UK Intellectual Property Office □□□□

For Creativity and Innovation

BL O/016/08

22 January 2008

PATENTS ACT 1977

APPLICANT Research In Motion Limited

ISSUE Whether a request for reinstatement under section 20A for international patent application number PCT/CA2003/01993 should be allowed

HEARING OFFICER J E Porter

DECISION

Introduction

1 International patent application number PCT/CA2003/01993 was filed on 18 December 2003 in the name of Research In Motion Limited ("RIM"), claiming priority from a US application filed on 8 December 2003. At that time, the PCT Regulations required the applicant to designate specifically, by marking check boxes on the PCT Request Form, those national States or regional Offices for which they wished to enter the various national or regional phases.

2 For the present application all check boxes relating to national States were marked but none of the boxes relating to regional patents were marked, in particular that relating to the European Patent Office ("the EPO").

3 The 31 month period for entering either the EP regional phase or the UK national phase expired on 8 July 2006. No request was made to enter the UK national phase, with the result that the international application for a patent (UK) was taken to be withdrawn. PCT Form 1010 requesting entry to the EP regional phase was filed by RIM's Munich-based European patent attorney on 3 July 2006. The EPO initially assigned the application an EP application number but subsequently noticed that the EP regional phase had not been designated on the international application and therefore deemed all procedural steps which had been taken to enter the EP regional phase as null and void.

4 The EPO sent two communications to RIM's European attorney conveying this information, the first dated 1 March 2007 and the second dated 26 April 2007. The European attorney claims not to have received the first communication but

following receipt of the second communication a Form 14/77 was filed on 25 June 2007 at the UK Intellectual Property Office ("the Office") requesting reinstatement of the international application for a patent (UK).

5 The Office was minded to refuse the request for reinstatement on the grounds that the failure by the applicant to enter the UK national phase within the 31 month period prescribed by rule 85(1) of the Patents Rules 1995, which resulted in the application being taken as withdrawn, was not unintentional. The applicant requested a hearing and the matter therefore came before me at a hearing on 24 September 2007 in which the applicant was represented by Mr. Gwilym Roberts and Ms. Emily Phillips of the firm Kilburn and Strode. Mr. Andrew Rees attended on behalf of the Office.

The law

6 Section 20A of the Patents Act 1977 provides for reinstatement of applications, and the relevant provisions are as follows:

> *20A.-(1) Subsection (2) below applies where an application for a patent is refused, or is treated as having been refused or withdrawn, as a direct consequence of a failure by the applicant to comply with a requirement of this Act or rules within a period which is -*
>
> *(a) set out in this Act or rules, or*
>
> *(b) specified by the comptroller.*
>
> *(2) Subject to subsection (3) below, the comptroller shall reinstate the application if, and only if -*
>
> *(a) the applicant requests him to do so;*
>
> *(b) the request complies with the relevant requirements of rules; and*
>
> *(c) he is satisfied that the failure to comply referred to in subsection (1) above was unintentional.*
>
> *(3) The comptroller shall not reinstate the application if -*
>
> *(a) an extension remains available under this Act or rules for the period referred to in subsection (1) above; or*
>
> *(b) the period referred to in subsection (1) above is set out or specified -*
>
> *(i) in relation to any proceedings before the comptroller;*
>
> *(ii) for the purposes of section 5(2A)(b) above; or*
>
> *(iii) for the purposes of a request under this section or section 117B below.*

7 Section 89A sets out the requirements which must be satisfied in order for an international application to enter the national phase. Furthermore, rule 85(1) of the 1995 Rules prescribes a 31 month period from the priority date of the application for entry into the national phase. (This has since been replicated in rule 66(1) of the 2007 Rules.) Section 89A(4) states that if these requirements are not satisfied then the application shall be taken to be withdrawn. Thus, by virtue of section 20A(1), reinstatement is available for international applications which are taken to be withdrawn as a result of a failure to satisfy the requirements for entry to the UK national phase.

