



[2014] UKPC 20

Privy Council Appeal No 0033 of 2013

JUDGMENT

Pfizer Limited (Appellant) v Medimpex Jamaica Limited and another (Respondents)

From the Court of Appeal of Jamaica

before

Lord Neuberger

Lord Sumption

Lord Hughes

Lord Hodge

Sir David Kitchin

JUDGMENT DELIVERED BY

Sir David Kitchin

ON

2 July 2014

Heard on 1 May 2014

Appellant

Denise E Kitson QC

Suzanne Risdén-Foster

(Instructed by Blake Lapthorn)

Respondents

James Guthrie QC

Dr Lloyd Barnett

Vincent Chen

Ian Robins

(Instructed by MA Law (Solicitors) LLP)

SIR DAVID KITCHIN:

Introduction

1.

In 1992 Maurice Robinson, an attorney admitted in Jamaica and whose principal area of practice was intellectual property, applied to the Governor-General by petition for the grant of a patent in respect of an invention not previously known in the island, namely the besylate salt of amlodipine, a pharmaceutical which has been used to great effect in many countries for the treatment of high blood

pressure. Mr Robinson explained in a declaration accompanying his petition that the invention had been communicated to him by the appellant (“Pfizer”), a company which was at that time based in Sandwich in Kent. Some 10 years later, on 22 January 2002, Jamaican patent No 3247 (“the Patent”) was granted to Mr Robinson, and very shortly afterwards he assigned it to Pfizer for the nominal sum of \$2.

2.

Amlodipine besylate had in fact been discovered by scientists at Pfizer as early as 1986 and in the years that followed Pfizer sought and obtained protection for it in a number of different countries. Of particular relevance to the present proceedings is an application which Pfizer filed in Egypt in March 1987. In due course Egyptian patent No 18266 was granted upon this application. The normal term of a patent in Egypt was, at that time, 10 years and so patent No 18266 expired in March 1997, that is to say before the grant of the Patent.

3.

For very many years Pfizer has made and sold medicinal products embodying the invention under the name Norvasc. Its sales have been very substantial. Indeed in 2001 its revenues from sales in Jamaica alone amounted to about US \$1.2 million. No doubt recognising the demand for such products, in or about 2001 the respondents began to import into Jamaica and sell and distribute their own generic versions of them. These products were sold by the first and second respondents under the name Normodipine, and by the third respondent under the name Las Amlodipine. The activities of the respondents had a significant effect upon Pfizer’s sales and accordingly, in June 2002, it began these proceedings against them alleging infringement of the Patent. The second respondent ceased all dealings in Normodipine at some time before 18 June 2004 and has taken no part in the proceedings since then. References to the respondents hereafter should therefore be taken as references to the first and third respondents alone.

4.

These proceedings have always had at their heart two issues. The first turns on the proper interpretation of section 3 of the Patent Act 1857 (“the Act”) and concerns the status of Mr Robinson in applying for and securing the grant of the Patent. Pfizer contends that he did so in his capacity as true and first inventor of amlodipine besylate in Jamaica. The respondents accept that he was the true and first inventor of this salt but maintain that he nevertheless made the application as attorney for Pfizer and that he was only ever the inventor in a representative capacity contemplated by the Act.

5.

The second issue is whether, on the proper interpretation of section 29 of the Act, the expiration of a patent for the same invention in another country prior to 22 January 2002 renders the Patent invalid. Pfizer accepts that section 29 has this effect if, but only if, Mr Robinson applied for the Patent as its attorney within the meaning of section 3. However, it maintains that Mr Robinson was acting on his own account. The respondents argue that, on the proper interpretation of section 29 and by analogy with section 25 of the United Kingdom Patent Law Amendment Act 1852 (“the 1852 Act”), section 29 renders the Patent invalid whoever applied for it and irrespective of the capacity in which that person was acting. Alternatively, they contend that section 29 renders the patent invalid because Mr Robinson was acting as Pfizer’s attorney within the meaning of section 3.

6.

At trial, Jones J held that Mr Robinson was the true and first inventor of amlodipine besylate in Jamaica but he did not consider the capacity in which he had acted. He nevertheless found the Patent

invalid because he accepted the respondents' submissions on the second issue. The Court of Appeal (Panton P, Harrison and Dukharan JJA) affirmed the decision of Jones J on the second issue but held he had fallen into error in failing to determine whether Mr Robinson had applied for the Patent as attorney for Pfizer. They held that Mr Robinson had indeed acted in that capacity and so the Patent was invalid for this reason too.

