Deton Engineering (Pty) Ltd and another v McKelvey and others
[1997] 4 All SA 394 (T)

Division:	Transvaal Provincial Division
Date:	10 June 1997
Case No:	89/4136
Before:	Van Dijkhorst J
Sourced by:	M Snyman and D Cloete

. Editor's Summary . Cases Referred to . Judgment .

Patent - Patents Act 57 of 1978 - Commissioner of patents has jurisdiction in terms of section 51(3)(b) to deal with an application for amendment of a patent - Commissioner of patents to be considered a "court" in terms of the provisions of the Patent Act.

Interpretation of statutes -Section 51(9) of the Patents Act 57 of 1978 - "any court" to be read in a wider sense to include the commissioner of patents.

Editor's summary

The proceedings were brought before the court sitting as a commissioner of patents. The Applicants launched an application against the Respondents in which they sought an interdict under the patent. While the interdict was pending the applicants launched the present application, purportedly in terms of section 51(9) of the Patents Act 57 of 1978 (the Act). The application for the interdict was heard and dismissed by the commissioner of patents on 18 October 1995. The Respondents maintained that the application for amendment under section 51(9) of the Act was procedurally defective in that the Commissioner had no jurisdiction to entertain such application in terms of this subsection. It was further submitted by the Respondent that this section applied only where proceedings were pending before a "court" as defined in section 2 of the Act. The Court examined the provisions of the Act dealing with the jurisdiction of the commissioner of patents and the distinction between the commissioner and the "court".

Held - In terms of section 76(1) and (2) of the Act, which deals with appeals from the commissioner, it is clear that "court" is used in its defined (narrow) sense. The commissioner sits as a court and is in fact a court. In the context of section 51(9)

the words " any Court" should be read in a wider sense than the definition in section 2 of the Act, so as to include "court of the commissioner of patents".

It is sound principle as set out in section 51(9) that the tribunal hearing the patent amendment matter should also deal with the application for amendment. This applies equally to hearings before the commissioner of patents.

The Respondent's argument *in limine* regarding the jurisdiction of the commissioner failed.

Notes

For the Copyright Act 98 of 1978, see *Butterworths Statutes of South Africa* 1996 (Vol 1)

For Patents generally, see *LAWSA* (Vol 20, paragraphs 1-67)

For the Patents Act 57 of 1978, see *Butterworths Statutes of South Africa* 1996 (Vol 1)

Cases referred to judgment

("**C**" means confirmed; "**D**" means distinguished; "**F**" means followed and "**R**" means reversed.)

Barmac Associates Ltd v SA Dynamics 1991 BP 16 (CP)

Dantex Explosives (Pty) Ltd v Sasol Chemical Industries (Pty) Ltd 1992 BP 265 (CP)

General Electric Co v De Beers Industrial Diamond Division (Pty) Ltd 1986 BP 359 (CP)

Johnson & Johnson Baby Products Co and another v Kimberley Clark of SA (Pty) Ltd 1987 BP 52 (CP)

Martin Johnson (Pty) Ltd v Crouch Footware CC and others 1991 BP 60 (CP)

Roman Roller CC and another v Speedmark Holdings (Pty) Ltd 1996 (1) SA 405 (A)

Water Renovation (Pty) Ltd v Goldfields of SA Ltd 1991 BP 26 (CP)

Water Renovation (Pty) Ltd v Goldfields of SA Ltd 1994 (2) SA 588 (A)

Judgment

VAN DIJKHORST J

These proceedings brought before me, sitting as commissioner of patents, concern South African patent number 89/4136. The proprietor of the patent is an Australian company. The second applicant is a registered licensee under

the patent. *In limine* my jurisdiction to hear this application is disputed.

On 20 June 1995 the applicants launched an application against the present respondents, in which they sought an interdict under the patent. While the application for an interdict was pending, the applicants launched the present application which is an application to amend the application, purportedly brought in terms of section 51(9) of the Patents Act 57 of 1978.

The original notice of motion in this application to amend the patent was dated 21 September 1995. The notice of motion has been twice amended. The notice of intention to amend was dated 26 February 1996 and it was followed by a notice of amendment dated 19 March 1996. There was a further notice of intention to amend dated 26 August 1996, followed by a notice of amendment dated 4 November 1996.

The application for an interdict under the patent was subsequently heard by myself and dismissed on 18 October 1995. In respect of the amendment application I made the following order:

> "In case number 89/4136 the application to amend SA Patent Number ZA89/4136 is postponed *sine die* and it is ordered that it be advertised in the prescribed manner referred to in section 51(2) of Act 57 of 1978."

The application to amend had elicited a notice of intention to oppose on 22 September 1995. The amendment application in its original form was advertised in the *Patent Journal* of 25 November 1995. On 8 December 1995 the respondents filed a notice of opposition in terms of Regulation 82 of the Patent Regulations of 1978.