8 The period within which reinstatement must be requested was, at the relevant time, set out in rule 36A of the Patents Rules 1995. This rule has since been replaced by rule 32 of the Patents Rules 2007 – but the period in question remains the same. The period is the first to expire of twelve months from the date on which the application was terminated or two months from the date on which the removal of the cause of non-compliance occurred. Under section 20A(3) reinstatement is not available if an extension of the relevant period is available under the Act or Rules.

The applicant's arguments

9 Mr. Roberts began by running briefly through some of the events which led to the failure to enter the UK national phase within the prescribed period. He highlighted in particular the delay between the applicant's request to enter the EP regional phase on 3 July 2006 and the EPO informing the applicant that they could not enter the EP regional phase on 26 April 2007. Mr. Roberts said that had they been aware of the error in failing to designate "EP" at the point of entry to the national or regional phase then they would have done everything necessary to enter the UK national phase and would not have attempted to enter the EP regional phase.

10 Mr. Roberts then turned to the wording of section 20A(2). He said that hearing officers have to date been careful about whether to import a test from one provision of the Act or Rules into another provision, and he referred to the Manual of Patent Practice in support of this submission, presumably paragraph 20A.13, which states:

> "**Meaning of unintentional**
>
> 20A.13 There is no definition in the Act or rules as to what is meant by "unintentional" as it applies for determining whether to allow a request for reinstatement of a patent application. A similar standard was applied by the Office in deciding whether to exercise discretion favourably in allowing a period of time to be extended under rule 110 (see 123.37) in *Heatex Group Ltd's Application* ([1995] RPC 546). In this case for discretion to be exercised to allow a period of time to be extended there must have been a continuing underlying intention by the applicant to proceed with the application or patent and a change of mind by the applicant as to whether to proceed was not a legitimate reason for allowing an extension. The same principle will be applied by the Office in deciding whether to allow

> reinstatement of applications under section 20A. This approach has been followed in a number of cases since when considering whether to extend periods of time under rule 110. But in *Sirna Therapeutics Inc's Application* [2006] RPC 12, which related to a request to make a late declaration of priority under section 5(2B) the hearing officer observed that the requirement to show an intention to file an application in time differed from the *Heatex* test of "continual underlying intention to proceed", although case law under this rule may be of relevance in analysing the evidence to establish the applicant's intentions. In *Anning's Application* (BO/374/06), which related to a request for reinstatement under section 20A, the hearing officer took a similar approach and warned against the danger of going beyond the clear meaning of the statute. He interpreted "unintentional" according to its normal English meaning. In this case the hearing officer held that although there was a continual underlying intention to proceed it did not follow that the failure to reply to an examination report was unintentional. This is the approach which will be taken when considering a request for reinstatement."

Mr. Roberts submitted that when looking at the wording of the statutory test of section 20A(2) it is important to understand exactly what the wording means. The context of the section and the specific facts of the case must also be taken into account.

11 Mr. Roberts then set out a number of scenarios that, he argued, are not consistent with what the Act actually says. The first of these scenarios was if the comptroller only reinstates an application if he is satisfied that the applicant intended to comply but did not do so. This would require that the applicant had a positive intention or an active desire to do the thing they had actually failed to do. The second scenario set out by Mr. Roberts was if the comptroller refuses a request for reinstatement because that applicant intended to do something different from the thing he failed to do, for example by intending to enter the EP regional phase rather than the UK national phase. Thirdly, Mr. Roberts submitted that the Act does not say that reinstatement is not allowed if there was a change of mind.

