



10 August 2011

PATENTS ACT 1977

APPLICANT Premium Aircraft Interiors Group Limited

ISSUE Whether to correct the register entry in respect of European patent (UK) 1495908 in the name of Virgin Atlantic Airways Limited

HEARING OFFICER A C Howard

DECISION

Introduction

- 1 On 14 March 2011, Premium Aircraft Interiors Group Limited (“Premium”) applied to the comptroller for correction of the UK register of patents in respect of the entry for European patent (UK) 1495908. The patent is in the name of Virgin Atlantic Airways Limited (“Virgin”).
- 2 The request is to correct the register so as to remove the patent in question entirely from the register. In essence, Premium’s position is that Virgin expressly excluded the UK as a designated state during the prosecution of the patent application before the European Patent Office (EPO), with the consequence that no European patent (UK) ever existed and the mention of it in the UK register is erroneous.
- 3 The Office wrote to Premium on 9 May 2011, expressing the preliminary view that the comptroller should not make the requested correction.
- 4 Premium took up the offer of a hearing, and the matter therefore came before me on 13 June 2011. Premium was represented by Mr Jim Pearson and Mr James Ford of the patent attorneys Abel & Imray, and Ms Jennifer Sunderland of the law firm Wragge & Co. I was assisted by Dr James Porter from Patents Legal Section, and the case officer who first considered the request, Mrs Debbie Cooke, also attended.

The law

- 5 Section 32(2) of the Patents Act 1977 (“the Act”) allows rules to be made which govern the keeping of the register of patents. In particular, section 32(2)(d) allows rules to make provision for “the correction of errors in the register and in any documents filed at the Patent Office in connection with registration”.

6 Rule 50 of the Patents Rules 2007 (as amended) is made under this provision. It is entitled “Request for correction of error” and reads as follows:

(1) Subject to rule 49, any person may request the correction of an error in the register or in any document filed at the Patent Office in connection with registration.

(2) The request must be –

(a) made in writing; and

(b) accompanied by sufficient information to identify the nature of the error and the correction requested.

(3) If the comptroller has reasonable doubts about whether there is an error –

(a) he shall inform the person making the request of the reason for his doubts; and

(b) he may require that person to furnish a written explanation of the nature of the error or evidence in support of the request.

(4) If the comptroller has no doubts (or no longer has doubts) about whether an error has been made he shall make such correction as he may agree with the proprietor of the patent (or, as the case may be, the applicant).

7 At the hearing, Mr Pearson pointed out that, although rule 50(3) refers to the comptroller having “reasonable doubts”, rule 50(4) appears to refer simply to the situation where the comptroller has “no doubts”. They argued that, in the context of rule 50(3) and the burden of proof generally, it would be wrong to require the comptroller to have absolute certainty before making a correction – and so rule 50(4) should be interpreted in the light of rule 50(3) as meaning that the correction should be made if the comptroller has no reasonable doubts. I think that analysis must be right in order for the rule to be internally consistent.

8 Also relevant is Article 79 of the European Patent Convention 1973, in the form in which it existed prior to the revisions which came into force in December 2007. At the relevant time, Article 79 read as follows:

Designation of Contracting States

(1) The request for the grant of a European patent shall contain the designation of the Contracting State or States in which protection for the invention is desired.

(2) The designation of a contracting state shall be subject to the payment of the designation fee. The designation fees shall be paid within six months of the date on which the European Patent Bulletin mentions the publication of the European search report.

(3) The designation of a Contracting State may be withdrawn at any time up to the grant of the European patent. Withdrawal of the designation of all the Contracting States shall be deemed to be a withdrawal of the European patent application. Designation fees shall not be refunded.

Factual background

9 European patent application EP2004101715.3 was filed by Virgin on 23 April 2004. It was divided from an earlier application – namely, EP2002751416.5 with

a filing date of 9 August 2002 – and so was treated as having that earlier filing date.

- 10 The divisional application was published by the EPO on 12 January 2005 and it resulted in the grant of European patent EP1495908 on 30 May 2007. Both the published application (the “A” specification) and the published patent (the “B” specification) contained “GB” in the list of “designated contracting states” shown on their front page.
- 11 The patent was subject to opposition proceedings (in which Premium was one of several opponents) and subsequently to appeal proceedings. The decision of the Board of Appeal on 9 September 2010 (T 1495/09) was that the patent should be maintained, but in an amended form. The patent has also been the subject of litigation in the English courts, where it was held to be valid and infringed¹.
- 12 That is all by way of background. The question that Premium has raised in the matter before me largely concerns events at the EPO which occurred at the early stages of the application process, and in particular the question of whether or not the United Kingdom was in fact designated. It is to this matter which I now turn.

