

The Patents County Court Guide

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By authority of the Chancellor of the High Court

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1. General

1.1 Introduction

This Guide applies to the Patents County Court (PCC). It is written for all users of the PCC, whether a litigant in person or a specialist IP litigator.

The Guide aims to help users and potential users of the PCC by explaining how the procedures will operate, providing guidelines where appropriate and dealing with various practical aspects of proceedings before the PCC.

The Guide cannot be wholly comprehensive of all issues which may arise before the PCC. In circumstances which are not covered by this guide, reference may be made to the Patents Court Guide and the Chancery Guide.

History of the PCC

Following the report of the Committee chaired by Sir Derek Oulton in 1987, the PCC was set up in 1990. The PCC was intended to provide a less costly and less complex alternative to the High Court, Patents Court. The Patents Court is intended to deal with larger and more complex claims.

Based initially in Wood Green in North London, the PCC moved to Park Crescent near Regent's Park in the West End of London in the mid 1990s. In 2002 the court moved to Field House, Breems Buildings, and to St Dunstan's House, Fetter Lane in 2008.

In June 2009, the Intellectual Property Court Users' Committee (IPCUC) published a consultation paper setting out proposals for reform of the PCC and in July 2009 the working party's final report was published. The proposals were adopted in the final report of the Review of Civil Litigation Costs by Lord Justice Jackson and on 1st October 2010 a new set of procedures was implemented in the PCC.

The court is presently located at St Dunstan's House, Fetter Lane following the fire in Field House in 2009 but it is expected to move to the Rolls Building in 2011 along with the Chancery Division of the High Court (including the Patents Court), the Commercial Court and the Technology and Construction Court.

1.2 Jurisdiction

Most users of the Patents County Court will be concerned with its particular jurisdiction in relation to intellectual property matters indicated below but the court's ordinary jurisdiction as a county court is unaffected (s287 (5) of the Copyright Designs and Patents Act 1988) and there may be other causes of action which may appropriately be brought before it.

The intellectual property jurisdiction of the Patents County Court includes patents, designs (registered and unregistered, Community and UK national), trade marks (UK and Community), passing off, copyright, database right and other rights conferred by the Copyright Designs and Patents Act 1988.

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For example, the Patents County Court may hear and determine actions and counterclaims for:-

- Infringement of patents, designs, trade marks, copyright and other intellectual property rights
- Revocation or invalidity of patents, registered designs and trade marks
- Amendment of patents
- Declarations of non-infringement
- Determination of entitlement to a patent, design or any other intellectual property
- Employee's compensation in respect of a patented invention
- Unjustified threats of proceedings for infringement of patents, designs or trade marks.

The Court may in future be renamed so as to recognise its broad IP jurisdiction.

Legal basis for jurisdiction of the PCC

The legal basis for the court's IP jurisdiction derives from a number of sources including sections 287(1) and (5) of the Copyright Designs and Patents Act 1988 (which define the "special jurisdiction" and preserve the court's ordinary jurisdiction as a county court), the Patents County Court (Designation and Jurisdiction) Order 1994 (SI 1994/1609), and the High Court and County Courts Jurisdiction Order 1991 (SI 1991/724). The court is a designated Community Trade Mark Court (SI 2006/1027) and Community Designs Court (SI 2005/696). The scope and extent of the court's jurisdiction was addressed in *ALK Abello v Meridian* [2010] EWPC 014, *National Guild of Removers & Storer Ltd v Christopher Silveria* [2010] EWPC 015, *Minsterstone Ltd v Be Modern Ltd* [2002] FSR 53 and *McDonald v Graham* [1994] RPC 407.

The "*special jurisdiction*" covers proceedings relating to patents and designs and proceedings ancillary to or arising out of the same subject matter as those proceedings (s287(1) 1988 Act). "Designs" includes cases concerning both registered and unregistered design rights and includes the Community variants of those rights.

For many cases, it is not important to determine whether a case falls within the "*special jurisdiction*" of the PCC. However the rules differ on some minor respects between cases in the *special jurisdiction* and otherwise and this is addressed below. It can also be relevant to some aspects of legal representation before the PCC and it will be relevant to the proposed cap on recoverable damages (see paragraph 5.3 *Plans for the Future* below).

Users should be aware that the court's *ordinary jurisdiction* does not extend to certain equitable claims such as some claims for breach of confidence. However the Patents County Court does have full jurisdiction to handle such matters if they are ancillary to a case within the court's designated jurisdiction under SI 1994/1609 and SI 2005/587 (patents, designs and trade marks).

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Legal remedies

All the remedies available in the High Court are available in the Patents County Court including preliminary and final injunctions, damages, accounts of profits, delivery up and disclosure. In particular search and seizure (Anton Piller) and asset freezing (Mareva) orders are available in the Patents County Court (SI 1991/1222).

