



PATENTS ACT 1977

PROCEEDINGS

Application under Section 72 of the Patents Act 1977
to revoke UK Patent No. GB 2 459 372 C

BETWEEN

TWI Limited

Claimant

and

Zircotec IP Limited

Defendant

HEARING OFFICER

Stephen Probert

DECISION (& ORDER) ON COSTS

1. My decision of 12th April 2016¹ dealt with the substantive issues in these proceedings, but left the issue of costs to be decided after the parties had had an opportunity to provide specific submissions in writing. I have now received and carefully read those submissions. Although the substantive decision is subject to an appeal, I do not see any reason why I should not conclude proceedings before the Office by making an order as to costs before the outcome of that appeal is known.

The submissions

2. Both parties have accepted that the claimant is entitled to a contribution towards its costs, but they take a different view as to the level of costs that would be appropriate. Tribunal Practice Notice (TPN) 4/2007 explains how costs are to be determined in proceedings before the Comptroller. The notice includes the standard scale that is usually applied.
3. The claimant requests an award above the standard scale on the grounds that the defendant has unreasonably persisted in an inappropriate course of action - eg. maintaining claim 1 despite an unfavourable opinion (12/14) that indicated it lacked novelty, and proposing two sets of conditional amendments.
4. Looking back over the course of proceedings it is clear that the defendant could have handled things better - by which I mean, more in keeping with the overriding

¹ BL O/183/16

objective, especially as regards to efficiency. However, in this particular case, I do not believe that the defendant's actions are so unreasonable as to justify an award of costs above the standard scale. Statutory opinions under section 74A of the act are expressly not binding ... **for any purposes** (Sect 74A(4)). The defendant disagreed with opinion 12/14, and chose to defend the patent in the form in which it was granted. I believe they were entitled to do this. Although they did not succeed, I do not accept that their behaviour was so unreasonable as to justify off-scale costs. However, it does lead me towards the higher end of the scale.

5. With regard to the several forms of conditional amendments, I can understand the claimant's frustration. In this case the conditional amendments must have increased the expenses incurred by both parties without, it seems to me, providing any benefit. On the other hand, I am aware that the filing of several versions of amended claims as conditional amendments has become increasingly common. (I presume there must be some situations in which it saves time and/or reduces costs.) Consequently I do not believe that this aspect of the defendant's behaviour is so exceptional as to justify an award of costs above the scale either. As before, it makes me think that an award towards the high end of the scale is a more appropriate course.
6. I also bear in mind that the claimant did not file evidence in these proceedings, and (on the other hand) that the statements of case were extensive and detailed. The claimant is also entitled to an award of costs in relation to an earlier preliminary hearing held on the afternoon of 5th August 2015. (BL O/378/15)

The calculation

7. In respect of the relevant categories in the scale, I award the following amounts:-

Preparing a statement and considering the other side's statement	£600
Considering and commenting on the other side's evidence	£1,000
Preparing for and attending a preliminary hearing (5 Aug 2015)	£500
Preparing for and attending a hearing (12 Feb 2016)	£1,500
Official fees	£400
Total	£4,000

Order

8. I hereby order Zircotec IP Limited to pay TWI Limited the sum of £4,000 as a contribution towards their costs in these proceedings. This sum is to be paid within seven days of the expiry of the appeal period below.

Appeal

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

Stephen Probert
Deputy Director, acting for the Comptroller