

16th May 2007 and the patent was granted to Globally Greener Solutions Limited on 10th February 2010.

6. Once granted, renewal fees were due at the IPO in order to maintain the patent. IPO records show that renewal fees for the ninth and tenth year renewals were received in December 2010 and January 2012 respectively and these renewal fees, including the latter, were paid by Globally Greener Solutions Limited, despite the fact that in August 2011, Globally Greener Solutions Limited was dissolved and the patent was transferred to the Bona Vacantia division of the Treasury Solicitor's Office as part of the transfer of assets of the dissolved company. How Globally Greener Solutions were able to pay the tenth year fees in January 2012 after being dissolved in August 2011 is not clear from the evidence. The IPO were not informed of the transfer of the patent to Bona Vacantia, resulting in the official renewal reminder letter being issued on 15th August 2012 to the dissolved company, as Globally Greener Solutions Limited remained the official address for service on the Patents Register.
7. In August 2012, a reference as to entitlement under section 37 of the Act was filed at the IPO by Brian Clarke and Strumat Limited. The reference queried whether the rights in the patent application had been transferred to Globally Greener Solutions Limited contrary to Strumat Limited's Shareholder Agreement. The matter was considered by the hearing officer, who regarded the issue surrounding the transfer of the rights in the patent to be a non-patent law issue. He therefore declined to deal with the reference under section 37(8) and issued a decision (BL O/192/13) to this effect on 14th May 2013.
8. On 14th October 2013, a Patents Form 16 requesting the restoration of the patent was filed by T.G. Jones Associates on behalf of Strumat Limited. At the time the application for restoration was received, Globally Greener Solutions Limited were listed on the Patent Register as the proprietor of the patent. Given this, the IPO requested further evidence to demonstrate that Strumat Limited were the proprietors of the patent and therefore able to make an application for restoration under the terms of section 28(2).
9. As a result of the request for further evidence, T.G. Jones Associates provided a copy of an application for a Vesting Order which Strumat Limited had filed with the Chancery Division of the High Court, Cardiff District Registry ("the Court"), requesting the vesting of the patent into the name of Strumat Limited. A Vesting Order was subsequently issued by the Court on 7th April 2014 showing that Strumat Limited were beneficially entitled to the patent.
10. On 15th April 2014, T.G. Jones Associates filed a copy of the Vesting Order which demonstrated that Strumat Limited had taken ownership of the patent. The IPO accepted this as evidence that the applicants were now the proprietors of the patent and as such were entitled to make the application for restoration within the terms of section 28(2). A Patents Form 21 was subsequently filed on 7th May 2014 to record the change of ownership on the Patents Register.

The evidence filed

11. In addition to the copy of the Vesting Order, T.G. Jones Associates, Mr Clarke and Mr Scarlioli filed evidence throughout the restoration process and at the hearing. The evidence included copies of the submissions made to the Court in support of the Vesting Order and a number of pieces of correspondence between T.G. Jones Associates, Mr Clarke and Mr Scarlioli and the Office to clarify the facts of the case.
12. The representations made by Mr Clarke and Mr Scarlioli at the hearing provided details of the background to an alleged fraudulent change of ownership and submissions to assist in the clarification of the meaning and effect of the Vesting Order and its relevance to the restoration application.
13. I have also referred to the IPO's electronic case file and those documents held on it relating to the section 37 entitlement proceedings filed by Brian Clarke and Strumat Limited insofar as they are relevant to these proceedings.

The Office's case in summary

14. In the view of the Office, for restoration to be allowed the applicant must show that the failure to pay the renewal fee by the patent owner at the time the renewal was due was unintentional. In the Office's view, at the time the renewal fee could have been paid (3rd April 2012 to 31st January 2013) the ownership of the patent lay with the Crown, as part of the dissolution of Globally Greener Solutions Limited, and not with Strumat Limited. The Crown has indicated that they would not have taken any steps to renew the patent during the renewal period. The Office contends therefore that at no point was it the intention of the patent proprietor at the time the renewal fee was due to pay the relevant fees.

The applicant's case in summary

15. The applicant's case was set out in a variety of evidence filed throughout the restoration process. It is in summary:
 - The patent has always been in the ownership of Strumat Limited as it was fraudulently transferred to Globally Greener Solutions Limited by Peter Thomas, the inventor of the patent and Managing Director at that time of the company. This transfer was made contrary to the terms of the Strumat Limited Shareholder Agreement.
 - The Vesting Order confirms that the patent has always been in the ownership of Strumat Limited.
 - As a result of the fraudulent transfer of ownership, the renewal reminder letter issued by the Office was not received by Strumat Limited and so they were unaware that the renewal fees were due and this is the reason why the patent ceased.

