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## 10 April 2019

Intellectual Property Policy Division Ministry of Law 100 High Street, #08-02, The Treasury Singapore 179434

Attention: Mr William Kwek

Dear Sir.

# Law Society of Singapore's Response on Public Consultation on Draft Intellectual Property (Dispute Resolution) Bill

1. We refer to the Public Consultation on the Draft Intellectual Property (Dispute Resolution) Bill ("IPDR Bill") released in March 2019.

BY EMAIL

William KWEK@mlaw.gov.sg

We set out hereunder our responses to the proposed amendments in the IPDR Bill, which are prepared by the undersigned who are members of the Intellectual Property ("IP") Enforcement Sub-Committee of the Law Society of Singapore, which is a sub-committee of the larger IP Practice Standing Committee of the Law Society of Singapore chaired by Mr Jonathan Foong.

### Overview

- Overall, we applaud and are in favour of the IPDR Bill and the positive steps taken towards:
  - (a) Consolidating most civil IP disputes to be heard before the High Court, and harmonising processes across the various acts where possible;
  - (b) Enhancing the patent regime in Singapore and ensuring the quality of patents; and
  - (c) Providing clarity that IP disputes can be arbitrated in Singapore.
- 4. We move now to respond to the specific proposed amendments and provide our comments where applicable.

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## **Amendments to Copyright Act**

 We are in favour of the insertion of a new definition of "Court" to mean High Court, which brings the Copyright Act in line with the Patents Act and Trade Marks Act.

## **Amendments to Patents Act**

# Third Party Observations

6. Under the newly proposed section 32, the right for third party observations ("TPOs") to be made to the Registrar is limited to "the question [of] whether the invention is a patentable invention". Instead of limiting TPOs to patentability issues only, we would propose that TPOs be allowed for all other requirements which can be subject to examination, such as clarity or sufficiency, or any other requirements as set out at Rule 46 of the Patents Rules.

### Post-Grant Re-Examination

- 7. The newly proposed section 38A provides for the process, grounds, and consequences of post-grant re-examination. At a glance, it is apparent that the grounds for such re-examination under section 38A(1) include grounds which are <u>not</u> included as grounds for revocation under section 80(1) of the Patents Act, namely section 38A(1)(c)(i) and (ii) relating to lack of clarity and support.
- 8. Given that section 38A(12) states (rightly) that the Registrar "<u>must</u> make an order revoking a patent" where the re-examination report "contains one or more unresolved objections" (i.e. mandatory and not discretionary), section 38A(1) therefore appears to contain grounds for revocation which do not appear under section 80(1), and there is misalignment in this regard.
- 9. Whilst the grounds for revocation available to the Court under section 80(1) are necessarily wider than those in section 38A, it is proposed that all grounds for re-examination under section 38A have to be aligned with and fall within the grounds for revocation under section 80.

# **Amendments to Other IP Acts**

10. We are in favour of the proposed changes insofar that these seek to harmonise issues relating to procedure and appealability across the various Acts.

## **Amendments to State Courts Act**

11. We are in favour of the proposed change to give the High Court exclusive jurisdiction to hear passing off actions. However, we note that the language proposed for the amendments to the new sections 19(3)(ca) and 52(1A)(aa) are different – one states "an action <u>in</u> passing off" and another states "the action <u>relates to</u> passing off". For consistency, the language used should be the same, as an action "relating to" passing off could arguably be broader than an action "in" passing off.

# <u>Amendments to Arbitration Act ("AA") and International Arbitration Act</u> ("IAA")

# Effect of an intellectual property rights ("IPR") arbitral award on various third parties

- 12. IPR are property rights (i.e. rights in rem) which ordinarily are capable of affecting various third parties/the world at large. It would be favourable to clarify as clearly as possible the effect of IPR arbitral awards on various third parties/the world at large.
- 13. The newly proposed sections 52C of the AA and 26C of the IAA clarify specifically the effect (or lack thereof) of an arbitral award, in an IPR dispute, on third party licensees. Additionally, it could be worthwhile to also clarify the effect of such arbitral awards on other non-parties apart from third party licensees.
- 14. In particular, we propose that there could be a provision clarifying that the newly proposed sections 52E in the AA and 26F in the IAA expressly permit the Court <u>not</u> to enter judgment on the award against non-parties to the arbitration. In addition, such a provision could also provide the Court with the power to amend the terms of the award, such that the award does not unduly have effect against the whole world (i.e. in rem).
- 15. In a similar vein, the newly proposed sections 52F of the AA and 26G of the IAA clarify that section 82(2) of the Patents Act does not prevent a party from putting the validity of a patent in issue in arbitral proceedings. The provisions should also clarify that a patent may only be declared to be invalid or revoked by the Court (i.e. High Court), and that an arbitral award deciding that a patent is invalid is binding only as between the parties to the arbitral proceedings, and that no person shall be entitled to rely on the arbitral award alone to seek a declaration of invalidity or order for revocation from the High Court. It might be worthwhile considering the inclusion of a similar provision in the Trade Marks Act.
- 16. Thank you for your kind attention to our response.

Yours faithfully,

Jonathan Foong (Chairperson, IP Practice Committee)

On Behalf of IP Enforcement Sub-Committee,

The Law Society of Singapore