

**Neutral Citation Number: [2003] EWCA Civ 1109**

Case No: A3/2003/1441;1451

**IN THE SUPREME COURT OF JUDICATURE  
COURT OF APPEAL (CIVIL DIVISION)  
ON APPEAL FROM CHANCERY DIVISION  
MR JUSTICE PUMFREY**

Royal Courts of Justice  
Strand,  
London, WC2A 2LL  
24th July 2003

Before:

**LORD JUSTICE ALDOUS  
LORD JUSTICE CHADWICK  
and  
LORD JUSTICE LATHAM**

**SMITHKLINE BEECHAM PLC**

**Claimant/  
Respondent**

**- and -**

**GENERIC (UK) LIMITED**

**Defendant/Appel  
lant**

**AND BETWEEN**

**BASF AG**

**Claimant/  
Respondent**

**- and -**

**SMITHKLINE BEECHAM PLC**

**Defendant/Appel  
lant**

(Transcript of the Handed Down Judgment of  
Smith Bernal Wordwave Limited, 190 Fleet Street  
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Tel No: 020 7421 4040, Fax No: 020 7831 8838  
Official Shorthand Writers to the Court)

**Mr Justin Turner and Geoffrey Pritchard (instructed by Simmons & Simmons) for the Appellants  
Mr Simon Thorley QC and Thomas Hinchliffe (instructed by S.J. Berwin) for the Respondents**

**HTML VERSION OF JUDGMENT**

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Lord Justice Aldous:

1. There are before the court two appeals against orders of Pumfrey J which had the effect of preventing SmithKline Beecham Plc (SB) from using certain documents in their case against Apotex which is currently before the judge. Before coming to the issues raised in the appeals it is necessary to set out the background.
2. SB are the patentees of UK patent no. 2247550 relating to a process for producing paroxetine hydrochloride anhydrate (PHA). That is a pharmaceutical sold in large quantities by SB.
3. Back in 2001 SB started proceedings against Generics (UK) Limited for infringement of the patent. Generics denied infringement and alleged that the patent was invalid. Around the same time BASF AG commenced proceedings to revoke the patent upon similar grounds to those raised by Generics in their attack upon validity.

4. One of the main contentions of BASF and Generics was that the patent lacked novelty and was obvious having regard to the disclosure in the SB application no. 85-26407 (407). Example 1 of 407 contained details of how to produce PHA and it was contended that that example made available to the public the invention claimed in claim 11 of the patent or made available a process of production which, if altered in an obvious way, would result in PHA. SB contended that if you carried out example 1 of 407, PHA was not obtained and that the alteration needed to produce PHA was not obvious.
5. Example 1 of 407 set out a recipe for obtaining PHA. It included the instruction that the "acetate salt was dissolved in isopropanol (2.4 litres) and treated with a mixture of hydrochloric acid (75 ml) and more isopropanol". The main dispute between the parties revolved around how much "more isopropanol" the skilled person would add if he sought to carry out example 1. BASF and Generics, for reasons that I need not go into, submitted that about 2 litres of isopropanol would be added. SB's case was that the amount would be well below 1 litre.
6. In his judgment [\[2002\] EWHC 1373](#) (Ch), the judge accepted the submission of SB and held that if the notional skilled person carried out example 1 of 407 he would not obtain PHA and therefore example 1 of 407 did not make available to the public claim 11 of the patent. Thus claim 11 did not lack novelty. He also held that claim 11 was not obvious having regard to the disclosure in 407. This Court upheld those decisions of the judge (see [\[2003\] EWCA Civ 872](#)).
7. The proceedings against Generics and by BASF were not consolidated, but they came on for hearing at the same time. On the first day of the trial, SB and Generics settled their differences and the case was adjourned to enable the papers to be rearranged. On the second day SB sought permission to use two sets of documents which had been disclosed by Generics in the BASF proceedings. I will refer to those documents as the Sumika and Darmstadt documents respectively. I will come later to the relevance of those documents and the decision of the judge to allow the documents to be used, but first must explain how they came to be produced by Generics.
8. The Darmstadt documents had initially been referred to in certain e-mails that had been disclosed in Generics' list of documents. They were requested by SB's solicitors by letter dated 20th December 2001. Production was resisted because they were not in the possession of Generics. They were however obtained from an associated company of Generics and then produced on about 21st January 2002. They were produced under a cloak of confidence to those in the "confidentiality club". They were also referred to in the expert report of Professor Mullin who was to be called as a witness by Generics. He said:

"96. Finally I have been asked to comment on certain experimental runs performed, I understand, in a laboratory in Darmstadt in Germany. I attach a translation of the experiment's notebooks as exhibit JWM 4."

