

**SHFL Entertainment Inc (formerly Shuffle Master Inc) v TCS John Huxley (Pty) Ltd and another  
[2014] 1 All SA 355 (GNP)**

**Division:** NORTH GAUTENG HIGH COURT, PRETORIA  
**Date:** 23 October 2013  
**Case No:** 2000/5613  
**Before:** NF KGOMO J  
**Sourced by:** H Schutte, E Smit and S Geldenhuys  
**Summarised by:** DPC Harris

[. Editor's Summary .](#) [Cases Referred to .](#) [Judgment .](#)

*Intellectual property - Patent - Amendment to - Patents Act 57 of 1978 - Section 51(6) and (7) - Averment that the patentee had failed to provide full reasons for the amendment and that the court should exercise its discretion to refuse the amendment as the patentee had procrastinated or delayed culpably, in bringing the amendment application and had acted mala fide in seeking to enforce the patent in the motion proceedings - Held that an amendment will usually be permitted unless the conduct of the patentee has been such that the court, in the exercise of its discretion, considers that the amendment should be refused.*

### Editor's Summary

The applicant was the registered proprietor of a patent. It instituted action against the first respondent, alleging that its patent had been infringed. That matter was pending. In the present application, the applicant sought an amendment of the patent.

In opposing the amendment, the respondent averred that the patentee had failed to provide full reasons for the amendment; that the amendment sought did not comply with [section 51\(6\)](#) and [\(7\)](#) of the Patents Act [57 of 1978](#); and that the court should exercise its discretion to refuse the amendment sought on the basis that the patentee had procrastinated or delayed culpably, in bringing the amendment application and had acted *mala fide* in seeking to enforce the patent in the motion proceedings.

**Held** - There is no statutory duty or obligation on a patentee to provide reasons for seeking an amendment to a patent in circumstances, as in this case, where revocation proceedings relating to the patent are pending. The general rule in applications of this nature is that an amendment will usually be permitted unless the conduct of the patentee has been such that the court, in the exercise of its discretion, considers that the amendment should be refused.

Having regard to the grounds of opposition raised by the respondent, the Court found that it had not justified its opposition to the amendment. The application succeeded.

### Notes

For Intellectual property see:

- . LAWSA Second Edition Replacement Volume, Vol 29
- . Burrell TD *Burrells South African Patent and Design Law* (3ed) Durban LexisNexis 1999

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### Cases referred to in judgment

#### South Africa

- Aktiebolaget Hässle and another v Triomed (Pty) Ltd* [\[2002\] 4 All SA 138](#) [369](#)  
([2003 \(1\) SA 155](#)) (SCA) - **Referred to**
- Ausplow (Pty) Ltd v Northpark Trading 3 (Pty) Ltd and others* 2011 BIP 12 [371](#)  
(SCA) - **Referred to**
- Bateman Equipment Ltd and another v Wren Group (Pty) Ltd* [\[1999\] JOL 5811](#) ([2000 \(1\) SA 649](#)) (SCA) - **Approved and Applied** [359](#)
- Beecham Group Ltd v Bristol Myers Co* 1979 BP 91 (CP) - **Referred to** [363](#)
- Bristol-Myers Co v Beecham Group Limited* [1981 \(1\) SA 399](#) (T) - **Referred to** [363](#)
- Deton Engineering (Pty) Ltd and another v JP McKelvey and others* 1997 BP 113 (CP) - **Referred to** [370](#)
- Ensign-Bickford (South Africa) (Pty) Ltd and others v AECI Explosives and Chemicals Ltd* [\[1998\] 4 All SA 453](#) ([1999 \(1\) SA 70](#)) (SCA) - **Referred to** [369](#)
- Firestone (SA) (Pty) Ltd v Gentiruco AG* 1970 BP 302 (T) - **Referred to** [363](#)

<i>Gentiruco AG v Firestone SA (Pty) Ltd</i> [ <a href="#">1972</a> ] <a href="#">1 All SA 201</a> (1971 BP 58; <a href="#">1972 (1) SA 589</a> ) (A) - <b>Referred to</b>	<a href="#">369</a>
<i>Interfelt Products (Pty) Ltd v Feltex Limited</i> [ <a href="#">1972</a> ] <a href="#">3 All SA 299</a> (1972 BP 294) (T) - <b>Referred to</b>	<a href="#">360</a>
<i>Power Steel Construction Co (Pty) Ltd v African Batignolles Construction (Pty) Ltd</i> <a href="#">1955 (4) SA 215</a> (A) - <b>Referred to</b>	<a href="#">369</a>
<i>Selero (Pty) Ltd and another v Chauvier and another</i> <a href="#">1984 (1) SA 128</a> (A) - <b>Referred to</b>	<a href="#">363</a>
<i>Van Staden NO and another v Firstrand Ltd and another</i> <a href="#">2008 (3) SA 530</a> (T) - <b>Referred to</b>	<a href="#">371</a>
<i>Water Renovation (Pty) Ltd v Gold Fields of SA Ltd</i> [ <a href="#">1994</a> ] <a href="#">2 All SA 33</a> ( <a href="#">1994 (2) SA 588</a> ; 1993 BP 493) (A) - <b>Referred to</b>	<a href="#">360</a>
<b>United Kingdom</b>	
<i>Electrical and Musical Industries v Lissen</i> [1939] 56 RPC 23 - <b>Referred to</b>	<a href="#">369</a>
<i>Mond Nichel Company Ltd's Application for a Patent</i> [1956] RPC 189 (PAT) - <b>Referred to</b>	<a href="#">362</a>
<i>The Mullard Radio Valve Company Ltd v Philco Radio Television</i> (1936) 53 RPC 323 - <b>Referred to</b>	<a href="#">363</a>
<i>Vector Corp v Glatt Air Techniques Ltd</i> [2007] EWCA Civ 805, [2008] RPC 10 - <b>Followed</b>	<a href="#">363</a>

## Judgment

### KGOMO J:

#### Introduction

- [1] The applicant is the plaintiff in a pending patent infringement action against the first respondent (who is the defendant therein) in this Court. The applicant ("patentee" or "applicant" interchangeably) is the registered proprietor of the patent, it being a South African Patent number 2000/5613 ("the patent").
- [2] In its plea in the infringement action, the first respondent denies infringing the patent and defends the action on the basis, among others, that the patent relied upon by the applicant is invalid and, therefore, unenforceable. The first respondent seeks the revocation of the patent in a counterclaim.

