



BLO/065/06

10th March 2006

PATENTS ACT 1977

APPLICANT	Trimtec Ltd
ISSUE	Whether patent number GB2304778 should be restored under section 28
HEARING OFFICER	G J Rose'Meyer

DECISION

Introduction

- 1 The renewal fees in respect of the eighth year of the patent fell due on 8th September 2002. The renewal fee was not paid by that date or during the six months allowed under section 25(4) upon payment of the prescribed additional fees. The patent therefore lapsed on 8th March 2003. The application for restoration of the patent was filed on 2nd April 2004, within the nineteen months prescribed under rule 41(1) (a) for applying for restoration.
- 2 After consideration of the evidence filed in support of the application for restoration, the applicant was informed that it was the preliminary view of The Patent Office that the requirements for restoration, as laid down in section 28(3), had not been met. The applicant did not accept this preliminary view and requested a hearing.
- 3 The matter came before me at a hearing on 19th July 2005, at which the applicant was represented by Mr. John Dean, of the firm Withers & Rogers. The Office was represented by Mr. Robert Sanders.

The evidence

- 4 The evidence filed in support of the application consists of:
 - a) Statutory declarations dated 24th March and 16th December 2004 and one dated 21st July 2005 from Mr. Richard Alexander Biggs, a solicitor and partner in the firm Over Taylor Biggs
 - b) Statutory declarations dated 24th March and 16th December 2004 from Mr. David Elsey, a chartered patent agent and partner in the firm Withers & Rogers, patent attorneys

- c) A statutory declaration dated 6th April 2004 from Mr. Charles Bridge-Butler, a technical assistant with the firm G F Redfern & Co, patent attorneys.
- d) Statutory declarations dated 25th August and 17th December 2004 from Mr. Paul Nickells, Managing Director of Trimtec 2 (formerly Lawncloud Limited - see paragraph 5 below)
- e) A statutory declaration dated 20th September 2004 from Mr. John Paul Dean, a chartered patent agent and partner in the firm Withers & Rogers

Background – The parties

- 5 For clarity, it is worth setting out at the outset the parties involved in this case and their relationships. The applicant for restoration, Trimtec Limited (“Trimtec 2”), was previously known as Lawncloud Limited. At the time when events pertinent to this case began in February 2002, the patent was owned by a firm also called Trimtec Limited (“Trimtec 1”), but Trimtec 1 was unrelated to Trimtec 2. Trimtec 1 was part of the Telling Group, who were in receivership at the time. Epsicon Limited was also part of the Telling Group and was given to the agents for Trimtec 1 (G F Redfern & Co) as the forwarding address for renewal reminders for the patent in suit.
- 6 Over Taylor Biggs are a firm of solicitors who in February 2002 were acting on behalf of Lawncloud Limited (subsequently Trimtec 2). Withers & Rogers are the firm of patent attorneys handling the application for restoration and are instructed by Over Taylor Biggs. Begbies Traynor was the firm of Receivers for the Telling Group.

Background – Chronology of events

- 7 In June and August 2002, G F Redfern & Co sent renewal reminder letters to Epsicon Limited as instructed to do so by Trimtec 1. That was before the 8th year renewal of the patent was due on the 8th September 2002. In June and July of 2002, Begbies Traynor sent letters to G F Redfern & Co informing them that Epsicon Limited and its parent company Telling Group, were in administrative receivership. Mr. Bridge-Butler of G F Redfern & Co was in contact with a Mr. Barry Holt of Begbies Traynor and it was his understanding at the time that the whole of the Telling Group and its subsidiaries were in administrative receivership. G F Redfern & Co were given no particular information on the status of Trimtec 1 and it was unclear to them at this time exactly who was responsible for the patent. It transpired from the evidence and at the hearing that Trimtec 1, although part of the Telling Group, was not itself in receivership.

