



# Controversial I.P. Infringement Remedies

Two recent decisions from the top courts in Canada and the U.S.

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FICPI 17<sup>th</sup> Open Forum - October 26<sup>th</sup>, 2017

**Bereskin  
& Parr**

## ***Google v. Equustek*** –

- Supreme Court of Canada
- June 28, 2017

## *Apple v. Samsung* –

- Supreme Court of the United States
- December 6, 2016

# Google v. Equustek

Equustek:

small Canadian manufacturer of networking devices

Datalink:

distributor for Equustek

started to re-label Equustek products and pass them off as its own

used Equustek's trade secrets to design and make competing devices

# Google v. Equustek

Equustek sued Datalink in the B.C. Supreme Court



# Google v. Equustek

Datalink initially defended but then left the jurisdiction

Court granted Equustek an interlocutory injunction against Datalink

# Google v. Equustek

Datalink continued to carry on sales

Infringing products were sold mostly from Datalink websites

Equustek tried to have webhosts remove Datalink websites - unsuccessful

# Google v. Equustek

Equustek asked Google to de-index Datalink's websites

# Google v. Equustek

Google voluntarily de-indexed specific webpages associated with the infringing

Datalink moved the objectionable content to new pages

# Google v. Equustek

Google's de-indexing was limited to searches on Google.ca

Potential new purchasers could still access Datalink's full websites using other Google URLs

# Google v. Equustek

Equustek obtained an order, enjoining Google from displaying any part of Datalink's websites in *any* Google search results

# Google v. Equustek

Google appealed to the B.C. Court of Appeal

- upheld the global interlocutory injunction

BCCA rejected Google's argument that B.C. courts do not have jurisdiction



# Google v. Equustek

Google then appealed to the Supreme Court of Canada



# Google v. Equustek

Google's three arguments:

1. As a non-party, it should be immune from any injunction
2. An injunction against Google is not necessary to prevent the infringement, and is not effective to stop all infringement
3. The injunction is inappropriate because of its extraterritorial reach, and its interference with freedom of expression

# Google v. Equustek

Supreme Court's decision:

Google searches were the only way that Datalink could commercially sell its infringing products

Enjoining Google was necessary to prevent Datalink from continuing to defy the court's orders

## Google v. Equustek

“Datalink is only able to survive – at the expense of Equustek’s survival – on Google’s search engine which directs potential customers to its websites.”

“This does not make Google liable for this harm. It does, however, make Google the determinative player in allowing the harm to occur.”

# Google v. Equustek

“The order does not require that Google take any steps around the world, it requires it to take steps only where its search engine is controlled. This is something Google has acknowledged it can do – and does – with relative ease.”

# Google v. Equustek

“Google’s argument that a global injunction violates international comity... is, with respect, theoretical.”

# Google v. Equustek

“If Google has evidence that complying with such an injunction would require it to violate the laws of another jurisdiction, including interfering with freedom of expression, it is always free to apply to the British Columbia courts to vary the interlocutory injunction accordingly.”

# Google v. Equustek

*“The internet has no borders – its natural habitat is global. The only way to ensure that the interlocutory injunction attained its objective was to have it apply where Google operates – globally.”*

# Google v. Equustek

One month later, Google filed an application in U.S. District Court



# Google v. Equustek

## Google's Complaint:

“Google brings this action to prevent enforcement in the United States of a Canadian order that prohibits Google from publishing within the United States search results information about the contents of the internet.”

# Google v. Equustek

“The Canadian trial court recognized that Google is an “innocent bystander” to the case. Nevertheless, it issued a novel worldwide order against Google, restricting what information an American company can provide to people inside of the United States and around the world.”

# Google v. Equustek

“The Canadian order is repugnant to [the First Amendment and the Communications Decency Act], and the order violates principles of international comity, particularly since the Canadian plaintiffs never established any violation of their rights under U.S. law.”

