



## Competition Law Association

British Group of the  
Ligue Internationale du Droit de la Concurrence  
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### Jurisdictional issues in IP disputes

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#### Introduction

In deciding what cases to hear, what issues to decide and what relief to order the courts currently have regard to three rules which are generally considered separately. The first two rules are associated with two old cases: *Penn v Lord Baltimore* (1750) Vesey Senior 194 and *The British South Africa Company v The Companhia de Mocambique* [1883] AC 602. The third rule is associated with *The Abidin Daver* [1984] AC 398 and *Spiliada Maritime Corp v Cansulex* [1987].AC 460.

The question arises as to how far the considerations underlying these rules would be better considered together, especially in intellectual property cases raising antisuit or competition issues under the laws of other states.

#### ***Penn v Lord Baltimore***

In *Penn v Lord Baltimore* the Lord Chancellor, Lord Hardwicke, held that the court could enforce an agreement *in personam* notwithstanding that it related to the title to foreign land – a political hot potato, the demarcation of a boundary between the states of Pennsylvania and Maryland. *Penn v Lord Baltimore* may tell us when the court **can** make *in personam* orders. But it does not tell us when the court **should** make such orders.

In the recent decision of the Supreme Court in *Perry & Ors v Serious Organised Crime Agency* [2012] UKSC 35 Lord Phillips of Worth Matravers PSC approached the interpretation of the court's powers under the Proceeds of Crime Act 2002 in a way which recognised the comity issues which may arise even in relation to *in personam* orders. It is an approach which may be followed more widely.

#### ***The British South Africa Company v The Companhia de Mocambique***

The *Mocambique* case is commonly cited in support of the rule that the English court will not exercise jurisdiction over title to foreign land. By analogy, the rule has been said to apply, not just to land, but to other territorially specific property such as foreign intellectual property. It is, on its face, an absolute rule but it is questionable what remains of it, even in relation to

patents, following the speech of Lord Walker of Gestingthorpe and Lord Collins in *Lucasfilm Ltd v Ainsworth* [2011] UKSC 39.

The decision of the Court of Appeal in the recent case of *Ukraine v The Law Debenture Trust* [2018] EWCA Civ 2026 illustrates circumstances in which the courts may be willing to tackle politically sensitive issues. It is arguable that the rationale for the *Mocambique* rule would permit the courts to adopt a similarly nuanced approach to what have previously been treated in intellectual property cases as all or nothing issues of justiciability.

### ***Forum conveniens***

*Eli Lilly v Government of Canada* [UNCT/14/2] attests to the limits on the scope for sovereign states to define the intellectual property rights which pertain in their territories. The negotiations over TRIPS attest to the sensitivity of the issue in relation to patents generally. The issue is especially sensitive where it arises in relation to patented inventions which are essential to the operation of international standards, as it arguably does in two recent telecommunications cases: *Unwired Planet International Ltd v Huawei Technologies Co Ltd* [2018] EWCA Civ 2344 and *Huawei Technologies Co Ltd v Conversant Wireless Licensing S.A.R.L.* [2019] EWCA Civ 38.

In the *Unwired Planet* case the Court of Appeal dismissed the idea that the court was touching on matters which might be for the courts of other states to decide when it declared the terms of a licence covering foreign patents and ordered that Huawei would be enjoined from practising under UK patents unless it entered into the licence.

In the *Conversant* case the Court of Appeal characterized such disputes as UK patent disputes, rather than global licensing disputes or a series of disputes concerning the patents of different states and, on that basis, the UK court will readily be seen as the appropriate place to decide such disputes, regardless of any other factors.

### **Conclusion**

Petitions for leave to appeal to the Supreme Court in the *Unwired Planet* and *Conversant* cases are before the Judicial Committee. Should the Supreme Court take these cases it may take a fresh look at the rules by which the court decides what cases to hear, what issues to decide and what relief to order in relation to intellectual property rights generally.