Applicable rules of procedure

The rules applicable to proceedings started in or transferred to the Patents County Court are as follows:

- The general Civil Procedure Rules (CPR) provide the framework for proceedings in the Patents County Court as they apply to all civil courts in England and Wales¹.
- CPR Part 63 – Intellectual Property Claims applies to all intellectual property claims. Part 63 includes rules specific to intellectual property cases and in some areas modifies the general parts of the CPR.
- Practice Direction 63 (PD 63) supplements CPR Part 63.
- Part 63 and PD 63 are arranged in sections as follows:
 - Section I relates to proceedings which concern patents and registered designs (Community or national). It is applicable to proceedings in the Patents County Court which relate to those rights.
 - Section II allocates all other IP cases to particular courts including the Chancery Division, Patents County Court and certain county courts where is a Chancery District Registry.
 - Section III deals with service of documents and participation by the Comptroller.
 - Section IV does not relate to proceedings in the Patents County Court.
 - Section V relates to all proceedings started in or transferred to the Patents County Court. This section contains the new procedural rules applicable after 1st October 2010.
- Attention is drawn to two other parts of the general CPR which contain provisions specific to the Patents County Court. They are PD 30 paragraphs 9.1 and 9.2 relating to transfers to and from a Patents County Court; Part 45 Section VII Scale Costs for Claims in the Patents County Court and Section 25C of the Costs Practice Direction (CPR Pt 45)

¹ In this Guide, references to “Part” are to Parts of the Civil Procedure Rules (CPR), references to “rule” are to rules in the CPR and references to “PD” are to the Practice Directions of the CPR. Up to date copies can be found at www.justice.gov.uk/guidance/courts-and-tribunals/courts/procedure-rules/civil/index.htm.

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1.3 Allocation

There is no sharp dividing line between cases which should be brought in the Patents County Court and actions which should be brought in the High Court. It is anticipated that a limit on damages in the Patents County Court will be enacted in 2011 (see paragraph 5.3 *Plans for the Future* below).

In deciding the court in which to commence a claim, users should bear in mind that the Patents County Court was established to handle the smaller, shorter, less complex, less important, lower value actions and the procedures applicable in the court are designed particularly for cases of that kind. The court aims to provide cheaper, speedier and more informal procedures to ensure that small and medium sized enterprises, and private individuals, are not deterred from innovation by the potential cost of litigation to safeguard their rights. Longer, heavier, more complex, more important and more valuable actions belong in the High Court.

Parties may agree with each other to maintain a case in the Patents County Court if they wish to make use of the procedures available in it. The court will endeavour to accommodate parties in that respect. The court will however maintain its list in such a way as to ensure that it maintains access to justice for small and medium sized enterprises.

If a party to litigation in either the Patents County Court or the High Court believes that the other court is a more appropriate forum for the case, they should apply to transfer it. In the Patents County Court an application to transfer to the High Court must be made at or before the case management conference (CPR rule 63.25(4)). Users are referred to *ALK Abello v Meridian* [2010] EWPC 014 in which the transfer provisions now applicable were considered.

The following guidelines are provided to assist users in determining which of the two courts is suitable:-

- Size of the parties. If both sides are small or medium sized enterprises then the case may well be suitable for the Patents County Court. If one party is a small or medium sized enterprise but the other is a larger undertaking then again the case may be suitable for the Patents County Court but other factors ought to be considered such as the value of the claim and its likely complexity.
- The complexity of the claim. The procedure in the Patents County Court is streamlined and trials last no more than 2 days. A trial which would appear to require more time than that even with the streamlined procedure of the Patents County Court is likely to be unsuitable.
- The nature of the evidence. Experiments in a patent case may be admitted in the Patents County Court but a case which will involve substantial complex experimental evidence will be unsuitable for the Patents County Court.
- Conflicting factual evidence. Cross-examination of witnesses will be strictly controlled in the Patents County Court. The court is well able to handle cases involving disputed factual matters such as allegations of prior use in patents

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and independent design as a defence to copying; but if a large number of witnesses are required the case may be unsuitable for the Patents County Court.

- Value of the claim. Putting a value on a claim is a notoriously difficult exercise, taking into account factors such as possible damages, the value of an injunction and the possible effect on competition in a market if a patent was revoked. The likely damages to be recovered in an infringement claim is a factor which should be considered. Although no limit on damages in the Patents County Court has been introduced (yet), if the damages are likely to be well in excess of £500,000 then the claim may not be appropriate for the Patents County Court. As a general rule of thumb, disputes where the value of sales, in the UK, of products protected by the intellectual property in issue (by the owner, licensees and alleged infringer) exceeds £1 million per year are unlikely to be suitable for the Patent County Court in the absence of agreement.

In the Patents County Court all claims are allocated to the multi-track. There is currently no small claims track or fast track.

1.4 The judges of the Patents County Court

The patents judge of the Patents County Court and his clerk are:-

His Honour Judge Birss QC

Judge's Clerk: Kav Rekhi -tel 020 7947 7754, fax 020 7947 7483,
Kav.rekhi@hmcts.gsi.gov.uk

The judges of the High Court, Patents Court are able to sit as judges of the Patents County Court as necessary.

Certain senior members of the Intellectual Property bar are qualified and able to sit as recorders in the Patents County Court when the need arises.

1.5 Judges able and willing to sit out of London

If the parties so desire, for the purpose of saving time or costs, the Patents County Court will sit out of London. Before any approach is made to the Judge's Clerk, the parties should discuss between themselves the desirability of such a course. If there is a dispute as to venue, the court will resolve the matter on an application. Where there is no dispute, the Judge's Clerk should be contacted as soon as possible so that arrangements can be put in place well before the date of the proposed hearing.

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1.6 Patents County Court Users' Committee

The Patents County Court has a Users' Committee which considers the problems and concerns of intellectual property litigators in the Patents County Court. Membership of the committee includes the judges of the Patents County Court and of the Patents Court, representatives of each of the Intellectual Property Office, European Patent Office, Intellectual Property Bar Association, IP Chambers Clerks, the Intellectual Property Lawyers Association, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys, the IP Federation, the Pro Bono Committees and IP Academics. Anyone having views concerning the improvement of intellectual property litigation in the Patents County Court is invited to make his or her views known to the committee, preferably through the relevant professional representative on the committee or its secretary (Alan Johnson, Bristows, 100 Victoria Embankment, London EC4Y 0DH Tel: 020 7400 8000 Fax: 020 7400 8050 Alan.Johnson@Bristows.com).