# Google v. Equustek

“...Google seeks a declaratory judgment that the Canadian court’s order cannot be enforced in the United States and an order enjoining that enforcement.”

Stay tuned...

# Apple v. Samsung

U.S. District Court jury found infringement of utility patents, design patents, and trademarks/trade dress rights



# Apple v. Samsung

The jury awarded damages of over \$1 billion

Trial judge subsequently reduced the damage award to \$600

# Apple v. Samsung

CAFC set aside the judgment as it pertained to trademark infringement - Apple's trade dress was functional

CAFC upheld the award of damages based on Samsung's "total profit" in respect of design patent infringement



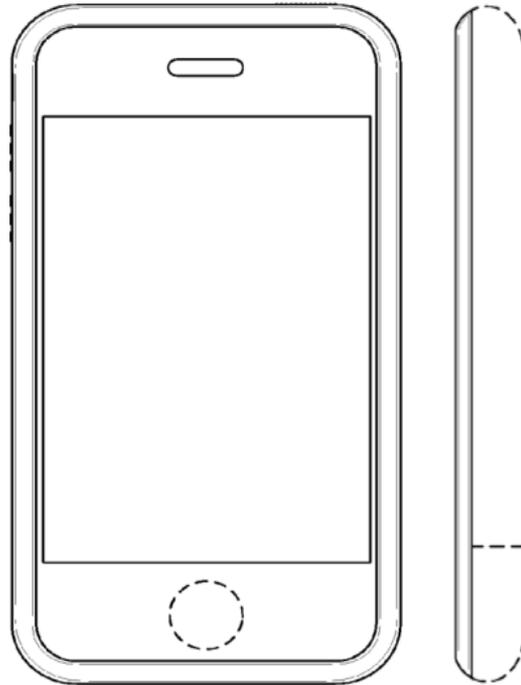
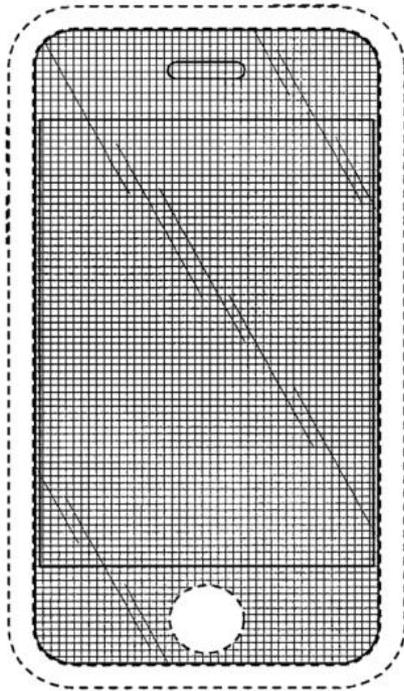
# Apple v. Samsung

Last October, the matter was heard by the Supreme Court of the United States



# Apple v. Samsung

Apple's three design patents -



# Apple v. Samsung

Sole issue - “total profit” as an award for design patent infringement

Section 289:

*... Whoever sells any article of manufacture to which a patented design... has been applied shall be liable to the owner to the extent of his total profit.*

# Apple v. Samsung

Section 289 enacted in 1887 in response to the Supreme Court's "Dobson" cases involving carpet designs

Congress rejected the Supreme Court's theory of "apportioning" the value of a patented design from the article to which the design is applied

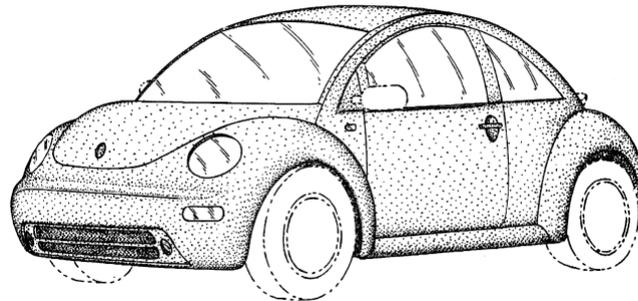
# Apple v. Samsung

Samsung's argument: for a "multicomponent product", the relevant "article of manufacture" may be just a component

