



Update on developments in Denmark – Two landmark cases

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Overview

- › Ørsted family v. Ørsted A/S (Supreme Court)
 - › *Did use of the company name “Ørsted” (and as a trademark and domain name) violate the family’s right to the surname Ørsted*
- › Novartis v. Viartis and Glenmark (The Maritime and Commercial High Court)
 - › *Enforcement of a pending patent application*



The Ørsted Case (1) – Background to the dispute

The change of DONG's name to Ørsted

- › DONG Energy A/S (an energy company that offers various energy products and develops, builds and operates wind farms) changed its registered name to Ørsted A/S in 2017 and multiple other companies within the DONG group also changed the "DONG" part of their name to "Ørsted"
- › DONG Energy A/S / Ørsted A/S also obtained the following EU trade mark registrations:
 - › Word mark: Ørsted
 - › Word mark: Orsted
 - › Figurative mark: **Ørsted**
- › And the following internet domains:
 - › Ørsted.dk
 - › Orsted.dk
 - › Oersted.dk
 - › Ørsted.com
 - › Orsted.com





The Ørsted Case (2) – Background to the dispute

- › The former name – **DONG** – was an abbreviation for Dansk Olie og Naturgas A/S, meaning “Danish Oil and Natural Gas”
- › The new name – **Ørsted** – refers to the Danish scientist Hans Christian Ørsted (1777-1851). Ørsted was at the forefront of several ground-breaking scientific discoveries, **e.g. the discovery of electromagnetism in 1820**, which is relevant when producing electricity
- › The name was chosen to underscore the company’s new **green strategy** with energy production by wind farms and other green technologies





The Ørsted Case (3) – Background to the dispute

The Ørsted family

- › 418 persons in Denmark had “Ørsted” as their family name in 2019
- › 7 of these persons decided to file a lawsuit against Ørsted A/S and other companies within the Ørsted Group in connection with the name change, **requesting that the companies ceased using “Ørsted”** or related names as a company name, as trademarks or in connection with internet domains
- › They were all either directly descendants of H.C. Ørsted or somehow related to the Ørsted family



The Ørsted Case (4) – The legal framework

The Danish Names Act

- › **Section 3 (1):** Family names, which in this country are held by 2,000 persons or less, are protected and cannot be taken by others. [...]
- › **Section 27:** A person, who can prove that another without justification uses his or her name, or a name with such a similarity hereto that confusion can easily happen, may order the other to cease the use of the name by judgment

The (former) Danish Trademark Act

- › **Section 14, no. 4:** Barred from registration are also [...] Trademarks, which unlawfully consist of or contain a part that may be regarded as a personal or company name to which another person has lawful title [...] *and which does not thereby refer to any long-deceased persons [...].*

The Danish Company Act

- › **Section 2 (2)** [...] The name [of a limited liability company] must not include any family name, business name, distinctive name of real estate, trademark, distinctive mark or the like **not** belonging to the limited liability company or anything likely to cause confusion with such name or mark



The Ørsted Case (5) – The Supreme Court’s decision

The Danish Names Act

- › Less than 2,000 persons held the name “Ørsted”, and thus, **the name was protected by Section 3 of the Act**
- › However, based on the wording and the preparatory works of Section 27 of the Danish Names Act, the Court found that this provision **does not concern the use of personal names, including family names, in company names and trademarks.**
- › Accordingly, the claimants could not prohibit Ørsted A/S’ use of the name **as a trademark or a company name** under Section 27 of the Danish Names Act



The Ørsted Case (6) – The Supreme Court’s decision

The (former) Danish Trademark Act

- › The Court found that there was no basis in Section 14, no. 4 of the (former) Danish Trademark Act to enjoin the use of a trademark, **if this section would not prevent the registration of the trademark**
- › The Court agreed with Ørsted A/S that the use of the name “Ørsted” **referred to the long-deceased scientist H.C. Ørsted** and that the name is also perceived like that by the general public when it is used in connection with electricity production
- › Thus, the fact that Ørsted A/S’ trademark contained the name “Ørsted” did not prevent the trademark from being registered
- › Accordingly, the Ørsted family **could not prohibit Ørsted A/S** (and other companies within the group) from using its trademarks (word marks and figurative marks with the name “Ørsted” or “Orsted”) under Section 14, no. 4 of the Act



The Ørsted Case (7) – The Supreme Court's decision

The Danish Company Act

- › The rules on names in the Danish Company Act are not devised **to cover all facets of issues related to company names**, but should be viewed as a supplement to the special requirements on names for limited liability companies as set out in the special legislation, e.g. in the Danish Trademark Act
- › The Court found that there was no basis to interpret the Danish Company Act **as restricting the use of names** belonging to others to a greater extent than under the former Danish Trademark Act
- › Accordingly, as the claimants could not prohibit Ørsted's use of the name as a company name under Danish Trademark Act, **they could also not do so under the Danish Company Act**

