

04 January 2013

PATENTS ACT 1977

APPLICANT YKK Europe Limited

ISSUE Whether patent application number GB0922420.5 qualifies under Rule 111 to extend the time period for filing the request for substantive examination and if so, whether the termination of the application can be reversed.

HEARING OFFICER Mr. G.J Rose'Meyer

DECISION**Background**

- 1 Application GB0922420.5 was filed in the name of YKK Europe Limited (the applicant) on 22 December 2009 with a claimed priority date of 23 December 2008. The application was filed by fax on 22 December 2009 and consisted of the description, the claims, four sheets of drawings, an abstract and Patents Forms 1, 7 and 9 (with their relevant fees) and a covering letter from Marks and Clerk LLP (the attorneys acting on behalf of the applicant) listing those documents. Confirmation of which documents had been received was sent by the IPO in the form of a filing receipt dated 23 December 2012. Confirmation copies of these documents were subsequently received in the Office by post on 15 January 2010. A request for the substantive examination of the application, using Patents Form 10, was not filed at this time.
- 2 A search of the invention was performed on 15 April 2010 and the search report under section 17(5) was issued with a covering letter dated 16 April 2010. Subsequently, the application was published on 30 June 2010. Under section 18(1) of the Patents Act 1977 and rule 28(2) of the Patents Rules 2007, a request for substantive examination, on Patents Form 10, was therefore due by 30 December 2010. As no Patents Form 10 had been filed by 14 December 2010, the Office issued a Form 10 reminder letter to Marks & Clerk LLP (Marks & Clerk) in Manchester. No response was received and the application was treated as withdrawn, as required under section 18(1) and was duly terminated with effect from 31 December 2010.

The matters arising

- 3 On 1 March 2012 the office received a letter from the attorneys asking when they might expect to receive the substantive examination report on this application. In a

telephone conversation on 6 March 2012 an Intellectual Property Office (IPO) official informed the attorneys, Marks & Clerk, that the case had been terminated due to failure to file Form 10 and that it was now too late to either file the relevant form or to request reinstatement of the application under section 20A and rule 32.

- 4 Marks & Clerk filed the Patents Form 10 on 13 April 2012. It was explained in the accompanying letter that it was originally intended to file the Patents Form 10 with the patent application and that it transpired that although Form 10 had been prepared, it was never mailed to the IPO along with the other documents included in the application. It was further explained that working on the basis that Form 10 had indeed been filed, Marks and Clerk's internal records had been updated such that the internal alerts which would normally have been generated to remind them of the fact the request for substantive examination had not been filed, were not generated.
- 5 It was also stated in the letter of 13 April 2012 that although the IPO had indicated that a Form 10 reminder letter had been sent to Marks & Clerk, Manchester on 14 December 2010, the attorneys had no record of having received it. The attorneys submitted that had a Form 10 reminder letter been received, it would have alerted them that Patents Form 10 had not in fact been filed and the issue would be resolved 'without delay'. It was argued that failure to receive the Form 10 reminder letter dated 14 December 2010 was attributable either to an irregularity within the IPO or alternatively to a failure of a communication service. As such Marks & Clerk requested that the Comptroller extend the time prescribed by rule 28(2) of the Patents Rules 2007 for filing Form 10 under the provisions of rule 107 or rule 111 of the Patent Rules 2007.

