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FINAL

COURT OF AUSTRALIA

BIENZ AND ANOTHER

V.

THE COMMISSIONER OF PATENTS

ORIGINAL

REASONS FOR JUDGMENT

Judgment delivered at Sydney

on Tuesday, 24th March 1959

OTTO BIENZ AND WILHELM EBERHARD SCHULTHEIS

v.

THE COMMISSIONER OF PATENTS

ORDER

Order that appeal be dismissed with costs.

OTTO BIENZ AND WILHELM EBERHARD
SCHULTHEIS

v.

THE COMMISSIONER OF PATENTS

JUDGMENT

TAYLOR J.

OTTO BIENZ AND WILHELM EBERHARD SCHULTHEIS

v.

THE COMMISSIONER OF PATENTS

On the 26th September 1951 the appellants lodged with the respondent a Convention application (No.5331/51) for letters patent with respect to an invention entitled "Method of Manufacturing Beer". A like invention had been the subject of an application by the appellants for a "Patent of Invention" in Germany on the 27th September 1950 and this date was claimed as the priority date for Commonwealth letters patent.

Various objections were raised by the respondent to the complete specification the first of which was communicated to the appellant's representatives on the 23rd June 1953. Approximately twelve months later, on the 24th June 1954, the latter forwarded to the respondent a "Statement of Proposed Amendments" and asked for reconsideration of the application. It is unnecessary to refer in detail to the amendments proposed but it may be noticed that it was proposed to "cancel" the twenty claims contained in the specification and to substitute therefor thirteen new claims the terms of which were set out in the statement. So far as one can see this proposal was intended to deal, inter alia, with the objection that "the date claimed is not that of the first foreign application as the invention now claimed is different from that in the basic specification particularly on the point of temperatures, pHs and percentages". After consideration by an examiner the appellants were advised that the proposed amendments would, with an immaterial exception, remove all previous objections other than an objection on the ground that "the modifications claimed by Claims 5 to 13 were

not in the basic specification". Certain additional minor objections were also taken but it is unnecessary to refer to these. These objections were communicated to the appellants on 15th July 1954 and on the 22nd December 1954 they lodged further proposed amendments which involved, among other things, the cancellation of claims 5 and 6, an amendment to claim 7 and the cancellation of claims 8 to 13 inclusive. At the same time they intimated to the respondent their intention to lodge a divisional application "directed to the claims deleted from the present application". Such an application was in fact lodged on 22nd December 1954 together with a complete specification.

The time for acceptance of the original application was extended from time to time and it is common ground between the parties that the time was ultimately extended until the 23rd December 1954. On the previous day, however, the 22nd December 1954, the representatives of the appellants had, as already appears, lodged further "proposed amendments and submissions" which, in the language of the examiner, removed all objections except two but in view of the opinion I have formed in this matter it is unnecessary to specify what these objections were. The appellants were so informed on the 24th December 1954 but at the same time they were also informed by the respondent that "as no further extension of time for acceptance is available, the application is now regarded as lapsed".

Notwithstanding the lapse of the original application the appellants contend that the divisional application should have been accepted and now appeal against the respondent's refusal to accept it. Accordingly it is of some importance to trace briefly the history of that application. As already appears the application was lodged on 22nd December 1954 together with a complete specification.

Various amendments were proposed on different occasions to meet objections to the specification but in September 1956 the supervising examiner reported as follows:-

"The present application purports to be a divisional of 5331/51 but the invention claimed has not been excluded from the parent. Whilst proposed amendments were lodged to exclude the matter the subject of the present application such matter has not in fact been excluded and the parent application has now lapsed. Consequently the provisions of Sec. 45 (5) have not been fulfilled and it is not competent for the applicant in the present application to claim priority dates based on the parent application".

Further he added that it followed "that an objection of anticipation exists based on 5331/51 by same applicants".