If matters relate to intellectual property litigation more widely, then this may be a matter for the Intellectual Property Court Users' Committee. Views can be expressed to the Patents County Court Users' Committee, who will refer on matters outside its remit, or direct to representatives of the Intellectual Property Court Users' Committee or its secretary (Philip Westmacott, Bristows, 100 Victoria Embankment, London EC4Y 0DH Tel: 020 7400 8000 Fax: 020 7400 8050 Philip.Westmacott@Bristows.com).

1.7 Representation

A person may represent themselves in litigation in the PCC as a litigant in person. However, intellectual property matters are often quite complex and cases will often benefit from the assistance of a knowledgeable legal representative.

Patent Attorneys², Solicitors and Trade Mark Attorneys³ all have rights to represent clients in the PCC. These professionals may additionally instruct Barristers to help prepare the case and/or argue the case in court. In some instances, a barrister may accept instructions directly from the public.

Each of these professions has a different qualification and skill set. So, in some cases, it may be appropriate to instruct more than one legal representative to act as a team.

More information about these different professions can be found at the following Websites:

Chartered Institute of Patent Attorneys - www.cipa.org.uk regarding Patent Attorneys and Patent Attorney Litigators

² All Patent Attorneys can represent clients in the PCC in cases falling into the "special jurisdiction". For other cases, a patent attorney must have an additional qualification as a Patent Attorney Litigator.

³ Trade Marks Attorneys must have an additional qualification as a Trade Mark Litigator in order to represent clients in the PCC.

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Law Society - www.lawsociety.org.uk regarding Solicitors

Institute of Trade Mark Attorneys - www.itma.org.uk regarding Trade Mark and Design Litigators

Bar Council - www.barcouncil.org.uk regarding Barristers, and for IP Specialist barristers - www.ipba.co.uk.

Where a person bringing or defending a case in the PCC cannot afford to pay for their own legal representative, then they may be eligible to seek free or pro bono advice. The National Pro Bono Centre houses national clearing houses for legal pro bono work delivered in England and Wales: i.e. the Bar Pro Bono Unit, LawWorks (the Solicitors' Pro Bono Group) and ILEX Pro Bono Forum. The website is at: www.nationalprobonocentre.org.uk.

A litigant wishing to seek pro-bono legal assistance should approach the Citizens Advice Bureau or a Law Centre first. There is a CAB office in the Royal Courts of Justice, Strand, London.

The Patents County Court Users Committee is working with CIPA to look at setting up a CIPA pro bono scheme and also actively considering other ways to widen the availability of pro-bono legal assistance in the Patents County Court.

2. PROCEDURE IN THE PATENTS COUNTY COURT

2.1 Before issuing proceedings

Attention is drawn to the Practice Direction – Pre-Action Conduct (a copy of which can be found at

www.justice.gov.uk/guidance/courts-and-tribunals/courts/procedure-rules/civil/menus/protocol.htm

Compliance with this Practice Direction will affect the timetable, once proceedings are issued (see further below). However, as unjustified threats to bring legal proceedings in respect of many IP rights can themselves be subject to litigation, each claimant will have to make their own decision as to whether it is appropriate to write to a prospective defendant to see if matters can be settled before any proceedings are issued.

2.2 Issuing proceedings

The Patents County Court is currently situated at: St Dunstan's House 133-137 Fetter Lane London EC4 1HD. Apart from the issuing of proceedings, all communications with the Court should be addressed to the Clerk to HH Judge Birss QC at this address.

Until 31st March 2011 the issue of claim forms takes place at the Central London County Court offices. See paragraph 3.10 below for contact details.

From 1st April 2011 the issue of claim forms takes place at the Royal Courts of Justice (Chancery Registry). See paragraph 3.10 below for contact details.

Most proceedings are issued using form N1 (http://www.hmcourts-service.gov.uk/courtfinder/forms/n1_0102.pdf). A claimant should ensure that there is a copy of the claim form for the court and each defendant, as well a copy for itself.

All proceedings when issued are sent to the Clerk to HH Judge Birss QC. Enquiries relating to an existing case in the Patents County Court after the claim form has been issued (except for enforcement) may be addressed to the Clerk to His Honour Judge Birss QC at the address given above (and repeated at paragraph 3.10 below).

2.3 Service of documents

The claim form should be served on the defendant with a response pack. The court will serve the documents, unless the claimant informs the court that it will do so itself, in which case the claimant must retrieve the defendant's copy of the claim form from the court.

CPR Part 6 and the associated practice direction deal with service of documents. Attention is also drawn to rule 63.14, regarding service on an address for service for a registered right and to when a copy of a document should also be sent to the UK Intellectual Property Office.

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The CPR only requires the Acknowledgement of Service to be filed with the Court, although subsequent documents, such as the Defence, should both be filed with the Court and served on the other parties (see rule 15.6). In any event it may often be helpful to send a copy of any document filed with the court to the other party, to ensure that those documents are received in a timely manner.

2.4 Statements of Case

Introduction

The statements of case are the documents where each party sets out its case. As discussed below, these need to be full, but not unnecessarily lengthy. Statements of case can stand as evidence at trial in the PCC, where relevant individuals have verified them with a statement of truth, as discussed further below.

