



BL O/343/06

11 December
2006

PATENTS ACT 1977

BETWEEN

Paul Auckland

Claimant

and

Enderby Construction Ltd

Respondent

PROCEEDINGS

Reference under section 37 of the Patents Act 1977 in
respect of patent number GB 2410283

HEARING OFFICER

P Thorpe

DECISION

Introduction

- 1 This dispute is concerned with who is entitled to patent GB21410283 (“the Patent”) which was filed on 16 November 2004 in the name of Paul Richard Auckland (the claimant) and granted on 28 December 2005. The patent claims priority from patent application GB0424390.3 (“the priority application”) filed 4 November 2004 which names Paul Richard Auckland and John Walsh as joint applicants.
- 2 At the time that the patent applications were filed Mr Auckland was employed by Enderby Construction Limited (“Enderby”), a company headed by Mr Walsh. Following the filing of the second application, a dispute arose as to who was entitled to the invention. Mr Walsh is of the opinion that the invention belongs to Enderby (the respondent) whilst Mr Auckland asserts that all rights are solely his.

The reference

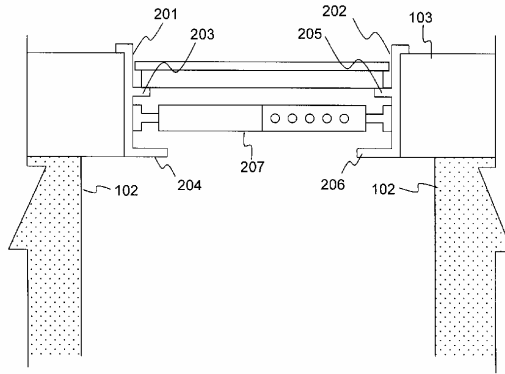
- 3 This reference, original brought by Mr Auckland under section 8 of the Patents Act 1977 but now pursued under section 37, is to determine who is entitled to the patent. It must be noted that this reference is a little unusual in that it is

being made by the current proprietor of the patent. This raises an interesting point as to where any burden of proof lies. I will come to that later.

- 4 Prior to hearing the matter, I held a case management conference in order to clarify the issues that needed to be addressed at the hearing and also to consider the extent of cross examination required. On the latter point I drew everyone's attention to the rule in *Browne v Dunn* (for which see the comments of Jacob LJ at page 783 of *Markham Corp v Zipher Ltd*, [2005] R.P.C 31) which essentially recognises that where a court is to be asked to disbelieve a witness then fairness dictates that the witness should be cross examined and that failure to cross examine a witness on some material part of his evidence may be treated as an acceptance of the truth of that part of his evidence. I raised this because one of the sides had previously indicated that although it was not minded to call certain witnesses for cross examination it did not mean that it was accepting what they had said in their witness statements.
- 5 The matter subsequently came before me at a Hearing that, due to the limited availability of a number of the witnesses, stretched over 4 days from 24 to 27 July 2006. Mr Auckland was represented by Mr Lionel Howard, and Mr Jonathan Turner, instructed by Hegarty LLP, appeared as Counsel on behalf of Enderby.

The invention

- 6 The patent is essentially concerned with providing a temporary cover for a partially constructed open manhole or inspection chamber. Typically, a manhole comprises an apertured concrete cover slab which rests upon a manhole ring that extends downwards into the ground. Several courses of brickwork are laid on top of the cover slab to support a metal manhole cover that prevents access to the manhole. Several problems arise during the construction of a manhole, namely, that a bricklayer working on the manhole or other site personnel may fall into the open manhole; that site personnel working in the immediate vicinity of the manhole may be exposed to noxious gasses emanating from the manhole; and that mortar or other debris may fall into the manhole.
- 7 Normally, if the manhole is to be left open, i.e. without the manhole cover in place, it is temporarily covered by a piece of plywood or the like. This, however, is deemed to be an unsatisfactory solution since it can be damaged or easily moved. The present invention seeks to overcome these drawbacks by providing an improved temporary cover. An embodiment according to the invention is shown in the following figure. It comprises a cover plate designed to close the opening in the manhole. The cover is held within the opening by two brackets (201,202) which are mounted on opposite sides of the opening and which are forced apart by an extensible strut (207).



- 8 It is not necessary to go into any greater detail than what is set out above since the nature of the invention is not in dispute. It is also not in dispute that Mr Auckland was the inventor of the invention set out in the patent, and at the time of devising the invention, was employed by Enderby. What is in dispute however is whether the invention therefore belongs to Mr Auckland or to his employer Enderby.

The law

- 9 Although originally made under section 8 of the Act, this reference is now proceeding with the grant of the patent under section 37 which reads, so far as relevant:

37(1) After a patent has been granted for an invention any person having or claiming a proprietary interest in or under the patent may refer to the comptroller the question -

(a) who is or are the true proprietor or proprietors of the patent,

(b) whether the patent should have been granted to the person or persons to whom it was granted, or

(c) whether any right in or under the patent should be transferred or granted to any other person or persons;

and the comptroller shall determine the question and make such order as he thinks fit to give effect to the determination.

- 10 The claimant and respondent are both relying solely on the provisions of section 39 of the Act which reads:

(1) Notwithstanding anything in any rule of law, an invention made by an employee shall, as between him and his employer, be taken to belong to his employer for the purposes of this Act and all other purposes if -

(a) it was made in the course of the normal duties of the employee or in the course of duties falling outside his normal duties, but specifically assigned to him, and the circumstances in either case were

such that an invention might reasonably be expected to result from the carrying out of his duties; or

(b) the invention was made in the course of the duties of the employee and, at the time of making the invention, because of the nature of his duties and the particular responsibilities arising from the nature of his duties he had a special obligation to further the interests of the employer's undertaking.

(2) Any other invention made by an employee shall, as between him and his employer, be taken for those purposes to belong to the employee.

Evidence

- 11 Both sides provided a number of affidavits and witness statements during the initial evidence rounds. Many of these included comments that touched upon matters such as the validity of the patent, inventorship, and a possible profit sharing arrangement entered into by the parties which are not in issue here. Some of the evidence also went to alleged criminal activity. None of this is relevant to the question I must decide and therefore I say no more about these matters.
- 12 The claimant also submitted a number of witness statements to support his claim that he continued, in some capacity, to manage construction contracts after 16 July 2004 (I discuss the relevance of this date below). There was some initial doubt as to the position of the respondent on this point however by the time of the hearing this issue was no longer in dispute. Consequently it is not necessary for me to consider further any of the witness statements that went only to this point. I would add that none of these particular witnesses were cross-examined.
- 13 The claimant also submitted witness statements from Mr Christopher Gillespie, a friend of Mr Auckland who witnessed some drawings produced by Mr Auckland; Mr Andrew Bennett of AB Welding who produced some prototypes of the invention; Mr John Evans a former Chief Engineer for Enderby; Mr Jeremy Smith a former Contracts Manager for Enderby; and Mr Matthew Mitchell a patent attorney with Franks & Co who drafted the patent specification. None of these witnesses were cross examined so I have taken their evidence to be unchallenged. Mr Turner did draw my attention to the fact that the statements from Mr Evans and Mr Smith would seem to relate to Mr Auckland's position within Enderby prior to December 2003 and therefore these were of little or no value. In the event I did not need to rely on any of this evidence.

