



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

FICPI FORUM – VIENNA AUSTRIA

10 October 2019

Recent Singapore Court Decisions Affecting IP Licensing: *Perspectives and Practical Implications*

AUDREY YAP
Advocate & Solicitor
Registered Patent Agent
Singapore



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

Disclaimer

This information is provided for general use only. It is not intended to be nor should it be relied upon as legal advice.



Outline

- ✘ Introduction
- ✘ Issues raised in recent decisions:
 - ✘ Evidentiary Issues
 - ✘ Locus Standi
 - ✘ Ownership of Goodwill
 - ✘ Exhaustion of Rights
 - ✘ Assessment of Damages
- ✘ About the Speaker
- ✘ Questions



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

INTRODUCTION



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

EVIDENTIARY ISSUES



Statutory provisions on formalities

Trade Marks Act (Cap. 332):

s 42(3) A licence is not effective unless it is in writing signed by or on behalf of the grantor.

s 42(4) Subsection (3) may be satisfied in a case where the grantor is a body corporate by the affixing of its seal.

s 42(6) Every person shall be deemed to have notice of a licence if the prescribed particulars of the grant of the licence are entered in the register under section 39(1).



Statutory provisions on formalities

Patents Act (Cap. 221):

s 41(6) Any of the following transactions, that is to say —

(a) any assignment or mortgage of a patent or any such application, or any right in a patent or any such application;

(b) any assent relating to any patent or any such application or right,

shall be void unless it is in writing and is signed by or on behalf of the assignor or mortgagor (or, in the case of an assent or other transaction by a personal representative, by or on behalf of the personal representative) or in the case of a body corporate is so signed or is under the seal of that body.



Statutory provisions on formalities

Copyright Act (Cap. 221):

s 7(1) “exclusive licence” means a licence in writing, signed by or on behalf of the owner or prospective owner of copyright, authorising the licensee, to the exclusion of all other persons, to do an act that, by virtue of this Act, the owner of the copyright would, but for the licence, have the exclusive right to do, and “exclusive licensee” shall have a corresponding meaning;



Nanofilm Technologies International Pte Ltd v Semivac International Pte Ltd and others [2018] 5 SLR 956

"47 The sixth and final general point to underscore is the well-established distinction between a licence and an assignment of the copyright. Save for exclusive licences, there are no formality requirements for a licence. The licence can be expressed or implied and need not even have to be contractual in nature. An exclusive licence (which must be in writing) confers on the licensee the right to sue in his own name, although it may still be necessary to join in the owner if ordered to do so by the court: s 124 of the Copyright Act. A licensee (even an exclusive licensee) does not become the owner of the copyright.

...

50 During cross-examination, Dr Shi went on to claim that the copyright to the diagram was originally "owned" by himself and Nanyang Technological University of Singapore ("NTU"), where he was at that time an assistant professor... The plaintiff was incorporated in 1999. Dr Shi goes on to claim that the copyright was given to the plaintiff via a "licensing" agreement.

51 The problem is that, apart from Dr Shi's assertion, there is no evidence of the actual licensing agreement... Whilst it is certainly possible that NTU acquired a "share" of the rights over the diagram (co-ownership) pursuant to contractual agreements, there is no evidence at all of the relationship between Dr Shi, Dr Cheah and NTU in 1995, such as agreements (if any) and applicable provisions on ownership of intellectual property rights in research output at NTU.



Evidentiary issues

✕ Proof needed for licence

– in *Golden Season Pte Ltd and others v Kairos Singapore Holdings Pte Ltd and another* [2015] 2 SLR 751, it was held that use of copyrighted material was without licence of copyright owner as there was no basis for finding of an express or implied licence.



Golden Season Pte Ltd and others v Kairos Singapore Holdings Pte Ltd and another [2015] 2 SLR 751 [193] – [197]

“Copyright infringement only arises where the act of reproduction is done without the licence of the copyright owner. The issue that needs to be addressed is whether there was in fact a verbal reseller agreement and if so whether permission (to use the copyrighted works) was granted by the Defendants as part of this agreement. The legal burden of establishing that the act of copying was done without the licence of the copyright falls on the shoulders of the copyright owner... The Plaintiffs, on the other hand, assert that a licence was indeed granted as part of the terms of an oral reseller agreement. To this end, oral evidence of the alleged agreement was led by the Plaintiffs...