Time limits

In general, the time limits set out in Part 15 apply to litigation of all intellectual property rights. However, rule 63.22 modifies Part 15 in respect of the time limits for filing defences and replies.

The time limit for filing the defence depends on whether the Particulars of Claim confirms that Pre-Action Conduct practice direction has been complied with (rule 63.22(2) and (3)). The time limit is 42 days or 70 days respectively.

The time limit for the reply to defence is 28 days from the service of the defence (rule 63.22(4)).

The time limit for a defence to counterclaim is 14 days from service of the counterclaim (rule 15.4(1)). The parties can agree that it will be extended to 28 days and must notify the Court (rule 15.5). (Note this time limit is not dealt with in Part 63 and so is not restricted by rule 63.22(6)).

The time limit for the reply to defence to counterclaim is 14 days from the service of the defence (rule 63.22(5)).

The parties are not at liberty to extend the time limits set out in rule 63.22 without the prior consent of the judge. Applications for any extension of time must be made in good time and set out clear grounds as to why they are required.

Content of statements of case

In general, statements of case (i.e. the pleadings of all parties) must comply with the requirements of Part 16. Furthermore, they should comply with rule 63.6 and PD 63 paras. 4.1-4.6. Copies of important documents referred to in a statement of case (e.g. an advertisement referred to in a claim of infringement form or documents cited in Grounds of Invalidity) should be served with the statement of case. Where any such document requires translation, a translation should be served at the same time.

A particular feature of statements of case in the Patents County Court is that they should comply with rule 63.20 (1) and must set out concisely all facts and arguments

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relied on. A key purpose of this requirement is to facilitate the conduct of the case management conference which will be conducted on an issue by issue basis. Therefore the court and the parties need to know what the issues are going to be in sufficient detail for that process to take place. However attention is drawn to the requirement for the matters to be set out concisely. The parties are invited to raise issues with the court before committing excessive time and resources to the production of unnecessarily lengthy statements of case.

Guidance on the statement of case is as follows:-

- In a normal case it is unlikely that legal arguments will need to be set out in any detail in the statement of case, all that is likely to be required is a brief statement of the nature of the argument to be relied on.
- Lengthy expositions of construction of patent claims is unlikely to be necessary or desirable. However the parties will be expected to identify the claims in issue (for infringement and validity) and identify the relevant features of those claims.
- It is likely to be necessary to break down a patent claim into suitable integers in order to explain a case on infringement with reference to specific elements of the alleged infringing product or process. This may be most conveniently done in the form of a table or chart annexed to the statement of case. Points on construction should emerge from this exercise and may need to be identified but lengthy argument on them is not required.
- A case of anticipation of a patent is likely to require a similar approach to infringement (i.e. a claim break down, perhaps in the form of a table, with the claim integers compared with the relevant parts of the prior art disclosure(s) relied upon).
- A case of obviousness of a patent is likely to require a statement addressing the allegedly obvious step(s).
- A specific statement of what facts are said to be relevant common general knowledge is likely to be necessary. A short summary of the relevant technical background may be helpful.
- Similarity between marks may not require elaboration but in an appropriate case some detail will be necessary, particularly in relation to allegations that goods or services are similar. Parties to trade mark cases should identify the nature and characteristics of the relevant consumer (if relevant).
- A defence of independent design in a copyright case (or similar) will need to be addressed in appropriate detail.

Independent validity of patent claims

Where one party raises the issue of validity of a patent, the patentee (or other relevant party) should identify which of the claims of the patent are alleged to have independent validity in his reply (or defence) to the allegation of invalidity.

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Statements of truth

Attention is drawn to rule 63.21, which modifies Part 22 in its application to the Patents County Court. The statement of truth must be made by a person with knowledge of the facts alleged (or by persons who between them have such knowledge). If more than one person signs the statement of truth, the individuals should indicate in some suitable manner which parts of the statement of case they are verifying.

Statements of case (or parts of them) suitably verified may be permitted to stand as evidence at trial under Part 30. This is a matter to raise at the case management conference.

Attention is drawn to rule 32.14 which sets out the consequences of verifying a statement of case containing a false statement without an honest belief in its truth, and to the procedures set out in PD 32 para 28.

2.5 Case management (r 63.23)

The case management conference (“CMC”) in the Patents County Court will be conducted by a judge. The purpose of the CMC is to manage the conduct of the case in order to bring the proceedings to a trial in a manner proportionate to the nature of the dispute, the financial position of the parties, the degree of complexity of the case, the importance of the case and the amount of money at stake. At the first CMC, the court will identify the issues and decide whether to make orders under paragraph 29.1 of PD 63. These include orders permitting the filing of further material in the case such as witness statements, experts’ reports and disclosure and orders permitting cross-examination at trial and skeleton arguments. The trial date will be fixed at the CMC.

The date for the CMC will normally be arranged as follows. The claimant should apply for a CMC within 14 days after all defendants who intend to file and serve a defence have done so. Where a case has been transferred from another court, the claimant should apply for a CMC within 14 days of the transfer. Any party may apply for a CMC at an earlier date than these dates. If the claimant has not applied for a CMC within 14 days then the defendant should do so. In any event the Court can and will fix a date for a CMC if the parties have not done so within a reasonable period. These requirements are mandatory for cases within Section I of Part 63 (essentially patents and registered designs; see PD 63 para 5.3 – 5.7) but should be followed in all cases in the Patents County Court as a matter of efficient case management. All cases are allocated to the multitrack automatically by operation of Rule 63.1(3) and so the Patents County Court generally dispenses with the need for an allocation questionnaire.