9. He went on to make a general comment upon the disclosure in the documents and expressed an opinion on one point.
10. The Sumika documents were also referred to in Professor Mullin's report. In paragraph 65 of his witness statement he said that the exact manner in which an addressee might perform example 1 of 407 was not possible to predict. There were many minor variations in techniques that different skilled addressees, applying their ordinary general knowledge, might apply. It was his view that it was not feasible to say what the skilled addressee would have done, but only what he might have performed. In paragraph 66 he recounted how he had been asked initially to suggest a reasonable starting point for putting example 1 of 407 into practice. His view was set out in an annex to his report. He said that it represented his opinion as to the likely way that the skilled addressee at the relevant date might have started seeking to produce PHA in accordance with example 1 of 407. He said his view represented but one logical starting point and it would not have surprised him if his protocol did not produce PHA in significant quantities or, possibly, at all. He said that the development of protocols of this type was part of the routine work of the skilled addressee, but it took time. He continued:

"I was therefore shown a draft protocol which I was told by S.J. Berwin [Generic's solicitors] had already been worked up to the produce the anhydrate. This is in substance the protocol contained in GUK's notice of experiments (the GUK protocol). I was asked to consider the differences between it and my protocol. Because of the brief nature of example 1, it would have been very unlikely if I had chosen precisely the same protocol as GUK. However for reasons which I set out below, I believe the GUK protocol represents the type of routine development from my protocol which the addressee might have devised to perform example 1 if initial experiments had resulted (wholly or partially) in the production of the hemihydrate."

11. Upon receipt of the witness statement of Professor Mullin, SB's solicitors wrote seeking under CPR 31.14 the documents referred to by Professor Mullin. They were provided in February 2002 and were in substance the

Sumika documents. To make them complete certain e-mails were supplied as requested. Those documents were also provided by Generics under a cloak of confidence and were therefore only available to those in the "confidentiality club".

12. The judge heard SB's application to be able to rely upon the documents in the BASF action. It was resisted. In his judgment he said that his decision depended upon a number of factors. First, whether they would have been obtainable on an application for discovery against a third party; second the materiality of the documents; third the strength of the case of confidentiality and fourth fairness on the party whose documents they were. He concluded that the interests of the owners of the documents could be preserved by ensuring the documents were kept confidential. As to materiality he said:

"To rebut the inference which superficially arises on such facts may require a large number of small bricks. I do not know – and it would not be right to speculate any further than that at this stage. I would therefore be unwilling to exclude a priori any use of these documents provided I was satisfied that the interests of the owners of those documents were adequately protected. I believe that I can adequately protect the interests of the owners of these documents in the way I have indicated and therefore I am going to give leave for them to be used."

13. He therefore admitted SB's documents on terms that they would be dealt with in private. He made an order over trial under CPR 31.22 (2). They were subsequently used in cross-examination which took place in private. He referred to them in paragraph 61 of his judgment handed down after trial. He said:

"61. SB also relied on certain experiments which had been put in by Generics before the action between them and SB settled. These also, Mr Waugh QC said, had been carefully "worked up" so as not to represent a fair repetition. The clear evidence is that the experimenter responsible for working up these experiments had found that he had obtained the hemihydrate if concentrated hydrochloric acid was used. He appears to have started by using comparatively small quantities for "more isopropanol". There was also evidence of experiments conducted in Germany by associates of Generics which had the same result."

