



Definitive Judgement on Ownership of DuoGuard™ Hybrid Technology

FEDERAL COURT OF AUSTRALIA

Judgements FCA 188 [2022]¹ and FCA519 [2022]²

In Brief

In September 2018 Vector Corrosion Technologies Ltd (Vector) initiated infringement proceedings against three inventors of the DuoGuard Hybrid Technology, and others, claiming infringement of a patent it had purchased from Fosroc International Ltd (Fosroc) in 2009. Then in February 2019, Vector initiated ownership (entitlement) proceedings against the inventors and others, claiming it was the (or an) owner of another patent protecting the DuoGuard Technology. At the time, E-Chem Technologies Ltd (E-Chem), a sister company to Concrete Preservation Technologies Ltd, was the registered owner of this patent (the E-Chem Patent).

The DuoGuard Technology was conceived by the three inventors, Dr Glass, Dr Davison, and Mr Roberts, between October 2004 and February 2005 after they left Fosroc. From about March 2006 Vector “*expressed an interest*” in licensing the DuoGuard Technology.³

Unbeknown to the inventors, Fosroc obtained legal advice in 2007 and “*made a deliberate decision not to claim that it owned the E-Chem hybrid process invention*”. The resulting agreement between Fosroc and Vector did not assign any entitlement to the E-Chem Patent.⁴

In May 2021, about a month before trial, Vector maintained its entitlement claim, but abandoned its infringement claim and agreed that the asserted claims of its patent, that it had amended with hindsight of the DuoGuard Technology, were invalid. The judge ruled that Mr Whitmore, the president of Vector, must have appreciated “*Vector’s infringement case was weak*”.⁵

In March 2022 the entitlement claim judgement issued, **comprehensively dismissing Vector’s evidence and its claim to ownership of the DuoGuard Hybrid Technology**. Vector’s evidence was, for example, described as “*affected by hindsight and wishful thinking*” and the judgement stated, “*To the extent Mr Whitmore’s evidence and Vector’s submissions propose to the contrary, I reject both the evidence and the submissions.*”⁶ The conclusion recites⁷:

“For these reasons, Vector’s claim must fail in its entirety. Vector is not an “eligible person” in respect of the E-Chem patent either solely, or in the alternative, together with E-Chem.

¹ <https://www.judgments.fedcourt.gov.au/judgments/Judgments/fca/single/2022/2022fca0188>

² <https://www.judgments.fedcourt.gov.au/judgments/Judgments/fca/single/2022/2022fca0519>

³ See paragraphs 204, 310, and 344 of FCA 0188 [2022]

⁴ See paragraphs 315, 364 to 367 and 381 to 384 of FCA 0188 [2022]

⁵ Paragraph 66 of FCA 0519 [2022]

⁶ Paragraphs 332 and 379 of FCA 0188 [2022]

⁷ Paragraphs 387 and 388 of FCA 0188 [2022]



“Vector could not have acquired from Fosroc any rights in respect of the E-Chem patent as Fosroc possessed no such rights at any time. There is also no basis upon which the E-Chem patent would be revoked.

“Directions will be made in relation to the issue of costs to enable any claim for indemnity costs, as foreshadowed by E-Chem, to be made.”

Comment

The case illustrates some of the challenges faced by inventors as they seek to develop useful and innovative solutions to the problem of corrosion. The inventions were made in the UK but the inventors were challenged with *“the high costs of litigation in faraway places”*.⁸

Vector’s attempt to claim ownership clearly demonstrates the desirability of the DuoGuard Hybrid Technology, which represents a wholly original approach to the electrochemical treatment of corrosion in reinforced concrete.

In summarizing the technology, the DuoGuard range of discrete anodes is installed into concrete elements to stop reinforcing steel corrosion caused by chloride salts and carbonation. The innovative dual technology consists of a temporary impressed current treatment to stop corrosion followed by sacrificial cathodic protection, using the same sacrificial anode, to maintain steel passivation. This innovation removes the need to install and maintain a permanent power source.

While the case amounted to an extreme attempt to take control of the DuoGuard Technology through the purchase by Vector of another patent previously developed by the same inventors at Fosroc in combination with the generation of entitlement litigation more than a decade after the relevant events, there was some humour at trial. One quote from the Trial Transcript during the 3 day cross-examination of Dr Glass reads:

MS HOWARD: And I take it that, at the beginning of this trial, you listened to the opening submissions?

DR GLASS: Yes.

MS HOWARD: And you also watched the cross-examination of Drs Ackland and John?

DR GLASS: Well, yes. I – I have watched – I tried to watch the cross-examination of Ackland and John. I didn’t fully watch the cross-examination of Ackland and John. I was getting very irritated at some points with the questions, so I just left. So I apologise.

HER HONOUR: We’re just jealous that he got to leave. No need to apologise.

⁸ Paragraph 343 of FCA 0188 [2022]