

**REPUBLIC OF KENYA**  
**IN THE INDUSTRIAL PROPERTY TRIBUNAL**  
**AT NAIROBI**  
**CASE NO: IPT APPEAL NO.20 OF 2015**  
**IN THE MATTER OF PATENT APPLICATION NO.KE/P/2011/001243**

**BETWEEN**

**BRITISH AMERICAN TOBACCO (GERMANY).....APPLICANT**

**- VS -**

**MANAGING DIRECTOR, KIPI.....RESPONDENT**

**JUDGEMENT**

**INTRODUCTION**

1. Before us is an appeal brought by British American Tobacco (GERMANY) (hereinafter the appellant) against the managing director, Kenya Industrial Property Institute (MD, KIPI) hereinafter the Respondent). The appeal was lodged by a notice of Appeal dated 5<sup>th</sup> May ,2015 and is brought against the entire decision of the Managing Director (KIPI) dated 24<sup>th</sup> February ,2015; rejecting the Appellant's patent application No.KE/P/2011/001243 PCT/EP 2009/062049, titled Production of Smoking Products by Thermal intrusion. The grounds of rejection were two fold. First that the said invention is not novel and secondly, the said invention does not disclose an inventive step.
2. The grounds upon which the appeal was mounted and canvassed before us by the appellant were; (a) that the Managing Director erred in finding that the subject matter of patent application No. KE/P/2011/001243 is not novel and (b) that the Managing Director erred in finding that the subject matter of patent application No. KE/P/2011/001243 does not bear any inventive step.

3. Following on these grounds of appeal we are urged to find; (a) that the Respondent's decision as cited herein above was erroneous both in law and fact; (b) direct that the said decision be set aside in its totality and (c) the appellant's patent application number KE/P/2011/OO1243 PCT IE P2009/0620491 be approved for publication and grant.
4. The issue for determination is a short one namely whether the Managing Director erred in finding that the patent the appellant sought to register lacked novelty and inventive step.

## **BACKGROUND**

5. Before we come to deal with the issue raised in this appeal a bit of background to the circumstances leading to the present appeal is necessary.
6. The starting point is the appellant's application No. KE/P/2011/001243 PCT/EP 2009/062049. By letter dated 21/1/2011 the appellant's advocates M/s. Hamilton Harrison and Mathews Lodged with the Kenya Industrial Property Institute (KIPI) a national phase application in the name of British American Tobacco (Germany) GmbH for international patent Application (PCT/EP 2009/062049 Entitled: PRODUCTION OF SMOKING PRODUCTS BY THERMAL EXTRUSION: CLAIMING PRIORITY FROM: GERMANY – 102008 059031.2 Filed on 26<sup>th</sup> November, 2008.
7. Accompanying the application were; 1) The front page of the International Application WO/2010/06066541; 2) English translation of the PCT Application; 3) Original verification of translations ; 4) A copy if ISR with Annexures; 5) References cited therein; 6) English translation of the ISR with annexures; 7) IP form NO. 13 duly completed; 8) IP Form NO. 8 duly

completed; and a draft for US \$400 being fee payable for the application and substantive examination.

8. By a letter dated 9/2/2011 the Respondent notified the appellant of both the patent Application Number and the Filing date in term of section 41(1) of the Industrial Property Act (IPA) 2001 and Regulation 24(5) of the Industrial Property Regulations, 2002. Among the matters brought to the attention of the appellant in that Notice was that, the application was under formality examination and the report would be communicated once this exercise was concluded.
9. Some of the documents submitted by the appellant for consideration at the formality examination stage included completed and stamped (a) Form IP 39 (B) a duly completed Form IP 4, (C) an International search Report, (d) Translations and verifications of annexures.
10. Of importance to this appeal are the results of the International Search Report which concluded that the claimed features were not novel and failed to satisfy the requirements of the Patent Cooperation Treaty (PCT) with respect to novelty and inventive step respectively.
11. The formality examination of the application was concluded and the appellant notified on 3/6/2011 that it had been carried out in accordance with section 41(7) of the Industrial Property Act, 2001 and no defects were identified, the application was to proceed to the next phase which is substantive examination. The following requirements were particularly brought to the attention of the appellant;

- a. That application is required to be published soon after expiration of 18 months from the filing date or priority date.
- b. In accordance with Section 44(2) of the Act, the applicant is requested to submit a Request for substantive examination by submitting Form IP 8 and paying a fee of US \$ 250 within 3 years from the filing date, failure to which the application would be deemed to be abandoned.

