

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(After a short adjournment)

THE HEARING OFFICER: Thank you for allowing that early adjournment. I will now give my decision.

The proceedings today concern an application by Intel Corporation to amend European Patent (UK) 0804763 and an opposition to that amendment by Via Technologies Incorporated. So far, we have had the statement and the counter-statement, and it has taken us one hearing to get that far. We have not yet got any further.

The issue before me today is a request by the opponents, Via, for disclosure of all documents relevant to the pleaded issues and failing that, or possibly even as well as that, for reversal of the normal sequence of evidence rounds. I will explain this latter point. Before the Office, in section 27 proceedings, it is normal for the opponents to provide evidence first, then for the patentee to provide evidence and then for the opponent to provide evidence in reply, but Via were arguing that it should be the other way round. Intel are resisting both these requests.

It is common ground that there is a heavy onus on the patentee, to quote from *Smith Kline & French v. Evans Medical Ltd.* [1989] F.S.R. 561:

"The onus to establish that amendments should be allowed is upon the patentee and full disclosure must be made of all relevant matters. If there is a

1 failure to disclose all relevant matters, amendment
2 will be refused."

3 This morning Via also accepted that this "full
4 disclosure" could come in the statement of reasons by way of
5 what is now called "disclosure" and used to be called
6 "discovery". (I will try to distinguish in this decision
7 between the two because we have "disclosure" used with two
8 different meanings.) Via accepted that "full disclosure"
9 could also come in the evidence.

10 They argued that if a request to amend was opposed,
11 there was an obligation on the patentee to go beyond the
12 statement of reasons and to disclose -- and that is
13 disclosure in a modern sense -- all the relevant documents in
14 the light of the objections that had been raised.

15 They also expressed concern that if they had to go
16 first on the evidence rounds and they could not provide any
17 evidence in respect of some of the objections they had made
18 to the statement of reasons for amendment put forward by
19 Intel, then Intel might be able to argue that I could not
20 take account of those objections because Via had failed to
21 support their case.

22 Intel on their part largely argued that the statement
23 of reasons was the prime place for them to discharge the onus
24 that is mentioned in Smith Kline and if they failed they were
25 the ones who were going to lose out because I would end up

1 exercising my discretion and not allowing the amendments.

2 They also said that, if in fact Intel did not provide
3 evidence in respect of some of their grounds of objection,
4 they would not be arguing I had to discount them. Indeed,
5 they made the point that I would still have to consider them
6 in exercising my discretion. I agree with Intel on this
7 -- whether or not Intel provide evidence, I would still have
8 to consider the grounds of objection in deciding whether to
9 exercise my discretion. Further, it may be there are issues
10 on which evidence is not necessary because they are evident
11 on the face of the statement of reasons.

12 I therefore have two issues to decide: the question of
13 disclosure and the question of the order of the evidence
14 rounds. I will deal with disclosure first.

15 The request that the opponents, Via, have made is
16 effectively for what is called "standard disclosure" in High
17 Court terms. In modern parlance, post Woolf standard
18 disclosure. Disclosure is not normal in Patent Office
19 proceedings and there is case law to support that. Although
20 this case was not mentioned this morning, I do not think it
21 is contentious. In Merrell Dow Pharmaceuticals Inc's
22 (Terfenadine) Patent [1991] R.P.C. 221 Aldous J. said:

23 "It should not mean that the burden of discovery [as it
24 was called then] should become more widespread in
25 Patent Office pleadings. It is not normal in

1 proceedings before the Comptroller for there to be
2 discovery and experience has shown that discovery has
3 not been necessary in most cases which, in the past,
4 have come before him."

5 In the light of that, as I say, it is not normal for there to
6 be disclosure in proceedings before the Office in contrast to
7 proceedings before the High Court. That does not mean to say
8 it is not granted -- I have granted it on a number of
9 occasions -- but it is the exception rather than the rule. I
10 have to say too that as far as I know the Comptroller has
11 never granted High Court style "standard disclosure". She has
12 only ever granted specific disclosure. Again, there is
13 nothing in the rules to stop me granting standard disclosure,
14 but I think I need a very good reason to do it.

15 Let me look at the reasons there might be in this case.
16 Via have taken me through some case law, and I will run
17 briefly through it. First of all, Smith Kline itself, which
18 is the daddy of all these cases. It talks about the onus on
19 the patentee to make full disclosure of all relevant matters.
20 I think it is now accepted by Via that "disclosure" there
21 does not necessarily mean disclosure in its modern sense
22 because modern disclosure was then called "discovery".
23 Accordingly, I do not read this case as requiring disclosure
24 in the modern sense.