The CMC will be conducted as a hearing in open court. However where all parties consent the court may determine the CMC on paper (rule 63.23(3)).

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Bundles⁴ should be filed with the court at St Dunstan's House (full address below). Although PD 63 para 5.9 applies to the preparation of those bundles, parties must consider the different procedure in the Patents County Court and, where appropriate, include attachments to the statements of case and copies of the documents referred to in the statements of case.

In general, parties should endeavour to agree directions prior to the date fixed for the CMC. The court will still identify the issues and although the court has the right to amend directions which have been agreed, this will only happen where there is manifest reason for doing so.

The CMC is an important part of the procedure because no material may be filed in the case by way of evidence, disclosure or written submissions unless permission is given for it by the judge and the proper time for that permission to be given is the CMC. Save in exceptional circumstances the court will not consider an application by a party to submit material in a case in addition to that ordered at the CMC (rule 63.23(2)).

The basis on which the court will decide whether to permit material to be filed in a case is by applying the cost-benefit test (PD 63 para 29.2(2)) and by giving permission in relation to specific and identified issues only ((PD 63 para 29.2(1)). PD 63 para 29.1 lists the material which the court may order: disclosure of documents, a product or process description, experiments, witness statements, experts' reports, cross-examination at trial, and written submissions or skeleton arguments. The parties need to attend the CMC in a position to assist the court in making appropriate orders on this basis. In particular, the parties should consider:

- (a) The need for and scope of any evidence from factual or expert witnesses. Note the court will consider whether there is sufficient evidence in the statements of case or whether further evidence is required.
- (b) The need for and scope of any oral testimony and cross-examination. Note that the court will confine any permitted cross-examination to particular issues and to time limits.
- (c) The need for, and scope of, any disclosure of documents.
- (d) The need for any experiments, process or product descriptions or supply of any samples.
- (e) The need for written submissions or skeleton arguments.
- (f) The likely timetable up to trial. This may include dates on which disclosure of documents, product and process description and experiments is to take place as well as a schedule for witness statements and experts reports including provisions for any evidence in reply (if required).

⁴ A "Bundle" is one or more files containing the documents which the Judge needs to have in front of him at a hearing. The contents of bundles should be agreed before a hearing, so that, at the hearing, both sides have the same documents as the judge, and in the same order.

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- (f) The need for an oral hearing or whether a decision can be made on the papers. If an oral hearing is considered to be appropriate, the court will order that the hearing be of a fixed duration of no more than 2 days.

A specimen CMC order is attached to this Guide at Annex A.

2.6 Transfers (rule 63.18 and rules 63.25(4) and (5))

Applications to transfer a case to the High Court should be made at the case management conference. The court will have regard to the provisions of PD 30 (Transfer) and in particular paragraph 9.1 thereof which relates to transfers between the High Court and Patents County Court. The considerations set out above in section 1.3 *Allocation* will be taken into account. In addition, in considering an application to transfer to the High Court the following further matters will be taken into account:

- The holder of an intellectual property right who does not wish to incur High Court costs but apprehends that an alleged infringer may seek to have the matter transferred to the High Court, may consider an undertaking to limit the enforcement of their rights; e.g. by foregoing an injunction or by reference to a certain value of sales.
- A defendant seeking transfer to the High Court when the claimant cannot afford the cost of High Court litigation may offer to allow the claimant to withdraw their claim without prejudice to a right to restart litigation and/or without an adverse costs award.

An application to transfer a case to the High Court after the CMC will only be considered in exceptional circumstances.

The High Court has the power to transfer a case before it from the High Court to the Patents County Court. An application for such an order must be made to the High Court.

The High Court has no power to order proceedings within the special jurisdiction to be transferred from the Patents County Court (s289(1) 1988 Act).

2.7 Applications (rule 63.25)

Any application to the court except for the CMC will be dealt with without a hearing unless the court considers it necessary to hold a hearing (rule 63.25(3)). Provisions relating to telephone hearings of applications are set out at paragraph 3.5 below.

If an application is filed, the respondent to the application must file and serve on all relevant parties a response within 5 days of service of the application notice. Costs will be reserved to the conclusion of the trial. Where a party has behaved unreasonably the court will make an order for costs at the conclusion of the hearing (rule 63.26(2)).

2.8 The trial (PD 63 para 31)

The court will consider the timetable for the trial at the CMC, subject to revision at the beginning of trial. The timetable will be set taking into account the parties' time estimates for the hearing but the time estimates will not be determinative of the timetable. So far as appropriate the court will allocate equal time to the parties. Cross-examination will be strictly controlled.

The court will endeavour to ensure that the trial lasts no more than 2 days. Many cases in the Patents County Court will be able to be heard in a single day.

2.9 Costs (rule 63.23)

Costs in the Patents County Court are subject to a cap provided by Part 45 rules 45.41 - 45.43 and see also PD 45 Section 25C. Subject to certain limited exceptions the court will not order a party to pay total costs of more than £50,000 on the final determination of a claim in relation to liability and no more than £25,000 on an inquiry as to damages or account of profits.

Tables A and B of Section 25C of the Costs Practice Direction set out the maximum amount of scale costs which the court will award for each stage of a claim in the Patents County Court.

