



PATENTS ACT 1977

BETWEEN

Dr Geoffrey Diamond	Claimant
and	
The University of Warwick	Defendant

PROCEEDINGS

Reference under section 37 of the Patents Act 1977 in
respect of European Patent number EP 2049885

HEARING OFFICER

Phil Thorpe

Mr Robinson of HGF represented the defendant, the Claimant represented himself
Telephone hearing date: 26 April 2018

Decision on Costs

Introduction

- 1 This is a decision on costs following a decision¹ dated 7th December 2017 to dismiss a reference by Dr Diamond under section 37 in which he claimed co-ownership of patent EP(UK) 2049885 (“the patent”) in the name of the University of Warwick. In that decision I deferred the question of costs pending further submissions from the parties. Written submissions were subsequently provided and presented orally via a telephone hearing on 26 April 2018. Dr Diamond represented himself whilst the University was represented by Mr Robinson of HGF.

Comptroller’s power to award costs

- 2 Section 107(1) of the Patents Act 1977 provides that:

The comptroller may, in proceedings before him under this Act, by order award to any party such costs or, in Scotland, such expenses as he may consider reasonable and direct how and by what parties they are to be paid.

- 3 It is however the established practice of the comptroller to award costs in accordance with a published standard scale of costs, as set out in Tribunal Practice

¹ The University of Warwick v Dr Geoffrey Diamond [BL O/629/17](#)

Notice (TPN) 4/2007². The scale costs are not intended to compensate parties fully for the expense to which they have been put, but to represent a contribution to that expense.

- 4 This policy reflects the intention that the IPO be a low cost tribunal for litigants, and builds a degree of predictability as to how much proceedings before the IPO may cost them. The hearing officer retains discretion however to depart from the scale if the circumstances warrant it. In *Rizla Ltd's Application*³ it was noted that the wording of section 107 “conferred on the Comptroller a very wide discretion with no fetter other than that he must act judicially. If he felt it was appropriate, an award of compensatory costs could become the norm”.
- 5 There is no hard and fast rule defining circumstances that might justify an off-scale award and each case needs to be considered on its merits. Section 5.47 of the Patents Hearings Manual⁴ does provide some examples of behaviour that might suggest an off-scale cost award: These include:
 - delaying tactics, failure without good cause to meet a deadline, or other unreasonable behaviour, particularly where the other side is put to disproportionate expense;
 - a claim launched without a genuine belief that there is an issue to be tried;
 - seeking an amendment to a statement of case which, if granted, would cause the other side to have to amend its statement or would lead to the filing of further evidence, if the amendment had clearly been avoidable;
 - unreasonable persistence in a course of action that has been indicated in a Preliminary Evaluation to be inappropriate;
 - costs associated with evidence filed in respect of grounds which are not pursued at the substantive hearing (though a party should not be deterred from dropping an issue which, in the light of the evidence filed by the other side, it now realises it cannot win);
 - unreasonable rejection by the party that eventually loses of efforts to settle the dispute before the proceedings were launched or a hearing held;
 - unreasonable refusal by that party to attempt alternative dispute resolution;
 - failure to attend a hearing;
 - breaches of rules;

² <http://webarchive.nationalarchives.gov.uk/20140610184041/http://www.ipso.gov.uk/p-tpn-42007.htm>

³ *Rizla Ltd's Application* [1993] RPC 365

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/320984/Hearings_manual_web.pdf

6 The guidance goes on to note that an off-scale award should seek to recompense for any unnecessary costs incurred as a result of any unreasonable behaviour. It is not intended to be punitive.

Requirements governing the form of a cost claim

7 The University is seeking an off-scale cost award of £37,130. It argues that Dr Diamond’s conduct in these proceedings is such that it should be entitled to all the costs that it has incurred. It provides a non-exhaustive list of reasons - all attributable to Dr Diamond’s conduct - to support its request. I will consider those reasons in due course but before I do, it is first necessary to consider the form of the submission made by the University since Dr Diamond argues it is defective.

