

CASTING LIGHT ON *SUNSEAP v SUN ELECTRIC**

[2019] SAL Prac 14

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I. Introduction

1 Recently, in *Sunseap Group Pte Ltd v Sun Electric Pte Ltd*,¹ the Court of Appeal (“CA”) stated that if all the independent claims in a patent are found to be invalid, the dependent claims “must necessarily fall away and the patent as a whole must be regarded as invalid”.² This statement had the patent agents all astir. It undermines the prevailing drafting practice of including dependent claims in patent specifications so as to survive the invalidation of the independent claims.

2 The case concerned the respondent’s action against the appellants for allegedly infringing its patent in respect of a power grid system and a method of determining power consumption at building connections in the system (the “Patent”). It claimed that the appellants jointly or severally infringed eight out of 12 claims in the Patent (the “Asserted Claims”). The remaining four claims in respect of which no infringement was alleged were referred to in the case as the “Unasserted Claims”.

3 The appellants not only denied infringement but also claimed that the Patent was invalid on the grounds of lack of novelty, lack of inventive step and insufficiency in respect of all the claims in the Patent, not merely the Asserted Claims. In their

* I would like to thank my trainee, Marcus Hoh, for his considerable assistance. Any error is mine.

1 [2019] 1 SLR 645.

2 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [70].

defence and counterclaim (“D&CC”), they asked for the Patent to be revoked.

4 The respondent retorted that the request for revocation was out of order, claiming that the appellants could not put in issue the validity of any of the claims in the Patent by way of counterclaim in an infringement action in the court. The issue therefore was whether the claim was legally correct. Specifically, the CA framed the issue as follows: does the High Court have original jurisdiction to hear an application for revocation of a patent, in particular where the application is by way of a defence and counterclaim (the “Issue”)?

5 If the Issue were answered in the negative, then the respondent’s claim was correct and the appellants’ request in the D&CC for the revocation of the Patent would be struck out under any of the limbs of O 18 r 19 of the Rules of Court.³

II. Legislative framework

6 Section 80(1) of the Patents Act⁴ (“PA”) deals with the power to revoke a patent for an invention. It states: “Subject to the provisions of this Act, the *Registrar* may, on the application of any person, by order revoke a patent for an invention on (but only on) any of the following grounds ...”⁵ [emphasis added]

7 Section 80(9) specifies that the application must be made in the prescribed form and filed at the *Registry* in the prescribed manner and accompanied by the prescribed fee.

8 Understandably, the respondent placed reliance on these provisions to submit that only the Registrar of Patents (the “Registrar”) has the original jurisdiction to hear applications for revocation of a patent.

3 Cap 322, R 5, 2014 Rev Ed.

4 Cap 221, 2005 Rev Ed.

5 The grounds include lack of novelty, lack of inventive step or insufficiency which render an invention unpatentable.

9 Section 82(1) lists the types of proceedings in which the validity of a patent may be put in issue:

Subject to this section, the validity of a patent may be put in issue —

- (a) by way of defence, in proceedings for infringement of the patent under section 67 or proceedings under section 76 for infringement of rights conferred by the publication of an application;
- (b) in proceedings under section 77;
- (c) in proceedings in which a declaration in relation to the patent is sought under section 78;
- (d) in proceedings before the Registrar under section 80 for the revocation of the patent; or
- (e) in proceedings under section 56 or 58.

10 Section 82(2) indicates that the list is exhaustive:

The validity of a patent may not be put in issue in any other proceedings and, in particular, no proceedings may be instituted (whether under this Act or otherwise) seeking only a declaration as to the validity or invalidity of a patent.

11 As the CA explained, s 82(2) “expressly excludes a specific aspect of the High Court’s subject matter jurisdiction (*ie*, its jurisdiction to determine the validity of a patent) if the case does not fall within one of the five types of proceedings in ss 82(1)(a)–82(1)(e)”.⁶

12 The appellants, however, submitted that the High Court has original jurisdiction to hear applications for revocation of a patent, citing s 91(1) of the PA which provides that:

The court may, for the purpose of determining any question in the exercise of its original or appellate jurisdiction under this Act, make any order or exercise any other power which the Registrar could have made or exercised for the purpose of determining that question.