The amendment application was amended by way of a notice of intention to amend, dated 26 February 1996 and a notice of amendment dated 19 March 1996, as I have already mentioned. As a result of the amendment of the notice of motion in the amendment application, the application was readvertised in the *Patent Journal* of 28 February 1996.

A notice of intention to amend, dated 26 August 1996 was followed by a notice of amendment, dated 4 November 1996. Before the last-mentioned amendment took effect and during September 1996 this last amendment was again advertised. This is now common cause, although it does not appear from the papers. In view thereof a point *in limine* pertaining to non-publication was not persisted in.

A further point *in limine* that the first applicant had no *locus standi* is common cause. It is not a point of substance but may be revisited when a cost order is considered.

The real point in issue is that the commissioner of patents has no jurisdiction to adjudicate upon this application for amendment of the patent.

The amendment application was launched on a notice of motion. It was purportedly brought in terms of section 51(9) of the Patents Act. The stated reason for applying under section 51(9) to the commissioner under notice of motion was that there was, at the time that the amendment application was launched, a pending application for an interdict under the patent which, as I have mentioned, was dismissed by myself eventually.

It is submitted on behalf of the respondents that this amendment application under section 51(9) of the Act is procedurally fatally defective in that the commissioner has no jurisdiction to entertain such an application in terms of that subsection.

Section 51(9) of the Act provides as follows:

> "Where any proceedings relating to an application for a patent or a patent are pending in any court, an application for the amendment of the relevant specification shall be made to that court which may deal with such application for amendment as it thinks fit, but subject to the provisions of subsections (5), (6) and (7), or may stay such pending proceedings and remit such application for amendment to the Registrar to be dealt with in accordance with subsections (2), (3) and (4)."

It is submitted that the section has application only where proceedings are pending before a "court". The application must then be made to that court. It is only that court which may deal with such application or remit such application to the Registrar. Therefore it is submitted that only a "court" has jurisdiction to entertain an application under section 51(9).

"Court" is defined in section 2 of the Act as follows:

> "court, in relation to any matter, means the division of the Supreme Court of South Africa having jurisdiction in respect of that matter."

It is pointed out on behalf of the respondents that no proceedings were pending before any division of the Supreme Court of South Africa, nor was the amendment application made to a division of the Supreme Court of South Africa. The

application purporting to be made in terms of section 51(9) was made to the commissioner. At the time when the amendment application was launched there were, of course, proceedings pending in relation to the patent before the commissioner. That was the interdict application.

The commissioner is defined in section 2 of the Act as follows: "Commissioner means a commissioner of patents, designated in terms of section 8".

Section 8 of the Act in turn provides as follows:

> "The Judge President of the Transvaal Provincial Division of the Supreme Court of South Africa shall from time to time designate one or more judges or acting judges of that division as commissioner or commissioners of patents to exercise the powers and perform the duties conferred or imposed upon the commissioner by this Act."

Proceedings before the commissioner are governed by section 18 of the Act which provides in subsection (1) as follows:

> "Save as is otherwise provided in this Act, no tribunal other than the commissioner shall have jurisdiction in the first instance to hear and decide any proceedings, other than criminal proceedings relating to any matter under this Act."

It follows, so it is argued, that the Supreme Court, "the court" as defined, has no jurisdiction to hear, for example, interdict applications. By virtue of section 18(1) of the Act no division of the Supreme Court has jurisdiction to hear infringement proceedings. It is thus clear that where, for example, interdict proceedings are pending, they are not pending before a "court". Thus far the argument.

In matters relating to patents the tribunals of first instance are therefore in nearly all matters the commissioner of patents, and in the few criminal matters the criminal magistrate courts and high courts. In respect of the latter chapter XV of the Patents Act 57 of 1978 is relevant.

As the definition of "court" in the latter Act excludes the lower courts, theoretically an application for amendment of a patent can be brought in terms of section 51(9) in the High Court hearing a criminal charge "relating to the application for a patent" in view of the wide meaning of the words "relating to". I doubt whether this was ever intended. For practical purposes this contingency is too remote to contemplate.

The appeal tribunal against the decisions of the commissioner of patents in patent matters is in terms of section 76 clearly a "court". Should the argument be correct it follows that for practical purposes section 51(9) can only have effect on appeal. It would, however, be a rare occurrence for an amendment to be dealt with on appeal and still more unusual for the appeal to be stayed, pending an application for amendment in terms of section 51(2). It would appear anomalous that the drafters of the Act would provide for amendments pending appeal procedures but not for amendments pending proceedings before the commissioner of patents which is the stage when amendments would normally be required. In fact, it is a sound principle as set out in section 51(9) that the tribunal hearing the patent matter should also deal with applications for amendment and there is no sound reason for not applying it to hearings before the commissioner of patents.