The Office's position under rule 107 and rule 111

- 6 In reply to the attorney's letter, an official letter dated 4 May 2012 expressed the view that there was no scope under the provisions of either rule 107 or rule 111 to extend the time limit for filing the of Patents Form 10. In summary, a check of the Office's records had shown that on the balance of probabilities the Form 10 reminder letter had been issued and as such it was considered that no irregularity in Office procedure or practice had occurred. Therefore no relief under rule 107 of the Patents Rules 2007 was available.
- 7 The official letter further set out the view that the primary cause of the failure to file Patents Form 10 in time was the acknowledged error by the attorneys, whereby a Form 10 was prepared but not sent, but was recorded as having been sent. The IPO view was that whilst the Form 10 reminder letter might have highlighted the failure of Marks & Clerk to file the Patents Form 10, it cannot be said that the failure to receive the reminder (i.e. a failure in a communication service) was the main cause of Patents Form 10 not being filed in time. As such, the IPO view was that relief under rule 111 of the Patents Rules 2007 was also not available.
- 8 The applicant requested a hearing as to whether an extension of time under rule 107 or rule 111 could be allowed by the comptroller. The hearing was duly appointed for 6 September 2012. Mr. Richard Davis (Counsel), instructed by Dr. Nicola Teasdale of Marks & Clerk, represented the applicant at the hearing.

The Office's position on whether the termination of the application can be reversed if the applicant is successful under rule 111

- 9 Prior to the hearing the IPO wrote again to the attorneys on 13 August 2012 and subsequently on 5 September 2012 to explain that as the application had been terminated, it was considered that irrespective of the other circumstances, an extension of time under rule 111 of the Patent Rules 2007 would not reverse the terminated status of the application.
- 10 In summary, the IPO's view as to the extent of the comptroller's powers under rule 111 is that where a Patents Form 10 has not been filed in time, there is a mandatory requirement under section 18(1) that the application shall be treated as withdrawn at the end of the prescribed period. While rule 111 allows the period for filing Form 10 to be extended, rule 111 makes no specific provision to overcome or reverse the mandatory requirements of section 18(1) nor does it specifically provide any powers by which the comptroller may reinstate a terminated application. This is because there are specific provisions under s.20A allowing for reinstatement of applications that have been terminated as a direct consequence of a failure to comply with a requirement under the Act or Rules. The situation was said to be analogous to *Payne's Application* [1985] RPC 193.
- 11 At the hearing on 6 September 2012 Mr. Davis acknowledged that he had received the official letter of 5 September 2012. Following additional clarification at the hearing, Mr Davis was able to address me on this issue.

The applicant's case under rule 111

- 12 Counsel, Mr. Davis submitted his skeleton argument on behalf of the applicant on 31 August 2012. In that skeleton there was no mention of the rule 107 grounds and at the subsequent hearing, Mr. Davis confirmed that that ground had been discontinued and that the only remaining ground was under rule 111. The applicant's case under rule 111 in essence is that the Form 10 reminder letter was never received by the Marks & Clerk office in Manchester and that as the issuing of that reminder letter was established and advertised Office practice(e.g. in the official Manual of Patent Practice), Marks & Clerk were entitled to rely on it as a failsafe (not as a primary system) in the event of a breakdown in their own systems. Mr Davis referred me, by analogy, to *Carrington's Patent* BL O/22/98 and J23/87.
- 13 Mr. Davis alternatively argued that what happened in this case was a string of events and possibly nothing in that string of events was the main cause or alternatively all these events could be said to be main causes [of the failure to file Form 10] for the purposes of rule 111.
- 14 Mr. Davis also presented what he described as a "but for" test. "But for" something happening, would there have been the result? He relates this argument to the failsafe of the Form 10 reminder letter not being received by Marks & Clerk. But for the loss of that reminder letter, the Form 10 was not filed in time. He submitted that this was probably good enough to meet "main" within the intent of the legislation.
- 15 Finally, Mr Davis argued that I should consider the matter on a temporal basis and ask only what the main cause of the failure to file Form 10 at the deadline of 30

December 2010: i.e. the cause of the failure to file Patents Form 10 was wholly or mainly attributable to the non-delivery of the Form 10 reminder letter and thus the breakdown of that failsafe mechanism