The original application was made under the Patents Act 1903-1950 and the second was lodged pursuant to the Patents Act 1952-1954. In these circumstances the objections bring section 45 (5) of the lastmentioned Act as amended in 1955 to the forefront of the case. This provision is in the following terms:

"Where, in respect of an application for a patent lodged under the repealed Acts, the Commissioner has required or allowed the applicant to amend the application and specification and drawings or any of them so as to apply to one invention only and the applicant has made an application under this Act for an invention excluded by the amendment, the priority date of a claim of the complete specification lodged under this Act, being a claim fairly based on matter disclosed in the provisional specification or complete specification lodged under the repealed Acts, is the date which would have been the priority date of that claim if that claim were a claim of the complete specification lodged in respect of the application under the repealed Acts".

The provisions of this subsection were introduced into the Patents Act 1952 by Act No. 3 of 1955 and, accordingly, it was not in force when the second application was lodged. Nevertheless it is clear that it applies to applications

made during the period which elapsed between the commencement of the 1952 Act and the passing of the 1955 Act.

The issues which arise under the subsection are not altogether clear but it seems beyond doubt that the appellants' application for letters patent with the priority date claimed in the original application cannot be regarded as acceptable unless:

- (1) the respondent required or allowed the applicant to amend the original application and specification so as to apply to one invention only;
- (2) the second application is "for an invention excluded from the original application by amendment"; and
- (3) the claims made by the specification accompanying the second application are fairly based on matter disclosed in the complete specification lodged with the original application.

I should say at once that no question arises in these proceedings whether the invention, the subject of the second application, was the subject of a claim or claims made by the original specification though upon the commencement of the hearing counsel for the respondent indicated that, upon instructions, he was prepared to assert that it was not. But counsel for the appellants pointed out that the respondent had refused to accept the second application with the priority date as claimed because he took the view that section 45 (5) had no application unless the specification had, in fact, been amended before the making of the second application or, at the least, unless he had required or allowed it to be amended "so as to apply to one invention only". The remaining question whether the second application was in

respect of an invention fairly claimed in the original specification and excluded by an amendment or proposed amendment had never been considered and, it was urged, could not be considered on the material before me. In the circumstances I thought it proper to deal with the other questions involved in the appeal and to leave this question for consideration in the event of the appellants being successful at this stage. I should add that both parties agreed that this course should be followed.

It is quite clear from the facts before me that the original specification was not at any stage amended. The method of amendment applicable to applications under the repealed Act was prescribed by rules 93 to 95 of the Patents Regulations 1912 and it is abundantly clear that at no time were amendments made in conformity with those provisions. At the most proposals for amendments were submitted for consideration and some, though minor, objections were still outstanding when the original application lapsed on 23rd December 1954. Accordingly it is necessary to consider whether the provisions of section 45 may be invoked after an applicant has been required or allowed to amend but before the amendments have, in fact, been made.

The appellants contend that they may be and point to the provisions of section 49 (3) which permits a divisional application for an invention "excluded by an amendment made or to be made". That subsection, it is said, deals with precisely the same problem as that to which section 45 (5) was directed and its enactment followed upon the discovery that the provisions of section 49 (3) did not apply where the first application had been made under the repealed Act. Much of this may be true but the change of language in section 45 (5) may possibly be thought to tell against the appellants' contention. Indeed if one were to

speculate as to what was intended when the latter subsection was introduced in 1955 it might not be unreasonable to suppose that the draftsman had in mind some specific instance or instances and that he was attempting to provide for cases where amendments to applications lodged under the repealed Act had then been made and divisional applications had already been lodged under the Act of 1952. But the language of the subsection is fairly susceptible of a more liberal construction and should I think be held to apply to divisional applications made under the 1952 Act both before and after the 1955 Act. However the appellants' second application was made in December 1954 so no difficulty arises on this score. Yet the question still remains whether a divisional application can be lodged before required or permitted amendments have in fact been made.

