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DEVELOPMENTS IN IP

Proposed "patent box" corporation tax reduction regime

There are tax reduction mechanisms in the UK that can help to reduce the tax paid on work relating to research and development activity. The R&D tax credit system, for example, has been in place for some time. The UK Government is now proposing another tax reduction system, called the "patent box" tax regime, under which businesses paying corporation tax could claim a reduced 10% tax rate for profits attributable to patented products. The regime is due to enter into force from 1 April 2013 and will apply to profits arising after that date.

The relevant profits would be those derived worldwide by a UK business from inventions covered by a UK or European patent. The profits may derive from the sale of patents, from the sale of any patented products or spare parts for a patented product, or from damages paid by third parties for infringing the patent rights.

The business must be actively involved in the patent development cycle, rather than a passive recipient of income from holding patents, and must remain actively involved in exploiting the patent. The business must also have performed significant activity to develop the patented invention.

The regime is currently under consultation, with draft legislation proposed for autumn 2011. Further updates will be provided in relation to this proposal as it develops.

Andy Locke

Unitary European patent proposal – an update

There continues to be a strong political desire for progress to be made on setting up a system for obtaining a unitary EU patent. The EU Competitiveness Council has agreed to move forward with the unitary system that has been proposed by 25 of the 27 EU member states under the "enhanced cooperation" provisions of EU law, and the EU Parliament is due to review the proposal in November 2011. Italy and Spain remain opposed to the system, however, and these countries have now submitted formal legal challenges to the proposal and the use of the enhanced cooperation system to implement an EU patent without them. It remains to be seen whether either of the challenges holds any weight, but it seems likely that they will delay progress.

The proposals are based on a unitary patent right for the participating EU countries being obtained following the grant of a patent by the European Patent Office (EPO), so that, in effect, the EPO patent becomes validated as a unitary European patent, covering the participating EU countries. Only a single renewal fee would be required annually to maintain the unitary right in force in all these countries.

EPO patents are granted in English, French or German, with the claims being translated into the remaining two languages as part of the grant procedure, and the intention is that, in the long term, the validation of an EPO patent as a unitary European patent will not require any further translations. However, the current proposal involves a transitional provision, under which one translation will be required for the EPO patent to take effect as a unitary European patent. The transitional provision would stay in place for a maximum of 12 years.

The proposals also bring in a unified patent litigation system, which involves a new patent court that will be set up by the participating EU member countries only. This patent court would therefore fall directly within the judicial system of the EU. This court would be able to consider infringement and validity for EPO patents that have been validated in EU countries on a national basis as well as EPO patents brought into effect as an EU unitary patent right.

We will report on further progress in due course.

Yvonne Johnson

A detailed article is available – please contact us or see our website

Planned extension of European patents to Tunisia

The European Patent Office (EPO) and the authorities in Tunisia have agreed to cooperate more closely on patent protection. It is envisaged that this will lead to an agreement by the end of 2012, under which European patents could be registered in Tunisia.

Tunisia will not become an EPO member state or an extension state. Nevertheless, the mooted procedure could boost the number of patent rights in Tunisia, which may help to increase investment in the country.

As reported in our Spring 2011 newsletter, the EPO has been in similar discussions with Morocco. The EPO's efforts to extend its influence to non-European markets should be positive for applicants already familiar with EPO law and practice. Once such countries implement their cooperation with the EPO, filing strategies covering these territories should become simpler and patent prosecution may be quicker and more predictable.

Nicholas Braddon

IP UPDATE

Increase in number of top-level domain names

The Internet Corporation for Assigned Names and Numbers (ICANN) has approved plans to increase the current number of generic top-level domain names (TLDs). At present, there are 22 generic TLDs, including .com, .org and .net. However with ICANN's new plan, there will be an unlimited number of possible TLDs that can be registered. Companies and organisations will be able to apply for TLDs of their own design, which may be an existing trade mark, such as ".cocacola" or ".kodak", or which may be a descriptive reference, e.g. ".football".

