

IPEC Judgment in Account of Profits

The case of *Abbott & Anor v Design & Display Ltd & Anor* [2017] EWHC 2975 (IPEC) was the 4th IPEC judgment in this long-running account of profits.

In 2014 Design & Display were ordered to pay Abbott over £½ million, after rejection of their arguments that they were entitled to deduct overheads of their business in calculating their profits. After the Court of Appeal set aside that order and remitted the case, indicating that Design & Display were entitled to deduct overheads if they would have been used to support a non-infringing business, a further judgment in April this year allowed those deductions. With the parties unable to agree what that judgment meant, a further judgment was necessary.

The IPEC has now made clear that Design & Display are entitled to deduct many of their overheads, that their approach to apportionment was justified, but that on the facts they were not entitled to deduct payments to their directors. The result was that Design & Display made a small loss, and so pay nothing in profits to Abbott. The case again demonstrates the uncertainties, and the importance of appropriate evidence, in accounts of profits. [Tom St Quintin](#) appeared for Design & Display.

For the full judgment, click [here](#).

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