

HOGARTH SECURES FIRST EVER PCC FREEZING INJUNCTION FOR SOFT IP



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The judgment of HHJ Birss QC handed down on 3 May 2012 in *Suh v Ryu*, confirms that the Patents County Court (“PCC”) has jurisdiction to grant freezing injunctions and search orders for all intellectual property matters, and not just those which fall within the PCC’s ‘special jurisdiction’ of patents and designs.

The judgment has been published as this was the first ever injunction of its type obtained in the PCC. The underlying action relates to matters of passing off, copyright infringement and trade mark revocation. In an *ex parte* application on 25 April 2012, HHJ Birss QC accepted the arguments of counsel that the case for a freezing injunction had been established, but the question of whether he had jurisdiction to grant such an order also had to be determined.

Background

The jurisdiction difficulty arose from the wording of the County Court Remedies Regulation 1991, which states that county courts cannot grant freezing injunctions or search orders. However, the Regulation contains an exception which allows these types of injunctions to be granted by “*a patents county court held by a person nominated under section 291 of the Copyright, Designs and Patents Act 1988 to sit as a judge of that court*”.

The Court of Appeal has previously held in *McDonald v Graham* (1994) that where a copyright claim was ancillary to a patent matter in the PCC, the injunction could cover the copyright issue. However, in its decision, the Court of Appeal expressly stated that it was not deciding whether the copyright injunction could have been successfully obtained on its own, and indeed *obiter* comments appeared to suggest that it could not be.

Thus the question of statutory interpretation was whether this exception applied to the patents judge in general sitting in the PCC, or whether it only applied when the patents judge was operating under the special jurisdiction. The underlying case did not fall within the special jurisdiction.

The decision

The court accepted counsel’s submissions that, on the proper construction of the County Court Remedies Regulation, the nominated judge (i.e. HHJ Birss QC himself), had jurisdiction to grant freezing injunctions for all intellectual property matters properly before the court. It was also pointed out, and the court agreed, that it would seem to go against the policy considerations underpinning the PCC if a copyright injunction could be granted if it was ancillary to a patent matter, but could not be granted on its own.

Impact of the decision

The judgment is a welcome affirmation that the PCC is a fully functional court with equal access for all aspects of IP. Whilst the particular case in question was a freezing injunction, the exception laid down in the County Court Remedies Regulation is equally applicable to search orders.

An unresolved issue is where the costs of such injunctions fall within the PCC’s cost cap. Due to the duty of full and frank disclosure, and the fact they are done *ex parte*, the cost of such injunctions can be high. In the long run, if the costs are to fall within the overall £50,000 cost cap, then it may only be worth pursuing such injunctions in cases at the top end of the PCC’s damages jurisdiction. However, where an injunction is sought before issue, as is often the case for search orders, then it might prove prudent to seek the injunction in the High Court with proceedings subsequently being issued in the PCC. Whether this will avoid the cost cap remains to be seen.

Finally, the PCC only has jurisdiction if it is HHJ Birss QC who hears the application, as he is the only nominated PCC patents judge. If he is not available, an applicant shall have to proceed in the High Court in the normal manner.

The successful Applicants were represented by **Jonathan Moss** of **Hogarth Chambers**.

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