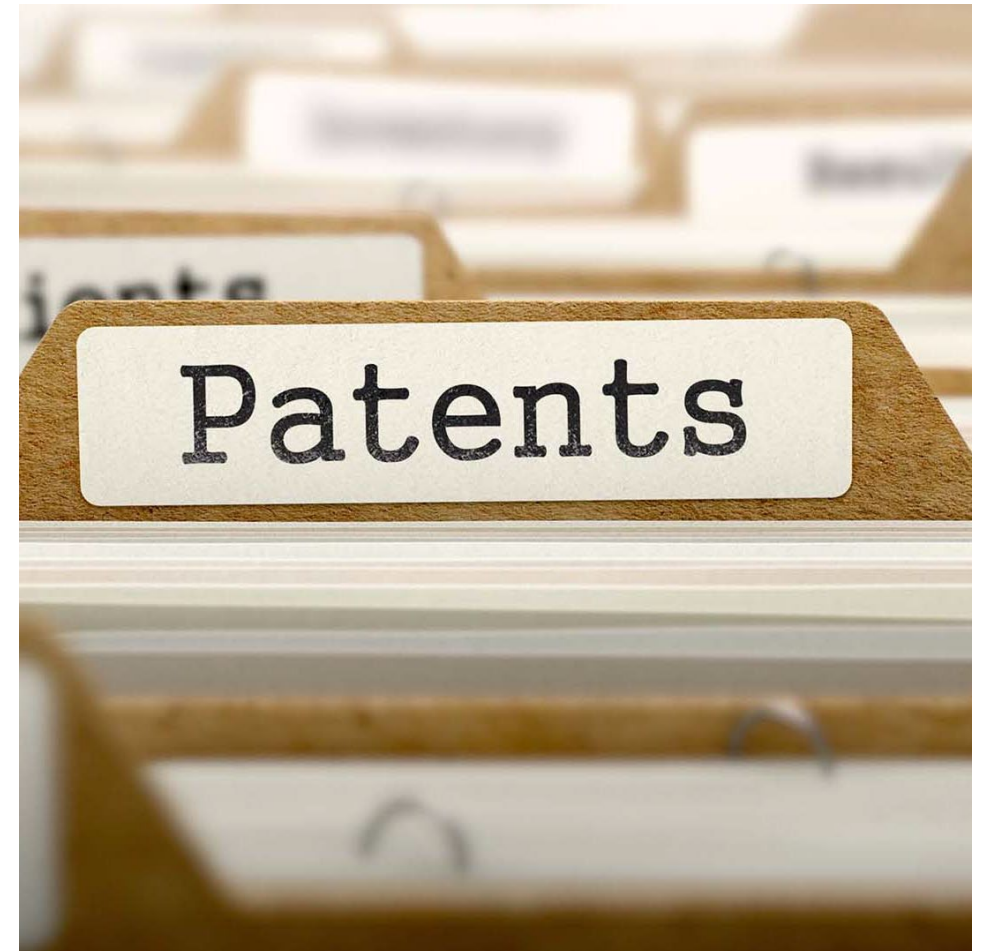
Conclusion

- › The Maritime and Commercial High Court's first instance decision was upheld and Ørsted A/S was acquitted.



The Novartis Case (1) - Background to the dispute

- › Novartis had filed a patent application that was rejected by the EPO Examining Division
- › Novartis appealed this decision to the EPO Technical Board of Appeal, which overturned the Examining Division's decision and ordered the Examining Division to grant the patent on the basis of a pending Main Request



The Novartis Case (2) – Filing of PI cases based on a patent applicaton

- › Based on the pending **European patent application** Novartis then filed PI cases against several companies selling pharmaceutical products containing the active ingredient Fingolimod which is used to treat multiple sclerosis
- › Several defending companies in Denmark opposed the motions and requested that the case be dismissed **for formal reasons**, due to lack of legal interest and actuality ("DA: manglende retlig interesse og aktualitet"), since no formally granted patent existed yet
- › The question was **bifurcated into a separate hearing** on formality in advance of the hearing on substance
- › However, concurrently trial dates for a hearing on substance were reserved



The Novartis Case (3) - The parties' submissions on the formality

The defending companies' arguments

- › In support of the view that Novartis did not have the required legal interest to have the case heard, it was argued that:
 - › No formally granted patent existed yet, and it was unclear when such a patent would come into existence
 - › Allowing the case to proceed would open the "floodgates" to all kinds of speculative litigation (*where should the courts draw the line in future cases*)
 - › If the case proceeded, it would be uncertain to what extent the defending companies would be allowed to defend themselves by arguing invalidity (due some special Danish Supreme Court caselaw, whereby Danish courts cannot entertain invalidity arguments in relation to "a not yet granted patent")



The Novartis Case (4) - The parties' submissions on the formality

Novartis' arguments

- › In support of the view that Novartis did have the required legal interest to have the case heard, it was argued that :
 - › It was certain that Novartis' patent would eventually be granted
 - › PI actions are by their nature urgent and should be allowed to be filed as early as possible
 - › TRIPS and the Enforcement Directive dictate that intellectual property holders should have effective legal means for enforcing their rights quickly
 - › The patent was expected to be granted prior to the dates reserved for the hearing on substance. So, in all likelihood the patent would have granted before the Court were to decide on the substance anyway (i.e. whether to grant a PI or not)
 - › Novartis compared the situation to the law on *claims not yet due*, whereby the courts, under certain conditions, allow such claims to be filed and that the cases are prepared for trial, although the claims are not yet due



The Novartis Case (5) - The Court's decision

- › The Danish Maritime and Commercial High Court sided with the defending companies and dismissed the case with the reasoning that it was presently uncertain when a patent would come into existence and take effect in Denmark
- › Accordingly, Novartis did not at that time have the required “legal interest” in the action (no “actuality”)
- › It is not entirely clear from the Court’s reasoning, but it seems that it has played a role for the Court that no “decision to grant” had been issued by the Examining Division
- › The decision has been appealed to the Danish Eastern High Court where the case is currently pending
- › After the appeal was filed, the EPO has issued an intention to grant



Questions?

