What has Intellectual Property done for the law?

The Rt Hon Lord Justice Floyd
Court of Appeal

In the 2013 Herchel Smith Annual lecture, Floyd LJ considered judicial specialism and, in this context, the wider implications of intellectual property judgments on the general law. The lecture highlighted how many landmark cases began as intellectual property disputes as well as innovations, successful and unsuccessful, which were started within intellectual property courts; ultimately concluding that intellectual property law has assisted greatly in the wider development of the law.

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It is a great honour to be giving the Herchel Smith lecture this year. My title is ‘What has IP done for the law?’

I chose that title back in the early part of the year, when this lecture was a long way off. It is usually unwise to choose a title before you have written the lecture. It seemed catchy at the time. I thought it might bring to mind John F Kennedy’s rousing words, about not asking what America has done for you, but what you have done for America. But there is a bit more to why I chose that title.

As Professor Gibson has told you, in April of this year I started as a new boy in the Court of Appeal. What not all of you may know is how the appointments procedures work. They no longer utilize that chilling but significant tap on the shoulder. As elsewhere, there is now a modern, transparent open and fair competition, with application forms, self-assessments and interviews. They even ask you questions in advance. One of the questions I might have had to consider in preparing myself for the interview was ‘Are IP judges really necessary?’ or ‘Is IP really necessary?’ In particular, as a member of a court which has a completely general civil jurisdiction stretching millions of miles beyond IP, what does an IP judge have to offer? How would I be able to pull my weight? It would be no good asserting feebly that I am ‘really good at IP’, even if that were true. It was also going to be no good simply asserting that I could roll up my sleeves as well as the next man or woman and tackle all those other areas, like running down cases. The decision would surely be that there are better people to do that.

I realized that, in an evidence-based world, what I really needed was: well, evidence. If I was to persuade my interviewers that as an IP judge I could make myself useful in the Court of Appeal, I would have to find a few examples of how IP law had provided answers which had proved to be of general application to the law. If that were the case, perhaps I could persuade them that IP was not a hermetically sealed environment which needed a staff of nerds to keep it running, but a useful source of constructive ideas from which other areas could benefit.

So when Johanna asked me to give this lecture, thoughts of this kind were at the forefront of my mind. To what extent have IP lawyers, IP judges and in particular
IP cases had an impact in other areas of the law? Are we merely a niche? Are we followers. Or are we leaders?

The question which the title asks is, of course, asked in the context of English law and of the decision-making structure of our (England and Wales) court system. So I want to start with a word or two about that context, and how it differs fundamentally from the position in other countries. I apologize to those of you for whom this is their bread and butter.

The decisions in intellectual property cases here are taken by a mixture of specialist and non-specialist courts and tribunals.

Take first decisions about the grant of registered rights, those which do not arise by operation of law. These are taken in the first instance by specialist examiners in the Intellectual Property Office, and specialist hearing officers in that office also make decisions in opposition to the grant of those rights. The routes of appeal from the decisions of the Intellectual Property Office vary according to the right in question. In patents they go to the Patents Court, part of the Chancery Division of the High Court. The judge you will get there may be a judge who was appointed from the specialist professions, or may be another ‘patent-ticketed’ judge with more general experience who has agreed to tackle patent cases. Appeals in trade mark cases may go to the Appointed Person, a statutory appointee with specialized experience in trade mark law. They may also go to any judge of the Chancery Division of the High Court, not just the patent-ticketed judges. Those judges are of course all highly able, but may have varying degrees of experience in trade mark law. Even the patent-ticketed judges of the Chancery Division spend a large proportion of their time deciding cases which have nothing whatever to do with IP.

In the field of unregistered rights such as copyright, certain disputes may be heard in the Copyright Tribunal if they fall within that specialist jurisdiction, with an appeal to the Chancery Division of the High Court from there, where non-specialists will be encountered again.

