

THE INTELLECTUAL PROPERTY (DISPUTE RESOLUTION) ACT 2019 – AMENDMENTS TO THE PATENTS ACT

9 December 2019

Introduction

1. The Intellectual Property (Dispute Resolution) Bill (the “**Bill**”), which proposed a number of amendments to the Patents Act (Cap 221) (the “**Act**”), was passed by Parliament on 5 August 2019.
2. On 21 November 2019, Parts 1, 4, 10, as well as sections 5, 9, 12, 20(b), (e) and (i), 21, 22(c) and (d), 26, 29 and 33 of the Intellectual Property (Dispute Resolution) Act 2019 came into operation. The other sections will come into operation on a later date to be specified. In this article, we discuss the amendments to the Act, which may be broadly categorised as follows:
 - (a) Introduction of third party observations on the patentability of an invention;
 - (b) Introduction of third party requests for re-examination of patent specifications;
 - (c) Amendments to provisions relating to pre- and post-grant disputes over patent entitlement;
 - (d) Amendments removing the Registrar’s jurisdiction to determine question of infringement;
 - (e) Amendments which give the High Court original jurisdiction to revoke a patent;
 - (f) Amendments to provisions relating to revocation of patents and validity proceedings; and
 - (g) Amendments relating to the composition of offences under the Act.

Introduction of third party observations on the patentability of an invention

3. The current Act does not allow for third parties to challenge the patentability of an invention in a patent application. When section 32 comes into operation, third parties will be able to make observations as to patentability of an invention after the patent application has been published. The observations must be received before an examination report, a search and examination report or a supplementary examination report is issued to the patent applicant.

For any queries relating to this article, please contact:

Tan Tee Jim, S.C.
tanteejim@leenlee.com.sg

Vanessa Goh
vanessagoh@leenlee.com.sg

Eugene Lau
eugenelau@leenlee.com.sg

Basil Lee
basilllee@leenlee.com.sg

Authors:
Tan Tee Jim, S.C.
Vanessa Goh
Eugene Lau
Basil Lee

Lee & Lee
50 Raffles Place
#06-00 Singapore Land Tower
Singapore 048623
Tel: +65 6220 0666

For more legal updates, please visit the News & Publication Section of Lee & Lee’s website at www.leenlee.com.sg or follow Lee & Lee’s facebook page at www.facebook.com/leenlee.com.sg

Disclaimer: The copyright in this document is owned by Lee & Lee. No part of this document may be reproduced without our prior written permission. The information in this update does not constitute legal advice and should not form the basis of your decision as to any course of action.

Introduction of third party requests for re-examination of patent specifications

4. When section 38A comes into operation, a new process for the post-grant re-examination of patent specifications will provide a third party with an alternative mechanism to revoke a granted patent, apart from the existing mechanism under section 80.
5. If the Registrar finds that a request under section 38A(1) is made out, the specifications of the patent will be re-examined by an Examiner. If, upon re-examination, it appears to the Examiner that ground(s) for revocation has/have been made out, he may give the proprietor a written opinion. If the proprietor is unable to overcome the objections mentioned in the written opinion and the re-examination report contains unresolved objections, the Registrar will then make an order for the patent to be revoked.

Amendments to provisions relating to pre- and post-grant disputes over patent entitlement

Meaning of “entitled to be granted” and similar phrases clarified

6. Amendments have been made to sections 20(1)(a) and (6), 47(4), (5)(b), and (9), 80(1)(b) and (4)(b), and 82(4)(b) and (6) of the Act relating to pre- and post-grant disputes over patent entitlement so as to clarify the meaning of the phrases “*entitled to be granted*”, “*not entitled to the patent*”, and other similar phrases. These amendments do not change the meaning or intent of those sections. They clarify that the ground for the reference under section 20(1) or 47(1) can be that:
 - (a) the patent was granted to a person not entitled to be granted that patent alone; or
 - (b) the patent was granted to a person not entitled to be granted that patent with other persons.
7. This is consistent with the interpretation of phrase “not entitled to the patent” in the old section 47(9) given by the Court of Appeal in *Cicada Cube Pte Ltd v National University Hospital (Singapore) Pte Ltd* [2018] 2 SLR 940 that:

“... the applicant can satisfy his burden ... by showing that the registered proprietor knew that he was not entitled at all to the patent or by showing that he knew that some other person or persons were also entitled to the patent.”

Greater flexibility of the Registrar to deal with a reference

8. Previously, the Registrar could decline to deal with a reference concerning a pre- and post-grant dispute over patent entitlement where the entitlement would “*more properly be determined by the court*”.
9. Now, as a result to amendments to sections 20(7) and 47(8) of the Act, the Registrar can so decline where the entitlement would be “*more conveniently dealt with*” by the High Court. This does provide greater flexibility to the Registrar.

Scenarios under which the High Court may exercise jurisdiction to determine a question and the applicable time bars

10. Section 47(9) has been deleted and re-enacted to set out explicitly
 - (i) two scenarios under which the High Court may exercise jurisdiction to determine the question of whether a patent was granted to a person not entitled to be granted that patent; and
 - (ii) the applicable time bars in each scenario, upon expiry of which the applicant would need to show that the patent proprietor knew, at the time of the patent grant or transfer, that he was not entitled (whether alone or with another person) to the patent (the “**Requirement**”):

Under the first scenario, where the High Court is exercising its declaratory jurisdiction in an action for a declaration, an applicant must bear the additional burden of satisfying the Requirement if the court action was commenced more than two years after the patent was granted.