Argument and analysis

- 13 As they set out in the material accompanying their request for a correction, Premium argue that Virgin clearly chose not to designate GB when they filed the application in question. Premium also contend that erroneous statements by or records at the EPO which refer to a GB designation do not alter that fact, and so the European Patent (UK) is actually a “legal fiction”. Thus, they say, the UK register of patents contains an obvious error by referring to the existence of EP(UK) 1495908, which the comptroller should correct under rule 50. At the hearing, Mr Pearson expanded helpfully on the reasons for their view.
- 14 Their first line of argument concerned the online form used by Virgin to request grant of the patent in question. They pointed out that the standard statement which appears at Part 6-1 of the form says “All states which are contracting states to the EPO at the time of filing of this application are hereby designated” and they provided evidence that the online filing system forces a tick to be placed next to this statement. They then pointed to Part 16 of the form, entitled “Annotations” and to a note added there by Virgin which stated “Re item 6-1: GB is expressly NOT designated in this application. Apart from GB, all other EPC contracting states which were designated in EP 02751416.5 are designated in this application”. Premium also pointed out that, under Part 6-4 of the form which states “The applicant currently intends to pay designation fees for the following states”, Virgin had listed all states except GB.
- 15 It was put to me that Virgin’s intention on filing was clear, that the annotation at Part 16-1 was not a contradiction with Part 6-1 but was an express qualification of it, and so it was clear from the form taken as a whole that GB had not been

¹ See, for example, the following decisions of the Court of Appeal:
Virgin Atlantic Airways Limited v Premium Aircraft Interiors UK Ltd [2009] EWCA Civ 1062
Virgin Atlantic Airways Limited v Premium Aircraft Interiors UK Ltd & Anor [2011] EWCA Civ 163

designated. In fact, Mr Pearson argued, if one wanted to withdraw a designation on filing, this would be the only way of doing so, given the rigidities of the online form.

16 Premium's position was therefore that the GB designation was clearly absent right from filing of the application, and anything that later suggested it was possible to "resurrect" or "reactivate" that designation was irrelevant and wrong. In particular, they argued that payment of the designation fees did not re-activate the GB designation, but simply confirmed as designated those states which had been properly designated on filing and not withdrawn. Thus, a European patent (UK) could not properly be regarded as having been granted where there was no request initially made for such a patent.

17 Mr Pearson then took me through subsequent events at the EPO concerning this matter.

18 First, Premium had made a request to the Opposition Division on 5 November 2008 seeking a correction of the decision to grant the patent with the GB designation on it. On 23 February 2009, the Opposition Division informed Premium that it had forwarded their request to the Examining Division, who had taken the decision to grant and who would "consider of its own motion...whether the decision should be corrected".

19 In a communication of 17 April 2009, the Examining Division set out its assessment of why "it is not necessary to correct the decision [to grant] with regard to GB". In summary, the reasons given were that:

there had been an ambiguity on the form which the EPO should have clarified but did not;

there was thus no explicit, unambiguous withdrawal of the GB designation on filing;

designation is by payment and the designation fee for GB was paid, and afterwards the designation was never questioned by the applicant;

even if the withdrawal had been explicit but overlooked by the EPO, the EPO was bound by the principle of good faith, having accepted the GB designation throughout the examination proceedings.

20 Mr Pearson expressed the view very forcefully that the Examining Division's communication "is just so manifestly wrong in every respect it should just be put to one side and ignored" and that "a manifestly wrong decision from the EPO should not introduce any reasonable doubt in the Comptroller's mind that an error still exists on the UK register".

21 The decision of the Opposition Division of 18 June 2009 on the substantive opposition proceedings contained a section entitled "Additional Remarks", in which the matter of the GB designation was discussed. The Opposition Division remarked upon what it called "the administrative mistake [that] occurred during the examination proceedings leading to grant" but also commented that it was

only the Examining Division that was empowered to make a decision on the request for correction. It also commented that “said administrative mistake ended up creating for the Patent Proprietor an objectively unforeseeable and unexpected chance of making up his mind and even changing course of action as far as the designation of the United Kingdom was concerned”.