7.

It will be appreciated that the first and second issues are closely related. Indeed the status of Mr Robinson in applying for the Patent is only important if the courts below fell into error in deciding the second issue, that is to say the proper interpretation of section 29 of the Act. The Board therefore considers it appropriate to address the second issue first. But before doing so, it is necessary to explain the legal framework and some common ground.

The legal framework

8.

Section 3 of the Act reads:

"3. Whenever any person whosoever shall, by himself, or if he be an absentee, by his attorney, apply to the Governor-General, by way of petition, alleging that he hath invented or discovered some new and useful art, machine, manufacture, or composition of matter, not heretofore known or used within this Island, or some improvement in any such invention or discovery, and praying to obtain an exclusive property in such new invention and discovery or improvement, and that Letters Patent be granted for the same, it shall be lawful for the Governor-General, in the name of and on behalf of Her Majesty, to direct Letters Patent, under the Broad Seal of this Island, to be issued; which Letters Patent shall recite the allegations and suggestions of the said petition so to be preferred as aforesaid, and shall therein give a short description of the said invention or discovery or improvement; and thereupon shall grant to such person so applying for the same, his executors, and administrators, or assigns, for a term not exceeding fourteen years, the full and exclusive right and liberty of making, constructing, and using, and vending to others to be used, the said new invention or discovery or improvement; and such Letters Patent shall be signed by the Governor-General, and shall be good and available to the grantee therein named by force of this Act:

Provided, that it shall be lawful for the Governor-General, if he should deem it expedient, to insert in any such Letters Patent, a provision extending the operation thereof for a further term of seven years."

9.

The Act therefore confers upon the Governor-General a power to issue a patent to particular persons. In broad terms, the Governor-General may direct that a patent be issued to any person who alleges that he has invented or discovered a new and useful invention, discovery or improvement not hitherto known or used in Jamaica, and who applies for the patent by himself or, if he is an absentee, by his attorney.

10.

It can be seen from this provision that the Act is concerned with local novelty and it is therefore permissible to secure a patent in Jamaica for inventions previously made available to the public in another country. That this is the scheme of the Act is also apparent from sections 25, 29 and 31. This may seem somewhat surprising to those familiar only with the provisions of the European Patent Convention. However, invention by importation was a feature of United Kingdom law until the Patents

Act 1977 came into force in June 1978. The principle was explained in the early 17th century in the case of *The Clothworkers of Ipswich* (1614) 78 ER 147 in these terms:

“But if a man hath brought in a new invention and a new trade within the kingdom, in peril of his life, and consumption of his estate or stock, & c. or if a man hath made a new discovery of any thing, in such cases the King of his grace and favour, in recompense of his costs and travail, may grant by charter unto him, that he only shall use such a trade or trafique for a certain time, because at first the people of the kingdom are ignorant, and have not the knowledge or skill to use it. But when that patent is expired the King cannot make a new grant thereof ...”

11.

The rationale for such a system is that it encourages the setting up within a country of industries already in existence abroad, as emerges from the short report of *Edgeberry v Stephens* (1691) 1 WPC 35, 2 Salk 447:

“A grant of a monopoly may be to the first inventor by the 21 Jac.1; and, if the invention be new in England, a patent may be granted, though the thing was practised beyond sea before; for the statute speaks of new manufactures within this realm; so that if they be new here, it is within the statute; for the Act intended to encourage new devices useful to the kingdom, and whether learned by travel or by study, it is the same thing.”

It seems reasonable to suppose that this was the intention of the Jamaican legislature in enacting section 3 of the Act.

12.

The Act also recognises that the applicant may not be resident in Jamaica. If that is the case, the applicant must nevertheless provide a postal address within the island, as section 4 makes clear:

“4. Every applicant shall in his application give a postal address within the Island, to which any notice or communication may be addressed, and any notice or communication duly sent by post addressed to the applicant at such address shall be deemed to have been duly given or made.”

13.