- Strumat Limited have gone to great lengths to return the patent into their name and restore the patent and this proves their full intention to ensure the patent is preserved.

The Law

16. The relevant provisions of the law under section 28 of the Patents Act 1977 are reproduced below:

Restoration of lapsed patents

28.-(1) Where a patent has ceased to have effect by reason of a failure to pay any renewal fee, an application for the restoration of the patent may be made to the comptroller within the prescribed period.

(1A)

(2) An application under this section may be made by the person who was the proprietor of the patent or by any other person who would have been entitled to the patent if it had not ceased to have effect; and where the patent was held by two or more persons jointly, the application may, with the leave of the comptroller, be made by one or more of them without joining the others.

(2A)

(3) If the comptroller is satisfied that the failure of the proprietor of the patent –

(a) to pay the renewal fee within the prescribed period; or

(b) to pay that fee and any prescribed additional fee within the period ending with the sixth month after the month in which the prescribed period ended was unintentional, the comptroller shall by order restore the patent on payment of any unpaid renewal fee and any prescribed additional fee.

Assessment of the evidence and the arguments

17. The essential determination I have to make under section 28(3) is to be satisfied that the failure of the proprietor of the patent to pay the renewal fee on time was unintentional.

18. The evidence and arguments in this case centre on who was the proprietor during the period when the renewal fee could have been paid i.e. 3rd April 2012 to 31st January 2013 (“the relevant period”) and the effect this had on the failure to pay the renewal fee.

Details on the Patents Register during the renewal period

19. At the time the patent in suit was due for renewal, the Patents Register showed the patent proprietor as Globally Greener Solutions Limited. This was as a result

of a transfer of ownership which was recorded at the EPO prior to the patent being granted.

20. During the entitlement reference in August 2012, evidence was submitted showing Globally Greener Solutions Limited had gone into liquidation which ended in the dissolution of the company on 9th August 2011. The evidence shows the patent was then transferred to the Crown via the Bona Vacantia division of the Treasury Solicitor's Office. However, no details of this transfer were sent to the IPO and Globally Greener Solutions Limited remained listed as the patent proprietor on the Patents Register.

The patent vested in the Crown

21. The evidence on file shows that when a company is dissolved, any beneficial property and rights are vested in the Crown as bona vacantia under section 1012 of the Companies Act 2006 (or the corresponding provisions of earlier legislation). The Treasury Solicitor is the Crown's representative for dealing with such assets and on 16th November 2012, the Treasury Solicitor confirmed via a letter to the IPO that Globally Greener Solutions Limited was dissolved on 9th August 2011 and as a result of this, the patent was transferred as part of the company assets.
22. As part of this confirmation, the Treasury Solicitor indicated to the IPO 'that the Crown does not "step into the shoes" of the dissolved company... but merely takes any beneficial property and rights which were owned by the company at the date of the dissolution as a successor in title.' It is clear from this that the Treasury Solicitor would take no action to maintain the patent by paying any renewal fees which would fall due while the patent is vested in the Crown.
23. This position in regard to the steps, or lack of them, taken by the Crown in maintaining any patents vested in them has previously been confirmed in decision of the Office in the *Latchworth Limited* case (BL O/112/96). This case concerned the restoration of a patent under the old legal test for restoration of "reasonable care" but it deals with the exact set of circumstances in these restoration proceedings.
24. In *Latchworth*, the owner shown on the Patents Register had been dissolved prior to the period when the renewal fee could have been paid. The ownership of the patent had passed to the Crown for the whole period in which the renewal fees could have been paid. When an application for restoration was subsequently filed it was duly refused as there was no evidence to demonstrate the Crown took reasonable care to see that the renewal fee was paid. Indeed the evidence confirmed that the policy of the Treasury Solicitor at the time was one of inaction in regard to the payment of renewal fees as it was not their policy to actively maintain any patents vested in the Crown.
25. Prior to the hearing, T.G. Jones Associates, Mr Clarke and Mr Scarlioli were referred to this earlier decision and the similarities to the present situation. However, they did not feel that this case was applicable as it was dealt with under "reasonable care" and this test was no longer relevant.

The patent vested in Strumat Limited

26. Throughout these restoration proceedings the applicants have maintained the transfer of ownership recorded at the EPO was done so fraudulently. They say it was effected by Mr Peter Thomas, the inventor of the patent and then Managing Director of Strumat Limited, expressly against the terms contained in the Strumat Limited Shareholders Agreement. Evidence of this fraud was presented to the Court as part of the application for a Vesting Order and is also part of an on-going fraud investigation by the Police. I note the IPO have co-operated with the police investigation during the course of these restoration proceedings, providing information to the officers investigating the case. The investigation is on-going at the time of writing this decision.
27. Mr Clarke submits it is clear that the Court has taken the evidence of the alleged fraud by Mr Peter Thomas into account when considering whether the patent should be vested in Strumat Limited.
28. Whatever the Court considered and whatever the eventual outcome of the on-going fraud investigation, both of which are of course outside this jurisdiction, it is clear from the Vesting Order that the ownership of the patent has now been transferred to Strumat Limited. However, it is the date on which this ownership was transferred which has been the focus of the arguments between the IPO and Strumat Limited and it is the determination of this issue which is crucial to the outcome of this application to restore the patent in suit.