- 22 At the hearing I asked whether the Opposition Division formally decided that there had been a mistake or whether these remarks were *obiter*. The reply I think conceded that the remarks were *obiter*, but Mr Pearson did nevertheless point out to me that in their view the Opposition Division’s acknowledgement of a mistake was entirely clear and open.
- 23 Both the communication of the Examining Division and the decision of the Opposition Division were subsequently appealed.
- 24 In Decision T 1495/09 of 9 September 2010, which was largely concerned with the appeal from the substantive opposition, the Board of Appeal confirmed that the Opposition Division was right not to have corrected the decision to grant, and that it would have been acting *ultra vires* if it had done so. The same applied to the Board of Appeal itself in the opposition appeal proceedings.
- 25 In Decision T 1259/09 of 10 September 2010, the Board of Appeal considered the communication of the Examining Division and concluded that the appeal by Premium was inadmissible. This was on the ground that only Virgin, as applicant, had been party to the proceedings before the Examining Division. Premium were not a party to those proceedings and so were not entitled to appeal the Examining Division’s communication.
- 26 That, it seems, exhausted Premium’s options for seeking to overturn the communication of the Examining Division of 17 April 2009.
- 27 So, in summary, Premium’s position is that it is clear from the online form submitted by Virgin that there was no GB designation. They say that nothing Virgin or the EPO did subsequently can legitimately change that fact, and so there can never be a GB designation which comes into existence. The designation and the European Patent (UK) are therefore legal fictions. Any suggestion in the EPO register or elsewhere that there is in fact a GB designation and so a European Patent (UK) is an error which I should agree to correct insofar as it appears in the UK register. Furthermore, they say, the fact that the EPO is not compelled or, it seems, able in law to correct the error does not change the fact that the error exists.
- 28 Having considered the history of this matter carefully, it seems clear to me that the EPO’s final position in respect of Premium’s request for a correction of the decision to grant is set out in the communication of the Examining Division of 17 April 2009: the GB designation stands and should not be corrected. The Opposition Division later made some *obiter* remarks about an error, but in any event did not go on to remark upon or decide whether a correction should be made. The two later decisions of the Board of Appeal left the communication of the Examining Division undisturbed, for the reasons set out above.

- 29 Clearly, Premium disagree strongly with the assessment contained in that communication. But the communication nevertheless exists, and Premium have exhausted what routes they had for challenging it or having it reviewed before the EPO.
- 30 That, however, is not the end of the matter. Premium say that I have the power to review the facts of this case and the Examining Division's communication, and to come to a view on its validity.
- 31 At the hearing, Mr Pearson argued that "if there is a glaring error that has resulted from the EPO, then I think there are two ways in which that can be rectified. One is via the EPO and one is via the UK. The UK comptroller has the power, and is I think compelled, to keep a register free of errors". I was also pointed to the decision of the Patents Court in *Arrow v Merck*².
- 32 In that case, the Court considered the question of whether a European patent (UK) ever existed in the circumstances where the European Bulletin mentioned grant of the patent with a GB designation, but where that designation had actually been withdrawn by the applicant shortly before the date of publication in the Bulletin.
- 33 What happened was that the EPO wrote to Merck on 1 March 2007 indicating its decision to grant Merck's patent for all of the designated states, including GB. The letter stated that the decision would take effect on the day on which mention of grant was published in the Bulletin, which would be 28 March 2007. On 22 March 2007 Merck wrote to the EPO withdrawing the GB designation, but the notification in the Bulletin on 28 March 2007 went ahead with the GB designation included. It was only on 4 April 2007 that the EPO wrote back to Merck to confirm that withdrawal of the GB designation took place on 22 March 2007, stating that the decision to grant of 1 March 2007 would only become effective for the remaining Contracting States on 28 March 2007, and explaining that a corrigendum would be published in due course. This corrigendum was issued on 9 May 2007.
- 34 Arrow argued that it was the act of publication in the Bulletin which constituted the grant of the patent, and so a European Patent (UK) had in fact been granted – and the subsequent issuing of a corrigendum could not alter that fact. The Patents Court held that this was wrong, and that the decision to grant had been properly qualified prior to it taking effect on 28 March 2007 – thus no European Patent (UK) had been granted.
- 35 A significant difference between *Arrow v Merck* and the case before me is that there was no review or reasoned determination by the EPO. No such step appears to have been necessary, because there was no dispute over the withdrawal of the GB designation on 22 March 2007. The EPO agreed with the problem that had been identified and, at a procedural level, acted as quickly as possible to clarify the position by confirming the withdrawal on 4 April 2007 and issuing the corrigendum on 9 May 2007. Borrowing the words used by Mr Pearson, there does not appear to have been any doubt on the EPO's side that

² *Arrow Generics Ltd and Arrow Pharm (Malta) Ltd v Merck & Co, Inc.* [2007] EWHC 1900 (Pat)

the mention of grant of the EP(UK) in the Bulletin was “manifestly wrong”. That contrasts with the case before me, where the EPO was asked to consider making a correction, reviewed the matter and concluded that it should not do so.

