

## Newsletter

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Public Consultation on Draft Geographical Indications Rules Held Until 5 October 2018

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## Court of Appeal Clarifies Interpretation of the Time Bars under Section 47 of the Patents Act Facts

Cicada Cube Pte Ltd ("**Cicada**"), a software engineering company, and National University Hospital (Singapore) Pte Ltd ("**NUH**") had collaborated on the development of a system that automates the ordering and collection of patient specimens for laboratory testing. After Cicada successfully patented the system (the "**Patent**"), NUH challenged Cicada's sole entitlement to the Patent by submitting a reference to the Registrar of Patents (the "**Registrar**"). However, the Registrar declined to deal with the reference (on the basis that it was "complex and involved contractual issues"). NUH then commenced proceedings in the High Court after more than two years from the date of grant of the Patent. The High Court Judge held that as both Cicada and NUH had contributed to the invention, they should be joint proprietors. Both parties then appealed against the decision of the High Court Judge, arguing that each of them should be solely entitled to the Patent. Cicada argued, *inter alia*, that NUH should have been time-barred from commencing the action in the High Court under Section 47(9) of the Patents Act ("**PA**"). NUH's arguments on appeal centred on the Judge's findings of joint ownership, and the respective contributions of each party to the inventive concepts.

The salient provisions of Section 47 of the PA are reproduced below:

*"(1) After a patent has been granted for an invention, any person having or claiming a proprietary interest in or under the patent may refer to the Registrar the question —*

- (a) who is or are the true proprietor or proprietors of the patent;*
- (b) whether the patent should have been granted to the person or persons to whom it was granted; or*
- (c) whether any right in or under the patent should be transferred or granted to any other person or persons,*

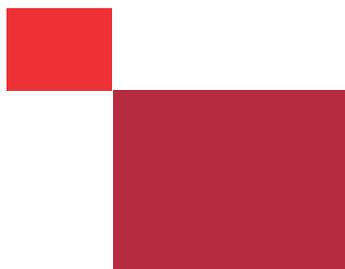
*and the Registrar shall determine the question and make such order as he thinks fit to give effect to the determination.*

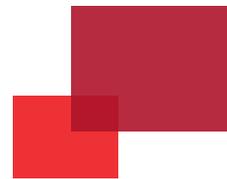
...

*(5) On any reference under subsection (1) –*

*(a) no order shall be made under this section transferring the patent to which the reference relates on the ground that the patent was granted to a person not so entitled; and*

*(b) no order shall be made under subsection (4) on that ground **if the reference was made** after the end of the period of 2 years beginning with the date of the grant, unless it is shown that any person registered as a proprietor of the patent knew at the time of the grant, or as the case may be, of the transfer of the patent to him that he was not entitled to the patent.*





...

*(9) The court shall not in the exercise of any such declaratory jurisdiction determine a question whether a patent was granted to a person not entitled to be granted the patent **if the proceedings in which the jurisdiction is invoked were commenced** after the end of the period of two years beginning with the date of the grant of the patent, unless it is shown that any person registered as a proprietor of the patent knew at the time of the grant or, as the case may be, of the transfer of the patent to him that he was not entitled to the patent."*

It was not disputed that the High Court and the Registrar have concurrent jurisdiction to determine questions of entitlement pursuant to Section 47, and the High Court's jurisdiction on this issue is not sequential to that of the Registrar's.

In relation to how the time periods set out in Sections 47(5) and (9) are to be construed, Cicada argued that the "proceedings" referred to under Section 47(9) applies to High Court proceedings (see emphasis above), regardless of whether the case is brought before the court in the first instance or only after the Registrar declines jurisdiction. Therefore, by commencing proceedings in the High Court after more than two years from the date of grant of the Patent, NUH should be time-barred.

On the other hand, NUH argued that if a party chooses to apply to the Registrar first and to the court only after the Registrar has declined to deal with the reference, Section 47(5) should apply and not Section 47(9).

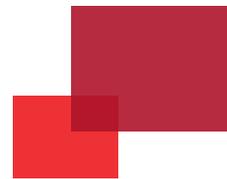
## Decision

The Court of Appeal dismissed both appeals and upheld the High Court Judge's decision that both parties were entitled to joint ownership of the patent. For completeness, other issues such as estoppel were also pleaded, but are not discussed here.

### Interpretation of Section 47 of the PA

The Court of Appeal affirmed that Section 47 provides for concurrent jurisdiction of the Registrar and the High Court to deal with determinations of entitlement, and further clarified the law regarding the time limits on potential applicants seeking to challenge a registered proprietor's entitlement to a patent under Section 47. The two options for potential applicants are as follows (at [45] - [47]):

- (a) where an applicant wishes to file a reference to the Registrar under Section 47, the applicant must do so within the two-year time limit under Section 47(5)(b), unless the applicant can prove that the registered proprietor knew at the time of the grant that he was not entitled to the patent; and
- (b) where an applicant wishes to apply to the High Court under Section 47, the applicant will be subject to the two-year limit under Section 47(9), unless the applicant can prove that the registered proprietor knew at the time of the grant that he was not entitled to the patent. The application to the High Court may be made in lieu of a reference



to the Registrar, or after the Registrar declines jurisdiction to hear a reference. However, where there is a pending reference and the Registrar is unable to make a determination within the time limit in Section 47(5)(b), the applicant should withdraw the reference, if it intends to commence proceedings in the High Court before the two-year limit.