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The second respondent is not opposing this application. Consequently any future reference in this judgment to "the respondent" is a reference to the first respondent.

- [3] The applicant then launched this application in which it seeks an amendment of the patent. The respondent raised an apprehension, speculative though, that apparently the applicant is launching this application for the amendment of the patent in order to pre-empt some of the first respondent's ground which it intends to rely on to ask for the revocation of the patent.
- [4] It is so that in terms of [section 51\(9\)](#) of the Patents Act, 1978 (Act [57 of 1978](#)), as amended, ("the Act"), since the main action proceedings are pending before this Court, this Court has jurisdiction to hear this matter and the applicant has the right to approach this Court to apply for the amendment of the patent.
- [5] The first respondent raised several grounds of opposition to the amendment application. It originally contended that:
  - 5.1 the patentee has failed to provide full reasons for the amendment;
  - 5.2 the amendment sought does not comply with [section 51\(6\)](#) and [\(7\)](#) of the Act; and
  - 5.3 this Court should exercise its discretion to refuse the amendment sought on the basis that the patentee has procrastinated or delayed culpably, in bringing the amendment application and has acted *mala fide* in seeking to enforce the patent in the motion proceedings.
- [6] [Section 51](#) of the Act appears to be and is arguably the pivot prescript around which a decision in this matter will revolve. As such it is in my considered view and finding that setting the material portions thereof upfront, ie at this inception stage, the arguments, submissions and contentions from both sides would be understood in their proper perspectives. The general title of this section of the Act is "Amendment of specifications".
- [7] [Section 51\(9\)](#) of the Act reads as follows:

"(9) 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)."

[8] Subsections (5), (6) and (7) read as follows:

- "(5) An amendment of a provisional specification shall be allowed if it is by way of correction, including correction of an obvious mistake, and no amendment of a provisional specification shall be allowed if it would introduce new matter not in substance disclosed in the specification sought to be amended.
- (6) No amendment of a complete specification which becomes open to public inspection after the publication of the acceptance of the specification

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in terms of [section 42](#), whether before or after it so becomes open to public inspection, shall be allowed if -

- (a) the effect of the amendment would be to introduce new matter or matter not in substance disclosed in the specification before amendment; or
  - (b) the specification as amended would include any claim not fairly based on matter disclosed in the specification before amendment.
- (7) No amendment of a complete specification which has become open for public inspection after the publication of the acceptance of the specification in terms of [section 42](#) shall be allowed if the specification as amended would include any claim not wholly within the scope of a claim included in the specification before amendment."

**Notice of motion and nature of amendments sought**

[9] At the hearing of this matter, the parties put it on record that certain proposed amendments were no longer disputed. Furthermore, in the same vein, prayers 2 and 3 of the notice of motion were also no longer in dispute. This makes it necessary that I set out the prayers in the notice of motion herein and also indicate what the specification in issue initially looked like and how it will look like if the amendments are granted and effected.

[10] The notice of motion read as follows:

- "1. that the claims of patent 2000/5613 be amended in the manner set out in the marked up copy of the claims (Annexure JF4) in the affidavit of Jennifer Farrar made in support of this application and lodged herewith;
- 2. that the action be stayed pending the determination of this application to amend;
- 3. that the draft advertisement (Annexure JF6) in the affidavit of Jennifer Farrar, to be advertised in the Patent Journal in November 2012, will as published be accepted as an advertisement in terms of [section 51](#) of the Patents Act [57 of 1978](#);
- 4. in the event of this application being opposed, an order directing that the costs occasioned by the opposition be paid by such opponent, such costs to include the costs of two counsel;
- 5. further and/or alternative relief."

**The nature of the amendments as per annexure "JF4"**

[11] The claims that remain the subjects of this application for amendment are claims 29 and 34. Claims 30, 31, 32, 33, 35, 36 and 37 are no longer in dispute. Consequently, only the proposed amendments to claims 29 and 34 will be set out hereunder.

[12] The original claim 29 read as follows:

- "29. A rack assembly for use in an automatic card shuffler, the rack assembly comprising:
- at least two card receiving compartments, wherein each compartment has a top surface and a card supporting surface and can receive more than one card;
- wherein each card receiving compartment comprises a plate member that includes a bevelled surface."

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[13] The claim as amended will look as follows (the proposed amendments placed in square brackets and underlined or in italics):

- "29. A rack assembly for use in an automatic card shuffler, the rack assembly comprising,
- [more than two] card receiving compartments [into which cards are delivered one by one by a card transporting mechanism from a group of cards contained within a card receiving well], wherein each compartment has a top surface and a card supporting surface and can receive more than one card;
- wherein each card receiving compartment comprises a plate member that includes a bevelled surface, [so that the leading edge of a card being driven into the compartment can hit the bevelled surface, with the position of the rack assembly, relative to the cards being delivered by the card transporting mechanism, being selected by a microprocessor, and wherein the bevelled surface is located on the same side of the plate member in each compartment]."

[14] Claims 30 to 37 are new additions introduced by the proposed amendment. I will only set out claim 34 herein as it is the only one in dispute. It reads thus:

- "34. A rack assembly for use in an automatic card shuffler, the rack assembly comprising:

more than two card receiving compartments into which cards are delivered one by one by a card transporting mechanism from a group of cards contained within a card receiving well, wherein each compartment has a top surface and a card supporting surface and can receive more than one card;

wherein each card receiving compartment comprises a plate member that includes a bevelled surface located on the same side of the plate member in each compartment, with the position of the rack assembly, relative to the cards being delivered by the card transporting mechanism, being selected by a microprocessor, and wherein the cards are emptied from the compartments into a card receiver by a card unloading pusher."

