

## CLIENT UPDATE 2016 JULY

### INTELLECTUAL PROPERTY

## Updated Patent Registry Guidelines: Criteria for Allowing Post-Grant Amendments in Light of Recent Singapore Cases

The Registry of Patents has issued updated guidelines on the assessment of patent post-grant amendments (Circular No. 1/2016). From 30 June 2016, in addition to the requirements under Section 84 of the Patents Act (i.e. amendments to patents shall not disclose any additional matter or extend the protection conferred by the patent), applications for post-grant amendments to patents will also be assessed based on the following criteria:

- (i) Whether relevant matters are sufficiently disclosed;
- (ii) Whether there was any unreasonable delay in seeking amendments; and
- (iii) Whether the patentee has gained an unfair advantage by delaying amendments which are known to be needed.

The additional criteria, also known as the discretionary factors, were set out in the English decision of *Smith Kline & French Laboratories Limited v Evans Medical Limited* [1989] FSR 561 (“*SKF*”). The importance of these discretionary factors was highlighted in the decision of the Singapore High Court in *Ship’s Equipment Centre Bremen GmbH v Fuji Trading (Singapore) Pte Ltd & Ors* [2015] 4 SLR 781 (“*SEC*”), and more recently in the decision in *Warner-Lambert Company LLC v Novartis (Singapore) Pte Ltd* [2016] SGHC 106 (“*Warner-Lambert*”), where the Court exercised its discretion to refuse amendments to the patent specification.

Circular No. 1/2016 was issued in light of the decisions in the *SEC* and *Warner-Lambert* cases. The Registry of Patents noted that in those cases, the Singapore High Court had affirmed the guidelines for patent post-grant amendments set down in *SKF*, and that it was timely for the Registry to review and update the practice on the assessment of patent post-grant amendments under Section 38 of the Singapore Patents Act.

### A. The decision in *SEC*

Lau Kok Keng and Wendy Low of Rajah & Tann Singapore LLP acted for the Defendants in *SEC* and successfully resisted the Plaintiff’s application to amend its patents. In *SEC*, the Plaintiff was the proprietor of a Singapore patent for a coupling device used to secure shipping containers. This device is commonly known in the industry as a twistlock (“**Singapore Patent**”). The Plaintiff commenced two separate suits for patent infringement against the Defendants on 5 May 2010 (“**Suit 315**”) and 19 October 2011 (“**Suit 738**”) respectively.

The Plaintiff was also the proprietor of a corresponding European patent (“**European Patent**”). On 10 November 2010, during the opposition hearing before the Opposition Division of the European Patent Office (“**EPO**”), the Plaintiff amended its European Patent. Subsequently, on 25 November 2010, the Opposition Division of the EPO found the European Patent to be invalid. The Plaintiff filed a notice of appeal against this decision on 21 January 2011.

However, prior to the hearing of appeal of the EPO decision, on 18 December 2012 and 3 January 2013, the Plaintiff gave notice to the Registrar of Patents of its intention to amend the Singapore Patent. The proposed amendments for the Singapore Patent were identical to the amendments allowed by the Opposition Division of the EPO.

Having considered the proposed amendments, the Court came to the conclusion that the proposed amendments to Claims 1 – 3 of the Singapore Patent do not introduce added matter or extend the scope of protection of the Singapore Patent. However, the Court noted that the power to amend the specification of the patent is discretionary.

---

## CLIENT UPDATE

### 2016 JULY

---

#### INTELLECTUAL PROPERTY

In this regard, the Court applied the principles in the English case of *SKF*, which sets out the following guidelines as to the exercise of the discretion:

- (a) Full disclosure of all relevant matters must be made by the applicant. If there is failure to disclose all relevant matters, the amendment will be refused.
- (b) There must not be an unreasonable period of delay before seeking amendments.
- (c) There must not be any unfair advantage, for example, where a patentee threatens an infringer with his unamended patent after he knows or ought to have known of the need to amend.

#### ***Non-disclosure***

The Defendants submitted that the Plaintiff had not disclosed the relevant findings of the EPO that have a material impact on the circumstances surrounding these applications, nor explained the circumstances of its delay in filing these applications. The Court noted that the findings of the EPO would have no bearing on whether the discretion ought to be exercised in the present case. Further, the Court noted that it was not true that the Plaintiff had not adduced any evidence since the Plaintiff had called the overall coordinating counsel for both suits to give evidence. Therefore, the Court did not find that the Plaintiff had failed to make full and frank disclosure.

