Burges Salmon Intellectual Property and Technology News ▪ Winter 2009

## Welcome

Welcome to the Winter 2009 issue of **Concept**, the news bulletin from Burges Salmon's Intellectual Property and Technology Team.

For further information on our Intellectual Property and Technology Team and the services we offer, please use the contact details on the back page.

To receive your own copy of **Concept**, or if you would prefer to receive it by email, please send your details to **marketing @burges-salmon.com.**

### Inside information


- Was that really deleted? *cont...* p2
- Max Mosley v. News Group Newspapers p2
- INTEL from the ECJ p3
- Software patents p3
- Sophisticated consumer reduces protection p3-p4
- Eli Lilly v. Human Genome Sciences Inc. p4
- WCAG 2.0 Access all Areas - New Standards for Web Access p4


# Victory in Company Names Tribunal

**Burges Salmon has recently obtained one of the very first successful decisions from the Company Names Tribunal on behalf of Harrods Limited.**

In previous issues of Concept, we have reported on provisions in the Companies Act 2006 which, by the creation of the Company Names Tribunal, offers a remedy to victims of so-called company "name-squatting". The provisions, which came into force on 1 October 2008, allow a prior rights holder to apply to have a company name changed if it can show that the name is one in which it has goodwill.

The Company Names Adjudicator Rules 2008 together with Practice Notice 01/08 regulate Tribunal proceedings and cover practicalities such as how to object, the evidence required, the general powers of the adjudicator and applicable fees (for example, the current complaint fee is £400).

The Tribunal operates in tandem with the established complaint mechanism offered by Companies House for company names which are "too like" existing companies on the Register. However, in practice the threshold for a "too like" complaint is often very high: apparently similar company names can fall short of the requirement simply by an additional word – even in cases where that word may suggest an extension in the business of the established company (for example adding 'Investments' or 'Consulting' to a well-known brand name).

The Company Names Tribunal operates from the UK Intellectual Property Office and all adjudicators are experienced in trade mark rights and trade name work. The UK IPO website now also has a dedicated section on the work of the Tribunal at http://www.ipo.gov.uk/cna.htm. The website publishes past decisions and contains details on exactly when the Tribunal can intervene.

An application to the Company Names Tribunal – whilst not appropriate in all cases – provides a straightforward and cost-effective mechanism for obtaining an order that a company change its name in cases of opportunism.

# Was that really deleted?

Following the terrorist attacks in America, Madrid and London, the EC has been seeking to harmonise the way in which communications data is retained within EC member states.

The European Union Data Retention Directive ("**EUDRD**") was adopted in March 2006 and certain aspects of it are already in force in the UK. Since 1 October 2007, telephony companies have been required to retain data about users relating to the telephone numbers of the caller and recipient, the names and addresses of the registered users and the time and date of the call.

EUDRD also requires member states to introduce legislation relating to internet service providers ("**ISPs**"). The UK chose to delay introducing such measures until March 2009 and only published draft regulations in August 2008. These draft

**Continued on page 2...**

...continued from page 1

regulations show that ISPs will be required to retain all "communications data" for a period 12 months, including information relating to dates and times of e-mails and log-ins, e-mail addresses, ISP addresses and user information such as names, dates of birth and credit card details.

Whilst the draft regulations suggest that where communications are sent across networks such data will only need to be stored by one ISP, they do not set out a clear process for allocating this responsibility. Cost implications for ISPs are potentially large given the amount of data generated through use of the internet and the proposed retention period. The UK government is currently alone amongst member states in offering ISPs, as it does telephony providers, discretionary compensation for costs involved in storage of such data.

---

# Max Mosley v. News Group Newspapers

Max Mosley's recent victory and record award of damages against News Group Newspapers for breach of confidence and of his right to privacy under the European Convention on Human Rights caused uproar among some in the media who claim that it places limits on the freedom of the press.

Mosley brought his claim following the publication by News of the World of articles, images and secretly recorded video footage of Mosley engaging in what they described as a "Nazi orgy".

The judge agreed that having considered all of the circumstances of the case, Mosley had a reasonable expectation of privacy (Article 8). Generally, sexual activity is considered an intimate aspect of private life and the judge found that a person indulging in such activity is entitled to a degree of privacy, especially where it takes place on private property between genuinely consenting adults. This was not new law, recognition of a right to privacy in these circumstances dates back to the 1980s.

The judge then moved on to consider freedom of expression (Article 10) and whether there was a public interest strong enough to outweigh Mosley's expectation of privacy. Earlier case law has found there to be a public interest where newspaper reports were necessary and proportionate to expose illegal activity, or to prevent the public from being misled by public claims made by the individual concerned (eg. photos of Naomi Campbell outside a Narcotics Anonymous meeting after publicly announcing that she did not take drugs).