- [15] A closer scrutiny of the abovementioned proposed amendment in my view point to similarities that may even point to them being part of a *genus*. However, that is not what we are dealing with.

### Reasons tendered for the amendment

- [16] It is accepted practice that there is no statutory duty or obligation on a patentee to provide reasons for seeking an amendment to a patent in circumstances, as in this case, where revocation proceedings relating to the patent are pending.

- [17] Harms JA confirms the above point of view as follows in *Bateman Equipment Ltd and another v Wren Group (Pty) Ltd*<sup>1</sup> ("*Bateman*"):

"If during the course of litigation concerning the patent an application for amendment is made, the Court usually is aware of the reasons for the amendment. To require in those circumstances a setting out of full reasons could be

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unnecessary and formalistic. This does not mean that, depending upon the circumstances of any particular case, the Court should not be informed of the patentee's reasons or that the reasons should not be full (*cf De Beers Industrial Diamond Division (Pty) Ltd v General Electric Company* 1988 (4) SA 886 (A) at 895G-J). . . . under ss (9) reasons are not a jurisdictional requirement and a failure to give sufficient reasons can at most be a factor which a Court may take into account in the exercise of its discretion to refuse an amendment which is otherwise in accordance with ss (9). In this instance, the onus is on the objector to make out a case that the paucity of reasons is such that the Court should exercise its discretion against the patentee."

- [18] I agree with the above court's reasoning: Upon reading the papers filed herein of record, I dare say I could deduce what the *rationale* is for this application to amend the patent. In its answering affidavit the respondent baldly contended, without further explaining itself, that:

". . . the paucity of reasons is such that the court should exercise its discretion against the patentee."

- [19] The respondent proffered the above complaint in spite of the applicant having given reasons why it was making the application for the amendment of the patent.<sup>2</sup>

- [20] As *Bateman* clearly and unambiguously stated, the *onus* is on the respondent to make out a case that the paucity of reasons is such that the court should exercise its discretion against the patentee.

- [21] The founding affidavit gives reasons for the amendment, which can be summarised as follows: The patentee seeks to limit the claims of the patent in order to limit the scope of the invention claimed in claim 29 in the light of the disclosure in US patent 3,588,116 ("the Miura patent") cited by the respondent in the action proceedings in support of its attacks on the patent on the ground of lack of novelty or anticipation as well as lack of inventive step or obviousness.<sup>3</sup> The other reason is given as to reduce the scope of the action proceedings by eliminating certain of the grounds of attack relied upon by the respondent in those proceedings relating to the validity of the patent.<sup>4</sup>

- [22] On the face of it, it is the respondent who did not make out a case for the absence of cogent reasons for the amendment as required.

- [23] The respondent acknowledges the incidence of the onus on it when it states in its heads of argument:

"5. There is a split onus in amendment applications. The applicant for amendment must prove compliance with the statutory formal prerequisites and the objector must prove substantial grounds of objection."<sup>5</sup>

- [24] The respondent, however, went on to attempt to shift the *onus* by referring to what was said among others in *Water Renovation (Pty) Ltd v Gold Fields of SA Ltd* 1993 BP 493; 1994 (2) SA 588 (A) at 502D-503B (or at

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594B-E) (SA) [also reported at 1994] 2 All SA 33 (A) - Ed] wherein the court held among others as follows:

". . . in relation to some of the issues the onus rests on the applicant for amendment, while in relation to others it rests on the objector. For instance, where the objection to an amendment is based on the ground of continuing invalidity of the patent, it would seem that the onus lies with the objector but, on the other hand, where the issue is whether there has been due compliance with the statutory requirements for the application (for example as to the furnishing of 'full reasons' for the amendment) and a factual dispute arises in that connection, it is arguable that the patentee bears the onus."

- [25] For obvious reasons, this Court will follow the decision of *Bateman* than the 1993 decision quoted or relied upon by the respondent.

- [26] What I can categorise as something of a general rule in applications of this nature is that an amendment will usually be permitted unless the conduct of the patentee has been such that the court, in the exercise of its discretion, considers that the amendment should be refused.

- [27] This is what was stated in *Interfelt Products (Pty) Ltd v Feltex Limited*<sup>6</sup> where the court said the following:

"The grant or refusal of an amendment will depend on many factors, including compliance with the statutory requirements and the conduct of the patentee. . . . I have always understood that a court will normally be inclined to

permit amendment, at least to the extent of deleting the existing invalid claim unless the conduct of the patentee has been such that the court in the exercise of its discretion thinks that he should be refused such relief."

[28] The conduct of an applicant for an amendment that might militate against the grant of an amendment includes undue delay in the moving of the amendment which delay prejudices or is potentially prejudicial to the respondent; as well as *mala fides* in seeking the amendment.

[29] This Court is also called upon to investigate the issue of delay in moving for the amendment as well as the presence (or absence) of *mala fides* in that regard.

#### Whether proposed amendment complies with [section 51\(6\)](#) and [\(7\)](#) of the Act

[30] The respondent advances three factual bases that according to it are indicative of the fact that, or that if the amendment is allowed:

- 30.1 it would introduce new matter or matter not in substance disclosed in the specification of the patent prior to the amendment (*new matter*);
- 30.2 the specification as amended would include a claim not fairly based on matter disclosed in the specification of the patent prior to amendment (*"fair basis"*); and
- 30.3 the specification as amended would include a claim not wholly within the scope of a claim included in the specification of the patent before the amendment.