#### ***Unreasonable delay***

The Defendants contended that the Plaintiff had known of the invalidity of the European Patent as early as November 2010 when the decision of the Opposition Division was released. Yet, the Plaintiff only sought to amend the Singapore Patent more than 2 years later, and no reasonable explanation for the delay had been provided. The Plaintiff, on the other hand, submitted that there was no delay and that they were entitled to wait for the final outcome of the appeal before the EPO before deciding whether to amend the Singapore Patent. The Plaintiff also sought to explain that it went ahead with the amendment application before the release of the decision of the Appeals Board of the EPO as a result of the Court's directions for the issue of validity to be heard first.

The Court held that there was serious doubt that Plaintiff had genuinely considered that no amendment was necessary. The Court was of the view that the Plaintiff would have doubted the validity of its Singapore Patent, and held that there was no reasonable explanation for the Plaintiff's delay in seeking to amend the Singapore Patent.

#### ***Unfair advantage***

The Defendants submitted that the Plaintiff had obtained an unfair advantage in Suit 738 by litigating on the basis of a patent which it knew had a risk of being invalidated in light of the prior art cited. Notwithstanding the Opposition Division's decision that the European Patent was invalid, the Plaintiff joined two Defendants to Suit 315 one day after the EPO decision. Further, the Plaintiff commenced Suit 738 in October 2011 and even obtained an *ex parte* search order on the basis of the patent which it knew to be potentially invalid. On these facts, the Court found that the Plaintiff had sought to obtain an unfair advantage from the Singapore Patent which it knew it had to amend in order to avoid prior art.

Accordingly, although some of the amendments satisfied the threshold requirements, the Court exercised its discretion and refused to allow the amendments on the grounds of undue delay and unfair advantage.

### **B. The decision in *Warner-Lambert***

*Warner-Lambert* involved a dispute over a pharmaceutical patent for the product Lyrica, which has the compound pregabalin as its active ingredient. The patent was filed on 16 July 1997 and granted in Singapore on 23 May 2000. The patent proprietor also owns equivalent patents in other jurisdictions.

On 23 March 2015, the Plaintiff received notice of the Defendant's applications to the Health Sciences Authority for product licences in respect of pregabalin products. The Defendant alleged that the patent would not be infringed by the doing of the acts for which the product licences were sought.

---

## CLIENT UPDATE

### 2016 JULY

---

#### INTELLECTUAL PROPERTY

Shortly thereafter, on 21 April 2015, the Plaintiff commenced an action against the Defendant seeking, *inter alia*, a declaration that its patent would be infringed by the Defendant by the doing of the acts for which the product licences were sought. On 5 May 2015, the Plaintiff notified the Defendant of its intention to apply to amend the patent. On 26 August 2015, the Plaintiff applied to amend the claims in its patent.

The Court noted that the court's power to amend a patent is circumscribed by Section 84(3) of the Patents Act, which precludes amendments resulting in the specification disclosing any additional matter or extending the protection conferred by the patent. Further, any amendments must satisfy the "base-line criteria" set out in Section 25(5) of the Patents Act, which provides that the claims are to be clear and concise. The Court emphasized that ultimately, the Court has a general discretion to allow or disallow the proposed amendments, and the exercise of this discretion is guided by the factors outlined in *SKF*.

Having considered the proposed amendments, the Court was of the opinion that the proposed amendments did not disclose any added matter. However, as the proposed amendment provided for the manufacture of the medicament which was not an activity which fell within the ambit of the patent as originally granted, the Court held that this would have the effect of extending the protection conferred by the patent and should not be allowed.

Notwithstanding the Court's conclusion, the Court also considered whether it should exercise its discretion to allow the proposed amendments. The Court noted that courts are generally more accepting of amendments designed to assist in the enforcement of a valid claim as opposed to those designed to validate an invalid one. The Court added that the present case fell within the latter category.

#### ***Unreasonable delay***

The Defendant submitted that there was an unreasonable delay of 14 years in seeking the amendments. Although the Plaintiff was clearly aware at various stages that the patent was invalid, the Defendant argued that the Plaintiff chose not to amend the patent even though it had ample opportunities to do so.