Authorities

- 14 Both sides referred me to a number of authorities. I will discuss these as necessary when I look at the particular requirements of section 39. For the time being it is sufficient for me to list the cases.

15 I will however note at this point that Mr Turner did seek to rely on one of these authorities in a more general way. He argued that *LIFFE Administration and Management v Pavel Pinkava and De Novo Markets Limited* [2006] EWHC 595 (Pat), in particular paragraph 12, clearly cautions against using guidelines set out in other cases as substitutes for the statutory test in section 39. In that paragraph, Kitchen J. commenting on section 39(1)(a) states:

“...I respectfully agree with Falconer J. that the requirements of paragraph (a) cannot be satisfied merely by showing that the circumstances were such that any invention at all might reasonably be expected to result from the activities of the employee. However I think that his particular finding must be seen in the context of the case before him and there is a danger in substituting one test for another. The statute already imposes the limitation that the invention in issue must have been made in the course of the normal or specifically assigned duties of the employee.”

16 On this point I believe Mr Turner is right. It is quite clear that it is the wording of section 39 that is paramount and that I should be wary of reading too much from cases determined under different factual matrixes. In fairness to Mr Howard I should say that I did not take him to be arguing to the contrary. Rather he suggested, again rightly in my view that guidance may be obtainable from these authorities as to how the particular requirements of section 39 are to be considered.

17 The other cases referred to which I discuss below are:

Harris' Patent [1985] RPC 19.
Staeng Limited's Patents [1996] RPC 183.
Greater Glasgow Health Board's Application [1996] RPC 207.
Peart's Patent BL O/209/87.

Witnesses

18 Before I can begin to address the question who does the invention belong to, I need to say something about the witnesses that were cross examined. I will assess each witness in the order that they were cross examined.

19 First to be cross examined was Julie Auckland, wife of Paul Auckland. Mrs Auckland was only cross examined for a short period of time and this gave me only a limited opportunity to assess her. Mrs Auckland was clearly nervous and at times a little defensive. She also admitted that her written statements were based on what Mr Auckland had told her occurred and not necessarily what she knew for certain. In conclusion, I need to treat her evidence with a good degree of caution although in the event nothing really turns on what she says.

20 Mrs Auckland's cross examination was followed by that of her husband Paul Auckland. Mr Auckland showed little signs of nerves but was hesitant in giving

full answers and at times seemed evasive. I got the impression that he may have been trying to give what he thought was the right answer rather than a full and truthful answer. Mr Auckland's ability to recollect events seemed to swing between good and poor and it was noticeable that his recollection was better on matters that he felt helped his case. On the face of it his written recollection of events that took place shortly after the accident of 14th October 2004 appeared to be good but when pressed Mr Auckland seemed less sure. On some issues he appeared to seek to downplay or dilute what he had put in his written evidence. For example his oral testimony in respect of what checking he did following a particular accident and whether or not holiday leave had been taken between certain dates was less precise and in some respects at odds with bold assertions in his written evidence. I could not help but think that, since submitting his written evidence, Mr Auckland had gained a greater appreciation of the issues likely to be decisive in this case and that this had influenced his oral testimony. That said, when I posed a question to Mr Auckland directly as to whether or not he thought that an accident at another site should have been reported to him, I believe I received an honest answer even though it was not helpful to his case. He also remained adamant in the face of fairly prolonged cross examination that Mr Walsh had not instructed him to find a 'solution' to the problem of open manholes. In conclusion I believe I need to treat some aspects of Mr Auckland's evidence with caution and, where there is any inconsistency between his written and oral evidence, to rely more on the former.

- 21 Rhodrick MacKinnon was the first of the respondent's witnesses. Mr MacKinnon is a Construction Director with Barratt, a company for who Enderby did work. Although his cross examination did not take long, I was impressed with Mr MacKinnon's assured performance. His answers were based largely on fact and his extensive knowledge of the construction industry rather than opinions. Despite one acknowledged mistake in his written statement in which the year 2005 was wrongly given in place of 2004, his evidence seemed to stand up very well. Overall Mr MacKinnon was a very credible witness.
- 22 The next witness was Cheryl Franklin, an Office Assistant employed by Enderby. Again, her cross examination was quite short, however, I got the impression that Mrs Franklin was trying to be as helpful as possible, freely admitting gaps or errors in her knowledge and recollection of events. Insofar as her evidence is relevant to confirming Paul Auckland's role and status within Enderby, I believe that Mrs Franklin was a credible witness.
- 23 I was less impressed with Glen Howell who is employed as a site manager by Enderby. Mr Howell was the manager of the construction site at the time of an accident that was a catalyst for the making of the invention. He seemed quite uncomfortable under cross examination and his answers were often far from convincing. Indeed on many occasions he was unable to say how he became aware of certain facts set out in his written statement, other than that were "common knowledge" within the company. His recollection of who visited the site in the days after the accident was not especially good, though perhaps understandable given his primary concerns for the injured employee and the fact that some time has passed since the accident happened. Overall I was

not impressed at all with Mr Howell as a witness and consequently I do not believe that I can rely on his evidence.

- 24 John Cunningham a Contracts Manager for Enderby was cross examined next. From the start Mr Cunningham was very defensive and clearly found the experience of cross examination rather unpleasant. Mr Howard was able to pick holes in a large amount of Mr Cunningham's written evidence, much of which in any event went to issues that are of no relevance to me here. That part of the evidence that did go to issues of relevance here I also found to be not entirely reliable. I therefore attach little weight to it.
- 25 Dan Wade, a Quantity Surveyor with Enderby was the next witness. I was immediately impressed with his confident and straightforward approach to answering questions. His answers were detailed and more often based on first hand knowledge of events. The only part of his evidence that raised any doubts in mind was that relating to the specific duty purported to have been given by Mr Walsh to Mr Auckland in respect of making the invention. His oral evidence on this point went considerably further than his written evidence and I was left wondering why the two did not tally. I will come back to that later. Other than that I found Mr Wade to be a truthful and reliable witness.
- 26 Susan Walsh, wife of John Walsh and secretary for Enderby was the next witness to be cross examined. The cross examination was relatively short but I found her to be helpful and honest, even if her recollection of events was not perfect. I am satisfied that she was a generally credible witness although in the event I found little of her evidence to be relevant to the issue before me.
- 27 The penultimate witness for the respondent was John Walsh the Managing Director of Enderby. Mr Walsh was cross examined at some length and at times adopted a rather confrontational approach towards Mr Howard. Despite this he gave seemingly frank answers, even if they did contradict some of his written evidence and demonstrate that for example there was doubt in his own mind as to when particular conversations with Paul Auckland had taken place. For example, at the start of his cross examination he stated that he thought the first relevant conversation with Paul Auckland took place on Saturday 16 October rather than Thursday 14 October as stated in his written evidence but added that he could not be certain. Indeed I found his recollection of events around the time of the accident to be much less assured than was suggested by his written evidence. Overall I was not convinced that I could rely on his evidence other than as painting a general picture.
- 28 Kevin Connolly was the final witness for the respondent. Mr Connolly is a director of C & G Assessment and Training Ltd ("C&G"), a company offering training in health and safety matters. Mr Connolly also offered Health and Safety services to Enderby in a personal capacity. Mr Connolly acknowledged mistakes in his written statement, namely the mix-up of two exhibits showing the organisational structure of Enderby from a Health and Safety view point. Overall his performance was very good with confident and straight answers being given to all questions. His general recollection of events was good and he openly admitted when he wasn't able to recall specific dates. I am satisfied

that Mr Connolly is a credible witness.