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"Fair basis' requirement"

[31] The object of the requirement of "fair basis" in [section 51\(6\)\(b\)](#) of the Act was explained as follows in Bateman<sup>7</sup> by Harms JA:

"It is a basic requirement of patent law that a patentee is not entitled to claim more than he has disclosed and identified as the invention in the specification. That does not mean that the claim may not extend beyond the examples or embodiments disclosed, but only that the claim may not be for something not covered by the general or generalised disclosure of the invention. . . . Transposed to the amendment stage, and taking into account that the effect of an amendment is retrospective, the object of [s 51\(6\)\(b\)](#) is to prevent an inventor from claiming *ex post facto* something not contained in his original disclosure which has become available for public inspection. The previous Patents Act [37 of 1952](#), for instance, had a substantially identical requirement ([s 36\(3\)](#)), namely, that the amended claim had to be limited to matter disclosed in substance in the original (*cf Ethyl Corporation's Patent* [1972] RPC 169 (CA) at 195. In that judgment the point was made that the provision should be interpreted in a broad common sense way (at 192 line 23) and that it should be given a liberal interpretation so as to permit any fair amendment which has already in substance been disclosed (at 195 line 9)."

[32] The above in my view comes down to the fact that one can change a patent, but one cannot widen one's monopoly. Similarly, a conclusion may be inescapable that a claim need only be in line with the general teaching of the specification and may indeed go beyond the specific teaching in the patent's examples and embodiments.<sup>8</sup>

[33] In considering whether the claim is fairly based on the disclosure in the patent, the court need only be satisfied that the new part or "integer" sought to be introduced into the claim by the amendment:

- 33.1 can be said to have been broadly described in the body of the specification prior to amendment;
- 33.2 is not *inconsistent with* the body of the specification prior to amendment; and
- 33.3 does not relate to a feature about which body of the specification is *wholly silent*.<sup>9</sup>

[34] Harms JA in *Bateman* was of the view that the above requirements and the enquiries made pursuant thereto may all amount to the same question in different forms.<sup>10</sup>

#### New matter requirement

[35] Similar considerations underlie the requirement that an amendment may not add *new matter*. This requirement has its genesis in the United Kingdom ("UK"). The objection to adding new matter in the UK is based on article 123(2) of the European Patent Convention which provides that:

"A European patent application or a European patent may not be amended in such a way that it contains subject matter which extends beyond the content of the application as filed."

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[36] The English judge in *Vector Corp v Glatt Air Techniques Ltd*<sup>11</sup> elaborated on these aspects of the test to be applied, drawing various statements of principle from earlier cases, especially at paragraphs 4 and 5 of that judgment.

[37] The learned Justice put it as follows in paragraph 4 of the judgment:

"[4] In *Richardson-Vicks' Patent* [1995] RPC 566 at 576, I summarised the rule in a single sentence:

'I think the test of added matter is whether a skilled man would, upon looking at the amended specification, learn anything about the invention which he could not learn from the unamended specification.'"

[38] When one looks critically at the facts and circumstances of or in this application, it is my view and finding that the above excerpt from the *Vector Corp* case speaks to the facts and circumstances in our present case.

- [39] In determining this question, the court must compare the claims pre- and post-amendment and determine whether the post-amended claims are broader in scope than they were pre-amendment.<sup>12</sup> If they are, the amendment should not be allowed. If the claims are narrower in scope post-amendment than they were pre-amendment as contended by the applicant in this application, then there is no valid objection to the amendment on this ground.
- [40] In the earlier decision in *Beecham Group Ltd v Bristol Myers Co*,<sup>13</sup> the court confirmed among others that the assessment of whether or not a proposed amendment is permissible, is a three-step process.

[41] As they put it:

"In order to ascertain what was disclosed in the specification before amendment, one has to look at the whole specification. One must then look at the proposed new claims in order to determine whether they claim (a) matter not in substance disclosed in the specification before the amendment; (b) and at the description in the body of the specification after amendment to see whether it describes (c) matter not previously disclosed."

[42] The corresponding view in *Bateman*<sup>14</sup> was the following:

"It is a basic requirement of patent law that a patentee is not entitled to claim more than he has disclosed and identified as the invention in the specification. That does not mean that the claim may not extend beyond the examples or embodiments disclosed, but only that the claim may not be for something not covered by the general or generalised disclosure of the invention."

[43] In the House of Lords case, *The Mullard Radio Valve Company Ltd v Philco Radio Television*<sup>15</sup> it was also held that:

"[a patentee] is not entitled to claim a monopoly more extensive than is necessary to protect that which he has himself said is his invention."

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[44] In other words, the matter disclosed in the specification and the invention as claimed in the claims should "equiparate", according to the respondent.

#### Specific objections

"at least two" vs "more than two"; "into which cards are delivered one by one . . ."

[45] The respondent contests the applicant's submission that the substitution of the phrase "at least two card receiving components" in un-amended claim 29 with the phrase "more than two card receiving components" results in a limitation of the scope of the claim, making the amended claim to be wholly within the scope of the un-amended claim.

[46] It is so that it is the applicant's case that the word "plurality" in the specification means "two or more" and that the word in substance therefore discloses "more than two" or "two or more" card receiving components.<sup>16</sup>

[47] The two parties went on to give two different dictionary meanings of the word "plurality". According to the respondent the word plurality according to the dictionary it relies upon<sup>17</sup> does not mean "two or more" but means "the state of being plural" and "a large number of (people) or (things)". As a consequence, so argued the respondent:

"On comparison, the specification clarifies the exact meaning of plurality when it says that '(g)enerally speaking, a larger number of individual compartments is preferred over a few compartments, with 17 to 19 compartments the most preferred, but it should be understood that the present invention is not limited to a rack assembly of 17 to 19<sup>18</sup> compartments.'" (My emphasis)

[48] The respondent further relies on the evidence of its South African notary, attorney, patent expert who apart from his legal qualifications, also holds a Bachelor and Masters degrees in Engineering, Mr MAJ Rademeyer, who testified to the effect that:

". . . it is or ought to be self-evident that the device cannot work with just two or three compartments for it is not possible to achieve/shuffling (*sic*) with a device having such a small number of compartments."<sup>19</sup>

[49] Mr Rademeyer's viewpoint is thus that in his view, which is supported by the disclosure of the invention in the specification, the invention cannot be carried out, for example, with two compartments. He also felt that it would be inutile on the hypothesis that claim 29 could be construed to mean that the rack assembly could comprise, for example, two compartments.