The judge recognised that this was a high test. Here, his view was that if it had been true that Mosley's acts had a Nazi theme, or that he was mocking the Holocaust, that there might be a public interest. However, the judge concluded that there was no evidence of a Nazi theme or any mocking behaviour, and accordingly could not identify any legitimate public interest.

Critics of this decision have claimed that the judgment will damage investigative journalism. However, this judgment follows previously established principles of law and will not hamper serious journalism that is justified by the public interest. The £60,000 in damages awarded by the court, although a record amount for a case on privacy, is also unlikely to be a deterrent to the tabloid press in the event of a similar story arising in the future.

Mosley has decided to take the case to the European Court of Human Rights, claiming that the UK laws enabled his human right to privacy to be breached. In doing so, Mosley is seeking a change to UK law which will force newspaper editors to contact the subject of their article before publishing stories that could invade their privacy. Such a law could have a significant impact on the media's approach to stories of this, or of a far less damaging, nature.

*"Mosley has decided to take the case to the European Court of Human Rights, claiming that the UK laws enabled his human right to privacy to be breached."*

# INTEL from the ECJ

The owner of a well known trade mark may oppose the use by a third party of a similar trade mark on unrelated goods or services where use of that mark takes unfair advantage of, or is detrimental to, the distinctive character and reputation of the well known mark. A recent judgment of the European Court of Justice will make it more difficult for the owners of famous brands to rely on this protection in the future.

Intel, the makers of computer processors, relied on their famous trade mark for INTEL (registered in respect of computers and computer related goods and services) in making an application for a declaration of invalidity of a trade mark owned by a third party for INTELMARK in relation to marketing services.

Intel argued that its INTEL mark was unique and well known and claimed that use of the mark by a third party for any goods or services would be detrimental to its distinctive character through "death by a thousand cuts".

In response to questions referred by the Court of Appeal, the ECJ explained that a mark may suffer detriment by dilution where the mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so. The first use of a later trade mark may have such an effect.

A trade mark owner could take action against a later trade mark where the public would make a link between the two marks, even if they were not confused. However, actual injury to the earlier mark or a serious likelihood of injury in the future had to be proved. This required evidence of a change in the economic behaviour of the average consumer of the type of goods for which the well-known mark is registered, caused by use of the later mark. In other words, the earlier trade mark owner would have to prove lost sales, and such damage will be tough to prove until dilution has already taken effect.

Following this guidance, it seems unlikely that the Court of Appeal will grant Intel the declaration of invalidity that it is seeking. Similarly, owners of well known brands cannot simply rely on the extent of their reputation to gain an absolute monopoly over their trade mark where that mark is only registered or used across a narrow range of goods and service.

*"Intel argued that its INTEL mark was unique and well known and claimed use of the mark by a third party for any goods or services would be detrimental..."*

# Software patents

The Court of Appeal has clarified the law around software patents in the UK. Hopefully the European Patent Office (EPO) will do the same in the next few months which may ultimately lead to both courts applying the same test. Software patents are now available in the UK not just where they solve a technical problem outside or even within a computer, but also where inventive software has a technical effect on the software already within a computer, making it a better computer.

After a series of decisions which saw the UK Court of Appeal and the EPO Technical Board of Appeal criticising each other in judgments, both courts appear to have buried the hatchet in an attempt to reconcile EPO and UK decisions.

One of the important factors in this is the appointment of Alison Brimlow to Presidency of the EPO. She has used her powers to pose a number of questions to the EPO Enlarged Board of Appeal to clarify the law on European software patents. The EPO has invited submissions on the questions from interested parties by the end of April 2009.

In England, Neuberger LJ has given an important judgement in *Symbian* - finding that software inventions which have a technical effect on software within the computer (such as making it work faster or more reliably) can be patentable. The UK IPO issued a practice notice in December 2008 confirming that it will follow the ruling in *Symbian* until the Enlarged Board rules on software patents at some stage probably in the next year.

# Sophisticated consumer reduces protection

The case of *Whirlpool v Kenwood* provides some useful guidance on the infringement threshold for three-dimensional shape trade marks.

Whirlpool is the company behind the KitchenAid Artisan food mixer, a well-known retro-styled design that retails in the UK for around £350.

The overall three-dimensional design of the KitchenAid mixer is a registered Community Trade Mark. When Kenwood introduced the 'K-Mix', a

**Continued on page 4...**

...continued from page 3

rival mixer with a similar design (and price), Whirlpool brought proceedings for both trade mark infringement and passing off.