12 Mr. Roberts submitted that what the Act actually says is that it is the failure to comply which must be unintentional. Therefore, he submitted, there must be an active desire not to comply with the requirement in order to fail the test of section 20A(2). In the present case there was no such active desire not to comply. RIM did not consider the possibility of entering the UK national phase (it was one of a number of things they did not think about doing) and did not consider whether they should comply at all in any way. There was no intention to comply but also there was no intention not to comply. The applicant simply did not think about it. Thus there was no active desire not to comply. Mr. Roberts said that this interpretation makes sense in the context of section 20A. In contrast to the relevant case law, which is all in the area of section 5 (which relates to making a late declaration of priority) there was actually an application in existence in the present case. The applicant wished to reinstate something existing rather than to create something which did not exist before.

13 Mr. Roberts then set out a number of exceptional circumstances which in his view

point towards allowing reinstatement in the present case. Firstly, an error was made by a clerk and not spotted by anyone else for nearly a year. If they had spotted the error earlier they would have had an intention to enter the UK national phase. Moreover the PCT now provides automatic designation of all States and so this problem will not arise in the future. Thus a decision in this case to allow reinstatement would not open the floodgates to large numbers of similar cases, nor for that matter to large numbers of requests to make a late declaration of priority under section 5, as an important aspect of the present case is that the application already existed.

14 In closing his initial submissions Mr. Roberts commented that the "unintentional" test was intended to be more applicant-friendly than the "due care" test, the other test allowed by the Patent Law Treaty. In his view RIM would probably have passed the "due care" test.

15 At the hearing I directed Mr. Roberts to the following comment in witness statement 4, that of the Director of Intellectual Property at RIM:

> "It has always further been RIM's policy to always aim to obtain patent protection in at least the UK, France and Germany. The strategy we adopt in view of this aim is either to validate a European patent in the UK, France and Germany or to file directly in the UK, France or Germany to obtain granted UK, French and German patents."

In response to my query as to whether this suggested that one makes an informed choice and goes down one route or another, Mr. Roberts commented that the applicant chose one option and did not consider the others at all. He emphasised that there was not merely two options, but a large number of options. The applicant did not say "We are not going to go down this route" but rather "We are going to go down this alternative route". And there the consideration stopped.

16 Mr. Roberts drew a distinction between the present case and the case of *Anning's Application* (BL O/374/06). He pointed out that in *Anning* there was a conscious decision not to do something, in contrast to the present case. Mr. Roberts also pointed out that the present case was very different from that in *Abaco Machines (Australasia) Pty Ltd's application* [2007] EWHC 347 (Pat) which related to a late declaration of priority and in which no application actually existed, unlike the present case. Thus section 5 cases concerning making a late declaration of priority have a different context from section 20A cases concerning reinstatement and should be treated as such.

17 At my invitation, Mr. Roberts provided further comments on *Abaco* in writing after the hearing in which he further highlighted the differences between the situation in *Abaco* and that of the present case. He also commented that in *Abaco* Lewison J referred to a "positive intention" not to comply. This, Mr. Roberts argued, provided support for his interpretation that the "unintentional" test of section 20A relates to an "active desire" not to comply. Mr. Roberts closed his oral submissions on this point, arguing that RIM did not change their mind in this case on whether to enter the UK national phase. But in any case, the Act, he submitted, does not rule out a change of mind.

The Office's arguments

18 The Office's position was that a continuing underlying intention to proceed with the application must be demonstrated in order for a request for reinstatement under section 20A to be allowed. In the present case RIM had intended to enter the EP regional phase rather than the UK national phase in order to obtain a patent valid in the UK. It wasn't until it became evident that entry into the regional phase was not possible, due to the error in failing to designate "EP", that the applicant considered the UK route. This, the Office argued, amounted to a change of mind. There was never any intention to enter the national phase during the 31 month period. The failure to enter the national phase within the period prescribed by rule 85 of the 1995 Rules was therefore not unintentional.

Assessment

19 A request for reinstatement must be filed within two months of the removal of the cause of non-compliance or within twelve months of the application being refused or treated as withdrawn, whichever is sooner. I accept that the removal of the cause of non-compliance occurred on 27 April 2007, when the applicant's Munich-based attorney received the letter from the EPO conveying the information that the EP application was null and void. The request for reinstatement was filed on 25 June 2007. It was therefore filed in time.