25 Another case we did not discuss much this morning, but

1 it was in the skeleton arguments, was Hsiung's Patent [1992]
2 R.P.C. 497 where Aldous J. (as he was then) said that:

3 "The patentee has a duty, whether discovery was sought
4 or not, to make full disclosure of all relevant
5 matters."

6 In my view the words "whether discovery was sought or not",
7 clearly imply that discovery, as it was then, disclosure as
8 it would be called now, was not necessarily essential in
9 amendment proceedings.

10 Another case referred to this morning was Coal Industry
11 (Patents) Limited [1994] R.P.C. 661 where Jacob J. said that
12 "the behaviour of the patentee did call for explanation and
13 evidence and not merely argument." However, there were some
14 peculiar circumstances in this case and it was in that
15 context that the judge was saying the patentee's conduct had
16 not been adequately explained. I do not see anything in this
17 judgment that says there has to be disclosure in all cases.

18 Coming to some more recent cases, which are
19 particularly relevant because they post-date the reform of
20 civil justice initiated by the Woolf report, I was referred
21 to Kimberly-Clark v. Procter & Gamble [2000] R.P.C. 422. This
22 was in the Court of Appeal and Aldous L.J said on page 438:

23 "At the present time the obligation on disclosure has
24 been curtailed with the advent of active management of
25 cases by the judges. For example, consideration of

1 the amended statement of opposition prior to the
2 paragraphs being struck out could suggest that it was
3 possible that no disclosure by Kimberley-Clark would
4 be necessary to determine the issues of covetousness
5 that are raised. In my view, what is needed is not a
6 curtailment of the discretion given by section 75 of
7 the 1977 Act, but active case management so as to
8 require proper particularisation of the allegations,
9 and the elimination of fishing and abusive requests
10 for disclosure."

11 My reading of that is again a clear sign that disclosure in
12 the modern sense is not automatically required in amendment
13 proceedings.

14 Finally, the most recent case Oxford Gene Technology v.
15 Affymetrix [2001] R.P.C. 310 at page 317. This is Aldous L.J.
16 again. There was a question of what points were in issue, in
17 other words, what objections were being made to the reasons
18 given for the amendments sought and he said:

19 "Any disclosure should be limited to that issue and
20 only ordered if necessary. An opponent may raise
21 other grounds of abuse, but they should be properly
22 particularised before wider disclosure becomes
23 potentially necessary."

24 Then further down, still on page 317, he says:

25 "The obligation to disclose material, facts and matters

1 does not require the disclosure of documents and I can
2 see no warrant for a patentee throwing all his
3 documents at the court as a policy of caution."

4 The conclusion I draw from all this case law is not the
5 conclusion that Via have drawn. I think there is a clear
6 message that disclosure is not always necessary in amendment
7 proceedings. The obligation on the patentee to give full and
8 frank "disclosure" in a Smith Kline sense is primarily met in
9 the first instance by the statement of reasons, not by
10 ordering modern-style disclosure. I am not saying that
11 disclosure would never be appropriate, but in this case I am
12 not satisfied the arguments put forward by Via are sound and
13 I refuse the request for disclosure.

14 I will now go to the second issue, which is the order
15 in which the evidence rounds should be presented.

16 I think the real underlying problem here is the
17 question of onus. Via take the view that it is the patentee
18 who is seeking the amendments. The onus is on the patentee to
19 justify being allowed those amendments. There is no onus on
20 the opponent other than to plead the reasons why they think
21 there are doubts about the patentee's case.

22 They further argue that it is the patentee who has all
23 the information as to his state of mind, why he wants to make
24 these amendments, what he did and did not do and, of course,
25 all this is highly relevant to the exercise of discretion.

1 All that information is with the patentee.

2 Intel look at this from a different angle. They say
3 that, "It is the opponents who are objecting. They are the
4 ones who think that what we have said is not good enough and
5 the onus is on them to justify the objections they are
6 making. They cannot dismiss the onus on them just like that.
7 They did not have to object." They also say they cannot file
8 their evidence until they know what Via are going to present
9 as the basis of their objections.

10 I think what these points highlight is the unusual
11 nature of opposed amendment proceedings. In most legal
12 proceedings the onus is clearly on one side or the other. In
13 opposed amendment proceedings, the onus is much more evenly
14 split between the patentee and the opponent to the amendments
15 and therefore the question of who should go first with their
16 evidence does not fall out naturally. I think that is why
17 there is so much ground for argument on this issue.

18 Because of this, I feel I could justify ordering the
19 evidence rounds to go either way. I think either option
20 would be entirely defensible because there is a split onus
21 here.