- 8 On the 23rd September 2002, the Patent Office sent its renewal reminder letter (PREN 5) in relation to the patent to G F Redfern & Co as the address for service for Trimtec 1. G F Redfern & Co quickly forwarded that letter to Begbies Traynor with a letter reminding them that the renewal of the patent was late, but that it could be paid up until 9th March 2003. G F Redfern & Co then took no further part in the renewal process of the patent.
- 9 From November 2002 until the middle of February 2003, Over Taylor Biggs were in negotiations with Begbies Traynor to assign the patent on behalf of their clients Lawncloud Limited. Mr. Biggs of Over Taylor Biggs was not informed by Begbies Traynor that the renewal fee for the patent had not been paid for the 8th year. On 10th February 2003 Over Taylor Biggs finally secured the assignment of the patent.
- 10 At the beginning of the assignment negotiations, in November 2002, Mr. Biggs approached Withers & Rogers in connection with the possible assignment of the patent to his clients. Although he was an experienced solicitor, this was his normal practice in patent matters. Mr. Elsy of Withers & Rogers recalls conducting an informal inspection of the UK Patent Office register at that time and informing Mr. Biggs that the 8th year renewal was overdue, but could still be paid with fines up to six months after the due date. It was Mr. Biggs' expectation that Withers & Rogers would handle the renewal of the patent as part of the recordal of the assignment at the Patent Office.
- 11 Withers & Rogers did not hear from Over Taylor Biggs again on this matter until February 2003, when they were asked to record the assignment of the patent from Trimtec 1 to Lawncloud Limited at the Patent Office. No specific instructions were given to pay the outstanding renewal fees as Mr. Biggs was not aware in February 2003 the renewal fees had still not been paid. Mr. Elsy did not recall that this was the same patent they had discussed in November 2002. Consequently he did not inquire as to, nor check the renewal status of the patent. This was not unusual as patent renewal fees can be paid by a number of different means, therefore it would not have been normal practice for Mr. Elsy to do so.
- 12 At that time Mr. Elsy was under extreme pressure of work. He was aware that under Section 68 of the Act he had six months from the date of the assignment in which to record it, so he did not act upon the request to record the assignment until after the 8th March 2003, by which time the patent had lapsed.

Assessment

- 13 Section 28 (3) states:

If the comptroller is satisfied that –

- (a) *the proprietor of the patent took reasonable care to see that any renewal fee was paid within the prescribed period or that that fee and any prescribed additional fee were paid within the six months immediately following the end of that period,*

the comptroller shall by order restore the patent on payment of any unpaid renewal fee and any prescribed additional fee”

- 14 In accordance with Section 28 (3), I have to determine whether or not the applicant took “reasonable care” to see that the sixteenth year renewal fees were paid on the patent in suit. In deciding this matter it is helpful to bear in mind the following direction given by Aldous J in *Continental Manufacturing & Sales Inc’s Patent* [1994] RPC pages 535 to 545:
- “The words “reasonable care” do not need explanation. The standard is that required of the particular patentee acting reasonably in ensuring that the fee is paid”.
- 15 The “particular patentee” in this instance is not one party during the period in which the renewal fee could have been paid. The rule 39(1) window in which this patent could have been renewed ran from three months before due date for renewal of the 8th September 2002 i.e. from the 8th June 2002. At that point the proprietor of the patent was Trimtec 1. However, the evidence shows that from the 24th June 2002, the Telling Group, of which Trimtec 1 is a wholly owned subsidiary, was in administrative receivership, Begbies Traynor being the receivers. From the 24th June 2002 until the assignment to Lawncloud Limited on the 10th February 2003, Begbies Traynor were in care of the patent. Lawncloud Limited were then the proprietors from the 10th February 2003 until the due date for renewal of 8th March 2003. The actions of all of these parties are therefore relevant in my considerations.
- 16 It is clear from the evidence that at the earliest possible date for payment of the renewal fees on 8th June 2002, Trimtec 1 had placed responsibility for the payment in the care of professional patent attorneys, namely G F Redfern & Co. It has been held in case law that in the placing of the patent in the hands of a professional can amount to the demonstration of “reasonable care”, see *Frazer’s Patent* [1981] RPC 53. It is also clear that G F Redfern & Co acted entirely appropriately in carrying out their professional obligations in sending timely renewal reminders to the parties they had been instructed to send them to i.e. Epsicon Limited and then to Begbies Traynor, the receivers. However, in this case the circumstances show that the proprietors at that time (Trimtec 1) were no position to act upon the prompts of their professional representatives. In this very small period within the renewal window then, there is evidence that although an acceptable system was in place, the inability of the proprietors (Trimtec 1) to act on the system would not to my mind have amounted to reasonable care in the way the law envisages.
- 17 This was however only a matter of some sixteen days prior to Begbies Traynor taking over care of the patent. Begbies Traynor had charge of the patent for the longest period within the renewal window allowed under section 25(4) – i.e. from the 24th June 2002 until 10th February 2003.