Disputes about the infringement of any of these rights can be heard in the new Intellectual Property Enterprise Court, which is a specialist list in the High Court, or in the Chancery Division of the High Court where the specialization of the judge assigned to the case may depend on the subject matter.

From the Chancery Division appeals go to the Court of Appeal. Normally nowadays there will be one judge with an IP background, maybe two, or in one case earlier this year, and for the first time ever, and probably exceptionally, a Court of Appeal constituted by three former members of the Patents Court. From there, there is an appeal with permission to the Supreme Court. There may be one or more judges in the Supreme Court with some IP background as judges, but no appointee from the specialist IP profession has ever ascended so far up the judicial hierarchy.

That whistle-stop tour of the court structure shows that decision-making in IP cases in this country is not the preserve of the IP specialist. In fact the higher up the appeal hierarchy one goes, broadly speaking, the less specialist the tribunal. So, decisions in IP cases need to be able to withstand scrutiny not just by fellow IP judges, but scrutiny by judges from a whole variety of different backgrounds. In short, our IP decision-making is firmly integrated into our legal system, and not a separate or at all severable part of it.

This is by no means a universal approach. In the United States, the Court of Appeals of the Federal Circuit (‘CAFC’) sits above the first instance decision-makers in the regional District Courts. Whilst the CAFC’s jurisdiction is not limited to
intellectual property, more than 40 per cent of its cases are in that field. So the
decision-making structure is at least, thus far, the reverse of the position here, going
from less specialized to more specialized judges. It is interesting that in a recent speech
to the Chicago-Kent Law School, Diane Wood, Chief Judge of the U.S. Court of
Appeals for the 7th Circuit,1 argued that litigants should be given a choice of appeal
route, either to the CAFC, or to the more generalist regional appeal courts. The author-
ity of her argument is not lessened by her reliance on the pop group Dixie Chicks. She
quotes from their song 'Wide Open Spaces', arguing that by providing ‘wide open
spaces’ for the adjudication of patent cases, new ideas would be encouraged to grow.

In the United States there is of course a further possibility of appeal to the Supreme
Court of the United States, which has, like our own Supreme Court shown an encour-
gaging enthusiasm for taking IP cases.

In Germany there are even more specialized courts – infringement courts in Dussel-
dorf and Mannheim and elsewhere, and validity courts in Munich. There is even
specialization in the Supreme Court, although by then the judges are allowed to
hear both halves of a patent case together. Of the 13 civil panels of the BGH, three
are more or less exclusively concerned with intellectual property. The third panel
had to be formed in 2009 to deal with the increase in patent revocation appeals.

Turning back to England and Wales, for my part, I think it is a good thing that the
judges of the Patents Court are judges of the Chancery Division of the High Court and
sit in the full range of business and property related cases which represent the
workload of the Chancery Division. Equally I applaud the fact that the judges of
the Chancery Division who may not have an IP background decide IP cases, not
merely in copyright, designs and trade marks, but also in patents. The list of nominated
judges of the Patents Court now extends to nine judges. Similarly, I think it is healthy
that IP judges sit in the Court of Appeal not, in general, as part of a specialist panel or
senate, but as a panel of mixed background. I am an unapologetic integrationist.

That approach does not command universal approval. It is said that a specialist
judge will decide a case more quickly. The Chancery Modernisation Review underta-
kend by Lord Justice Briggs identified two major competing imperatives: one was that
flexibility and productivity are best achieved by avoiding internal divisions and
barriers. The other was that in a world of increasingly complex law, consistency
and the saving of time may better be achieved by assigning experienced specialist
judges to do the work. As he observed, the gist of the debate may be gathered from
the description of greater subdivision by its proponents as ‘specialization’, and by
its opponents as ‘balkanization’. In my view the ideal does not lie exclusively within
one camp or the other. A system where IP is properly integrated into the rest of the
court system is desirable.