[50] It is thus also the respondent's conclusion on this aspect that since it is accepted (according to it, as the applicant does not accept that) that the patentee did not intend to claim a rack assembly that is inutile, therefore, properly construed in the light of the disclosure of the invention in the specification, a "plurality" of compartments can only mean "a larger number of individual compartments" and not, for example, two or three.

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The logical conclusion according to the respondent is that there is no basis for contending that the proposed amended claim is fairly based on matters disclosed in the specification or that it does not introduce new matter not in substance disclosed in the specification. Conversely stated, there is no fair basis in the specification for a claim broad enough to include a rack assembly comprising only, for example, two or even



three compartments.

[51] The applicant does not agree with the above submission by the respondent. This was more pronounced when its Counsel submitted its interpretation of the word "plurality" using *The Short Oxford English Dictionary*.

[52] Even the respondent concedes that:

"Generally, it might be contended that a claim may legitimately go beyond the example of embodiments disclosed in the specification . . . "20

[53] The respondent, however, came up with a rider or qualification for the above submission when it stated further:

". . . but then the proposed amended claim will remain, as pointed out in *Bateman (supra)*, a claim for something that is not covered by the general or generalised disclosure of the invention in the specification.21

[54] The respondent consequently argued that as required in *Mullard Radio Valve Company Ltd v Philco Radio Television Corp (supra)*:

". . . there would be no 'equiparation' between matter disclosed in the specification and the invention as claimed in the amended claim."22

[55] The respondent contends further that in any event, giving the narrowest possible meaning to the term "plurality" there is no real, practical operational difference between the existing phrase "at least two compartments" and the proposed new phrase, "more than two compartments" and that a claimed or alleged difference is more apparent than real.

[56] My understanding of the above contention by the respondent is that if the rack assembly is inutile with two and three compartments, an amendment from "at least two" compartments to "two or more" compartments would serve no purpose whatsoever. The respondent is in fact saying that more than two compartments may be three compartments and three is not only inutile; it is not the "larger number of compartments" of or in the specification.

[57] The respondent persists with its argument that the applicant is the instance that ought to have furnished reasons why:

". . . such a self-evidently purposeless amendment ought to be allowed . . . "

[58] It scoffs at the applicant's *reposté* that it was, because of validity concerns for claim 29 in the light of the articulation [*sic*], Miura US Patent 3,588,116, informed the amendment or advised to amend. In its revocation application, the first respondent contends and anticipates claim 29, rendering it or claiming it invalid.

[59] There are several problems with the respondent's arguments: Even if there was merit in the argument that the claims of the patent

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post-amendment are not fairly based on the teaching of the body of the specification, it is clear from the respondent's own evidence that the alleged invalidity of the patent in this regard (lack of fairness) is not brought about by the amendment now sought to be made by the patentee. The respondent's argument that the alleged lack of fair basis is a defect which exists in the same form both pre- and post-amendment is not a legitimate basis upon which an opposition to an amendment in terms of [section 51\(6\)](#) of the Act can be claimed. That section provides expressly that it is only where the effect of the amendment is to bring about a lack of fair basis that an amendment may be refused. The respondent's remedy, if it considers that its argument has any merit, is not to oppose the amendment, but to seek the revocation of the patent based on lack of fair basis in the action proceedings. Furthermore, the respondent's premise that there is no teaching in the body of specification (prior to the amendment) of a shuffler with only, "for example three or four compartments" is simply wrong.

[60] From the papers filed herein,23 the specification refers to:

". . . a plurality of compartments",

invariably meaning, two or more card receiving compartments in the body of the specification.

[61] The fact that the shuffler might only include three or four compartments into which the cards are placed when the shuffling process commences, is therefore:

61.1 broadly described in the body of the specification prior to amendment;

61.2 not inconsistent with the body of the specification prior to amendment;

61.3 a feature about which the body of the specification cannot be said to be wholly silent.

[62] I should mention here that Counsel for the applicant took all the trouble at the start of his argument as well as throughout his submissions on behalf of the applicant, to introduce evidence represented by the sketches, drawings and super structure of the card shuffling machine itself, explaining step-by-step how the machine presently operates as well as how it would operate post-amendment. I am persuaded that that demonstration convincingly points to the applicant's contentions being more cogent than the respondent's.

[63] It is thus my finding that the claims post-amendment are fairly based on the body of the specification pre-amendment.

[64] I have looked critically at Mr Rademeyer's contribution under this heading, especially when he answered the plurality argument on behalf of the respondent, more particularly when he contended that the card shuffling device cannot work with two or three compartments.24 It is my

finding on the facts in or of this application that the fact that a machine cannot do something is not a valid basis for objecting to the amendment of a patent.

[65] I find Mr Rademeyer's argument not cogent for the following reasons, to name a few:

- 65.1 The contentions advance are in my considered view and finding irrelevant to the enquiry on fair basis.
- 65.2 His allegations in this regard constitute inadmissible opinion evidence from an attorney who has no technical expertise in relation to shuffling cards. The fact that he has an engineering degree does not make any meaningful impact on my abovementioned view because it was not shown that his qualification as an engineer has any relevance or connection to the work of card shuffling.
- 65.3 His point of view cannot be authority to technically contradict the applicant's founding affidavit deponent, Mrs Farrar, who has a chemical engineering degree, thus equating to something like a stalemate.

[66] When regard is had to the accepted default position in applications of this nature, that applications for amendment of patents ought to be generally allowed unless there are compelling reasons to the contrary, it is my further finding that the applicant have made out a case for amendment when this ground is considered. The respondent's objection, therefore, stands to be disregarded or dismissed on this ground.

