

IN THE HIGH COURT OF SOUTH AFRICA
(TRANSVAAL PROVINCIAL DIVISION)

Case No: Patent 2001/3937

UNREPORTABLE

In the matter between:

14/6/05

B BRAUN MELSUNGEN AG
B BRAUN MEDICAL (PTY) L TO

First Applicant
Second Applicant

and

SPECIALISED SYSTEMS ELECTRO MEDICAL
(PTY) L TD
THE REGISTRAR OF PATENTS
MEDEX INC.

First Respondent
Second Respondent
Third Respondent

JUDGMENT

SOUTHWOOD J

[1] This is an opposed application in terms of section 51(9) of the Patents Act, 57 of 1978 ('the Act') for the amendment of patent 2001/3937 ('the patent'). In opposing the application the first and third respondents . contend that the matter cannot be decided on the affidavits and seek an order in terms of Rule 6(5)(g) directing that oral evidence be heard

on the issues specified in their notice of motion. The applicants oppose this application.

- [2] The first applicant is the patentee of the patent. It is a corporation organised and existing under the laws of the Federal Republic of Germany. It is engaged in manufacturing and marketing various medical and pharmaceutical products including intravenous catheters. The second applicant is a licensee of the patent. The second applicant is a wholly owned South African subsidiary of the first applicant which distributes the first applicant's products in South Africa. These products include intravenous catheters.
- [3] The first respondent is a South African company which imports and distributes intravenous catheters. The third respondent is Medex Inc, a Californian corporation, which intervened in this application for amendment. The third respondent manufactures and markets an intravenous catheter called PROTECTIV JELCO, which is the subject of the infringement proceedings brought by the applicants against the first respondent ('the infringement proceedings'). The first respondent distributes the PROTECTIV JELCO product in South Africa on behalf of the third respondent.
- [4] In March 2004 the applicants launched the infringement proceedings claiming an interim interdict restraining the first respondent from infringing the patent by dealing in Protective Jelco or Jelco Plus

intravenous catheters, or any other intravenous catheters, falling within the scope of the claims of the patent, pending the outcome of an action for infringement of the patent. The first respondent opposed the application and in May 2004 filed a voluminous answering affidavit. The defence raised is that the patent is invalid because -

- (1) it lacks novelty and inventiveness in view of documents forming part of the state of the art (section 61 (1)(c) read with section 25 of the Act); and
- (2) the invention is inutile: ie the invention as illustrated or exemplified in the complete specification cannot be performed or does not lead to the results and advantages set out in the complete specification (section 61 (d) of the Act).

[5] Without filing a replying affidavit in the infringement proceedings, in June 2004 the applicants launched this application for the amendment of the patent. In the applicants' founding affidavit the deponent, Kevin Woehr, states that the first applicant wishes to amend the patent to avoid a debate about the validity of the patent in the infringement proceedings with the concomitant court time and costs. He goes on to say that the first applicant wishes to amend the patent by limiting the claims to what is essentially a single, practical, commercial embodiment of the invention, which will avoid the attack based on a lack of novelty and inventiveness, and, deleting those portions of the

patent on which reliance is placed for the attack based on inutility. The deponent gives reasons for each amendment sought.

[6] The respondents oppose the application on the grounds that-

- (1) the patentee has not furnished the true and full reasons for the amendment; and
- (2) in its present (unamended) form the patent is invalid and the true reason for the amendment is an attempt to save the claims by elevating what are inessential integers to essential integers and, accordingly, the amendment is a mere stratagem on the part of the patentee to save the claims.

[7] Section 51 (9) of the Act provides -

'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] An application for the amendment of a patent is almost always based on the ground that the patent in its unamended form is, or may be, invalid - see ***Willows Francis Pharmaceutical Products Ltd v Aktiebolaget Astra Apotekarnes Kemiska Fabriker 1960 (3) SA***