...

Given that this was an agreement between two corporate entities conducted by two businessmen, both having some experience in the business world, it would only be reasonable to expect some documentary proof, be it in the form of e-mails, contemporaneous notes, call logs, or messages evidencing the existence of such an agreement. There, however, remains none of this...”



Evidentiary issues

- ⌘ Given the advent of technology, where a licensing agreement or relationship is alleged between parties, it would be very difficult for the courts to hold that there is such agreement without any documentary evidence – e.g. text / mobile messaging, emails, etc.
- ⌘ Even though a simple license may not have formality requirements, it would be better for parties to have in place some written (whether electronic or otherwise) documentation or record of the terms of such license, since this would affect the relationship and obligations vis-à-vis the parties.



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

***LOCUS STANDI* ISSUES**



Statutory provisions

Trade Marks Act (Cap. 332):

General provisions as to rights of licensees in case of infringement

44.—(1) This section has effect with respect to the rights of a licensee in relation to infringement of a registered trade mark.

(2) The provisions of this section do not apply where or to the extent that, by virtue of section 45(1), the licensee has a right to bring proceedings in his own name.

(3) A licensee is entitled, unless his licence, or any licence through which his interest is derived, provides otherwise, to call on the proprietor of the registered trade mark to take infringement proceedings in respect of any matter which affects his interests.

...

45.—(1) An exclusive licence may provide that the licensee shall have, to such extent as may be provided by the licence, the same rights and remedies in respect of matters occurring after the grant of the licence as if the licence had been an assignment.

(2) Where or to the extent that the provision referred to in subsection (1) is made, the licensee is entitled, subject to the provisions of the licence and to the provisions of this section, to bring infringement proceedings, against any person other than the proprietor, in his own name.



Exclusive licensee's right to sue

- ⌘ A licensee does not have the same rights as an owner, save as contained in the license agreement / based on statutory provisions. This is because the licensee derives its rights from the agreement with the owner of the IP right.
- ⌘ Does section 45 of the TMA confer a proprietary right on the exclusive licensee?



Han's (F & B) Pte Ltd v Gusttimo World Pte Ltd *[2015] 2 SLR 825*

"55 As noted at [40] above, the TMA allows a licence of a registered trade mark to affect third parties in specific circumstances. Where those circumstances avail, it would normally be irrelevant whether a licence is proprietary or not. The question is whether the court should infer from the existence of these specific provisions that a trade mark licence is proprietary in nature and has the effect of binding third parties in all circumstances, even those falling outside the scope of these provisions.

...

58 It should first be noted that s 45(1) of the TMA does not apply to all exclusive licences, but only to those where it is contractually provided that the exclusive licensee has the same rights (including that to sue in his own name) as if he were an assignee (see Kerly's ([42] supra) at para 20-010 and Wilkof ([42] supra) at para 4-09). It follows that, even if it is correct that an exclusive licensee who is able to avail himself of s 45 of the TMA does obtain a proprietary interest, this does not lead to the conclusion that it is true of all exclusive licensees.

59 But more fundamentally, we do not consider that s 45 of the TMA assists the Respondent even if the Licence Agreement does fall within its ambit, because s 45 of the TMA is not intended in our judgment, to change, in substance, the nature of an exclusive licence.

...



Han's (F & B) Pte Ltd v Gusttimo World Pte Ltd [2015] 2 SLR 825 (continued)

“62 In our judgment the better view is that expressed in Tan Tee Jim, Law of Trade Marks and Passing Off in Singapore vol 1 (Sweet & Maxwell, 3rd Ed, 2014) at p 572 (at nn 87 and 88), that the provisions of s 45 of the TMA are purely procedural, enabling the exclusive licensee to enforce the proprietary rights of the proprietor. The exclusive licensee is not the proprietor and is not treated as such other than for this procedural purpose. Thus, the exclusive licensee who sues in his own name pursuant to s 45 of the TMA still claims through the registered proprietor.