# Apple v. Samsung

In oral argument, the justices were not very sympathetic to design rights owners

They referred to the value of the body design of a Volkswagen Beetle compared to the whole automobile



## Apple v. Samsung

Section 289 clearly prohibits apportionment of damages providing the remedy of “total profit”, but the Court seized on “article of manufacture”

The Court agreed with Samsung that it was necessary to determine what is the “article of manufacture” - that determination is a question of fact

# Apple v. Samsung

No guidance on *how to determine* what is the infringer's "article of manufacture"

Instead, it remanded the case to the CAFC, who remanded it back down to the District Court

# Apple v. Samsung

At present, the case is still before the District Court

# Apple v. Samsung

Samsung: need a new trial on the issue of what is the “article of manufacture”

Apple: never any issue, and is still no issue - the “article of manufacture” is any phone sold by Samsung that infringes Apple’s designs

# Apple v. Samsung

Four days ago, on Sunday, October 22, Judge Lucy Koh ordered a new trial on damages

Applied the test argued by U.S. Solicitor General before SCOTUS

# Apple v. Samsung

The test for determining the article of manufacture for the purpose of § 289 is based on the following four factors:

1. The scope of the design claimed in the plaintiff's patent, including the drawing and written description;

# Apple v. Samsung

2. The scope of the design claimed in the plaintiff's patent, including the drawing and written description;
3. The relative prominence of the design within the product as a whole;

# Apple v. Samsung

4. The physical relationship between the patented design and the rest of the product, including whether -
  - the design pertains to a component that a user or seller can *physically separate* from the product as a whole,
  - the design is embodied in a component that is *manufactured separately* from the rest of the product,
  - or if the component can be *sold separately*.

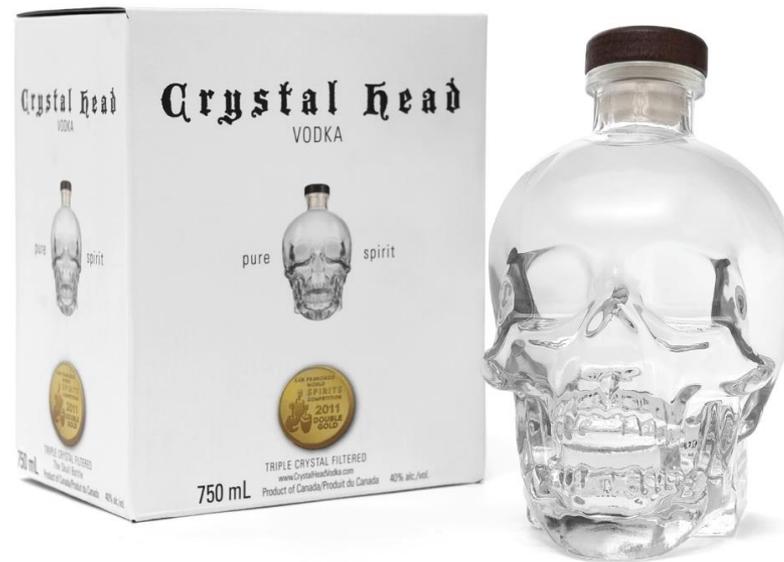
## Apple v. Samsung

- The *plaintiff shall bear the burden of persuasion* on identifying the relevant article of manufacture and proving the amount of total profit on the sale of that article.
- The *plaintiff also shall bear an initial burden of production...*
- If the plaintiff satisfies its burden of production on these issues, *the burden of production shifts to the defendant...*

# Apple v. Samsung

Stay tuned...

# Audience participation exercise



**United States of America**  
United States Patent and Trademark Office



**Reg. No. 4,218,759**  
**Registered Oct. 2, 2012**  
**Int. Cl.: 33**

GLOBEFILL INCORPORATED (CANADA CORPORATION)  
SUITE 320  
366 KING STREET EAST  
KINGSTON, ON, CANADA K7K6Y3

FOR: VODKA, IN CLASS 33 (U.S. CLS. 47 AND 49).