20 The conditions which must be satisfied if a request for reinstatement is to be allowed are set out in section 20A of the Act. In particular section 20A(2)(c) states that the comptroller must be satisfied that the failure to comply with a requirement of the Act or Rules within a prescribed or specified period was unintentional. This must be the basis for my decision. I agree with Mr. Roberts' submission that I must start with the wording of the statute itself rather than by applying any other test, such as whether there is a continuing underlying intention to proceed.

21 Mr. Roberts argued that it follows from section 20A(2)(c) that there must be an active desire not to comply in order to fail the test of section 20A(2). It does not, he argued, say that the applicant must have intended to comply but didn't, or that reinstatement will not be allowed if the applicant did something different from what he intended or had a change of mind. Mr. Roberts is correct in that the Act does not refer to a change of mind or to doing something different from what was intended. But neither does it refer to a positive intention or (in his words) an "active desire" not to comply. All the Act says is that the failure to comply must have been unintentional.

22 Mr. Roberts' contention was that there may be a positive intention to comply or there may be a positive intention not to comply, but there may be a gap in the middle of these two possibilities where there was no positive intention either way. His contention was that it was into this gap that this case falls. There was neither an active desire to comply, nor an active desire not to comply with the requirements for entering the UK national phase. As he put it:

> "We didn't have a mind here (if you like) in the first place. We didn't intend not to comply, we just weren't thinking about it."

Since (he argued) the Act must be read to mean that reinstatement may only be refused in the circumstances where there was a positive intention not to comply, I must accept the request for reinstatement.

23 The difficulty I have with this analysis is two-fold. One difficulty is the danger that, in introducing the concept of "positive intention" or "active desire" not to comply, there is a risk of doing exactly what Mr. Roberts warned me against – namely, moving away from the wording of the statute itself, and thus falling into the trap of not considering whether the failure to comply was unintentional.

24 The second difficulty I have is with Mr. Roberts' contention that the applicant had no mind at all on this point – that is, had neither an intention to comply nor an intention not to comply. If, in fact, I do not accept the contention that in this case the applicant had no mind either way, then I must conclude that the applicant either intended to comply, or that they intended not to comply. If there was an intention to comply then it is clear that the "failure to comply was unintentional" and reinstatement is allowable. If there was an intention not to comply then it cannot be said that the "failure to comply was unintentional" and reinstatement must be refused. The question, therefore, is whether I accept Mr. Roberts' argument that there is a gap between these two positions into which the applicant falls, with the result that the request for reinstatement cannot be refused.

25 In order to determine this, I need to consider the reasons why RIM failed to comply with the requirement to enter the UK national phase within the 31 month period prescribed by rule 85(1) of the 1995 Rules.

26 It is clear from the evidence that RIM generally sought patent protection in at least the UK, France and Germany, and that they would either pursue a European patent or would obtain patent protection in the various countries directly. Mr. Roberts also explained that they would also sometimes decide to have co-pending European and UK applications. So whilst there are clearly a number of options available, it seems clear to me that RIM were well aware of these various options and, in this particular case, intended to obtain patent protection in the UK by entering the EP regional phase, which would have resulted in an EP(UK) application. In my view it is clear that they decided to pursue this European application and, in this particular case, decided not to pursue the international application for a patent (UK) – either as an alternative or in parallel to the European application. Thus RIM's actions in choosing to use the EP route and their failure to take any action within the 31 month period in relation to entering the UK national phase in my view amount to a decision by RIM not to use the UK national route.

27 It follows that I am not persuaded that RIM lacked both an intention to comply and an intention not to comply and thus fell into a gap between these two positions. Mr. Roberts' argument was that, where a case fell into such a gap, a request for reinstatement must be allowed. I have found that this case did not fall into such a gap, and I make no general finding as to whether a case which did fall into this gap would be reinstated, since it seems to me that it would depend on the particular facts of the case in question.