This lecture is not about judicial specialization, or part of a campaign for more or
less specialization in IP decision-making. For my part, I hope we will continue with
our integrated approach, neither wholly specialized or balkanized nor wholly
generalized. It must be the case that the more specialized one makes the courts
deciding intellectual property cases the less opportunity there will be for those courts
to influence developments in other areas of the law, and the less easily they will absorb
important concepts and principles from elsewhere. I say that for two reasons. Firstly
the judges will not be themselves deciding cases outside their specialist field. So
there will be no opportunity for them to apply ideas and knowledge and experience

learned from outside IP. Secondly, if one isolates the specialists into their own court structure, others will see it as a difficult and rarefied specialization, and be encouraged to say that other areas are radically different. There are those who see IP as a law unto itself already. How much easier would it be to take that view of it if it had its own hermetic court structures?

Moreover, the growing size of the interface between IP law and competition, European and human rights law is going to make this integral approach more rather than less important.

The interface with competition law has for a long time been an active one. A patent-only lawyer would say that a patent gives you an absolute monopoly, and so the patent proprietor can use it in any way he chooses, by licensing and so forth, even if the effect is to divide up the market. That is particularly easy because patent rights are handed out in convenient country-sized packages. A patent-only lawyer would see no difficulty in licensing the patent on different terms in a succession of countries, and using the patent to stop trade between member states. A competition lawyer recoils in horror. The notion that a patent is an absolute exclusionary monopoly had to give way, once EU competition law became part of our law. The unhappy relationship between the free market ideal of competition law and the closed market ideas of IP law had ultimately to be reconciled. New doctrines of IP law and competition law had to be created, such as the notion of the specific subject matter of the right. The specific subject matter of the right includes the right to place a product on the market for the first time. Once you have done that you have exhausted the right, and the free movement rules provide a complete defence to further attempts to interfere with the product or prevent it crossing national boundaries. One can still see that conflict where competition defences are raised, as they often are, to claims for infringement. How convenient then that the Chancery Division includes judges who are specialists in patent law as well as competition law?

What is the relevance of all that to my topic? Well, our present court structure, with its mixture of more and less specialized judges, is an admirable environment in which to allow ideas developed in the field of IP law to influence other areas, and to cope with the interfaces I have referred to.

Thus far I have said that we have a legal system which is a fertile ground for the exchange of legal principles to other areas of the law.

The next question is whether we succeed in exporting home grown principles in fact. Does IP export its principles to other areas of the law? As we shall see, in part the answer depends on what you mean by the question. The first case I thought about in my quest for examples was *Gleeson v Wippell*.

That was a simple but quite well known copyright case: *Gleeson v J Wippell & Co.*

The case concerned clerical shirts. Denne had manufactured shirts which were designed by Wippell. Miss Gleeson contended that Wippell had copied her shirt. She first sued Denne (and not Wippell) and lost on the ground that Wippell had not copied her shirt. In the later, separate action against Wippell it was contended by Wippell that Miss Gleeson was estopped from raising the same complaint against Wippell. Wippell was seeking to take advantage of privity of interest with Denne. Its design of shirt, which it had supplied to Denne had been held not to infringe in the previous action in which Wippell was not a party.

Sir Robert Megarry recognized that there was as yet no clear principle about the connection between privity and estoppel in the cases. Could you be bound if you

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2. [1977] 1 WLR 510 at 515A.
were not a direct party to the judicial decision creating the estoppel? So he had to work out and deal with the principles to be applied. The principle he derived was that a third party was not estopped by a previous successful defence on an issue between the claimant and a defendant unless ‘having due regard to the subject matter of the dispute, there must be a sufficient degree of identification between the two to make it just to hold that the decision to which one was party should be binding in proceedings to which the other is party’.

That tersely stated principle has not only survived as the test for privity of interest in copyright cases. Twenty-five years later Sir Robert Megarry’s principle won the approval of Lord Bingham in the House of Lords in Johnson v Gore Wood, a case concerning allegedly negligent solicitors and nothing whatever to do with IP. I applied it recently in a patent case to allow a second attack on the validity of a patent.