The application process, which will run from 12 January 2012 to 12 April 2012, will be rigorous and will require an initial application fee of \$185,000. Successful applicants will, in essence, function as a domain name registry for the new TLD.

An expedited complaints procedure is planned, which would suspend domain names that are identical or confusingly similar to a trade mark. A complaints mechanism will also be available to report TLD registries that consistently permit third parties to register domain names that infringe trade mark rights.

Lucy Walker and Lisa King

A detailed article is available – please contact us or see our website

How to assess the strength of registered designs

The first Registered Community Design (RCD) case to be appealed to the Court of Justice of the European Union (ECJ) has progressed to the stage of receiving an opinion from the Advocate General. The case relates to small circular promotional items known as "pogs", which were the subject of an RCD by Pepsico.



The design had been found to lack individual character over an earlier design, as shown below, and as such was not a valid registration.



The Advocate General's opinion is not a final binding decision on this matter; this will follow from the ECJ in due course. However, the opinion is interesting because the Advocate General has set out comments on some of the concepts that are central to assessing the validity of an RCD. These may be helpful when assessing the strength of designer's rights before enforcement, considering challenging another party's RCDs or deciding whether a design would be worth filing as an RCD.

It was decided that the "informed user", who is the notional person for determining whether a design has individual character, is not an expert with detailed technical expertise but just a user who is a little more attentive and interested than the average consumer. Further, when considering individual character it can be appropriate to compare the actual goods covered by the registration with the earlier goods, as well as studying the formal design representations. The Advocate General also noted that "Where designs are characterised by significant constraints on the designer's creative freedom, small differences may, generally, be sufficient to produce a different overall impression."

Ultimately, the Advocate General recommended that Pepsico's appeal should be dismissed, as he felt the question put forward on appeal, of whether the design lacked individual character over an earlier design, was a question of fact and therefore was not sufficient basis for a valid appeal to the ECJ. We will wait to see whether the ECJ agrees.

Andy Tranter

Finland reduces patent translation requirements

Finland has signed up to the London Agreement, which relaxes the translation requirements for applicants at the stage of bringing a granted European patent into force in the countries of interest.

The Agreement will take effect from 1 November 2011, with English being nominated as the official language. This means that European patents granted after 1 November 2011 will now only require a Finnish translation of the claims, rather than of the whole specification, in order to validate the patent in Finland, provided that the European patent is in English. If the European patent is in French or German then a translation of the description into either Finnish or English is also required.

In addition, national patent applications filed in Finland from 1 November 2011 may be submitted in English, with a translation of the claims into Finnish or Swedish only being required when the application publishes. Under the new law the description does not have to be translated at any stage of the patent prosecution.

Yvonne Johnson

Updated procedure for third party observations on patents

As part of a recently initiated pilot scheme, the European Patent Office (EPO) has provided an online form that can be used to submit third party observations on any pending patent case. Use of the online form is intended to facilitate the filing of well-structured and concise third party observations. However, while the EPO encourages use of the form, it is not compulsory and the pre-existing mechanisms for filing documents may continue to be used.

It remains the case that third parties can make patentability-related observations on any published European patent application or patent, provided that there are EPO proceedings in progress. Third party observations may be submitted anonymously, but any such submissions will be accessible to the public. The third party does not become part of the proceedings before the EPO, but can monitor progress and submit further observations if desired.

In addition, it has been announced that examining and opposition divisions must now comment explicitly on the relevance of third party observations. This is a positive development for filers of third party observations, because previously the EPO could choose to not raise any objections based on third party observations without explaining the rationale behind this decision.

Nicholas Braddon

Options for faster patent prosecution

The Patent Prosecution Highway (PPH) is a framework that allows patent applicants who have had a positive examination result to request accelerated prosecution of their patent applications for the same invention in other countries. The framework improves work sharing between Intellectual Property (IP) offices, to cut down on duplication of work and improve prosecution speed.