Section 3 must also be read with section 7 which requires the applicant or, if he is an absentee, his attorney to support the application with a statutory declaration, made before a justice in the island, that he believes he is the true inventor:

“7. Before any person shall obtain or receive any Letters Patent under this Act, such person, or if he be an absentee, his attorney, shall make statutory declaration, in writing, before a Justice in this Island, that he doth verily believe that he is the true inventor, or discoverer, of the art, machine, composition of matter, or improvement, for which he solicits Letters Patent; and that such invention, or discovery, or improvement, hath not, to the best of his knowledge or belief, been known or used in this Island; which declaration shall be delivered together with the petition for such Letters Patent.”

14.

Notice of the application must be published in the Gazette and one of the other newspapers on the island (section 11). Thereafter the petition must be referred to the Attorney-General for examination (sections 12 to 14). If the Attorney-General decides to allow the petition, the patent will proceed to grant, and the patent, the petition and the declaration must then be lodged at the office of the Registrar of Companies in duplicate (sections 15 to 16). A set of copies is retained on the Register

and, upon payment of the appropriate fee, the original patent and specification are given up to the patentee or his attorney.

15.

The privileges and duties of the patentee and the right to revoke the patent are dealt with by sections 25 to 27 of the Act. Section 25 confers upon the patentee during the term of the patent the exclusive right to make, use, exercise and vend the invention within Jamaica. It continues that the patent may, however, be revoked if its grant was contrary to law, if the invention was not new as to its "public use and exercise" within the island, or if the patentee was not the true and first inventor of it within the island. The Act expressly provides that no patent granted in the United Kingdom or elsewhere has any validity or effect in Jamaica unless a patent has also been granted in Jamaica in accordance with the provisions of the Act (section 27).

16.

The Act then contains a series of provisions dealing with the right of a patentee in another country or his assignee to apply for a patent in Jamaica. Section 29 is of particular importance and addresses the right of a person who has himself applied for a patent in another country to apply for a patent for that same invention in Jamaica. It says:

"29. No applicant shall be deprived of his right to a patent in this Island upon the like proceedings being had in all respects as in case of an original application for his invention by reason of his having previously taken out Letters Patent therefor in any other country:

Provided, that such invention shall not have been introduced into public and common use in this Island prior to the application for a patent therein; and that the patent granted in this Island shall not continue in force after the expiration of the patent granted elsewhere; and that where more than one such patent or like privilege is obtained abroad, then immediately upon the expiration or determination of the term which shall first expire or be determined of such several patents or like privileges, the patents granted in this Island shall cease to be in force:

Provided further, that no Letters Patent for or in respect of any invention for which any such patent or like privilege as aforesaid shall have been obtained elsewhere, and which shall be granted in this Island after the expiration of the term for which such patent or privilege was granted or was in force shall be of any validity."

17.

This must be read with section 31 which deals with an application by an assignee:

31. Letters Patent may, upon the like proceedings being had in all respects as in the case of an original application, be issued by the Governor-General to the assignee of any person who may have taken out Letters Patent for his invention or discovery in any other country, but not for any invention or discovery made abroad for which no Letters Patent have been there obtained:

Provided that the invention or discovery so assigned shall not have been introduced into public and common use into this Island prior to the application for a patent; and that the assignee of such foreign patent shall file with his application the assignment, duly proved, under which he claims a patent in this Island, and an affidavit setting forth the date of the patent abroad, that the article thereby patented has not been in public and common use in this Island, and that he is the assignee for a good consideration."

18.

Finally, reference must be made to section 41 which deals with construction. It provides:

“41. If any doubts shall arise in the construction of this Act, the same may be construed by analogy to the laws now or hereafter to be in force in England relating to the granting of Letters Patent for inventions, so far as the provisions of such laws shall be applicable.”

19.

This prompted reference in the courts below to section 25 of the 1852 Act which provided:

“25. Where, upon any Application made after the passing of this Act, Letters Patent are granted in the United Kingdom for or in respect of any Invention first invented in any Foreign Country or by the Subject of any Foreign Power or State, and a Patent or like Privilege for the Monopoly or exclusive Use or Exercise of such Invention in any Foreign Country is there obtained before the Grant of such Letters Patent in the United Kingdom, all Rights and Privileges under such Letters Patent shall (notwithstanding any Term in such Letters Patent limited) cease and be void immediately upon the Expiration or other Determination of the Term during which the Patent or like Privilege obtained in such Foreign Country shall continue in force, or where more than One such Patent or like Privilege is obtained abroad, immediately upon the Expiration or Determination of the Term which shall first expire or be determined of such several Patents or like Privileges: Provided always, that no Letters Patent for or in respect of any Invention for which any such Patent or like Privilege as aforesaid shall have been obtained in any Foreign Country, and which shall be granted in the said United Kingdom after the Expiration of the Term for which such Patent or Privilege was granted or was in force, shall be of any Validity.”

