

# Tribunal Practice Notice (TPN X/2009)

## Practice in Patent Proceedings before the Comptroller

### 1. Introduction

1.1 This Tribunal Practice Notice (TPN) advises Intellectual Property Office<sup>1</sup> customers of changes in the way the Office conducts *inter partes* patent hearings. The changes result from a review of the comptroller's tribunal function relating to patents. They have been the subject of consultation with users and continue recent developments in practice intended to speed up proceedings and to reduce their cost and complexity.

1.2 The practice set out in this Notice will be applied to new proceedings from 1 July 2009. Elements of the new practice may be applied to existing proceedings at the hearing officer's discretion.

1.3 Practice up to the date of this Notice has been based on TPN 1/2000 together with some more recent developments including those in TPN 6/2007, all of which have been consolidated from time to time into the Patent Hearings Manual (PHM) and the Litigation Manual. Practice continues to be based broadly on TPN 1/2000 but TPN 6/2007 is superseded by this Notice.

1.4 The content of this TPN has been incorporated into the July 2009 versions of the [Patent Hearings Manual](#) and the [Litigation Manual](#). Practitioners may consequently rely on the manuals as up to date sources of information on practice, including the new practice in this TPN, while the TPN itself serves the purpose of highlighting the new developments.

### 2. Principles of the changes

2.1 A strong message to emerge from the review was that flexibility is essential and that a standard "one size fits all" procedure will not deliver the desired benefits. The main thrust of the changes is the firm management of cases by hearing officers in such a manner as to limit the issues, focus the parties' attention on them and bring the proceedings to an early conclusion. In accordance with this flexibility, whilst the new measures will be applied generally, they are not intended to restrict the ability of hearing officers to manage cases as they see fit.

### 3. Management of proceedings

3.1 **Written preliminary evaluations.** Users have indicated that they would find it helpful to receive one or more written preliminary evaluations

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<sup>1</sup> Intellectual Property Office is an operating name of the Patent Office

during proceedings before the Office, similar to those produced by the EPO Boards of Appeal. It is intended that a Preliminary Evaluation (PE) will now issue in most patent proceedings before the comptroller. An exception may be where an opinion under section 74A has already been obtained by one of the parties addressing the issues in question. PEs will not be binding on the hearing officer. His or her decision on the matters in question will not be finalised until all procedures are completed and all representations have been made.

3.2 The aim of the PE will be to focus the parties' minds on the key issues by exposing the strength or otherwise of their cases and so lead to more efficient conduct of the proceedings, including the hearing. This may be achieved in some cases simply by highlighting questions the hearing officer considers important. In other instances the evaluation may go further and indicate the hearing officer's provisional view of the matters to be decided. The PE is likely to be briefer and less fully reasoned than the Office's section 74A opinions. It will not constitute a decision and will consequently not be appealable.

3.3 Where validity is in issue, it is expected that the PE will highlight the need for the patentee to identify claims alleged to have independent validity. It could also sideline prior art that has no real relevance to the matter to be decided. In other disputes which rely heavily on evidence, a PE would enable the hearing officer to give guidance on the issues which need to be proved and so avoid the filing of unnecessary evidence. In each case it is expected to highlight the key issues to be considered.

3.4 It is likely that the hearing officer will issue a PE either after the pleadings stage or after the evidence rounds. He or she will consider at which point it is most likely to result in focusing the issues and reducing unnecessary activity.

3.5 PEs will have little or no purpose if the parties ignore them. Therefore, parties will be made aware that when awarding costs the hearing officer will consider whether a party has acted unreasonably in the light of the PE by, for example, pursuing aspects of a case which have been notified as irrelevant to the final outcome. If in the event it transpires that they were indeed irrelevant, such unreasonable behaviour could attract off-scale costs.

3.6 **Evidence rounds.** At present in patent proceedings before the Office, evidence is filed in sequential rounds, first by the claimant, then the defendant, and with a final round of evidence by the claimant strictly in reply. Six weeks is usually allowed for each round. An alternative would be for the parties to exchange their main evidence simultaneously and to allow both parties a period in which to exchange evidence strictly in reply. It is considered that in appropriate cases, this procedure would encourage the parties to focus on what must be proved and therefore introduce fewer

peripheral matters into the proceedings. Having only two evidence rounds also has the benefit of shortening the overall duration of the proceedings.

3.7 This procedure will not be suitable in all cases; the defendant may not always be in a position to file evidence until he has seen the evidence against him and a simultaneous procedure would risk the defendant having to cover a wider range of possibilities than is really necessary. In such cases, the usual sequential exchange of evidence may be appropriate. The hearing officer will consider in each case which procedure is most likely to concentrate the parties on the key issues and avoid proliferation of unnecessary evidence, and will direct accordingly.

3.8 **Single hearing officer throughout the proceedings.** Currently, a single hearing officer usually handles each case from start to finish. A different hearing officer may occasionally hear a preliminary matter for convenience, or for case management reasons (such as the admission of privileged documents which the main hearing officer should only see if admitted). It is clearly more efficient and likely to incur less lead-time for a single hearing officer to deal with the entire proceedings in each case. In future whenever it is possible (and allowing that in some circumstances such as that noted above it will not be) a single hearing officer will deal with each case throughout.