**TRADEMARK**

FIRST USE 9-0-2008; IN COMMERCE 9-0-2008.

**PRINCIPAL REGISTER**

OWNER OF U.S. REG. NOS. 3,932,245, 3,942,593, AND OTHERS.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE THE DESCRIPTIVE DESIGN OF THE BOTTLE CAP APART FROM THE MARK AS SHOWN.

THE MARK CONSISTS OF A STYLIZED DESIGN, NOT BEING A CONFIGURATION OF THE GOODS OR PACKAGING FOR THE GOODS, COMPRISED OF A FRONT SIDE VIEW OF A BOTTLE IN THE SHAPE OF A SKULL WITH A BOTTLE CAP ON TOP.

SN 85-286,674, FILED 4-5-2011.

BERYL GARDNER, EXAMINING ATTORNEY



*David J. Kappas*

Director of the United States Patent and Trademark Office

**United States of America**  
United States Patent and Trademark Office



**Reg. No. 4,043,730**  
**Registered Oct. 25, 2011**  
**Int. Cl.: 33**

GLOBEFILL INCORPORATED (CANADA CORPORATION)  
309 ALFRED STREET  
KINGSTON, ONTARIO, CANADA K7L3S4

FOR: ALCOHOLIC BEVERAGES, NAMELY, VODKA, IN CLASS 33 (U.S. CLS. 47 AND 49).

FIRST USE 9-0-2008; IN COMMERCE 9-0-2008.

**TRADEMARK**

THE MARK CONSISTS OF A CONFIGURATION OF A BOTTLE IN THE SHAPE OF A SKULL. THE BOTTLE CAP IS SHOWN IN DOTTED LINES AND IS NOT A PART OF THE MARK.

**PRINCIPAL REGISTER**

SER. NO. 77-967,530, FILED 3-24-2010.

SARA BENJAMIN, EXAMINING ATTORNEY



*David J. Kappas*

Director of the United States Patent and Trademark Office

**United States of America**  
United States Patent and Trademark Office



**Reg. No. 4,195,505**  
**Registered Aug. 21, 2012**  
**Int. Cl.: 33**

GLOBEFILL INCORPORATED (CANADA CORPORATION)  
SUITE 320  
366 KING STREET EAST  
KINGSTON, ON, CANADA K7K6Y3

FOR: VODKA, IN CLASS 33 (U.S. CLS. 47 AND 49).

**TRADEMARK**

FIRST USE 9-0-2008; IN COMMERCE 9-0-2008.

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OWNER OF U.S. REG. NOS. 3,932,245, 3,942,593, AND OTHERS.

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SN 85-286,668, FILED 4-5-2011.

BERYL GARDNER, EXAMINING ATTORNEY



*David J. Kappas*

Director of the United States Patent and Trademark Office



US00D589360S

(12) **United States Design Patent** (10) **Patent No.:** **US D589,360 S**  
**Alexander** (45) **Date of Patent:** **\*\* Mar. 31, 2009**

(54) **BOTTLE**  
(75) Inventor: **John Alexander**, New York, NY (US)  
(73) Assignee: **Glofill Inc.**, Ontario (CA)  
(\*\*) Term: **14 Years**  
(21) Appl. No.: **29/303,016**  
(22) Filed: **Jan. 30, 2008**

(30) **Foreign Application Priority Data**  
Feb. 10, 2007 (CA) ..... 122529  
(51) **LOC (9) Cl.** ..... **09-01**  
(52) **U.S. Cl.** ..... **D9/626**  
(58) **Field of Classification Search** ..... D7/514-517;  
D9/600-601, 614, 620, 623-626; D11/128;  
D21/658-661  
See application file for complete search history.