...

67 In our judgment, an exclusive licensee of a trade mark does not acquire a proprietary interest in it. We start from the well-established premise that the analysis that is applied to analogous arrangements in the context of real property cannot and should not be extended directly to intellectual property. In so far as statutory provisions exist for the rights conferred by a licence to bind or affect third parties in specified situations, there is no reason or basis for extending that to other situations. Finally, as we have held, s 45 of the TMA is a facilitative device to enable the exclusive licensee to enforce in his own name the proprietor's rights in the registered trade mark. It does not create a separate substantive right to exclude third parties from using the mark; that right continues to reside in the proprietor. So if the proprietor has consented to the use of a registered trade mark by a third party in breach of the terms of an exclusive licence, the licensee's primary remedy is a contractual one against the licensor...



Licensing of Trade Mark – To Register or Not?

Licensing of registered trade mark

42.—(1) A licence to use a registered trade mark may be general or limited.

(2) A limited licence may, in particular, apply in relation to some but not all of the goods or services for which the trade mark is registered.

(3) A licence is not effective unless it is in writing signed by or on behalf of the grantor.

(4) Subsection (3) may be satisfied in a case where the grantor is a body corporate by the affixing of its seal.

(5) Subject to subsection (7), a licence to use a registered trade mark is binding on every successor in title to the grantor's interest —

(a) except any person who, in good faith and without any notice (actual or constructive) of the licence, has given valuable consideration for the interest in the registered trade mark; or

(b) unless the licence provides otherwise,

and any reference in this Act to doing anything with, or without, the consent of the proprietor of a registered trade mark shall be construed accordingly.



Guy Neale and others v Ku De Ta SG Pte Ltd [2015] 4 SLR 283

“72 The parties dispute the relevance of s 42(5). The Appellants’ counsel, Mr Ang Cheng Hock SC (“Mr Ang”), says that the Partnership is not a successor in title; rather it was always the owner of the 1st Singapore Mark, which was held for it on trust by Nine Squares. Mr Low, on the other hand, points to the fact that Nine Squares had the legal title in the 1st Singapore Mark and that remained so until our order in CA 172 requiring that the registration of the Singapore Marks be transferred to the Partnership was carried out. According to the public records, this was done on 5 February 2015 and the 1st Singapore Mark is now registered in Kadek’s name. Thus, Mr Low contends, the Partnership becomes the successor in title to Nine Square’s interest only when the transfer of the registration was completed.

...

*73 There is not much case law on s 42(5) of the TMA, which was amended in 2004 as well. It is to the licensee’s advantage that the licence continues to exist and to bind the proprietor of the trade mark even when the mark is assigned to a new proprietor: see Christopher Morcom, Ashley Roughton & Thomas St Quintin, *The Modern Law of Trade Marks* (LexisNexis, 4th Ed, 2012) (“Morcom”) at para 11.9. Such a provision is therefore essential because there will usually be no privity of contract between the grantee of the licence and the grantor’s successor in title: Kerly’s ([42] supra) at para 13.085, though it is also clear that a licence will not bind a good faith purchaser for value – see s 42(5)(a) of the TMA set out at [70] above.*

...”



Guy Neale and others v Ku De Ta SG Pte Ltd [2015] 4 SLR 283 (continued)

“74 In our judgment, s 42(5) of the TMA was enacted for a different situation than that which obtains here. The provision is plainly meant to deal with a successor in title who does not already have a prior interest, such as in the archetypal case of an assignment that takes place subsequent to the grant of the licence. In such a setting, there is no difficulty in holding that the transferee shall take his interest subject to the rights of the licensee unless he is able to bring himself within the exception under s 42(5)(a). But in this case, we had ordered the transfer of the Singapore Marks to the Partnership in order to vindicate its equitable interest in the aforesaid marks, which it had possessed all along.

