

The background of the slide is a dramatic cosmic scene. It features a bright, glowing nebula or galaxy core in shades of blue and white, surrounded by swirling orange and yellow gas. Several bright, jagged lightning bolts or energy discharges are visible, adding a sense of dynamic power. The overall color palette is dark, with deep blues and blacks, punctuated by the bright colors of the celestial phenomena.

**Baker
McKenzie.**

A small red square logo with a white geometric pattern, consisting of a larger square with a smaller square inside it, is located to the left of the main title.

ANNUAL IP SEMINAR

Tuesday 25 April 2017



The IP year in review: What did I miss?

2016 / 2017 IP developments

Jessica Le Gros | Iona Silverman | Jason Raeburn





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Trade marks

Future Enterprises v EUIPO

FACTS: MACCOFFEE registered for food and beverages.
McDonald's applied to invalidate based on family of MC-prefixed marks.

- Family of marks – sufficient in number and reproduce the same distinctive element
- Sufficient degree of similarity that public establishes link – no need for likelihood of confusion
- MC / MAC prefixed marks coupled with a food or beverage element covering similar goods will likely infringe



Mondelez UK Holdings & Services Ltd v EUIPO

FACTS: Application to register three-dimensional shape of the four-finger KIT KAT chocolate bar.

- GC annulled EUIPO decision that an EUTM for three-dimensional shape of the four-finger KIT KAT chocolate bar was valid
- If not inherently distinctive throughout EU, high threshold to register shapes. Evidence of acquired distinctive character in ALL EU member states required (vs substantial part of EU", i.e. merging all states)
- Use of the shape with a word mark can be evidence that shape itself had acquired distinctive character



Daimler AG v Együd Garage Gépjárműjavító és Értékesítő

FACTS: Defendant unable to remove online ads for "authorised Mercedes-Benz dealer" at expiry of after-sales service contract.

- Clarifies definition of “use” to include an element of control
- Online ads for “authorised Mercedes-Benz dealer” not infringing if defendant unable to remove them
- Not liable for the acts or omissions of a provider who disregards express instructions or for others who act on their own initiative



Victoria Plum Limited v Victorian Plumbing Limited

FACTS: Victoria Plum and Victorian Plumbing co-existed for many years. Victorian Plumbing significant increased key word bids for Victoria Plum mark.

- Honest concurrent use of similar marks may mean having to tolerate a level of confusion
- Defence doesn't apply where keyword is other party's mark rather than party's own mark
- To rely on defence, must not take steps to exacerbate confusion beyond the inevitable



Argos Limited v Argos Systems Inc

FACTS: Argos.com website unrelated to Argos UK. Ads, including Argos UK's own ads, appeared on Argos.com for UK / EU consumers.

- Argos UK consented to ASI's use by agreeing to Google AdSense terms
- Website not targetted at UK consumers so sign not used in the UK
- ASI's use:
 - not for identical goods (advertising services)
 - didn't adversely affect function of ARGOS mark
 - no link / detriment / unfair advantage / misrepresentation





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Copyright

GS Media BV v Sanoma Media Netherlands BV and others

FACTS: Hyperlinks to unpublished photographs commissioned by Sanoma were made available by GS Media on its website GeenStijl.

- Key issue was whether provision of those links was a communication to the public
- To **not** be a communication to the public, links must be provided without the pursuit of financial gain, by someone who did not know, and could not reasonably have known, that the publication being linked to was unauthorised
- If a link is provided by someone acting for financial gain, full knowledge of illegality is presumed