As NUH had brought the case before the High Court (notwithstanding that the two-year limit had passed), the Court of Appeal held that Section 47(9) therefore applied, and NUH would have to prove that Cicada knew at the time of the grant that it was not entitled to the patent in order to have the Court determine the issue of entitlement.

On this issue, the Court of Appeal found that Cicada's employees, Dr. Ratty and Dr. Poo, had worked closely with NUH's employee, Dr. Sethi, together on the invention and had also published academic papers on the invention as joint authors. Accordingly, Dr. Ratty and Dr. Poo (and by extension, Cicada) must have known that Dr. Sethi was at least jointly entitled to the Patent.

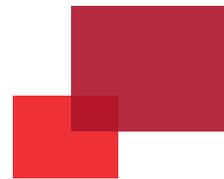
#### Entitlement: who are the inventors and who are the owners?

To identify the proper owners of the Patent, the Court of Appeal undertook a two-part inquiry (at [61]): first to identify the inventors responsible for the inventive concepts in the Patent; and second to determine the respective owners of the Patent, who may be an entity other than the inventor. Having identified the inventive concepts, the Court of Appeal affirmed the relevant legal principles set out by the High Court Judge used to determine the relevant inventor:

- (a) The inventor's contribution must be to the formulation of the inventive concept - this is a question of fact. Even if the details of realizing the concept into a functional product were left to another person, the person who contributed to the formulation would still be considered an inventor.
- (b) If more than one person has contributed to the inventive concept(s), they would be joint inventors. However, a person who merely did what he was instructed to do would not be considered a joint inventor (i.e. execution without adding to the inventive concept).
- (c) The burden of proving an inventor's contribution to the inventive concept lies on the person seeking to be added as joint inventor. If a person disputes that the inventor(s) named in the patent were not inventor(s), he bears the additional burden of proving that such named inventor(s) did not contribute to the inventive concept(s).

The Court of Appeal found on the evidence that both NUH's Dr. Sethi and Cicada's Dr. Ratty and Dr. Poo had substantially contributed to the inventive concepts (neither party was successful in disproving the other inventors' contributions to the inventive concepts) and hence, Dr. Sethi, Dr. Ratty and Dr. Poo were held to be joint inventors of the Patent.

As Dr. Sethi was an employee of NUH and Dr. Ratty and Dr. Poo were employees of Cicada at the material time, the Court of Appeal held that NUH



and Cicada were entitled to joint ownership of the Patent in accordance with their employees' joint inventorship.

## Commentary

This case lends certainty to the time period by which a reference or a claim must be brought to challenge the ownership of a granted patent. While the decision on the joint ownership of the patent was uncontroversial, this case serves as a useful guidance to potential applicants under Section 47 of the PA in determining the appropriate procedure when referring it to the Registrar or when bringing the case before the courts in the first instance.

As suggested by the Court of Appeal at [47], if the two-year mark is approaching and a party has already submitted a reference to the Registrar, but has yet to receive a determination on the issue, it would be prudent for the applicant to withdraw the reference and to commence proceedings in the High Court. This is so that the applicant need not then prove the condition to overcome the time bar (i.e. by showing that the registered proprietor knew at the time of grant that he was not so entitled to the patent).

The case is *National University Hospital (Singapore) Pte Ltd v Cicada Cube Pte Ltd* [2018] SGCA 52 and is accessible from the Supreme Court of Singapore's [website](#).

## Public Consultation on Draft Geographical Indications Rules Held Until 5 October 2018

As part of Singapore's impending obligations under the EUSFTA, Singapore has passed the Geographical Indications Act 2014 ("**GI Act**"), which will come into force upon ratification of the EUSFTA. The Geographical Indications Rules ("**GI Rules**") made under the GI Act will govern operational aspects of the establishment of a new Registry of Geographical Indications ("**GI Registry**"). The GI Registry will receive applications to register GIs for wine and spirits and other categories of agricultural products and foodstuffs, which will enhance the protection of GIs in Singapore.

The GI Rules include key provisions on the process for application, examination and registration of GIs, dispute resolution procedures and other ancillary rules necessary for the operation of the GI Registry. The GI Rules are drafted similarly to the Trade Marks Rules, which should be familiar to potential GI applicants who are already existing users of the trade mark system. The GI Rules are anticipated to come into force at the same time as the GI Act.

The Intellectual Property Office of Singapore ("**IPOS**") is seeking feedback on the GI Rules. The period for public consultation is from **10 September 2018** until **5 October 2018**.

More information on the Public Consultation Paper can be found on the IPOS website [here](#) and the draft GI Rules can be found [here](#).

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