77 It follows from the foregoing provisions that although the Register is generally conclusive, there are at least some classes of unregistered rights or interests that are registrable but which are not rendered invalid or wholly without force pending registration. Even a licence notwithstanding its contractual nature) does not need to be registered before it can bind the grantor’s successor in title, although registration provides the crucial advantage of deeming every person to have notice of the licence (see s 42(6) of the TMA). The effect of non-registration may vary. In some instances (as provided in ss 39(3) and 39(4) of the TMA), the unregistered right or interest may be defeated by a conflicting interest that is acquired in ignorance of it; and further the proprietor of such an interest may not be able to bring a monetary claim for damages...



Guy Neale and others v Ku De Ta SG Pte Ltd [2015] 4 SLR 283 (continued)

“74 In our judgment, s 42(5) of the TMA was enacted for a different situation than that which obtains here. The provision is plainly meant to deal with a successor in title who does not already have a prior interest, such as in the archetypal case of an assignment that takes place subsequent to the grant of the licence. In such a setting, there is no difficulty in holding that the transferee shall take his interest subject to the rights of the licensee unless he is able to bring himself within the exception under s 42(5)(a). But in this case, we had ordered the transfer of the Singapore Marks to the Partnership in order to vindicate its equitable interest in the aforesaid marks, which it had possessed all along.

77 It follows from the foregoing provisions that although the Register is generally conclusive, there are at least some classes of unregistered rights or interests that are registrable but which are not rendered invalid or wholly without force pending registration. Even a licence notwithstanding its contractual nature) does not need to be registered before it can bind the grantor’s successor in title, although registration provides the crucial advantage of deeming every person to have notice of the licence (see s 42(6) of the TMA). The effect of non-registration may vary. In some instances (as provided in ss 39(3) and 39(4) of the TMA), the unregistered right or interest may be defeated by a conflicting interest that is acquired in ignorance of it; and further the proprietor of such an interest may not be able to bring a monetary claim for damages...”



Guy Neale and others v Ku De Ta SG Pte Ltd [2015] 4 SLR 283 (continued)

“80 The question then is whether the Partnership can enforce its interest as the equitable owner of the 1st Singapore Mark under s 40(2) of the TMA, free of the rights that the Respondent say they obtained in respect of the use of that mark in their position as an exclusive licensee. We have noted above (at [68]) that in ordinary circumstances the holder of a contractual right may enforce it only against the party with whom he contracts. While this is true as a matter of general law, under the TMA, a licensee obtains a bundle of rights which pertain to the use of the mark and these rights are capable of binding all third parties who acquire the trade mark registration with notice of such rights; and because this bundle of rights may be registered (see s 39(2) of the TMA), notice may be deemed through registration (under both sub-ss 42(5) and 42(6) of the TMA). Thus, even though, as we have noted above, the rights conferred by a trade mark licence are personal rather than proprietary in nature, the effect of having a trade mark licence and, in particular, the extent to and circumstances in which the licensee can bind the owner of the trade mark to the grant of the licence, even when the owner was not the original grantor of the licence, depends on the provisions of the TMA. A straightforward example of this is s 42(5) which we have referred to already (even though we have also said that it does not govern the present contest)...”



Guy Neale and others v Ku De Ta SG Pte Ltd [2015] 4 SLR 283

It is not always the case that the interest of an equitable owner of a trade mark will trump the subsequent rights of a licensee of a trade mark whenever the former predates the latter. Whether it does so will depend on the facts of each case.

Example 1

- The licensee obtained the licence with notice of the earlier interest of beneficial owner; and
- the beneficial owners were unaware of the grant of the licence that had occurred in breach of the trust;
- the beneficial owner would be able to enforce its equitable interest pursuant to s 40(2) of the TMA and no court of equity would regard the licensee in such circumstances as having any right as against the beneficiary that it would protect or uphold.



Guy Neale and others v Ku De Ta SG Pte Ltd [2015] 4 SLR 283 (continued)

Example 2

- The beneficial owner was fully aware of, and even acquiesced in, the grant of the licence by the registered owner to a licensee; and
- The licensee was wholly ignorant of the existence of any interest than that of the registered owner, and the licensee then registered his interest and undertook significant investments in reliance upon the rights it acquired pursuant to the licence agreement;
- It would be inconceivable that a court of equity would, in such circumstances, allow the beneficial owner of the mark to enforce his rights under s 40(2) of the TMA free of the rights of the licensee.

