



PATENTS ACT 1977

BETWEEN

Johan Stolt

Claimant

and

Mehmet Kurt

Defendant

PROCEEDINGS

References under sections 8 and 12 in relation to UK patent application
GB2207702.8 and international application WO 2023/227887

HEARING OFFICER

B Micklewright

Mr David Harris (Barker Brettell) appeared for the Claimant
Dr Andrew White (Mathys & Squire) appeared for the Defendant

Hearing date: 14 October 2024

PRELIMINARY DECISION

Introduction

- 1 The defendant was notified by letter dated 8 May 2024 that proceedings under sections 8 and 12 of the Patents Act 1977 had been commenced in respect of a UK patent application and an international patent application. The office set a deadline of 19 June 2024 for filing a counter-statement. No counter-statement was filed by that deadline. The Office issued a letter to both parties dated 2 July stating that, subject to comments from either party within 14 days, the Office would treat the case as unopposed. The letter also stated that it was possible for the defendants to file a request for a retrospective extension of time for filing the counter-statement, and that detailed reasons regarding why the extension was needed would be required. No response was received from the defendant by this deadline. The office therefore issued a further letter on 13 August stating that, as no counter-statement had been filed, the defendant would not be considered to be a party to these proceedings.
- 2 On 4 September 2024 the Office received from the defendant a request for a retrospective extension of time for filing the counter-statement, together with a counter-statement. The requested extension amounted to an extension of two months and sixteen days.

3 By way of email dated 1 September 2024 the parties were informed that my preliminary view was that I was minded to allow the defendant's request. The claimant opposed the request for an extension of time for filing the counter-statement in their letter dated 13 September 2024. The matter therefore came before me at a hearing on 14 October 2024, which took place by video, with Mr David Harris (of Barker Brettell) representing the claimant and Dr Andrew White (of Mathys & Squire) representing the defendant.

The law

4 Mr Harris set out the relevant law in relation to requesting extensions of time in proceedings before the comptroller, highlighting that the comptroller must deal with cases justly and fairly. Dr White did not appear to disagree with Mr Harris' submissions on the law.

5 These proceedings are being conducted under Part 7 of the Patents Rules 2007, and rule 81 of these rules states that the comptroller may extend or shorten (or further extend or shorten) any period of time which has been specified under any provision of this Part and that an extension may be granted notwithstanding the period of time specified has expired. In other words, the comptroller has the power to change any period of time which has been specified under this Part even when the deadline has already passed. In doing so, the comptroller is also bound by the overriding objective set out in Rule 74, which I set below:

Overriding objective

74(1) The rules in this Part set out a procedural code with the overriding objective of enabling the comptroller to deal with cases justly.

(2) Dealing with a case justly includes, so far as is practicable—

(a) ensuring that the parties are on an equal footing;

(b) saving expense;

(c) dealing with the case in ways which are proportionate—

(i) to the amount of money involved,

(ii) to the importance of the case,

(iii) to the complexity of the issues, and

(iv) to the financial position of each party;

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

(e) allotting to it an appropriate share of the resources available to the comptroller, while taking into account the need to allot resources to other cases.

(3) The comptroller shall seek to give effect to the overriding objective when he—

(a) exercises any power given to him by this Part; or

(b) interprets any rule in this Part.

(4) The parties are required to help the comptroller to further the overriding objective.

- 6 Dr White referred me to section 1.44 of the Patents Hearing Manual¹ which sets out factors which should be considered when deciding whether to exercise discretion to allow an extension of time, including whether the failure was intentional. I note however that this paragraph of the Hearing Manual refers to rule 3.9(1) of the Civil Procedure Rules, which has been reformulated since this paragraph of the Hearing Manual was last updated. This rule no longer refers to the question as to whether the failure to comply was intentional. Rather it requires the court to consider all the circumstances of the case so as to be able to deal justly with the application, including the need for litigation to be conducted efficiently and at proportionate cost. In this case, however, intentionality is in my view one of the circumstances relevant to dealing with the case justly, and I will therefore consider intentionality in this case.
- 7 Rule 3.9(2) of the Civil Procedure Rules specifies that an application for relief should be supported by evidence. Mr Harris submitted that the account of events presented by Dr White was mere assertion and was not supported by evidence. Dr White however highlighted paragraph 1.46 of the Patents Hearing Manual, which notes that the Civil Procedure Rules are not binding on the comptroller, and the hearing officer should bear in mind the less formal nature of proceedings before the comptroller. An example given in the Hearing Manual is, as Dr White pointed out, that evidence in support of a request to exercise discretion should not be called for unless really necessary. This is, in my view, the right approach in dealing with such matters before the comptroller.
- 8 Mr Harris referred to the hearing officer's decision in *Aleshin v Sony*², which also concerned a request for an extension of time to file a counter-statement. In that case the hearing officer stated in paragraph 7:

"It is not in dispute that the question of whether I allow an extension of time is a matter for my discretion. The periods set by the rules should be sufficient in most cases and there is therefore a general presumption against extending them. It is therefore essential for a party seeking an extension to put forward reasons, and this Sony has done. Equally Mr Aleshin has put forward reasons why I should refuse the request. The task before me is to decide whether it would be reasonable to allow the request taking into account all of the circumstances, and having particular regard to the need to deal with the case fairly and expeditiously."