The second issue - section 29

20.

The first paragraph of section 29 appears to have been drafted on the assumption that, but for the section, an applicant would be deprived of his right to a patent in Jamaica if he had previously taken out a patent for the same invention in another country. That is not, of course, the case, for local novelty is all that is required. Nevertheless, read as a whole, it is clear that the purpose of the section is to limit the term of a Jamaican patent or to render such a patent invalid in the particular circumstances set out in the provisos.

21.

As for the meaning of those provisos, Jones J held and the Court of Appeal affirmed that, on the proper construction of section 29 as a whole, if an invention has been patented abroad, then, irrespective of the identity of the foreign patentee, a Jamaican patent for the same invention:

i)

will not continue in force after the expiration of the foreign patent; and, if there is more than one such foreign patent, it will not continue in force after the expiration of any one of those foreign patents;

ii)

will be invalid if granted after the expiration of the foreign patent.

22.

It followed that the Patent was invalid because it was granted after the date upon which Egyptian patent No 18266 had expired.

23.

Panton P (with whom Dukharan JA agreed) arrived at this conclusion on the basis of the wording of section 29 alone, which he appears to have considered unambiguous. Harrison JA (with whom Dukharan JA also agreed) referred with apparent approval to the reasoning of Jones J at first instance who expressed the view that it was permissible to have regard to the terms of section 25 of the 1852 Act in light of section 41 of the Act which, it will be recalled, provides that in the event of any doubt about the proper interpretation of the Act, then it may be construed by analogy to any applicable laws in force in England.

24.

Turning to section 25 of the 1852 Act, Jones J considered that the meaning of this provision was clear. The Board agrees. It was summarised in this way by Lord Chelmsford in giving the opinion of the Board in *In re Betts' Patent* (1862) 15 ER 621, 625:

“Where a patent is taken out in a Foreign country before a patent for the same invention in the United Kingdom, the latter patent is to terminate at the same time as the Foreign patent. Where the term in a Foreign patent has expired, any grant of Letters Patent in the United Kingdom made after that period is to be of no validity.”

25.

Jones J also considered it helpful to have in mind the purpose of section 25 of the 1852 Act as explained by Sir William Page Wood V-C in *Daw v Eley* (1867) LR 3 Eq 496, 510:

“... the object was to prevent the subjects of this kingdom from being fettered in their right to compete with each other in the production and manufacture of different articles, when it was open to foreigners to enter into such competition without being fettered by any exclusive rights claimed by an inventor and patentee, or by the additional price which must be imposed upon the article in consequence of the patent right.”

26.

It is implicit in the judgment of Harrison JA that he thought like considerations applied to section 29 of the Act. He also observed that the focus of section 29 is the “invention, not the original inventor, owner, assignee, or importer”. Accordingly, in considering the applicability of the provisos, it was irrelevant who had applied for or obtained the foreign patent.

27.

The Board cannot agree with the Court of Appeal’s approach for all of the following reasons. First, the opening words of section 29 refer to the actual applicant for the patent in Jamaica and say that he is not to be deprived of his right to a patent by reason of his having taken out a patent in another country. This is subject to the provisos set out in the next two paragraphs, the last of which is the proviso with which this appeal is particularly concerned. It is the opinion of the Board that, in this last proviso, the phrases any such patent and for which such patent are intended to refer back to the patent identified in the opening paragraph, that is to say a patent taken out by the applicant for the invention in another country. This is the natural meaning of the language used.

28.

