

10 July 2012

PATENTS ACT 1977

APPLICANT Mr Duncan James Parfitt

ISSUE Request under section 74A of the Patents Act 1977
for an opinion on patent number GB 2436776

HEARING OFFICER

DECISION

Introduction

- 1 This decision relates to whether a request for an opinion should be refused.
- 2 The opinion request in issue was filed by Mr Duncan James Parfitt on 6 October 2011. In his request Mr Parfitt asks for an opinion as to whether two companies Ceres Power Ltd and Axium Process Ltd are infringing his patent, GB 2436776.
- 3 In a letter dated 17 October 2011, Mr Parfitt was informed that the Office was minded to refuse his request for an opinion as it did not raise any new question not considered by an earlier opinion requested by Mr Parfitt in respect of the same companies.
- 4 Mr Parfitt was given an opportunity to explain why the request should be allowed which he did in writing and also during a telephone hearing on 10 April 2012.
- 5 Shortly after the hearing, the Office provided further information to Mr Parfitt concerning the earlier opinion which I considered might be of relevance. Mr Parfitt was given a further 1 one month to respond to that additional information.

The law

- 6 The relevant provision of the Patents Act 1977 so far as this decision is concerned is Section 74A(3). This reads:

The comptroller shall issue an opinion if requested to do so under subsection (1) above, but shall not do so-

(a) in such circumstances as may be prescribed, or

(b) if for any reason he considers it inappropriate in all the circumstances to do so.

7 The prescribed circumstances referred to in sub-paragraph (a) above are set out in Rule 94 of the Patent Rules 2004 as amended. This reads:

(1) The comptroller shall not issue an opinion if-

(a) the request appears to him to be frivolous or vexatious; or

(b) the question upon which the opinion is sought appears to him to have been sufficiently considered in any relevant proceedings.

Background

Mr Parfitt's first opinion request

8 Mr Parfitt filed his first request for an opinion on 10 October 2009. That request sought an opinion as to whether Axium Process and Ceres Power were infringing his patent, GB2436776B. Both Axium Process and Ceres Power filed observations denying any infringement and Mr Parfitt then duly filed his observations in reply.

9 The Opinion, which was issued as Opinion 01/10 on 6 April 2010, concluded that neither Axium Process nor Ceres Power was infringing Mr Parfitt's patent.

The Review of the first opinion

10 Mr Parfitt subsequently applied for a review of the opinion under Section 74B arguing that the opinion had wrongly construed the extent of protection provided by his patent.

11 The application for the review was copied to both Ceres Power and Axium Process. Both subsequently filed responses. Ceres Power noted that it stood by its observation made in response to the initial request for the opinion that its technology does not incorporate the features set out in the claims of the patent. Axium Process remained of the view that Mr Parfitt had provided no evidence of any infringement of the patent on its part.

12 All sides were content that I decide the matter of the review on the basis of the papers filed. In a decision¹ dated 12 November 2010, I concluded that the opinion had not, by reason of its interpretation of the patent, wrongly concluded that there was no infringement. I therefore refused to set the opinion aside.

13 On the matter of costs, my review decision included the following:

“Costs

22. Ceres Power and Axium Process have in effect been successful in this dispute. They are therefore entitled to a cost award in their favour payable by Mr Parfitt.

¹ BL O/394/10

23. It is a long-established practice for costs awarded in proceedings before the comptroller to be guided by a standard published scale. The scale costs are not intended to compensate parties for the expense to which they may have been put but merely represent a contribution to that expense. This policy reflects the fact that the comptroller is intended to be a low cost tribunal for litigants, and builds in a degree of predictability as to how much proceedings before the comptroller, if conscientiously handled by the party, may cost them.
24. In this particular case, given the minimal amount of material submitted and because a decision was taken without a hearing, it is likely that any cost award will be at the very lowest end of the scale. Subject to any arguments to the contrary, I would not expect any cost award to be exceed £200 to each of the successful parties.
25. I will give both Axium Process and Ceres Power two months from the date of this decision in which to clarify whether they wish a cost award in their favour and if so whether they are content for it to be in line with the published scale. If either of these parties requests an award then I will invite further submission from Mr Parfitt before deciding on the matter. If neither Axium Process nor Ceres Power seeks an award of costs then that would conclude these proceedings before the comptroller.”

14 Only Ceres Power responded indicating that it wished to apply for costs. In response Mr Parfitt was invited to respond solely on the matter of costs. This he did in a letter received 9 May 2011. Although the letter touched on a number of issues unrelated to the matter of costs, it was clear that Mr Parfitt wished to contest the award of any costs against him.

15 The Office then contacted Ceres Power to advise it that the award of costs was being contested and that it was possible that a hearing might be required prior to any decision being taken. Following further discussion with the Office, Ceres Power indicated in writing on 3 August 2011 that it was withdrawing its application for costs.