At present, the applicant can only apply for accelerated treatment under PPH once there is a positive examination result from the IP office at which the applicant made its first application. However, delays can be experienced if the examination of the first-filed application is slow. An improved framework has therefore been brought in, with effect from 15 July 2011, which allows PPH to be requested as soon as any one of the IP offices has made examination results available. Thus PPH is no longer dependent on the speed of the IP office where the first filing was made. This new framework is only a pilot scheme at the moment and will initially run until 14 July 2012.

A further scheme has been set up between the Australian, Canadian and UK IP offices, known collectively as the Vancouver Group. Patent examiners at these offices are able to see search and examination reports issued by other Vancouver Group IP offices when examining a corresponding patent application. To improve the sharing of the examination results, the Vancouver Group and the World Intellectual Property Organisation have agreed to develop a digital library of search and examination reports, which should improve efficiency and lead to a better experience for patent applicants.

Ben Lincoln

Supplementary protection certificates for combination products

The Advocate General's opinion has been delivered in the joined cases of Medeva and Georgetown et al, which raised questions regarding how the EU Regulations setting out the requirements for grant of a Supplementary Protection Certificate (SPC) should be interpreted for a combination product.

In each of the cases a patent had been obtained that claimed specified components but marketing authorisation had been obtained for a vaccine that contained the claimed components together with additional active components. An SPC for the vaccine was therefore refused on the basis that the patent did not claim the additional active components present in the vaccine, whilst an SPC for the components as claimed in the patent was refused on the grounds that the marketing authorisation was in respect of the vaccine which included additional active components.

The opinion has now concluded that, based on a teleological interpretation of the Regulations, an SPC can be obtained for a product containing a combination of active ingredients if at least one of the active ingredients is the subject matter of a basic patent, but this is subject to the proviso that a basic patent can only support one SPC for a medicinal product containing the patented active ingredient, and that SPC must be based on the first marketing authorisation for the product.

Although Advocate General's opinions are followed in the majority of cases, the binding decision of the Court of Justice of the European Union is now awaited.

Lucy Trueman

A detailed article is available – please contact us or see our website

Opposition to Italian trade marks

It is now possible to file an opposition against an Italian trade mark application or an Italian designation of an International Madrid Protocol trade mark. This option is available for national applications filed from 1 May 2011 and International applications published in the World Intellectual Property Office (WIPO) gazette from July 2011 onwards.

Opposition can be filed on the basis of an earlier identical or similar trade mark application or registration in Italy, provided this covers identical or similar goods/services, or on the basis of well-known personal names, signs used in artistic, literary, scientific, political or sports fields, or denominations and abbreviations for exhibitions or events and of non-profit bodies or associations, as well as their emblems. In addition, image rights can be used as the basis of the opposition if the trade mark consists of a portrait of a person and personal names may be used in the challenge if use of the mark would be detrimental to the reputation, credit or dignity of the person entitled to the name.

The deadline to oppose an Italian trade mark is three months starting from the publication date of the application in the national bulletin or three months from the first day of the month subsequent to the publication of the Italian designation in the WIPO gazette, as applicable. As the timeframe within which opposition can be filed is short, it is highly advisable that trade mark owners have in place adequate watching systems to be able to promptly detect any applications that may potentially conflict with their earlier rights. If you would like to discuss the scope of your current watching service, please contact your usual trade mark attorney.

Lucy Walker

CASE LAW

European Patent Office rules on disclaimers

The European Patent Office's Enlarged Board of Appeal (EBA) has issued its decision regarding whether it is allowable to add negative language into a claim, in order to disclaim the presence of a feature or features, when there had only been explicit basis in the application as filed for that feature or features optionally being present.

The EBA has ruled that the disclosure of an optional feature in the original application does not automatically provide implicit basis for a subsequent claim

to the invention where that feature is required to be absent. Instead, it was stated that each case must be individually assessed to determine whether the embodiment of the invention where this feature is absent was directly and unambiguously disclosed to the skilled person. For example, there could be situations where disclaiming various optional features could result to a claim to a very specific embodiment or combination, which could potentially lead to a new and undisclosed slant as to the nature of the invention.

