matter in evidence. In particular, it had failed to disclose how long it had been aware of D6, and this was very relevant to the question of whether the amendments had been sought promptly.

77 Mr Miller also referred me to paragraphs 9.70 & 9.71 of *Terrell on the Law of Patents (15th Edition)* which discusses claim-validating amendments, and in particular the passage:-

> "There is no express limitation in section 75 as to the stage at which application to amend can be made, and indeed section 63(3), relating to partially valid patents, contemplates an amendment being made after a judgment on validity has been delivered. There are however no cases in recent times where amendment has been allowed following a judgment in which all of the claims of a patent in-suit have been held invalid. The prevailing attitude has been that a patentee who

> has had his chance should not be permitted a second attempt to reformulate a valid claim which he could have placed before the court earlier, and where a defendant has come before the court and proved a patent to be invalid it would be wrong to put him into jeopardy a second time."

78 Mr Miller then took me to a number of cases which, he said, supported this approach. In the first case, *Windsurfing,* all of the claims were found to be invalid. The patentee then applied to amend after the judgment at the Patents Court, but Whitford J held that he could see no scope for any amendment and leave to amend was refused. This judgment was upheld in the Court of Appeal where Oliver L J observed that consideration of a newly formulated claim would require a new trial and said:-

> "We would require considerable persuasion that the imposition upon a successful defendant of such a manifestly inconvenient and oppressive course would be a proper exercise of discretion even in an otherwise strong case."

In a second case, *Proctor & Gamble v Peaudouce (UK) [1989] FSR 180,* it was indicated that the question of amendment should have been raised earlier than the judgment in the Court of Appeal, even though the patent had been found at first instance to be valid and not in need of amendment. In a further case, *Pavel v Sony Corp. The Times 22 March 1996*, an application for the Court of Appeal to consider substantially different amendments to those originally before the trial judge was refused, and the appeal was heard on the basis of the claims as granted.

79 In yet another case, *Lubrizol Corp. v Esso Petroleum [1998] RPC 727,* all the claims of the patent were held to be invalid at the first instance. On appeal the patentee sought, but was refused, leave to amend after judgment to meet the Court of Appeal's findings. Aldous L J said:-

> "For my part, I believe it is a fundamental principle of patent litigation that a party must bring before the court the issues that he seeks to have resolved, so as to enable the court to conclude the litigation between the parties."

Aldous L J did refer to the fact that amendment after judgment had been permitted in *Hallen Co. v Brabantia (UK) Ltd 1989 RPC 307,* but observed that the court had found an inventive combination in some subordinate claims and that inventive combination had been in issue before the court.

80 All this, Mr Miller argued, reinforced the conclusion in paragraph 9.71 of *Terrell* that:-

> "It would seem therefore that, except perhaps in the case where there is an obvious amendment which clearly would validate the patent, the Court of Appeal will not entertain an application to amend, and the same considerations would appear to apply equally in the case of a patentee applying after an adverse judgement in the Patents Court. It follows that patentees who feel that their existing claims might be found invalid should raise the possibility of amendment before the trial."

81 Of course, these are all court judgments, but Mr Miller argued that, following the

Woolf reforms, Office practice should be consistent with court practice. He reinforced this by drawing attention to the overriding objective of the Civil Procedure Rules which, of course, the comptroller adopted in Tribunal Practice Direction TPN 1/2000. Three of the considerations were, Mr Miller said, particularly pertinent:-

(b) saving expense;

(d) ensuring that the case is dealt with expeditiously and fairly; and

(e) allotting to the case an appropriate share of the court's resources, while taking into account the need to allot resources to other cases.

82 Mr Miller argued that allowing a claim-validating amendment after I have made my decision on validity would be shifting the target by introducing new integers into the claims. That would put the case back to square one, as the claimant might have to perform yet more searches to see whether there is further relevant art. Mr Miller submitted that this approach was inconsistent with saving expense, dealing with the case expeditiously and fairly and, since another hearing might result, using the Office's resources appropriately.