The respondent's contention to the contrary rests upon the use of the expression in the subsection of the words "and the applicant has made an application under this Act for an invention excluded by the amendment". According to the respondent if what the subsection permits is an application for an invention excluded by amendment from an earlier application the applicant may not make his second application until the amendment has been made and the invention thereby excluded. But the answer to this is, I think, that the subsection is concerned not so much with prescribing precisely the time at which a divisional application may be made as with prescribing the appropriate priority date for an invention claimed and disclosed at an earlier date. Accordingly the words "application....for an invention excluded by the amendment" are used primarily for the purpose of identifying the subject matter of the second application with an invention claimed in the earlier application and for which a priority date was then claimed. This view is I think borne out by a consideration of the

subsection as a whole, It deals with cases where the Commissioner has required or allowed the applicant to amend his application and specification so as to apply to one invention only and where, thereafter, the applicant has made a further application for an invention excluded by the amendment. In those cases the priority date of the claims made in the second application - they being claims fairly based on matter disclosed in the earlier application - is the date which would have been the priority date of that claim if that claim were a claim of the complete specification lodged in respect of the application under the repealed Acts. To speak in this context of "an invention excluded by the amendment" is not to stipulate that no application shall be lodged until the amendment has been made; rather it is to stipulate that the second application must be for an invention which, apart from the amendments required or permitted, was claimed in the original application. On the whole I am of the opinion that it is not a necessary condition for the lodging of a divisional application under subsection (5) that amendments required or permitted should have been effectuated before the application is made. At the same time there may be valid reasons why such an application should not receive acceptance so long as the original application remains current and in its unamended form.

I am of the opinion, however, that the appeal must fail because I have come to the conclusion on the material before me that no relevant amendment of the original specification was required or allowed by the respondent. In saying this I do not wish to be taken as agreeing with the Commissioner that there could be no requirement within the meaning of subsection (5) except pursuant to section 42 (a) of the repealed Act. It may well be that the word "required" in subsection (5) is used in a wider sense and may be taken to comprehend the situation which arises when an applicant is

informed that his application will not be accepted unless specified objections are met by an appropriate amendment. This, it is said, is such a case but when regard is had to the facts it is seen that that is not so. The only objection to the original specification which is of any significance in the case is that to which reference has already been made. This objection was that "the date claimed is not that of the first foreign application as the invention now claimed is different from that in the basic specification particularly on the point of temperatures, pHs and percentages". On no view of the matter did this objection require the applicant to amend the specification "so as to apply to one invention only". At a later stage, it appears, the applicants proposed to "cancel" the twenty claims contained in the original specification and to substitute therefor thirteen new claims. After consideration of the new claims the objection was raised that "the modifications claimed by Claims 5 to 13 were not in the basic specification". No doubt it may, by inference, be taken that the new claims 1 to 4 - unlike those originally made - were similar to claims made in the basic specification. Nothing more was done by the appellants until the 20th December 1954 when they proposed further amendments which involved the cancellation of claims 5 and 6, an amendment to claim 7 and the cancellation of claims 8 to 13 inclusive.

It will be observed that no objection was taken to the original specification on the ground that it claimed more than one invention. The first objection was in substance that the invention then claimed was different from that in the basic specification. No objection on the ground of plurality was taken until June 1954 when the appellants proposed to "cancel" the original claims and substitute thirteen new claims. Then, on the 15th July 1954, it was said that "the modifications claimed by Claims 5 to

13 were not in the basic specification". But in raising this objection at this stage the respondent could not on any view be regarded as requiring that the appellants should amend their specification "so as to apply to one invention only". The truth of the matter is that all of the proposals were made in the course of an attempt to ascertain what amendments were necessary to put the specification into a form which would be acceptable to the respondent. Some progress was made towards a final solution but there were still some objections outstanding when the original application lapsed. On no view of the facts, however, can it be said that the respondent required or allowed the appellants to amend the application or specification so as to apply to one invention only.

For these reasons the ^{appeal} ~~application~~ should be dismissed.