726 (A) at 738D-E; ***Water Renovation (Pty) Ltd v Gold Fields of South Africa Ltd*** 1993 BP 493 (AD) at 502B: 1994 (2) SA 588 (AD) at 593J: ***Kimberly-Clark of South Africa (Pty) Ltd v Proctor & Gamble SA (Pty) Ltd*** 1998 BP 228 (SCA) at 239E-F: 1998 (4) SA 1 (SCA) at 12G. As pointed out in ***Bateman Equipment and another v The Wren Group (Pty) Ltd*** 1999 BIP 413 (A) at 415A-D: 2000 (1) SA 649 (SCA) para 7 -

'The nature and object of amendment proceedings must be seen in the context of our patent system as a whole. Ours is a non-examining country and an alleged inventor is entitled to a patent for his supposed invention without having to satisfy anyone of its merit or validity. He does not have to give any reasons for his choice of wording. Should he sue for infringement, he has no duty to assist the alleged infringer in establishing whether his monopoly is valid or not. Why should he be saddled with a burden if he wishes to reduce the scope of his protection in an attempt to render the patent valid, while in obtaining or enforcing a monopoly he bears no similar burden? As much as it is in the public interest that persons with inventive minds should be encouraged to give the results of their efforts to the public in exchange for the grant of a patent (cf *Miller v Boxes & Shooks (Pty) Ltd* 1945 AD 561 at 568 and 578), it is in the public interest that patents should be rectified or validated by way of amendment'.

In South Africa 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 patentee should be refused such relief

- see ***Interfelt Products (Pty) Ltd v Feltex Ltd*** 1972 BP 294 (T) at 301 B-C; ***E I du Pont de Nemours and Co v AECL Ltd*** 1980 BP 278 (CP) at 286B-C: Burrell's ***South African Patent and Design Law*** 3ed 438-439 para 8.2.1-8.2.2.

- [9] The grant of an amendment is a discretionary matter but is subject to the provisions of subsections (5), (6) and (7) of section 51. See **De Beers Industrial Diamond Division (Pty) Ltd v General Electric Company** 1988 BP 418 (AD) at 140B-C: 1998 (4) SA 886 (AD) at 896E-F: **Water Renovation (Pty) Ltd v Gold Fields of South Africa supra** BP at 502B-C: SA at 593J-594A. As pointed out in **Kimberly-Clark of South Africa (Pty) Ltd v Proctor & Gamble SA (Pty) Ltd supra** SA at 9H-10B, the limitations in subsections (5), (6) and (7) are fundamental to the scheme of the Act. They prohibit amendments which would (i) introduce new matter, or matter not in substance disclosed in the specification before amendment; (ii) include any claim not fairly based on matter disclosed in the specification before amendment; and (iii) include a claim not wholly within the scope of a claim in the patent before amendment. Their purpose is to ensure that a patentee does not obtain a priority date to which he is not entitled and does not broaden his monopoly after the invention has been made known to the public by public disclosure. Accordingly, any amendment in conflict with subsections (5), (6) and (7) of section 51 is not permissible. Other grounds of objection are that the amendment cannot achieve its object (eg it cannot remove the alleged invalidity) and that after the amendment the patent will still be invalid - it being recognised that no purpose is served by permitting an amendment of a patent which will be subject to revocation after the amendment - see **Benz Ltd and another v SA Lead Works Ltd** 1963 (3) SA 797 (A) at

803F: ***Water Renovation (Pty) Ltd v Gold Fields of South Africa Ltd supra BP*** at 530F-G: SA at 6080-0.

[10] The respondents do not rely on subsections (6) or (7) or on the continuing invalidity of the patent. They contend that the patentee has not furnished the full and true reasons for the amendment; that the patent is invalid in its unamended form and that the true reason for the amendment is an attempt to save the claims by elevating what is an inessential integer to an essential integer and accordingly that the amendment is a mere stratagem. The respondents do not rely on the failure by the applicant to provide full reasons as a separate ground of opposition. They contend that because the application for amendment is a stratagem to save the claims the reasons given for the amendment are not the true reasons.

[11] The respondents' opposition is clearly based on the following statements by Plewman J in ***Water Renovation (Pty) Ltd v Gold Fields of South Africa Ltd BP 26 (CP)*** at 46E-4 7 A -

'The evidence of Mr Batson himself establishes that it is quite immaterial whether the feed is introduced vertically, horizontally or coaxially in the claim 21-apparatus. This means that the patentee is seeking to introduce an inessential integer into the claim in an effort to limit it so as to avoid an objection of lack of novelty. What is and what is not an essential integer of a claim is always a difficult and controversial question. But, where, as here, there is no gainsaying the fact that what the patentee is doing is to introduce an inessential feature so as to provide an argument in relation to a future attack on the novelty, the question presents itself in a different form.