For cases which have been transferred to the Patents County Court from elsewhere, either another county court or the High Court, the Patents County Court will deal with costs incurred in proceedings before transfer on a case by case basis.

2.10 Alternative Dispute Resolution

The primary role of the Patents County Court is as a forum for deciding intellectual property rights cases, as discussed at section 1.2 *Jurisdiction* above. However, the Patents County Court encourages parties to consider the use of ADR (such as, but not confined to, mediation and conciliation) as an alternative means of resolving disputes or particular issues within disputes.

Settlement of a dispute by ADR has many advantages. It can result in significant saving of costs. It also has the potential to provide the parties with a wider range of solutions than can be offered by litigation. For example, while the solution to litigation is usually limited to "win/lose" on the issues put in front of the court, ADR may provide a creative "win/win" solution, as some forms of ADR can explore other ways for the parties to co-operate. ADR can also explore settlement in several countries at the same time.

Legal representatives should consider and advise their clients as to the possibility of seeking to resolve the dispute via ADR. However not all cases are suitable for settlement this way. In an appropriate case, the Patents County Court has the power to adjourn a case for a specified period of time to encourage and enable the parties to use ADR. At the Case Management Conference, the Patents County Court Judge will ask whether the parties have been advised about ADR and whether an adjournment is being sought. However, this will not usually be a reason to delay the CMC itself.

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There are many forms of ADR. Most of these are not free. These include:

- (a) Conciliation – This can involve the use of a third party to see if agreement may be reached or to offer a non-binding opinion on the dispute. Some trade bodies offer conciliation services.
- (b) Mediation – This involves the appointment of a trained mediator to see whether a legally binding agreement can be negotiated. The parties will usually sign a framework agreement for the procedure of the mediation. Mediation can involve the mediator meeting with both parties together and/or meeting the parties in separate rooms and shuttling between them.
- (c) Arbitration – This involves the appointment of an arbitrator or private decision maker, under a set of procedural rules. The arbitrator will then make a binding decision on the case. Arbitration replaces the court action, but the decision of the arbitrator is private to the parties. NB since arbitration is a matter private matter between the parties, arbitrators cannot revoke intellectual property rights.
- (d) Early Neutral Evaluation – This involves the appointment of an expert to give an opinion about one or more issues in a dispute. Such opinions are not binding but assist the parties in reaching a settlement of the case.
- (e) Binding expert determination – This involves the appointment of an expert to make a decision about one or more issues in a dispute. Such decisions can be legally binding, by agreement between the parties.
- (e) IPO Opinions – The UK IPO runs a scheme to give non-binding opinions on patent infringement and patent validity. The opinion is given on the basis of written papers provided by the party applying for the opinion. The other party has the right to file observations, but does not become a party to proceedings before the IPO. The parties can agree to be bound by the outcome of any such opinion.

The Judge's Clerk has a list of mediation service providers which is available on request.

3. GENERAL ARRANGEMENTS

3.1 Issuing proceedings and applications

(a) Issuing proceedings

As set out at section 2.2 above, the issue of all claim forms until 31st March 2011 will be at the Central London County Court offices. From 1st April 2011 claim forms will be issued at the Royal Courts of Justice (Chancery Registry). All proceedings when issued are passed to the Judge's Clerk at the Patents County Court, St Dunstan's House.

The fee for issuing proceedings depends on the nature of the claim, including its value. Guidance may be sought from the Court. Information on the latest court fees can be found here (www.hmccourts-service.gov.uk/courtfinder/forms/ex50_e.pdf).

(b) Transferring proceedings to the Patents County Court

Until 31st March 2011 cases transferred to the Patents County Court are taken first to the offices of the Central London County Court at 26 Park Crescent, London. From 1st April 2011 cases transferred to the Patents County Court will be taken to the Royal Courts of Justice (Chancery Registry). All transferred proceedings are then passed on to the Judge's Clerk at the Patents County Court, St Dunstan's House.

(c) Issuing interim applications

The issue of all interim process will continue to be dealt with as at present by the Clerk to HHJ Birss QC at St Dunstan's House either by post or personal attendance. The payment of the fee will be made at St Dunstan's House.

Users are reminded that:

- a. The first case management conference (rule 63.23) will be conducted at a hearing unless all parties consent to determination on paper.
- b. The court will deal with all other applications without a hearing unless it considers one necessary (rule 63.25(3)).

The fee will be determined on the face of the application notice when it is issued and prior to consideration (if any) by the court of whether a hearing is necessary. Accordingly applications marked for determination at a hearing will be charged the fee of £80. Applications marked for determination otherwise than at a hearing will be charged the £45 fee.

Personal attendance to issue process

The Fee and the application notice should be taken to the Clerk to HHJ Birss at St Dunstan's House. The Application will be issued and returned.

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Postal application to issue process

Applications should be sent the Clerk to HHJ Birss QC at St Dunstan's House. The Clerk will issue and return the application.

3.2 Arrangements for listing

(a) First case management conference (rule 63.23)

If the application is for the first case management conference (rule 63.23), the date for the hearing will be fixed at the same time the application is issued as follows:

- a. For applications issued by personal attendance on the Clerk to HHJ Birss QC at St Dunstan's House, the Clerk in the presence of the applicant or their representative, whilst the parties are there, will contact the Chancery Judges Listing Office who will supply the date.
- b. For applications issued by post, the Clerk will obtain a hearing date and inform the parties.

(b) Interim Applications when a hearing has been ordered

For applications marked for determination at a hearing, the court will promptly consider whether a hearing is necessary. If the court considers it necessary to hold a hearing, the Clerk will then obtain a hearing date and inform the parties.