- 9 Mr Harris drew the following points out of this case: the periods should in most cases be sufficient and there is a presumption against extending them, the party requesting the extension must justify the reasons for the request, a party resisting an extension has the right to explain why the request should not be granted, and the comptroller should decide whether it is reasonable to decide the request having particular regard for the need to deal with the case fairly and expeditiously. I do not disagree with Mr Harris' summary of the principles set out by the hearing officer in *Aleshin* and do not understand Dr White to have done so either. Moreover, I note that the same principles were applied in the other IPO case referred to me by Mr Harris, *Haddenham Healthcare v Pawel Sawlewicz*.³

¹ The Patents Hearing Manual is available at <https://www.gov.uk/government/publications/hearings-manual>.

² *Eugenie Sergeyevich Aleshin v Sony United Kingdom Limited* (BL O/062/04)

³ *Haddenham Healthcare Ltd v Pawel Sawlewicz* (BL O/121/18)

- 10 Mr Harris sought to distinguish the circumstances of the present case from those in *Aleshin* and *Haddenham*. Cases such as these, where the question is whether the comptroller should exercise discretion to allow an extension of time, are very fact-specific, and I agree that the specific facts of these cases do not assist in deciding the present case.

Assessment

- 11 The defendant's initial reasons why they were unable to file a counter-statement by the deadline, filed in their representative's letter of 4 September 2024, were brief. In this letter they said that the reason for the delay was that Mr Kurt, a Turkish national, was away for much of the Summer and did not see the Office's letter of 2 July. The first Office letter they saw was that dated 13 August. At that point the defendant immediately reached out to his patent attorney, requesting they take over representation (which had been withdrawn on 24 May 2024 as a consequence of an unpaid debt) and file a counter-statement.
- 12 In the defendant's skeleton arguments filed before the hearing on 7 October 2024, and at the hearing, further details were provided by Dr White, including those relating to the period between the official letter of 8 May and the deadline of 19 June. In his skeleton Dr White stated that Mr Kurt was elderly, his English was extremely poor and, as he relies on his daughter to act as translator for him, the movements of Mr Kurt's daughter are also relevant. Dr White also said that Mr Kurt's daughter was not an expert in legal matters, so some elements relating to this process could have been "lost in translation" between Mr Kurt and his daughter.
- 13 According to Dr White's submissions, from 9 May 2024 Mr Kurt was in London and, with his daughter, was attending to some health matters. From 27 May Mr Kurt was away in Turkey for health matters. His daughter was also away for at least some of that time. Mr Kurt's patent attorney did send some reminders to Mr Kurt, including a request to pay an outstanding debt. According to Dr White, Mr Kurt's daughter saw the most recent of these, but thought that the email was only in relation to the outstanding debt and did not realise that a claim had been made, believing that the matter had been closed by Mr Stolt.
- 14 Dr White submitted that, once the defendant was made aware of the claim after receipt of the Office letter dated 13 August, he acted promptly to address the issues raised in the claim, and the counter-statement and request for an extension of time were filed promptly on 4 September. Dr White therefore submitted that it was clear that the failure was not intentional, otherwise Mr Kurt wouldn't have reached out and made an urgent request of their attorney.
- 15 Mr Harris submitted that I should not grant the extension of time because Mr Kurt did not provide full justification for the extension in his attorney's original request of 4 September. The detail set out in the skeleton had not been provided, and the request did not explain why the original 19 June deadline was not met. He submitted that the guidance states that the person requesting the extension should give a full explanation of why they need the extension and what they did to meet the deadline, and the failure to do this justified a rejection of the request for an extension. Mr Harris also submitted that the reasons did not explain why Mr Kurt's post to Kingwood Stud (Mr Kurt's address for service after his attorney withdrew

representation) was not opened, in accordance with good business practice, nor what happened between Mr Kurt being aware of the 13 August deadline and the 4 September letter. Mr Harris pointed out that none of the emails referred to in the skeleton were in evidence, nor any statements from, for example, Mr Kurt's daughter. The reasons why the bills had not been paid was also not provided. He also said that the Office letter makes clear the deadline for filing the counterstatement. Mr Harris submitted a copy of Mr Kurt's Wikipedia (r.t.m.) page to demonstrate that he is an experienced businessman, and already has a patent, so should know how to organise his affairs, and his daughter had been assisting. Mr Harris asserted that Kingswood Stud is a busy stable, with Kurt Innovations also based there, and it is likely that someone would have opened the post. He also submitted evidence that Turkish-speaking UK attorneys were available which Mr Kurt could have employed to assist with any language issues.