These considerations cast a doubt over the respondent's interpretation of section 51(9). That interpretation wholly depends upon the meaning of "any court" in the subsection. It has to be emphasised that the definition set out in section 2 of the Act pertains only "unless the context otherwise indicates".

In the broader context it must be stressed that the tribunal of the commissioner of patents is known as the court of the commissioner of patents. It is referred to by

that name in the regulations (see for example Regulation 79 and the heading of Chapter III) and by the Appellate Division (see for example *Roman Roller CC and another v Speedmark Holdings (Pty) Ltd* 1996 (1) SA 405 (A) 409I-J) and in section 29(3)(*b*) of the Copyright Act 98 of 1978. In addition a high court judge presides as commissioner, the procedure is largely that of the high court and the headings of all pleadings (and even counsel's heads of argument) refer to the court of the commissioner of patents.

One's first reaction upon reading section 51(9) is therefore to think of the court of the commissioner of patents. One would in fact be in good company. In a number of reported decisions the commissioner of patents has dealt with amendments to patents during pending proceedings without objection to his jurisdiction under section 51(9). I was referred by Mr *Franklin* for the respondents to a number of them. They are *Barmac Associates Ltd v SA Dynamics* 1991 BP 16 (CP), *Water Renovation (Pty) Ltd v Goldfields of SA Ltd* 1991 BP 26 (CP), *Martin Johnson (Pty) Ltd v Crouch Footware CC and others* 1991 BP 60 (CP), *Dantex Explosives (Pty) Ltd v Sasol Chemical Industries (Pty) Ltd* 1992 BP 265 (CP), *Water Renovation (Pty) Ltd v Goldfields of SA Ltd* 1994 (2) SA 588 (A) and *Johnson & Johnson Baby Products Co and another v Kimberley Clark of SA (Pty) Ltd* 1987 BP 52 (CP). However, in *General Electric Co v De Beers Industrial Diamond Division (Pty) Ltd* 1986 BP 359 (CP) the legal advisors for the patentee merely sought a stay of proceedings before the commissioner of patents in terms of section 51(9), pending amendment proceedings under section 51(1).

On the argument for the present respondents this approach would also have been wrong, as only a court could be approached for that relief under that subsection.

I have set out the broader context. I will now deal with the narrower context of the Act itself. Section 51(1) gives an applicant for a patent or a patentee the right to apply for an amendment of the relevant specification. Should there be opposition to the amendment, section 51(3)(*b*) provides that it be dealt with by the commissioner. It is not unusual that amendments are applied for during pending proceedings for infringement or revocation. One would therefore expect that the Act would provide for that contingency and do so in the section which deals with amendments, namely section 51. In fact, section 51(9) does deal with pending proceedings and in the manner one would expect.

There is, apart from the definition of "court", no logical reason to limit section 51(9) in the sense contended for. It would create an unwarranted *lacuna* in the Act. The interpretation contended for would bring about the anomaly that whereas opposed applications for amendment of patents must be heard by the commissioner of patents, where there are pending proceedings before him such applications may not be introduced there but must follow the circuitous route of section 51(1) with no provision for notice to the other party (except the advertisement) and the

inevitable reversion to the commissioner of patents.

It can with some force be argued that the procedure of section 51(1) is necessary, as it provides for advertisement and thus notice to the general public of the intended amendment. This argument loses its force when regard is had to the provision in section 51(9) for a remission of the application to be dealt with in accordance with subsections (2) to (8). It is to be accepted that advertisement will be ordered where the general public may be affected (but not where, for example, the amendment sought is not substantial). The way of section 51(1) is therefore not imperative to ensure advertisement where necessary.

It was pointed out that in several sections of the Act a clear distinction is drawn between "commissioner" and "court". Section 76(1) and (2) are given as

example. That is correct, but in this section which deals with appeals from the commissioner to the High Court it is clear from the context that "court" is used in its defined (narrow) sense.

Section 51(10), which provides that an amendment may be allowed by the commissioner or a court can in the context only refer by the latter to a court of appeal.

The fact that section 51(3)(*b*) provides that applications "shall be dealt with by the commissioner", and does not refer to the court of the commissioner of patents, does not take the matter further. The commissioner sits as a court and is in fact a special court.

It was emphasised that there are other sections in the Act in which references are made to commissioner and to court and that in none of them is the word "court" used synonymously with commissioner. When application is made to the commissioner the Act always refers to "commissioner" and never to a "court". The sections are, for example, sections 28(1), 29(2), 49(6), 56(4), 61(3), 63, 66(4), 68 and 69(1) of the Act. This argument can be countered in the same manner as that on section 51(3)(*b*).