8 The breakdown provided by the University for its claim for full costs is as follows:

Heading	Cost Incurred	Scale Cost
Preparing a statement and considering the other side’s statement	Considering Diamond’s Statement - £3,046 Work on Counter Statement -- £2,265	£650
Preparing evidence and considering and commenting on the other side’s evidence	Preparing evidence - £5,706 Reviewing Diamond’s Evidence - £4,432	£2,200
Preparing for and attending a hearing	£21,510 (includes all work for hearing, including preparing for and attending hearing, counsel’s costs, preparing hearing bundle)	£3,300
Total Costs	£37,130	£6,150

9 Dr Diamond asserts that this costs claim is defective because it does not follow the guidance set out in section 7 of TPN 4/2007 which reads (with Dr Diamond’s emphasis):

7. Any claim for cost approaching full compensation or for "extra costs" will need to be supported by a bill itemizing the actual costs incurred.

10 It is Dr Diamond’s opinion that whilst the University’s cost submission of 15th January 2018 provides a very precise figure for the total sum, it does not provide the necessary detail itemising the actual costs incurred. Rather it is merely a demand for a sum of £37,130 without providing, for example, charge-out rates or detail of the time spent on specific work undertaken.

11 Dr Diamond also directed me to rules 44 and 47 of the Civil Procedure Rules (CPR) which govern practice and procedure for cost claims before the courts. However, as I explained at the hearing, the CPR are not binding on the comptroller though they can on occasion provide helpful guidance. In this particular instance however it is TPN 4/2007 which provides the guidance that I should follow.

The University's submissions on cost

- 12 In its response the University submits that the table it has provided does provide the necessary detail. The cost incurred are broken down and itemised according to the scale headings of the TPN. To quote Mr Robinson, what more could be expected?
- 13 The assessment of costs is never an exact science and that can be especially true when considering costs that might be considered to have been incurred due to unreasonable behaviour. I am also mindful that proceedings before the comptroller are intended to be less formal than before the courts. Hence whilst the cost breakdown provided by the University might not provide the degree of itemisation that Dr Diamond would like to see it does nonetheless provide me with sufficient itemisation of the costs incurred in order to make a determination of any off-scale award. I therefore conclude that the University has submitted a claim that is within keeping of the spirit and scope of section 7 of the TPN; it is not defective as Dr Diamond would like me to find.
- 14 I now turn to the reasons submitted by the University to support its claim for full costs, following the ordering of the University's submission of 15th January 2018.

Dr Diamond as a litigant in person

- 15 The University contends that Dr Diamond's decision to represent himself despite repeated encouragement from the IPO to seek professional help resulted in him pursuing hopeless points and applications. The University refer by way of example to Dr Diamond's attempt to have me replaced as the Hearing Officer. Such actions as this they contend resulted in additional communications that had to be dealt with by the University.
- 16 The University also contends that Dr Diamond made many derogatory remarks towards the University, its legal advisors and the IPO, as evidence by several emails provided by the University. The University takes the view that many of the emails were sent with no other objective than to make inflammatory comments. Although not necessarily relevant to the question of entitlement, time was nevertheless incurred by the University's representative having a duty to deal with those emails - opening, reviewing and discussing them.
- 17 At the hearing, Dr Diamond explained that prior to launching the entitlement action he had sought advice from an industrial strategist and thus, contrary to what the University says, the action was not launched frivolously; it was not "some whimsical fancy" of his own.
- 18 As evidence of the advice received, Dr Diamond submitted (on the day of the hearing) a copy of an email exchange between himself and an IP strategist, dated 29th February 2016. In the exchange, the strategist "wonder[s]" whether consideration should be given to launching an entitlement action in respect of the patent. In his reply, Dr Diamond states that he is receptive to this idea.
- 19 Dr Diamond also suggests that there is a general undercurrent to the University's submission that he should not be entitled to launch an action because he is a litigant in person. To him this demonstrates the contempt that the other party has towards

anyone who is not a legal professional. Dr Diamond submits that being a litigant in person does not provide the University with a valid reason for getting full costs; in fact it pushes it other way. With regard to making derogatory remarks, Dr Diamond highlights the adversarial nature of the process and that remarks made are all part of what he refers to as “the language of the arena”.

