[HIGH COURT OF AUSTRALIA.]

AUSTRALIAN RADIO MANUFACTURERS' PATENTS ASSOCIATION LIMITED . } APPELLANT;

AND

NEUTRODYNE PROPRIETARY LIMITED . RESPONDENT.

H. C. OF A. 1937.

MELBOURNE, *June* 11.

Latham C.J., Dixon and McTiernan JJ.

Patent—Amendment of specifications—Opposition—Decision that opponent has no locus standi—Appeal to High Court—Right to be heard in opposition—"Any person"—Person having no interest in matter to be determined—Company formed to protect patentees' interests—Patents Act 1903-1935 (*No.* 21 *of* 1903—*No.* 16 *of* 1935), *secs.* 73-76.

A person claiming a right to oppose an amendment of specifications, whose claim is disallowed by the Deputy Commissioner of Patents on the ground that the claimant has no *locus standi*, has no right of appeal to the High Court.

To entitle him to be heard a person seeking to oppose an amendment of specifications for a patent must have an interest in the matter which is before the commissioner for determination. A company formed for the purpose of protecting the interests of patentees in relation to their patents cannot rely upon the interests of its shareholders to give it such an interest.

APPEAL from the Deputy Commissioner of Patents and APPLICATION for mandamus.

Neutrodyne Pty. Ltd. made an application to the Deputy Commissioner of Patents under sec. 71 of the *Patents Act* 1903-1935 for leave to amend certain specifications. A notice of opposition was lodged by the Australian Radio Manufacturers' Patents Association Ltd. Neutrodyne Pty. Ltd. objected that the opponent was not entitled to be heard. By arrangement between the parties the deputy commissioner determined the question of *locus standi*

H. C. OF A. 1937.

AUSTRALIAN RADIO MANUFACTURERS' PATENTS ASSOCIATION LTD. v. NEUTRODYNE PTY. LTD.

in the first instance and decided that, to entitle it to be heard in opposition to the request for leave to amend, it was necessary for the opponent to have an interest in the subject matter of the patent, and that the opponent had not sufficient interest to entitle it to be heard. The opponent was a company formed for the purpose of protecting the interests of patentees in relation to their patents. From that decision the opponent sought to appeal to the High Court.

Gain, for the appellant.

Lewis (with him *Dean*), for the respondent.

Sholl, for the Deputy Commissioner of Patents.

Lewis took a preliminary objection that the appeal was not competent. The deputy commissioner has merely decided that the opponent has no *locus standi*, and there is no appeal from that decision to the High Court. All that the deputy commissioner could determine was whether the amendment could be allowed, and the conditions which should be applied, subject to an appeal to the High Court or to the Supreme Court.

Gain, in reply to the objection. The appellant was a party to one proceeding before the deputy commissioner, and costs were awarded against it in that proceeding. The appellant is at least entitled to be heard on the question of setting aside the order as to costs against it. The deputy commissioner has decided that the application should be heard free from any interference on the part of the appellant. If the court is of the opinion that an appeal does not lie, application will be made for a mandamus.

Lewis, in reply.

The following judgments were delivered :—

LATHAM C.J. This is a proceeding by way of appeal from an order made by the Deputy Commissioner of Patents. The respondent in these proceedings, Neutrodyne Pty. Ltd., applied under sec. 71 of the *Patents Act* 1903-1935 for leave to amend certain specifications. A notice of opposition was lodged by the appellant,

the Australian Radio Manufacturers' Patents Association Ltd. It was objected by the patentee applicant that the present appellant was not entitled to be heard before the deputy commissioner for various reasons, which may be summed up in the statement that the present appellant had not sufficient interest to entitle it so to be heard. By arrangement between the parties, and at the request, I should say, of Neutrodyne Pty. Ltd., the deputy commissioner determined this question of *locus standi* in the first instance. He has decided that the opponent has no *locus standi*, and has awarded costs against the opponent.

The opponent gave notice of appeal, and the matter is now before the court in pursuance of that appeal. A preliminary objection has been taken by the respondent. That objection is that the appeal is incompetent. Secs. 75 and 76 are the sections which entitle a person to appeal to this court or to a Supreme Court in relation to amendment proceedings. Sec. 75 says: "The commissioner shall hear the person making the request and, if he appears, the person so giving notice, and shall determine whether and subject to what conditions, if any, the amendment ought to be allowed, subject however to an appeal to the High Court or the Supreme Court."

Sec. 76 then deals with the matter when it is before the High Court or the Supreme Court. The objection is that, under sec. 75, it is provided that the commissioner may determine whether and subject to what conditions, if any, the amendment ought to be allowed, and, accordingly, that the only order which the commissioner may make under that section is an order so determining whether or not the amendment ought to be allowed. Only such an order is subject to appeal to the High Court. No such order has been made. All that has been done is that the commissioner has declared that, in his opinion, the opponent has no *locus standi*. The order in relation to which sec. 75 provides that there shall be an appeal is an order of a kind which has not been made in these proceedings.