In the final analysis, each case will depend on an evaluation of each party's conduct and a comparison of their "equities" and this is inherent in the court considering whether and on what terms it will enforce the equity of a beneficial owner of a trade mark pursuant to s 40(2) of the TMA.



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

OWNERSHIP OF GOODWILL ISSUES



Who does goodwill belong to in a licensing arrangement?

- ⌘ Would it depend on the terms of the licensing agreement?
- ⌘ What if there is little or no provision in the licensing agreement?



Han's (F & B) Pte Ltd v Gusttimo World Pte Ltd *[2015] 2 SLR 825*

“...The Defendant argues that the Plaintiff does not and has never traded or conducted the business of the Han's restaurants. The Defendant argues that the Plaintiff's principal activity is investment holding. The business of the Han's restaurants is actually undertaken by a separate entity to the Plaintiff, Han's Café and Cake House Pte Ltd (“the Subsidiary”), which is a wholly-owned subsidiary of the Plaintiff. Further, the Subsidiary is not the owner of either the Han's trade marks or the “Han's Café” trade mark. The Defendant, therefore, submits that since goodwill is not in the mark, logo or get-up, but in the carrying on of a business, and since the Plaintiff has never carried on the business of the Han's restaurants, then the Plaintiff can have no goodwill to speak of.

... While the evidence as to the contractual arrangement between the Plaintiff and the Subsidiary was thin in terms of the licensing of the use of the registered marks, there can be no doubt that the registered marks were used with the consent of the Plaintiff.”



Han's (F & B) Pte Ltd v Gusttimo World Pte Ltd [2015] 2 SLR 825 (continued)

“Wadlow’s Law of Passing-Off ([91] supra) at paras 3–167 to 3–168, citing Scandecor Development AB v Scandecor Marketing AB [1999] FSR 26, observes that ownership of goodwill as between a parent and subsidiary can give rise to problems. In some cases, the trading activity of the subsidiary will belong to the parent. In other cases, it may belong to the subsidiary. Prof Christopher Wadlow rightly states that a proper determination will require an examination of all relevant facts including the terms of any licensing arrangement.

... On the facts before me, it is apparent that the Han’s trade marks were used by the Subsidiary for the benefit of the Han’s Group. The group is headed by and under the control of the Plaintiff. In these circumstances, I am of the view that the goodwill generated by use of the trade marks attaches to the Plaintiff.

... Returning to the case at hand, I am of the view that the goodwill residing in the Han’s trade marks is connected to the Han’s group and is in any case enjoyed by both the Plaintiff and the Subsidiary. In this sense, the goodwill is jointly and severally owned by the Plaintiff and the Subsidiary.”



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

EXHAUSTION OF RIGHTS ISSUES



Statutory provisions – Trade Marks Act

Exhaustion of rights conferred by registered trade mark

29.—(1) Notwithstanding section 27, a registered trade mark is not infringed by the use of the trade mark in relation to goods which have been put on the market, whether in Singapore or outside Singapore, under that trade mark by the proprietor of the registered trade mark or with his express or implied consent (conditional or otherwise).

(2) Subsection (1) shall not apply where —

- (a) the condition of the goods has been changed or impaired after they have been put on the market; and
- (b) the use of the registered trade mark in relation to those goods has caused dilution in an unfair manner of the distinctive character of the registered trade mark.



Samsonite IP Holdings Sarl v An Sheng Trading Pte Ltd [2017] 4 SLR 99

“55 Section 29 of the TMA encapsulates what is known as an “exhaustion of rights” defence to infringement: see Pan-West ([50] supra) at [23]. This is a particularly relevant defence in the context of parallel imports. The concept of exhaustion applies to genuine goods which emanate initially from the intellectual property right owner or associated enterprise (such as its subsidiaries, licensees, distributors)...