As early as February 1998, the Plaintiff had obtained an International Preliminary Examination Report ("**IPER**") which noted that claims directed to methods of treatment of the human body or animal body by therapy might be found inadmissible in some patent systems. This led to the Plaintiff's amendment of the original claims in its European application from a claim for a method of treatment to a "Swiss-style" claim for the use of a compound in the manufacture of a medicament for a new therapeutic use.

Further, the Plaintiff had already applied to amend some of its Singapore patents pre-grant from method of treatment claims to "Swiss-style" claims many years prior to the commencement of the present dispute. The earliest amendment was made as early as 2005, and as such, the Plaintiff was aware or ought to have been aware that the granted claims were not capable of industrial application.

The Plaintiff, on the other hand, contended that there was no unreasonable delay in seeking the proposed amendments. It claimed that it was never alerted to Section 16(2) of the Patents Act that methods of treatment claims are not taken to be capable of industrial application, and only received advice from its legal counsel around March 2015. It further claimed that there was no challenge by any third party to the patent, nor any threatened or actual infringement of the patent which would have given rise to an occasion for the Plaintiff to seek advice on the enforcement, strength and validity.

In reaching its decision, the Court cited the decision in *SEC* as guidance as to what may constitute a reasonable explanation. The Court further noted that the appropriate juncture to question whether the amending party has been guilty of an unreasonable delay is the time it was first made aware of the need to amend.

The Court held that the Plaintiff's patent was granted under the self-assessment regime, which placed a responsibility on the Plaintiff to have regard to the validity of the patent before grant. The Court held that there were sufficient facts to put the Plaintiff on notice as to the possible defect in its patent such that it was obliged to at least seek legal advice on the matter. The Court noted that the Plaintiff was aware as early as February 1998 in the IPER that its claims might be inadmissible in some patent systems. It then

---

## CLIENT UPDATE

### 2016 JULY

---

#### INTELLECTUAL PROPERTY

subsequently applied to amend its European application from methods of treatment claims to “Swiss-style” claims, but did not do the same in relation to the Singapore application. As the Plaintiff was a well-established pharmaceutical company that owned a good number of patents similar to the one in the dispute, the Court was of the opinion that it must have appreciated that the same preclusion to patentability of methods of treatment would likely extend to its other patents, including the patent in the suit. Thus, the circumstances behoved the Plaintiff to seek out appropriate legal advice in relation to its patents for compliance with patentability requirements, but it failed to do so. Accordingly, the Court held that there was undue and unreasonable delay in taking out its amendment application.

#### *Non-disclosure*

The Defendant contended that the Plaintiff had not been forthright in its application as the Plaintiff failed to disclose the IPER and the Plaintiff’s applications to amend the claims of the corresponding European and UK patents, which indicate that it had been put on notice much earlier that its claimed invention might have been invalid. However, the Court was not inclined to place much weight on the alleged non-disclosure since the Plaintiff’s case was that it was never alerted to the need to amend the patent in suit prior to the commencement of these proceedings. The Court concluded that there was no reason for it to infer from the omission that the Plaintiff *intended* to mislead or conceal facts which were adverse to its application.

#### *Unfair advantage*

The Defendant also alleged that the Plaintiff had commenced proceedings despite knowing that the patent needed to be amended to address its validity and consequently, sought to obtain an unfair advantage. The Plaintiff, however, denied this and argued that it had to commence infringement proceedings first before applying for the amendments because of the timeline stipulated by the Medicines Act.

The Court accepted the Plaintiff’s point that it had to commence proceedings before the expiry of the 45 days stipulated in the Medicines Act and could not afford to await the grant of leave to amend the patent before commencing infringement proceedings. Following the commencement of proceedings, the Plaintiff then applied to amend the patent in less than two weeks and could hardly be said to be attempting to secure an unfair advantage at the Defendant’s expense.

In this case, notwithstanding that the Court refused the proposed amendments on the grounds that they extended the protection conferred by the patent, the Court was also of the opinion that the case was an appropriate one in the exercise of the Court’s discretion to disallow the amendments because they were sought after a long and inexplicable delay.