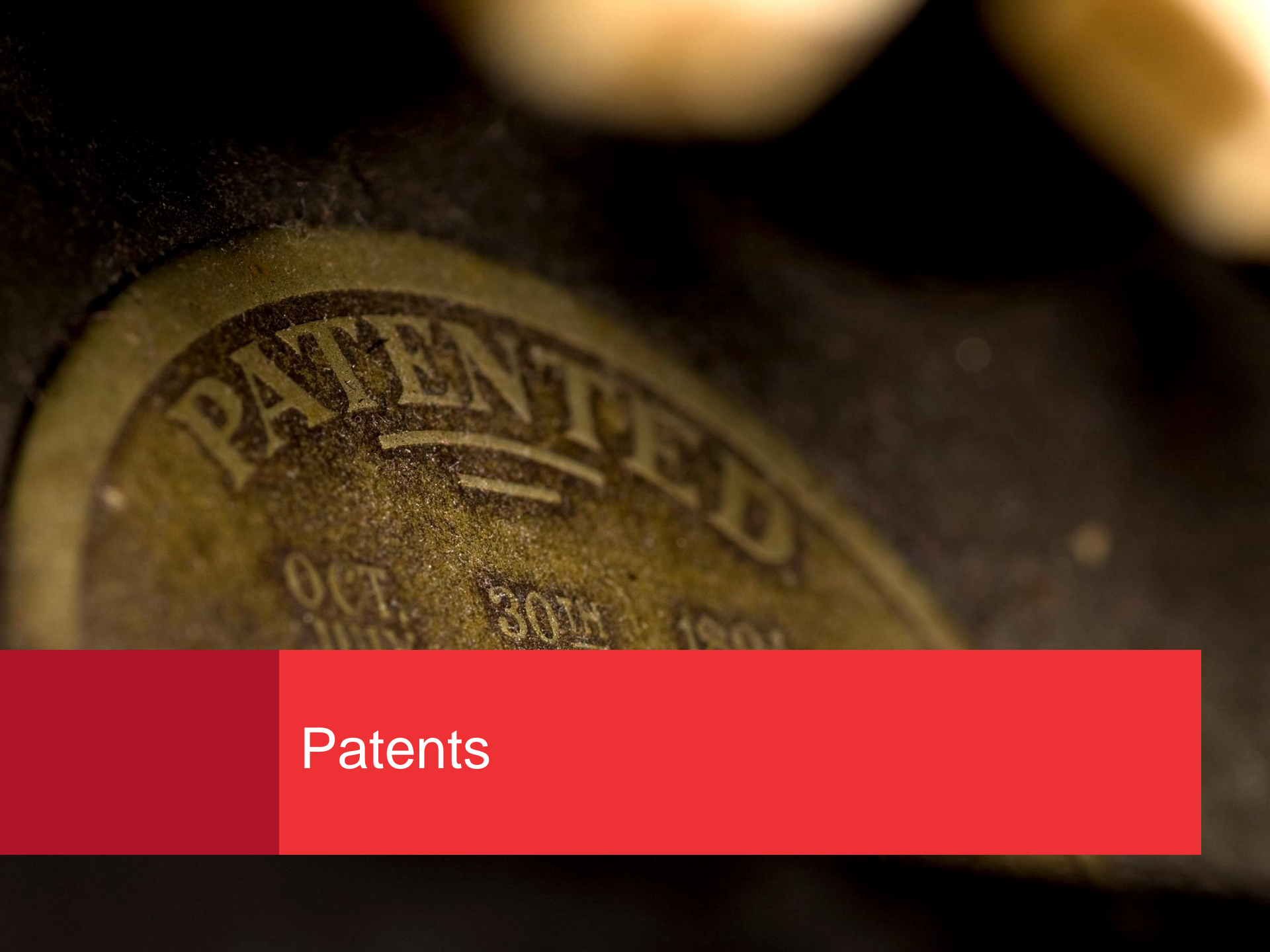


Filmspeler

FACTS: Mr Wullems sold a multimedia player containing links to unauthorised content. He made the portal very user friendly.

- Does the sale of a multimedia player constitute a communication to the public?
- AG's opinion: knowledge and profit factors from GS Media deemed relevant; additional relevant factor concerns the sale of a multimedia player and not the provision of hyperlinks
- Mr Wullems' role was indispensable, performed deliberately and with full knowledge, and clearly done in pursuit of profit, therefore there was CTP





Patents

Unwired Planet International Ltd v Huawei Technologies Co Ltd and another

FACTS: Unwired Planet brought proceedings for patent infringement against Huawei in respect of SEPs (2G, 3G and 4G technology) – disagreement over FRAND terms.

- Court assessed the scope, terms and rates of the licence and set its own FRAND rate
- Possible appeal – first and only FRAND case in English courts





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IP Litigation

IP Litigation

1. **Group company liability for product design** *Glaxo Wellcome UK Ltd (t/a Allen & Hanburys) & Another v Sandoz Ltd & Another* [2017] EWCA Civ 227
2. **Criminal liability for grey market infringements** – *R v C and others* [2016] EWCA Crim 1617
3. **Additional “dissuasive” damages** - *Phonographic Performance Ltd v Hagan and others (t/a Lower Ground Bar and the Brent Tavern)* [2016] EWHC 3076 (IPEC)
4. **Evidence pitfalls** - *Champagne Louis Roederer v Garcia Carrion SA and others* [2017] EWHC 289 (Ch)



(1) Glaxo Wellcome UK Ltd v Sandoz Ltd & Another

FACTS: Glaxo took action against Sandoz UK for passing off the get-up, colour and packaging of its inhaler in the UK

1. Sandoz UK – conducted sale and distribution activities in the UK
 2. Group company 1 – International parent company responsible for the supervision of Sandoz UK, approval for launch and of marketing material – **joinder by consent**
 3. Group company 2 and 3 – designed the colour, shape and design of the inhaler and carried out testing and obtained regulatory approval for sale in the EU
- Were group companies 2 and 3 liable as joint tortfeasors?