The case provides a clear example of a question of general principle finding its origins in an IP case. But then I thought that my inquisitors might not be too impressed by that example. Sir Robert Megarry J was a property lawyer, not an IP lawyer. Moreover, it might be pointed out that IP law merely provided the occasion for the decision on an issue of general principle. It does not really provide the sort of evidence I was looking for, of IP judges and IP doctrine providing guidance in differing fields.

Another example one might cite is American Cyanamid v Ethicon. Most bar students would be able to name that case from 1975, the case which lays down the test for what we now call the interim injunction. Cyanamid held a patent for absorbable surgical sutures. The interim injunction proceedings in that case had extended over many days both at first instance and in the Court of Appeal. The judge and the Court of Appeal had differed on the question of whether the evidence met the current threshold of a prima facie case. The House of Lords revised the threshold downwards. But the decision does not just apply to patent cases: it is now the general rule whenever an injunction is sought in civil litigation, subject perhaps to some limited exceptions.

American Cyanamid v Ethicon, like Gleeson v Wippell, is another example of IP merely providing the occasion for a decision on an important matter of procedural law. It is not an example of an IP rule or principle being adopted for application elsewhere. I was nevertheless starting to be struck by the number of examples of such cross-fertilization that I was finding. Did other areas have quite such a healthy balance of payments between the ideas they produce and those they import?

Two weeks ago I was doing my reading of the authorities relevant for two of that week’s appeals. Neither of the cases had anything to do with IP. But in each case, nestling amongst cases from other fields, were old friends from IP. Fraser v Oystertec, a decision of Peter Prescott QC, was in one. Gist Brocades v Comptroller General of Patents was in the other. The former case was to do with when it is appropriate to resolve questions of law on a summary application. The latter case was cited in support of an approach to a question of statutory construction. Moreover, hardly a day goes past without being reminded that ‘la vérité est dans une nuance’, Lord Hoffmann’s erudite explanation in Biogen v Medeva of why we should accord proper respect to trial judges on issues on which they are much better placed than us to decide, a principle of which I was very fond as a first instance judge. That was in a case about a patent for

5. [2003] All ER (D) 385.
7. [1996] UKHL 18 at [54].
recombinant DNA. This was not the first time, of course, that the highest court had looked at the question of the extent to which an appellate court could differ from the trial judge on a question such as negligence or obviousness. It had done so forty years earlier in *Benmax v Austin*, a case about a patent for an improved method for attaching upholstered material to motor car seats.

I came upon more evidence in the recent case of *Prudential v HMRC*. In that case, the Supreme Court had to consider the extent to which legal advice given by accountants was, or should be declared to be, the subject of legal professional privilege. That was a very important issue for the accountancy profession, as accountants currently give much legal advice on tax matters. For similar reasons it was an important issue for lawyers, whose advice is unquestionably covered by that privilege, and who would like to be able to market their tax advice services on the basis of this distinction. Not surprisingly, in addition to the parties, the Bar Council, the Law Society, the Legal Services Board, the Institute of Chartered Accountants and AIPPI were all represented on the appeal. In his judgment, Lord Sumption traced the development of legal advice privilege from the sixteenth century. It originated in the practice of the Court of Chancery in the years after the statute of 1562 which first made witnesses compellable. Legal advice privilege had always been limited to advice given by lawyers, that is to say in practice by barristers and solicitors, although it had without much ado been extended to foreign lawyers as well. However, the only two cases before *Prudential* to address directly the difference between legal advice received from barristers and solicitors on the one hand and other advisers on the other were *Wilden Pump Engineering Co v Fusfeld* and *Dormeuil Trade Mark*, both cases from the IP field. In the former case it was held by the Court of Appeal that privilege did not attach to advice given by patent attorneys, for the rather unconvincing reason that they did not fall within the category of advisers whose advice attracted the privilege. The latter case rejected a claim to privilege for the advice of trade mark agents on the basis of similar logic. That position has of course now been regulated by statute. We may face similar problems in the future Unified Patent Court in defining what is meant by a lawyer: there is no uniform definition of what it means.