The second request for an Opinion

16 Mr Parfitt filed his second request for an opinion on 6 October 2011. The request again sought an opinion as to whether Ceres Power and Axium Process were infringing patent GB2436776.

17 The statement accompanying the request, though not entirely clear, appeared to be relying on the fact that Ceres Power had withdrawn its application for costs in the review as additional evidence that it was indeed infringing the patent.

- 18 The Office wrote to Mr Parfitt on 17 October 2011 indicating that it was the preliminary view of the Office that the request for this second opinion should be refused as it did not really provide any new evidence not considered by the earlier opinion. Mr Parfitt was given the opportunity to be heard which he did in a telephone hearing before me on 10 April 2012.
- 19 In the course of the hearing I asked Mr Parfitt to explain what evidence of infringement was there in this latest request that was not considered by the earlier opinion. Mr Parfitt confirmed that it was the argument that the action of Ceres Power in not pursuing an award of costs in its favour could only be construed as an admission by it that it was infringing the patent.
- 20 Following the hearing the Office provided some further details of the discussions it had held with Ceres Power following Mr Parfitt's indication that he wished to oppose any award of costs. Mr Parfitt was given a further opportunity to make submissions on this additional information which he did.

Analysis of the arguments

- 21 The purpose of the opinion service is to assist parties resolve disputes without the need for costly litigation. More specifically it is intended to provide a cheap, relatively quick, yet authoritative opinion on the key technical issues in any dispute.
- 22 Opinion requests relating to infringement will typically seek to demonstrate that the alleged infringing item possesses or does not possess all the essential elements set out in the claims of the patent. Requests will usually provide sufficient technical details of the alleged infringing item to enable the examiner, who is technically qualified, to conclude whether or not there is any infringement of the patent.
- 23 In Mr Parfitt's case, it is clear from the first opinion that he has not provided anywhere near the necessary technical information to enable an examiner to conclude there is any infringement. For example the first opinion notes that Mr Parfitt had "provided no evidence whatsoever that Ceres Power is infringing his patent". The opinion came to a similar conclusion in respect of any possible infringement by Axium Process.
- 24 In making a further request for an opinion Mr Parfitt had the opportunity to provide the sort of evidence that was clearly lacking in his first request. He could for example have sought to provide more technical details of the products supplied or made by Ceres Power or Axium Ltd that were, in his view, infringing his patent. He could have provided a comparative analysis of these products with the requirements of his patent claims, taking into account the discussion of his patent in the first opinion. He has unfortunately done none of this. Rather he relies instead on a single piece of additional circumstantial evidence. That circumstantial evidence is the inference to be drawn from Ceres Power withdrawing its application for costs.
- 25 Even if the additional circumstantial evidence had been strong then I would still have been of the view that testing it in a process which has no provision for oral

evidence and which relies essentially on the technical expertise of a senior patent examiner would not have been an appropriate use of the opinion service. In the event the additional evidence presented by Mr Parfitt is in my view at best extremely flimsy.

- 26 Ceres Power has refuted Mr Parfitt's claim of infringement at every stage of the process up to consideration of the costs award. The most plausible explanation behind its decision not to pursue costs is that it concluded that any benefits in terms of monetary reward, or as deterrence to Mr Parfitt pursuing the matter further, were more than outweighed by the possible additional cost and burden of responding to Mr Parfitt's opposition to any cost award. This included the potential cost of participating in a hearing on the matter. Had Ceres Power known that Mr Parfitt would seek to use its decision not to pursue costs against it then I very much suspect that Ceres Power would not have withdrawn its application for costs.
- 27 So far as I can determine, the only additional evidence put forward in respect of Axium Process is like that in respect of Ceres Power entirely circumstantial. Mr Parfitt's case seems to be that in not asking for costs in the first place it was admitting infringement. I see little or no merit in this argument and certainly not enough to justify proceeding with the opinion request.
- 28 I would also note that I did consider in this instance allowing the request to be copied to both Axium Process and Ceres Power and then to await their response before considering whether to refuse the request. I concluded however that it would be unfair to both Ceres Power and Axium Process to have to incur the additional cost of having to respond to what is clearly in my view a request that should be refused.
- 29 Hence in summary I am satisfied, having taken all the circumstances into account, in particular the nature and strength of the additional evidence provided in the request for the second opinion, that it would be inappropriate to issue an opinion.
- 30 Having concluded that it would be inappropriate in all the circumstances to issue an opinion it is not necessary for me to consider whether the second request should also be refused as being vexatious.

Conclusion

- 31 I have carefully considered all the circumstances, most notably the strength of evidence submitted by Mr Parfitt in his second request, and have concluded that it would be inappropriate to issue an opinion in this instance. The request for an opinion filed by Mr Parfitt on 6 October 2011 is therefore refused.

Appeal

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