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LICENSING EXECUTIVES SOCIETY
SINGAPORE

upcoming events

- **Recent IP & Licensing Trends**
Guest Speaker: Yvonne Chua, President of LES International
IPOS 1st Floor Conference Room
2.30PM, Tuesday, 18 March 2014

President's Report: LES Japan Delegation Visit to Singapore

On 18 November 2013, a delegation arrived from Licensing Executive Society Japan (LES Japan) to pay LES Singapore President Sheena Jacob a visit at ATMD Bird & Bird LLP.

The delegation heard a presentation on Singapore patent law from Mr Alban Kang, member of LES Singapore and Mr Howard Yap, patent attorney.



Members of the LES Japan Delegation with LES Singapore counterparts and President Sheena Jacob

The delegation comprised of lawyers and directors from the following companies:

- Otsuka Pharmaceutical Co., Ltd
- The Licensing Executives Society Japan
- Panasonic Corporation
- Sankyo Patent Attorneys Office
- Shobayashi International Patent & Trademark Office
- Suntory Holdings Limited
- Yodoyabashi & Yamagami LPC
- GS Yuasa International Ltd
- Otsuka Pharmaceuticals Co., Ltd.
- Serio Patents & Trademark Attorneys

The delegation presented LES Singapore with a report of the visit of LES Japan in 2012 to LES Philippines and Thailand. They also presented LES Singapore with a memento of their trip to Singapore, received by LES Singapore President Sheena Jacob.



LES Singapore would like to thank LES Japan for their visit and the interesting exchanges that ensued. We look forward to your visit again!

Sheena Jacob
LES Singapore President
5 December 2013

Lessons On 3rd Party Pre-Action Interrogatories

Christopher Ang

COURT OF APPEAL IN JAMES DORSEY V WORLD SPORT GROUP

In the recently decided seminal case of Dorsey James Michael v World Sport Group, the Court of Appeal made important pronouncements regarding pre- action interrogatories. This case illustrates how pre- action interrogatories may be utilised to uncover the identity of sources behind information that is given in breach of confidence and the balancing considerations that a court will take into account in granting such an order.

The applicability of the case extends to situations of industrial espionage where a person such as an employee leaks trade secrets, recipes or other types of confidential information to other parties. Where the identity of this source is sought to be uncovered, the Plaintiff may apply to the court for such an order. The court will then apply a multi factorial approach as elucidated in this case. Nevertheless, VK Rajah JA, sitting at the Court of Appeal, pertinently noted that pre- action interrogatories are intrusive and far reaching orders. As such, the conditions precedent to their order must be clearly necessary and justified.

Brief Facts in Dorsey v World Sports Group

The appellant, James Dorsey, is senior fellow at NTU and maintains a blog. Dorsey had made certain posts alleging, among other things, of serious improprieties committed by Bin Hamaan, the erstwhile President of the AFC. These improprieties included allegations of corruption concerning certain contracts with various commercial entities. The key contract in question here was a Master Commercial Rights Agreement (MRA) that had been novated to World Sport Group (WSG).

A review undertaken by Price WaterhouseCooper (PWC) acting on instruction from the AFC had revealed troubling questions about the fairness and propriety of this agreement. Subsequently, these findings were widely publicised by various international media.

Similarly, Dorsey covered these issues at a later date, citing the MRA and PWC reports in his posts. Dorsey also substantiated his assertions on sources that were close to the AFC. It was against these sources that WSG sought the interrogatories.

Judgments made by the High Court

At the High Court, the two key issues raised were the allegedly defamatory comments of Dorsey's posts and the potential breach of confidential information by Dorsey's sources. At length, Judith Prakash J found for WSG and permitted them to serve a limited number of interrogatories. The learned judge reasoned that Dorsey's statements were prima facie defamatory and if the sources had provided Dorsey with the information, they would have assisted in the publication of defamatory material. If Dorsey was the only party sued and managed to succeed on the defence of fair comment, WSG would be left without any remedy. Therefore, it was necessary to know the identities of these sources. Further, the sources had potentially breached their duty of confidence by providing such information to Dorsey.

Reversed Judgments made by the Court of Appeal

At the apex court, the decision of the High Court was reversed and Dorsey's appeal granted in its entirety. Dorsey therefore did not have to answer any of the interrogatories. The Court considered all the relevant material before it and applied a multi factorial balancing approach to hold that the ordering of interrogatories at such a stage was unwarranted and unnecessary.

In reaching its decision, the Court began with an etymology of pre- action interrogatories. It observed that they are a codification of the remedy and principles established in *Norwich Pharmacal Co v Customs and Excise Commissioners* [1974] AC 122 (Norwich Pharmacal), in itself a landmark case.

Essentially, the Norwich Pharmacal order is granted where a plaintiff's rights have clearly been infringed and it needs to discover the identity of the infringer. Since such an order is arguably draconian in nature, a court must carefully balance the competing considerations. On the facts of the case, the following reasons weighed against granting the order. They are as follows;

I) There was no evidence that WSG would be left without an effective remedy if denied the interrogatories

II) WSG should have sued Dorsey directly for defamation while trying to ascertain the source's identity

III) The 'Confidential Information' was already in the public domain

IV) There is a strong and overriding public interest in exposing corruption

V) Unclear whether the breach of confidence was committed in Singapore and therefore of the link to Singapore

Implications of the judgment

There are several notable implications arising from the case. Firstly, it is vital to select the parties who are to be sued and the stage of proceedings that they should be sued at. One significant factor that weighed against the order here was that WSG had chosen not pursue a claim in defamation against Dorsey first. Instead, they had put the proverbial cart before the horse and sought the interrogatories before the trial itself. Thus, where an employee discloses confidential information to third parties, it would be more desirable for a Plaintiff to commence an action for breach of confidence against the third party first, before seeking the identity of the source. In the case here, the Court was unimpressed with the lack of clarity in the Plaintiff's claim. The Court reasoned that, had the Plaintiff been truly interested in protecting their reputation, they would have sued Dorsey first, and without delay. Similarly, in a case of industrial espionage, it would be imperative to commence an action against the correct party promptly.

