

PATENTS ACT 1977

BETWEEN

Runaway Technology, Inc

Proprietor

and

Landmark Mosaics Ltd

Opponent

PROCEEDINGS

Request under section 74B of the Patents Act 1977
for a Review of Opinion 1/07 issued
on patent number EP (UK) 0852363

HEARING OFFICER

P Thorpe

DECISION

- 1 This is a review of Opinion 1/07 issued on 4 May 2007 in respect of patent number EP 0852363 (the patent) in the name of Runaway Technology, Inc (hereinafter Runaway). The patent, which was granted on 2 April 2003, has an earliest priority date of 2 January 1997 and has 43 claims in total. The patent names Mr Robert S Silvers as the sole inventor.

- 2 The opinion request was filed on 8 February 2007 by Mr Ian Popeck (of Landmark Mosaics Ltd) and was directed to the question of whether the patent is novel and inventive having regard to a number of documents attached to the request. Of interest here is one of those documents, referred to as RSE-1. This is a copy of a Massachusetts Institute of Technology (MIT) thesis written by the inventor, Mr Robert Silvers. It was not in contention that the contents of this thesis would render the patent lacking in novelty if the thesis was deemed to have been made publicly available prior to the earliest date of the patent. This is what Mr Popeck claimed happened. He submitted that the thesis had been made publicly available to Dr Ken Knowlton for the purpose of review prior to the earliest date of the patent. The patentee argued that this disclosure was in confidence and therefore did not impugn the novelty of the patent examiner.

3 The opinion's conclusion is set out in paragraph 104 and reads:

"I conclude that:

- claims 1 - 43 lack novelty over RSE-1 on the basis that a duty of confidentiality has not been proven.
- all the claims are novel and inventive over the remaining documents submitted by the requester."

4 It is against the first part of this conclusion that the review has been requested by Runaway. In its statement filed on 3 August 2007 it has requested that the opinion be set aside as provided by Rule 77J(1)(a) of the Patent Rules 1995. This has been opposed by Landmark. Both sides are content for me to decide the matter on the basis of the papers.

The Law

5 At the time the opinion was issued, the relevant rules were the Patents Rules 1995. These Rules have been replaced with effect from 17 December 2007 by the Patents Rules 2007 however the wording of the rules relating to opinions has been carried over intact to the new rules. The only change is to the numbering of these rules. In this decision I will refer to the old numbers but will include for reference also the new numbers.

6 So far as matters here the relevant rules covering reviews of opinions are:

Rule 77H (now rule 98) - Review of opinion

(1) The patent holder may, before the end of the period of three months beginning with the date on which the opinion is issued, apply to the comptroller for a review of the opinion.

....

(5) The application may be made on the following grounds only—

- (a) that the opinion wrongly concluded that the patent was invalid, or was invalid to a limited extent; or
- (b) that, by reason of its interpretation of the specification of the patent, the opinion wrongly concluded that a particular act did not or would not constitute an infringement of the patent.

Rule 77J (Rule 100) Outcome of review

(1) Upon the completion of the proceedings under rule 77I the comptroller shall either—

- (a) set aside the opinion in whole or in part; or
- (b) decide that no reason has been shown for the opinion to be set aside.

(2) A decision under paragraph (1)(a) or (b) shall not estop any party to proceedings from raising any issue regarding the validity or the infringement of the patent.

Rule 77K (now part of Rule 100) Appeals against a decision on review

No appeal under section 97 shall lie from a decision to set aside the opinion under rule 77J(1)(a), except where the appeal relates to a part of the opinion that is not set aside.

7 The nature of a review of an opinion was considered in *DLP Limited* [2007] EWHC 2669. In paragraph 22 of the judgment, Kitchen J stated:-

In the case of an appeal under rule 77K, the decision the subject of the appeal is itself a review of the opinion of the examiner. More specifically, it is a decision by the Hearing Officer as to whether or not the opinion of the examiner was wrong. I believe that a Hearing Officer, on review, and this court, on appeal, should be sensitive to the nature of this starting point. It was only an expression of an opinion, and one almost certainly reached on incomplete information. Upon considering any particular request, two different examiners may quite reasonably have different opinions. So also, there will be opinions with which a Hearing Officer or a court would not agree but which cannot be characterised as wrong. Such opinions merely represent different views within a range within which reasonable people can differ. For these reasons I believe a Hearing Officer should only decide an opinion was wrong if the examiner has made an error of principle or reached a conclusion that is clearly wrong. Likewise, on appeal, this court should only reverse a decision of a Hearing Officer if he failed to recognise such an error or wrong conclusion in the opinion and so declined to set it aside. Of course this court must give a reasoned decision in relation to the grounds of appeal but I think it is undesirable to go further. It is not the function of this court (nor is it that of the Hearing Officer) to express an opinion on the question the subject of the original request.