14. Shortly after the judgment in the BASF action, Generics sought on 17th July 2002 an order that further use of the Sumika and Darmstadt documents should be permanently prohibited by an order under CPR 31.22 (2) and also that copies should be delivered up to Generics. That application came before the judge on 25th July 2002 when SB submitted that no such order should be made. Despite a letter to him reminding him of the need to give judgment, no judgment was delivered in 2002.

15. Whilst the proceedings against BASF were proceeding, SB started proceedings against Apotex Limited alleging infringement of the patent. Apotex denied infringement and alleged that the patent was invalid. Like BASF they contended that the patent lacked novelty and was obvious having regard to the disclosure in 407. SB say that when they saw the witness statements provided by Apotex on 23rd May 2003 they realised the importance of the Sumika and Darmstadt documents to the issues in the Apotex proceedings. That prompted them to write again to the judge on 30th May 2003 explaining the position and that they considered that it might be necessary for them to make an application in the Apotex proceedings to allow them to admit the Sumika and Darmstadt documents. The judge was away when the letter was received and therefore SB decided it was necessary to make an application for an order that they should be allowed to use the documents in the Apotex proceedings. That application was adjourned to come on for hearing on Monday 30th June 2003. However on 27th June 2003 the judge delivered his judgment on the Generics application to permanently prevent use of those documents.

16. In his judgment of 27th June 2003 the judge concluded that it was not necessary that the documents should be disclosed and in the circumstances he continued the order made under CPR 31.22 (2) indefinitely. There followed a hearing on SB's application to be allowed to use the documents in the Apotex proceedings. Judgment was given on 30th June 2003 giving reasons as to why they should not be used. He then dismissed the application.

17. Although both appeals are concerned with the ability of SB to use the documents, different considerations apply. In the first appeal SB contend that restrictions on use imposed by the judge under CPR 31.22(2) should not have been made. If they are right, the documents are available for use in proceedings in all countries. In the second appeal use is only sought under conditions of confidence for use in the Apotex proceedings.

#### The First Appeal

18. The judge in his judgment of 27th June referred to the provisions of CPR 31 and then stated, "I prefer to deal with the question of the use of these documents as an exercise of my discretion under CPR 31.22(2) on the principles enunciated by the Court of Appeal in Lilly Icos v Pfizer [2002] 1 AER 842 at 851, [\[2002\] EWCA Civ 2](#)."

19. In the *Lilly Icos* case the patentee had disclosed to the defendants material in documents designated as confidential and in consequence it was by agreement between the parties kept confidential and only seen by those in the confidentiality club. The disclosed material included a two page schedule showing on its first page the sales figures for the patentee's product and on the second page the patentee's advertising expenditure since the product was launched. The documents were intended to be used to support the patentee's claim that the invention had been a commercial success. After the trial, all of which had been in public, the patentee made an unopposed application for an order under CPR 31.22(2) to maintain confidentiality in respect of the second page of the schedule.
20. The judge concluded that since the issue of the validity of the patent was of general public importance, the party seeking to withhold material from disclosure had to make out a case that there was a necessity for such an order. He concluded that no such case had been made out and he refused to make the order. The patentee appealed. This Court concluded that the test applied by the judge was not appropriate. At the outset this Court made these general observations:

"7. Although the principle of the orality of the English trial remains untouched, practice has moved greatly in the direction of the presentation of evidence and arguments in writing; the use of documents by reference to them in those writings rather than by their being read out in open court; and the consideration by the judge of a large part of that material before the trial opens, so that it is not necessary to make specific reference to it during the trial itself. In Smithkline Beecham Biologicals SA v Connaught Laboratories Inc. [1999] 4 All E.R. 498 [Connaught] this court pointed out that the intent of (as it was then) RSC, Ord. 24, r.14A would be substantially frustrated if the rule were literally restricted to what had physically happened in open court. The rule was passed in the interests of the publicity properly attaching to the administration of justice, and of the interests of the recipient of the document under Article 10 of the European Convention: [1999] 4 All E.R. at 510g. To achieve those ends under modern practice it was necessary to take as falling under RSC 31.22(1)(a) any document pre-read by the judge, or referred to in for instance witness statements taken to stand as evidence, even if the document or the witness statement was not actually read out in court. Some further details of that regime may be mentioned, and then some comments offered.