20 As I have explained above, the IPO is intended to be a low cost tribunal for litigants and there is no requirement for any party to be professionally represented. Dr Diamond was perfectly within his rights to represent himself in these proceedings and the fact that he did so does not, in and by itself, serve as reason to depart from the normal scale of costs. However Dr Diamond’s decision not to seek professional advice, and the advice he received from the strategist was not really the sort of advice I was encouraging him to get, did result in the proceedings taking longer and being less focussed than would have been the case if he was professional represented. This is however not uncommon when litigants in person are involved. What matters here is whether Dr Diamond’s behaviour and actions were unreasonable such that an off-scale cost award is justified. I will come on to some of the procedural applications he made shortly.

21 In terms of the derogatory remarks made by Dr Diamond, which I do not need to repeat here but which he does not deny making, then I must disagree with him when he says this is the language of proceedings before the comptroller. It is not. At times during these proceedings, Dr Diamond did overstep the mark making personal attacks on witnesses and representatives of the other party and on the tribunal. Regardless of the adversarial nature of these proceedings, I believe there is still a place for the parties to act with courtesy and politeness. However, the issue here is whether any of what Dr Diamond said put the other side to unnecessary expense. On balance, I do not believe it did.

Dr Diamond commenced the action knowing that it was bound to fail

22 Since these proceedings were launched more than two years after the grant of the patent in issue then to succeed Dr Diamond had to show that the University knew it was not entitled to the patent at the time it was granted. The University argues that this was something Dr Diamond knew was not the case from the outset. Despite this he went ahead and launched the action and did so knowing it would result in a large amount of wasted time cost for both parties.

23 In response Dr Diamond stresses that what the University is saying here is an assertion, not a fact. Dr Diamond believes that my ultimate finding that the University did not know that it was not entitled was wrong. He refers also to the early entitlement case which he won. All of this shows in his opinion that he did not set out knowing the case was bound to fail; he thoroughly expected to win.

24 There is no question that Dr Diamond was aware of the need for him to show that the University knew it was not entitled to the patent when it was granted when he launched proceedings. It was something he specifically covered in his statement of case. He was I believe buoyed by the outcome of the previous entitlement dispute on a related patent where, in finding in favour of Dr Diamond, I had given particular weight to an email from the head of University’s research team stating that the invention had not been made under any research grant. That email predated the

granting of the patent in issue here. Notwithstanding that I ultimately decided that the University did not know it was not entitled to the patent in these proceedings, I believe that the findings from the previous case were not such as to render the case brought here by Dr Diamond as hopeless. Hence I am satisfied that he did not launch the action knowing it was bound to fail.

Dr Diamond pursued a number of applications or procedural issues which were vexatious and hopelessly bound to fail

- 25 The University contends that Dr Diamond made a number of applications and pursued a number of procedural issues that were vexatious or hopeless and that caused it further unnecessary expense. My earlier decision details these applications and issues. They include an application to hear the substantive issue of entitlement at the same time as hearing whether the reference was out of time. Dr Diamond also argued that I should recuse myself, that I should decline to deal with the reference and that I give summary judgement. Dr Diamond also raised points about the location of the hearing, whether it was a “substantive” or “preliminary” hearing, who should be cross examined and the admissibility of certain evidence.
- 26 In response Dr Diamond contends that the applications and points he raised were entirely reasonable and certainly not bound to fail. I agree in part. The application that I hear the substantive issue of entitlement at the same time as hearing whether the reference was out of time was in my view a reasonable one to make. It did necessitate a response from the University and it was discussed at the hearing. That Dr Diamond was unsuccessful with the application does not mean it was bound to fail hence in considering costs in relation to this application it is appropriate to look to the published scale. Equally I am satisfied that the various points raised regarding which witnesses would be cross-examined and the admissibility of possible hearsay evidence were not unreasonable and hence there is no justification for departing from the published scale in respect of those points.
- 27 I am however not convinced that the other applications and points were so reasonable. The application that I decline to deal, which was made at the hearing was a clear attempt by Dr Diamond to further delay or avoid the hearing. In the event I swiftly dismissed the application at the hearing hence even though it was unreasonable behaviour by Dr Diamond it did not clearly put the University to unnecessary expense. Similarly, Dr Diamond’s attempts to make an issue out of whether the hearing was a “substantive” or “preliminary” hearing was without any real foundation though again I do not believe that it resulted in the University incurring unnecessary expense.
- 28 Dr Diamond’s efforts to have me recuse myself did result in the University incurring costs which were unnecessary. In particular they needed to consider his application and respond to it at the hearing. As I noted in the decision this particular application was without any basis whatsoever. It was in my view the sort of unreasonable behaviour that deserves an off-scale award. I will return to the quantum of that award shortly.