6 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [11].

13 It also relied on s 16(1) of the Supreme Court of Judicature Act⁷ (“SCJA”) which states:

The High Court shall have jurisdiction to hear and try any action in personam where —

(a) the defendant is served with a writ of summons or any other originating process —

(i) in Singapore in the manner prescribed by Rules of Court or Family Justice Rules; or

(ii) outside Singapore in the circumstances authorised by and in the manner prescribed by Rules of Court or Family Justice Rules; or

(b) the defendant submits to the jurisdiction of the High Court.

III. High Court decision

14 In the High Court, George Wei J answered the Issue in the negative. He reasoned that the High Court has no original jurisdiction to hear an application to revoke a patent because there is no express provision in the PA conferring such jurisdiction.⁸ He did not find the legislative history of the PA and Parliamentary debates helpful in indicating that the court has the jurisdiction.⁹

15 He found that based on a literal and black-letter interpretation of s 80(1), it only provided that the Registrar may revoke a patent but was entirely silent on whether the High Court may do so, unlike the equivalent provision in the UK Patents Act 1977.¹⁰ This difference with the UK Act suggested that Parliament’s intention was to restrict revocation proceedings at first instance to the Registrar only. However, he acknowledged that the suggestion was not definitive as it could equally be argued that s 80(1) merely empowers the Registrar to revoke a

7 Cap 322, 2007 Rev Ed.

8 *Sun Electric Pte Ltd v Sunseap Group Pte Ltd* [2017] SGHC 232 at [167].

9 *Sun Electric Pte Ltd v Sunseap Group Pte Ltd* [2017] SGHC 232 at [130].

10 c 37.

patent upon application but does not necessarily exclude the High Court from granting revocation orders on the basis of invalidity.¹¹

16 As regards s 91(1), he opined that it was not entirely clear that this provision confers on the High Court original *jurisdiction* to make a revocation order as the provision mentions that the High Court could make any order or exercise any *power* which the Registrar could have made or exercised. It did not address the fundamental question of what the original and appellate jurisdiction conferred on the court under the PA was.¹²

17 Finally, the learned judge decided that s 16(1) of the SCJA relating to the *in personam* jurisdiction of the court was not applicable because of the *in rem* nature of an order for patent revocation. In his view, a granted patent is a right *in rem* and a claim for patent revocation which involves the determination and deprivation of such a right would invoke the *in rem* jurisdiction of the court.¹³

IV. Court of Appeal decision

18 The CA held that there was no need to invoke s 16(1) of the SCJA because there are provisions in the PA conferring original jurisdiction on the High Court to hear an application to revoke a patent, albeit by way of a defence. In this regard, it cited the maxim *generalibus specialia derogant* – where the literal meaning of a general enactment (SCJA in the present case) covers a situation for which specific provision is made by some other enactment (PA), it is presumed that the situation is intended to be dealt with by the specific provision.¹⁴

11 *Sun Electric Pte Ltd v Sunseap Group Pte Ltd* [2017] SGHC 232 at [135].

12 *Sun Electric Pte Ltd v Sunseap Group Pte Ltd* [2017] SGHC 232 at [152]. The distinction between the “jurisdiction” of a court and its “powers” was discussed at length by the Court of Appeal in *Re Nalpon Zero Geraldo Mario* [2013] 3 SLR 258.

13 *Sun Electric Pte Ltd v Sunseap Group Pte Ltd* [2017] SGHC 232 at [158] and [168]–[169].

14 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [61].