- 8 Hence in accordance with DLP a review is neither a rehearing nor is intended to provide a second opinion. Rather its purpose is to review whether the opinion was wrong because the examiner has made an error of principle or reached a conclusion that is clearly wrong. Both sides have submitted additional witness statements in their statements for this review. Such additional evidence however has no part in a review of the type I have just discussed. I will therefore say no more about them.
- 9 I turn now to the basis for the review. Runaway submits that the opinion wrongly concluded that EP 0852363 was invalid. In particular it submits that:
- The opinion was based on material submitted by the requester in his observations in reply that was not strictly in reply.
 - The examiner misapplied the test in *Coco v A.N. Clark (engineers) Ltd.* [1969] RPC 41 when considering whether there was any expectation of confidentiality between Mr Silvers and Dr Knowlton.
- 10 It asks that the opinion be set aside as provided by Rule 77J(1)(a).
- 11 I will consider first the issue of the material submitted by the requester in his observations in reply. I believe it is necessary for me only to consider material bearing on the particular conclusion that claims 1-43 were invalid. In other words if material had been admitted that shouldn't have; yet that material had no bearing on the conclusion then it would not be appropriate to set aside the opinion since the requirement of rule 77H(5)(a) that the opinion was wrong on validity would not have been met.

- 12 Before I look at the actual submissions I need to address some broader issues raised by Runaway concerning the nature of “evidence in reply”. I will start with the relevant legislation relating to such material in the opinions procedure. The particular rule with added emphasis is Rule 77F(4) [now 96] which reads so far as is relevant:

Submission of observations and observations in reply

- (1) If the request has not been refused or withdrawn, any person may, before the end of the relevant period, file observations on any issue raised by the request.
 - (2) Such observations may include reasons why the comptroller should refuse the request.
 - (3) Any person who files observations under paragraph (1) must ensure that, before the end of the relevant period, a copy of those observations is received—
 - (a) where that person is not the patent holder, by the patent holder; and
 - (b) by the requester.
 - (4) A person to whom observations are sent under paragraph (3) may, during the period of two weeks beginning immediately after the end of the relevant period, **file observations confined strictly to matters in reply**.
 - (5)...
- 13 Runaway submits that the term “strictly to matters in reply” as used in Rule 77F(4) was not chosen arbitrarily. The term was at the time the rules on opinions were introduced, also used elsewhere in the patent rules in relation to proceedings heard before the comptroller, albeit in the slightly different formulation of “matters strictly in reply”. I do not know why a different formulation was used in rule 77F however I do not think it makes any material difference to the meaning.
- 14 Runaway highlights that the opinion procedure provides the patentee in opinion requests such as I am considering here with only a single opportunity to submit observations. It argues that it is essential that any subsequent observations by the requestor are confined to “strictly matters in reply” in order to meet the overriding objective of the Civil Procedure Rules (CPR). In particular the requirements that the parties are on an equal footing and that the matter is dealt with fairly and justly. I think that has to be right. But that can be achieved I believe by adopting the usual restrictions on evidence in reply. I am certainly not persuaded that the different nature of the opinion procedure to proceedings heard before the comptroller requires any different interpretation of the term. I perhaps should add for completeness that the Comptroller is not bound by the CPR (although the wording of the overriding objective has now been incorporated into the new rules). However the need for the Comptroller to always act within the principles of natural justice would I believe have the same impact.
- 15 Hence in interpreting the term “strictly to matters in reply”, regard can be given to how it has been considered elsewhere. Runaway refers me in this respect to one authority, *Ernest Scragg & Sons Limited’s Application* [1972] RPC 679, and also both The Patents Hearings Manual and The Trade Mark Practice Manual.
- 16 This case *in Ernest Scragg* related to opposition proceedings (under the old act) before the comptroller. The hearing officer had refused to consider certain parts of the evidence in reply filed by the opponent on the basis that it was not strictly

in reply. Graham J in the Appeal tribunal upheld that decision. Runaway refers me to p681 lines 37 and 38 and of the judgment where Graham J stated:

“It will be appreciated that in an opposition an opponent has the onus fairly and squarely upon him of making out his case against the application”

and p681 lines 4 to 10 where he quoted the general position in regard to onus, as clearly stated in Halsbury's Laws of England, volume 15, paragraph 495,:

"When the onus of proof on all issues is on one party, that party must ordinarily, when presenting his case, adduce all his evidence, and may not, after the close of his opponent's case, seek to adduce additional evidence to strengthen his own case".