The Court also noted their unique function as procedural tools peculiar to Singapore. Other jurisdictions have not expressly codified such a rule.

However, it is important to note that where confidential information is already in the public domain, it may be futile to order disclosure of the sources. Drawing an analogy to the Spycatcher case, the Court opined that where damage had already been done by prior disclosure of the information, pre-action interrogatories are not the appropriate remedy to pursue. It remains to be seen how this would apply to an industrial espionage situation but it is likely to depend on the factual matrix of the case.

Lastly, the exposure of corruption is a significant factor in the multi-factorial approach, potentially negating the protectability of confidential information. While the sources here may have been in breach of their duty of confidentiality, the public interest in the disclosure of information on potentially corrupt practices was a compelling factor. Therefore, the Court pertinently noted that there is no confidence in iniquity.

The Dorsey decision has clarified the legal principles involved in pre-action interrogatories. A court will adopt the multi-factorial approach in determining whether it would be necessary and just to grant the order. Nevertheless, this balance may work out differently from case to case and it will be a matter of fact and degree for the court to decide where the balance lies.

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LES International (LESI) Joins WIPO Green Initiative

Licensing Executive Society International (LESI) has just become a partner in the new WIPO Green Initiative. This exciting initiative may benefit LESI members and their clients.

Under the World Intellectual Property Organization (WIPO), this new Green Initiative will provide a cooperative marketplace for innovative green technologies and an on-line database of service providers. This includes green and clean technologies relating to alternate fuel, energy conservation, transportation, and waste management.

Thus, WIPO GREEN provides a unique exchange: it is a searchable database of green technology products, services, and intellectual property assets, as well as, a means to post an announcement of a need. WIPO has opened this database to anyone with a green technology. A technology owner can apply to add its technology to the on-line roster.

This brand new partnership will also be an excellent opportunity to advertise and promote the service excellent opportunity to advertise and promote the services of firms with respect to technology transfer or to promote a technology that a firm has available for license.

As a WIPO GREEN partner, LESI is committed to helping in its mission to identify new and useful green technologies of interest as well as advising on how the program can achieve success.

For more information, you may visit the WIPO website <https://webaccess.wipo.int/green/>

LES Foundation Announces Finalists for 2014 International Student Business Plan Competition

The Licensing Executives Society Foundation congratulates the six student teams that will advance to the Final Round of the 2014 International Graduate Student Business Plan Competition, March 24, 2014 at the Crowne Plaze Times Square Manhattan, New York. The event will run from 1 p.m. until 5 p.m. and is open to the public.

The LES Competition was first hosted in 2004 by the LES Foundation, after which it quickly grew in magnitude and recognition among students in U.S. and Canada. In 2008, the competition soon expanded to welcome all student participants and submission from around the globe with the partnership of LES International.

The LES Competition is one that uniquely focuses on student business plans which hinge on ground-breaking technologies and services as well as emphasize intellectual property (IP) strategies to support business goals.

This year, 74 submissions were received from teams worldwide, including Australia, Belgium, Canada, France, Great Britain, India, Kenya, Sweden and the United States.that hinge on ground-breaking technologies and services and that emphasize intellectual property (IP) strategies to support business goals.

In no order of merit, the six Finalists are :

Disease Diagnostic Group, Case Western University, USA, which is offering a RAM device designed to provide a one-minute, handheld diagnosis of malaria with one drop of blood from a fingertip at one-tenth of the cost and with one-hundred times the detection level of current competitors.

IncuMagic, Lehigh University, USA, which creates writing implements that fit over the tip of a finger. The writing devices can be worn individually on a single finger, or users can wear multiple devices simultaneously.

Reactive Electronics (RE), Swinburne University of Technology, Australia, that develops intelligent electronic products for industry specific applications that combine innovative components and engineering in an effort to simplify complex tasks, improve safety and efficiency.

VERITAS Technologies, ACE Engineering College, India, that is looking to implement a low cost, ambient cooling system with a modular air filtration system for public transportation systems.

Vibronix, Inc., Purdue University, USA, which offers advanced imaging solutions for disease diagnosis, treatment guidance and therapeutics development. The team aims to introduce the Intravascular Photoacoustic System, a catheter-based intravascular sensor for predicting the risk of heart attack.

ZYMtronix Catalytic Systems, Inc., Cornell University, USA, that leverages on Cornell technology to supercharge industrial enzymes to provide green, low-cost solutions to markets such as pharmaceutical manufacturing, antibiotic and bacteria remediation in agriculture and hospitals.

All six teams will receive expenses-paid trips to the Licensing Executives Society (U.S.A. and Canada), Inc., Mid-Year Meeting, where they will present to a world-class panel of judges in hopes of taking home valuable cash and in-kind prizes.

The top accolade is a \$10,000 grand prize for the winner. The team whose plan best deals with intellectual property rights and their use in the global business environment will receive a \$5,000 LES International Global Award. All six finalist teams will receive \$1,000 as well.

LESI is pleased to sponsor this competition which has drawn a very international group of worthy competitors and helps to foster the spirit of innovation and entrepreneurship globally for the next generation.

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Submission of Articles

We are always looking for articles and news within the LES area of interests. If you would like to contribute, please submit your articles to either:

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