It was also pointed out that several sections clearly distinguish between "commissioner" and "court". See, for example, sections 51(10), 72(3), 73(2) and 74(1) of the Act.

I have dealt with section 51(10). In section 72(3) the words "a court" could conceivably include a magistrate's court sitting in a criminal matter and thus falling outside the definition of section 2. The same reasoning applies to the words "in all courts" in section 73(2). In the light of section 18 the reference to "the court" in section 74(1) is probably according to the definition.

A comparison with the previous Patents Act 37 of 1952 is of some benefit. Section 36 of the old Act provided for amendments, much as section 51 of the current Act does. But section 36(7) provided:

> "No request for an amendment shall be allowed if, and as long as any proceedings for infringement or revocation of the patent are pending."

This precluded applications for amendment directed at the registrar while proceedings were pending.

Section 37 of the 1952 Act provided, *inter alia*, as follows:

> "(1) In an action for infringement of a patent or proceedings for the revocation of a patent, the commissioner or the court may by order allow the patentee, subject to certain terms as to costs, advertisement or otherwise as the commissioner or court may impose, to amend his specification by way of disclaimer, correction or explanation ...
>
> (2) Notice of an application for any such order shall be given -
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> (*a*) to the registrar if the application is made to the commissioner; or
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> (*b*) to the commissioner, if the application is made to the court,
>
> and the registrar or the commissioner, as the case may be, shall have the right to appear and be heard before any order is made on the application."

Thus, it is argued, under the 1952 Act it was specifically contemplated that infringement and revocation proceedings might be pending before the commissioner, obviously sitting as a tribunal of first instance, or the court, obviously on appeal, and that the commissioner or the court, as the case may be, may allow an application to amend the patent. It was further specifically provided that notice of

an application where the proceedings were pending before the commissioner, should be made to the registrar and where the proceedings were pending before the court, should be made to the commissioner.

On the strength of these provisions counsel for the respondents argues that it must be assumed that the legislature was aware of the provisions of sections 36 and 37 of the 1952 Act when it enacted section 51(9) of the 1978 Act. In doing so, it removed the jurisdiction of the commissioner to entertain amendment applications where proceedings are pending before him, but retained the jurisdiction of the court to entertain such applications where proceedings are pending before it.

Clearly, so it is argued, the distinction having been made in the 1952 Act, the reference only to "court" in section 51(9) of the 1978 Act was intended to mean precisely that, namely "court" as defined in the definition section to the exclusion of "the commissioner".

There is something to be said for this argument, but in my view it is outweighed by the following considerations. It was a long-standing practice, as evidenced by the sections quoted from the old Act, that amendments were dealt with during pending proceedings by the commissioner of patents without any preliminary formalities. There was a discretion to order advertisement. There was no reason after nearly three decades to terminate this practice and substitute a circuitous and formalistic one which would not benefit anybody but might lead to amendments being granted without actual notice to the opposing party.

It was argued that the point *in limine* is not just technical. There rests an onus on the respondents as part of the so-called split onus, to convince the commissioner of patents of the soundness of their objection on the substantial issues on amendment (see in this regard *Water Renovation (Pty) Ltd v Goldfields of SA Ltd* 1994 (2) SA 588 (A) 594B-E). Therefore, so it is argued, the respondents have a right to file founding and replying affidavits which is a substantial advantage. The answer to this argument is this: The so-called advantage is more illusory than real and in any event, should in a particular case the scales not be held evenly, nothing precludes an application to file further affidavits. This argument is in my view of no moment.

It follows from the above that in my view the context of section 51(9) dictates that the words "any court" therein, should be read in a wider sense than the definition in section 2 of the Act, namely to include "court of the commissioner of patents". For this reason the point *in limine* must fail.

It must in my view also fail for a further reason. Even if my interpretation that the words "any court" are to be restricted to a division of what was the Supreme Court, is wrong, there has been substantial compliance. The registrar of patents was given notice of this application for amendment. That he received it because he happens to be registrar of the commissioner of patents does not change the situation. He received notice of opposition, in fact he received one for each proposed amendment. There was proper advertisement in respect of each amendment. The notice of amendment and accompanying papers set out what purported to be full reasons and contained all particulars which form P13 required. Even in the absence of form P13 the registrar had to deal with this as an opposed matter which lay outside his jurisdiction and had to be decided by the commissioner of patents.

The commissioner of patents therefore has jurisdiction in terms of section 51(3)(*b*) to deal with this application for amendment. The fact that it was purportedly brought in terms of section 51(9) does not oust his jurisdiction.

The point *in limine* is dismissed; the costs thereof are reserved.

For the applicants:

DN Beasley SC and *JR Peter* instructed by *DM Kisch Incorporated*, Pretoria

For the respondents:

ABS Franklin SC instructed by *Hahn & Hahn*, Pretoria