The EBA therefore indicated that test to be used should not be any different to the usual test for added matter, in that an assessment must be made as to whether the amended claim is in respect of subject matter that was fairly disclosed to the skilled person, or whether it amounts to new information about the invention that was not genuinely derivable from the application as filed.

Yvonne Johnson

A detailed article is available – please contact us or see our website

The online marketplace as a forum for internet trade mark infringement

The Court of Justice of the European Union has given its judgment in the long-standing dispute concerning the sale of L'Oréal's products on eBay. L'Oréal had complained that eBay was involved in trade mark infringements committed by its sellers and that eBay's purchase of keywords corresponding to L'Oréal's trade marks was an infringing act.

The court held that where a trade mark appears on a website in an offer for sale and/or advertisement relating to a trade mark owner's products, the operator of the website has not "used" the trade mark within the meaning of the trade mark legislation. This is only the case, however, where the website operator is providing a service merely to enable its customers to display their products for sale on its website. In contrast, if the operator plays an active role in the trade mark infringement, it will be liable and cannot rely on the defence that it is merely hosting the website. An active role would be seen as occurring if the operator has knowledge of, or control over, the data relating to the offers for sale, or if the operator provides assistance, for example by optimising the presentation of the offer for sale or promoting the offers for sale, or if the operator was aware of the facts and circumstances and should have realised that the sales were unlawful yet failed to act promptly to remove the data from the website.

If the online operator does not put an end to the infringements, or does not put measures in place to prevent further infringements occurring, an injunction may be sought. The decision makes it clear that the injunction must, however, be effective, proportionate and dissuasive and must not create barriers to legitimate trade. For example, the injunction could compel the operator to suspend perpetrators or to employ measures to make identification of infringers easier, but should not compel the website operator to monitor all activity on its website or prevent the sale of all goods bearing a particular trade mark.

Lucy Walker and Rosanne Jenkins

When is repair of a patented product permitted?

A recent UK court decision has considered the extent to which a patented product can legitimately be repaired. In this regard, the Court of Appeal has confirmed that what must be taken into account is whether the party putting the product onto the market is re-making the claimed product.

The case before the court related to intermediate bulk containers (IBCs), which comprise a large plastic bottle held within a cage. The plastic bottles often need to be replaced before the cage wears out, leading to a trade in refurbishing the IBCs. In this case Werit (UK) Ltd provided new bottles to a second company, Delta Containers Ltd, which refurbished the IBCs by replacing the old bottles with the new ones. An infringement case was brought by the original manufacturer of the IBCs, Schütz (UK) Ltd, which was the exclusive licensee of the patent rights in the IBCs.

The patent claim was to an IBC that had a specific cage structure and that contained an interchangeable plastics container, which was not defined in detail. Since the cage was that of the exclusive licensee, the question was whether putting a plastic bottle into that cage was infringement.

In the initial hearing, the High Court judge had tried to put forward an "inventive concept test" to determine whether a repair infringed the patent claims, by looking at whether the product retained the inventive concept of the invention during the repair procedure. However, the Court of Appeal rejected this test as being, amongst other things, "fuzzy and uncertain". Instead, the Court of Appeal found that putting a new bottle into the existing cage was effectively re-manufacturing the article that was claimed, and therefore found that this was infringement.

From a practical perspective, therefore, companies need to pay attention to whether or not "repairs" that they perform put back the claimed product onto the market. From a practitioner's point of view this case highlights the need to focus on what is actually claimed, in order to try to extend the patent monopoly to related articles to assist the patentee's business.

Toby Gosnall

Evidence required when relying on acquired distinctiveness of a trade mark

The EU General Court has rejected Audi AG's case that it should be permitted to register TDI as a Community trade mark (CTM) for "vehicles and constructive parts therefor" in class 12. This appeal followed decisions by both the Community Trade Mark Office (OHIM) and the OHIM Board of Appeal to refuse the application. The General Court upheld the concerns that TDI was a descriptive acronym, meaning "turbo direct injection" or "turbo diesel injection", which the public would not see as indicating origin.

