INTELLECTUAL PROPERTY

Kingtime International Ltd v Petrofac E&C Sdn Bhd — Application of the “Doctrine of Equivalents” in Malaysian patent infringement cases.

IN THIS ARTICLE, MELVIN AU JIA CHUN DISCUSSES THE APPLICATION OF THE DOCTRINE OF EQUIVALENTS IN MALAYSIAN PATENT INFRINGEMENT CASES.

Introduction

In order to establish patent infringement under section 58 of the Patents Act 1983, one must prove that the alleged infringing act falls within the scope of protection of the patent.

In deciding the scope of protection of the patent, the Malaysian courts have consistently adopted the purposive approach laid out in the House of Lords' decision in Catnic Components Ltd v Hill & Smith Ltd1, that is:

“What a person skilled in the art would have understood the patent owner to mean by the language of the patent claim, and whether the alleged infringing product or act falls within the scope of the claim as construed ‘purposively’ in this manner.”

This was until the High Court decision in November last year in Kingtime International Ltd v Petrofac E&C Sdn Bhd2 (“Kingtime”) where the High Court applied the “doctrine of equivalents”.

Kingtime — patent infringement tests

The High Court in Kingtime applied the following three tests in deciding whether there was any infringement of the patent:

i. The Essential Integers Test — where the allegedly infringing article must take each and every one of the essential integers of the claim;
ii. The Improver’s Test/purposive approach — where the courts take into account what the person skilled in the art would have understood the claim or claims to mean;

iii. The Actavis Test/doctrine of equivalents — where the focus has shifted from a purposive construction of the claims to whether the allegedly infringing article is an “immaterial variant” and is therefore an “infringing equivalent”.

As mentioned above, the purposive approach has been the go-to approach within the Malaysian courts, up until Kingtime. For ease of reference, a side-by-side comparison of the Improver’s Test and the Actavis Test is appended below:

<table>
<thead>
<tr>
<th>Improver’s Test</th>
<th>Reformulated in Actavis</th>
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<tbody>
<tr>
<td>Q1 Does the variant have material effect upon the way the invention works?</td>
<td>Notwithstanding that it is not within the literal meaning of the relevant claims of the Patent, does the variant achieve substantially the same result in substantially the same way as the inventive concept revealed by the patent? If yes … Q2</td>
</tr>
<tr>
<td>Q2 Would this have been obvious to the skilled person as at the date of publication of the patent?</td>
<td>Would it be obvious to the skilled person, reading the patent at the priority date, but knowing that the variant achieves substantially the same result as the invention, that it does so in substantially the same way as the invention? If yes … Q3</td>
</tr>
<tr>
<td>Q3 Would the skilled person nevertheless have understood from the language of the claim that the patentee intended that strict compliance with the primary meaning was an essential requirement of the invention?</td>
<td>Would the skilled person have concluded that the patentee nonetheless intended that strict compliance with the literal meaning of the relevant claim(s) of the patent was an essential requirement of the invention? If no = Infringement</td>
</tr>
</tbody>
</table>
Differences and criticisms

Although it may not be apparent, the reformulated Q2 of the Actavis Test lowers the threshold in several ways. The reformulated Q2 presumes the skilled person as “knowing that the variant achieves substantially the same result as the invention …” and, therefore, the only remaining question is whether it is obvious that the variant works in substantially the same way.

Furthermore, as the skilled person is equipped with the presumption for all variants (even for variants after the publication date and up to the date of infringement), this also necessarily means that a variant which was not reasonably foreseeable at the date of publication may nevertheless be an “immaterial variant” under the doctrine of equivalents.

It should be pointed out that the UK Supreme Court in Actavis v Eli Lilly noted that the reformulated questions are in compliance with the requirements of Article 2 of the Protocol on Interpretation of Article 69 to the European Patent Convention (the “Protocol”).

Article 69 European Patent Convention: "The extent of the protection conferred by a European patent … shall be determined by the claims. Nevertheless, the description and drawings shall be used to interpret the claims”.

Article 2 of the Protocol: “… due account shall be taken of any element which is equivalent to an element specified in the claims”.

Reiterating the above, the Court of Appeal in Singapore rejected the Actavis Test³, stating that:

i. It is inconsistent with the Singapore Patents Act which limits the extent of the protection conferred by a patent to that specified in the claims as purposively interpreted in the light of the description and any drawings in the patent specification

ii. The Singapore Patents Act, unlike the UK Patents Act, is not bound by the Protocol;

iii. it tilts the balance too far in favour of the patentee; and

iv. it gives rise to undue uncertainty.

In addition to the above, in the context of Malaysian patents law, the Actavis Test will also invariably affect the determination of “novelty” and “obviousness” in patent litigation.

This is due to the fact that the Malaysian courts have long recognised the principle that the monopoly and scope of protection granted by a patent is defined by its claims, and therefore:

“… Once the scope of the claims has been ascertained, the questions of whether the claims are obvious, whether a piece of prior art anticipated the claims and whether there has been an infringement of the patent can then be answered in concrete terms.”⁴
In *Kingtime*, the judge, by applying the Essential Integers Test, had already found that there was infringement of the plaintiff’s patents. Therefore, the issues of whether there is a variant and the necessity to construe whether such variant falls under the scope of the patents did not arise. The application of both the Improver's Test and the Actavis Test was thus not necessary.

**Conclusion**

Whether or not the Actavis Test overly favours the patentee cannot be definitively answered before it is further applied. However, it is clear that Malaysian cases have held that it is trite law for the extent of monopoly granted by patents to be limited to the claims as purposively construed, which is inconsistent with the Actavis Test, especially since the Malaysia Patents Act, like the Singapore Patents Act, is not bound by the Protocol.

The implications of applying the Actavis Test may also extend beyond the question of infringement into the concept of “novelty” and “obviousness”. In any event, *Kingtime* is currently pending appeal, and the Court of Appeal decision will undoubtedly spark further discussions.

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**INTELLECTUAL PROPERTY PRACTICE GROUP**

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