Second, the wording of section 29 as a whole is significantly different from that of section 25 of the 1852 Act. The material parts of section 25 bear repetition:

“Where, upon any Application made after the passing of this Act, Letters Patent are granted in the United Kingdom for or in respect of any Invention first invented in any Foreign Country or by the

Subject of any Foreign Power or State, and a Patent or like Privilege for the Monopoly or exclusive Use or Exercise of such Invention in any Foreign Country is there obtained before the Grant of such Letters Patent in the United Kingdom Provided always, that no Letters Patent for or in respect of any Invention for which any such Patent or like Privilege as aforesaid shall have been obtained in any Foreign Country, and which shall be granted in the said United Kingdom after the Expiration of the Term for which such Patent or Privilege was granted or was in force, shall be of any Validity.”

In contrast to section 29, there is no reference in the opening words of this section to any foreign patent obtained by the applicant for the domestic patent. Indeed there is no mention of the person who has obtained the foreign patent at all. This difference in wording is so striking it may be assumed it reflects a deliberate choice by the legislature. In all these circumstances the Board does not consider that section 25 of the 1852 Act is of any real assistance in construing section 29 of the Act.

29.

Third, section 29 and section 31 must be read together as complementary parts of one composite scheme. As has been seen, section 31 deals with the rights of an assignee of a person who has taken out a patent for his invention in another country. It says that the assignee may apply for a patent in Jamaica provided that the invention has not been introduced into Jamaica in the meantime, and further provided that various formalities are complied with. Importantly, this section does not contain the other provisos which appear in section 29. This strongly suggests that such an assignee is to be treated in the same way as any other third party importer of a foreign invention who wishes to apply for a patent in Jamaica and differently from an applicant who has himself previously taken out a patent for the invention in a foreign country.

30.

Finally, the scheme so understood is entirely rational. It encourages the importation of foreign inventions into Jamaica and so promotes the setting up of new industries in the island. It also encourages foreign inventors who have taken out patents for their inventions to import those inventions into Jamaica as soon as possible.

31.

The Board therefore considers that both Jones J and the Court of Appeal fell into error on the second issue. The expiration of the Egyptian patent does not necessarily render the Patent invalid. Accordingly the first issue is of critical importance to the outcome of this appeal.

The first issue – section 3

32.

The respondents have always accepted that Mr Robinson was the true and first inventor of amlodipine besylate in Jamaica. Their case is that he made the application for the Patent as Pfizer’s attorney within the meaning of section 3 of the Act and that Pfizer is therefore to be treated as the applicant for the purposes of section 3 and section 29. Further, Egyptian patent No 18266 for the same invention having expired at the date of grant, the Patent is and always was invalid.

33.

The material facts are summarised at the outset of this judgment. Drawing the threads together, Mr Robinson is and was at the relevant time an attorney with an interest in intellectual property. Pfizer communicated the invention to him and he thereupon applied for and, some years later, secured the grant of the Patent. Shortly after grant, Mr Robinson assigned the Patent to Pfizer for a nominal

consideration. In the meantime Pfizer exploited the invention by importing its Norvasc products into Jamaica and selling them there.

34.

In these circumstances the Court of Appeal had no difficulty in finding that Mr Robinson was acting as Pfizer's attorney. Panton P thought it was clear, as emerges from this paragraph of his judgment:

"31 ... It was an agreed fact that the invention was communicated to him from abroad by the appellant. It was after that communication that he applied for the letters patent. Presumably, had there been no such communication, he would not have been in a position to make such an application. Having succeeded in his application, he then assigned the letters patent to the appellant for a mere \$2.00. This invention is of vast proportions, given the evidence as to its medicinal importance as well as the relatively huge sums of money that the appellant has indicated that it earns from sales of the product in Jamaica. It is difficult to appreciate why Mr Robinson would have assigned the letters patent in respect of such a valuable commodity to the appellant for the stated consideration, had he not been acting as attorney for the appellant. It defies logic to think otherwise."

35.

So too did Harrison JA. He put it this way:

"79. ... The question is what was the status of [Mr Robinson]? Did he apply as attorney and in applying for and obtaining the grant did he do so as the alter ego, agent or attorney of the person who had communicated the invention to him? It seems clear to me that based on the facts, the initiative for bringing the drug into Jamaica was taken by the appellant. It also seems clear that without the instructions of the appellant that [Mr Robinson] could not have obtained the registration."

36.

