PATENTS ACT 1977

IN THE MATTER OF

GB Patent No. 2282144 in the name of Minnesota Mining & Manufacturing Company and Applications under Section 13(1) and 13(3) by John Birtles and Colin Lovatt and a Reference under Section 37(1) by Evode Limited and EP Patent No. 0638392 in respect of a Reference under Section 12 by Evode Limited

FINAL DECISION

1. In my interim decision of 10 July 2000 I found, *inter alia,* that Evode Limited (hereinafter "Evode") were entitled to be named with Minnesota Mining & Manufacturing Company (hereinafter "3M") as co-proprietors of GB Patent No 2282144 and EP Patent No 0638392. I also recognised that there were alternative ways in which this finding could be given effect and gave the parties time in which to make submissions to inform the order I would subsequently need to make.

2. Thereafter Evode filed submissions dated 18 September 2000 and 6 November 2000 and in reply 3M filed submissions dated 21 September 2000 and 15 November 2000 respectively, having it seems failed to reach agreement in negotiations commenced after I had issued my interim decision.

3. In essence, as Evode's letter of 6 November makes plain they would prefer 3M to remain as sole proprietor of both patents on the condition that 3M agrees to allow Evode to grant to its respective customers manufacturing and selling sub-licences. This is because Evode is not in the business of manufacturing the abrasive elements forming the subject matter of the patents but is only interested in selling hot-melt adhesives suitable for use in their manufacture. Thus they

would want to offer a licence to purchasers of their adhesives to allow the latter to sell abrasive elements which incorporated those adhesives.

4. 3M, on the other hand, have maintained a position that the order should be consistent with the contribution made by the respective parties and it is clear that they believe that theirs has been the greater contribution because of the work carried out by one of the inventors, Roy Stubbs, and the efforts they have exerted in obtaining patent protection. Their preferred option, expressed in the letter of 15 November 2000, is therefore for simple co-proprietorship. This reflects the concern they have that if Evode was granted a royalty-free licence with the right to sub-licence without their consent Evode could simply grant royalty-free licences to all competitors of 3M thus making the patents valueless to 3M.

5. Thus, it would seem that in coming to a decision on what is an appropriate order I have these two positions to take into account. Indeed, this was communicated to the parties by the Office in a letter dated 16 October 2000 when issues raised in the submissions made by the parties required an initial opinion to be expressed. Significantly, that letter made clear that it would not be appropriate for the Comptroller to order joint proprietorship with a 90% share given to 3M, which is what they had suggested to reflect what they saw as their contribution to the patents, because of the requirement in section 36(1) that in the case of co-ownership of a patent each owner should have an equal undivided share in the patent. This does not mean however, that in the circumstances of the case co-proprietorship might not be the best option.

6. As much as I can understand Evode's concern to be able to licence manufacturers who use their hot-melt adhesives it does seem to me that the option they are proposing has the potential to rob 3M of any benefit under the patent. Where the granting of a licence is involved, section 36(3) seems to be suggesting that there should be accountability between co-owners of a patent and this seems to be missing from Evode's proposal. I have been given no specific information about how Evode see they would be operating under the patents and what implication this would have for 3M and in the absence of this am forced to the conclusion that simple co-proprietorship is the most appropriate order that I can make.

7. Of course, I am aware that Evode will need to approach 3M if they need to grant a licence under the patents but in the context of how I have decided ownership in my interim decision I do feel that this would bring the necessary accountability between the parties. Although I cannot determine the outcome of such an approach I can, I feel, point out to 3M that is incumbent on them to recognise how Evode carry out their business as suppliers of adhesives in order that Evode might gain some advantage from the patents.

Order

8. I therefore order that Minnesota Mining & Manufacturing Company and Evode limited should be named as co-proprietors in respect of GB Patent No. 2282144 and EP Patent No 0638392. Effect to this order should be given by amendment of the register in respect of the GB patent and action by Evode under Rules 20 and 21 of the Regulations to the European Patent Convention as mentioned in paragraph 71 of my interim decision in respect of the EP patent which has yet to be granted.

9. In line with my interim decision I also order that John Birtles and Colin Henry Lovatt should be named as co-inventors along with those already named as inventors of the invention forming the subject of the GB patent and that they should take the action stipulated in paragraph (2) of Rule 18 of the above-mentioned Regulations in order to give effect to their mention as co-inventors of the invention forming the subject of the European patent. Again the register will be altered in respect of GB patent and an addendum slip prepared for attachment to copies of that patent.

Appeal

10. Since this is not a matter of procedure, any appeal should be lodged within six weeks of this decision.

Dated this 4th day of December 2000

G. M. BRIDGES
Divisional Director acting for the Comptroller

THE PATENT OFFICE