- 16 Dr White did not consider that Kurt's businesses, including his stud business, were relevant to this case, as the patent application was in his own name and letters were addressed to Mr Kurt personally. He submitted that such letters would clearly have had no day-to-day relevance to the running of the stud, and it would not be in the course of the normal duties of the staff to understand correspondence from the IPO, even if it was opened. He also pointed to the Patents Hearing Manual that evidence would not normally be required for such requests before the comptroller, and also noted that paragraph 2.56 of the Hearing Manual states that a party must keep their request to the minimum necessary, hence the brevity of their original request of 4 September.
- 17 I have some sympathy with Mr Harris' argument that the defendant could have provided more details in their original request of 4 September. That said, a more detailed account of events was provided in the skeleton, and the claimant has had opportunity to make submissions in relation to these events, which they have done. I do not see the failure to provide all these details in their original request a ground, in itself, for refusing the extension. It seems to me that some of Mr Harris's submissions could lead to questioning the veracity of the events set out by Dr White, particularly in relation to the lack of additional evidence and the questions concerning the opening of post. However, although a more detailed account would have assisted matters, I see no basis on which to doubt Dr White's account of events. I agree with Dr White that, given that there are no concrete reasons (such as conflicting evidence) to doubt their accuracy, no evidence is necessary to verify this account of events in these proceedings before the comptroller. I therefore accept Dr White's account of Mr Kurt's and his daughter's activities during the relevant periods of time as set out in his skeleton argument and explained during the hearing, and that neither Mr Kurt nor his daughter were aware of the claim made against them until they received the Office letter dated 13 August 2024.
- 18 It is however certainly the case that Mr Kurt could have put in place more robust processes for dealing with post and other matters when he was absent from Kingswood Stud. He could also have employed a Turkish-speaking attorney to assist with language problems, and his daughter could have paid more attention to the emails from their patent attorney. I note however that Mr Kurt and his daughter were dealing with Mr Kurt's health issues at the time, and will take this into account when deciding what weight to give this point in considering fairness.

- 19 Mr Harris submitted that granting the extension of time would substantively prejudice the claimant because the thirty-month deadline for filing national phase applications from the PCT application is 25 November 2024. If the extension is granted, it is likely that the claimant will not be in control of the decision as to which territories the PCT application proceeds in, and the defendant could even decide not to continue with the PCT application at all. Dr White said the comptroller could make some sort of accommodation for the claimant. Mr Harris questioned what could be done, and submitted that the pre-action correspondence was relevant here, as this wouldn't have been a problem if the question of ownership of the patent application, raised by Mr Stolt with the defendant in August 2022, had been dealt with promptly at that point.
- 20 In his Skeleton, Dr White noted that the claimant was clearly aware of the presence of the patent application and its filing date by at least 23 August 2022, and so would have understood the relevant deadlines such as entering the national/regional phases for PCT applications. He submits that, given that it took almost two years for the claimant to file their claim at the IPO, it does not seem disproportionate to allow an extension of two months and two days (in fact the requested extension is two months and sixteen days). Mr Harris however submitted that, during that period, the claimant entered into correspondence with the defendant. He took me through the pre-action correspondence at the hearing, highlighting that the claimant did not know what was in the patent application, and that, according to the pre-action protocol, parties should share documents that are relevant to the dispute. The claimant therefore had to wait until publication of the applications, at which point they sent a detailed letter setting out their case on 5 February 2024, but never received a substantive response. Mr Harris argued that, if Mr Kurt had shared a copy of the application when they had originally asked for it, this dispute could have been resolved two years earlier, and the delay was therefore the fault of Mr Kurt.
- 21 Having read this correspondence and considered the submissions made in relation to this point, I do not think that the claimant unduly delayed matters in commencing these proceedings. It was reasonable to wait until the applications had been published given that the claimant was not aware of their contents. I therefore place little weight on Dr White's argument that their request for an extension should be granted because of the amount of time that had elapsed before the claimant filed their reference at the IPO. Mr Harris however considers that I should take this point further, taking a lack of engagement with proper pre-action correspondence into account when deciding whether to exercise discretion to extend the deadline. Dr White highlighted that there had been a complete breakdown of trust between Mr Stolt and Mr Kurt and that was why Mr Kurt did not feel comfortable sharing an unpublished application with Mr Stolt, and there was no obligation on him to do so. On balance, I think Mr Kurt acted reasonably in the circumstances in deciding not to share the contents of the application with Mr Stolt, albeit that it would have assisted matters to engage with the claimant on this point. I therefore will not place a great deal of weight on conduct in the pre-action correspondence in deciding whether I should exercise discretion to allow the extension.
- 22 In terms of timeline, Dr White did not see why the extension should slow down the normal timeline of events, and noted that, following section 2.57 of the Patents Hearing Manual, provision could be made so that the claimant would not be

disadvantaged, considering the claimant had some concerns about the deadline for PCT national phase entry.