Amendment being a discretionary matter, it seems to me that if an amendment is truly no more than what may perhaps be described as a stratagem to try to save the claim in this way, the Court would be justified in refusing the amendment in the proper exercise of its discretion. In the present circumstances this is what I propose to do.'

- [12] When the ***Water Renovation*** case went on appeal the majority judgment (**BP at 514F-G**) commented on these statements as follows-

'To elaborate, what the learned Judge wished to convey is that a Court can, in the exercise of its discretion, refuse an amendment if the patentee attempts to elevate what he regarded as immaterial and what is in fact inessential, to an essential integer in order to save the claim. That may justifiably be termed a stratagem and is to be distinguished from an amendment by way of a true disclaimer to save the claim. The approach of the learned Judge cannot, in my view, be faulted.'

- [13] The context in which Plewman J made these statements is important. Plewman J found that the relevant claims, 21-25, had been disclosed in the prior art, and were therefore not new. The amendment would not alter this fact unless the amendment contained in the insert was allowed. This amendment related to the insertion of an integer which the patentee conceded was not essential. As pointed out by the appeal court this was not a true disclaimer but a stratagem.

- [14] It is not known why the ***Water Renovation*** case was referred for oral evidence. The issues on which evidence was to be heard (see **1991 BP 26 (CP)** at 34G-35E) were issues which would arise for decision in the revocation proceedings instituted by Gold Fields of South Africa Ltd. While there is no rule as to what matters may be raised in

opposition to an application for amendment of a patent, matters which are already the subject of pending revocation proceedings usually will not be investigated. In ***Willows Francis Pharmaceutical Products Ltd v Aktiebolaget Astra Apotekarnes Kemiska Fabriker supra SA*** at 738D-G the court said -

'But that does not mean that they can always be investigated. Unless such a matter is relevant to the determination to be made, it would not call for investigation. Depending upon the circumstances of the case, merely to show that a patent is invalid, may be quite irrelevant as a ground of objection to amendment. One of the purposes, if not the main purpose, of an amendment by way of disclaimer, is to cure admitted invalidity or to forestall possible invalidity. To treat invalidity *per se* as an obstacle to such an amendment, would be to frustrate the achievement of that purpose. It can become an obstacle only in the context of other relevant circumstances showing that the amendment should not be allowed, or should be allowed only subject to conditions. *Mala fides* or recklessness in the drawing of the specification would be such a circumstance. The blameworthiness of an applicant in obtaining an invalid patent is not irrelevant to the question whether or not relief should be granted. But it is not, of course, the only or necessarily the decisive consideration. To mention only one other, it is undesirable, as pointed out in ***Raleigh Cycles Co Ltd v Miller & Co Ltd 67 RPC 226*** at p234, to leave invalid claims on the Registrar of Patents, and a court would naturally be reluctant to do so. The same may be said of an invalid patent.'

In his minority judgment in the ***Water Renovation*** appeal (BP 532A-533E) Nicholas AJA referred to this passage in support of his view that certain of the issues should be dealt with in the pending revocation proceedings. The same considerations apply when the respondent raises these issues as a defence in infringement proceedings. This accords with the general approach endorsed in ***Bateman Equipment Ltd and another v The Wren Group (Pty) Ltd supra*** para 16 that

amendment proceedings should be kept relatively simple and issues should not be allowed to multiply. See also ***Deton Engineering (Pty) Ltd and another v McKelvey and others*** 1997 SIP 113 (CP) at 117 AC.