Onus

- 29 As I mentioned earlier, this case is somewhat unusual in that it is the current, and only, registered proprietor who has brought the action. Mr Auckland has requested that I make a declaration that the applicant (ie Mr Auckland) is entitled to the patent for the invention. In response Enderby has asked that I declare that it is entitled to the patent for the invention. This raises the question of on who does the burden of proof lie. Mr Howard submits that the wording of section 39 renders the onus of proof on the employer, i.e. the respondent. Further weight to this argument is, he argues, added by section 7(4) of the Act which reads:

Except so far as the contrary is established, a person who makes an application for a patent shall be taken to be the person who is entitled under subsection (2) above to be granted a patent and two or more persons who make such an application jointly shall be taken to be the persons so entitled.

- 30 Mr Turner contends that I should determine entitlement without regarding either side as having the burden of proof, or that alternatively, and in accordance with normal legal practice, the burden of proof lies with Mr Auckland as the claimant. To support his position he submits that:
- (i) this would accord with the language of sections 8 and 37 of the Act which provide that any person “may refer to the comptroller the question...” and that “the comptroller shall determine the question [so far as he is able]”,
 - (ii) it ensures that the result does not depend on the accident of who initiates the proceedings or who applies first for the patent,
 - (iii) the structure of section 39 does not indicate to the contrary,
 - (iv) section 7(4) is not helpful in this matter since the priority application was made in joint names, and the patent relates to the same invention, and
 - (v) it is not necessary to assume a burden of proof one way or another.

- 31 On this last point he referred me to the comments of Jacob J. as he was then, in *Greater Glasgow Health Board’s Application* where he said:

“It would be unfortunate if anything had turned on the question of onus of proof because the question of who the applicant was was part of the civilized resolution of the problem between the two parties, which I have already mentioned. In other cases it may make sense that in relation to any similar dispute the parties agree that nothing turns on the onus of proof and thereby allowing one of them to make the application and the question of entitlement to be determined later.”

- 32 Although Mr Turner’s first proposal is appealing, I do not believe that sections

8 and 37 of the Act provide any useful indication as to where the burden of proof should lie. If they were taken to suggest a neutral burden of proof, then all references under sections 8 and 37 would surely have to take this approach as a starting point. I think this applies equally to the wording of section 39. The sentiments expressed by Jacob J. were perhaps made in the light of the facts of that particular case. There the dispute as to entitlement arose early and the parties agreed that the employer should file the patent application in its name only but that a joint referral would be made to the Comptroller to determine who was entitled to the rights in the invention. Obviously the behaviour of the parties had influenced his thinking. It is also clear that Jacob J. had no doubt whatsoever who the invention belonged to. Unfortunately that is not always the case and it is necessary to consider the question of onus.

- 33 Mr Turner also submits that section 7(4) provides no guidance for this case since the priority application was made in the joint names of Mr Walsh and Mr Enderby, and that application related to the same invention that is in issue here. However, this dispute is one between Mr Auckland and his employer Enderby not one between Mr Auckland and Mr Walsh as private individuals. The fact that the patent does not name Mr Walsh as a joint proprietor is of little or no relevance. Section 7(4) specifies quite clearly that:

[e]xcept so far as the contrary is established, a person who makes an application for a patent shall be taken to be the person who is entitled under subsection (2) ... to be granted a patent.

- 34 Thus the onus must lie with any person(s) seeking to remove that right to show that the named person is not entitled to those rights. The fact that an application is derived from an earlier one that may have been withdrawn, terminated or refused is not relevant to section 7(4). I therefore conclude that in this case the burden of proof lies with the respondent (Enderby) to show that the patent does not belong to the currently named proprietor (Mr Auckland).
- 35 I now turn to the central question – does the invention belong to Mr Auckland or to his employer, Enderby.

Section 39

- 36 Section 39(1)(a) provides for an invention made by an employee to belong to the employer in either of two distinct situations:

- (i) where it was made in the course of the normal duties of the employee; or
- (ii) where it was made in the course of specifically assigned duties falling outside the employee's normal duties namely.

- 37 A further requirement is that the circumstances were such that an invention might reasonably be expected to result from carrying out either (i) the normal duties or (ii) the specially assigned duties.

- 38 The respondent claims that both strands of 39(1)(a) are applicable in this case.

It also claims entitlement by virtue of section 39(1)(b) which I will come on to shortly.

- 39 Kitchen J. at paragraph 14 in *LIFFE* suggests that it is convenient to consider the application of section 39(1)(a) by addressing the following questions:
- (i) What were the normal duties of the employee?
 - (ii) What duties outside the normal duties were specifically assigned to the employee?
 - (iii) Was the invention in issue made in the course of those duties?
 - (iv) If so were the circumstances in either case such that an invention might reasonably be expected to have resulted from the employee carrying out those duties?

40 For reasons that hopefully become clear I will deviate slightly from the approach suggested by Kitchen J. by applying questions (iii) and (iv) in turn to questions (i) and (ii).

41 Before I do that I need to say a little about when the invention was made since it is Mr Auckland's duties at that time that are relevant. It is fact that the priority application was filed 4 November 2004 with the patent (as an application) filed shortly after on 16 November. In his first affidavit Mr Auckland states that:

“the need for an invention of the type which is the subject of UK Patent Application No: GB045210.2 originated in my mind as a result of two industrial accidents in which I was involved. The first was in or about April 1992 The second was in October 2004...”

42 During cross examination Mr Auckland confirmed that it was only after the 2004 accident (hereinafter referred to as the Clifford accident) that the invention was conceived. In fact he went further and stated that the concept was devised between the dates of 18 October and 22 October 2004. This was not challenged by the respondent. So what were Mr Auckland's normal duties at that time?

Mr Auckland's normal duties

43 Mr Auckland joined Enderby in 1999 and was initially employed as a contracts manager. Both sides have submitted the same written contract of employment entitled “Statement of main terms of employment” which sets out the main terms by which Enderby employed Paul Auckland as of 21 October 2002. At that time Mr Auckland's job title was Plant Coordinator and Contracts Manager. The contract does not however set out Mr Auckland's duties. In order for me to determine what these were I need to rely on the submissions made by the parties.

44 As far as I can make out, the role of contracts manager was, and still is, to manage specific construction contracts. Enderby employed then, and still does, a number of contracts managers with each manager being responsible for managing one or more construction contracts awarded to the company.