(c) Trials

Trial dates will be fixed at the Case Management Conference (CMC) and parties attending the Case Management Conference should have the necessary information in order to fix a trial date.

The trial fee (£1,090) must be paid within 14 days of the trial date being set.

3.3 Time Estimates

The parties must provide time estimates for all applications in respect of which a hearing is sought. Parties must appreciate the need to give a realistic and accurate time estimate and ensure that it includes a discrete reading time for the court to read the papers prior to the hearing of the application. The court will consider the imposition of guillotines where time estimates are exceeded.

At trial the Court will take an active part in controlling the proceedings and setting limits on the time allocated during a trial. To facilitate this process the parties need to provide realistic and accurate time estimates in advance.

Where parties and their legal advisors consider that a time estimate that has been provided is unrealistic, they have a duty to notify the new time estimate to the Judge's Clerk as soon as possible.

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The Court will normally hear trials from 10.30am to 4.15 pm with a break from 1pm to 2pm for lunch. CMCs and other hearings will normally be heard at 10.30am but may be heard at a different time if appropriate.

3.4 Documents and timetable

The preparation of papers for the hearing of applications and trials is of considerable importance and should be approached intelligently. The general guidance given in Appendix 6 of the Chancery Guide should be followed. Legal representatives and litigants in person who fail to do so may be required to explain why and may be penalised personally in costs.

Papers for the hearing should be lodged directly with the Judge's Clerk. If there is insufficient time to lodge hard copies before the deadline, faxed documents of significance (and particularly skeleton arguments) should be supplied, followed up by clean hard copies. As an alternative to faxing documents they may, by agreement, be sent by e-mail to the Judge's Clerk.

It is the responsibility of both parties to ensure that all relevant documents are lodged with the Judge's Clerk by noon two days before the date fixed for hearing unless some longer or shorter period has been ordered by the judge or is prescribed by this guide.

The judge requests that all important documents also be supplied to him on disk or via e-mail in a format convenient for the judge's use (normally the current or a recent version of Microsoft Word or as a text searchable pdf). For trial, these will usually include skeleton arguments, important patents and drawings, the witness statements and expert reports.

Prior to trial, parties should ensure that they comply with the requirements of PD 63 para 9 concerning the provision of a trial bundle and reading guide for the judge. Insofar as the trial timetable has not already have been discussed at the CMC and set out in the Order for Directions, the parties should provide a detailed time table setting out the times and dates that witnesses will be required to be available for any cross-examination already ordered.

Where a technical primer has been ordered at the CMC, the parties should identify those parts which are agreed to form part of the common general knowledge. The time table for this will have been ordered at the CMC.

If they are used, skeleton arguments should be lodged in time for the judge to read them before an application or trial. Any skeleton argument must also be served on the other parties in the case:

- a In the case of applications, if a skeleton argument is used, it should normally be filed by 10:30am the previous working day (or, in the case of short applications, 3pm).

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- b In the case of trials, skeletons may only be used where they have been ordered at the CMC and they should normally be lodged at least two working days before commencement of the trial.

Transcripts

In trials where a transcript of evidence is being made and supplied to the judge, the transcript should be supplied by e-mail and in hard copy.

3.5 Telephone applications

The Patents County Court will hear applications by telephone conference in accordance with the Practice Direction under Part 23 and PD 63 para 30.1. The party making the application is responsible for setting up the telephone application and informing the parties, Counsels' clerks (where barristers are instructed) and the Judge's Clerk or the Chancery Listing Office of the time of the conference call.

It is possible for the application to be recorded, and if recording by the court rather than by British Telecom (or other service provider) is requested, arrangements should be made with the Judge's Clerk. The recording will not be transcribed. The tape will be kept by the Judge's Clerk for a period of six months. Arrangements for transcription, if needed, must be made by the parties.

This procedure should be used where it will save costs.

3.6 Consent Orders

The court is normally willing to make consent orders without the need for the attendance of any parties. A draft of the agreed order and the written consent of all the parties or their respective legal representatives should be supplied to the Judge's Clerk. Unless the judge assigned to hear the application considers a hearing is needed, he or she will make the order in the agreed terms by initialling it. It will be drawn up accordingly and sent to the parties.

3.7 Draft judgments

Many judgments, particularly after a full trial, will be reserved and handed down at a later date, as advised by the Judge's Clerk or the Chancery Listing Office. Where possible the date for handing down the judgment will be set at the CMC. The practice has arisen to provide the parties' legal representatives (or litigants in person) with a copy of the draft judgment for advocates to notify the court of typographical and obvious errors (if any). The text may be shown, in confidence, to the parties, but only for the purpose of obtaining instructions and on the strict understanding that the judgment, or its effect, is not to be disclosed to any other person, or used in the public domain, and that no action is taken (other than internally) in response to the judgment. If the parties would prefer not to be shown the draft judgment on this basis they should inform the court at the time the judgment is reserved.

3.8 Orders following judgment

Where a judgment is made available in draft before being given in open court the parties should, in advance of that occasion, exchange drafts of the desired consequential order. It is highly undesirable that one party should spring a proposal on the other for the first time when judgment is handed down. Where the parties are agreed as to the consequential order and have supplied to the judge a copy of the same signed by all parties or their representatives, attendance at the handing down of the judgment is not necessary.

3.9 Enforcement

All enforcement will continue to be carried out at the Enforcement Section at Central London CC.