- 16 In addition, at the hearing Mr. Davis' made submissions concerned the formalisation of the applicant's evidence filed to date. There followed discussions as to the level of evidential burden required for the comptroller to be "satisfied", as that was what was required by rule 111 in order that an extension of time may be allowed. I referred Mr. Davis to the view of the Patents Court in the case of *Matsushita Electronics [2008] EWHC 2071 (Pat) 2008 RPC 35* case where Mr. Justice Mann gave some guidance on the matter. I agreed that further evidence concerning the missing Form 10 reminder letter could be submitted before 6 October 2012 (subsequently extended to 6 November 2012).
- 17 The evidence when filed on 6 November 2012 consisted of a Witness Statement from Jacqueline Helliwell, Records System Manager at Marks & Clerk, Manchester and one from Mark Lloyd Kenrick, Office Managing Partner of Marks & Clerk, Manchester office.
- 18 In summary, Mrs. Helliwell's evidence explains the system employed by Marks & Clerk for recording the status of the filing of the Patents Form 10 and the process for handling Form 10 reminder letters and how receipt of the Form 10 reminder letter forms an integral part of the system. Mrs. Helliwell's statement explains that upon receipt of any Form 10 reminder letter, the computerised records are checked and any identified inconsistency is referred to the supervising patent attorney responsible for the case. She confirms that in the case of the application in suit, no Form 10 reminder letter was received in the offices of Marks & Clerk LLP Manchester and that she is not aware of any incoming mail to the Manchester office ever having been mislaid.
- 19 Mr. Kenrick's evidence in summary explains that Marks & Clerk LLP gives specific training to its patent attorneys in relation to its records systems and sets out the actions expected of supervising attorneys in the event that receipt of the Form 10 reminder letter was flagged as being inconsistent with the computer records. Mr. Kenrick also explains that the supervising attorney would be expected to confirm the correct status of the case with the IPO and in the event that an unintentional failure to file the Patents Form 10 was identified, to file a Form 10. Mr. Kenrick also formally adopts the previous correspondence on file into his Witness Statement.

The applicant's case with regard to reversal of the terminated status of the application

- 20 At the hearing Mr. Davis acknowledged the Office's clarification of its position with regard to the reversal of the termination of the application in suit in the event the applicant is successful in its rule 111 arguments. Although the clarification had only come in an official letter on 5 September 2012 - just a day before the hearing - he said he was able to address me on this issue.

- 21 Mr Davis distinguished the present circumstances from the Office's reference to Payne's Application. In Payne's the position was that a time period had expired and what the applicant was trying to do was correct documents that started at that time period in order that the time period started at a new time and therefore expired later.
- 22 He argued that is not the case here because what the applicant in the present case was attempting to do was extend a time limit and that is fundamentally different because if you extend a time limit even retrospectively, then the event triggered by the expiry of that time limit does not occur. Further, he submitted that Payne's Applications was decided in 1985, however, the Patents Act was amended in 1988 by the addition of section 123 (3A) which, in his view, catered specifically for [rules to allow] retrospective extensions of time. For example, there are prescribed periods such as those allowed under section 18(1) or by section 15(1) (the date of filing an application) and once those periods have expired, applications are deemed to be withdrawn. Despite this, section 123 (3A) allows the Comptroller to make rules to extend those time periods, even retrospectively e.g. under rule 108 and under rule 111. He argues that it is implicit that once an extension of time under rule 111 is allowed the deemed withdrawal falls away without the need for further restitution.

The issues to be determined

- 23 There are therefore two issues to be determined, but if the first one is unsuccessful, the second does not materialise. The two issues are:
- Under rule 111 of the Patents Rules 2007- whether the applicant's failure to file Patents Form 10 on time was wholly or mainly attributable to a failure in the postal service which led to the non-receipt of the Form 10 reminder letter in the Manchester offices of Marks & Clerk, and if so, then
 - Does rule 111 allow the comptroller, when satisfied that a failure to do something under the Act and Rules was wholly or mainly due to a failure or delay in a communication service, to somehow reverse the terminated status of the patent application?

The law

- 24 With reference to the Patents Act 1977 at section 123A, rule 111 of the Patents Rules 2007 states that:

Rule 111 – Delays in a communication service.