- 23 Mr Harris submitted that, following *Aleshin*, there is a presumption against extending, unless there are good reasons, and that I have to balance the fairness against each party which, in this case, requires that I do not grant the extension. Dr White submitted that clearly the failure to comply was unintentional, and a refusal would have a very serious effect of deeming the defendant to be supporting the claimant's position.
- 24 Given the need to deal with the case fairly and expeditiously, I will carefully consider the impact on each party of allowing or not allowing the extension in the light of my findings of fact above. I have accepted the defendant's account of events, including that they were not aware of the claim until receiving the Office letter of 13 August, and have acknowledged that Mr Kurt was dealing with health issues during the relevant period. I have also accepted that the claimant did not unduly delay initiating these proceedings.
- 25 If I were to allow the extension, Mr Kurt will be able to contest the claim, and the proceedings will continue. It is extremely unlikely that the proceedings would be concluded before the deadline for entering the PCT nation phase of 25 November 2024, given the evidential nature of these proceedings and the need for sufficient time for evidence rounds. The impact on the defendant would be that they are able to contest the claim and provide evidence and argument to support their case that they are the sole inventor and owner of the applications. The impact on the claimant is that the proceedings will take much longer, and they will not be in a position to decide which territories in which to continue the PCT application, potentially limiting where they could obtain protection should I find that they are entitled to the applications.
- 26 If I were to refuse the extension, the proceedings would be uncontested, and Mr Kurt would be deemed to support the claimant's case. He would not therefore be able to make his case and provide evidence as to why he is entitled to the applications and could lose the applications as a consequence. The impact on Mr Stolt is that the proceedings would be likely to be concluded much more quickly, possibly before the 25 November deadline, and the claimant would not need to address arguments or evidence provided by the defendant.
- 27 I note that, on 2 April 2024 when the claimant filed their reference for entitlement, they could have had no real expectation that the proceedings would be concluded before the 25 November 2024 deadline for PCT national phase entry. Proceedings of this type normally take significantly longer to reach a conclusion. Certainly, up until 19 June, they would have had no good basis for an expectation that the proceedings would be concluded before 25 November. The only period in which they could have had that expectation is from 19 June until 4 September. I therefore conclude that, whilst there is an impact on the claimant in allowing the extension, the impact on the defendant of refusing the request is greater. They would be shut out of proceedings and have no opportunity to make their case. Granting the extension would cause the proceedings to run their normal course.

- 28 Whilst more detailed reasons could have been provided as to why the extension is needed, and at an earlier stage, and better business processes could have been put in place for dealing with Mr Kurt's absence from Kingswood Stud, the reasons provided by the defendant for requesting the extension are not unreasonable, particularly taking into account that he was dealing with health issues during the relevant period. That said, the decision is finely balanced given the defendant's failure to put in place arrangements for his post and his other affairs during periods of absence, and it would have been more clear-cut if health issues alone had caused the defendant to miss the deadline. Taking all this into account, on balance I consider that the interest of deciding the case justly is best served by allowing the defendant's request for an extension. I note that the counter-statement was filed within the extended period, so the Office will now formally serve the counter-statement on the claimant and specify the period within which it should file a Patents Form 4 to continue proceedings. I note that a hearing date has not yet been set as the proceedings are still at an early stage, and it may be possible to timetable the hearing promptly.
- 29 At the hearing, Mr Harris requested that I shorten the period for appealing this decision to 14 days, arguing I had such powers in accordance with Part 52 of the Civil Procedure Rules. Dr White did not object to this request. My understanding is that, based on paragraph 52.12 of the Civil Procedure Rules, I do have powers to specify a specific appeal period (paragraph 7.08 of the Patents Hearing Manual needs updating to reflect a change in the Civil Procedure Rules on this point). Practice before the comptroller is generally that a 28-day period is set, but the comptroller may specify an alternative period in their decision. Given that the request from the claimant for a shorter period is not opposed by the defendant, I will set a shorter appeal period of 14 days after the date of this decision for appealing this decision.

Costs

- 30 I agreed with the parties that the question of costs would be considered at a later date.

Appeal

- 31 Any appeal must be lodged within 14 days after the date of this decision.

B MICKLEWRIGHT

Deputy Director, acting for the Comptroller