

CLIENT NOTE



INTELLECTUAL PROPERTY (DISPUTE RESOLUTION) BILL (ARBITRATION OF IP DISPUTES AND CONSOLIDATION OF PROCEEDINGS)

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Introduction

1. The Intellectual Property (Dispute Resolution) Bill (the “**Bill**”) was recently tabled in Parliament for the first time. According to the Bill,
 - a. intellectual property (“**IP**”) rights may be arbitrated in Singapore; and
 - b. the High Court would have exclusive jurisdiction over most civil IP proceedings.
2. This article sets out these and other key aspects of the Bill and briefly discusses their potential implications for businesses.

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Background

3. In 2015, Minlaw appointed a committee to review the IP dispute resolution framework in Singapore, as a part of the Government’s IP Hub Master Plan. One of the objectives of the review is to position Singapore as a choice venue for IP dispute resolution in Asia.
4. The committee found that:
 - a. a large number of international IP disputes are resolved through arbitration and that clarity on the arbitrability of IP disputes would aid in attracting such disputes to Singapore; and
 - b. the consolidation of civil IP proceedings in the High Court would reduce the complexity in the current system.

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Clarifications on the arbitrability of IP Disputes in Singapore

5. The Bill defines IP widely to include patents, trademarks, copyright, registered designs, confidential information and “*any other intellectual property of whatever nature*”. This expression provides flexibility as it would cover IP rights that are present in other jurisdictions and IP rights which may arise in the future.

6. The Bill clarifies that arbitration is available to a wide variety of IP rights disputes, including
 - a. Disputes over the enforceability, infringement, subsistence, validity, ownership, scope, duration or any other aspect of an IP right;
 - b. Disputes over a transaction in respect of an IP right; and
 - c. Disputes over any compensation payable for an IP right.
7. Such disputes are arbitrable, regardless of whether they are the main or incidental issue in the arbitration.

Consolidation of Civil IP Proceedings in the High Court

8. The Bill indicates that exclusive jurisdiction will be conferred upon the High Court to hear civil IP proceedings, including copyright infringement and passing-off claims. This will change the present situation in which any court of competent jurisdiction in Singapore can hear copyright-related civil claims, such as copyright infringement or an action for breach of duty not to falsely attribute authorship of a work or a performer of a performance.
9. For this reason, the State Courts Act will be amended to curtail the State Courts' jurisdiction to hear passing-off actions.

How will these developments impact your businesses?

10. Traditionally, parties in an IP dispute would look to the courts for a decision. After the Bill becomes law, the parties have the option to choose arbitration to settle the dispute.
11. Arbitration offers several advantages when compared to court proceedings, including the following:
 - a. Parties may appoint their own arbitrators. This can save time and costs, especially in disputes involving technical subject matters like patent disputes. The arbitrator will require little or no "education" of the subject matter before engaging in the substantive aspects of the dispute.
 - b. Arbitration is generally conducted in private and the decisions of arbitration tribunals are not published.
 - c. Parties can choose their own procedures to govern the arbitration. In litigation, procedures are prescribed by the Rules of Court and other statutes.
 - d. Arbitration awards have extra-territorial enforceability in many countries.

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12. As regards the consolidation of civil copyright and passing-off disputes in the High Court, cost-conscious litigants need not be overly concerned with the prospect of higher costs associated with enforcing their IP rights in the High Court. In due course, Minlaw is expected to introduce a cost-effective, “fast track” litigation pathway for IP disputes in the High Court. Amongst other, this specialized IP litigation track will impose a cap on the length of trial and maximum amount of costs to be awarded for IP claims of a certain value.
13. Please do not hesitate to contact us if you have any query concerning this Client Note.

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