19 In the CA’s view, s 67, read with s 82(1)(a) of the PA, confers original jurisdiction on the High Court to hear an application to revoke a patent *only* in proceedings in which the defendant asserts the invalidity of the patent in the course of “defending” itself.¹⁵ The High Court has no original jurisdiction to hear an application to revoke a patent if a party seeks to revoke the patent pre-emptively or independently of infringement proceedings, and not by way of defence. He must apply to the Registrar to do so.¹⁶

20 If the defence in the infringement proceedings is established, the defendant could then ask by way of a counterclaim for the revocation of the patent. Section 82(1)(a) does not prevent him from making the counterclaim, even though it states that the validity of a patent may be put in issue “by way of defence” instead of “by way of defence and counterclaim”. The word “defence” in that provision is not meant to exclude “counterclaim”. This is because the question of the validity of the patent is raised in the defence whilst the counterclaim “is concerned primarily with the *relief* to be granted if the defendant succeeds in establishing its defence” [emphasis added].¹⁷

21 This means that if a defendant puts in issue by way of defence the validity of the entire patent (*ie*, all the claims of the patent), he can counterclaim for an order that the patent be revoked. The High Court would have jurisdiction to deal with the issue and, if the defence is established, it can exercise its power to accede to the counterclaim by an order that the patent be revoked, pursuant to s 91(1) of the PA.¹⁸

22 Similarly, the High Court would have the jurisdiction and power to revoke an entire patent if *all* of the independent claims

15 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [65].

16 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [61].

17 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [64].

18 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [67] and [72(b)(i)].

in the patent are put in issue and found to be invalid. The reason is that if the independent claims are found to be invalid, the dependent claims in the patent “must necessarily fall away and the patent as a whole must be regarded as invalid”.¹⁹ The CA reasoned that dependent claims, “as the nomenclature suggests”, refer back to the independent claim and incorporate all its features.²⁰

23 Where only *some* of the independent claims in a patent are asserted to be invalid by way of defence, the High Court would have the jurisdiction to deal with the validity of these claims (as well as the power to make a declaration of invalidity in relation to the claims if the defence is established) but not the other independent claims. Consequently, it would not be appropriate for the court to exercise its power to revoke the entire patent. If the defendant wishes to invalidate the other claims as well, he would have to apply to the Registrar pursuant to s 80 of the PA and, if the Registrar finds in his favour, the finding, together with the High Court’s finding that the asserted independent claims are invalid, would render the entire patent invalid.²¹

V. Discussions

24 With respect, two aspects of the CA decision are curious.

A. *Defence and counterclaim*

25 As mentioned at para 20 above, the CA said that the word “defence” in s 82(1)(a) is concerned with the question of the validity of the patent whilst counterclaim “is concerned primarily with the *relief* to be granted if the defendant succeeds in establishing its defence” [emphasis added]. This was made in

19 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [70].

20 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [70].

21 *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [71].

the context of a defendant asserting invalidity of the patent in the course of “defending” itself.

26 The statement seems antithetical to the conventional understanding of a counterclaim. It also seems to be inconsistent with its opinion that the word “defence” in s 82(1)(a) is not meant to exclude “counterclaim”. The fact is that in a legal action, a defendant may not only deny infringement but may also go on the offensive by pleading a counterclaim in respect of “any matter”. The Rules of Court allow this.²² The counterclaim is in effect a *separate* and *independent* action within the plaintiff’s action. Such an action has the singular advantage of avoiding the expense, time and inconvenience that would be involved in instituting two separate actions when all matters and claims could be considered at the same time.

27 The PA does not detract from the understanding. Nor does it indicate that a counterclaim in a patent infringement action is to be treated differently. In fact, in s 82(5) of the PA, it is stated that the validity of a patent may be put in issue in entitlement proceedings by way of “defence or counterclaim” [emphasis added]. The “validity of a patent” may relate to all or only some of the claims alleged to be infringed. This is envisaged in s 72(1) of the PA which reads:

Where in any proceedings before the court or the Registrar the validity of a patent to any extent is contested and that patent is found by the court or the Registrar to be wholly or partially valid, the court or the Registrar may certify the finding and the fact that the validity of the patent was so contested.

28 Further, whilst s 80(1) of the PA provides the Registrar with the *power* to revoke a patent on application based on any of the grounds set out therein, it does not expressly preclude the High Court from having the *jurisdiction* to determine the patent’s validity in a counterclaim in infringement proceedings. It is suggested that the reason why this is so is that the High Court does indeed have the jurisdiction by reason of s 82(1)(a) in which,

22 See O 15 r 2(1) of the Rules of Court (Cap 322, R 5, 2014 Rev Ed).

as the CA itself opined, the word “defence” is not meant to exclude a counterclaim.