3.10 Contacting the Patents County Court

Until 31st March 2011, the issue of Claim Forms for the Patents County Court and general enquiries relating to claim fees may be addressed to:

The Specialist Section
Central London Civil Justice Centre
26 Park Crescent
London
W1N 4HT

DX 97325 REGENTS PARK 2

Tel: 020 7917 7821
Fax: 020 7917 7935

From 1st April 2011, the issue of Claim Forms for the Patents County Court and general enquiries relating to claim fees may be addressed to:

Chancery Registry TM 5.04
Royal Courts of Justice
Strand
London WC2A 2LL

DX 44450 STRAND

Tel 020 7947 7783
Fax 020 7947 7422

Enquiries relating to an existing case in the Patents County Court ***after*** the claim form has been issued (except for enforcement) may be addressed to:

The Clerk to HHJ Birss QC
St Dunstan's House
133-137 Fetter Lane

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London EC4A 1HD

DX 44450 STRAND

Tel: 020 7947 7754

Fax: 020 7947 7483

The Chancery Listing Office may be contacted at:

The Chancery Listing Department Room WG04

Royal Courts of Justice

Strand

London WC2A 2LL

DX 44450 STRAND

Tel: 020 7947 7717

Fax: 0870 739 5869

Enquiries relating to enforcement may be addressed to: The Specialist Section,
Central London Civil Justice Centre at the address above.

4. CHECKLISTS and MODEL PLEADINGS

The PCC Users' Committee is preparing checklists and model pleadings to assist users in getting to grips with the requirements of the pleading rules applicable in the Patents County Court.

5. MISCELLANEOUS

5.1 Information available on the Internet

Information about the Patents County Court is available on the HM Courts Service website.

A copy of this Guide is available at:

www.justice.gov.uk/guidance/courts-and-tribunals/courts/hearing-lists/list-patents-cc.htm

The Patents County Court daily list is available at:

www.justice.gov.uk/guidance/courts-and-tribunals/courts/hearing-lists/list-patents-cc-daily.htm

A list of the forthcoming trials in the Patents County Court has been added to the pending matters section of the Patents Court diary available at:

www.justice.gov.uk/guidance/courts-and-tribunals/courts/hearing-lists/list-patents-court-diary.htm

Judgments of the Patents County Court are available at:

<http://www.bailii.org/ew/cases/EWPCC/>

5.2 Monitoring

Following a meeting of the Patents County Court Users' Committee on 2nd November 2010, a monitoring scheme has been introduced to keep track of proceedings conducted under the new procedural rules. Once proceedings are commenced the parties will receive a note inviting them, as a party to a case being conducted under the new procedural rules, to provide any comments or feedback they may have relating to the conduct of proceedings in the Patents County Court. Any comments made will be considered and taken seriously. However neither the court nor the Users' Committee will enter into a dialogue on the issues arising. The scheme is simply a scheme for monitoring the conduct of cases under the new rules. It is not an appeal process, nor a scheme for redressing grievances. The PCC Users' Committee will be particularly interested in comments relating to the new procedures but any observations about practicalities before this court are welcome.

5.3 Plans for the future

The Patents County Court Users' Committee is considering future arrangements.

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The Patents County Court will be moving to the Rolls Building in 2011 along with the Chancery Division of the High Court (including the Patents Court), the Commercial Court and the Technology and Construction Court.

Since the Chancery Registry and Issue section will also move to the Rolls Building at the same time, issuing claim forms for the Patents County Court will then take place in the Rolls Building.

The IPO have been conducting a consultation on whether damages recoverable in the Patents County Court should be limited to £500,000. A damages limit of £500,000 in relation to claims in the special jurisdiction of the Patents County Court is likely to come into force in 2011. There are plans to follow it with a corresponding limit for claims in the ordinary jurisdiction.

There are also proposals to change the name of the court to reflect its broad IP jurisdiction.

In addition consideration is being given to the addition of a small claims track and a fast track as recommended in the Jackson Report.

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Annex A

Specimen CMC Order

UPON HEARING the Case Management Conference on [date]

IT IS ORDERED THAT:

Disclosure

1. The parties will make and serve on the other of them a list in accordance with form N265 of the documents in their control which relate to [issue X] by [date]. If any party wishes to inspect or have copies of such documents as are in another party's control it shall give notice in writing that it wishes to do so and such inspection shall be allowed at all reasonable times upon reasonable notice and any copies shall be provided within 14 days of the request, upon the undertaking of the party requesting the copies to pay the reasonable copying charges.

Evidence

2. The statements of case shall stand as evidence in chief in relation to [issue U, and issue V].
3. The parties may serve witness statements dealing with [issue X, and issue Y] on or before 4pm on [date].
4. The parties may serve witness statements in reply on or before 4pm on [date].
5. The parties may each serve an expert's report dealing with [issue Z] on or before 4pm on [date].
6. The parties may serve an expert's report in reply on or before 4pm on [date].
7. The witnesses dealing with [issue X] may be cross-examined at trial. No other witness will be cross-examined.

Trial

8. The time allocated for the trial is 1 day. The parties are allocated ½ day each.
9. Time estimates for the cross-examination and speeches of the parties will be filed by 4pm on [date]. The court will consider the estimates and allocate time taking them into account.
10. The parties have permission to file skeleton arguments, on or before 4pm on [date].
11. The trial of the Claim shall take place on [date].
12. Judgment in the action shall be handed down on [date].

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Costs

13. The costs of this case management conference shall be costs in the case.