*A plate member with bevelled surface/rack assembly*

- [67] In the unamended claim 29, each card receiving compartment has (i) a top surface; (ii) a card supporting surface; (iii) can receive more than one card; (iv) wherein each card receiving compartment comprises a plate member that includes a bevelled surface.
- [68] It is the respondent's case that the generalised disclosure of the invention in the specification explains that the top surface of the card receiving compartment comprises the plate member with a bevel edge. The leading edge of the card being driven into the compartments of the rack assembly hits the bevelled edge located at the underside rearmost surface of the plate, causing the card to fall down on the top of cards already in the compartment, such that the card comes to rest properly in the compartment or on the uppermost card or cards already in that compartment. Furthermore, the only bevelled surface disclosed in the specification is surface 130 which (i) is shown in Figure 5A as planar; (ii) extends the entire distance between the lower and upper surfaces of the plate 104 so as to join the lower surface of plate 104 at an obtuse angle as well as so as to form a sharp edge where it intersects an upper surface of plate 104 at the edge of the plate.
- [69] It is the respondent's further case or contention that the bevelled plate member disclosed in the specification is, therefore, a feature of the top of the compartment and the bevelled edge a feature of the underside rearmost surface of the plate.
- [70] According to the respondent further there is no disclosure in the specification of a bevelled surface other than one which has the features mentioned above, which makes the proposed amendment's attempt to

allegedly redefine the bevelled surface as being located on the same side of the plate member in each compartment improper as the limiting features are being disregarded.

- [71] The respondent's understanding of the proposed amendment to claim 29 means that the bevelled plate member could also be a feature of the card supporting surface where the bevelled edge is located on the uppermost rearmost surface of the plate; the net effect thereof being that when the leading edge of a card hits one of the bevelled surfaces in the rack assembly, the bevelled edge located in the upper side of the plate would cause the card to access a compartment above the plate so as to function in a manner directly opposite to that described in the specification as read with unamended claim 29.
- [72] The above, according to the respondent is one of cornerstones of its objection: It submits that how the proposed amendment would ultimately work out is clearly not the natural operation of the invention described in the specification, as the invention is wont, this time, to operate in exactly the opposite manner. That is why it submitted and argued that what is proposed to be claimed in claim 29 not only introduces new matter as well as matter not in substance disclosed in the specification, but also is not fairly based on matter disclosed in the specification, which is one of the aspects discouraged in *Bateman (supra)*. It (respondent) charges that the applicant impermissibly seeks to claim more than what is disclosed and identified as the invention in the specification and that the proposed amended claim is for something that is not covered by the general or generalised disclosure of the invention in the specification. Furthermore, it is the respondent's argument that as required in the *Mullard Radio Valve Company case (supra)*, there is no "equiparation" between the matter disclosed in the specification and the invention as claimed in the proposed amended claim.

[73] I am not convinced, when the totality of all the facts, circumstances and inherent probabilities herein are anything to go by, that in its pre-amended form, claim 29 contains limitations, especially to the effect that:

" . . . the top surface of the card receiving compartment comprises the *plate member* with a bevelled edge . . . "

The diagrams I have seen and the explanatory *memoranda* as to how they are and operate, in my view do not point to any such limitation to the effect that:

" . . . the bevelled surface is *planar* and does not contain any wording which might suggest that the bevelled surface extends the entire distance of the plate."

[74] It is obvious that Mr Rademeyer seeks to read the above limitations into claim 29 in its pre-amended form on



the basis of statements made and examples given in the body of the specification. This approach in my view offends against a basic principle of patent law, namely, that while context is everything when interpreting a patent, one must not lose sight of the fact that a patent specification is divided up into different parts which perform different functions. It is the function of the claims to define clearly and with precision the monopoly claimed, so that others may know the exact boundaries of the area within which they may not trespass.

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[75] On the contextual interpretation of a patent *Aktiebolaget Hässle and another v Triomed (Pty) Ltd*<sup>25</sup> explains the situation better, as follows;

"In law, remarked Lord Steyn in *R v Secretary of the State for the Home Department, ex Daly*, context is everything. And so it is when it comes to construing the language used in documents, whether the document be a statute, or, as in this case, a patent specification."

[76] In *Power Steel Construction Co (Pty) Ltd v African Batignolles Construction (Pty) Ltd*<sup>26</sup> it was held as follows:

"The claims must undoubtedly be read as part of the entire document, but the forbidden field must be found in the language of the claims and not elsewhere. It is not permissible, in my opinion, by reference to some language used in the earlier part of the specification, to change a claim which by its own language, is a claim for one subject matter into a claim for another and a different subject matter, which is what you do when you alter the boundaries of the forbidden territory."

[77] The Supreme Court of Appeal quoted from the above judgment with approval in *Ensign-Bickford (South Africa) (Pty) Ltd and others v AECI Explosives and Chemicals Ltd*<sup>27</sup> and then added the following on this aspect among others:

"A claim is a portion of the specification which fulfils a separate and distinct function. It, and it alone, defines the monopoly; and the patentee is under a statutory obligation to state in the claims clearly and distinctly what is the invention which it desires to protect."<sup>28</sup>

[78] It is wrong therefore, by reference to some language used in the earlier part of the specification, to change a claim which by its own language is a claim for one subject matter into a claim for another and a different subject matter. It is my view and finding that Mr Rademeyer was seeking to do so by advancing the arguments under this heading.

[79] Simply put, there is no basis upon which the court could validly limit claim 29 pre-amendment to look like or sound like an embodiment described in the body of the specification. In short, absent any limitation, initially, then the amendment will be good.