It is fair to say that none of the Supreme Court Justices in *Prudential* was enthusiastic about the distinction between advice from lawyers on the one hand and accountants, patent attorneys and trade mark agents on the other. As the privilege is the privilege of the client, the notion that it should be afforded only to certain types of legal advice and advisor is hard to justify. Nevertheless, the Supreme Court decided by a majority that the dividing line established in the IP cases was correct, and it was for Parliament to consider whether an extension of the privilege to other classes of adviser was appropriate. It is significant that IP had provided the only previous consideration of such a fundamental issue of principle. Moreover, the fact that the IP cases had been decided the way they had and that legislation had been considered necessary to alter the position was an important factor in the majority’s decision to leave any future change in favour of accountants to Parliament. That was at least something. But again, I suppose, IP was the backdrop to the decision of a question of principle which itself had nothing to do with IP. This was not an IP principle being exported for application in other areas.

11. [1983] RPC 131, Nourse J.
I tried to get clear in my own mind what it was that I was in search of. Surely there was, out there, a case in which a judge had said that guidance on this or that issue of principle could be obtained from the way in which that issue was approached in IP cases. An example might be if a court had said that the test for foreseeability in negligence could learn by analogy from the way in which obviousness was approached in patent cases. The man on the Clapham omnibus would be likened to the person skilled in the art. Lord Atkin’s famous statement of the law in *Donoghue v Stevenson* might be re-written substituting the word obviously for reasonably.

I was, I have to say, beginning to find that target of my hunt a little elusive. IP was undoubtedly proving to be an area of the law where decisions of fundamental and general importance were taken. But what did that prove? If IP had never existed, and these cases not been decided, would they not have been decided elsewhere? Someone would have tried to rely on the doctrine of privity of interest, some court somewhere would have said that over-lengthy hearings for interim injunctions were a waste of time, some court somewhere would have decided that a person who is not a lawyer is not a lawyer, and does not have legal professional privilege. Indeed in *Prudential* that is exactly what had happened, although one might ask whether the result would have been the same if the IP cases had not existed.

But I still kept coming across examples where IP had led the way, at least in the sense of being the first to tackle problems. Also in recent times the Supreme Court has had to consider another very important principle of civil litigation. That is the principle that the court should decide civil cases on the basis of facts and evidence which both sides are aware of and have had the opportunity to challenge. In criminal cases there are circumstances where the court appoints special advocates to deal with material, such as material which identifies informers, which is so secret that it should not go to the defendant or his advisers, just as in IP cases the court sometimes, at least pre-trial, protects the parties’ confidential disclosure from the opposite party, so as not to defeat the object of the litigation or allow abuse. I thought maybe in this case the Supreme Court might say that principles developed in IP cases could be more generally applied. In *Al Rawi v Security Service* the court recognized the principle that trials are conducted on the basis of the principle of natural justice. Thus a party has a right to know the case against him and the evidence on which it is based. He is entitled to have the opportunity to respond to any such evidence and to any submissions made by the other side. However, the Supreme Court recognized that there was an established exception to this rule: it recognized that where the whole object of the proceedings is to protect a commercial interest, full disclosure may not be possible if it would render the proceedings futile. That was a problem which the court recognized occurs in intellectual property proceedings. It recognized the practice in those cases of dealing with the issue of disclosure by establishing ‘confidentiality rings’ of persons who may see certain confidential material which is withheld from one or more of the parties to the litigation at least in its initial stages. Such claims by their very nature raise special problems which require exceptional solutions. Even in such cases the Supreme Court did not necessarily approve of a trial proceeding in circumstances where one party was denied access to evidence which was being relied on at the trial by the other party.

Thus, far from accepting that a court might as a matter of routine adopt the procedures which are sometimes adopted in IP cases, IP was here treated as presenting special problems and demanding special IP solutions. But the reasoning in the IP cases was respected nevertheless.