- 45 The role of Plant Coordinator is one which Mr Auckland appears to have initially taken on himself although it is clear that by 21 October 2002 his role in this respect was fully recognised by the company. Relying largely on the oral evidence given by Mr Auckland, I conclude that the role generally required him to arrange the hire of certain plant equipment, check invoices from plant suppliers, and authorise repairs to the plant. As one might expect of a person responsible for hiring in equipment, Mr Auckland had a degree of discretion in negotiating the best price for the equipment and for then challenging any dubious invoices. Mr Auckland also appears to have been allowed the freedom to authorise repairs but only those costing less than a few hundred pounds.
- 46 I will come back to these roles later when I consider Mr Auckland's standing in the company. For the time being I need say no more about these two roles because Enderby does not claim that the invention was made in the course of the normal duties arising from either of these roles. Rather it claims that the invention was made in the course of a further role that Mr Auckland either took on or was assigned after he had signed the aforementioned contract of employment. This further role related to Health and Safety.
- 47 The earliest written evidence of this further role is a memorandum sent by Mr Bob Mackness, the financial director of Enderby, to all site employees dated 16 July 2003. In this memo Mr Mackness referred to breaches of Enderby's site Health and Safety Policy; in particular to deep excavations being carried out without shoring to the sides and Enderby personnel not wearing all the required personal protective equipment (PPE) clothing. He went on to state that *"To improve the policing of our policy on site Paul Auckland has been appointed as [sic] our Health and Safety assessment officer. Paul's role will include unannounced random visits to sites to check Health and Safety implementation"*.
- 48 During the cross examinations of Mr Wade and Mr Walsh it was revealed that Mr Mackness, although in the process of reducing his workload towards the end of 2004, still had significant Health and Safety responsibilities. Mr Walsh clearly stated that *"Bob Mackness was the director responsible for Health and Safety in the company when he was there"* and that Mr Auckland was just a *"Health and Safety representative"* apparently reporting to Mr Mackness. In Mr Wade's cross examination it was stated that when Mr Auckland took on the role of Health and Safety Officer he *"had the back-up of Bob Mackness, the Finance Director"*. Mr Wade added that *"towards the end of Paul's employment with us, Bob Mackness resigned and this role (ie the health and safety role) became a bigger role for Paul"*.
- 49 The precise date that Mr Mackness left Enderby is not clear however it appears to have been towards the end of 2004. Evidence from Mr Wade and Mr Auckland suggests that Mr Mackness was still involved with Enderby at the time of the Clifford accident that occurred in October 2004.
- 50 Additional support for Mr Auckland in his Health and Safety role was provided

by external consultants including C&G. One of the directors of C&G, Kevin Connolly, also provided support in a personal capacity. According to Mr Connolly, C&G has been providing training and H&S services to Enderby from approximately March 2004.

- 51 In his evidence Mr Auckland also referred to another company DSS Safety Services Ltd. Mr Auckland submitted examples of method statements and an accident report produced by this company for Enderby. (A method statement in this context is a report detailing how a particular construction task such as excavating a hole is to be performed). During cross examination however Mr Auckland accepted that these statements and accident report had been produced either before or around the time he had been given a specific health and safety role. Mr Auckland did however maintain his position that he did not produce any method statements for Enderby. This was contradicted, although I should say without much conviction by Mr Howell and as I have noted I do not attach much if any weight to Mr Howell's evidence. Therefore on this point I feel I must accept what Mr Auckland says and conclude that it was not a normal part of his duties to produce method statements.
- 52 In the event I do not think that anything turns on Mr Auckland's role in respect of policing Health and Safety policy or in relation to method statements since as I understood it, the respondent was not arguing that it was those roles that gave rise to the invention. Rather it was Mr Auckland's normal Health and Safety duty in dealing with accidents that was relevant. Enderby claims that Mr Auckland had a role in investigating accidents involving Enderby workers and in participating in preparing reports into them. Such reports Enderby argue include identifying ways in which similar accidents can be avoided in the future. Unsurprisingly there was a clear difference between the parties on this.
- 53 So what was Mr Auckland's role in respect of accidents? I will leave for one moment the Clifford accident in October 2004 which by Mr Auckland's own admission was the catalyst for the invention. Rather I will start by considering two earlier incidents that Mr Auckland refers to in his second affidavit. The first is a fire which occurred in July 2004 at a site where Enderby contractors were working. According to Mr Auckland this necessitated the calling of the emergency services and resulted in damage costing many thousands of pounds. Mr Auckland claims that he was not informed of this fire until well after the event. However during cross examination he admitted that he had in fact visited the site a few weeks later after seeing a bill for the damage. He went on to confirm that he viewed this as part of his responsibilities as plant coordinator. He also confirmed that nobody had been injured in the fire.
- 54 The second incident Mr Auckland refers to was an excavator rolling over at a site in Bridlington. The precise date of this incident is not clear however Mr Auckland again contends that he was not informed of this accident. This was not disputed by the respondent however Mr Turner argued that Mr Auckland should have been informed in his Health and Safety role but those involved chose not to inform him. Although Mr Turner did not put forward any evidence to support this assertion, he did elicit from Mr Auckland an admission that he would have expected to have been informed of the accident.

- 55 I should at this point mention a further incident that Mr Wade referred to in his oral evidence. This apparently involved a dumper rolling down a hill, again the precise date on which this happened is not clear. According to Mr Wade, Paul Auckland was involved along with Bob Mackness in the preparation of a detailed report of the incident. I should say that this evidence came out only in the course of the hearing. No mention of it was made in any of the statements submitted by the respondent nor, rather surprisingly, did the respondent seek to submit either before the hearing, or in the course of it, a copy of this report. I am also conscious that Mr Auckland did not have the opportunity to comment on this evidence. I do not therefore believe it appropriate for me to give any weight to this evidence.
- 56 I turn now to the Clifford accident in October 2004. This occurred at a site in Clifford North Yorkshire approximately between 2.30pm and 3.30pm on Thursday 14 October. The site manager for Enderby at the time was Mr Glen Howell. According to Mr Howell one of his workers, a bricklayer had fallen down a manhole that he was working on. The worker had managed to climb out of the manhole by the time Mr Howell arrived on the scene. Mr Howell then sent the worker home. According to Mr Howell, the partner of the worker phoned him later to report that the worker was in discomfort and that she was taking him to the hospital.
- 57 Mr Auckland accepts that Mr Howell phoned him on the evening of 14 October to inform him of the accident. Mr Howell stated that in doing this he was following the company's Health and Safety policy, although when pressed by Mr Howard he was unable to explain how he was aware of this policy. He was for example unable to refer to any company document setting it out (neither side sought to submit any such document) nor was he able to confirm that he had been orally informed of the policy by any senior manager at Enderby. Instead he referred to the policy as being "common knowledge" within the company.
- 58 Mr Auckland, when asked why he thought Mr Howell had phoned him, did concede that he "*was the nearest thing that anyone had out there for contact if there should be an accident*". He went on to suggest that the accident should have been first reported to the Barratt site Office at Clifford since Enderby was working for Barratt. That may or may not be the case however it is not really relevant to the issue before me. What matters is what were Mr Auckland's normal duties in respect of accidents? On the basis of the evidence including that of Mr Auckland I am satisfied that these involve at least being the Health and Safety point of contact within Enderby in the event of accidents. Enderby however claim that his responsibilities went further to include investigating accidents and participating in the preparation of reports into them. I therefore need to look further into Mr Auckland's role in respect of accidents. This I can only do by looking into his actions after he was notified of the Clifford accident.
- 59 According to Mr Auckland's first affidavit, having been informed of the accident he then visited the site the next day. Mr Auckland did suggest during cross examination that he was due to visit the site anyway on 15 October to inspect

a damaged container. However when pressed he did concede that if the container had not been there he still would have gone. I took this to mean that he considered part of his Health and Safety duties to involve visiting the site of the accident.