Defendant's arguments

83 Mr Burkill started with a general pleading point. Mr Miller's arguments on discretion, he said, had not been pleaded, and indeed had only appeared for the first time in the skeleton argument. Consequently the defendant had not had sufficient time to meet the points raised.

84 He then argued that the precedents cited by Mr Miller all involved infringement actions where the defendants had succeeded using invalidity as a defence. In such cases, he said, it was quite understandable that the courts would take a dim view of the patentee who tries to amend so as to have a second go at catching the defendant for infringement. As the present proceedings were not for infringement, different considerations were appropriate.

85 He also argued that a patentee did not need to give full disclosure in the *Smith Kline* sense when amending under section 75 because there was a presumption that the reason for seeking to amend was to overcome the claimant's attack. In support of this argument, Mr Burkill referred me to the decision in *Osterman's Patent [1985] RPC 579* where the hearing officer made a distinction between amendments under section 27 and section 75, at page 582, line 42:-

> "This would render an application to amend in revocation proceedings analogous to an application to amend under section 27 where by the virtue of the provisions of rule 40(1) and form 14/77 the applicant seeking amendment has to give reasons. However, where the application is to amend under the provisions of section 75 there is a difference; the Act and the Rules make no specific provision for the giving of reasons. This is, I believe, because there is a presumption that the amendments are offered with a view to meeting the grounds for revocation and Mr Watson has given no convincing grounds to the contrary. Furthermore,

> should such amendments be opposed within section 75(2) of the Act ... the comptroller may give such directions as he may think fit with regard to the subsequent procedures."

Mr Burkill added that this decision was upheld by Falconer J and was consistent with modern practice as in my own the decision in *Intel Corporation's Patent [2002] RPC 48* at paragraphs 10 - 19. He also drew my attention to section 72(4) of the Act which expressly contemplates amendments being filed subsequent to a hearing where a finding of partial invalidity is made.

86 Mr Burkill pointed out that in *Smith Kline*, it was alleged that the patentee had known of the need for amendment and known of the prior art and deliberately delayed amending the patent for eight years. He contrasted that with the present case where, he said, there had been no delay. The proceedings having being launched within a year of grant and the defendant had responded promptly to all the points raised in the claimant's successive pleadings. Moreover, he submitted that even if the defendant had been aware of D6 before the claimant cited it, the reasonable approach of the reasonable patentee would have been "that is not a filter, that is nothing to do with our invention, we do not need to know anything further about it". Finally, he pointed out that when the Office had given a preliminary view that the amendments submitted were acceptable, it had not directed the patentee to give evidence as to the background to the request to amend.

My assessment of the law

87 So, is Mr Miller right to submit that the Office should change its practice and be less generous about giving patentees a chance to amend? Before I consider the case law, I will dispose of one point first - the language of sections 72(4) and 63(3). It is true that these sections contemplate post-judgment amendments following a finding of partial invalidity. However, I do not think their existence furthers Mr Burkill's arguments because claim-deleting amendments - which even Mr Miller concedes are in principle allowable - would fall within the terms of these sections. They do not establish that claim-validating amendments must also be allowed.

88 I agree with Mr Miller that it would generally be undesirable for the comptroller and the courts to have significantly different approaches, if only because it might make the comptroller a less attractive forum for revocation. However, having considered the case law cited by Mr Miller carefully, I do not think it establishes a principle that claim-validating amendments should never be allowed after an adverse finding on validity. In each case there were particular circumstances which made the submission of amendments inappropriate.

89 For example, in *Windsurfing*, where all the claims were held to be invalid, the defendant wanted to bring in a feature which had never been suggested to have any inventive significance, which would have required a completely fresh investigation and which, the court recognised, was almost certainly obvious anyway. It is clear these circumstances weighed heavily with the court, because a little earlier Oliver L J had said:

> "If the judge had been persuaded that there was any scope for a possible amendment which might save any part of the patent, we are disposed to think that that [*ie giving the patentee a chance to amend*] might have been the proper course . . ."