- 18 The evidence shows that during the prosecution of the restoration, Withers & Rogers attempted to secure evidence from Begbies Traynor as to whether they had made any efforts to effect renewal of the patent. It appears that their attempts were ultimately fruitless, in spite of a drawing up a draft statutory declaration for Begbies Traynor in order to clarify certain details in this crucial period. So no evidence was forthcoming from Begbies Traynor.
- 19 However, there is evidence from the other parties which does shed light on determinative considerations during this period.
- 20 Begbies Traynor's actions in this period appear to have been limited to trying to dispose of the intellectual property assets of the Telling Group and that part of those efforts resulted in the assignment of the patent in suit to Lawncloud Limited.
- 21 I have described above the roles of Over Taylor Biggs the solicitors acting on behalf of Lawncloud Limited and the role of Withers & Rogers in the process. However, the evidence filed up until the date of the hearing however did not clarify the whole picture, hence the preliminary view of The Office that the requirements for restoration, as laid down in section 28(3), had not been met. The reason given at this point was that the principal set down in *Advocat Giovanni Gozzo AB's Patent* BL0/150/95 that it is the responsibility of a person acquiring a patent to take steps to discover the true position regarding renewal, had not been demonstrated. The agents requested the hearing as they disagreed with this preliminary view and the hearing did enable me to secure more significant information, which I allowed subsequently to be put into evidence.
- 22 The early evidence shows that Mr. Biggs was told in November 2002 when he first approached Mr. Elsy of Withers & Rogers about recordal of a potential assignment of the patent, that the renewal fee had not been paid. It emerged at the hearing that the inquiry regarding the status of the patent first came from Mr. Biggs acting for Lawncloud Limited. This is important, as Lawncloud would ultimately emerge as the proprietors of the patent, albeit some three months later in February 2003, and this inquiry by their appointed representatives could be interpreted as a step to ensuring the renewal obligations were met during the relevant period. It answers the *Advocat Giovanni Gozzo* point. As it transpired, no action to actually pay the fees resulted from the inquiry, but I shall consider that issue later.
- 23 At that juncture in February 2003, once Over Taylor Biggs had finally secured assignment of the patent via Begbies Traynor, Mr. Biggs again contacted Withers & Rogers to record the assignment at the Patent Office.
- 24 The evidence shows that at this point neither Mr. Biggs nor M. Elsey of remembered, realized or inquired about the renewal status of the patent. Reasons for this are given and I accept are entirely plausible, if not very helpful to the applicant. A patent is a valuable property which it is the proprietor's responsibility to safeguard, see *Convex Ltd's Patent*, [1980] RPC 423, this inaction ultimately resulted in the lapse of the patent.