8. First, there are taken to fall under the rule certain categories of document, in particular those coming within the pre-reading of the judge. It does not have to be established that the judge has actually read the documents: once the category is established, it is for a party alleging that they have not in fact been read to establish that fact, something that has to be achieved without enquiry of the judge (Barings v. Coopers & Lybrands [2000] 3 All E.R. 910 at 53). Second, it therefore follows that not everything that is disclosed or copied in court bundles falls under this rule: the Connaught approach is restricted to documents to which the judge has been specifically alerted, whether by reference in a skeleton argument or by mention in the "reading guide" with which judges are now provided at least in patent cases. Third, since the Connaught approach is based upon the assumed orality of a trial, documents, however much pre-read by the judge, remain confidential if no trial takes place, but the application is, for instance, dismissed by consent, albeit by a decision announced in open court: Connaught at page 509j.

9. The central theme of these rules is the importance of the principle that justice is to be done in public, and within that principle the importance of those attending a public court understanding the case. They cannot do that if the contents of documents used in that process are concealed from them: hence the release of confidence once the document has been read or used in court. As this court recognised in Connaught, there may be some artificiality about that approach. That is because full access to documents deemed to have been read or used in court may give third parties at least the possibility of much more fully studying and understanding the case and the issues in it than if they merely heard the documents read aloud. Nevertheless, that paradox helps to underline this court's concern that economical means of using and referring to the documents, understood amongst the lawyers, should not exclude the spectators from comprehension of the case."

21. This Court went on to note that the particular document had been disclosed to a confidentiality club, but that when making its decision under CPR 31.22(2) at the end of the proceedings, the court, "will not be constrained by any such confidentiality agreement (see the Connaught case [1999] 4 AER 498 at 511)." The court's approach was set out in paragraph 25:

"25. It may be convenient to set out a number of considerations that have guided us:

(i) The court should start from the principle that very good reasons are required for departing from the normal rule of publicity. That is the normal rule because, as Lord Diplock put it in Home Office v Harman [1983] 1 A.C. 280 at 303C, citing both Jeremy Bentham and Lord Shaw of Dunfermline in Scott v Scott:

"Publicity is the very soul of justice. It is the keenest spur to exertion, and the surest of all guards against improbity. It keeps the judge himself, while trying, under trial."

The already very strong English jurisprudence to this effect has only been reinforced by the addition to it of this country's obligations under Articles 6 and 10 of the European Convention.

(ii) When considering an application in respect of a particular document, the court should take into account the role that the document has played or will play in the trial, and thus its relevance to the process of scrutiny referred to by Lord Diplock. The court should start from the assumption that all documents in the case are necessary and relevant for that purpose, and should not accede to general arguments that it would be possible, or substantially possible, to understand the trial and judge the judge without access to a particular document. However, in particular cases the centrality of the document to the trial is a factor to be placed in the balance.

(iii) In dealing with issues of confidentiality between the parties, the court must have in mind any "chilling" effect of an order upon the interests of third parties: see paragraph 5 above.

(iv) Simple assertions of confidentiality and of the damage that will be done by publication, even if supported by both parties, should not prevail. The court will require specific reasons why a party would be damaged by the publication of a document. Those reasons will in appropriate cases be weighed in the light of the considerations referred to in sub-paragraph (ii) above.

(v) It is highly desirable, both in the general public interest and for simple convenience, to avoid the holding of trials in private, or partially in private. In the present case, the manner in which the documents were handled, together with the confidentiality agreement during trial, enabled the whole of the trial to be held in public, even though the judge regarded it as justified to retain confidentiality in respect of a significant number of those documents after the trial was over. The court should bear in mind that if too demanding a standard is imposed under CPR 31.22(2) in respect of documents that have been referred to inferentially or in short at the trial, it may be necessary, in order to protect genuine interests of the parties, for more trials or parts of trials to be held in private, or for instance for parts of witness statements or skeletons to be in closed form.