In my opinion, therefore, the preliminary objection is a good objection and the appeal must be dismissed. As to costs, the court has been informed that the opponent proposes to move immediately for a writ of mandamus. I think that such an application should

H. C. OF A. 1937.

AUSTRALIAN RADIO MANUFACTURERS' PATENTS ASSOCIATION LTD. v. NEUTRODYNE PTY. LTD.

be heard at once, and that the question of costs of the appeal should be reserved until the court has heard any application for a mandamus. The form of order, in my opinion, should be that the appeal should be struck out, and not that the appeal should be dismissed as though it had been heard.

DIXON J. I agree. I think that the only appeal given by sec. 75 and sec. 76 is against a determination of the commissioner made pursuant to sec. 75. Sec. 76 seems to me to confirm that view, because the jurisdiction which it gives to this court is to determine whether and subject to what conditions, if any, the amendment ought to be allowed.

MCTIERNAN J. I agree that the preliminary objection is well founded, and that the appellant should be allowed to make an application as stated by the Chief Justice.

The appellant then applied for an order for a mandamus to compel the deputy commissioner to hear the appellant in opposition to the respondent's application.

Gain, in support of the application. The application is for an order absolute in the first instance, or, alternatively, for an order nisi made returnable immediately. The relevant provisions are secs. 71-76 of the *Patents Act* 1903-1935. The words "any person" in sec. 74 mean any person who is so minded. The word "shall" in sec. 75 is mandatory. This is contrasted with the word "may" in sec. 76. There is nothing in secs. 74 and 75 to suggest that the only persons who could appear and be heard before the deputy commissioner are those who have an interest. The Act, where it intends that a person should have an interest, says so. The English section is materially different from the Australian. In *R.* v. *Comptroller-General of Patents* (1) the law is stated. [He also referred to *Henry Berry & Co. Pty. Ltd.* v. *Potter* (2).] There is a difference in the rules under the English *Patents and Designs Act* of 1932 and the rules under the Commonwealth Act. If an interest is necessary, that

(1) (1899) 1 Q.B. 909.

(2) (1924) 35 C.L.R. 132.

requirement is satisfied by having such an interest as would make it appear to the court that it was reasonable that the opponent should be heard. Beyond that the court will not lay down any strict line for this interest, or attempt any strict definition of what interest is required. The court has power to prevent an abuse of its process if frivolous oppositions are made by the applicant.

Sholl, for the Deputy Commissioner of Patents. An interest of some kind in the opponent is required. If the commissioner was entitled to determine the question, his decision was right on the facts.

Lewis and *Dean*, for the respondent, were not called upon.

The following judgments were delivered :—

LATHAM C.J. This is an application for an order absolute or an order nisi for a writ of mandamus directed to the Deputy Commissioner of Patents, in relation to an application made by Neutrodyne Pty. Ltd. for leave to amend certain patent specifications. The deputy commissioner has refused to hear the applicant, Australian Radio Manufacturers' Patents Association Ltd., holding that the applicant, the prosecutor, has no interest sufficient to enable it to be heard in opposition to the request. The questions which arise are whether it is necessary for an opponent, in the case of a request for amendment of specifications, to have any interest, and secondly, if that be the case, whether the corporation here opposing has sufficient interest to be entitled to be heard. The questions arise upon the provisions of the *Patents Act* 1903-1935, Part IV., Div. 4, dealing with the amendment of specifications. Sec. 71 provides that an applicant or a patentee may by request in writing left at the Patent Office seek leave to amend his complete specification. Sec. 72 provides that the commissioner shall refer the request to the examiner who shall ascertain and report on certain matters. Sec. 73 provides that the request and the nature of the proposed amendment shall be advertised in the prescribed manner, in cases where the specification has been accepted. Sec. 74 provides that " where the request and the nature of the proposed amendment have been advertised

H. C. OF A. 1937.

AUSTRALIAN RADIO MANUFACTURERS' PATENTS ASSOCIATION LTD. v. NEUTRODYNE PTY. LTD.

Latham C.J.

any person may at any time within one month from the first advertisement thereof give notice at the Patent Office of opposition to the amendment, and the commissioner shall give notice of the opposition to the person making the request." It will be observed that the language is general. It provides that "Any person may . . . give notice at the Patent Office of opposition to the amendment." Similarly in sec. 75 it is provided that "the commissioner shall hear the person making the request, and, if he appears, the person so giving notice, and shall determine whether and subject to what conditions, if any, the amendment ought to be allowed, subject however to an appeal to the High Court or the Supreme Court." The phrase "the person so giving notice," refers back to the words "any person" in sec. 74; and therefore it would appear that the commissioner is required, under sec. 75, to hear any person at all, any member of the public, who has given notice of his opposition. But in sec. 76 provision is made for the hearing and determination of the appeal mentioned in sec. 75. Sec. 76 provides that "where notice of opposition is given and the person giving such notice has appeared before the commissioner, the High Court or the Supreme Court may hear the person making the request and the person so giving notice and being in the opinion of the court entitled to be heard in opposition to the request, and shall determine whether and subject to what conditions, if any, the amendment ought to be allowed." The person whom the court is entitled to hear upon an appeal is there described, in relation to an opponent, as "the person so giving notice and being in the opinion of the court entitled to be heard in opposition to the request."