That seems to me to be a sound principle which applies to oppositions in the Patent Office just as it does to any other case; and there is no doubt that the onus in an opposition is upon the opponent to make out the various grounds upon which, or by reason of which, he says that the application should be refused or amended.”

and finally p682 lines 19-26

“To my mind it is quite wrong in these cases that there should be any sort of skirmishing in regard to evidence, and if an opponent has a case he should straight away state what his case is and should put in declarations dealing with any evidence which he thinks may be relevant to that case. The applicant can then deal with the matter in the normal way, and a lot of time is saved, and the Office can get on with deciding the case. If the opponent does not do that and waits until he sees what the applicant says, then obvious difficulties will result and oppositions will inevitably be drawn out and never finished.”

17 Runaway also refers to Chapter 7.2.2 of the Manual of Trademark Practice which states:

“Clearly, the aim of the “evidence in reply” rule is to achieve finality in the proceedings; evidence in reply must not involve a departure from a case put in chief, but may consist of comment on the other side’s evidence. There is however nothing wrong with repeating elements put in chief, adding emphasis, using different language or posing rhetorical questions.”

18 Runaway argues that the circumstances of the present case “fall exactly in line” with those in *Ernest Scragg*. Landmark makes no comment on either of these references. Rather it maintains that its observations in reply were just that.

19 To decide who is right I need to go to the various submissions made by the parties during the opinion procedure and also consider how these were dealt with by the examiner in her opinion. I will for reasons that I have explained above consider only those submissions relevant to question of whether the disclosure of the thesis to Mr Knowlton was in confidence or whether it was a public disclosure.

20 I start with the initial request for the opinion. This deals with the issue of the disclosure of the thesis in paragraphs 15-20. These read:

"15. In June 1996, Robert Silvers published his MIT thesis entitled "Photomosaics: Putting Pictures in Their Place". This thesis outlined in very specific detail the exact process defined in the claims and descriptions of the patent. In fact, significant sections of the patent application, including computer code fragments and diagrams, are copied directly from the thesis without modification. This publication occurred approximately 7 months prior to the priority date of the application in question. In addition, copies were made available to at least one reader (Dr Kenneth C. Knowlton) outside of MIT prior to the publication date. The thesis can be seen in evidence RSE-1

16. Dr Knowlton had agreed, upon request, to assist Mr. Silvers and act as a reader and adviser for his thesis. As Dr Knowlton was already a published expert in the fields of both computer graphics and the production of mosaic images, Mr. Silvers benefited from Dr Knowlton's extensive experience in both areas.

17. Many emails were exchanged and a meeting held, during which the content of the thesis (that would later form the basis of patent EP0852363) was discussed and refined. Drafts, including the final version, were made available to Dr Knowlton prior to the submission date in June 1996, and he provided feedback and suggestions to Mr. Silvers based upon their content.

18. As there was no agreement in place, either written or verbal, between Mr. Silvers and Dr Knowlton in relation to confidentiality, the contents of the thesis formed part of the state of the art.

19. Evidence to support paragraphs 15-18 is available in statement KNS-1 from Dr Ken Knowlton and supporting documentation KNE-1, KNE-2, KNE-3 and RSE-1. RSE-1.1 and RSE-1.2 show signatures that are missing in the scan provided by the MIT library for RSE-1.

20. As such, this prior disclosure renders all claims of the patent invalid on the grounds of lack of novelty, as the thesis contents formed part of the state of the art prior to the priority date."

21 The patentee sought to deal with this issue in paragraph 18-20 of its observations which state:

18. The arguments made in paragraphs 15 to 20 of the request are disputed. The evidence provided does not prove that Robert Silvers actually published his thesis in June 1996. In fact, the date stamp of "Dec 16 1997" on exhibit RSE-1 is evidence of the actual date that the thesis was available to the public from MIT. Exhibit RT1 is a letter from MIT Libraries Document Services confirming this. As such, the date of actual publication is later than the priority date of 2 January 1997 and exhibit RSE-1 is not prior art with respect to the patent in suit.