Pfizer submits that, in so deciding, the Court of Appeal fell into error in a number of different ways. First, it argues that the only attorney contemplated by section 3 is a person appointed by a power of attorney, and that since Mr Robinson was never appointed in this way he never had any relevant authority to act on its behalf.

37.

The Board is unable to accept this contention. It sees no reason to give the term "attorney" in this context anything other than its ordinary meaning which includes a person appointed to act for another in legal matters. It therefore includes a person, such as Mr Robinson, licensed to practise as an attorney in Jamaica and properly instructed to act on Pfizer's behalf.

38.

Pfizer's second submission concerns the meaning of the term "absentee". It contends that an absentee for the purposes of section 3 is a person who is normally resident in Jamaica but is temporarily absent. Accordingly, it continues, Mr Robinson could never act as an attorney on its behalf or on behalf of the individual inventors of amlodipine besylate for the purposes of section 3.

39.

Once again the Board is unable to accept this submission. The natural meaning of "absentee" in this context is a person who is not present in Jamaica and so unable to file the petition himself. This interpretation gains support from section 4 which requires an applicant to give a postal address in Jamaica to which any notice or communication may be addressed, and also section 7 which requires the application to be supported by a statutory declaration, made before a justice in the island. Were it

otherwise it would mean that a person not normally resident in Jamaica could not apply by an attorney, and the Board does not accept that the Jamaican legislature could have intended so irrational a result.

40.

It is now possible to turn to Pfizer's third and most substantive argument. It recognises that the facts to which the Court of Appeal referred and which are summarised above do raise an unanswerable inference that Mr Robinson was acting as its agent in making the application for and securing the grant of the Patent. It also accepts that Mr Robinson held the application and subsequently the Patent for it and on its behalf. Nevertheless, it continues, Mr Robinson imported the invention into Jamaica, made a declaration in accordance with section 7 that he was the true and first inventor of it in Jamaica and applied for the Patent in his own name. Accordingly, so the argument goes, Mr Robinson applied for and was granted the Patent in his own capacity and not as attorney for Pfizer. The fact that Mr Robinson may have held the application and subsequently the Patent on trust for Pfizer is neither here nor there.

41.

Attractively though this submission has been advanced, the Board is unable to accept it. Section 3 of the Act permits a person who claims to be the inventor of a new and useful product, not previously known in Jamaica, to apply to the Attorney-General by petition for patent protection for it. He may do so by himself or, if he is an absentee, by his attorney. The Act contemplates that, in that latter case, the attorney will have conduct of the application and will make a declaration, in writing, before a justice in the island, that he is the true inventor of it. The Board has no reason to doubt that the attorney may make the application in the name of his principal and make the necessary declaration in like terms. In such a case it is clear the principal would be the applicant. Now suppose that, instead of making the application in the name of his principal, the attorney makes it in his own name. The difference, such as it is, is one of form not substance. In both cases the application is made on behalf of and for the benefit of the principal. The attorney has neither identified a new and useful invention abroad nor decided to import that invention into Jamaica. He is still acting throughout on the instructions of his principal and consequently holds the application to the principal's order. So also, the principal has still, by his attorney, applied to the Governor-General for the grant of a patent in respect of a new invention which he seeks to import into Jamaica.

42.

Reverting now to section 29, Pfizer contends that this has no application because Mr Robinson, the applicant, had never previously taken out a patent for amlodipine besylate in any other country. In other words, Pfizer contends that an absentee may avoid the operation of section 29 simply by instructing an attorney to make an application for a patent, but to do so in the attorney's own name. The Board cannot accept that the Jamaican legislature intended that sections 3 and 29 should be so narrowly construed. The term "applicant" in section 29 is entirely apposite to describe an absentee who has instructed an attorney to file an application for a patent on the absentee's behalf, and that is so whether the attorney applies for the patent in his own name or in the name of the absentee. Indeed the statutory scheme only works if the absentee holding the beneficial interest is treated as the applicant. Otherwise the purpose of the scheme, which is to deprive an applicant of the right to secure or retain patent protection for an invention in Jamaica after the expiry of a foreign patent which he has taken out for the same invention, is subverted.

43.

It is therefore the opinion of the Board that the Court of Appeal was correct in finding that Mr Robinson applied for the Patent as attorney for Pfizer.

Conclusion

44.

The Board will humbly advise Her Majesty that the appeal should be dismissed.