



**PATENTS ACT 1977**

BETWEEN

TWI Limited

Applicant for  
revocation

and

Zircotec IP Limited

Registered  
Proprietor

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PROCEEDINGS

Application under section 72 of the Patents Act 1977  
for revocation of patent GB 2459372 B

HEARING OFFICER

Stephen Probert

David Croston (Withers & Rogers) represented the registered proprietor  
The claimant did not attend, and was not represented

Hearing date: 05 August 2015

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**STATEMENT OF REASONS**

- 1 At a preliminary hearing this afternoon, I refused the registered proprietor's request for an extension of time to file a counterstatement in these proceedings. The period for filing a counterstatement was (and still is) due to expire the day after the hearing, so I gave my decision at the hearing and indicated that I would set out my reasons formally as soon as possible.

**Background**

- 2 These revocation proceedings were initiated by the applicant for revocation ("the claimant") on 9 June 2015 with the filing of Patents Form 2 accompanied by a statement of grounds<sup>1</sup>. The claimant's statement did not fully comply with the rules – eg. it was not verified by a statement of truth. Nevertheless, the Office served the statement on the registered proprietor on 15 June 2015. This was in accordance with a slight modification to the standard Office procedure with a view to expediting proceedings by dealing with minor procedural irregularities later in the proceedings,

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<sup>1</sup> The parties have already contested the validity of patent GB 2459372B ("the patent") in non-binding opinion proceedings under section 74A last year – Opinion number 12/14.

unless they become an issue sooner. The serving letter indicated that the latest date for filing a counterstatement was 27 July 2015 – a Monday.

- 3 On the Friday before a counterstatement was due (24 July 2015), the registered proprietor's patent attorney telephoned the Office objecting that the statement of grounds had not been properly served in accordance with the rules because it was not verified by a statement of truth. This objection was subsequently confirmed in writing. The Office accepted the registered proprietor's objection, and (by email dated 24 July 2015) confirmed that the registered proprietor did not need to file a counterstatement by 27 July. The email also indicated that after an amended statement of grounds was provided by the claimant, it would be re-served on the registered proprietor with a suitably shortened period for filing a counterstatement in view of the six weeks that they had already had.
- 4 On 29 July 2015, the Office wrote to the claimant requesting a number of minor amendments to the statement of grounds (including a verified statement of truth). The parties were advised that the amended statement would be re-served on the registered proprietor who would be allowed a further week in which to file a counterstatement.
- 5 The claimant filed an amended statement of grounds the following day (30 July), the effect of which was to correct a patent number on page 51, add the parties' names on the first page and a verified statement of truth on the last page. The claimant confirmed that the substance of the statement of grounds (pages 2 to 50) remained unchanged. The amended statement of grounds was served on the registered proprietor on 30 July 2015. This second serving letter indicated that the latest date for filing a counterstatement would now be 6 August 2015.
- 6 On 31 July 2015, the registered proprietor's patent attorneys contacted the Office to request an extension of time ("EOT") for filing a counterstatement, until 27 August 2015. On the basis of the reasons that accompanied the request, I indicated that I was minded to refuse the EOT request, and suggested that the registered proprietor request a hearing if they wished to pursue the request. That is the hearing that took place this afternoon. The patent attorney at Withers and Rogers who usually deals with Zircotec IP Limited ("the registered proprietor") was on holiday at the time of the hearing, so his colleague Mr Croston represented them at the hearing.

### **Basis for the request**

- 7 Mr Croston submitted that the registered proprietor was being put at a disadvantage in these proceedings as a result of the claimant's failure to provide a statement of grounds that complied with the rules, compounded by the Office's failure to follow its normal procedure – according to which the claimant would have been required to correct the statement of grounds before it was served on the registered proprietor.
- 8 This would be a matter of great concern. However, I could not see how the registered proprietor was disadvantaged at all by the absence of a verified statement of truth in the claimant's original statement of grounds. On the contrary, as a result of the Office going back to the claimant to resolve the issue, the registered proprietor will have had the statement of grounds for almost 8 weeks before having to file a counterstatement. (The usual period would be 6 weeks.)