19. As evidenced in paragraph 6 of exhibit RT2, Mr. Silvers indicated a mutual expectation of privacy and confidentiality concerning Dr Knowlton's involvement as a thesis reader. Dr. Knowlton would have clearly understood that the contents of the thesis and any discussion on the subject were to be treated in confidence. It is clear that a duty of confidence was created at this point.

20. Even if it is found that there was no explicit confidentiality agreement, an implicit agreement was definitely made. Mr. Silvers advised Dr. Knowlton that the thesis would not be made public immediately because he was applying for a patent for his invention. As a patent owner and inventor named in over 30 published patent applications himself, Dr.

Knowlton would have understood the criticality and necessity of keeping the thesis confidential.

21. Furthermore, Dr. Knowlton was not acting as a member of the public during his role as a thesis reader for the thesis (he himself admits this in the email exhibited as KNE-2 referring to his "responsibilities"). Dr. Knowlton would clearly have been aware that communications made and received in this role were expected to be treated with confidentiality. The communications regarding Mr. Silvers' thesis should have been treated no differently. By agreeing to be a thesis reader, Dr. Knowlton knowingly took on certain responsibilities, including maintaining the author's research in confidence. In view of the agreement, Dr. Knowlton was not free in equity and law to disclose the contents of the thesis, or the communications or discussions with Mr. Silvers.

UK law in this respect fully supports this position. As decided in *Coco v. A.N. Clark (Engineers) Ltd.* [1969] RPC 41, specifically at page 48, it was decided:

"It seems to me that if the circumstances are such that any reasonable man standing in the shoes of the recipient of the information would have realized that upon reasonable grounds the information was being given to him in confidence, then this should suffice to impose upon him the equitable obligation of confidence."

This approach has been approved in numerous cases including *Strix v Otter Controls Ltd.* [1995] RPC 607 in which a party to a joint development that could not ethically have disclosed information was found to be under an obligation of confidence (see pages 631 and 634). A similar ethical obligation would apply to Dr. Knowlton under his responsibilities as thesis reader and trusted advisor.

22 As such exhibit RSE-1 and its content was not made available to the public prior to the priority date of the patent in suit.

22 The observations in reply extended to some 10 pages covering 63 paragraphs and also included 3 further statements from witnesses. Of these, paragraphs 21-52 dealt with the issue of the prior disclosure. Only the statement of Mr Hawley, Mr Silvers' thesis supervisor, is relevant. I will not reproduce that material in its entirety here. Rather I will pick out particularly pertinent paragraphs whilst seeking to briefly summarise the various points being considered.

23 I start with paragraph 23 and 24 which read:

Paragraph 19 references paragraph 6 of exhibit RT2 in which Mr. Silver states that in conversations and communications between Dr Knowlton and Mr. Silvers, there was "an[sic] mutual expectation of trust and confidentiality". No evidence has been provided to support this idea, and it has already been clearly denied by Dr Knowlton in exhibit KNS-1.

As a result of reading the most recent statement from the patentee, it was clear that this is a key area of dispute between the parties. As such, we sought comment from Michael Hawley, the thesis supervisor for the thesis in question. Michael Hawley is probably the only independent party who can testify as to the terms upon which Mr. Silvers and Dr Knowlton interacted. Michael Hawley introduced Dr Knowlton and Mr. Silvers to each other and was present in meetings between them, and was often copied in on emails between them.

24 The observations in reply then go on to discuss various comments made by Mr Hawley in his statement before moving on to the issue of *Coco* in paragraphs 33-39. The relevant part of these appears to be:

On this matter, paragraph 21 of the patentee's statement claims that communications

between Mr Silvers and Dr. Knowlton are implicitly bound by confidentiality due to the nature of their relationship. To support this, they cite "Coco v A.N. Clark (Engineers) Ltd" (hereafter referred to as "Coco").

For "Coco" to be relevant here, it must be determined (among other things) that any reasonable man in the position of the recipient of information would realise that the information was being given to him in confidence.

The case itself pertains to a clearly commercial arrangement between two parties. The quote referenced by the patentee goes on to say:

"In particular, where information of commercial or industrial value is given on a business-like basis and with some avowed common object in mind, such as a joint venture or the manufacture or articles by one party for the other, I would regard the recipient as carrying a heavy burden if he seeks to repel a contention that he was bound by an obligation of confidence."