However, I think that one gets closer to the mark when one considers developments in the field of the disclosure of unlawful activities. The modern formulation and analysis of the action for disclosure occurred in an IP case. The action for disclosure, or what used to be called discovery, is not a new one. But whether it persisted into the modern age was in issue in *Norwich Pharmacal v Customs & Excise Commissioners.*[^13]

The background was a patent case. Can one find out the name of an infringer if infringing goods are passing through the hands of an innocent third party who is aware of the infringer’s identity? The House of Lords confirmed that one could. And the principles thereby established, now frequently referred to as the *Norwich Pharmacal* jurisdiction, are widely applied outside the field of IP. The problem of tracking down wrongdoers is of course not unique to IP, but it is a problem which is particularly acute in that area.

Similarly, the basis of the modern search and seize order was the decision in *Anton Piller KG v Manufacturing Processes.*[^14] The courts were of course, long before *Anton Piller,* prepared to grant relief without notice to the defendant in a case where there was shown to be sufficient urgency for doing so, or some danger that, if he was given notice, valuable evidence would go missing. The *Anton Piller* order dealt with a further problem, that absent constant supervision, the mere service of a prohibitory injunction on a defendant would not prevent goods from going missing before they could be properly accounted for. The *Anton Piller,* or as it is now called the search and seize order, allows the claimant to enter and take away infringing goods. Those orders are now governed by specific rules and practice directions, but their use is by no means limited to IP cases. However, I am inclined to think that it is most unlikely that, absent IP cases, those orders would be available today. One cannot underestimate their importance.

Another area where IP has made a large contribution is that of joint liability for the commission of tortious acts. A rights holder will often wish to sue not only the company who actually informs the infringing act within the jurisdiction, but also parent and other related companies who may have encouraged its commission. Equally the rights holder may wish to sue not just a company, but those involved in its management and direction. A body of cases in IP law, such as *Unilever v Gillette*[^15] and *MCA v Charly,*[^16] has made a big contribution in this difficult area.

The process is of course not just one way. It would be hopeless to suggest that the law has done nothing for IP. The court structure which I have described ensures that principles developed outside IP are freely imported into the field. That also is obviously important. The public is entitled to expect that the rule of law, and its general principles such as fairness, proportionality and reasonableness which apply outside the field of IP, should equally apply within it.

Many areas of intellectual property law are truly self-contained. One would be unlikely to do research into other areas of law, for example, to establish the right approach to added matter in patent law. Other areas are part of a wider context: for example breach of confidence actions against former employees raise policy questions about the freedom of employees to change jobs; see for example what Lord Neuberger said at the end of his judgment in *Vestergaard Frandsen v Bestnet Europe,*[^17] a case involving former employees, where he emphasized that the law has to maintain a

realistic and fair balance between (i) effectively protecting trade secrets (and other intellectual property rights) and (ii) not unreasonably inhibiting competition in the marketplace. He recognized both that the importance of the protection of intellectual property was one of the vital contributions of the law towards fostering research and development in the interests of economic prosperity. On the other hand, the law should not discourage former employees from benefitting society and advancing themselves by imposing unfair potential difficulties on their honest attempts to compete with their former employers.

In *Gerber v Lectra*, a case about the assessment of damages in patent actions, Jacob J had no difficulty in drawing on concepts outside the field of IP, such as the ‘loss of a chance’ approach. A patentee is saying to the defendant in such an enquiry, ‘if you had not infringed, I would have had the chance to sell instead’. It is, as he said, not the world of what was, but the world of what might have been. The idea came from him, no doubt because of his wider exposure to the work of the Chancery Division, and not from specialist leading counsel for Gerber instructed in the case.