56 The operative effect of the exhaustion of rights defence is that, following the act of “put[ting] [the goods] on the market”, whether in Singapore or outside Singapore, by the trade mark proprietor or with his consent, the proprietor loses all rights to object to further exploitation and dealing with those goods, such as by importation, resale and circulation. The proprietor’s trade mark rights are thus deemed to be “exhausted” in respect of these goods. This is despite the fact that in principle, the bundle of trade mark rights that the proprietor possesses includes the right to prevent imports and exports of goods bearing identical trade marks (under s 27(4)(c) of the TMA)... Third parties, such as parallel importers, are free to sell these goods which come from the very source that had the right to apply the trade mark.

”
...



Samsonite IP Holdings Sarl v An Sheng Trading Pte Ltd [2017] 4 SLR 99 (continued)

“100 To summarise, it is my view that the expression “put on the market” in s 29(1) of the TMA refers to the situation where an independent third party has acquired the right of disposal of the goods bearing the trade mark. The acquisition by an independent third party of the right of disposal must be an act that simultaneously allows the proprietor of the trade mark to realise the commercial or economic value of the trade-marked goods, and deprives him of the right to control the subsequent exploitation of the goods. Such an act includes, but is not limited to, a sale of the goods by the proprietor to the third party. It does not, however, include preparatory acts such as offers for sale. Additionally, the precise “market” in question is contingent on the precise factual matrix of each case and the economic objective of the particular trade mark proprietor.

...”



Samsonite IP Holdings Sarl v An Sheng Trading Pte Ltd [2017] 4 SLR 99 (continued)

“102 The Plaintiff submitted in oral argument and written submissions, and the Defendant does not dispute, that the economic objective of the Plaintiff is to penetrate the Chinese consumer market, to create awareness of the SAMSONITE brand, and to boost its reputation specifically by being associated with LENOVO laptops... The commercial value of the SAMSONITE Marks would only be realised if a purchaser of a LENOVO laptop has received a SAMSONITE backpack as a free gift along with his laptop.

103 In my judgment, it is abundantly clear that the 2,328 Detained Backpacks have never been “put on the market” in the present case. There is no realisation of the economic value outlined in the preceding paragraph, as the Detained Backpacks have never reached Chinese consumers in the retail market in China. There was, therefore, no penetration of the Chinese market with the associated boosting of awareness of the SAMSONITE brand. This is all the more so, given that the Detained Backpacks were unbundled by some of the authorised dealers from the LENOVO laptops, and could not have been associated with the LENOVO brand...”



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

ASSESSMENT OF DAMAGES ISSUES



Assessment of Damage for Patent Infringement

✕ Loss of profits

✕ What if claimant is not the manufacturer and only licenses patent rights for use?



Millennium Pharmaceuticals, Inc v Drug Houses of Australia Pte Ltd [2018] SGHC 149

“80 Further, in assessing the impact of any entry by the Defendant into the local market, it must be remembered that the present Plaintiff is not the party selling Velcade in Singapore, nor is it the manufacturer of Velcade. It was on this basis that the Defendant’s Baey Yam Khuang had asserted in his affidavit dated 12 January 2018 (“Baey’s affidavit”) that any loss suffered by the Plaintiff if it succeeded at trial must at best be “limited to a cut of revenue / royalty payments from Johnson & Johnson[’s] ... sales”. In fact, in one of the cases cited by the Plaintiff, ie, Apotex, Aldous LJ had astutely observed that “[i]n cases where the patentee is not a manufacturer, the patentee will normally only be able to establish that he has lost that which he would have charged for use of his invention, namely a reasonable royalty” (at [8]). This did not mean that infringement might not cause a patentee loss exceeding a reasonable royalty: the extent of recovery in each case would “depend upon the facts and the normal considerations of causation and remoteness” (also at [8])...”