(vi) Patent cases are subject to the same general rules as any other cases, but they do present some particular problems and are subject to some particular considerations. As this court pointed out in Connaught, patent litigation is of peculiar public importance, as the present case itself shows. That means that the public must be properly informed; but it means at the same time that the issues must be properly explored, in the sense that parties should not feel constrained to hold back from relevant or potentially relevant issues because of (legitimate) fears of the effect of publicity. We venture in that connection to repeat some words of one of our number in Bonzel v. Intervention Ltd [1991] R.P.C. 231 at 234, paragraph 27: "the duty placed upon the patentee to make full disclosure of all relevant documents (which is required in amendment proceedings) is one which should not be fettered by any action of the courts. Reluctance of this court to go into camera to hear evidence in relation to documents which are privileged which could be used in other jurisdictions, would tend to make patentees reluctant to disclose the full position. That of course would not be in the interest of the public."

In our view, the same considerations can legitimately be in the court's mind when deciding whether to withdraw confidentiality from documents that are regarded by a party as damaging to his interests if used outside the confines of the litigation in which they were disclosed."

22. The judge in his judgment looked at the considerations referred to in *Lilly Icos* and concluded, as I have said, that the balance came down in favour of permanent restriction upon their use.

23. Mr Turner, who appeared for SB, submitted that CPR 31.22(2) did not apply to the documents as they had been

produced voluntarily and were referred to in the report of Professor Mullin. The judge had failed to appreciate that documents produced in that way were not disclosed documents within CPR 31.22(2). The position under the CPR was the same as existed under the Rules of the Supreme Court as explained in Derby v Weldon (No. 2), The Times, 20th October 1990, Prudential Assurance Co. Ltd v Fountain Page Ltd [1991] QB 771 and Eagle Star Insurance Co Ltd v Arab Bank Plc (unreported) 25th February 1991. Mr Turner also submitted that the judge had made material errors in the way that he had applied the considerations referred to in *Lilly Icos*.

24. Mr Turner's first submission starts from the regime that applied pre-CPR. It was settled law that documents produced on discovery were subject to an implied undertaking that they would only be used for the purposes of the proceedings in which they were disclosed. A rationale was that discovery was an interference with the right of privacy and therefore the invasion of that right should be limited to use of the documents in the proceedings.
25. The cases referred to in paragraph 23 established that voluntary disclosure in the course of proceedings did not come within the rationale for applying the implied undertaking. Documents included in affidavits and documents produced pursuant to an order made under Order 24 rules 10 and 11 were not subject to the implied undertaking. Further although there was a restriction upon the use of witness statements of witnesses of fact not called, there was no such restriction under Order 38 in respect of experts' reports.
26. It followed, Mr Turner submitted, that pre-CPR, the expert report of Professor Mullin and the documents referred to in it were not subject to the implied undertaking and therefore were in the public domain. Further the Darmstadt documents had been obtained by Generics from a third party and in consequence had been produced voluntarily with the consequence that the implied undertaking did not apply.
27. Mr Turner then took us to the CPR. He submitted that CPR 31 expressed the old law in modern terms. His submission involved an analysis of the relevant parts of CPR 31 which are as follows:

"31.2 Meaning of disclosure

A party discloses a document by stating that the document exists or has existed.

31.3. Right of inspection of a disclosed document

(1) A party to whom a document has been disclosed has a right to inspect that document except where-

- (a) the document is no longer in the control of the party who disclosed it;
- (b) the party disclosing the document has a right or a duty to withhold inspection of it; or
- (c) paragraph (2) applies.

31.4. Meaning of document

In this Part-

"document" means anything in which information of any description is recorded; and "copy", in relation to a document, means anything onto which information recorded in the document has been copied, by whatever means and whether directly or indirectly.

31.5. Disclosure limited to standard disclosure

(1) An order to give disclosure is an order to give standard disclosure unless the court directs otherwise.

(2) The court may dispense with or limit standard disclosure.

(3) The parties may agree in writing to dispense with or to limit standard disclosure.