[80] Agreed, claim 29, prior to amendment, includes within its scope, a rack assembly which includes a bevelled edge located on the upper surface of the plate resulting in the effect that when a card hits the bevelled surface, it will cause the card to access the compartment above the plate. On a proper construction, it is my considered view and finding that claim 29 post-amendment is not different from claim 29 pre-amendment in respect of the position of the bevelled surface. This in my further view translates into the conclusion that the proposed amendment does not broaden the scope of claim 29. I, therefore, find that Mr Rademeyer's suggestion<sup>29</sup> that the effect of the amendment is to broaden the scope of the claim to

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include such a rack assembly was and is not borne out by the facts and circumstances.

[81] I find equally no merit in the suggestion and argument that claim 29 is not fairly based on the body of the specification prior to amendment.

[82] As held among others in *Bateman (supra)* it is entirely permissible for a claim to extend beyond the examples and embodiments described in the body of the specification. In the circumstances, the fact that an embodiment of the invention described in the specification showing the top surface of the card receiving compartment being a plate member with a bevelled surface does not mean that the scope of claim 29 is limited to such an arrangement.

[83] To summarise the arguments and submissions tendered on this aspect, it is my finding that it is clear that the specification prior to amendment:

83.1 *broadly described* a plate member with a bevelled surface;

83.2 is clearly not in any way *inconsistent with claim 29 post-amendment*; and

83.3 is not *wholly silent* regarding the plate member having a bevelled surface.

[84] The above, in my view and finding, takes care of the contention (by the respondent) that the claims post-amendment are unfairly based.

**Undue delay and lack of bona fides**

[85] The court has a wide discretion to deal with an application for the amendment of a patent and the general rule is that courts are inclined to exercise their discretion in favour of granting an amendment rather than refusing it.<sup>30</sup> The reason is the accepted principle in patent law that the public interest favours the rectification of patents by way of amendment.<sup>31</sup> In that way, there would be certainty within the field and unnecessary clashes will be averted.

[86] The *bona fides* of the applicant for amendment plays a major part. Equally, unacceptable degrees of procrastination may negative *bona fides*.

[87] It was held in *Deton Engineering (Pty) Ltd and another v JP McKelvey and others*<sup>32</sup> that an amendment may be refused where there is objectionable conduct on the part of the applicant, for eg where there is:

"... covetousness, ie where the patentee has knowingly and deliberately obtained and maintained claims of unjustified width. In the end, it boils down to this : Is there such a lack of *bona fides* or conduct of such recklessness that the court should not come to the assistance of the patentee."

[88] Knowledge of invalidity insofar as patents are concerned is a material requirement that can be and is often used to determine whether the applicant acted with reckless abandon. It is so that it is very difficult to prove "knowledge". At most occasions, this knowledge is inferred from the proven or admitted facts.

[89] Our courts have over the years held that "constructive knowledge" suffices to satisfy a "knowledge requirement" required. In that light, a

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court would usually impute constructive knowledge where a litigant has unreasonably shut his eyes to the truth by not heeding indicators of the truth.<sup>33</sup>

[90] It is thus the first respondent's case that the applicant, who is obviously an expert in matters relating to patents, had available to it the means and the indicators that would have alerted it to the fact that in terms of the Miura principles, claim 29 is invalid and has not done anything timeously to rectify the situation. That is the reason the respondent submitted that:

"... The applicant had therefore known, or it must be concluded it ought to have known (of this) (but decided to) shut its eyes and declined to see what is perfectly obvious ... "<sup>34</sup>

of the conceivable invalidity of claim 29, since at least May 1988, but nevertheless:

"60.1 sought to enforce that (invalid) claim against the First Respondent in an infringement action; and

60.2 when faced with a revocation action in which the invalidity of that claim is pleaded, then only sought an amendment of it in order to 'obviate' a debate about its validity in the light of Miura;<sup>35</sup> and

60.3 then intends to continue to rely on that amended claim for purposes of the alleged infringement."

[91] The first respondent finally submitted that the belated application to amend, which self-evidently prejudices the first respondent is therefore not *bona fide* as it has been in addition unduly delayed and is indeed "covetous".

[92] As already stated elsewhere in this judgment, the onus of establishing facts that would entitle a court to refuse the amendment vests with the objector, in this case, the first respondent.<sup>36</sup> The court has absolute discretion hereon.

[93] I have perused through the papers filed of record in this matter and could not come across any evidence pointing to the patentee knowing or ought to have reasonably known, that an amendment was required before the respondent filed its plea in the main action.

[94] On the other hand, the applicant concedes that it was aware of the existence of the Miura patent since 1988.

[95] However, it is also my finding that the fact that the applicant knew about the existence of the Miura patent does not translate into the fact that it (applicant) knew beforehand or some long time back, that claim 29 of the patent ought to have been amended in consequence of the disclosure in the Miura patent.

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[96] The above was demonstrated by the deponent of the applicant's founding affidavit when he stated the following:

"It is simply impossible for the applicant to compare the disclosure of every one of the hundreds (if not thousands), of patents cited against the applicant's patents in prosecutions around the world against every single claim of every patent that the applicant files around the world. The magnitude of that task is beyond comprehension and certainly beyond the capabilities of a single firm. The applicant was not aware that Miura was relevant to or affected the validity of the patent in suit. Miura was not cited against the US patent which is equivalent to the patent in suit."<sup>37</sup>

[97] The applicant was at all times adamant that it was not aware of the invalidity of the patent until it was advised to amend it by attorneys Spoor and Fischer.

[98] I have also evaluated and checked the allegations that the applicant ought to have known or had constructive knowledge that the patent required amendment in the light of the Miura patent and am not convinced that that is the case.

[99] There is evidence that despite a thorough search and examination involving no fewer than 43 patents identified as relevant by a US examiner, the Miura patent was not cited as a patent which was relevant to the US patent equivalent to the patent in suit here. On the contrary, the examiner in fact allowed the US patent to proceed to grant in a form which included claim 29 in exactly the same form in which it appears in the patent in suit. Furthermore, before the action proceedings against the first respondent were instituted, the applicant obtained an opinion from Spoor and Fischer Attorneys regarding the validity of the patent and was informed that the patent, and in particular, claim 29 was valid in its pre-amendment form.