29 There is also no reason in principle why a counterclaim in a patent infringement action should be confined to the relief to be granted if the defence is established and why the defendant cannot impugn the validity of the unasserted claims of a patent by way of a counterclaim in the same action. To compel him to litigate before the High Court by way of defence in respect of the validity of the asserted claims and before the Registrar in revocation proceedings in respect of the validity of the unasserted claims is hardly consistent with Parliamentary intention to “promote the reduction of costs” in patent litigation.²³

B. Independent and dependent claims

30 Claims play an important role in patent law. This is because they define the scope of the legal protection conferred by a patent, “so that others may know the exact boundaries of the area in which they will be trespassers”.²⁴ Hence, they must be clear and concise and be supported by the description in the patent specifications.²⁵ If these rules are not complied with, the specifications may fail to disclose the invention in a manner which is clear and complete for the invention to be performed by a person skilled in the art. The failure may invite an objection before grant²⁶ or result in revocation after grant.²⁷ Hence, the drafting of patents, which is normally undertaken by patent agents, is an important part of the patent process.

31 Claims are typically arranged hierarchically in the patent specifications, starting with claims that are drafted as wide as

23 See *Sunseap Group Pte Ltd v Sun Electric Pte Ltd* [2019] 1 SLR 645 at [53] and [86].

24 Section 25(5)(a) of the Patents Act (Cap 221, 2005 Rev Ed) and *Electrical & Musical Industries Ltd v Lissen Ltd* (1939) 56 RPC 23 at 39.

25 Patents Act (Cap 221, 2005 Rev Ed) ss 25(5)(b) and 25(5)(c).

26 Patents Act (Cap 221, 2005 Rev Ed) s 25(4).

27 Patents Act (Cap 221, 2005 Rev Ed) s 80(1)(c).

possible to cover all the essential features of the invention and progressing through claims of narrowing scope. These are commonly referred to as the “independent” claims and “dependent” claims (or “subsidiary” claims), respectively.²⁸ The dependent claims would refer back to one or more of the independent claims and incorporate all of the features of the independent claim(s), in addition to the features added in the dependent claims. Specifically, the dependent claims would add a “new or extra feature” not present in the independent claims so as to “[c]larify, limit or restrict” the scope of the independent claims.²⁹

32 Thus, each dependent claim is in effect an independent claim in and of itself. This means that it is possible to draft each dependent claim by repeating all of the features of the independent claim(s) which it refers to and adding new or extra features in the dependent claim. However, such a drafting practice would breach the rule in s 25(5)(b) of the PA that the claim or claims must be “clear and concise”. The practice was also deprecated in *Bancroft’s Application*³⁰ in which the impugned patent application had 23 claims and there was a great deal of repetition of the features of the subject invention in each of the claims in an attempt to deal with every contingency. Whilst the court did not find the number of claims to be objectionable, it upheld the Examiner’s objection that the repetition in each of the claims breached the rule. It said the rule was necessary to protect the public and “for the convenience of those who have to do with the administration of the Patent Law” and advised that:³¹

28 In *Lee Tat Cheng v Maka GPS Technologies Pte Ltd* [2018] 3 SLR 1334 at [103], George Wei J rightly observed that the terms “independent claim”, “dependent claim” and “subsidiary claim” do not appear anywhere in the Patents Act (Cap 221, 2005 Rev Ed) and the accompanying rules.

29 *Lee Tat Cheng v Maka GPS Technologies Pte Ltd* [2018] 3 SLR 1334 at [105]. In principle, they could also be broader than an independent claim, such as by way of a disclaimer along the lines of “An apparatus according to claim 1, where [feature A] is not [X]”.

30 (1906) 23 RPC 89.

31 *Bancroft’s Application* (1906) 23 RPC 89 at 94.