The case discussed the provision of Community trade mark law regarding the possibility of overcoming an objection on the basis that the sign had acquired distinctive character through use in the EU. The court held that an assessment must be made on a country-by-country basis and that in each case where a mark is deemed inherently objectionable in a member state, evidence of acquired distinctiveness in that member state must be provided to overcome the issue.

Evidence of use was put forward for Denmark, the Netherlands and Ireland but this consisted of market share statistics and it was found that market share alone is insufficient to demonstrate acquired distinctiveness through use. Instead, it would be necessary to show the link between the market share and the resulting acquired distinctive character in the minds of the relevant public. The court reinforced the need for commercial origin to be readily identifiable in all member states in order for a mark that is descriptive and has a low level of distinctness to be granted registration before OHIM.

Rosalyn Newsome

Amazon "1-Click" patent application rejected in Europe

The Board of Appeal at the European Patent Office (EPO) has rejected one of Amazon's European patent applications for its "1-Click" ordering system. The system allows a customer to place an order without the need to enter delivery and billing information, instead using a "1-Click" order button that obtains the delivery and billing information from Amazon's servers.

The Board of Appeal decided that the claims of the 1-Click patent were obvious. In particular, it was felt that the idea of enabling an option so that a purchaser's delivery and billing information can be looked up by a computer server would be straightforward to implement, given the well-known use of "cookies".

There are two related cases that remain pending before the EPO. One of these is a granted patent, which is under opposition. The other is an application that is awaiting examination. The saga of Amazon seeking some protection for this technology in Europe and elsewhere would therefore seem set to continue for some time.

Ben Lincoln

Scope of trade mark injunctions and coercive measures

The Court of Justice of the European Union has considered the scope of orders to stop infringing a Community trade mark (CTM) in a case between DHL Express France SAS and Chronopost SA. Chronopost had French and CTM registrations for the mark Webshipping, which covered, inter alia, postal services. Its competitor DHL used the mark to designate its online-accessible express mail management service. The CTM court of first instance in Paris found that DHL was liable for infringement and an appeal court confirmed the decision, prohibiting DHL from using Chronopost's trade marks and imposing a periodic penalty payment if the injunction were breached.

In a subsequent, higher level, appeal the French courts referred two questions to the Court of Justice, relating to the geographical scope of the infringement of a CTM and a court's competency to impose coercive measures and to enforce them.

The Court of Justice ruled that the scope of prohibition against trade mark infringement of a CTM extends, as a rule, to the entire EU. It also noted, however, that any cease and desist order should be limited to activities that affect the function of the CTM. As such, exceptions to the pan-European scope of the prohibition could apply in instances where in certain territories of the EU no confusion exists, for example on linguistic grounds. However, the burden of proof to show that any such exceptions apply rests with the defendant.

With regard to coercive measures, it was noted that the penalty payment to be made in the event of an infringement of the prohibition is a measure that does not exist in all EU member states. However, the court clarified that any coercive measures imposed would be effective in the whole territory for which the prohibition of use of the CTM applies. Each member state would therefore be obliged to enforce the measure locally in accordance with its own national rules if the injunction were breached in that territory.

Jane Kennedy

Exclusion of diagnostic and surgical methods from patentability

In two Technical Board of Appeal (TBA) decisions the recent guidance from the European Patent Office's Enlarged Board of Appeal in relation to the exclusions from patentability for diagnostic and surgical methods has been put into practice.

T663/02 concerned an appeal from an Opposition Division decision to revoke a European patent, which concerned a diagnostic method using magnetic resonance imaging data to image an artery. Following the Enlarged Board of Appeal's guidance in G1/04, the TBA decided that the claims were not excluded as a diagnostic method because the method did not include the intellectual step of diagnosis.