The basis upon which Dr Knowlton agreed to be a thesis advisor for Mr. Silvers, was clearly non-commercial in nature. Dr. Knowlton agreed to give up his time for no immediate or potential future benefit to himself, and having no former relationship with Mr. Silvers at all. There was no discussion of a joint venture (if there were then presumably Dr. Knowlton would have been listed as joint inventor in the patent) and there was no question of one party producing goods for the other.

- 25 Further paragraphs are directed to the question of whether Mr Silvers had given any indication of his intention to file a patent and also to the nature of the relationship between Mr Silvers and Dr Knowlton, the latter being considered in paragraphs 42 and 43 which read:

It is also worth referencing again, the comments of Dr. Knowlton in his communication with Mr. Silvers in evidence KNE-2 where he said:

"I extend to you a guarded welcome to my turf. Please understand that I may not tell you everything that I think I know about making seashell mosaic portraits."

.. and the complete response from Mr. Silvers... "Sure. Thanks."

It is clear from this communication that not only did Dr. Knowlton obviously feel that their communications were inherently not confidential (if they were, he would feel no need to be cautious about what he said), but that Mr. Silvers made no attempt to express the same about his work. He made no attempt to clarify his own position, or to assure Dr. Knowlton that their conversations were confidential. He simply accepted the statement as being representative of the basis upon which their relationship would work.

- 26 Shortly after the observations in reply had been filed, Runaway wrote to the Office arguing that the observations in reply are not confined to matters strictly in reply as required by R77F(4) and that they should be disregarded. The requester replied to the patentee's letter in a letter dated 3 April arguing that the observations in reply were directly in response to the patentee's statement dated 14 March 2007. He argued that evidence has been provided to clarify the priority date of the items in question following questions by the patentee and that the observations from Michael Hawley were provided in response to statements by Mr Silvers regarding conduct in relation to privacy of his thesis work.

- 27 The examiner in her opinion made the following observation:

“13. On the issue of observations in reply, these include evidence to substantiate the disputed publication date of documents discussed in the observations and commentary on novelty and inventive step argument made in the observations filed 14 March 2007 as well as further discussion on the issue of whether an expectation of confidentiality existed between Dr Knowlton and Mr Silvers. If the requester is not permitted to provide any further comment other than that he has already raised in his application then there would be no point in allowing observations in reply to be filed. To my mind the observations in reply are restricted to addressing issues already on the table. I do not consider that they introduce any new matters and I conclude that they are allowable.”

28 She then went on to consider the nature of the disclosure of the thesis. The relevant part of her opinion is as follows:

62. However, the thesis was clearly disclosed to Dr Knowlton (as thesis adviser) prior to the submission date of June 1996. The question to consider is does the disclosure to Dr Knowlton constitute prior disclosure or was Dr Knowlton bound by a duty of confidentiality? The evidence and arguments on the matter of confidentiality provided by the parties amount to an assertion from Mr Silvers that there existed a mutual expectation of trust and confidentiality between himself and Dr Knowlton (witness statement RT2) and an assertion from Dr Knowlton that at no point did he agree to any confidentiality agreement (witness statement KNS-1). There is no evidence other than witness statements from Mr Silvers and Dr Knowlton to substantiate either assertion.

63. With regard to the reasoning in *Coco*, would Dr Knowlton have realised that there was an expectation of confidentiality placed upon him when agreeing to Mr Silvers' request to act as thesis adviser? Mr Silvers states that he told Dr Knowlton he would be filing a patent based on the thesis but there is no factual evidence to support this assertion. The evidence provided in document RT1 regarding there being no record of the thesis being placed on patent hold appears, in my opinion, to be indicative that there was no clear intention to patent at the submission date of June 1996. Had Mr Silvers had an intention to patent the subject matter of his thesis at that time he would clearly have requested a patent hold. If he had no clear intention to patent at this date it seems unlikely that he would have explicitly or implicitly indicated to Dr Knowlton that he intended to file a patent based on the thesis. Mr Hawley's statement MHS-1 is the only independent account of the meetings between Mr Silvers and Dr Knowlton. His recollection is that Dr Knowlton was guarded in his interaction with Mr Silvers while Mr Silvers was not similarly protective of his trade secrets. However, the only evidence that supports this interaction is Dr Knowlton's email KNE-2 in which extends a guarded welcome to Mr Silvers and states that *'I may not tell you everything that I think I know about making seashell mosaic pictures.'* There is no evidence that Mr Silvers was similarly protective. It seems to me that Dr Knowlton was clearly circumspect about what he would tell Mr Silvers. If there was a mutual expectation of trust and confidentiality between Dr Knowlton and Mr Silvers then Dr Knowlton would not have been so circumspect. I therefore conclude that there has been no evidence provided that there was a mutual expectation of confidentiality. Furthermore, no evidence has been provided as to whether a duty of confidentiality exists between thesis advisers and thesis authors. The arguments provided amount to no more than opinions of individuals. As regards Mr Hawley's comments regarding confidentiality between thesis authors and thesis advisers this represents hearsay evidence to which I can attach limited weight. However, it may be regarded as supportive of the assertion that no duty of confidentiality could have been reasonably expected of Dr Knowlton.