[15] The circumstances of the present case are very different from those in the ***Water Renovation*** case. The respondents have not established that the patent is invalid and will remain invalid after amendment unless an inessential integer is introduced. The respondents have expressly disavowed any intention of showing that the claims will be invalid after amendment. They say that issue is pending in other proceedings. The respondents also do not rely on the feature of crossed arms having been shown to be inessential. In fact the respondents concede that there is a dispute of fact on the issue of whether this integer is essential or not and that this issue cannot be decided on the affidavits. They contend that if the amendment were to be allowed without it being determined by oral evidence whether or not the feature is essential they will be deprived of the opportunity of raising this defence to the amendment. Once the amendment is allowed, the respondents say, the integer will be considered to be essential for the purposes of the infringement proceedings.

[16] It is not correct that if the amendment is allowed the integer will be regarded as essential for the purposes of the infringement proceedings. That is an issue which must be determined after the

patent has been amended - see ***Stauffer Chemical Co and another v Sasfan Marketing and Distribution Co (Pty) Ltd and others*** 1987 (2) SA 321 (AD) at 3461-3470. It is also not correct that if the feature is inessential that will be a defence to the amendment. As already pointed out this issue may be taken into account if the respondents oppose the amendments on the grounds of continuing invalidity. The respondents have expressly disavowed reliance on that ground. Whether or not the feature of crossed arms is an essential integer is therefore not relevant to the amendment of the patent.

[17] Where a dispute of facts arises in respect of an irrelevant issue it is not appropriate to refer that issue for the hearing of oral evidence. The application in terms of Rule 6(5)(g) will therefore be refused.

[18] There is no merit in the respondents' objections to the application. Firstly, regarding the reasons for the amendment, it is not a requirement for amendment in terms of section 51 (9) of the Act that the applicant furnish full reasons for the amendment sought. At most, a failure to give sufficient reasons can 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 subsection (9) - see ***Bateman Equipment and another v The Wren Group (pty) Ltd supra*** para 3. It is also not a requirement that the reasons furnished be sound - see ***Meter Patent Development (Pty) Ltd v Ash Electronic Industries (Pty) Ltd and another*** 1995 BP 195 (CP) at 194B-1C; ***Barmac***

Associates Ltd v South African Dynamics 1991 SP 1 (CP) at 8C-F and ***AA van Wyijk & another v Anglo Dutch & another 1997 SIP 31 (CP)*** at 35A. The applicants have furnished reasons for the amendments sought. In the circumstances of this case there is, no reason to doubt that these are the real reasons for the amendment. Secondly, regarding the contention that the amendment is a mere stratagem to save the claims, this is a consideration which could be raised in the context of opposition based on the continuing invalidity of the patent. However the respondents expressly disavowed reliance on this ground and the issue cannot be raised as a substantive objection. The applicants are therefore entitled to amendment of the patent.

[19] During argument the applicants abandoned the amendment on page 5 of annexure KW11. The applicants also did not seek the relief in prayers 2 and 3 of the notice of motion and did not persist in seeking the relief in prayer 4 if the amendment was granted.

[20] The following order is made -

- (1) The complete specification of South African patent 2001/3937 is amended in the manner indicated in annexure KW11 to the accompanying affidavit of Kevin Woehr with the exception of the amendment on page 5 (ie the deletion of the sentence 'However, the needle protecting means may also be of different

configuration and numerous configurations are suggested by the prior art.')

- (2) In the infringement proceedings the applicants are given leave to supplement their founding evidence within 15 days of this order, the first respondent is given leave to supplement its answering affidavit within 15 days of receipt of the applicants' supplementary founding evidence and the applicants are given leave to file their replying affidavits within 10 days of receipt of the respondents' supplementary answering evidence:
- (3) The respondents are ordered to pay the costs of this application, jointly and severally, the one paying the other to be absolved, such costs to include the costs consequent upon the employment of two counsel.



B.R. SOUTHWOOD
JUDGE OF THE HIGH COURT

CASE NO: Patent 2001/3937

HEARD ON: 2005-05-04

FOR THE APPLICANTS: ADV. L. BOWMAN SC and ADV. B. DU PLESSIS

INSTRUCTED BY: Mr H.R. Moubray of Spoor & Fisher

FOR THE FIRST RESPONDENT: ADV. J.W. LOUW SC and ADV. C.J. VAN
DER WESTHUIZEN

INSTRUCTED BY: Mr R. Bagnall of Adams & Adams

DATE OF JUDGMENT: 2005-06-14