

INTELLECTUAL PROPERTY: CASE UPDATE

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CASES REPORTED IN FEBRUARY 2022

Every case is interesting to someone and no case is interesting to everyone, and so we provide snapshots of each intellectual property decision reported by bailii.org (British and Irish Legal Information Institute) from the Patents Court (which deals with all registered rights), the Intellectual Property Enterprise Court (for smaller or simpler claims), and the appeal courts, and a contents table so that you can see quickly whether there is anything interesting to you.

Please get in touch with tom.carver@wablegal.com for more detail on any of the cases, or for any other queries, questions or discussions.

High Court

Patent validity and infringement; decision on the papers	Neurim Pharmaceuticals (1991) Ltd & Anor v Generics (UK) Ltd
Patent infringement and validity; application for permission for alternative service.	Nokia Technologies OY v OnePlus Technology (Shenzhen) Co & Ors
Damages for unjustified threats of patent litigation; applications to amend pleadings	Dr Reddy's Laboratories (UK) Ltd & Ors v Warner-Lambert Company LLC

Intellectual Property Enterprise Court

Design right; infringement and validity; forgery	Erol v Posh Fashion Ltd
Trade mark infringement s.10(2) and (3)	GNAT and Company Ltd & Anor v West Lake East Ltd & Anor
Trade mark infringement and validity; summary judgment decision on the papers.	NAH Holdings Ltd & Anor v KBF Enterprises Ltd & Anor
Registered design infringement and validity	ASR Interiors Ltd v AWS Trading Ltd & Anor

[Neurim Pharmaceuticals \(1991\) Ltd & Anor v Generics \(UK\) Ltd](#)

Another instalment of this saga. By the [decision](#) reported in January 2022 this case was passed to Mr Justice Smith (being the judge who had found the first patent valid and infringed) to be managed and heard thenceforth.

This is the decision by Mr Justice Smith on the validity and infringement of the divisional. He holds that the divisional, being “patentably indistinct” from the patent he had previously found valid and infringed, is... valid and infringed!

This is a highly unusual situation, in which an action for infringement and validity of a valuable pharmaceutical patent has been decided on the papers (i.e. with no oral submissions). The parties made written submissions, and the judge approached the matter by considering whether the points made in those submissions persuaded him that his judgment relating to the original patent was wrong such that he should change his mind. No new legal arguments and no new evidence was permitted, only re-emphases or re-statements of points made at the trial of the original patent.

[Nokia Technologies OY v OnePlus Technology \(Shenzhen\) Co & Ors](#)

The claimant attempted to serve proceedings on two of the defendants in China using the Hague Convention. The Foreign Process Service despatched the documents to the authorities in China, but the documents were returned marked “unclaimed” many months later. The claimant therefore applied for permission for alternative service by way of email to individuals concerned with the two defendants in question.

Alternative service can be used if there is a ‘good reason’. In this case the judge found that there was a ‘good reason’ because the regular process for service had not worked, repeating the Hague Convention procedure would result in unusual delay and because of the sheer lack of certainty that the Hague Convention process will work at all.

Extraterritorial use of alternative service requires, in addition to a good reason, special or exceptional circumstances to tip the balance when considering the importance of the due administration of justice as against comity between nations. The judge held that the prejudice or effect on comity caused by permitting alternative service in this case was slight: the defendants in question are well aware of the proceedings, are participating in litigation in relation to other national designations of the same European patent, and opposing the patent at the EPO. The prejudice to the due administration of justice was held to be considerable, the right being a UK-specific intellectual property right which could not be litigated elsewhere.

The judge granted the order for alternative service.

[Dr Reddy's Laboratories \(UK\) Ltd & Ors v Warner-Lambert Company LLC](#)

This decision relates to the claimants’ (the claimants including the National Health Service) action for damages caused by unjustified threats of patent litigation in the pregabalin litigation. This decision is somewhat technical and relates to seven applications made by the claimants to amend their pleading, and one by the defendant to strike out certain aspects of the claimants’ case.

There is little of general application in the decision, save for a confirmation that Court Orders are to be construed objectively and that the quantification of damages is best described as an art rather than a science.

[Erol v Posh Fashion Ltd](#)

This dispute centred on the validity of two registered designs. The defendant relied on three items of prior art.

The claimant's primary defence against the invalidity attack was to claim that the dates of the prior art were not as claimed by the defendant. The only reason the claimant gave for supposing that the dates had been forged was an allegation that the defendant's director had been investigated for fraud, been convicted and given a seven year prison sentence and been banned from being a director for life. None of these allegations were supported by evidence and all were found by the judge to be wrong.

The judge found the designs to be invalid over the (correctly dated) prior art.

[GNAT and Company Ltd & Anor v West Lake East Ltd & Anor](#)

The defendant's sign was held to infringe under s.10(2) (likelihood of confusion) despite the evidence that in 12 years of trading there had not been a single instance of confusion. This was because it is necessary to ascertain whether there is a likelihood of confusion with the trade mark in all the circumstances in which the mark might be used, and not only the circumstance in which it actually is used. In this case the claimant and defendant are restaurant businesses at opposite ends of the spectrum in terms of prestige (which might explain why there has never been any instance of confusion), but both restaurants nonetheless and the trade mark in question is registered for restaurant services.

There was, however, no infringement under s. 10(3) (taking unfair advantage), because the evidence filed by the claimant failed to establish that the trade mark was known by a significant part of the UK public concerned with restaurant services; failed to establish that the sign took any unfair advantage of the mark; and failed to establish any detriment to the claimant.

The defence of 'honest concurrent use' failed, with a comment that might, if followed by other judges, sound something of a death knell for the defence altogether, "*in the modern climate of easy trade mark and internet searches, I think that if a party starts to use a trading name without appropriate advice and simple searches, such use will not have been honest concurrent use without some reason why it should be taken to be so.*"

[NAH Holdings Ltd & Anor v KBF Enterprises Ltd & Anor](#)

The claimant applied for summary judgment on the papers in its claim for trade mark infringement.

The judge found the claimant's case on infringement to be very strong but could not, without evidence, rule out the possibility that the trade marks were either descriptive or devoid of distinctive character and therefore invalidly registered. He noted that there was "*just enough doubt for me to believe the prospect is better than fanciful*", ("*realistic rather than fanciful*" being the threshold for a 'real prospect of success' which is the test for summary judgment).

However, he was reluctant to let the case go forward and to impose the expenditure of time and money on the claimants, and he therefore invited the parties to make further submissions in writing.

[ASR Interiors Ltd v AWS Trading Ltd & Anor](#)

Three registered designs for furniture were found to be valid and infringed.

The defendant had relied on documents claimed variously to be sales orders, design documents and customs clearance documents to support its allegation that the infringing products had been imported before the dates of the design right registrations and therefore the rights were invalid. The judge found that none of the documents proved the import of the products.