Too copious a description is apt to become, in its effect, obscure; [and] ... So long as the statement of each Claim is in itself clear and succinct, and so long as there is an absence of repetition in the separate Claims, we do not think that there is necessarily any infringement of this Rule, merely owing to the fact that there are a great many Claims, so that the portion of the Specification which contains the Claims is somewhat lengthy.

33 Thus, referring back to one or more of the independent claims was developed in drafting practice to avoid repeating the features of the independent claims and breaching the rule that each of the claims must be “clear and concise”.

34 Since each dependent claim is in effect an independent claim, it follows that the claims in a patent are to be considered separately. This claim-by-claim approach is well established as the courts have long advised that each of the claims is to be construed on its own, based on the “reasonable and natural meaning of the language” used and in the light of the description and drawings of the invention.³² They are also to be construed in such a manner as to give a different meaning to each claim.³³ Should there be minimal or no difference between any of the claims, this circumstance affords no ground for invalidating the patent just because “it claims the same thing over again in different language”.³⁴

35 The concomitant advantage of the claim-by-claim approach is that it enables the patentee to respond to any legal challenge concerning the validity of the patent. In particular, if an independent claim is found to be invalid, it could be severed, leaving the dependent claims intact. For instance, in the English case of *Van der Lely v Bamfords Ltd*,³⁵ claims 1 to 14 were held to be invalid but claim 15 was valid and infringed by the defendant. The patentee thereafter sought to amend the patent

32 *Brown v Sperry Gyroscope Co Ltd* [1925] 42 RPC 111 at 136 and *Glaverbel SA v British Coal Corp* [1995] RPC 255 at 281.

33 *Parkinson v Simon* [1894] 11 RPC 493 at 502.

34 *New Vacuum Heating Co Ltd v Steel & Wilson* (1915) 32 RPC 162 at 171.

35 [1964] RPC 54.

by deleting claims 1 to 14. In allowing the amendment, Pearson LJ said that the claims in a patent were to be considered separately and that “the invalidity of some only of the claims does not invalidate the whole patent, and does not prevent the giving of relief in respect of the claims which are valid”.³⁶

36 Our High Court has adopted the claim-by-claim approach. In *Rohm and Haas Electronic Materials CMP Holdings, Inc v NexPlanar Corp*,³⁷ the independent claim concerned a polishing pad used in the semiconductor industry to polish an electronic wafer, with the surface of the pad containing hollow polymeric microelements. The claim stated that during the polishing process, the microelements at the surface of the pad would become less rigid than those embedded in the subsurface and would eventually wear out, to be replaced by the microelements embedded at the subsurface to continue the polishing process. This allowed for more consistent and even polishing of the wafer. The dependent claims contained new or extra features of the microelements such as that they contained a particular type of polymer, were substantially uniformly distributed and were of certain quantitative parameters.

37 The defendants challenged the validity of all the claims. In dismissing the challenge, Wei J said that:³⁸

Each claim must be assessed on its own terms. By this, what is meant is that a claim may be valid even though other claims are found to be invalid because of want of novelty, inventive step or insufficiency, and so on. Each claim must, of course, be interpreted in the light of the patent specification and the claims as a whole.

38 In *Lee Tat Cheng v Maka GPS Technologies Pte Ltd*,³⁹ claim 1 concerned an in-vehicle recording system comprising a controller and a number of features, such as a sensor and an

36 *Van der Lely v Bamfords Ltd* [1964] RPC 54 at 73.

37 [2018] 5 SLR 180.

38 *Rohm and Haas Electronic Materials CMP Holdings, Inc v NexPlanar Corp* [2018] 5 SLR 180 at [103].

39 [2018] 3 SLR 1334.

optical recorder. Additional features to the system were set out in claims 2–8, such as a standby power supply and a timer switch connected to the sensor and a memory store connected to the optical recorder. The plaintiff argued that if claim 1 was found to be novel, it must follow that claims 2–8 were also novel whilst the defendant made the converse argument.