Under the second scenario, where the High Court is exercising its jurisdiction pursuant to a reference made under section 47 which the Registrar declined to deal with, an applicant must bear the additional burden of satisfying the Requirement if the reference to the Registrar was made more than two years after the patent was granted.

11. In particular, the time bar applicable to the second scenario would be a departure from the existing position in law as set out in the Court of Appeal’s decision of the *Cicada Cube* case. In that case, the old section 47(9) was interpreted as subjecting an applicant to the additional burden of satisfying the Requirement if entitlement proceedings are not commenced in the High Court within two years of the grant of the patent, even if the reference, which the Registrar declined to deal with, was made within two years of the grant of the patent.

Amendments removing the Registrar’s jurisdiction to determine question of infringement

12. When they come into operation, amendments to sections 67 and 78 will remove the Registrar’s jurisdiction:
 - (a) to determine the question of whether a patent has been infringed; and
 - (b) to make a declaration that an act or proposed act does not constitute an infringement of a patent.
13. These amendments seek to confer the High Court with exclusive jurisdiction over the majority of IP disputes, which we cover in greater detail in our client note titled “[Intellectual Property \(Dispute Resolution\) Bill: Arbitration of IP Disputes and Consolidation of Proceedings](#)”. The Ministry of Law is also expected, in due course, to roll out a “fast-track” litigation pathway. This will allow litigants to avail themselves of a swifter and more cost-effective procedure while enjoying the concentrated IP expertise of the High Court.

Amendments which give the High Court original jurisdiction to revoke a patent

14. It was thought that, under the current Act, the Registrar has the exclusive jurisdiction to revoke patents. This was the subject of some recent controversy. In 2017, the High Court held that the common practice of bringing revocation proceedings before it in the first instance as a defence and counterclaim to an infringement action was incorrect, as it had no original jurisdiction to make an order for revocation. The Court of Appeal reversed the High Court's decision earlier this year in *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645, holding that the High Court did, in fact, have original jurisdiction to revoke.
15. It would therefore appear that the amendments to section 80 of the Act, which would give the High Court original jurisdiction to revoke a patent, would (when they come into operation) remove the current ambiguity in the Act and bring it in line with the Court of Appeal's decision.

Amendments to provisions relating to revocation of patents and validity proceedings

16. When the relevant amendments come into operation, section 82(1) will provide that the validity of a patent may be put in issue in:
 - (a) a request for re-examination of the specification of a patent under the new section 38A; and
 - (b) revocation proceedings before the High Court (in addition to revocation proceedings before the Registrar) where the application for revocation is made under section 80 (whether to (i) the High Court or (ii) the Registrar, who refers the same to the High Court).
17. Consequential amendments to section 82(7) in light of the consolidation of infringement proceedings in the High Court will also come into operation at a later date (to be specified).

Amendments relating to the composition of offences under the Act

18. When they come into operation, the amendments in this category will
 - (a) increase the maximum composition amount from S\$2,000 to the lower of S\$5,000 or half of the maximum fine prescribed; and
 - (b) provide that such funds would be paid into the Consolidated Fund instead of IPOS.
19. While there is no definition of Consolidated Fund in the current Act, and no such definition was proposed in the Bill, it would appear that it refers to the general Consolidated Fund referred to in the Constitution.
20. More importantly, the increased amount for composition makes this option more attractive to the victim of an offence under the Act and would help to reduce the caseload of the courts.

CLIENT NOTE



Conclusion

21. The Intellectual Property (Dispute Resolution) Act 2019 introduces a number of substantial changes to the Act and it is important for patent owners and businesses to be updated on these changes.
22. Some of these changes relate to legal issues of jurisdiction and procedure. The other changes include the introduction of third party observations, which may lead to delays in the grant of a patent where these observations are considered by the Registrar and result in a written opinion from the Registrar, and the introduction of third party requests for re-examination of patent specifications which means that even when a patent application is granted, it may still be at risk of being revoked. Patent owners and businesses should be aware of such changes.
23. Please do not hesitate to contact us if you have any queries concerning this Client Note.

About Lee & Lee

Lee & Lee is one of Singapore's leading law firms being continuously rated over the years amongst the top law firms in Singapore. Lee & Lee remains committed to serving its clients' best interests, and continuing its tradition of excellence and integrity. The firm provides a comprehensive range of legal services to serve the differing needs of corporates, financial institutions and individuals. For more information: visit www.leenlee.com.sg.

The following partners lead our departments:

Kwa Kim Li
Managing Partner
kwakimli@leenlee.com.sg

Quek Mong Hua
Litigation & Dispute Resolution
quekmonghua@leenlee.com.sg

Owyong Thian Soo
Real Estate
owyongthiansoo@leenlee.com.sg

Tan Tee Jim, S.C.
Intellectual Property
tanteejim@leenlee.com.sg

Adrian Chan
Corporate
adrianchan@leenlee.com.sg

Louise Tan
Banking
louisetan@leenlee.com.sg