### C. Practical impact

In *SEC* and *Warner-Lambert*, the amendment proceedings were heard before the Court as there was a counterclaim for the revocation of the patent. However, patent amendment proceedings may also be brought before the Registrar of Patents under Section 38 of the Patents Act. The Registry’s Circular makes it clear that the Registry will similarly scrutinise the patentee’s conduct when considering whether to allow the amendment of the patent.

Where a patentee has filed or has been granted corresponding patent/patent applications in other jurisdictions and has reason to believe or suspect that its corresponding patent/patent applications may be invalid, it is crucial the patentee takes out an application to amend its patent expeditiously to avoid a finding that there was undue delay.

Further, patentees who have been granted a patent under the previous self-assessment regime (i.e. patents granted before 2014) in Singapore should note that the Courts expect such patentees to have regard to the validity of the patent before grant. In this regard, if there are objections or prior art which are brought to the attention of the patentee during the search and examination phase, these would constitute sufficient grounds to put a patentee on notice as to possible defects in its patent, and a failure to amend the patent expeditiously may lead to a finding of undue delay.

© Rajah & Tann Singapore LLP

---

## CLIENT UPDATE 2016 JULY

---

### INTELLECTUAL PROPERTY

Patentees whose corresponding patents have been found invalid in foreign jurisdictions should also give due consideration whether to appeal the outcomes as this could have an implication on whether they are seeking to prosecute a corresponding patent in Singapore that was already found to be invalid. These patentees should also be mindful that commencing an action for patent infringement in Singapore might also amount to taking an unfair advantage.

For further queries, please feel free to contact our team below.

## Contacts



**Lau Kok Keng**  
Partner

D (65) 6232 0765  
F (65) 6428 2118  
[kok.keng.lau@rajahtann.com](mailto:kok.keng.lau@rajahtann.com)



**Wendy Low**  
Partner

D (65) 6232 0782  
F (65) 6428 2143  
[wendy.low@rajahtann.com](mailto:wendy.low@rajahtann.com)

---

**Gladys Tan**  
Associate

D (65) 6232 0766  
F (65) 6428 2136  
[gladys.tan@rajahtann.com](mailto:gladys.tan@rajahtann.com)

---

Please feel free to also contact Knowledge and Risk Management at [eOASIS@rajahtann.com](mailto:eOASIS@rajahtann.com)

### ***ASEAN Economic Community Portal***

With the launch of the ASEAN Economic Community (“AEC”) in December this year, businesses looking to tap the opportunities presented by the integrated markets of the AEC can now get help a click away. Rajah & Tann Asia, United Overseas Bank and RSM Chio Lim Stone Forest, have teamed up to launch “Business in ASEAN”, a portal that provides companies with a single platform that helps businesses navigate the complexities of setting up operations in ASEAN.

By tapping into the professional knowledge and resources of the three organisations through this portal, small- and medium-sized enterprises across the 10-member economic grouping can equip themselves with the tools and know-how to navigate ASEAN’s business landscape. Of particular interest to businesses is the “Ask a Question” feature of the portal which enables companies to pose questions to the three organisations which have an extensive network in the region. The portal can be accessed at <http://www.businessinasean.com/>.

## Our regional presence



## Our regional contacts

**RAJAH & TANN** | *Singapore*

**Rajah & Tann Singapore LLP**  
9 Battery Road #25-01  
Straits Trading Building  
Singapore 049910  
T +65 6535 3600 F +65 6225 9630  
sg.rajahtannasia.com

**R&T SOK & HENG** | *Cambodia*

**R&T Sok & Heng Law Office**  
Vattanac Capital Office Tower, Level 17, No. 66  
Preah Monivong Boulevard, Sangkat Wat Phnom  
Khan Daun Penh, 12202 Phnom Penh, Cambodia  
T +855 23 963 112 / 113 F +855 963 116  
kh.rajahtannasia.com  
*\*in association with Rajah & Tann Singapore LLP*

**RAJAH & TANN REPRESENTATIVE OFFICE** | *China*

**Rajah & Tann Singapore LLP  
Shanghai Representative Office**  
Unit 1905-1906, Shui On Plaza, 333 Huai Hai Middle Road  
Shanghai 200021, People's Republic of China  
T +86 21 6120 8818 F +86 21 6120 8820  
cn.rajahtannasia.com