[100] I have perused the first respondent's arguments and submissions around the above aspect and have come to the conclusion that the applicant's point of view stands unaffected by the first respondent's objections and contentions. I am persuaded that up to the moment the first respondent filed its plea and counterclaim in the action proceedings, the applicant was not aware of any invalidity to the patent. Upon same being brought up

as set out above, the applicant promptly started the amendment proceedings.

[101] I, therefore, find that there is no basis for the suggestion that the applicant has unreasonably delayed in bringing the amendment application. I can equally not find any grounds justifying the first respondent's charge that the applicant's institution of the action proceedings was in any way *mala fide*. The applicant embarked on the amendment application as a consequence of what the first respondent raised in its plea and counterclaim.

[102] The above cannot point to any *mala fides*. Consequently, this ground of objection to the application to amend cannot have merit. The grounds of opposition to the grant of the patent can thus not hold any water.

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### Conclusion

[103] It is thus my considered view and finding that the opposition to the applicant's application for the amendment of its patent falls flat and the applicant on the other side deserves to have its prayers acceded to.

[104] In addition to those prayers that became unopposed, the applicant has also made out a case for the grant of those prayers that were in dispute.

### Costs

[105] The complexity of the issues raised and decided in this application coupled with the amount of research and technical work required to be done herein justifies the costs of two Counsel.

### Order

[106] The following order is made:

"IT IS HEREBY ORDERED THAT:

1. The claims of patent 2000/5613 be and are hereby amended in the manner set out in the marked-up copy of the claims (Annexure JF4) in the affidavit of Jennifer Farrar made in support of this application and lodged in and/or with the papers herein;
2. the action under way is stayed pending the determination of this application to amend;
3. the draft advertisement (Annexure JF6) in the affidavit of Jennifer Farrar to be advertised in the Patent Journal in November 2012 will, as published, be accepted as an advertisement in terms of [section 51 of 1978](#) (as amended); and
4. the first respondent is ordered to pay the costs of this application on a scale as between party and party, which costs shall include the costs of the employment of two counsel."

For the applicant:

*P Ginsberg SC and G Marriot instructed by Spoor & Fischer Attorneys, Pretoria*

For the respondents:

*AJ Bester instructed by Rademeyer Attorneys, Pretoria*

### Footnotes

- 1 [2000 \(1\) SA 649](#) (SCA) at para [3] [also reported at [\[1999\] JOL 5811](#) (SCA) - Ed].
- 2 Founding affidavit of Farrar, at 9-12, para [6].
- 3 Farrar's founding affidavit, at 10, para [6.1].
- 4 Farrar's founding affidavit, at 9, paras [6.2]-[6.8].
- 5 Respondent's heads of argument, at 2, para [5].
- 6 1972 BP 294 (T) at 301A-C [also reported at [\[1972\] 3 All SA 299](#) (T)].
- 7 *Supra* at para [20].
- 8 See [s 51\(6\)](#) and [\(7\)](#) quoted at para [8] above.
- 9 *Mond Nichel Company Ltd's Application for a Patent* [1956] RPC 189 (PAT) at 194; *Bateman (supra)* para [21].
- 10 *Mond Nichel Company et al, supra*, at para [20].
- 11 [2007] EWCA Civ 805, [2008] RPC 10.
- 12 *Bristol-Myers Co v Beecham Group Limited* [1981 \(1\) SA 399](#) (T) at 405-406.
- 13 1979 BP 91 (CP) at 101F-G.
- 14 Para [20].
- 15 See also *Selero (Pty) Ltd and another v Chauvier and another* [1984 \(1\) SA 128](#) (A) at 130H-131A; *Firestone (SA) (Pty) Ltd v Gentiruco AG* 1970 BP 302 (T) at 403F-404A.
- 16 (1936) 53 RPC 323 at 348. Record, at 15, para [9.4.1]; at 160, para [28.1].
- 17 *Oxford Dictionary; Thesaurus*.
- 18 Record, at 39, lines 22-24.
- 19 Record, at 88, para [19].
- 20 At 13-19, respondent's heads of argument para [42].
- 21 *Loc cit*.
- 22 Respondent's heads of argument, *loc cit*.
- 23 Para [9.4.1] of founding affidavit, at 9, line 9.
- 24 Founding affidavit, at 88, para [19].
- 25 [2003 \(1\) SA 155](#) (SCA) at para [1] [also reported at [\[2002\] 4 All SA 138](#) (SCA) - Ed].
- 26 [1955 \(4\) SA 215](#) (A) at 223H; *Electrical and Musical Industries v Lissen* [1939] 56 RPC 23 at 39.

27 [1999 \(1\) SA 70](#) (SCA) at 77H-78B [also reported at [\[1998\] 4 All SA 453](#) (SCA) - Ed].  
28 See also *Gentiruco AG v Firestone SA (Pty) Ltd* 1971 BP 58 (A) at 88C-F; [1972 \(1\) SA 589](#) (A) at 613D-618G [also  
reported at [\[1972\] 1 All SA 201](#) (A) - Ed].  
29 At 90 para [25].  
30 *Bateman, supra* at 653C-H; *Interfelt Products (Pty) Ltd v Feltex Ltd* 1972 BP 294 (T).  
31 *Bateman* [2000 \(1\) SA 649](#) (SCA) at 654F-I.  
32 1997 BIP 113 (CP) 123.  
33 *Van Staden NO v Firstrand Ltd* [2008 \(3\) SA 530](#) (T) at 539D.  
34 Para [60] of respondent's heads of argument at 18 of 19 thereof.  
35 Record at 154 para [18].  
36 *Ausplow (Pty) Ltd v Northpark Trading 3 (Pty) Ltd and others* 2011 BIP 12 (SCA) at para [9].  
37 Founding affidavit of Farrar at 155 para [20.3].