The TBA also considered whether the step in the claimed method of injecting a contrast agent into a vein had a surgical character. As the step could be delegated, it was judged to not belong to the "core of the medical profession's activities". The Enlarged Board of Appeal's decision G1/07 had stressed the need to look at the degree of risk involved when deciding whether a method was an excluded method of surgery, and in quantifying the risk of the step, the TBA proposed the use of a risk matrix having likelihood of complication on one axis and health impact on the other. In this case, any risk associated with the step was identified as lying more with the choice of agent than the mode of administration and therefore it was decided that the method step was not excluded from patentability.

T992/03 concerned an appeal from an Examining Division decision to refuse a European patent application directed to imaging methods using dissolved polarized ¹²⁹Xe. The TBA considered whether the claim covered an excluded surgical method, in light of the fact that ¹²⁹Xe is an anaesthetic and anaesthesia would be an excluded surgical intervention because it requires professional medical expertise and incurs a substantial health risk. However, G1/07 had clarified that the surgical method exclusion only applies if the health risk is associated with the mode of administration and not solely with the agent as such. Therefore, the TBA was able to conclude that the method was not excluded.

James Peel

A detailed article is available – please contact us or see our website

IP ANALYSIS

Inequitable conduct in patent proceedings

The US Court of Appeals for the Federal Circuit recently handed down a decision in the case of *Therasense, Inc v Becton, Dickinson & Co*. Notably, the decision raised the bar for accused infringers wishing to show inequitable conduct by the patentee. The decision re-affirmed that intent and materiality standards are to be assessed independently, and established a “but-for” test for materiality, which is satisfied when a patent claim would not have been allowed but for an act taking place.

From a European perspective, however, it is the facts of the case which are of particular interest. Importantly, they highlight the need for good communication between European attorneys and their US counterparts and the need for a detailed knowledge of the wider patent portfolio.

Specifically, the patent under consideration had been amended during prosecution to claim a sensor that did not require a protective membrane for whole blood, in order to distinguish over the sensors disclosed by one of Therasense’s earlier US patents, where the electrodes allegedly required a protective membrane. However, while prosecuting the European counterpart to the earlier US patent, Therasense had argued at the European Patent Office that whilst a membrane could be used in the invention, it was not required. This assertion was not disclosed to the US examiner and it was on this point that the case for inequitable conduct turned.

Clearly, this highlights the need to be aware of what representations are being made not only during the prosecution of an application and its counterparts elsewhere around the globe, but also what has previously been said in respect of earlier, related applications.

Furthermore, it underlines the need for active consideration of what is being said in other patent matters, such as European oppositions. Care should be taken to ensure that comments are not made, e.g. in respect of an opposition of a competitor’s patent, that could be seen as running contrary to what is said in support of an applicant’s own application.

Simon Foster

UK Government agrees to changes in IP system

In November 2010 the UK Government commissioned Professor Ian Hargreaves of Cardiff University to review the UK’s IP framework. The Hargreaves report was published in May 2011 and mainly covered copyright, the internet and digital issues, although patents and designs issues were also discussed. In August 2011 the Government published its response, which set out the Government’s broad acceptance of the report’s recommendations.

The most notable actions which the Government has agreed to in principle include:

- relaxation of the rules for copyright infringement, including allowing copying of content from one format to another for private purposes, permitting the creation of a parody of copyrighted work, and allowing text and data mining in non-commercial research.
- establishment of a Digital Copyright Exchange to facilitate licensing of copyrighted works.
- establishment of a small claims track at the Patents County Court, for cases with less than £5,000 at issue.
- publication by the UK Intellectual Property Office of a study considering the case for simplification of the design right system, and whether there remains a need for UK unregistered design right alongside the EU unregistered design right.

The Government intends to consult in more detail on the proposed changes in the coming months, with a view to details on implementation of the recommendations being published in spring 2012.

Simon Robinson

Update on the UK court system

Two judges from the Patents Court have been recently elevated to the Court of Appeal for England and Wales. These are Sir Kim Martin Jordan Lewison, who was called to the Bar in 1975 and was knighted in 2003 and Sir David James Tyson Kitchin, who was called to the Bar in 1977 and was knighted in 2005. These appointments take effect in early October 2011.