The effect of the Vesting Order

29. A copy of the Vesting Order was submitted as evidence in a letter filed by T.G. Jones Associates on 15th April 2014. This order makes it clear that the claimant (Strumat Limited) are “beneficially entitled” to the patent and orders that:
- “the Patent Number EP02747559 granted as EP1409166 be and is hereby vested in Strumat Limited for all the estate and interest therein which immediately prior to its dissolution were vested in Globally Greener Solutions Limited”.
30. Strumat Limited have argued this order places the patent into their ownership and that it does so from the outset of the grant of the patent, including the period of time when Globally Greener Solutions Limited were listed as the owners of the patent and during the time the patent was transferred to the Crown as bona vacantia. This period crucially includes the period 3rd April 2012 to 31st January 2013 when the fees relating to the renewal of the patent could have been paid. They have argued that as the patent was always in their ownership and therefore given they have stated that it was always their intention to maintain the patent, this should be determinative in their application for restoration that the failure to renew the patent on time was unintentional as required by the law.

31. However, the IPO have taken a different view on the date on which Strumat Limited took ownership of the patent and have interpreted this as the date on which the Vesting Order was made i.e. 7th April 2014.
32. Given the significance of this date to the restoration application, the IPO sought advice from its legal advisors at the Treasury Solicitors Department to help clarify the date on which the patent was vested in Strumat Limited.
33. The evidence on the official electronic case file shows this advice was very clear that the Vesting Order only puts the patent into the ownership of Strumat Limited from the date on which the Order was made i.e. the 7th April 2014. The advice also indicated that the patent could not have been vested in Strumat Limited prior to this date as if this were the case logically there would have been no need for any Vesting Order to have been made by the Court.

Why didn't Strumat Limited pay the renewal fees?

34. Given Strumat Limited's arguments, why did they not pay the renewal fees at the time when they were due?
35. Rule 39(2) requires the comptroller to send a renewal notice to the patent proprietor in the event that a renewal fee has not been paid. For the patent in suit, the renewal reminder was issued on 15th August 2012 to Globally Greener Solutions Limited, as they were the patent proprietors listed on the Patents Register at the time.
36. However, the evidence shows that at the time this renewal reminder was issued, Globally Greener Solutions Limited were in fact dissolved and it appears that no action was taken to forward this renewal reminder to Strumat Limited or to the Treasury Solicitors Office. T.G. Jones Associates, Mr Clarke and Mr Scarlioli have confirmed that this was the case and have argued that the reason they did not pay the renewal fee was because the IPO was not in communication with Strumat Limited (specifically that Strumat Limited never received the official renewal reminder) at the time the renewal was due and therefore they did not know it was due.
37. Mr Clarke indicated that he was not aware that renewal fees had to be paid as he had previously employed the company Capital Law to take care of all the legalities surrounding the patent. He was therefore unaware that any renewal fees were due and so did not take any action to make the payment.
38. In these circumstances, I can understand and I accept why Strumat Limited did not pay the renewal fees at the time they were due. On this basis I can accept that the failure of the applicants to pay the renewal fees on time was unintentional.
39. However, I can also see why the IPO were not communicating with Strumat Limited at that time. The IPO has to rely on the details it is given by the patent proprietor or their representatives in order to maintain the records on the Patent Register and it is clear from the evidence the IPO did not receive any indication

that Globally Greener Solutions Limited were no longer the patent proprietor and so issued the renewal reminder letter to the details held on the Patent Register at the time the renewal was due.