**RAJAH & TANN NK LEGAL** | *Myanmar*

**Rajah & Tann NK Legal Myanmar Company Limited**  
Myanmar Centre Tower 1, Floor 07, Unit 08,  
192 Kaba Aye Pagoda Road, Bahan Township,  
Yangon, Myanmar  
T +95 9 73040763 / +95 1 657902 / +95 1 657903  
F +95 1 9665537  
mm.rajahtannasia.com

**ASSEGAF HAMZAH & PARTNERS** | *Indonesia***Assegaf Hamzah & Partners***Jakarta Office*

Menara Rajawali 16th Floor  
Jalan DR. Ide Anak Agung Gde Agung Lot #5.1  
Kawasan Mega Kuningan, Jakarta 12950, Indonesia  
T +62 21 2555 7800 F +62 21 2555 7899  
www.ahp.co.id

*Surabaya Office*

Pakuwon Center, Superblok Tunjungan City  
Lantai 11, Unit 08  
Jalan Embong Malang No. 1, 3, 5, Surabaya 60261, Indonesia  
T +62 31 5116 4550 F +62 31 5116 4560

*\*Assegaf Hamzah & Partners is an independent law firm in Indonesia and a member of the Rajah & Tann Asia network.*

**CHRISTOPHER & LEE ONG** | *Malaysia***Christopher & Lee Ong**

Level 22, Axiata Tower, No. 9 Jalan Stesen Sentral 5,  
Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia  
T +60 3 2273 1919 F +60 3 2273 8310  
www.christopherleeong.com

*\*in association with Rajah & Tann Singapore LLP*

**RAJAH & TANN** | *Thailand***Rajah & Tann (Thailand) Limited**

973 President Tower, 12th Floor, Units 12A-12F  
Ploenchit Road, Lumpini, Pathumwan  
Bangkok 10330, Thailand  
T +66 2 656 1991 F +66 2 656 0833  
th.rajahtannasia.com

**RAJAH & TANN** | *Lao PDR***Rajah & Tann (Laos) Sole Co., Ltd.**

Phonexay Village, 23 Singha Road, House Number 046/2  
Unit 4, Saysettha District, Vientiane Capital, Lao PDR  
T +856 21 454 239 F +856 21 285 261  
la.rajahtannasia.com

**RAJAH & TANN LCT LAWYERS** | *Vietnam***Rajah & Tann LCT Lawyers***Ho Chi Minh City Office*

Saigon Centre, Level 13, Unit 2&3  
65 Le Loi Boulevard, District 1, HCMC, Vietnam  
T +84 8 3821 2382 / +84 8 3821 2673 F +84 8 3520 8206

*Hanoi Office*

Lotte Center Hanoi - East Tower, Level 30, Unit 3003,  
54 Lieu Giai St., Ba Dinh Dist., Hanoi, Vietnam  
T +84 4 3267 6127 F +84 4 3267 6128  
www.rajahtannlct.com

Rajah & Tann Singapore LLP is one of the largest full service law firms in Singapore, providing high quality advice to an impressive list of clients. We place strong emphasis on promptness, accessibility and reliability in dealing with clients. At the same time, the firm strives towards a practical yet creative approach in dealing with business and commercial problems. As the Singapore member firm of the Lex Mundi Network, we are able to offer access to excellent legal expertise in more than 100 countries.

Rajah & Tann Singapore LLP is part of Rajah & Tann Asia, a network of local law firms in Singapore, Cambodia, China, Indonesia, Lao PDR, Malaysia, Myanmar, Thailand and Vietnam. Our Asian network also includes Singapore-based regional desks focused on Japan and South Asia.

The contents of this Update are owned by Rajah & Tann Singapore LLP and subject to copyright protection under the laws of Singapore and, through international treaties, other countries. No part of this Update may be reproduced, licensed, sold, published, transmitted, modified, adapted, publicly displayed, broadcast (including storage in any medium by electronic means whether or not transiently for any purpose save as permitted herein) without the prior written permission of Rajah & Tann Singapore LLP.

Please note also that whilst the information in this Update is correct to the best of our knowledge and belief at the time of writing, it is only intended to provide a general guide to the subject matter and should not be treated as a substitute for specific professional advice for any particular course of action as such information may not suit your specific business and operational requirements. It is to your advantage to seek legal advice for your specific situation. In this regard, you may call the lawyer you normally deal with in Rajah & Tann Singapore LLP or e-mail Knowledge & Risk Management at eOASIS@rajahtann.com.