Dr Diamond made a number of requests for extensions of time

29 The University argues that Dr Diamond made a number of requests for extensions of time which created additional time costs for the University. In its submission the University suggests that whilst “these costs are not recoverable according to TPN 2/2016” they serve to highlight Dr Diamond’s general conduct during the proceedings.

30 Dr Diamond’s response was that his busy and unpredictable work schedule including the need to travel abroad meant it was not possible at times for him to respond within a specified deadline and that necessitated his requests for extensions of time.

31 Before I explore in more detail the requests of time that were made I should perhaps comment on the TPN. The part quoted by the University is under the heading Expenses and reads as follows:

(a) Official fees arising from the action and paid by the successful party (other than fees for extensions of time).

32 For some extensions of time in proceedings and actions before the comptroller it is necessary to pay an official fee. For example to extend the period for putting a patent in order (the compliance period) by two months as applicants have the right to do requires the filing of a Form 52 and the payment of £135 official fee. It is these sorts of fees that the TPN is indicating are not recoverable. The guidance also relates only to the published scale hence an award off-scale would be able to consider such official fees. In addition, an off-scale award could also consider any unnecessary costs arising from any extensions of time.

33 I turn now to the requests made by Dr Diamond in these proceedings. During the evidence rounds Dr Diamond made two requests for an extension of time. The first to file his evidence in chief was agreed to by the University. The second was questioned by the University on the basis that Dr Diamond had not provided enough detail in his request. In the event I decided to allow Dr Diamond a further extension of time. Whilst having to extend specified periods is not ideal, it does however arise especially where litigants in person are involved. In the circumstances I do not believe that the requests made by Dr Diamond were unreasonable enough to justify an off-scale award.

Dr Diamond submitted hundreds of pages of irrelevant and unnecessary evidence

34 The University contends that Dr Diamond sought to make life difficult for it by filing large volumes of irrelevant and unnecessary evidence. It refers for example to Dr Diamond submitting the whole of the IPO’s Manual of Patent Practice (984 pages) and the Hearings Manual (686 pages). Mr Robinson explained at the hearing that this resulted in vast quantities of material where HGF, Counsel and the University were required to spend a great amount of time reviewing documents. He also referred to a number of irrelevant authorities submitted by Dr Diamond.

35 Dr Diamond in response argues that in his in his early dealings with the IPO’s Litigation Section he was advised to submit evidence in its entirety rather than provide excerpts. Whilst accepting that in some instances that meant that he submitted substantial documents he questions whether the University has actually read each and every part of the documents he submitted.

- 36 I note that the University did seek some clarification on Dr Diamond's evidence in reply from the IPO. In response Dr Diamond did go on to provide an indication of the parts of at least the Act and the Hearings Manual that he wished to rely on. It was possible for the University to seek further clarification on the relevance of a particular document direct from Dr Diamond had it wanted to. It could also have approached me had it not been able to obtain the further clarification sought. Hence whilst the volume of material submitted was substantial, the nature of the material together with the options available to the University and the instructions apparently given to Dr Diamond lead me to conclude that Dr Diamond was not behaving unreasonably in relation to this issue.
- 37 On the issue of authorities, the University has referred specifically to three authorities that Dr Diamond introduced a few days before the substantive hearing. Two of these related to a prior case where the question of whether it was appropriate to consider the timeliness of a reference under section 37 in advance of any substantive hearing on entitlement itself. The other authority was my earlier decision in the case between these two parties in respect of another patent. Hence I am satisfied that all three authorities were relevant to these proceedings.