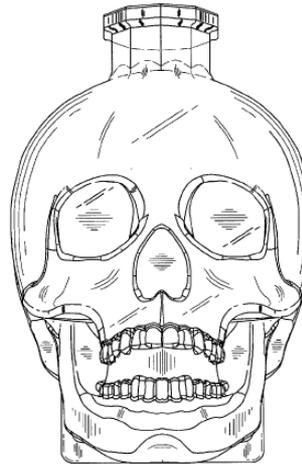
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**U.S. PATENT DOCUMENTS**  
D23,399 S \* 6/1894 Lee ..... D9/626  
D420,903 S \* 2/2060 Liberty ..... D9/625  
D459,213 S \* 6/2002 Buboltz et al. .... D9/626

D483,905 S \* 12/2003 Berousky ..... D26/126  
\* cited by examiner  
*Primary Examiner*—Sandra Morris  
(74) *Attorney, Agent, or Firm*—Baker & Hostetler LLP

(57) **CLAIM**  
The ornamental design for a bottle, as shown and described.

**DESCRIPTION**  
FIG. 1 is a left side perspective view of the bottle, particularly showing the inventive design thereof, the skull is transparent, but is not shown for ease of illustration;  
FIG. 2 is a front view of the bottle shown in FIG. 1;  
FIG. 3 is a rear view of the bottle shown in FIG. 1;  
FIG. 4 is a left side view of the bottle shown in FIG. 1, the right side view of the bottle being a mirror image thereof;  
FIG. 5 is a top view of the bottle shown in FIG. 1, the skull is transparent, but is not shown for ease of illustration; and,  
FIG. 6 is a bottom view of the bottle shown in FIG. 1, the skull is transparent, but is not shown for ease of illustration.  
The broken line showing is for illustrative purposes only and forms no part of the claimed design.

**1 Claim, 6 Drawing Sheets**



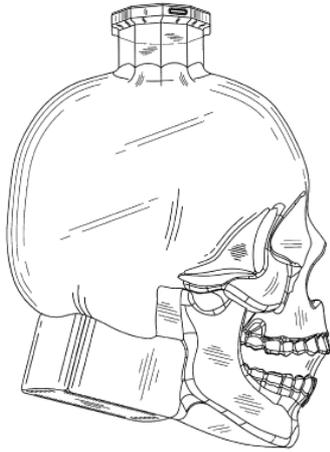


FIG. 1

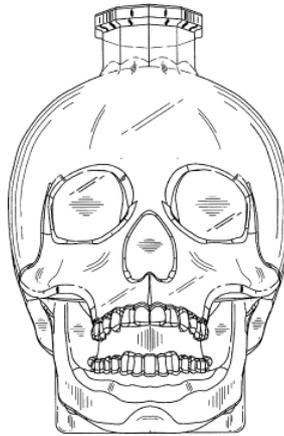


FIG. 2

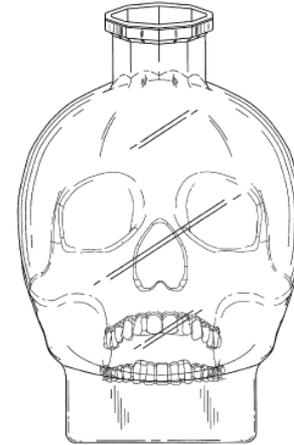


FIG. 3



FIG. 4

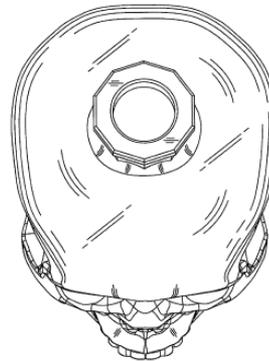


FIG. 5

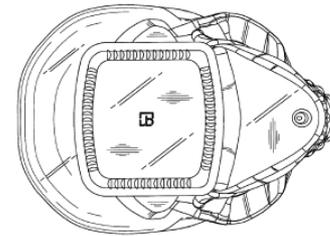


FIG. 6





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