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

Assessment of Damage for Copyright Infringement

⌘ Possible approaches to establishing damage
for copyright infringement - *Cordlife Group
Ltd v Cryoviva Singapore Pte Ltd* [2016]
SGHCR 5



Cordlife Group Ltd v Cryoviva Singapore Pte Ltd [2016] SGHCR 5

“... Mr Low bases his submission that the Plaintiff is entitled only to a licence fee and not damages for loss of business reputation, goodwill and profit on [47] of the Court of Appeal’s decision in Ong Seow Pheng and others v Lotus Development Corp and another [1997] 2 SLR(R) 113 (“Ong Seow Pheng”) which states that:

- (a) where the infringement has caused a diminution in the capital value of the copyright, the measure of damages is the depreciation caused by the infringement to the value of the copyright as a chose in action;*
 - (b) where the plaintiffs are in the business of selling products incorporating the material, in which they have a copyright, the appropriate measure of damages, in the event of infringement of their copyright, may be the loss of profit suffered by them; and*
 - (c) in other cases, a licence fee or royalty approach may be appropriate.*
- ...”*



Cordlife Group Ltd v Cryoviva Singapore Pte Ltd [2016] SGHCR 5 (continued)

“... 80 Mr Low argues that since the copyright infringement in the case at hand did not cause a diminution in the capital value of the copyright, nor is the Plaintiff in the business of selling products incorporating the copyrighted material, the incident of copyright infringement falls properly in the category of “other cases”, for which a licence fee approach is the appropriate response.

*81 If the suggestion by Mr Low is that Ong Seow Pheng should be read as establishing three rigid approaches to the characterisation of damages for copyright infringement, I would respectfully disagree. In outlining the possible responses to copyright infringements, the Court of Appeal was merely regurgitating the observations of Lord Wilberforce in *General Tire and Rubber Co Ltd v Firestone Tyre and Rubber Co Ltd [1976] RPC 197* at 212–213 as to “some of the main groups of reported cases which exemplify the approaches of courts to typical situations”. Neither Lord Wilberforce nor the Court of Appeal explicitly said that the three categories of cases are exhaustive, such that if any given situation does not fall within the first two situations, it will necessarily be subject to the licence fee approach...”*



About the Speaker:

Audrey Yap Su Ming, Managing Partner



Qualifications:

- ✓LL.B (Hons.) LL.M
- ✓Registered Patent Agent
- ✓Advocate & Solicitor Supreme Court of Singapore
- ✓Advocate & Solicitor High Court of Malaya
- ✓Solicitor of England & Wales
- ✓Commissioner For Oaths
- ✓Notary Public
- ✓WIPO Regional Consultant 2004-2006
- ✓Leading Lawyer, Who's Who Legal Singapore 2008
- ✓ IAM 250 Worlds Leading IP Strategists 2009, 2010, 2011
- ✓ IAM 300 Worlds Leading IP Strategists 2012, 2013, 2014, 2015, 2016, 2017, 2018

- Audrey is a Member of the Board of Directors, IP Office of Singapore.
- President, Licensing Executives Society Singapore 2011-2013; Chair Asia-Pac Committee LESI; Vice President, LESI.
- Audrey's career in law spans over 2 decades. She is well known amongst her clients & peers as an astute IP lawyer and strategist. In 1999 Audrey co-founded a boutique IP & corporate law firm Yusarn Audrey, offering legal and intellectual capital management as part of an integrated suite of IP solutions.
- In 2012, Audrey served on IPOS Steering Committee on a National IP Competency Framework as well as on the IP Sub Committee on "Developing a vibrant market place for IP transactions and commercialisation" for the purpose of the IP Hub Master Plan for Singapore, launched in March 2013.
- Audrey is an Adjunct Fellow of the Intellectual Property Academy of Singapore. The World Intellectual Property Organisation (WIPO) appointed Audrey as Regional Consultant (IP) in 2004 to design and head up a study involving IP as an economic tool for ASEAN. Audrey served as an expert consultant for the European Patent Office (EPO) under the EC-ASEAN IP Cooperation Programme. She is cited in the Who's who Legal 2008 as one the top lawyers in



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE
INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS
INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN



YUSARN AUDREY

THANK YOU!

Yusarn Audrey

**Singapore ♦ Malaysia ♦ Thailand ♦ Philippines
IP Strategists ♦ IP Lawyers ♦ Patent Attorneys**

enquiries@yusarn.com

T 65 6358 2865

F 65 6358 2864