It will be observed that the phrasing of the section is not "in opposition to the order sought by the appellant" or "in opposition upon the appeal," but is "the person so giving notice and being in the opinion of the court entitled to be heard in opposition to the request"—that is, the request for leave to amend the specification. Therefore, although the end is reached indirectly, the effect of sec. 76 is to show that it is intended that there shall be a standard according to which it may be determined whether or not a particular person is entitled to be heard in opposition to the request. The

result of those words in sec. 76, is therefore, in my opinion, to limit the more general words, namely, "any person" and "the person so giving notice," which appear in sec. 74 and sec. 75. The result is that it is only a person who is entitled to be heard in opposition to the request who should be heard by the commissioner in opposition to the amendment. This conclusion is entirely supported by a considerable number of English decisions which have been given in relation to statutory provisions and regulations indistinguishable in all material particulars from the Commonwealth provisions. There is a distinction in England in relation to the statement of grounds for opposition to a proposed amendment, but this distinction does not affect the foregoing reasoning. The decision in *R.* v. *Comptroller-General of Patents* (1) appears to me to apply in the case of Commonwealth legislation in the same way as it applies in the case of the English legislation which was there under consideration. It was held that the Comptroller-General in England, who corresponds with our commissioner, has power to decide whether a person is entitled to be heard before him. In my opinion all these English decisions are applicable to the Australian legislation.

The next question is what, if there is some standard according to which it must be determined whether or not a person is entitled to be heard, that standard is. It may be described generally by saying that the person must have a sufficient interest in the matter which is before the commissioner for determination. There is a considerable amount of guidance to be obtained from decided cases, showing that a trading or manufacturing interest, or an interest in a prior patent relating to the same or a similar branch of art, is sufficient to establish the existence of an interest entitling the person to be heard. No authority has been cited to the court which supports the contention that any member of the public is entitled to be heard, because, as it is put in this case, that person has an intention at a later date of possibly becoming interested in patents of the same character or type as that to which the application for amendment relates.

The opponent in this case is a company formed for the purpose of protecting the interests of patentees in relation to their patents.

(1) (1899) 1 Q.B. 909.

H. C OF A. 1937.

AUSTRALIAN RADIO MANUFACTURERS' PATENTS ASSOCIATION LTD. v. NEUTRODYNE PTY. LTD.

Latham C.J.

It is suggested to the court that it would be very convenient to allow such a company to appear in opposition, whenever the interests of any of the members of the company are affected by an application for amendment, or, I presume, are interested in an application for the grant of a patent.

In my opinion, to hold that patentees may appoint agents who would be entitled to oppose such an application as this upon the ground really that the persons they represented or their shareholders had an interest would be going far beyond any decided case, and would be introducing a dangerous principle into the administration by the commissioner and in the courts of the *Patents Act*.

In my opinion, the application for the writ of mandamus should be dismissed.

DIXON J. I agree. I think that the words contained in sec. 76 may legitimately be used to qualify the words contained in secs. 74 and 75, and, although it is a strong thing to limit such wide words as "any person," the reasons upon which the English authorities are founded are not displaced by the differences in the Australian Act, and I think it is desirable to preserve consistency of decision. The greater number of those authorities are opinions of law officers, but they show a uniform view of the English provisions. We are not here defining what will be sufficient interest. All we are doing upon that subject is saying that the present applicant or prosecutor has an insufficient interest. The interest it claims is based upon the possibility of trading and the fact that its shareholders do hold patents. It is quite clear that a distinct entity such as a company cannot rely upon the interests of its shareholders as property, tangible or intangible, which it represents.

MCTIERNAN J. I agree. As this is an application for mandamus, I think it is useful to quote the following remarks from the judgment of *A. L. Smith* L.J. in the case of *R.* v. *Comptroller-General of Patents* (1) :—"It is idle to argue that the court should grant a mandamus to the comptroller to hear an objector when a power

(1) (1899) 1 Q.B., at pp. 916, 917.

is given to the law officer to determine whether the objector is a person entitled to be heard. I need not go through sec. 18, which relates to applications to amend a specification ; it is sufficient to say that sub-sec. 4 also leaves it to the law officer to determine whether the person giving notice is entitled to be heard."

Application for mandamus dismissed with no order as to costs ; and in the appeal, appeal struck out, appellant to pay the costs of the respondent, Neutrodyne Pty. Ltd. and of the commissioner.

Solicitors for the appellant, *A. N. Harding & Breden.*

Solicitors for the respondent, *Herman & Coltman.*

Solicitor for the Deputy Commissioner of Patents, *H. F. E. Whitlam*, Crown Solicitor for the Commonwealth.

H. D. W.