- 36 When I put this distinction to the representatives of Premium, they conceded that the case before me is highly unusual and so there is no case law which corresponds directly to it, but they did emphasise that, in their view, “the Arrow Generics case shows that the UK register doesn’t need to slavishly copy the EPO register where there is an error in it, but I think we would acknowledge that there is a difference in that, in that Arrow Generics case, the EPO did consider it and agree that the GB designation shouldn’t have been on there. That is the difference. But it does show that the UK register can differ from the EPO register”.
- 37 They also argued that, had the EPO not acted or agreed to issue the corrigendum, the Patents Court would have still regarded itself as having the power to review the EPO’s procedural handling of the case and, if necessary, address the problem. In this respect, I was pointed to paragraph 35 of the judgment, where Kitchen J says that the mention of grant in the Bulletin “could not and did not have the consequence that a European patent (UK) was granted”.
- 38 Firstly, I do not think the fact that *Arrow* may show that the UK and European registers may differ is at the heart of the question here. The key point is that in order for me to be able to come to a conclusion on whether or not the European patent (UK) exists, and hence whether there is an error in the UK register, it would be necessary for me to look afresh at the facts that had been considered by the Examining Division, and effectively come to a view on the validity of their communication.
- 39 In this latter respect, I do not think that *Arrow* assists me greatly either. It is a hypothetical question whether, if in that case, the EPO had not agreed to the corrigendum at a procedural level, the court would have reviewed the EPO’s actions or made the finding that it did. It is even more speculative to consider whether the court would have carried out such a review if the EPO had itself been asked to review its own procedural handling of the corrigendum and had come to a considered view.
- 40 Furthermore, even if one were to conclude that the court could have done so in such a situation, this would have been in the context of fully litigated proceedings. In *Arrow*, the patentee Merck was arguing that the European patent (UK) did not exist, and Arrow was arguing that it did (and was seeking certain relief in respect of it). That is not the position here. Although the patentee Virgin has written to the comptroller making some observations, this is an *ex parte* matter in which I can only hear formally from the applicant for correction.
- 41 Accordingly, I do not see how it is open to me, in the context of an *ex parte* request for correction of the register under Rule 50, to review the determination that the EPO has made, as set out in the communication from the Examining Division. I fully appreciate that Premium think that it has been wrongly decided and have highlighted that it appears impossible for them to pursue the matter further before the EPO in these unusual circumstances – but the determination

stands nonetheless.

- 42 I find support in this conclusion from the fact that with Premium's routes for appeal at the EPO having been exhausted, this has very much the feel of a request for the comptroller to conduct something like a judicial review into the reasonableness of the EPO's decision. But in contrast to the provisions governing revocation on substantive patentability grounds (which have a clear statutory basis and are conducted as *inter partes* proceedings), the legislators have decided that the comptroller should have no power to review procedural decisions made by the EPO during the processing of patent applications. Nor do I see how he can have any sort of inherent or more general power to do so.
- 43 Finally, I should mention three points that were made by Premium in respect of the wording of specific provisions of the Act.
- 44 First, they pointed to section 78, which sets out that a European patent (UK) is treated as a patent under the Act, but that this ceases to be the case where, as set out under section 78(5)(b), the designation of the United Kingdom is withdrawn or deemed to be withdrawn.
- 45 Second, they pointed me to the definition of "application for a European patent (UK)" contained in section 130(1) of the Act, which sets out that such an application is one which, on its date of filing, designates the UK. Of course, Premium's position is that Virgin's application did not do so.
- 46 And thirdly, they pointed out that the definition of "designate" in section 130(1) was amended in recent times, and now refers to the fact that "designate" includes within its meaning a reference to a country being "treated as designated in pursuance of the [EPC]". They argued that, prior to this reference being inserted, and at the time of filing of Virgin's application, it was not possible for the EPO's decision to "treat" the GB designation as present as being sufficient to amount to actual designation within the meaning of the Act.
- 47 On the third point, I note that the definition of "designate" was amended in December 2007 as a part of the UK's implementation of EPC 2000, and the reference to being "treated as designated" was introduced in order to recognise the fact that, under Article 79 EPC 2000, states are now automatically deemed to be designated on filing. Prior to this amendment, the definition stated simply, as Premium pointed out, that "designate" meant "designate the country or countries... in which protection is sought". This is the wording which applied at the time of filing of Virgin's application.
- 48 I do not think that any of these points get Premium any further forward. They all ultimately come back to the question of whether GB was designated in the application, and it is that very question which was the subject of the EPO's determination – a determination which, for the reasons given above, I cannot re-open or review.

Conclusion

- 49 Although on its face this is an application for correction of an error on the basis

that the European patent (UK) does not exist and therefore the mention of it in the register is incorrect, in practice for me to conclude beyond reasonable doubt that there is an error, I would have to review the EPO's explicit determination that the original patent application could proceed with the UK as a designated state. It follows from my reasoning above that there is no basis on which I could do this, and I accordingly refuse the application.

Appeal

- 50 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

A C HOWARD

Divisional Director acting for the Comptroller