(2) Glaxo Wellcome UK Ltd v Sandoz Ltd & Another

Decision

- Mere facilitation not enough
- Needs to be assistance pursuant to a “common design” for an act to be committed and that act must constitute a tort
- If promotion, marketing and sale of the infringing product in the UK is tortious (i.e. passing off) then group companies 2 and 3 assisted this and intended sales within the EU (inc. the UK)
- BUT if the only connection was manufacture by A and supply to B (even in the same group) there may not be a common design



(3) Glaxo Wellcome UK Ltd v Sandoz Ltd & Another

Comment

In certain circumstances, the courts will be astute to avoid the “careful use of a fragmented corporate structure” to limit liability

- Consider group company involvement and control / autonomy in product development and design processes
- Could it be argued that there is a “common design” between the group companies or a mere supply arrangement?



(1) R v C and others

FACTS: Various defendants unlawfully sold branded goods in the UK – all manufactured outside of the EU

- Certain goods clearly **counterfeit** – not manufactured under authorisation of trade mark holder or by factories so authorised
- Other goods manufactured by factories which had been authorised by the trade mark holder but were sold without their authority – cancelled orders / over-runs / products which failed quality control
- The defendants were **not** involved in parallel importation – but attempts by them to check the legitimacy of the goods were bogus and in some cases paperwork was forged



(2) *R v C and others*

Law

Section 92 Trade Marks Act 1994 sets out the criminal offences:

- A person commits an offence who with a view to gain for himself or another, or with intent to cause loss to another, and without the consent of the proprietor—
 - a. **applies to goods** or their packaging **a sign** identical to, or likely to be mistaken for, a registered trade mark, or
 - b. **sells** or lets for hire, **offers or exposes for sale** or hire **or distributes goods** which bear, or the packaging of which bears, **such a sign**, or
 - c. **has in his possession, custody or control** in the course of a business any **such goods** with a view to the doing of anything, by himself or another, which would be an offence under paragraph (b).



(3) R v C and others

Decision

- D argued s.92 only relevant to **application** of a sign to goods (i.e. counterfeit goods) – in some cases the mark had been **applied** with consent in the relevant factories
- The court rejected this interpretation as against the general scheme of the TM Act, against authority and ordinary statutory interpretation
- No concluded view expressed on whether the sale of “grey goods” could amount to an offence – but likely that it would



(4) R v C and others

Comment

- Status quo not changed but greater support for criminal prosecutions relating to dealings in grey market goods
- The same obstacles remain – s.92(5) defence – a reasonable belief that the goods were not infringing
- Criminal standard of proof is still the relevant measure
- This case and the principles outlined are useful as a deterrent – triable either way offence – relatively severe sanctions if proven – up to 10 years imprisonment / unlimited fines



(1) *PPL v Hagan (IPEC)*

FACTS: PPL sought additional damages under s.97(2) CDPA for infringement of copyright by various bars who played music without an appropriate licence

- s.97(2) – The court may have regard to all of the circumstances (and in particular to the flagrancy of the infringement) and award such additional damages as justice may require
- Reminder of ***Absolute Lofts*** that a claimant can rely on s.97(2) AND/OR 13(1) of the Enforcement Directive – whichever greater
- An important factor is the extent to which additional damages will be “dissuasive” – as against the defendant and against other infringers – the court will analyse how financially robust the defendant is – some will require “a great deal more dissuading”



(2) PPL v Hagan (IPEC)

Decision

- PPL made a Part 36 Offer and beat that offer at trial
- IPEC has an overall cost cap of £50,000 – tension between Part 36 and the costs cap
- Court held that the limits on costs in IPEC do **not** apply to an award of costs where a Part 36 offer has been made
- Debate: The need to protect litigants from costs awards in IPEC vs. giving “teeth” to Part 36 Offers



Champagne Louis Roederer v Garcia Carrion SA and others

FACTS: Louis Roederer sought account of profits from JGC, a large spanish wine producer in relation to its infringing product CRISTALINO

- JGC didn't engage in the account of profits assessment and refused to provide disclosure
- Louis Roederer found any evidence it could from public sources – IPO filings, US proceedings, disclosure from supermarkets and engaged a forensic accountant
- Court held – no deduction for general costs, no apportionment of profit – account ordered to the sum of **EUR 1.3M**