28 I am therefore satisfied, on the basis of the evidence presented to me, that RIM

intended, at the material time, not to enter the UK national phase within 31 months because they thought that they had complied with the requirements for entering the European regional phase and had, in this particular case, chosen that mechanism as their sole route for obtaining UK patent protection. RIM therefore intentionally took no action to enter the national phase in time and thus intentionally failed to comply.

29 The hearing officer in *Sirna* commented in paragraph 15:

> "I accept that it would normally be the case that it is a mistake that has led to the unintentional failure to file an application within the 12-month priority period but this does not imply that any mistake made in filing any application within the twelve-month period satisfies the requirements of section 5(2C)."

30 Although this comment was made in the context of making a request for permission to make a late declaration of priority under section 5(2B), in my view it applies equally to the present request for reinstatement. The mistake made in the present case was a clerical error in failing to designate "EP" on the PCT Request. This mistake led to an unintentional failure to enter the EP regional phase. It did not however lead to an unintentional failure to enter the UK national phase. Looking at what the applicant would have done, had he known about the clerical error at an earlier stage, does not in my view help establish the point in issue – namely, to discern the applicant's actual intention, given that he did not know about the clerical error at the material time. I have already concluded on the evidence that the applicant intended not to enter the UK national phase. Whether or not the applicant would have had different intentions, had the error been identified earlier, is not the matter I must decide.

31 As I understand it, the applicant's fall-back position was that, even if I concluded that there was an intention not to comply with the requirements for national phase entry, I should remember that section 20A is worded in such a way that a change of mind is not necessarily a bar to reinstatement. I think it is important here, as earlier, not to be tempted to stray from the wording of the statute. A request for reinstatement can be granted if there was an unintentional failure to comply. That is all. In the present case, I have already found on the facts that there was an intention not to comply at the material time. There was no unintentional failure to comply and the fact that the circumstances surrounding the EP application led to a later change of mind, after the failure to comply had occurred, does not in this case alter my finding.

32 Mr. Roberts commented that in *Abaco* Lewison J referred to a "positive intention" not to comply. However, the reference to a "positive intention" needs to be read in context (the emphasis is mine):

> "27. The Hearing Officer decided that because Abaco had had no intention within the priority period of applying to the UK Patent Office for the grant of a UK patent under the 1977 Act they could not be said to have unintentionally failed to file an application for the grant of a UK patent. Put the other way round, **it was Abaco's positive intention to apply to the relevant authorities in Australia, within the priority period, under the**

> **PCT.** They had that intention during the priority period and for some days after it expired. Looked at this way it could not be said that Abaco had unintentionally failed to file an application for the grant of a UK patent."

This does not in my view relate to a positive intention not to comply by Abaco but rather a positive intention to do something different. This is analogous to RIM's intention to enter the EP regional phase in the present case. In fact, Lewison J preferred to address the question in this way rather than by looking at whether there was any intention not to comply. In any event, I am content that the position I have reached above is consistent with Lewison J's comments in *Abaco*.

Conclusion

33 I therefore conclude that RIM's failure to enter the UK national phase within the 31 month period prescribed for international patent application number PCT/CA2003/01993 was not unintentional. The condition of section 20A(2)(c) of the Patents Act 1977 has therefore not been satisfied and I refuse the request for reinstatement.

34 I am aware that this decision arises out of unfortunate circumstances – in particular the clerical error made on filing the international application in combination with the delayed notification to the applicant that the EP regional phase had not been properly entered. I therefore come to this decision with some sympathy for the applicant's predicament, but can find no way, on the evidence put before me, to conclude that the failure to enter the UK national phase was unintentional.

Appeal

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

Dr J E PORTER
Deputy Director acting for the Comptroller