60 Mr Auckland goes on in his first affidavit to state that he :

“paid a visit to the site of the accident on the following day and resolved to check on the safety procedures which ought to have been followed to prevent this sort of accident and to ensure that all relevant employees were reminded of those procedures and told that [he] would be policing them to ensure that these procedures were being observed”

61 He then goes on to say:

“On checking, I discovered that the only procedures recommended by the Health and Safety Executive in respect of holes (including manholes) in the ground and in respect of employees working on or close to them or using them were that the location of any such holes should be clearly marked on the surface (e.g. by cones) but this did not assist in ensuring the safety of an employee working on the brickwork at the top of the hole ready to receive the cover.”

62 During cross examination Mr Auckland’s recollection of what checking he did was less sure, suggesting that he might only have asked Mr Howell or other workers at the site what was expected or that perhaps he had seen something on a poster. He denied checking directly with the Health and Safety Executive (HSE) or consulting any guidance produced by them. I have discussed his apparent backtracking on this part of his evidence above.

63 On the evening of 15 October, Mr Howell contacted Mr Auckland again to report on the condition of the worker. In a further call on 16 October Mr Howell informed Mr Auckland that the worker had been discharged from hospital. On Monday 18 October, Mr Howell again phoned Mr Auckland to advise him that the worker had been rushed back into hospital. According to his first affidavit, Mr Auckland then immediately telephoned John Walsh, Bob Mackness and “the company safety advisors” C&G and arranged a meeting at the Clifford site for the same day with Kevin Connolly (from C&G) and Bob Mackness.

64 Precisely who did what at this meeting and immediately before and after it is not clear. A number of statements appeared to have been taken from those involved in, or those who witnessed the accident. These were passed onto Kevin Connolly who then appears to have taken the lead in the investigation. On Wednesday 20 October, Mr Auckland contacted the HSE to report the accident. Mr MacKinnon also stated that Barratts, on whose site the accident had occurred, also reported the accident to the HSE although it is not clear when this happened.

65 It appears that an accident report was produced for Enderby by Mr Connolly although since again, rather surprisingly, neither side thought fit to submit a

copy of the report, it is not clear who contributed to it; when it was produced; what it said; or to who it was sent. Mr Turner suggested that it is a part of any accident report to provide recommendations for preventing the type of accidents covered by the report from recurring. He referred me to an earlier accident report submitted by Mr Auckland with his first affidavit. Examining this report of an accident involving an Enderby worker, it does indeed include as section entitled "Recommendations for the prevention of any reoccurrence of this type of accident". This section goes on to list a number of measures that could be taken to avoid a similar accident.

66 According to Mr Connolly, the accident report he produced in respect of the Clifford accident did include recommendations, one of which was that Enderby was putting in place controls to stop this type of accident happening again. I do not attach any importance to the specific wording used in any recommendations since the report may well have been produced after the invention had been devised. Rather what both Mr Connolly's evidence and the earlier accident report show is that in following up any accident, it is usual for those reporting the accident to suggest ways of preventing similar accidents. Indeed it seems clear from the testimonies, in particular of Mr Walsh and Mr Wade that Enderby were keen to be seen doing something in order to avoid potentially further action against Enderby by the HSE.

67 So who was responsible for providing these recommendations? It would seem to me that responsibility for doing this lay at least with those involved in investigating the accident. Mr Howard suggested to me that Mr Auckland's role in the investigation was minor. Mr Auckland was adamant that he had had no training in relation to Health and Safety and that included in respect of reporting accidents. I have no reason to believe that that is not the case however I find myself drawn to the paragraphs in Mr Auckland's first witness statement that I have highlighted above. In these he clearly says that he did investigate ways of avoiding similar accidents. As I have noted Mr Auckland did try and downplay his involvement in his oral testimony, however even there he did not deny that he had done some investigating following the accident. It is of course possible that he did this checking out of idle curiosity however I believe that he did it because he thought it was his duty to do it. I am therefore satisfied that Mr Auckland did consider it part of his normal duty to investigate possible ways of preventing similar accidents.

Was the invention made in the course of the normal duties?

68 Having determined that Mr Auckland's normal duties included investigating solutions to prevent accidents reoccurring, I now need to decide whether the invention was made in the course of this duty to investigate. Mr Turner not surprisingly suggests it was. In particular he argues that in carrying out this investigation Mr Auckland identified a need for a device that would prevent workers from falling down manholes, or from hurting themselves if they did, and yet would still allow them to work on the manhole. He goes on to suggest that having identified the need for a device the invention would naturally follow. He suggests that Mr Auckland discussed with other Enderby employees, in

particular Mr Howell, possible ways of doing this in the days following the accident. This was not denied by Mr Auckland when it was put to him during cross examination.

69 Mr Auckland's first affidavit suggests that he spent a considerable amount of his spare time following the accident working on the invention. He says that he took some days off as holiday to work on it. It was clear that Mr Auckland was trying to suggest that the invention was made outside of his normal working hours and in his own time. Mr Turner did seek to argue that Mr Auckland did not actually have any set hours. The evidence, particularly the evidence of Mr Auckland did seem to support this although for most days Mr Auckland did seem to start and finish at fairly regular times. Mr Auckland also accepted that he would undertake tasks in the evenings and at weekends. During cross examination Mr Auckland accepted that any holiday that was taken was done so after the 4 November. This, Mr Turner argued, meant that if Mr Auckland worked on the invention during the day in the week following the accident, as he seemed to suggest in his evidence, then he was doing so in work time. I must say that I did not find Mr Auckland's evidence on this at all reliable. It is clear that Mr Auckland was involved in investigating the accident including discussing possible measures to avoid similar accidents during the days following the invention.

70 In any event Mr Turner suggested that the invention would still be made in the course of his duties according to section 39(1)(a) even if Mr Auckland carried out some of his duties outside his normal working hours. Mr Turner referred me to the Office's earlier decision in *Peart's Patents*. In that case the Hearing Officer in commenting on a claim that the invention had been made in the employee's own time said:

"I am not convinced that anyone can compartmentalise their thoughts to such an extent that none of the effort involved was performed during working hours. In any event if a person employed to solve a particular problem conceived the solution outside working hours any resulting invention would still have been made in the course of his duties and would therefore belong to his employer."

71 He also suggested that this case had some similarity to *Staeng's Limited Patent*. In that case although the employee's normal role centered on the marketing side rather than the technical side, on the evidence his duties were held to be wide ranging including an innovative and developmental aspect. Having considered this authority carefully I am of the opinion that the underlying facts are simply so different from the present case that it would be wholly inappropriate to rely on it on this point. For example the nature of the duties of the employee in *Staeng* was much more clearly set out than here; they clearly included the making of new products and the employee already had a history of innovation with the employer.

72 Mr Howard also sought to draw parallels with other authorities. In *Harris' Patent* he pointed me to the consideration given by Falconer J. to Mr Harris' normal duties. Like in this case, Mr Harris' was not employed to design or

invent. He was essentially a salesman who also gave after-sales service. Whilst he would in the normal course of his duties become aware of problems with the valves he sold, those problems would be passed to a third party to solve. His employer never solved them nor was it a normal part of Mr Harris' duties to solve them. Whilst on the face of it this case has some similarities with the present case there are differences. In particular I am drawn to the observation by Falconer J. at page 34 that there was no evidence that Mr Harris was ever instructed, in any case where a customer was experiencing difficulties with a Wey valve or valve installed in the customer's plant, to carry out a detailed investigation of the causes of, or to make an appreciation of, the reasons for the difficulties being experienced by the customer. In the present case there clearly was an investigation and as I have already found, Mr Auckland had duties in respect of that investigation.