90 Similarly, in *Lubrizol*, all the claims were held to be invalid and Aldous L J made it clear that this was a crucial consideration because it meant that there was no finding of partial validity within the meaning of section 63. Indeed, the patentees weren't interested in amending if they couldn't avail themselves of section 63. In *Pavel v Sony* the patentee had failed in amendments before the Patents County Court and had then tried with fresh amendments, which had not been advertised or considered below, on appeal. It is clear from the comments of Aldous L J that it was a combination of factors, including the nature of the amendments, that led to the refusal to allow amendment. Finally, I have difficulty with *Procter & Gamble* because the relevant ruling of the Court of Appeal was not reported so I am not precisely sure of its reasoning. However, I note that when the main judgment was handed down the court was, apparently, prepared to contemplate amendment even though it had found all the claims invalid, so the court's line cannot have been as hard as Mr Miller tried to suggest.

91 Moreover, these were all infringement actions. Whilst I recognise that behind most revocation actions is a claimant who wishes to do something that would infringe, I agree with Mr Burkill that there is a difference between an infringement action and a revocation action. That difference does, in my mind, justify a more-generous attitude to post-decision amendments in revocation actions.

92 In my view, what the case law shows is that there are circumstances in which it would be inappropriate to allow an opportunity to amend. That may apply particularly in an infringement action in which all the claims have been found invalid, though it may also apply in other circumstances. That conclusion, however, is what one would expect from using the *Smith Kline* tests in combination with the overriding objective. It does not follow that an opportunity to amend should never be allowed. It is necessary to consider the circumstances in each case.

93 So far as the *Smith Kline* requirement to give full disclosure of all relevant matters is concerned, in my mind, there is a justified distinction between applications to amend under section 27 and 75. In section 75 the presumption will normally be that the amendments are offered to meet the objections. This does not create a blanket exemption from the need to disclose relevant matters, because the patentee may have some explaining to do in instances where it can be said that the patentee might or should have been aware of the relevant prior art, as was the case in *Smith Kline*. However, where this is not the case, the presumption that the amendment is to meet the objections raised will normally be sufficient to dispose of the first *Smith Kline* test.

94 Thus, I consider that Office practice of being prepared to consider post-decision claim-validating amendments in a revocation action is reasonable and not inconsistent with court practice. However, requests must be considered against the tests in *Smith Kline* and in the light of the "overriding objective", and that means there will sometimes be circumstances in which it would be inappropriate to allow amendment.

Should amendment be allowed in this particular case?

95 In the present case, the defendant has had two goes at amending its claims already. However, that has to be seen in context, because the claimant has had three goes at making its claim. Its first statement didn't even mention what has turned out to be the crucial document, D6. Further, it didn't present the case based on D6 which has led to my finding of partial invalidity until after the patentee's second amendment. True, the patentee could then have offered a third amendment, but without in any way weakening my finding on invalidity, I have some sympathy with Mr Burkill's submission that D6 is not a document whose relevance leaps out at you. After all, even the claimant did not find it at the first attempt. I believe that the defendant has behaved reasonably in these proceedings by showing a willingness to amend, and that of course is a relevant consideration under the *Smith Kline* tests.

96 Further, I feel the claimant is being unreasonable in complaining about an alleged lack of full disclosure of all relevant matters. If it thought the defendant should be required to declare when it became aware of the citations, for example, it should have raised this point in response to the defendant's first and second attempts to amend. Instead, it stayed silent and simply sprung the point as a surprise in its skeleton argument. In these circumstances it would be unjust to ban amendments on the grounds that the defendant has not discharged the onus upon it because the defendant has not had a proper chance to deal with this objection, and the circumstances are not as such that I feel the defendant should have foreseen a need to deal with it.