- 9 Mr Croston also argued that verification of a statement of grounds is not merely a matter of formality. He said it makes the difference between being able to cross examine the person who signed the statement of truth and not being able to cross examine that person. But in this case I could not find any 'evidence' in the statement of grounds that I would expect to be challenged through cross examination. The grounds of revocation allege that each of the claims of the patent is invalid for want of novelty and/or inventive step on the basis of seven documents (mostly patent specifications) that have been clearly identified in the statement of grounds. Insufficiency of disclosure is also alleged; but again, I do not consider that the registered proprietor is in any way disadvantaged by the absence of a verified statement of truth in the original statement of grounds.
- 10 Mr Croston also submitted that because these proceedings are before the comptroller, the registered proprietor would not have been able to recover wasted costs if the grounds of revocation were to change (ie. when the claimant was required to insert a verified statement of truth). I did not accept this. The comptroller has discretion to award costs at any stage in proceedings, Moreover, although costs in Office proceedings generally follow a published scale, the comptroller has in the past awarded actual costs (above the scale) when the circumstances indicate that such an award would be appropriate.
- 11 In Mr Croston's opinion, the proper cause of action for the registered proprietor was to point out the deficiency in the statement and wait until it is resolved and then see what they are confronted with. As he put it, "*The proprietor shouldn't have to start work until he's got the verified grounds in front of him*", and "*to have begun work on a document not verified by a statement of truth that later changed would have been a waste of time and money.*" This would have been a much more compelling argument if the registered proprietor had raised the issue of the missing statement of truth much earlier than the day before the period for filing a counterstatement was due to expire.
- 12 I asked Mr Croston when the registered proprietor noticed that the statement of grounds did not have a verified statement of truth. He told me that "*the deficiency was noticed relatively late in the period*" and (later) qualified this by saying that "*it is not the patent proprietor's obligation to notice deficiencies and to bring them to the Office's attention in any period shorter than the period set*". Mr Croston added that the registered proprietor should not have been expected to check for the presence of a verified statement of truth; he considered that they were entitled to assume that there must be one otherwise the Office would not have served the statement and set a period for filing a counterstatement.
- 13 I admit that I have not found it easy to reconcile these arguments. On the one hand Mr Croston appeared to be arguing that the registered proprietor could not be expected to do any work on the statement of grounds until it had been verified (eg. because it could turn out to be a waste of time); and on the other hand he was suggesting that the registered proprietor had not noticed the deficiency until late in the period (eg. because they were entitled to assume that the statement of grounds was verified). This is important because if the Comptroller is to extend this second period for filing a counterstatement, it is necessary to ask what the registered proprietor was doing during the six weeks of the first period?

### What did the registered proprietor do from 15 June to 24 July?

- 14 Or in other words, why was the original six week period not sufficient for the registered proprietor to prepare a counterstatement? I put it to Mr Croston that if no work had been done until 24 July when the absence of a statement of truth was raised, it suggested that they were only allowing a day or two in which to respond to the statement of grounds in the first place. Since the statement of grounds has not changed in substance, why should the comptroller allow more than a week for responding this time?
- 15 Alternatively, if they were working on a counterstatement from 15 June, and only noticed the statement of truth was missing at the last minute, it would suggest that they had already had in excess of six weeks and should not need any more time.
- 16 Mr Croston did not accept that these were the only two alternatives. He told me that "*the statement of grounds had been reported to the client, and there had been some discussions around it*". But he did not know how much work had been done on the case. He explained that the attorney at Withers and Rogers who had who had been working on the case was on holiday – his last day in the office being 24 July. Mr Croston suggested that this was a further justification for an extension of time – ie. because the attorney dealing with the case was on holiday when the statement of grounds was re-served, and was not due to return to work until after the period for filing a counterstatement has expired. Mr Croston added that his colleague might have been able to prepare a response within the week if he had been in the office, but would be unable to do so because he was on holiday.
- 17 Although regrettable, I cannot help thinking that this is the result of his own action (or inaction). If he had raised the issue of the missing statement of truth sooner, there would have been plenty of time for him to respond to the statement of grounds before going on holiday.

### The overriding objective

- 18 Rule 74 of the Patents Rules 2007 refers to a procedural code with the overriding objective of enabling the comptroller to deal with cases justly. As rule 74(2)(d) makes clear, "*dealing with cases justly*" means that the comptroller must ensure that cases are dealt with "***expeditiously and fairly***". Rule 74(4) obliges the parties to help the comptroller to further the overriding objective. In these proceedings the validity of a patent is in question, and there is a clear public interest in determining the matter without undue delay.
- 19 Having regard to all the various factors listed in rule 74(2) (ie. not just subsection (d) mentioned above), I decided that there was not sufficient reason to exercise the comptroller's discretion to extend the period for filing a counterstatement.
- 20 If the registered proprietor considered that it was inappropriate to continue working on a response to the statement of grounds in the absence of a verified statement of truth, there was a clear obligation to raise the matter with the Office promptly – (rule 74(4)). In the event, I have to conclude that either the deficiency was not noticed until the day before the period for filing a counterstatement was due to expire, or the deficiency was noticed earlier and the registered proprietor decided to

wait until the last minute before raising it. In the former case, the registered proprietor only lost one or (at most) two days and has been more than compensated by the additional week that was allowed when the statement of grounds was reserved. In the latter case, the registered proprietor chose to waste time, and should not be allowed to waste more.

### **Appeal**

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

**Stephen Probert**

Deputy Director acting for the Comptroller