

# Bird & Bird ATMD

## Sweeping Changes Proposed to the Enforcement of Intellectual Property Rights in Singapore



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*Following public consultations in late 2018, the Intellectual Property (Dispute Resolution) Bill was tabled in Parliament this week. The Bill seeks to make extensive changes to how intellectual property ("IP") rights may be enforced in Singapore. This article outlines the key proposals.*

### Consolidation of civil IP proceedings in the High Court

First, the Bill seeks to consolidate the bulk of civil IP disputes in the High Court. At present, the jurisdiction to hear particular IP disputes rests with the High Court, the State Courts and/or the Intellectual Office of Singapore (IPOS), as the case may be. The proposal is to have the High Court hear most of these disputes.

This proposal is one of the two key recommendations of a committee that was appointed by the Ministry of Law in 2015 to review and make recommendations on the IP dispute resolution system in Singapore ("**IPDR Committee**"), which believed that this will simplify processes and facilitate the development of IP jurisprudence in Singapore.

The main changes are:

- Currently, copyright infringement claims which fall below a certain quantum may be brought in the State Courts. The proposal is to consolidate all copyright infringement claims in the High Court. This brings the position in-line with that for both patent infringement and trade mark infringement claims.
- There will no longer be an option for parties to agree to have their patent infringement dispute determined by IPOS rather than the High Court.

- IPOS will no longer have the power to make a declaration of non-infringement of a patent. Only the High Court will have this power.
- The High Court will be given concurrent jurisdiction with IPOS to hear applications for patent revocation. Additionally, where the application is made to IPOS, IPOS may refer the application to the High Court at any stage of the proceedings.

The last amendment is to address an issue that arose in the *Sunseap Group Pte Ltd and Others v Sun Electric Pte Ltd* [2019] SGCA 4 ("*Sunseap*"). In *Sunseap*, the Court of Appeal ruled that the defendant may only challenge the validity of asserted patent claims and obtain a declaration of invalidity in relation to such claims. Further, where there was no validity challenge against some of the claims of the patent, the High Court has no power to revoke the patent and the defendant would have to seek revocation by way of separate proceedings before IPOS. (See our discussion on the *Sunseap* decision [here](#) ) This was seen as being cumbersome for the defendant.

The amendments will streamline the process by allowing defendants to challenge all the claims of the patent, whether asserted or un-asserted, in the proceedings before the High Court and to obtain an order for revocation from the High Court without having to take out separate proceedings before IPOS.

## Introduction of new "fast track" for IP proceedings

To mitigate the higher cost of proceedings before the High Court, the IPDR Committee's second recommendation, which is to establish two litigation tracks in the High Court which litigants may choose from, will be implemented at a later time. Note that this is not part of the Bill as the details are still being ironed out.

Based on the public consultation paper published in October 2018, the plan is to introduce a "fast track" with the following features which are aimed to reducing both the length and cost of proceedings:

- There will be caps on the length of trial, the value of the claim, and the costs that may be awarded (which will be stage-based).
- The court will identify the specific issues to be resolved early in the proceedings and will give orders as to the disclosure of documents, witness statements, expert reports, written submissions and cross-examination at trial. The parties may not submit any material that the court has not expressly allowed by order.
- Also, subject to the parties' consent, the court may decide that an oral hearing may be dispensed with and a decision will be made based on the papers submitted.

The "fast track" (which is modelled after the system in the U.K. Enterprise Court) is intended to cater to lower value disputes or less well-resourced litigants such as SMEs or individuals. More details can be expected to emerge soon.

## Harmonisation of the availability of appeals

Currently, the position under the Patents Act is that IPOS's decisions (which are appealable) may be appealed to the High Court without leave. However, no further appeal is available from the High Court's decision to the Court of Appeal unless either the High Court or Court of Appeal grants leave to appeal. Under the amendment, this position will now also apply to other IP rights, including amongst others, trade mark and registered design rights.

## Making certificates of contested validity available for other IP rights

Under the amendment, certificates of contested validity which are currently available only for patents will also be available for, amongst others, registered trade marks and registered designs. Both the High Court and IPOS can grant a certificate of contested validity. The effect of the certificate is that if the validity of the IP right is again challenged in subsequent proceedings and again upheld, then unless the court or IPOS directs otherwise, the registered proprietor will be entitled to recover his costs from the other party on a solicitor-and-client basis.

## Clarifying the arbitrability of IP disputes

Whilst there is nothing in Singapore law to prevent the arbitration of IP disputes, amendments to the Arbitration Act ("**AA**") (which governs arbitrations conducted in Singapore) and the International Arbitration Act ("**IAA**") (which governs international commercial arbitration) to clarify the arbitrability of IP disputes here. One notable provision, to be found in new sections 52E AA and 26F IAA, clarifies that when judgment in terms of the arbitral award is entered (as will be necessary if the award is to be enforced), it only has effect on the parties and not against the whole world. So, for instance, if an arbitral tribunal makes a finding that a patent is invalid, a third party will not be able to rely on the same to argue that he does not infringe the patent because it is invalid.

## Making patents more robust

Last but not most certainly not the least, the Bill introduces two new procedures under the Patents Act: for third parties to submit to IPOS observations on the patentability of an invention in a patent application, and for persons to submit requests to IPOS for post-grant re-examination of patents. The purpose of these initiatives was said to be to provide low-cost procedures to reduce the risk of undeserving patents being granted, and for any such granted patents to be revoked in a cost-effective manner. Separately, the Bill also seeks to amend the time bars to patent entitlement proceedings. More details on these proposals can be found [here](#).

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