Although recognising that the K-Mix was designed to compete head-on with the KitchenAid, the judge used the concept of the sophisticated consumer to examine confusion, finding that 'no-one who was actually contemplating the possibility of spending more than £300 on the purchase of either product would be under any misapprehension as to their true trade origin'.

While confusion is not required to show infringement if a mark takes unfair advantage of a mark with an established reputation, the judge did not find it appropriate to make use of this exception. He accepted that consumers might choose the K-Mix because it resembled a KitchenAid. However, he thought this was done 'without impinging upon any aspect of the property appertaining to the trade mark', seemingly reluctant to apply this principle to shape marks where the design is partly dictated by practical concerns.

# Eli Lilly v. Human Genome Sciences Inc.

There has been a recent judgment on the validity of biotechnology inventions, which considered in detail when such patents will be considered to be capable of industrial application.

The case concerned an application made by Eli Lilly for revocation of a patent granted to Human Genome Sciences Inc. ("HGS") which disclosed the sequence for a new member of an existing family of proteins. HGS had identified the sequence using bioinformatics (computer analysis and interpretation) rather than in the laboratory. The patent identified the protein as a member of the large family, and described its activities and uses based on what was known about other members of the family. The patent did not contain any data to support these uses based on research carried out on the protein itself.

To be valid, a patent must be new, inventive and capable of industrial application. The judge concluded that for a biotechnology patent to be capable of industrial application it must identify the purpose of the invention and how it could be used to solve a given technical problem. A patent that only described an interesting research result or set out a speculative indication of objectives that might be achieved by carrying out further research would not be sufficient. Following these principles, NGS' patent was found to be invalid for lack of industrial application since the patent failed to identify any condition that the protein identified could be used to diagnose or treat.

It is therefore vital, particularly in genomic inventions to specify, a use for the gene sequence claimed.

# WCAG 2.0 Access all Areas - New Standards for Web Access

The second version of the Web Content Accessibility Guidelines (WCAG 2.0) was published on 11 December 2008 after years of development. The WCAG provides a standard set of international guidelines and techniques aimed at assisting web designers and developers create websites that are as accessible as possible to people with visual, auditory, physical, cognitive and neurological disabilities, and older web users with accessibility needs. This is the first time that the WCAG have been updated since their inception in 1999. So what's new?

Now all pages should have a descriptive title and users should be able to turn off background noise. The biggest change is the inclusion of real world examples, techniques and common failures.

WCAG 2.0 is based around four main principles, that web content should be: perceivable, operable, understandable and robust. The four principles are supported by 12 guidelines, these are specific goals that authors/developers should aim toward. For each guideline, testable success criteria are provided, and examples of techniques are set out in order to aid developers reach the success criteria.

WCAG 2.0 is published by the Web Accessibility Initiative (WAI), WAI is part of the not-for-profit World Wide Web Consortium, known as W3C. Whilst the guidelines are not legally enforceable, following WCAG 2.0 can help compliance with UK web access legislation (found in The Disability and Discrimination Act 1995 and the Special Educational Needs and Disability Act 2001).

## Intellectual Property and Technology contacts

**Helen Scott-Lawler**
**helen.scott-lawler@burges-salmon.com**

**Andrew Dunlop**
**andrew.dunlop@burges-salmon.com**

**Jeremy Dickerson**
**jeremy.dickerson@burges-salmon.com**

**Andrew Allan-Jones**
**andrew.allan-jones@burges-salmon.com**

Narrow Quay House
Narrow Quay
Bristol BS1 4AH
Tel: +44 (0)117 939 2000
Fax: +44 (0)117 902 4400

Chancery Exchange
10 Furnival Street
London EC4A 1AB
Tel: +44 (0)20 7685 1200
Fax: +44 (0)20 7685 1266

www.burges-salmon.com

This newsletter gives general information only and is not intended to be an exhaustive statement of the law. Although we have taken care over the information, you should not rely on it as legal advice. We do not accept any liability to anyone who does rely on its content.

© Burges Salmon LLP 2009. All rights reserved. Concept is printed on 75% recycled paper.

Your details are processed and kept securely in accordance with the Data Protection Act 1998. We may use your personal information to send information to you about our products and services, newsletters and legal updates; to invite you to our training seminars and other events; and for analysis including generation of marketing reports. To help us keep our database up to date, please let us know if your contact details change or if you do not want to receive any further marketing material by contacting marketing@burges-salmon.com

Burges Salmon LLP is a Limited Liability Partnership registered in England and Wales (LLP number OC307212) and is regulated by the Solicitors Regulation Authority.

A list of members, all of whom are solicitors, may be inspected at our registered office: Narrow Quay House, Narrow Quay, Bristol BS1 4AH.