97 However, I cannot apply the *Smith Kline* and "overriding objective" tests until I know what amendments are sought. I will therefore allow the defendant an opportunity to seek leave to amend, and will consider the allowability of any "claim-validating" amendments when I have seen them. Accordingly, I allow the defendant five weeks from the date of this decision to submit a further application to amend, though that period should be treated as stayed if either side lodges an appeal. The claimant will then have three weeks to say whether it has any objections to the proposed amendments. I will then, if necessary, give further directions on how matters should proceed.

98 As the patent currently includes invalid claims, should the defendant fail to submit a further application to amend, I will revoke the patent.

Withdrawal of "dedicated"

99 As I explained earlier, I said at the hearing that I would in any case allow the defendant to deleted the word "dedicated" from the amendments offered to claims 1 and 23. Mr Miller had resisted this on the grounds that the amendments had been offered unconditionally. Indeed, he argued that if the defendant abandoned the unconditional amendment, the claimant could then rely on the concession that the unamended claims were bad. I think it would be helpful if I explained why I overruled Mr Miller on this point.

100 "Unconditional" in the context of amendments filed in revocation proceedings means, in my view, "not conditional on a finding of invalidity". That is not the same as "final". If it were, the defendant could not have submitted its second amendments at all. In this instance, it is quite apparent that the introduction of the word "dedicated" was a *bona fide* attempt to distinguish the invention claimed from D6. It was only as the claimant's arguments developed, particularly in the skeleton argument, that it became apparent that the word didn't help to distinguish the invention from the prior art and could introduce a lack of clarity. That is why the defendant offered to delete the term, and in the circumstances, since I felt the defendant had been acting in good faith, I decided it would have been unjust to refuse.

Certificate of contested validity

101 At the hearing, Mr Burkill requested a certificate of contested validity in the event of a successful outcome for the defendant. I will consider this matter if the patent is satisfactorily amended.

Costs

102 Mr Miller asked for costs and referred me to the decision in *CQR Security Systems Ltd's Patent [1992] FSR 303* where Aldous J indicated that normal orders for costs can be made in revocation actions where further prior art is pleaded with regard to amended claims. Mr Burkill resisted this. He argued that the statements of case filed were unformulated attacks with no indication as to why the prior art was considered relevant, that the claimant filed prior art on three separate occasions, and also that the issue on general discretion was only raised in the claimant's skeleton argument. Mr Burkill asked for the defendant to be awarded costs, and in view of the claimant's actions in this case, requested costs at the top of the scale. Indeed, Mr Burkill said that he would have requested off scale costs if he had realised that this was possible.

103 There can be no doubt that the claimant was justified in launching the revocation action. The two offers by the defendant to amend before the hearing were tacit admissions that the original claims were invalid, and even now I have still found some of the claims to be bad. Thus in principle the claimant is entitled to an award of costs. The only question is whether the claimant should be awarded a contribution to its costs on the comptroller's normal scale, or whether the behaviour of either party has been such as to justify a different award.

104 I have sympathy with Mr Burkill's points on the poor quality of the claimant's pleadings. Its statements were rather sparse on detail, and it failed to plead the discretion point at all. Indeed, many of its arguments only appeared, rather inappropriately, in its evidence. However, I do not think the claimant should be penalised for having three goes to get to the issues considered at the hearing, because their first two statements both resulted in offers to amend, and it is always possible that a claimant in a revocation action may identify further relevant prior art in response to the filing of amended claims. Likewise, I do not think either side should be penalised for not supplying satisfactory witness statements from their experts because they were

equally at fault on this.

105 I have decided that the fairest approach is to award costs to the claimant on the scale, but with no extra for the supplementary counterstatement and with only a modest amount for the evidence as there was little real evidence (as distinct from argument), and in the event it was of negligible value. Accordingly I order Specialised Petroleum Group Services to pay Smiths International Inc £1750 as a contribution to its costs.

106 **Appeal**

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