40. Section 25 of the Act dealing with the renewal of patents in fact places no restrictions on who can pay the renewal fee on a patent. Anyone can pay the relevant prescribed fees and the patent will be renewed. Unfortunately in the case of the patent in suit, Globally Greener Solutions Limited were in no position to pay, the evidence shows (reinforced from the *Latchworth* case) that Treasury Solicitors would not have paid the fees and Strumat Limited were unaware that a renewal fee was due, so did not pay either.
41. Strumat Limited argue that if they had known, given that in their view they were always the rightful owner of the patent throughout the relevant period, they would have renewed the patent and that that is the crucial issue as far as my determining the outcome of this application for restoration is concerned.
42. If that is the case, the applicants need to prove to me conclusively that they were indeed the owners of the patent during the relevant period, given that this view is the polar opposite of the view held by the IPO and their legal advisors.
43. If I find that Strumat Limited were owners of the patent during the relevant period, then clearly I should take their stated intentions to renew the patent into consideration in my final determination. If however I decide that the Crown was in fact the legal proprietor during the relevant period, then Strumat Limited's intentions are irrelevant to my determination and it is the Crown's intentions I need to assess.
44. It is because of the importance of this issue that I allowed Mr Clarke and Mr Scarlioli an initial period of two extra months from the date of the hearing to provide conclusive evidence that their interpretation of the Vesting Order is correct. I left it to them how they chose to do this, but it was clear from the hearing that a return to the Court for a clarification of the meaning of the Vesting Order or a conclusion to the police fraud investigations were two ways they might pursue. I further instructed them at the hearing that if they could not provide additional evidence within the time I had allowed, that they should give me an indication of how long they need in order that I can consider further extensions if necessary. If neither of these was forthcoming, I made it clear I would make a decision based on the evidence I had.
45. I eventually agreed to extend the period on four separate occasions after several further submissions and requests for extensions of time by the applicants. Eventually, having afforded the applicants time until 7th April 2015, I decided insufficient progress towards suitable further evidence was being shown and in the interests of the applicant and the public, I would issue a decision based on the evidence and submissions filed to date.

The determination

46. On careful scrutiny of the Vesting Order, its meaning is very clear in my view. The salient extract is reproduced below:

“the Patent Number EP02747559 granted as EP1409166 be and is hereby vested in Strumat Limited for all the estate and interest therein which immediately prior to its dissolution were vested in Globally Greener Solutions Limited”.

47. This says to me that by means of the Vesting Order (i.e. “hereby”), Strumat Limited become beneficial owners of the patent in suit. The Vesting Order is dated 7th April 2014, so Strumat Limited became proprietors of the patent as of the date of the Vesting Order i.e. 7th April 2014. It also suggests to me that the applicant’s submissions that they were always the owners of the patent from the outset cannot be correct as the Vesting Order clearly says rights were vested in Globally Greener Solutions immediately prior to its dissolution.

48. On this basis I also cannot fault the logic of the IPO’s legal advisors at the Treasury Solicitor’s Department where in the evidence they advised the IPO that the patent could not have been vested in Strumat Limited prior to this date (7th April 2014) as if this were the case there would have been no need for any Vesting Order to have been made by the Court.

49. As such, I find that Strumat Limited were not the proprietors of the patent in suit at the time when it could have been renewed i.e. between 3rd April 2012 and 31st January 2013 and it follows that their intentions as to the renewal of the patent are not relevant in my consideration of the application for restoration.

50. It further follows that it is the intentions of the proprietors at that time that I must take account of under the terms of section 28(3). The evidence shows the legal owner was the Crown via the Bona Vacantia division of the Treasury Solicitor’s Office and it is clear from the evidence that it was not their intention to renew the patent. As such the failure to pay the renewal fee of the patent on time or within the period of grace allowed does not seem to me to have been “unintentional” as required by section 28(3) of the Act.

Conclusion

51. It is clear from the evidence submitted that the applicants strongly believe they are and have always been the rightful owners of the patent in suit. I can see from the evidence that they have attempted to resolve the entitlement issues in various ways, including filing a reference as to entitlement under section 37 of the Act. The IPO declined to deal with that reference and subsequently the applicants have chosen to pursue their case by various means, including a fraud action before the police and by bringing ownership issues into this restoration action at the IPO. In my view this is not a suitable means or jurisdiction by which to deal conclusively with these issues.

52. As part of these restoration proceedings they have applied to the Court and have been successful in transferring current ownership of the patent to them, but on

the evidence I have seen, that has not had the effect the applicants intended, either to establish historical ownership of the patent or in the restoration action.

53. On a careful assessment of all the evidence available to me insofar as the matter before me is concerned I have found that :

- Strumat Limited were not the owners of the patent in suit during the relevant period when they could have renewed it and as such their stated intention to do so within that period had they been aware of the necessity to do so is not relevant to my considerations under Section 28(3) of the Act.
- The patent in suit was in the ownership of the Crown during the relevant period and there was no intention on the part of the Crown to renew the patent. As such the failure to renew the patent cannot be said to have been “unintentional” within the meaning of Section 28(3) of the Act.

54. I must therefore conclude that the application for restoration does not comply with the requirement of the law and I refuse the application for restoration

Appeal

55. Any appeal must be lodged within 28 days after the date of this decision.

Mr. G.J. Rose’Meyer

**Hearing Officer
Acting for the Comptroller**