(The court may make an order requiring standard disclosure under rule 28.3 which deals with directions in relation to cases on the fast track and under rule 29.2 which deals with case management in relation to cases on the multi-track)

31.6 Standard disclosure – what documents are to be disclosed Standard disclosure requires a party to disclose only-

- (a) the documents on which he relies; and
- (b) the documents which-

- (i) adversely affect his own case;
- (ii) adversely affect another party's case; or
- (iii) support another party's case; and

(c) the documents which he is required to disclose by a relevant practice direction.

...

#### 31.14 Documents referred to in statements of case etc.

(1) A party may inspect a document mentioned in-

- (a) a statement of case;
- (b) a witness statement;
- (c) a witness summary; or
- (d) an affidavit.

[At time of application the rule included at (e) experts' reports. This was revoked and (2) inserted.]

(2) Subject to rule 35.10(4), a party may apply for an order for inspection of any document mentioned in an expert's report which has not already been disclosed in the proceedings.

#### 31.5 Inspection and copying of documents-

Where a party has a right to inspect a document-

- (a) that party must give the party who disclosed the document written notice of his wish to inspect it;
- (b) the party who disclosed the document must permit inspection not more than 7 days after the date on which he received the notice; and
- (c) that party may request a copy of the document and, if he also undertakes to pay reasonable copying costs, the party who disclosed the document must supply him with a copy not more than 7 days after the date on which he received the request.  
(Rule 31.3 and 31.14 deal with the right of a party to inspect a document)

...

#### 31.17 Orders for disclosure against a person not a party

(1) This rule applies where an application is made to the court under any Act for disclosure by a person who is not a party to the proceedings.

(2) The application must be supported by evidence.

(3) The court may make an order under this rule only where-

- (a) the documents of which disclosure is sought are likely to support the case of the applicant or adversely affect the case of one of the other parties to the proceedings; and
- (b) disclosure is necessary in order to dispose fairly of the claim or to save costs.

(4) An order under this rule must-

- (a) specify the documents or the classes of documents which the respondent must disclose; and

(b) require the respondent, when making disclosure, to specify any of those documents-

(i) which are no longer in his control; or

(ii) in respect of which he claims a right or duty to withhold inspection.

(5) Such an order may-

(a) require the respondent to indicate what has happened to any documents which are no longer in his control; and

(b) specify the time and place for disclosure and inspection.

...

31.22 Subsequent use of disclosed documents

(1) A party to whom a document has been disclosed may use the document only for the purpose of the proceedings in which it is disclosed, except where-

(a) the document has been read to or by the court, or referred to, at a hearing which has been held in public;

(b) the court gives permission; or

(c) the party who disclosed the document and the person to whom the document belongs agree.

(2) The court may make an order restricting or prohibiting the use of a document which has been disclosed, even where the document has been read to or by the court, or referred to, at a hearing which has been held in public.

(3) An application for such an order may be made-

(a) by a party; or

(b) by any person to whom the document belongs."

28. Mr Turner accepted that CPR 31.22 was a complete code. The first 25 words were a substitute for the implied undertaking that applied pre-CPR. CPR 31.22(1)(a), (b) and (c) contained exceptions which also applied pre-CPR. CPR 31.22 (2) enabled the court to make a restriction or prohibition order in respect of a document "which has been disclosed ...". Such documents are those produced pursuant to the obligation of disclosure under such rules as CPR 31.5 and 31.6. There was a difference between a document which had been disclosed and one which a party had a right to inspect. CPR 31.14 gave a right to inspect documents. At the date of the application the rule included a right to inspect documents referred to in experts' reports. That difference between documents disclosed and those which could be inspected perpetuated the difference which existed under the R.S.C between documents produced on discovery which were subject to the implied undertaking and those which had to be produced or were produced voluntarily and those which were not. It followed that documents were produced voluntarily or in experts' reports were not documents "which have been disclosed" and therefore the court did not have power to restrict their use under CPR 31.22(2).