Despite Dr Diamond being the claimant he failed to prepare a hearing bundle

- 38 In proceedings before the Comptroller the onus for producing a bundle for any hearing typically falls on the claimant. This is made clear in Chapter 4 of the Hearings Manual. In this case however it was the University rather than Dr Diamond who provided the bundles. Mr Robinson explained that a great deal of time was spent on this task, which was not made any easier by the challenge of finding out where Dr Diamond wanted the bundles to be sent.
- 39 Dr Diamond questions whether a bundle was really necessary given that the hearing was considering a preliminary point noting that other such preliminary hearings he had been involved in did not require bundles. He contends that it was a matter for the University if it chose to incur the costs of producing bundles.
- 40 Mr Robinson responded that although the hearing was a preliminary hearing the bundles were used extensively. He also notes that Dr Diamond had demanded that HGF produce the bundles.
- 41 I did ask Mr Robinson for details of any correspondence between the parties on this noting that no request appears to have been made to me to resolve any differences at the time of the hearing. He confirmed that no such request had been made and that rather than enter into protracted discussions with Dr Diamond it had simply produced the bundle. I am grateful to them for doing so as the bundles undoubtedly did help with the hearing however I do not believe that there is anything in this to justify an off-scale award in favour of University.

At the substantive hearing Dr Diamond wasted time on irrelevant issues and his presentation of the case and cross examination lacked focus.

- 42 The final head in the University's cost submission relates to what it perceives to be wasted time costs incurred prior to and during the hearing through the irrelevant issues raised by Dr Diamond. It highlights in particular the matter of recusal of the

Hearing Officer and also the manner in which Dr Diamond cross examined the University's witnesses which lacked focus and required me to intervene.

- 43 I have already covered the issue of recusal. On the cross-examination of witnesses then notwithstanding that Dr Diamond had indicated a desire to cross-examine two witnesses, in the event only one witness gave oral evidence. Dr Diamond's cross examination of this witness did, as I noted in my earlier decision, occasionally stray however I do not think it was unreasonable nor did it unreasonably prolong the hearing.

Further matters raised after the University had filed its cost submission and during the hearing on costs

- 44 The issues that I have discussed so far, and to which the University's submissions were directed, related to Dr Diamond's behaviour up to and including the substantive hearing. I need also to mention some issues that have arisen since then and at the hearing on costs. It was perhaps not surprising that following my substantive decision Dr Diamond requested that a different hearing officer be appointed to decide on the matter of an award of costs. He relied again on the reasons that he put forward to have me recused in advance of the substantive hearing adding that I would most likely, even if only unconsciously, have a concluded view hostile to him.
- 45 The normal practice in proceedings before the comptroller is for the hearing officer who has decided the substantive matter to also decide on the matter of costs. The reason for this is that that hearing officer will already be fully apprised of the matters considered and importantly would have witnessed first-hand the behaviour of the parties. For that reason, the reasons already set out in my earlier decision, and in the absence of any persuasive further arguments from Dr Diamond I refused his further request that I recuse myself.
- 46 Dr Diamond also sought to bring into these proceedings an issue relating to the cost order in the earlier proceedings between the parties. There I had made an order in favour of Dr Diamond to the sum of £320. According to Dr Diamond he had not received payment of this. This non-payment he contends is an example of unreasonable behaviour by the University which I should take into account here. He also asked for the interest on the unpaid costs. Furthermore he asked that the University be placed on the IPO's online list of debtors and that it should also be made to pay security in respect of his cost claim in these proceedings which he argued was to the amount of approximately £50,000.
- 47 Dr Diamond was advised that the IPO only provides an online register in respect of unpaid cost orders in Trade Marks proceedings. There is nothing comparable in respect of patent proceedings which are subject to different law and practice. Dr Diamond was also advised that prima facie none of the prescribed conditions in rule 85(1) which govern the making of an order for security under section 107(4) were met, and that it would in any event not be just having regard to all the circumstances to make such an order. The parties were invited to make further submissions on this at the hearing. No such submissions were made so I need to say no more.
- 48 On the matter of the payment of the cost award in the earlier proceedings then the University notes that it had sought to pay it by cheque to the address it believed Dr

Diamond was using at the time. This had apparently changed hence the cheque was never received or cashed. It does not appear that Dr Diamond did anything to chase up the payment. He did not for example contact the University. It apparently only became an issue in the latter course of these proceedings. The University notes that when it found out from Dr Diamond that the cheque had not been cashed it attempted to make the payment again. Despite some disagreement about how that should be done I understand that payment has now been made. I can see nothing in any of this, in particular there is no evidence that the University has behaved unreasonably, that would influence my decision in relation to costs in these proceedings.