73 The final case that I was referred to by Mr Howard was *Greater Glasgow Health Board's Application*. Here Jacob J. stated that:

"The particular circumstances of M making the invention had nothing to do with the carrying out of his duties. Whilst M's invention might be a useful accessory to his contracted work it was not really part of it."

74 Again there were significant differences to the present case. At the time of making the invention, M was a junior registrar spending nearly all his time treating patients. He made the invention in his own time when he was preparing for some further examinations. He was not treating a patient and there is no indication that he had a duty to solve any particular problem.

75 I have carefully considered all the authorities referred to me. None I believe really assist me. Instead I need to carefully consider Mr Auckland's duties and decide in line with the wording of section 39 whether the invention was made in the course of those normal duties. I have found that Mr Auckland had a duty to investigate an accident and to come up with recommendations as to how similar accidents could be avoided. In the course of that investigation Mr Auckland made the invention. I am therefore satisfied that the answers to the third question posed by Kitchen J. in *LIFFE* is yes – the invention was made in the course of Mr Auckland's normal duties.

76 For the invention to belong to Enderby however I also need to be satisfied that the circumstances were such that an invention might reasonably be expected to result from carrying out this duty.

Were the circumstances such that an invention might reasonably be expected to result from carrying out this duty?

77 In *Harris' Patent* Falconer J. considered in some detail the nature of this requirement. He stated:

"Miss Vitoria submitted that the circumstances referred to in paragraph (a) [of section 39] must be the circumstances in which the invention was made; and it seems to me that submission must be right. Mr Pumfrey, in

the course of his argument, pointed out that the wording of the paragraph was “an invention might reasonably be expected to result” and not “the invention might” and so on. But plainly the wording “an invention” cannot mean any invention whatsoever; it is governed by the qualification that it has to be an invention that “might reasonably be expected to result from the carrying out of his duties” by the employee. That wording applies equally to the second alternative of paragraph (a), that of “specifically assigned” duties falling outside the employee’s normal duties; and therefore in my judgment the wording... must be referring to an invention which achieves or contributes to achieving, whatever was the aim or object to which the employee’s efforts in carrying out his duties were directed..., that is to say such an invention as that made, though not necessary the precise invention actually made and in question. The circumstances to be taken into account for the purposes of paragraph (a) will of course depend on the particular case, but clearly a circumstance which must always loom large will be the nature of the employee’s duties... The nature of Mr Harris’ normal duties have to be examined, therefore, from this aspect also.”

- 78 I have already discussed Mr Auckland’s duties. It is clear that Enderby is not a company that undertakes research and development of new products. It does not appear to have any history of invention. Mr Auckland was not employed to invent nor, even though he appears a fairly hands on person, does he appear to have a history of invention. So is it reasonable to expect that an invention would result when he put his mind to considering how to avoid the type of accident that occurred at Clifford? Mr Turner suggested, again notwithstanding his earlier caution about relying on previous cases, that this case had some similarity with *LIFFE*.
- 79 In that case whilst the inventions in question were not made in the course of the employee’s normal duties, they were found to be made in the course of duties specially assigned to him. This was the case even though some of the inventions had a wider application than the problem assigned to the inventor because, whilst he had been specifically assigned to develop a new ‘future’, this term was used in a broad sense to include other products that could be electronically traded. It was also found that an invention might reasonably be expected to result from the carrying out of this specially assigned duties because *LIFFE* had a history of developing new products, and the employee was known to be a person who had the ability to devise non-obvious solutions, and there was no obvious solution to the problem, so any solution would have to be innovative.
- 80 Here according to Mr Turner, having identified the need for a device, the invention would naturally follow. Unsurprisingly this was not a view shared by Mr Howard and on this point I agree with Mr Howard. What Mr Auckland did was to check what guidelines applied to the problem. Having done this he found that there were no appropriate guidelines. It might then seem reasonable to expect, given the nature of the company and the nature of his duties, that Mr Auckland would possibly do more investigating to determine whether an off-the-shelf solution to the problem was already available. I note in

passing that Mr Mackinnon did refer to what he termed “a soft bag landing system” which is apparently a large bag that you put down a manhole to presumably cushion a fall. In fairness to Mr Mackinnon he did say it might not be appropriate. That said even if no off the-shelf solution could be found it would only seem reasonable for Mr Auckland to then seek external advice regarding a possible solution. This would be entirely consistent with both his and Enderby’s general approach to dealing with Health and Safety issues. It would also be as far as any reasonable expectation could go.

81 In reaching this conclusion I was especially mindful of why Mr Auckland and Enderby were undertaking the investigation. It was not with the purpose of inventing something. Mr Auckland was not employed to invent. Enderby was a construction company; it did not sell any products; it did not invent things. The purpose of the investigation was partly to avoid any similar injuries in the future although it seemed to be generally agreed that this was not a common type of accident. Rather I would submit the main reason for the investigation was to demonstrate, especially to the HSE, that Enderby was doing something in response to the accident. To therefore expect that an invention would result from Mr Auckland carrying out this duty would not seem reasonable. That it did is beside the point.

82 I should add that whilst I have some slight doubts regarding my finding that the invention was made in the course of Mr Auckland’s normal duties, I have no doubt that the circumstances were not such that an invention might reasonably be expected to result from carrying out these normal duties.

Duties specifically assigned to Mr Auckland

83 I turn now to the question of whether the invention was made in the course of duties falling outside Mr Auckland’s normal duties but specifically assigned to him.

84 Enderby submits that shortly after the accident Mr Walsh gave Mr Auckland an oral instruction to go away and find a solution to the problems associated with open manholes. What I need to determine is whether or not such an instruction was given, and if it was when and how it was presented to Mr Auckland. I also need to consider what would it be reasonable to expect that Mr Auckland to have understood any instruction to mean.

85 There is no contemporaneous documentary evidence to assist me in answering these questions and so I am effectively left with only the testimonies of the witnessed to rely on. I shall begin with Mr Walsh’s account of events and reproduce the most relevant comments from his written statement:

“16. On the 14th October 2004 I became aware, as a result of a telephone call that I received from Paul Auckland, that an employee ... had sustained an injury as a result of falling down a manhole. Mr Auckland attended the site in his role as the health and safety representative. I told Mr Auckland that the welfare of my employees was paramount and that he should now find a solution to this problem

so that this could not happen again. I informed Paul that money and time was no object, as the safety of our employees and contractors was very important to me.

19. My main concern was to ensure that my employees did not experience such a problem in the future. This was a task Paul Auckland had specifically been assigned. I had told Paul that money was no object ...”