12. The appellant then requested for substantive examination under Section 44 of the Act which was done and the appellant notified of the Result in a Report dated 13/3/2012 which where material stated as follow:

“The invention as claimed in some or all the claims is not patentable. In accordance with Section 44(7) of the Act, the applicant is hereby invited to submit observations and, where applicable, to amend the application within 60 days from the date of the invitation, if the applicant is unable to meet the time limit, an extension of time not exceeding 90 days may be granted upon request in Form IP 7 and payment of US \$ 50”.

13. The Report explained that, taking into account the cited documents and the international preliminary examination Report established for the present application, the objections raised in the international Preliminary examination report give rise to objections under the corresponding provisions of the Industrial Property Act 2001 in terms of novelty and inventive steps specifically Section 23 and 24.

14. The appellant then opted to amend and submit an amended application. The amended patent application was transmitted to the Respondent through a letter dated 5<sup>th</sup> April, 2012. The documents

transmitted with the Appellant's letter of 5/4/2012 , included (a) duly completed Form IP 5 ,(b) what was said to be "a new set of claims embodying the marked up and amended claims 1-9 , (c) a memorandum in response to the issues raised in respect of novelty and inventiveness and (d) a draft No.003576 dated 5<sup>th</sup> April, 2012 for US \$ 100 being the fee payable for the amendment.

15.The amended application for patent registration was then considered and rejected by the Respondent .A notification of final rejection under section 44 of the IP Act 2001 and Regulation 28 of IP Regulations 2002 together with a formal Report of the substantive examination complete with the reasons for rejection was then availed to the appellant. According to the Report the invention in some or all the claims are not patentable .This was the final rejection which triggered the present appeal, it is noteworthy that; while examining the invention for its patentability the examiner took into consideration the International Search Report together with its cited documents.

16.As indicated earlier in this judgment after referring to various documents in regard to novelty; inventive step and industrial applicability, the International Search Report, on patentability, pointed out that," the present application does not satisfy the requirement of Article 33(1) Patent Cooperation Treaty(PCT), because the subject matter of claims 2 and 8 is not novel in terms of Article 33(2)PCT .As regards the method of producing smoke the Report at paragraph 2.1 states as follows;

"Document D1 discloses a method for producing a smoke product from a tobacco material in which the tobacco material is conditioned by at least one extrusion process ,which includes compression with pressure and temperature increase as well as mechanically processing an abrupt

decompression of the material at an outlet of an extruder (1) (see claims 1- 6 ) ,wherein heated process fluid (7) is supplied to the tobacco material in the extruder (1) for supplying process heat carrier (see p. 13; 1.32 – p.14 , 1.6 from this it follows that all the features of the method according to the wording of claim 1 are known from the document D1.Thus the requirements of Article 33 (2) PCT are not satisfied.

2.2 The same statement correspondingly applies to the independent Apparatus claim 8, wherein the heater provided in claim 8 is considered implicitly disclosed in D1. The subject matter of claim 8 is therefore not novel and does not meet the requirements of Article 33 (2) PCT.

Additionally, the report notes that, the features of claim 1 and 8 are also known from D3 to D4 and therefore claims 1 and 8 are not novel with Respect to these documents too. (See paragraph 2.3)

Moreover , D2 discloses an apparatus suitable for producing a smoke product , which includes all of the features of claim 8 and claim 8 is according not novel with Respect to document D2 Article 33(2) PCT. (see paragraph 2.4)

Ultimately, the Report concludes that the dependent claims 2-7 and 9-10 do not contain any features satisfying the requirements of the PCT with respect to novelty and inventive step, respectively, in combination with the features of any claim, to which they relate, see documents D1 and D4. (See paragraph 3)

17.The examiner also considered the amendments made by the appellant to the initial application and came to the conclusion that, all the claims 1-9

do not demonstrate inventive step for a person skilled in the art following the disclosure in the cited documents D1 – D4.