- 25 Mr. Biggs knew in November 2002 that the renewal fee on the patent had not been paid. He initiated the inquiry to Withers & Rogers and was given the relevant information. However, it appears that Mr. Biggs did not pass this invaluable information on to the potential assignees of the patent, his clients Lawncloud Limited. I specifically asked for clarification of this point at the hearing and Mr. Dean gave me his understanding of events, which was that it appeared he did not. It was these two points: a) whether Mr. Biggs had initiated the status check on the patent and b) whether he had passed on the information to Mr. Nickells at Lawncloud, that I gave leave to Mr. Dean at the hearing to put into evidence from Mr. Biggs.
- 26 The supplemental evidence from Mr. Biggs unfortunately only confirmed the former point. The latter was not specifically addressed and it would have been helpful if it had. However, I think I can draw a reasonable inference from the evidence of Mr. Nickells which says that he was never told by the receivers Begbies Traynor during the negotiations to acquire the patent that its renewal fee was overdue. The evidence shows that Mr. Biggs was negotiating the assignment on behalf of Lawncloud Limited, so the fact that Mr. Nickells did not know of the overdue fees, suggests that Mr. Biggs did not acquaint him of this fact, which he and the receivers clearly knew. The evidence also shows that Begbies Traynor never passed on the renewal reminder letters from G F Redfern's or the PREN 5 official reminder to Mr. Biggs or to Lawncloud Limited.
- 27 Lawncloud Limited themselves were responsible for the patent in the final period in which it could have been renewed. A short period from 10th February to 8th March 2003. In the circumstances I have just described, it is completely unsurprising that they took no action to renew the patent in this period.
- 28 Does the accumulation of these events amount to the demonstration of reasonable care to ensure the patent is renewed on time? In my view it does.

Reasoning

- 29 I have already found that although the original owners of the patent, Trimtec 1 had taken sound steps to ensure renewal by putting it into the hands of professional attorneys (G F Redfern & Co.), their inability at the time to act on the reminders issued to them did not amount to reasonable care on their part.
- 30 In the next period within the renewal window, it is also clear that the receivers Begbies Traynor, who were then in legal care of the payment, took no steps to renew the patent, but did negotiate its assignment to Lawncloud Limited. However, in so far as the receivers had any ability or responsibility to renew the patent, they clearly did not take steps to do so. They were also less than helpful in passing on renewal information in their possession to concerned parties i.e. Over Taylor Biggs and Lawncloud Limited.
- 31 *Frazer's Patent* [1981] RPC 53 held that placing the responsibility for renewal fees in the hands of a professional advisor may be considered to amount to reasonable care. Although the specifics of that case differed in that the

applicant was a lone patentee, I think the principal is soundly applicable here. Mr. Dean informed me at the hearing that the applicant has no other patents. In my view it was perfectly reasonable, indeed prudent, for them to place patent matters in the hands of their solicitors (Over Taylor Biggs). Over Taylor Biggs, although an established firm, are not Intellectual Property (IP) experts and as is commonly practiced, they pass this type of work on to IP professionals. In this instance to Withers & Rogers, a firm of patent attorneys. Although both these firms were aware that the renewal fees were due, they did not seek to pay them or inform the prospective owner of the need to pay.

- 32 Mr. Nickells in his evidence says categorically that had he been told, he would have authorized payment.
- 33 *Frazer's Patent* concluded that the failure of the professional advisor to pay the renewal fees was beyond the control of the patentee. This clearly the case here.
- 34 In my judgment, had the applicant been notified of the renewal information in possession of his professional representatives, he would in fact never have needed to apply for restoration. Lawncloud Limited acted sensibly in appointing professional representatives to handle their patent affairs and it was due to failure of the professionals that these proceedings became necessary. The applicant should not suffer the consequences of this failure.

Conclusion

- 34 On the evidence before me I am satisfied that the applicant exercised the degree of care to see that the renewal fee was paid which I consider was reasonable under the circumstances relevant to this particular application for restoration. I am therefore satisfied that the requirements in section 28(3) have been met and that restoration should be allowed.
- 27 In accordance with rule 41(4) of the Patents Rules 1995, an order for restoration will be made if, within two months from the date of this decision, the proprietor files a Patents Form 53/77 and fee of £135, together with Patents Form 12/77, duly completed, and the amount of any unpaid renewal fee. The effect of the order will be as specified in section 28A.

G J Rose' Meyer

Divisional Head of Administration

Acting for the Comptroller