86 In his oral testimony Mr Walsh suggested initially that the telephone call mentioned above might actually have taken place on Saturday 16 October rather than 14 October, though later when pressed by Mr Howard he seemed even less certain. Indeed I was left with the impression that the conversation in which Mr Walsh claims to have instructed Mr Auckland to find a solution might have taken place after a number of previous conversations regarding the accident and so I must not exclude the conversation taking place after 16 October 2004. According to Mr Walsh he told Mr Auckland on 10 or 12 occasions during the next week or two weeks after the accident that “*we had to sort the problem because we had to find a solution to the problem*”. He also added that he was getting very concerned that Enderby was going to be investigated by the HSE.

87 Support for Mr Walsh’s position came from Mr Wade and Mr Howell who both made written statements to the effect that they were aware that Mr Walsh had given an instruction to Mr Auckland. Mr Wade states that he became aware of this after discussing the manhole accident with Mr Walsh. He adds:

“John told me that he had told Paul Auckland that money was no object and that Paul had been instructed to develop a device as part of his specific employment and his role as Health and Safety Officer”.

88 The date of this discussion was not given in the statement but under cross examination Mr Wade indicated that it took place approximately two weeks after the accident, i.e. on or around 28 October 2004.

89 Mr Howell stated that Mr Auckland told him that he [Mr Auckland] had:

“been told by John Walsh the Managing Director of Enderby Construction Limited that he had to look at ways of ensuring that this type of accident never happened and that it was his role now to design a device that would prevent this type of accident in the future”

90 The suggestion in Mr Howell’s statement was that this conversation took place on the day that Kevin Connolly visited the site, which is generally accepted to be 18 October. Under cross examination Mr Howell seemed to become slightly unsure about the actual date. In any event he maintained that it was on the day that Kevin Connolly visited.

91 In his written response to Mr Walsh’s comments, Mr Auckland stated:

"I categorically deny the content of the third and fourth sentences [of paragraph 16]. Mr Walsh does not state when and where he made these alleged statements to me but I repeat that he never made any such statement to me or gave me any such instructions."

"The second and third sentences [of paragraph 19] are categorically denied. Once again no evidence is given as to the date or method of assignment of such a task or by whom the assignment was made."

- 92 Under cross examination Mr Auckland stood by his statements and denied any instruction being given. I note especially that in Mr Auckland's cross examination it was put to him several times that the instruction from Mr Walsh was given on 19 October 2004, the day after a discussion with Mr Howell about possible solutions to the problem was supposed to have taken place and the day before a report was filed with the Health and Safety Executive. Mr Auckland maintained his position that he was never instructed by John Walsh to find a solution.
- 93 So who is right? The evidence given by both Mr Wade and Mr Howell is obviously hearsay evidence since neither was present when Mr Walsh is alleged to have instructed Mr Auckland. I therefore need to be mindful of the weight that I give this evidence. The statement of Mr Wade also relates to a discussion held some time after the accident and indeed almost certainly after the invention was made. He also does not say when the conversation between Mr Walsh and Mr Auckland is supposed to have taken place. I cannot discount the possibility that the conversation that Mr Walsh refers to may also have taken place after the invention was made. Mr Wade did go on to suggest in his oral evidence that he had conversations with both Mr Walsh and Mr Auckland after the accident and both confirmed that Mr Walsh had authorized Mr Auckland to "resolve the problem". This obviously went beyond what he had put in his witness statement which mentioned only a conversation he had had with Mr Walsh. Mr Howard was right I believe to question why, if this conversation had taken place between Mr Wade and Mr Auckland, it was not mentioned in Mr Wade's witness statement.
- 94 Mr Howell's statement relates to a conversation that took place on the same day or shortly after the conversation in which Mr Walsh is supposed to have given an instruction to Mr Auckland, however cross examination has introduced considerable doubt in my mind over the accuracy of his recollections. I also can't help but notice the very similar way in which the statements of Mr Wade and Mr Howell are worded with both saying that Mr Walsh's instruction was not limited to just ensuring that this type of accident did not happen again but also that Mr Auckland should "design" or "develop" a device.
- 95 I have already indicated that Mr Howell was not a reliable witness. I am minded therefore to attach no weight to his evidence. Mr Wade however was a much more credible witness. His statement nevertheless states that he was told by Mr Walsh that he had told Mr Auckland to "develop" a device as part of his specific employment. As has been noted this conversation took place two

weeks after the accident and after the invention had been made. It is I believe entirely conceivable that, if this conversation did take place, it was in the context of an invention that had already been made and referred to the development of the invention into a saleable product. It is not disputed that Mr Walsh and Enderby provided financial and other support to Mr Auckland in respect of the patent fees and the manufacture of prototypes. What consideration Enderby or Mr Walsh received for this is not an issue for me here although there were numerous references throughout the proceedings to an agreement to share any profits. Weighing up all these factors leads me to conclude that I should not attach much weight to Mr Wade's evidence on this particular point.

- 96 This therefore leaves just the conflicting evidence of Mr Walsh and Mr Auckland for me to weigh up. Mr Walsh's recollection of what instructions he gave Mr Auckland was not particularly good whereas Mr Auckland remained adamant that he was given no such instructions. Having carefully considered all the material before me I am unable to conclude that Mr Auckland was given a specific task of inventing a device. It is I believe possible, indeed likely, that Mr Walsh, concerned to ensure that Enderby was seen to be doing something in response to the accident, relayed those concerns to Mr Auckland. However the extent of the duty assigned to Mr Auckland in such circumstances would not in my opinion extend any further than the normal duty that he had to investigate the accident which I discussed above.
- 97 When I consider the requirement, that applies equally to specifically assigned duties, that the circumstances were such that an invention might reasonably be expected to result from the carrying out of the duties then, I must again say that they were not. This is for exactly the same reasons that I have set out above in respect of Mr Auckland's normal duties.
- 98 I conclude by saying that the only circumstances in which I believe that section 39(1)(a) could have applied in this case would have been if Mr Walsh had given Mr Auckland a specifically assigned duty to invent a device. On the basis of the evidence before me I do not believe that the respondent has demonstrated that such a duty was assigned to Mr Auckland.
- 99 Having decided that the invention does not belong to Enderby by virtue of section 39(1)(a) I turn now to the final issue: does the invention belong to Enderby by virtue of section 39(1)(b)?

Mr Auckland's obligations to the Enderby

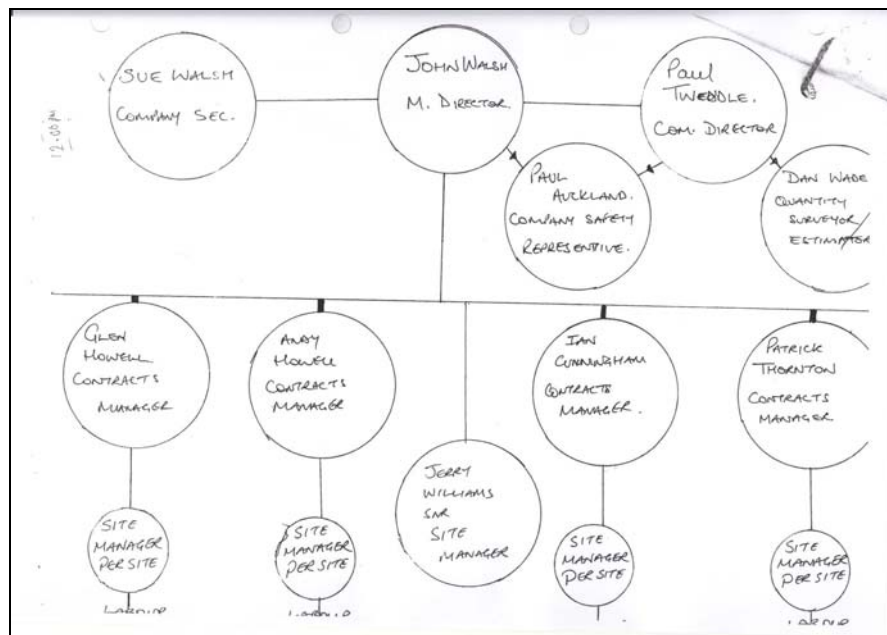
- 100 Under section 39(1)(b) an invention made by an employee will belong to his employer if the following conditions are met:

- (i) *the invention was made in the course of the duties of the employee and*
- (ii) *at the time of making the invention, because of the nature of his*

duties and the particular responsibilities arising from the nature of his duties he had a special obligation to further the interests of the employer's undertaking.