111.—(1) the comptroller shall extend any period of time specified in the Act or these Rules where he is satisfied that the failure to do something under the Act or these Rules was wholly or mainly attributable to a delay in, or failure of, a communication service.

.....

(3) In this rule "communication service" means a service by which documents may be sent and delivered and includes post, electronic communications, and courier.

My analysis

What was failure to do something under the Act or Rules?

- 25 In order to determine whether the comptroller's powers under rule 111 may be used, it is first necessary to determine what was the failure to do something under the Act or Rules? This has not been disputed: it was clearly the failure to file the Form 10 request for substantive examination within the prescribed time set out in rule 28(2), i.e. the six months beginning with the date the application was published. The period for filing Patents Form 10 therefore expired on 30 December 2010.

Was the failure wholly or mainly attributable to a failure of a communication service?

- 26 I must now ask whether the failure to file Form 10 by 30 December 2010 was wholly or mainly attributable to a failure or delay to a communication service. This of course is the crux of the matter. As documented above, the basic chain of events began when the Marks & Clerk office in Manchester prepared a Form 10 for filing along with other relevant documentation but for reasons not brought out in any of the evidence, failed to file it. What the evidence does show is that although the Form 10 was not filed, Marks & Clerk's formalities and records reminder system was updated at the time to indicate that it had been filed. That meant the alerts built into the system to remind the attorney to file Form 10 were not triggered for this application.
- 27 On top of this, official records show that two pieces of correspondence were sent from the IPO to Marks & Clerk in Manchester – and there is no evidence to suggest these were not received - which should have alerted the attorneys to the fact that a Form 10 had not been filed for this application. These were:
- The standard filing receipt dated 23 December 2009 (the day after filing the application) which clearly recorded that no Form 10 had been filed.
 - The search report dated 15 April 2010 was not accompanied by the examination report which Marks & Clerk should have been expecting at the same time given their records showed the Form 10 had been filed along with the application and Search Request (Patents Form 9).
- 28 What these facts show is that despite the stringency of Marks & Clerk's highly developed records system and workflow processes documented in Ms Helliwell's evidence, at least two signposts in the form of correspondence from the IPO which should have alerted the attorneys to the fact that Patents Form 10 had not been filed were overlooked. (This ignores the fact that when originally filing the application by fax, Marks & Clerk listed all the documents making up the application in a covering letter and Patents Form 10 was not listed. Paper copies of all documents and the covering letter were then subsequently supplied).
- 29 The last of these signposts, or the "failsafe" in Marks & Clerk's primary system as Mr. Davis puts it, should have been the Form 10 reminder letter sent by the IPO. The evidence confirms that Marks & Clerk have a highly developed and professional records system and post-handling process - it is ISO9001 accredited. Indeed Ms Helliwell states that in her considerable knowledge and experience she has never known of any incoming mail directed to the Manchester office of Marks & Clerk being

mislaid as part of the post processing procedure or for any other reason. On this evidence, I can therefore certainly accept that, on the balance of probabilities, the Form 10 reminder letter was not received in the Manchester office of Marks & Clerk.