64. The burden of proof lies on the patent proprietor to prove the existence of an obligation to maintain secrecy when he claims the existence of a confidentiality agreement and having considered the arguments from both parties and the limited evidence placed before me I conclude that the patentee has not discharged his responsibility of proving that a duty of confidentiality existed upon Dr Knowlton. As such, I conclude that the thesis was made publicly available by disclosure to Dr Knowlton earlier than the priority date of the patent and therefore renders claims 1 - 43 of the patent lacking in novelty. If I am wrong on this

matter and it can be proven that Dr Knowlton was bound by a duty of confidentiality then RSE-1 would not constitute prior art disclosure and claims 1 – 43 would be novel over this document.”

- 29 Having recounted at some length how the argument developed during the opinion procedure and how it was dealt with in the opinion itself, I now need to decide whether the examiner was wrong in principle to admit the observations in reply and if she was did this lead to her reaching the wrong conclusion on validity?
- 30 As I have already said Runaway claims the circumstances in this case fall exactly in line with those in *Ernest Scraggs*. I do not agree. In that case the issue was whether experimental evidence supporting a line of argument advanced in the statement of case could be submitted in reply or whether it should have been submitted earlier. Both the hearing officer and the Judge found that it should have been submitted earlier.
- 31 The situation here is I believe quite different. The nature of the disclosure of the thesis was put in issue from the start. Evidence to support the requester’s case in the form of a witness statement from one of the parties to that disclosure was also put forward at that stage. The response from the patentee was to question the accuracy of this statement and to bring in additional information on the issue of whether Mr Knowlton knew whether a patent was being applied for. It was to address these questions that the further evidence was put in. This is in contrast to the disputed evidence in *Ernest Scraggs* which was sought to be put in to support an initial assertion. Despite the observations in reply being somewhat lengthy, I think it is evident that they are just observations in reply to arguments advanced by the patentee in its observations. Indeed the only part that I think could be questioned would be the witness statement of Mr Hawley and the arguments flowing from this. However I am satisfied having read them a number of times that these do relate to issues raised in the observations put in by the patentee in its observations.
- 32 Returning briefly to *Ernest Scraggs*, it is interesting to note that there were two pieces of evidence originally at issue. And it is perhaps the situation with the first piece of evidence, rather than the second which was the subject of the appeal, that mirrors this case more closely. Details of this can be found on page 680 of the judgment where parts of the original decision of the hearing officer are reproduced:

“The opponents in the reply stage have filed two pieces of evidence which the applicants contend should not be admitted as not being strictly in reply.

The first is that of Mr. Edwards who testified that his company (Klinger Manufacturing Company) was manufacturing spindles having a bore diameter of about 0.41 to 0.42 inches. Mr. Aldous submitted that this evidence should either have been included in the evidence-in-chief or not submitted. However since the applicants' witness has categorically stated that bore diameters were tending to increase (and by inference upwards of 0.04 inches, since this is the diameter specified in the applicants' specification) and it could not have been clear from the outset that the applicants were going to adopt this line of defence, I consider it only proper that the opponents in reply should be able to adduce any evidence to the contrary. Accordingly I allow this evidence to be admitted.”