- 49 I need to conclude by referring to two matters that arose in the immediate run-up to the hearing on costs or at the hearing. The first relates to three authorities that the University sought to rely on. These were listed in an email submitted by the University on the day before the hearing. One of the three authorities referred to, *Rizla's Application*, had already been referred to in the University's original submission on costs. The other two related to cases referred to in the Hearings Manual in the section relating to off-scale costs. The University had referred to this part of the Hearings Manual in its original cost submission but had not specifically referred to these two particular cases.
- 50 Dr Diamond argued that in raising these authorities so late in the day, he had not had time to consider them. He went on to argue that the University's actions in this respect represented a clear abuse of process. I would note that the Hearings Manual states that skeleton arguments and authorities should be supplied at least two days before the hearing. However the letter that the IPO sent out in this instance did not include such a time limit instead noting merely that any authorities should be provided beforehand. I am therefore satisfied that the University's actions in this respect were not unreasonable. I would add that the University decided under the circumstances not to rely on these authorities at the hearing.
- 51 The final area of contention was how I managed the submissions at the hearing. Given that the onus lay on the University to demonstrate that an off-scale award was justified I asked Mr Robinson to address me first. Further since the submissions he had submitted were relatively brief and had been available to Dr Diamond for some time I asked him to address me on all the issues. I then allowed Dr Diamond to respond. Dr Diamond objected that this was procedurally unfair to him and that he would have preferred to have an opportunity to respond individually to the points raised by Mr Robinson. I indicated at the hearing that I would note his objection in my decision which I have done. It however has no bearing on this cost decision.
- 52 I have considered individually the arguments put forward by the University as well as Dr Diamond's responses and have concluded that only in respect of his application that I be recused was Dr Diamond's behaviour unreasonably enough to justify an off-scale award. I need however also to take a step back and assess his behaviour as a whole. By their nature litigants in person can cause proceedings to run less smoothly than they would perhaps if both sides were represented. Sometimes this is because the litigant in person doesn't fully understand how proceedings are conducted. That was not the case here. Rather it was Dr Diamond's general attitude and approach that resulted in him pushing the boundaries of acceptable behaviour to the limit. Overall however I do not believe he crossed the line other than in the one aspect I

have mentioned. That does not mean that Dr Diamond's actions and attitude are without cost. The various applications he made and the sheer volume of correspondence from him has undoubtedly made the case more complex than it need to be. That will be reflected in the on-scale award.

Cost award

- 53 Having reviewed the proceedings I conclude that an on-scale award of £2600 as a contribution to the University's costs is justified. This is made up of the following elements:

For preparing a statement and considering Dr Diamond's statement - £400

For preparing evidence and considering and commenting on the evidence and other material submitted by Dr Diamond - £1000

For preparing for and attending the substantive hearing which lasted just over ½ a day and also the brief telephone costs hearing - £1200

- 54 I turn now to the off-scale award in respect of Dr Diamond's request that I recuse myself. It is clear from the transcript of the substantive hearing that a significant amount of time was taken up on this at the hearing. Roughly 12 pages of the 84 page transcript were devoted to this issue. Further unlike some of Dr Diamond's other applications it was set out in some detail prior to the hearing and hence needed to be considered in that level of detail by the University. This may suggest that roughly 15% of the cost of preparing for and attending the hearing was spent on this issue. Using the breakdown provided by the University this would translate to approximately £3000 in actual costs.
- 55 I am however also minded to follow the practice adopted by the hearing officer in *Statoil ASA v University of Southampton*⁵ and start from the position that a court would challenge costs, and likely reduce them to 60-70% of the value claimed. This would suggest an off-scale award of £1600 is just taking into account also the on-scale award in respect of the hearing.
- 56 I therefore award the University of Warwick the sum of £4200 as a contribution towards its costs. This sum is to be paid within 7 days of the expiry of the appeal period set out below.

Appeal

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

Phil Thorpe
Deputy director acting for the Comptroller701

⁵ *Statoil ASA v University of Southampton* BLO/268/05