18. Furthermore, the amended claims in the opinion of the examiner are word for word rehearse of the claims originally filed in the application save for reduction in claims, after claim 2 of the originally filed application was incorporated in claim 1 in the amended claims. As Regards issues on novelty and inventive step, the application has not satisfactorily demonstrated the presence of the same in the new set of claims but merely renumbering the same and incorporating original claim 2 in claim 1 of the amended version.

19. Consequently the examiner concluded that: "therefore a patent may not be granted for the subject matter sought since all claims 1 - 9 do not meet the requirements of section 24 of the IPA 2001 of the laws of Kenya and consequently the application is rejected for failure to satisfy all the conditions for a grant of patent."

20. We have independently examined the amended patent claims and we agree with the examiner that these claims are word for word to the patent claims initially submitted see page 9 in the initial claims and compare this with the amended claims. For illustration claim No. 1 in the Patent claims Reads as follows;

- i. A method for manufacturing a smoking product from tobacco material, wherein the tobacco material is treated by at least the extrusion process which includes compressing it using an increase in pressure and temperature , and mechanically processing and instantaneous decompression drying the material at an outlet of an extruder (1) , characterized in that a heated process fluid (7) is

supplied to the tobacco material in the extruder (1) as a heat transfer medium for supplying process heat.

- ii. The method according to claim 1, where in the process heat is supplied as enthalpy. When you compare this with Amended patent claims there is really no difference for it reads as follows;

A method for manufacturing a Smoking Product from a tobacco material , wherein the tobacco material is treated by at least one extrusion process which includes compressing it using an increase in pressure and temperature and mechanically processing and instantaneous – decompression drying the material at an outlet of an extruder (1) characterized in the process heat is supplied as enthalpy of a heated process fluid (7) as a heat transfer medium to the tobacco material in extruder (1).

21.The rest of the claims are just renumbered with minor alterations so that what was initially claim 3 is now claim 2, what was claim 4 is claim 3, what was claim 5 is now claim 4, what was claim 6 is now claim 5, initial claim 7 is now claim 6, while initial claim 8, 9 and 10 are now claim 7, 8 and 9 in the amended patent claims.

22.We have examined the international search Report as well as the findings of lack novelty and inventive step made by the examiner which incidentally are in concurrence in many respects and are unable to fault the Respondent for rejecting the application for registration, of the patent titled “Production of Smoking Product by Thermal Extrusion.” The point really is that there is nothing novel in the patent subject of the application

on account of prior art and there is no inventive step disclosed in the claims which a person skilled in the art could not anticipate.

23. Under section 22 (IP ACT 2001) an invention is only patentable if it is new, involves an inventive step. Section 23(1) IP Act an invention is new if it is not anticipated by prior art.

24. In the present case there are concurrent findings of want of novelty and lack of an inventive step as disclosed in the International Search Report and the examination carried out by the Respondent. The objective of the International Search is to discover relevant prior art, (see Art 15 (2) patent co-operation Treaty) .The relevance of the International Search Report in national level patent application is that the managing director may refuse to grant a patent upon the application if it is apparent from the international Search Report that an invention claimed in an international application does not fulfill the requirements of novelty. This is of course subject to the applicant either satisfying him that the requirements have been fulfilled or amends the claims in such a way that fulfills the requirements. (See section 50 (4) IP ACT 2001) As the requirements of novelty and inventive steps were not fulfilled in the application under consideration we do not find any merits in the present appeal and the appeal is therefore for dismissal.

In the upshot the appeal is hereby dismissed with no orders as to cost.

It is so ordered.

**Read and delivered this 13<sup>th</sup>April, 2017 in the presence of:**

**Mr. Peter Kamero of Hamilton Harrison & Mathews Advocates for the Appellant.**

**N/A for the Respondent.**

**Signed by:**

<b>HASSAN N. LAKICHA</b>	<b>-</b>	<b>CHAIRMAN</b>	_____
<b>BROWN M. KAIRARIA</b>	<b>-</b>	<b>MEMBER</b>	_____
<b>GODRREY OWINO</b>	<b>-</b>	<b>MEMBER</b>	_____
<b>BRETTAH MUTHURI</b>	<b>-</b>	<b>MEMBER</b>	_____