29. I agree with Mr Turner that CPR 31 is a complete code, but I reject his submission that that code perpetuated in all respects the distinction between documents disclosed in a list of documents and those that might be disclosed in another way. The obligation to disclose and the ability to inspect are dealt with separately as is the ability to use a document after disclosure. CPR 31.3 is concerned with disclosed documents but reserves an ability to refuse inspection. CPR 31.14 adds to CPR 31.3. In any case the wide definition in CPR 31.2 must be determinative. That states that: "A party discloses a document by stating that the document exists or has existed." No distinction is sought to be drawn between documents obtained from third parties and no limitation is placed on the way that the statement is made. In my view a reference by a party to a document in a witness statement is a statement that the document exists. I therefore reject Mr Turner's submission. It follows that the judge was right to consider the application by Generics as an application under CPR 31.22(2). He was also right to conclude that *Lilly Icos* gave guidance as to the considerations he should have in mind.

30. The basis of the judge's judgment of 27th June was in the last two paragraphs.



"27. In carrying out the balancing exercise identified by Buxton LJ in the passage to which I have referred, I take the following into account. First, the subject matter of the documents is confidential. Second, they originate with third parties. Third, they are of peripheral relevance at best to explain the issues in the action. Fourthly, they are not part of the material which is needed to explain the judgment. Fifthly, they are not needed to explain the judgment of the Court of Appeal which does not refer to them. Sixthly, they cannot be explained without considerable context or speculation exposing their makers or the employers of their makers to further requests for further information.

28. I keep at the forefront of my considerations the interests of public justice. Nevertheless, it seems to me that these documents do not require to be disclosed and in the circumstances I propose to continue the order made under CPR 31.22 indefinitely accordingly."

31. Mr Turner criticised each of those considerations. He took us to the documents for the purpose of showing us that the documents did not contain any information which would be of assistance to a third party except in litigation. He may be right, but the documents have the quality of confidence such that a court would restrict disclosure of them.
32. Mr Turner challenged the judge's conclusion that the documents were of peripheral relevance at best to the issues and were not part of the material needed to explain the judgment. In my view the judge's description of the documents may be apt. However that does not mean that they could not be one element that supported the case of SB. As the judge said in his judgment given on 15th March 2002 when allowing the documents to be used in the BASF proceedings – "To resist the inference which superficially arises on such facts [the facts stated in example 1 of 407] may require a large number of bricks." (see paragraph 12 above).
33. In my view the judge was right in paragraph 28 of his judgment to have in the forefront of his consideration the interests of both the public and the third parties and the requirements to do justice and thereafter to conclude that it was not necessary that they should be disclosed. I believe he was right to make the order under CPR 31.22 that he did.

#### The Second Appeal

34. The parties agree that despite the order made by the judge pursuant to his judgment of 27th June 2003, it was open to him to release them for use in the Apotex proceedings.
35. Mr Thorley QC who appeared for Generics supported the conclusion and reasoning of the judge. As the judge recorded Mr Thorley put at the forefront of his argument this passage from the judgment of Whitford J in Halcon International Inc v. Shell Transport and Trading Co. [1979] RPC 97 at page 109:

"However, these authorities to my mind, lead to this conclusion, that the use of a document disclosed in a proceeding in some other context, or even in another proceeding between the same parties in the same jurisdiction, is an abuse of process unless there are very strong grounds for making an exception to the general rule. It does, I think, emerge that some overriding public interest might be a good example, but not the mere furtherance of some private interest even where that private interest arises directly out of or is brought to light as a result of the discovery made."

36. At paragraph 22 of his judgment the judge said that the dictum of Whitford J had not, so far as the researches of counsel had been able to reveal, ever been doubted or disapproved. However that statement was not followed by the House of Lords in Crest Homes Plc v Marks [1987] AC 829 at 860. Lord Oliver said:

"Your Lordships have been referred to a number of reported cases in which application has been made for the use of documents obtained under *Anton Piller* orders or on general discovery for the purpose of proceedings other than those in which the order was made. Examples were Halcon International Inc. v. Shell Transport and Trading Co. [1979] R.P.C. 97 and Sybron Corporation v. Barclays Bank Plc [1985] Ch. 299. I do not, for my part, think that it would be helpful to review these authorities for they are no more than examples and they illustrate no general principle beyond this, that the court will not release or modify the implied undertaking given on discovery save in special circumstances and where the release or modification will not occasion injustice to the person giving discovery. As Nourse L.J. observed in the course of his judgment in the instant case (ante, p.840G), each case must turn on its own individual facts."