- 30 Whilst it is true that all of the events set out above were contributory factors to the eventual failure to file Form 10 on time, it is necessary for me in order to reach a determination under rule 111 to identify the factor(s) that wholly or mainly contributed to the failure to file Form 10 in time.
- 31 I will consider the arguments Mr. Davis put to me at the hearing and summarised earlier in this decision in turn. Whilst I can accept Mr. Davis' submissions that it is reasonable for Marks & Clerk (or any attorney) to rely upon the IPO's established practice of sending out a reminder (in this case the Form 10 reminder letter) as a failsafe to the breakdown of their own systems, it was not the sole indicator supplied by the IPO that something was awry in this case and I cannot see that the non-delivery of the Form 10 Reminder letter is anything other than a further contributory factor in why the deadline for filing the Form 10 was missed. Whilst Mr Davis contends it was "the only and ultimate reason for missing the deadline in December 2010", I cannot accept on this argument that the failure to file Form 10 was wholly or mainly attributable to the non-delivery of the Form 10 Reminder letter.
- 32 Mr. Davis alternatively argued that among the whole string of events leading to the failure to file Form 10, no one event in that string could be said to be the main cause or alternatively all these events could be said to be collectively the main cause. It seems to me that this is not how I should interpret rule 111. Rule 111 uses of the words "*wholly or mainly*" in relation to what was attributable in the failure to do something under the Act or Rules. That requires me to decide what the causative factors in the failure were and to make a decision on what was either the whole or the main cause of the failure. In any case, should each of the at least four contributory events have equal causative weighting, then by Mr. Davis' own definitions, the failure to file Form 10 cannot be wholly or mainly attributed to the non-delivery of the Form 10 Reminder letter.
- 33 Turning to Mr. Davis' "but for" test, it seems to me this may be equally applied to the original failure of not filing the Form 10 at the application stage and marking the Marks & Clerk systems as if it had been. 'But for' the failure to file Form 10 on the application filing date, subsequently recognising and acting on the signposts of the official receipt and Search Report would have been unnecessary and indeed the Form 10 reminder letter would not have been required or sent by the IPO. 'But for' the original mistake of course, this application would not have been terminated and these proceedings would never have been necessary. While I remain to be convinced that this is the correct legal test to apply, I would in any case observe that in my view this is a far stronger indication that the event which was mainly attributable to the failure to do something under the Act or Rules was the original failure of Marks & Clerk to file the Form 10 at the outset and not the failure of a communication service leading to the non-delivery of one of the three pieces of correspondence issued by the Office that indicated that Form 10 had not been filed.
- 34 On Mr. Davis' temporal argument, whilst I agree that the final error does seem to have been a failure in a communication service, I am required to determine what was wholly or mainly the cause of the failure to file Form 10 on time, I am thus required to

consider the whole application history. I cannot choose an arbitrary time point and, for example, ask "What was the main reason for the failure to file Form 10 in December 2010?" whilst ignoring the earlier failure to file Form 10 before December 2010.

- 35 It is my view that the fundamental failure to file Form 10 resulted from the acknowledged, but unexplained failure by the attorneys to send Form 10 to the IPO when the application was filed and the consequential recording on the Marks & Clerk internal records system that Form 10 had been filed. This was the main failure which led to the Form 10 not being filed in time. This error was compounded by the fact that two pieces of correspondence signifying that Form 10 had not been filed were overlooked by the attorneys, whilst a third letter sent according to established IPO practice was not received, but none of these on-going errors would have come into play had it not have been for the original error.

Conclusion

- 36 In my judgement the failure to request substantive examination on time was, for the purposes of rule 111 of the Patent Rules 2007, mainly attributable to the non-filing, by the attorneys, of Patents Form 10, whilst at the same time mistakenly recording that Form 10 had indeed been filed on their internal records system. I accept that other factors contributed to the overall failure, hence I do not consider the failure to be *wholly attributable* to the this initial error, but on my interpretation of the facts from the evidence before me, I do not find that the failure to file Form 10 was wholly or mainly attributable to the failure a communication service which resulted in the non-delivery of the Form 10 Reminder letter.
- 37 As such I find that I cannot extend the period for filing the request for substantive examination of the application in suit under the terms of rule 111 of the Patent Rules 2007.
- 38 That being the case, I do not need to consider the second point at issue of whether the terminated status of the application can be reversed using the comptroller's powers under rule 111, however should my decision with respect to what was mainly the cause of the failure to file Form 10 be overturned on any appeal the applicant might choose to make, it would appear that the full extent of the comptroller's powers under rule 111 may require further consideration.

Appeal

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

G.J. Rose'Meyer
Hearing Officer
Acting for the Comptroller