Intellectual property does not exist in a vacuum. If it did it would expand at an even greater rate than it has already. We need to remember its place in the wider context. IP lawyers and judges frequently need to reach for principles from outside the area of IP. In *Lenzing v Courtaulds*, the court was faced with what was in effect an attempt at judicial review of a decision of the EPO. That is a problem to which one does not find the answer in *Terrell on the Law of Patents*, or indeed any other textbook on IP law. So the court had to look at other cases where there had been attempts to review judicially the acts of international organizations. The issue arose again in *Virgin v Jet Airways (India) and others*. I do not think that IP law has any cause to be ashamed at the contribution it has made to the overall development of the law, even if it is not possible to find examples of some of our more technical efforts finding wider application. In fact the more I looked at the matter, the more examples occurred to me of important IP cases which are general in their application.

Thus the leading case on the interpretation of section 2(2)(b) of the European Communities Act 1972 is *Oakley Inc. and others v Animal Limited and others*.* In that case the defendants maintained that registered design regulations passed for the purpose of implementing an EC Directive went beyond what was permitted by section 2(2)(b), a challenge to the legality of the legislation. Six years later, I had to consider the legality of the extension of the communication to the public right in relation to broadcasts in the light of the same provision of the European Communities Act 1972. The *Animal* case was still the leading case, but by then had been followed in a number of subsequent cases: *Crane v Sky In-Home Service Limited and others*, a case about compensation or indemnity under the Commercial Agents (Council Directive) Regulations 1993; *Cukurova Finance International Limited and another v H.M. Treasury*, a case about a challenge to the *vires* of the Financial Collateral Arrangements Regulations 2003. And in *Ahmed & others v Her Majesty’s Treasury (JUSTICE intervening)* Lord Mance expressed himself to be in agreement with

20. [2012] EWHC 3318 (Pat); the appeal was handed down after the address: [2013] EWCA Civ 1713.
22. [2007] EWHC 66 (Ch).
certain of the views expressed in *Animal* that the powers under section 2 were *sui generis* and not to be construed narrowly, in a case concerning the validity of (i) the Terrorism (United Nations Measures) Order 2006 and (ii) the Al-Qaida and Taliban (United Nations Measures) Order 2006, both made in reliance on the power contained in section 1(1) of the United Nations Act 1946.

I have identified where the handiwork of the IP profession and the IP judges has received the approval of courts outside our area of specialization. We can call them ticks. But what about the crosses? What about the black marks? Every now and again we develop rules and principles which do not withstand the scrutiny of the world outside IP. A good example is the *See v Scott Paine* or *Earth Closet* order. When a defendant in an infringement action or a claimant in a revocation action amended the attack on the patent in the course of litigation, there was a more or less inflexible rule that the patentee could submit to revocation and obtain a large proportion of his costs. These orders could work injustice. I remember occasions as a barrister when it looked as if my patentee was going to lose his patent and have to pay the costs, when the amendment from the defence came along and provided a much less painful outcome for the patentee. These orders were the subject of external scrutiny by the CA consisting of the Master of the Rolls, Aikens LJ and Lewison LJ in *Fresnius Deutschland v Carefusion*.25 It is interesting to see how the point was addressed. Lewison LJ said:

> If you tell a commercial litigator who is not steeped in the law of patents that a patentee can sue for infringement and then discontinue his claim against the alleged infringer and consent to the revocation of his patent, yet require the alleged infringer to pay a substantial proportion of his costs, his reaction would be one of bafflement. If you went on to explain that this situation came about because the alleged infringer had amended his defence and counterclaim to plead a new piece of prior art he would be none the wiser. This is the practice of the Patents Court … (para 2)

If you read the judgment, you will see that the play within a judgment continued. What the judge was doing was subjecting a local IP rule to the standard applied in other areas of litigation and seeing whether it withstood that scrutiny. The *See v Scott Paine* and *Earth Closet* order might have survived if their reasoning had survived that scrutiny. I could have claimed it as a victory for IP. But they did not.