39 Wei J dismissed these arguments. He said that while the dependent claims may aid in determining the proper scope and validity of the independent claim (following a line of English cases):⁴⁰

... it does not follow that the novelty of subsequent claims must *ipso facto* stand or fall on the fate of the independent claim. Much will depend on the scope of the invention as set out in the subsequent claims. The label ‘dependent claim’ or ‘subsidiary claim’ should not distract the court from the enquiry which it is tasked to undertake, which is whether the elements or features in the subsequent claim(s) taken together with the invention as set out in the preceding claim meet the requirements of novelty.

40 A similar approach was adopted in *Astrazeneca AB v Ranbaxy (Malaysia) Sdn Bhd*⁴¹ in which the assistant registrar emphatically said that “even where an independent claim is rendered invalid, a claim dependent therefrom may still be valid and enforceable” and “each claim of a patent requires a separate validity analysis”.⁴²

40 *Lee Tat Cheng v Maka GPS Technologies Pte Ltd* [2018] 3 SLR 1334 at [104]. In the event, George Wei J held (at [124]) that claim 1 was novel and not anticipated by a prior art. He separately construed each of the other claims and held that although the additional features were not novel in and of themselves, the claims were novel when the features were analysed in the light of the novel claim 1.

41 [2012] SGHC 7.

42 *Astrazeneca AB v Ranbaxy (Malaysia) Sdn Bhd* [2012] SGHC 7 at [9].

41 In the Canadian case of *Safe Gaming System v Atlantic Lottery Corporation*,⁴³ the Federal Court also adopted the claim-by-claim approach, stating that:⁴⁴

The wording of section 28.3 of the Patent Act illustrates that obviousness is assessed claim-by-claim. This is due to the relationship between independent and dependent claims. Since dependent claims are narrower in scope than independent claims, it is possible that the narrower dependent claim will escape the prior art and remain inventive. Failing to consider each allegedly obvious claim is a legal error ...

42 The invention in the case was a computer system connected to the World Wide Web to monitor, regulate and terminate gaming activities of an individual and the method to do so comprised a number of steps set out in the independent claim, such as providing access to a portion of a database plus operating software to each selected gaming site. The dependent claim asserted that the provision included copying a portion of the data base plus operating software to a server of the selected gaming site.

43 It is suggested that the claim-by-claim approach is embraced in the PA. Section 113(1) of the PA provides that:

For the purposes of this Act, an invention for a patent for which an application has been made or for which a patent has been granted shall, unless the context otherwise requires, be taken to be that specified in a claim of the specification of the application or patent, as the case may be, as interpreted by the description and any drawings contained in that specification, and the extent of the protection conferred by a patent or application for a patent shall be determined accordingly. [emphasis added]

44 Also, s 25(5)(d) of the PA states that a claim or claims shall respectively relate to one invention or a group of inventions which are so linked as to form a single inventive concept. In other words, different claims of a patent relate to different aspects or

43 [2018] FC 542.

44 *Safe Gaming System v Atlantic Lottery Corporation* [2018] FC 542 at [161]. Section 28.3 is equivalent to s 15 of the Patents Act (Cap 221, 2005 Rev Ed).

features of an invention, each united by a single inventive concept. This would require the claims to be considered and construed separately.

VI. Conclusion

45 The patent agents were quite right to be concerned. The statement of the CA mentioned at the outset was made *per incuriam*. It is suggested that the CA was misled by the use of the nomenclature “dependent”. The fact is that “dependent” claims confer separate rights and protection on different aspects or features of an invention that is the subject matter of the main or so-called “independent” claim. They are in effect independent claims in their own right. For this reason, it is well established in law and practice that they are to be considered and construed on their own.

46 As regards the CA’s ruling that a defendant cannot impugn the validity of an unasserted claim of a patent in the High Court by way of a counterclaim but must do so before the Registrar, it is heartening that there is now a proposal to amend s 80(1)(a) of the PA to also allow the High Court to revoke a patent on the application of any person, including by way of a counterclaim.⁴⁵ The effect of the amendment will be that both the High Court and the Registrar will have concurrent jurisdiction over patent revocation.

45 Clause 18 of the draft Intellectual Property (Dispute Resolution) Bill released in March 2019.