22 Historically in opposed amendment proceedings before
23 the Office it has been normal for the opponent to go first.
24 I will interject here to comment on something I mentioned
25 this morning and which I have actually researched a little

1 over lunch. The Office issued a Tribunal Practice Notice 1
2 of 2000 in 2000 in which it addressed a number of issues,
3 including the question of whether the order of evidence
4 rounds in revocation proceedings should be changed. On the
5 basis of its consultation with the interests, it ended up
6 changing the order. I said this morning it is a bit
7 surprising that nobody suggested altering the sequence of
8 evidence rounds on opposed amendment proceedings too.

9 I can confirm to you that the issue was never raised,
10 and so it was never thought about at the time. Thus I read
11 nothing into the fact that the Tribunal Practice Notice did
12 not mention it.

13 The reason this is relevant is, having said that in
14 opposed amendment proceedings in the Office it is normal for
15 the opponent to go first in the first evidence rounds, in
16 High Court proceedings, where we have amendment under section
17 75 and where the situation, from what was put to me this
18 morning, is very similar in that the patentee still has to
19 provide a full statement of reasons before it gets off the
20 ground, it is normal for the patentee to go first. I say it
21 is "normal" because I recognise that in the High Court there
22 will usually be a case management conference and the judge
23 will then decide whether or not to deviate from what might be
24 normal. However, the normal practice is for the patentee to
25 go first in the High Court, whereas it is normal practice for

1 the opponent to go first before the Office.

2 I can see no good grounds for there to be a difference
3 in practice. For that reason, given, as I have said, that
4 the onus is split fairly evenly between the two sides, and
5 for consistency with the High Court, I feel past Office
6 practice should now be changed and we should align with the
7 High Court. Accordingly, I order the patentee to file the
8 first evidence round.

9 That concludes my decision on the two issues that were
10 before me. In short, no order for disclosure, but the first
11 evidence round will be the patentee's not the opponents.

12 I think I now need to make clear what the next steps
13 are and the timetable for the next step, and then I need to
14 deal with the question of costs in respect of this hearing.

15 Reference was made this morning to a so-called order of
16 the Comptroller, which is in fact a letter of the 31st
17 October issued by the Office. It proposed that the evidence
18 rounds be the opposite way round to the way I have now
19 decided they will be.

20 The position is now that the patentee must file their
21 evidence within six weeks from today. The opponent will then
22 have six weeks to file their evidence. Then the patentee
23 will have six weeks to file evidence in reply.

24 I hope that can go ahead smoothly. I did in the lead
25 up to this hearing make a specific request that if there are

1 any other procedural issues they be brought up now rather
2 than have a long succession of preliminary hearings. I
3 recognise that evidence rounds may themselves trigger further
4 issues, but subject to that, I hope the action can proceed
5 smoothly without a long sequence of preliminary hearings to
6 sort out issue after issue.

After certain practical matters arising from the decision had been discussed, the Hearing Officer then addressed the question of costs:

7 THE HEARING OFFICER: Fine. Thank you very much indeed. Do either
8 of you wish to address me on costs in respect of this
9 hearing, bearing in mind the Comptroller has now indicated
10 that we will consider costs in respect of a preliminary
11 hearing at the preliminary hearing?

12 MR. PAGE: I made an application within my response to you in
13 writing. I still have a doubt that an oral hearing was
14 actually necessary. I would have hoped you might have dealt
15 with it on paper. The matters were fairly well canvassed in
16 correspondence.

17 The result you have come to is a finding in my favour

1 with regard to the issue of disclosure. Against me on the
2 grounds of evidence, but that is against the normal decision
3 that I was entitled to rely upon.

4 In those circumstances I think I can still apply for an
5 order for costs, but what I would propose, if it is
6 satisfactory to my friend, is that while you do have power to
7 deal with them now, on the previous occasion we elected to
8 leave all these matters over until the end of the day on the
9 basis that there may be some for and there may be some
10 against. You might want to do equity at the end of the day
11 rather than on an individual basis.

12 I am happy to put forward my arguments unless you are
13 happy with such an arrangement that we deal with it as we did
14 before?

15 MR. LYKIARDOPOULOS: It seems sensible to me to leave costs.

16 THE HEARING OFFICER: I am quite happy with that. The purpose of
17 dealing with costs at a preliminary hearing is to drive the
18 message home to people who insist on preliminary hearings
19 unnecessarily that this is not approved. In this instance I
20 have to say I came here thinking that the hearing was
21 unnecessary. In the event I have ended up going in a way I
22 did not expect to go when I was coming up on the train this
23 morning.

24 MR. PAGE: You have changed procedure.

25 THE HEARING OFFICER: I have changed procedure. It only remains

1 for me to say that as this was a hearing on procedural
2 matters, the appeal period is two weeks. Thank you both very
3 much.

4 - - - - -

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