3.9 **Setting the hearing date.** Although the practice of inviting the parties to propose the timetable for evidence rounds, introduced in TPN 6/2007, is to be discontinued (see section 6 below), Litigation Section will still invite the parties to agree a date for the hearing. The case officer will propose a window, which may be 1 to 2 months depending on the events of the proceedings, such as the timing of a PE, whether sequential or simultaneous evidence rounds, whether a joint report is required from expert witnesses, whether the parties have requested a stay for ADR etc. The Office will require the parties to select a mutually acceptable date within the window. The intention is that the hearing date will not be changed once it has been fixed.

3.10 Under current arrangements, there is typically a 2 to 3 month period between the final evidence round and the hearing. Users have commented that this dead time increases costs because legal advisors have to reacquaint themselves with the case before the hearing. We are therefore adopting the suggestion that the hearing can take place sooner if the parties wish. The window set for the hearing will take this into account.

3.11 **Limited duration of hearings.** Users have strongly advocated that hearings should be limited to a maximum of two days, with the parties proposing how this time should be divided between them. Experience suggests that there should be no difficulty in this limitation where there is no cross-examination of witnesses. The introduction of preliminary evaluations should in any case tend to reduce the duration of hearings. We also note that European patent judges have proposed in the context of the European Patent

Litigation Agreement that oral hearings should not last more than one day<sup>2</sup>. Where there is to be cross-examination of a number of witnesses, and in other cases where it appears proceedings might be liable to continue for more than two days, the hearing officer may pre-arrange a timetable for the conduct of the hearing, if appropriate after consultation with the parties. The timetable may include outline timing for speeches and cross-examination. Thus in all but the most exceptional cases, hearings will be concluded in two days or less.

**3.12 Short notice and flexible timing of preliminary hearings.** Delays often arise as a result of the time taken to arrange case management conferences or preliminary hearings, for example because the parties are unable to agree a date or because counsel of choice is not available at short notice. Users have suggested that rather than permit delay, the hearing officer should set a date offering a narrow window which gives 14 days notice of the hearing. It is said that this should not normally create insurmountable difficulties for the parties. It is also apparent that it would help the parties if hearing officers could be flexible about start times so that short hearings could be held in the afternoon rather than first thing in the morning. We will introduce this short notice period and flexibility.

**3.13 Other streamlining measures.** Requests for extensions of time are still common and parties could do more to help in furthering the overriding objective<sup>3</sup> by observing deadlines. Whilst there can be no hard and fast rules, once a timetable for the proceedings has been set, hearing officers will continue to grant extensions only in exceptional circumstances. When extensions are granted they will be only as long as strictly necessary.

**3.14 Checking evidence.** Currently the Office carries out an administrative check of evidence filed, and informs the parties of defects such as missing pages, missing exhibits and unsigned witness statements. These checks and their resolution can introduce significant delays. Moreover, they create a considerable administrative burden for the Office and do not sit comfortably with the possibility that evidence might be exchanged simultaneously. It does not seem unreasonable that the burden of getting things right should rest on the parties. Consequently the Office will no longer routinely carry out checks on evidence.

## 4. Location of hearings

4.1 The Office holds proceedings in Scotland if all the parties consent or if the Office considers it appropriate<sup>4</sup>. Users have suggested that it should also be possible to hold hearings anywhere in the United Kingdom, and indeed other locations have been used occasionally in the past with a view to saving the parties time and money. Thus, where the parties consent and a hearing

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<sup>2</sup> [Second Venice Resolution Nov 2006](#) - see section iii)

<sup>3</sup> Rule 74 Patents Rules 2007

<sup>4</sup> Rule 88 Patents Rules 2007

officer is satisfied that the circumstances justify it, the Office will now hold patent hearings at locations other than Newport, London and Scotland.

## 5. Promoting Alternative Dispute Resolution (ADR)

5.1 Parties are currently encouraged to build mediation into the timetables for disputes where the validity of a patent is not an issue. Validity disputes have hitherto been excluded as it was felt necessary for the Office to take an absolute view on validity in the public interest. However, in the light of greater experience of ADR, it is clear that parties often do resolve validity disputes through ADR and it is equally in the public interest for disputes to be resolved by agreement. Consequently hearing officers will now consider whether settlement by ADR is a possibility in all proceedings and will actively encourage the parties to consider this option in appropriate cases. If an application for revocation is withdrawn following ADR, the public interest will nevertheless be safeguarded since the hearing officer will, in accordance with current practice, come to a view on the validity of the patent on the basis of the submissions before him.

## 6. Superseded practice from TPN 6/2007

6.1 To the extent that TPN 6/2007 set out the provisions introduced by the Patents Rules 2007, it continues to reflect the current law.

6.2 The procedure on case management set out in section 3 of TPN 6/2007 is superseded in that all cases will now be considered for ADR, as discussed in 5.1 above. They will also be subject to the flexible management procedures set out in this Notice rather than being considered for one of the three separate routes described in TPN 6/2007. In particular the Office will no longer invite the parties to nominate a timetable for the filing of evidence but will instead convey the hearing officer's directions in relation to the use of sequential or simultaneous evidence and the timing. Six weeks will normally be allowed for each evidence round. The parties will nevertheless be asked to set a date for the hearing, as discussed in 3.9 above.

6.3 As provided in section 4 of TPN 6/2007, the hearing officer may still require the parties to provide a joint expert witnesses' report.

6.4 Concerning stays for ADR, as discussed in sections 3 and 5 of TPN 6/2007, the Office will no longer normally delay proceedings of its own motion while the parties engage in ADR but will consider doing so if the parties so request.

## 7. Contact for enquiries

7.1 Contact details for enquiries about this Notice are:

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