The Court of Appeal is the second highest court in the English legal system and can hear appeals both from the High Court, including the Patents Court, and the county courts, including the Patents County Court (PCC). The PCC aims to provide a low-cost, streamlined procedure to increase access to justice in patent and other intellectual property cases and provide a cheaper alternative to the Patents Court for smaller claims. The PCC has its claims limited to £500,000 and a cap on the costs that can be recovered also came into force in October 2010. For each case the maximum amount of costs a successful party can recover from the other side is now £50,000. There is also a cap on the costs recoverable for each stage of the proceedings, which often means that the costs recovered are much less than the £50,000 maximum.

The first case to have been run entirely in accordance with the new costs capping regimen, *Dame Vivienne Westwood OBE v Anthony Edward Knight*, has recently provided guidance on how the cost capping regime can be applied. Specifically, the court confirmed that, in practice, the winning party should produce a costs schedule, which summarises its costs by reference to each of the stages set out in the legislation. If the amount assessed for each stage is lower than the stage cap then the amount claimed will be used, but if it is higher then the cap value will be used. Once all the stages have been assessed, the figures for each stage are added up and if the sum is less than £50,000 it will be awarded but if it is higher the award will be £50,000. The successful party may also claim interest and VAT, if applicable.

Susan Fridd

EU customs enforcement of intellectual property rights

The European Commission has published customs enforcement statistics for 2010, which show that the number of cases relating to intellectual property rights (IPR) has increased dramatically. 2010 saw approximately 80,000 cases involving goods suspected of infringing IPR, which is almost twice the amount of seizures made in 2009.

This significant rise in cases is largely attributed to increased sales over the internet. The largest consignments continue to be transported by sea. In total, customs seized over 100 million articles, having an estimated value of over 1 billion Euros in terms of the equivalent genuine products.

China continues to be the main source of goods suspected of infringing IPR, accounting for approximately 85% of articles seized, whilst Germany and the UK had the highest number of seizures. In 90% of the cases, the goods detained were either destroyed or the rights holder initiated court proceedings to establish an infringement.

Although customs has the power to seize suspected goods of its own accord, this only accounted for approximately 5% of cases in 2010. Consequently, it is widely recommended that rights holders lodge an application for action with customs when the importation of infringing goods is suspected. This greatly increases the likelihood of such goods being intercepted. Similar applications can be filed with the Chinese customs authorities with a view to intercepting the exportation of infringing goods.

For further advice and assistance regarding the submission of customs applications, please contact your usual trade mark attorney.

Louis Pittortou

The 2012 London Olympics – restrictions on trade marks and branding

The Olympic Games are due to take place in the UK in 2012. There are, however, strict legal restrictions in place which will mean it will be very difficult to make any commercial reference to the Games. It will not be permissible to use any of the logos, words or symbols associated with the Olympic Games or any of those developed for the London Games, and legal restrictions also apply to anything, including branding or imagery, likely to lead to an “association” with the Games.

Words and symbols associated with the Olympics and Paralympics are legally protected, and legislation has also created an “association right”, which is infringed if an unauthorised person or entity does anything likely to create in the public mind an association between them or their goods or services and the Games. The “association right” needs to be considered in any branding and campaigns and may well preclude campaigns of the type which have been run in the lead-up to previous sporting events.

In particular, edgy or subtle campaigns, which in the past have been acceptable, and even campaigns which make it clear that they are “unofficial”, might be found to infringe the “association right” provisions of the London Games. At this stage it is still unclear exactly how the “association right” will be interpreted, but in theory the provisions are very wide and it is anticipated that the organising committee will be taking a strong stand in monitoring and enforcing its rights.

In the run up to and during the Games it will therefore be very important to review all branding and associated campaigns to avoid use of any protected words/images and to avoid infringement of the “association right” provisions.

Jill Matchett

A detailed article is available – please contact us or see our website

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