- 101 I have already determined that the invention was made in the course of Mr Auckland's normal duties. I need now to decide whether the second requirement has been met.
- 102 In *Harris' Patent* Falconer J. in commenting on section 39(1)(b) noted that:
- “the wording of the paragraph under condition ii) clearly envisages that the extent and nature of the “special obligation to further the interests of the employer's undertaking” will depend upon the status of the employee and the attendant duties and responsibilities of that status. Thus plainly the position in this regard of a managing director whose obligation to further the interests of his employer's undertaking of which he is managing director will, no doubt, extend across the whole spectrum of the activities of the undertaking, will differ from that, of say, a sales manager”*
- 103 In that case Falconer J. went on to find that Mr Harris had an obligation by reason of the nature of his duties and particular responsibilities that was no more than to effect sales of Wey valves and ensure after-sales service. Beyond that he had no further obligation to further the interests of his employer. At the time, Mr Harris was the manager of the Wey valve department yet his responsibilities did not extend to hiring or firing staff or agreeing holidays and he did not attend board meetings.
- 104 Mr Turner argued that section 39(1)(b) did not just apply to directors of companies. If it had been intended to be limited in this way it would have said so. He went on to suggest that it must at least extend to senior managers at a level immediately below that of the directors. He sought support for this from the comments of the hearing officers in both *Staeng's Patent and Peart's Patent*. I do not need to recite the relevant paragraphs for the simple reason that this was not contested by Mr Howard.
- 105 So what was Mr Auckland's status in the company? It is abundantly clear that Mr Auckland and Mr Wash have enjoyed a close friendship spanning in excess of 20 years. A friendship of such nature may have earned Mr Auckland a greater respect from colleagues within Enderby but it does not necessarily equate to the high level of responsibility seemingly contemplated by section 39(1)(b).
- 106 His Health and Safety role may have given him a bit more clout in his relationship with site employees but he was, at the time, still reporting to Mr Mackness, even if Mr Mackness was only working short weeks in the run-up to his retirement. Even if his Health and Safety role occupied 100 percent of his time, I do not believe that this would elevate Mr Auckland to a position more senior than the role of other contracts managers.

107 Various organograms were submitted by both sides purporting to show Mr Auckland's position within the company. The one submitted by Mr Auckland bracketed him with all the other contract managers at a level below that of Mr Walsh, "The Board" (whoever that may encompass), Paul Tweddle and Mrs Walsh. In contrast the organogram submitted by the respondent (shown below), which seemed to have been produced more hastily, shows Mr Auckland in possibly a more elevated position within the company. There was much discussion on these organograms during the hearing; a large part of this discussion seemed to stem from an apparent mix up in the evidence by the respondent. In any event I think rather too much has been made of these organograms and to be quite frank I have concerns not just about their accuracy but also their authenticity. For example, the organogram submitted by the respondent does not appear to relate to Enderby at the time that the invention was made since there is no reference to Bob Mackness nor does it list Mr Auckland's other duties in respect of plant coordinator and contract manager. Putting my concerns to one side however, it was made quite clear by Mr Connolly that they were created solely for the purpose of a Health and Safety policy document and this provides a plausible reason why the information may not reflect the actual jobs and hierarchical structure within Enderby. Consequently I do not think I can take anything from either of these organograms in particular the one submitted by the respondent.



108 Mr Auckland asserts that his position within the company was not that high. Unlike Mr Walsh, Mr Wade, Mr Mackness, and Mr Tweddle (Commercial Director), Mr Auckland did not enjoy the privilege of having a desk at the company office; instead he worked mainly from his company-owned vehicle. Mr Auckland's terms of employment do not appear to have been updated as his roles evolved. There was no evidence that he had a rate of pay higher than other contract managers or that he benefited from other perks not enjoyed by the other contracts managers. Mr Auckland appears to have had the benefit of a company healthcare plan and this might be used as an indicator of a more senior position, however, no evidence has been produced to show that this

was a perk enjoyed only by the senior personnel within Enderby and consequently I cannot read too much into this benefit.

- 109 There seems to be agreement that Mr Auckland sat on at least one disciplinary panel but it would seem that he did so as the Contracts Manager for the site where the employee in question worked. According to Mr Walsh's evidence, the lead role in such matters would always have been Mr Mackness.
- 110 Mr Auckland may have been called a "Senior Manager" by Enderby and he certainly had a degree of freedom especially in his role as plant coordinator to negotiate the best prices for both hiring equipment and for any repairs to equipment. However even in this role it was clear that he had only limited authority. He referred for example to being able to authorise repairs only up to a limit of £200-£300. Any greater expenditure required authorisation from Mr Walsh.
- 111 Having carefully considered all the authorities referred to me and after weighing up all the evidence I am left in no doubt that, at the time the invention was made, Mr Auckland's duties and the particular responsibilities arising from the nature of his duties were not such that he had a special obligation to further the interests of the employer's undertaking. Therefore I find that the invention does not belong to Enderby by virtue of section 39(1)(b).

Summary and Declaration

- 112 I have found that the invention was made in the course of Mr Auckland's normal duties but the circumstances were not such that an invention might reasonably be expected to result from the carrying out of those duties.
- 113 I have also found that Mr Auckland was not specially assigned duties and the circumstances were such that an invention might reasonably be expected to result from the carrying out of those duties.
- 114 I have also found that at the time of making the invention, because of the nature of his duties and the particular responsibilities arising from the nature of his duties Mr Auckland did not have a special obligation to further the interests of his employer's undertaking.
- 115 I therefore declare that by virtue of section 39(2) the invention belongs to Mr Auckland.

Costs

- 116 Neither side has sought an award off the published scale if they won. The claimant did argue for a reduction in any cost award against it on the basis of the way that the respondent handled its case, in particular in forcing the claimant to submit what it considered large quantities of ultimately unnecessary evidence. In the event the claimant has won and therefore I need only consider the quantum of costs to be awarded in its favour. As Mr Turner observed, entitlement disputes can be quite messy affairs and this one is perhaps no exception. Both sides have I believe caused the other unnecessary

expense however not to an extent that would justify a departure from the published scale. I therefore award the claimant the sum of £3000 to be paid by the respondent not later than 7 days after the expiry of the appeal period. If an appeal is lodged, payment will be suspended pending the outcome of the appeal.

Appeal

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

Phil Thorpe

Deputy Director acting for the Comptroller