

Scanmar Appeal Thrown Out

The Supreme Court of Norway has denied Scanmar's appeal in their lawsuit against Marport. The litigation between Scanmar AS, Scantrawl AS and Henning Skjold-Larsen on one side ("Scanmar") and Marport Canada Inc, Marport Iceland Ehf and Pronav AS on the other side ("Marport") has finally come to an end. The Supreme Court of Norway concluded that the case contains neither principal matters of importance nor any other circumstances which required an appeal to be heard.

Originally, the litigation started as a patent infringement case, in which Henning Skjold-Larsen, the founder and Chairman of Scanmar, claimed that Marport's catch control system and sensors were infringing two of his patents. Marport claimed the same patents to be invalid.

The case was later extended to encompass Scanmar's claim for compensation based on an alleged infringement of the Norwegian Marketing Act. Scanmar claimed that Marport's marketing contained information which represented an infringement of the Norwegian Marketing Act, Section 26, according to which it is "prohibited in the course of trade to use an incorrect or otherwise misleading representation which is likely to influence the demand for or supply of goods, services or other products". In addition, Scanmar claimed that Marport's marketing was infringing Norwegian Marketing Act Section 25, which contains a prohibition of all act "performed in the course of trade which conflicts with good business practice among traders".

The Oslo District Court invalidated Scanmar's Norwegian patent NO 326 638 (the '638 patent) and Scanmar's Norwegian patent NO 325 356 (the '356 patent). The Court also rejected Scanmar's claims under the Norwegian Marketing Act. The Court ordered that Scanmar pay all Marport legal expenses of 3,484,105 NOK (~CAD653,500) and court costs.

Scanmar then appealed the Oslo District Court's decision to the Court of Appeals regarding the alleged infringement of the Norwegian Marketing Act, claiming that Marport's product marketing information was misleading. While the Court of Appeals found some minor irregularities in Marport's marketing material, they ruled that, except for battery life comparison, (Marport compared lithium-ion batteries versus nickel cadmium batteries), the information was not likely to influence the demand for either Marport or Scanmar products. The Court of Appeals also found that there was no connection between the infringement of the Marketing Act and Scanmar's declining income. Consequently, the Court of Appeals determined that there was no legal basis for Scanmar's claim for compensation.

Scanmar then appealed this decision to the Supreme Court of Norway, which is Norway's highest court and serves as the court of final appeal for civilian and criminal cases. With the recent Supreme Court decision, all Scanmar appeals have been exhausted and the matter is now closed.

"We are very pleased with the results of this ruling," said Karl Kenny, Marport President and CEO. "Since the legal dispute between the parties commenced several years ago, Marport has vigorously denied Scanmar's patent claims and defended our position that we do not infringe any Scanmar patents nor did we violate the Norwegian Marketing Act. This has been a long and arduous process, but this decision by the Supreme Court of Norway affirms a victory for the Marport team, our customers and the industry as a whole. Competitive markets drive innovation and provide users with choice and the freedom to use technology to better operate their business."