Another case where we were not successful in persuading our commercial brethren was *Nichia v Argos*.26 There the specialist judges, Pumfrey J sitting at first instance and Jacob LJ in the Court of Appeal, considered that disclosure on the issue of obviousness in a relatively simple case about Christmas tree lights was really not going to help anyone decide the case. No doubt they had been influenced in that view not only by their own experience of the utility of disclosure of endless historical records, but also by their exposure to other European patent judges who dispose of cases on a daily basis without any disclosure on any subject at all. But on that occasion, even the persuasive powers of Jacob LJ were not able to carry the day. Things have now moved on, and the reformed PCC, now reformed again as the IPEC, has a procedure which, as a default position, has no disclosure at all. It may be that the specialists have got their way after all.

Let us not dwell on the black marks. So far I have talked about IP cases which have proved to have lasting and wide application outside the field of IP. I think there is another

lecture to be delivered on the decisions of IP judges outside their field. One well known one starts like this:

It is one of the glories of this country that every now and then one of its citizens is prepared to take a stand against the big battalions of government or industry. Such a person is Lisa Ferguson, the claimant in this case.

It is a leading case on the law of harassment, *Ferguson v British Gas Trading*, and the leading judgment is that of our own Sir Robin Jacob, Jacob LJ as he was then. As the Master of the Rolls remarked when that fine judge retired from the Bench, after those opening words there were no prizes for guessing who had won. Jacob LJ (as Jacob J) also made important contributions in other areas: for example in the exclusion of liability for fraudulent misrepresentation: see *Thomas v Witter*.

How does IP law exert its influence? I have mentioned the structure of our legal system already. I think another important factor is the quality of the profession, the solicitors and barristers, and the academics as well. One thing that sitting in a general jurisdiction gives you a good view of is the relative standards of legal research and presentation across the board. IP is up there with the very best. To the extent that judges get it right, they owe that in large measure to those who appear in front of them.

However, there is another factor. IP law exerts its influence on other areas of the law when the decisions in IP cases are cited in those other areas. We are very fortunate to have a number of series of law reports of outstanding quality. Their influence is not to be understated.

If I can attempt to draw this together. Our system is constructed in a way which makes it easy for decisions made and principles developed in IP law to find application elsewhere. Moreover there is a lot of evidence of IP being the background against which many important decisions of general importance are made. IP has often been the place where principles are first stated. In many cases it might have been a long time before those principles were developed elsewhere, and one may ask whether they would have been developed at all. There is good evidence that IP makes contributions to both procedural and substantive law outside its own fiefdom.

How do these thoughts fit with the topic which is on everybody’s mind at the moment, the future Unified Patents Court? In one sense it is a retrograde step, because it disrupts what I believe is a carefully integrated structure which fosters the exchange of legal ideas between specialisms. But there are of course other goals in view. One thing which will lessen the disruptive impact is if the judges of that court are drawn, at least in the first instance, from amongst those who try other non-IP domestic cases as well.

Why does any of this matter? Would it matter if, contrary to what we see happening above, IP cases were regarded as *lex specialis* and of no wider or general importance? Is it just that we enjoy seeing our IP decisions having an impact in other areas, rather as academics like to see their articles widely cited in the literature? I hope I have explained why I think it does matter.

Firstly, judges who decide IP cases need to be aware that their decisions will be the subject of scrutiny in other fields of law. If the law is developed in a particular direction, one needs to be sure that it is being developed in accordance with general principles.

Secondly, the export of our principles contributes to the respect in which this area of law is held.

Thirdly, I think that we have a lot to contribute. IP cases are hard fought, with, generally speaking, a lot at stake. They are also, as a rule, extremely well argued. A lot of points are raised and decided here first. We saw that in privity of interest, legal advice privilege, injunctions, closed procedures and the *Norwich* and *Anton Piller* orders.

Perhaps John F Kennedy might have ended his address by saying instead ‘My fellow citizens of IP: ask not what IP will do for you, but what together we have done for the rest of the law’. The answer, I think, is quite a lot.