37. The *Halcon* case was considered by Laddie J together with the other relevant authorities in Cobra Golf Inc v Rata [1996] FSR 819. The guidance he gave as to the matters the court will include in its considerations is useful. However it is important under the CPR to have in mind the overriding principles when considering

whether to lift an order made under CPR 31.22. The most important consideration must be the interest of justice which involves considering the interest of the party seeking to use the documents and that of the party protected by the CPR 31.22 order. As Lord Oliver said each case will depend upon its own facts. But a material consideration must be whether the documents could have been obtained under CPR 31.17. That rule enables the court to order disclosure from the third parties if the documents were likely to support SB's case and disclosure was necessary in order to dispose fairly of the claim.

38. SB are clear that the documents support their case in rebutting the attack by Apotex on their patent. They pointed to the fact that they were considered by the judge to be of some relevance to SB's case as he referred to them in his judgment (see paragraph 13 above). However in a later judgment he said that they were at best of peripheral importance. He went on to say:

"I would feel extremely diffident about placing any great reliance upon those documents and the experiments they report without having heard, as witnesses, the people who were responsible for them. The documents are potentially embarrassing and their probative value is limited for that reason."

39. In that passage the judge seems to accept that some reliance could be placed on the documents as a support even though their probative value was limited. That was consistent with the view that he had already expressed. It is also consistent with paragraph 61 of his judgment in the BASF action (see paragraph 13 above). I am not sure why the judge concluded that the documents were potentially embarrassing. He did not make that point in his judgment in the BASF proceedings. I suspect that their usefulness could be in cross-examination and perhaps as a small brick to support the views expressed by SB's witnesses. That being so, there is a basis for the submission that the requirements of CPR 31.17(3)(a) could be satisfied.
40. The judge in his judgment allowing use of the documents in the BASF proceedings made it clear that an appropriate order could protect the interests of the owners of the documents. It seems that he was right. Despite the evidence which suggests prejudice, there is no reason to think that their interests could not be protected by a similar order in the Apotex proceedings to that made in the BASF proceedings.
41. The present case is peculiar in that the judge who heard the BASF proceedings and considered the documents is hearing the Apotex proceedings. That presents particular difficulties as he considered the documents in the BASF case and mentioned them in his judgment. However his recent judgments suggest that he believed that they were at best of little relevance to the issues in the Apotex proceedings. That of course must be a provisional view as the case is still proceeding.
42. Even so, the knowledge of the judge presents a problem. Can the judge both put out of his mind and be seen to put out of his mind the documents? If the judge finds in favour of SB, Apotex could be left with a real suspicion that the documents had been a brick in the reasoning, perhaps unconscious reasoning, of the judge.
43. The interest of justice are paramount. In the present case, the interest of the owners of the documents can be protected by an order under CPR 31.22. The interests of SB favours modification of the order made in the Generics proceedings to allow the documents to be deployed in the Apotex proceedings. There is a real argument that they would be discoverable under CPR 31.17 and refusal of use could reflect adversely on the administration of justice. In those circumstances I conclude that the documents should be released from the CPR 31.22(2) order for use in the Apotex proceedings with an order protecting the interests of the owners of the documents in the way that the judge did in the BASF proceedings. That the judge did in the BASF proceedings.
44. I would allow the appeal and make an order similar to that made by the judge in the BASF proceedings.

Lord Justice Chadwick

45. I agree that the first appeal should be dismissed, for the reasons given by Lord Justice Aldous. I agree, also, that the second appeal should be allowed, on the basis that the interests of the owners in preserving the confidentiality of their documents can adequately be protected by the order which he has proposed. Like him, I take the view that, in the unusual circumstances that the judge has already considered the documents in the BASF proceedings, confidence in the administration of justice requires that they should be available to be deployed in the present proceedings.

Lord Justice Latham:

46. I agree.

Order; First appeal dismissed with costs, to be the subject of detailed assessment if not agreed; second appeal allowed with an order made in the terms as agreed between the parties; counsel to lodge a draft minute of order.

(Order does not form part of the approved judgment)

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