- 33 There a further witness statement was admitted to address a particular defence that could not have been clearly anticipated. Here a witness statement was admitted also to address points raised in the observations. Runaway argues that if the witness statement had been submitted with the original request then it would have been able to put forward evidence to show that Mr Hawley was not as independent as was perhaps suggested by the requester. It is I think questionable whether the partiality of Mr Hawley was really an issue of substance. It seems clear from the opinion that little weight was attached to any part of Mr Hawley's statement.
- 34 In conclusion therefore having carefully considered all the arguments and the relevant submissions I conclude that the opinion examiner has not made any error of principle in admitting the submissions in reply that dealt with the issue of the nature of the disclosure of the thesis to Mr Knowlton.
- 35 I would add that even if I had found the examiner to have erred in admitting the statement from Mr Hawley, then I would still not have been inclined to set aside the opinion. This is because it seems clear that the examiner had reached her conclusion that there was no duty of confidentiality on the basis of the other material before her. The statement from Mr Hawley was merely "supportive" of the finding that she had already made that confidentiality had not been shown to exist.
- 36 I turn now to the second objection to the opinion namely that the examiner wrongly applied the test in *Coco*. The basis for this is the examiner's statement at the beginning of paragraph 63 of her opinion which is set out above. In particular Runaway argues that the question is not, as is suggested in this part of the opinion, whether Dr Knowlton would have realised that there was an expectation of confidentiality. Rather it is whether a reasonable man, in the shoes of Dr Knowlton, would have realised that the information being given to him by Mr Silvers was in confidence and as such an equitable obligation of confidentiality would exist.
- 37 Landmark contends that the test set out in *Coco* was correctly applied by the Examiner noting that no evidence has been put forward by Runaway to show that Dr Knowlton was not a reasonable man.
- 38 From the wording of the opinion itself it does appear that the examiner might have erred since as Runaway points out under *Coco* it is not what Dr Knowlton would have realised that matters but rather what a reasonable man would have. Obviously the difference would have been immaterial if it had been shown that Dr Knowlton had the necessary properties of "the reasonable man" however this does not seem to have been advanced. I should say that I am not saying that Dr Knowlton is an unreasonable person merely that it hasn't been shown he falls within the usual definition of "the reasonable man".
- 39 But does this constitute an error of principle on the part of the examiner that led her to a conclusion that was wrong or was it merely injudicious drafting? To answer this it is necessary to go back to what it was she was being asked to give

an opinion on. This can best be found in paragraph 21 of the patentee's observations which is set out above. The key arguments that the patentee advances in that paragraph are that:

1. Dr. Knowlton would clearly have been aware that communications made and received in his role of thesis advisor were expected to be treated with confidentiality and
2. Any reasonable man standing in the shoes of a thesis reader and advisor would have realised that upon reasonable grounds the information was being given to him in confidence, then this should suffice to impose upon him the equitable obligation of confidence (which is the reasoning in *Coco*).

40 So did the examiner deal with these arguments properly? I think it is clear from paragraph 63 of her opinion that she did address herself in a reasonable way to both of these arguments. The opening part of the paragraph deals at some length with the first point. The second point is addressed in a briefer fashion towards the end of the paragraph where she says "no evidence has been provided as to whether a duty of confidentiality exists between thesis advisors and thesis authors". The opening reference to *Coco* would have perhaps sat more comfortably with this later part of the paragraph. However the fact that something could have been better expressed in the opinion should not in itself be taken as an error of principle. And I do not believe that the examiner has erred in substance on this point.

Conclusion

41 I have found that the examiner did not make an error of principle in either admitting the further observations or in applying the test in *Coco v A. N. Clark (engineers) Ltd*. I find that the examiner was correct in her opinion that claims 1 - 43 lack novelty over RSE-1 are invalid. Accordingly under rule 77J, I decide that no reason has been shown for the opinion to be set aside.

Costs

42 It is long-established practice for costs awarded in proceedings before the comptroller to be guided by a standard published scale. The scale costs are not intended to compensate parties for the expense to which they may have been put but merely represent a contribution to that expense. This policy reflects the fact that the comptroller ought to be a low cost tribunal for litigants, and builds in a degree of predictability as to how much proceedings before the comptroller, if conscientiously handled by the party, may cost them. Landmark has asked for costs and since it has won is entitled to an award.

43 I thereby award Landmark the sum of £200 to be paid by Runaway not later than 7 days after the expiry of the appeal period. If an appeal is lodged, payment will be suspended pending the outcome of the appeal.

Appeal

44 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal

must be lodged within 28 days.

P THORPE

Deputy Director acting for the Comptroller