Brighton conference details unveiled

This year's MARQUES Annual Conference, to be held in Brighton, UK, will focus on sustainable brands.

Brighton 2009

"The sustainable theme is two-fold," said Sîan Croxon of DLA Piper, the Chair of the Conference Team. "It's about keeping brands alive in difficult market conditions and also about recognising that the world has changed and we have to consider the environment and sustainability."

The conference will address both of these topics, with sessions on issues such as Sustainability: Luxury or Necessity?; Nourishing a Brand; Arriving at a Sustainable Destination; and Food and Health Claims. There will be presentations from numerous trade mark owners, representing both luxury and economy brands. For example, one session will feature speakers from Cheapflights and Ferrari.

There will also be the usual round up of OHIM and WIPO developments, as well as a session on the proposed new generic top-level domains (gTLDs) featuring a speaker from ICANN, and four workshops on Thursday afternoon.

Croxon said: "Despite the importance of the theme, we won't forget this is a conference for trade mark practitioners."

Brighton is an appropriate venue given the conference theme, as it has been at the forefront of promoting environmental awareness in the UK. The Mayor of Brighton, Ann Norman, will give an introductory presentation on the Council's Sustainability Strategy.

The social events will include a "Best of British" evening at the Brighton Dome and Corn Exchange, and there will be excursions to Brighton's Royal Pavilion and the nearby towns of Eastbourne and Lewes.

The annual conference takes place from 15th to 18th September.
In keeping with the theme, the promotional materials have been printed on recycled paper.

More information and registration:
www.marques.org/Conferences

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MARQUES takes part in OHIM Board meeting

MARQUES was represented at the OHIM Administrative Board meeting held in Alicante on May 5. Members of the Administrative Board are mainly representatives of national offices.

MARQUES took the initiative to ask for user participation and was pleased to be invited to attend the Administrative Board meetings as an observer earlier this year, along with AIM, ECTA, INTA and BusinessEurope.

The associations, who all represent trade mark users, can take part in discussions at the Board meetings, but have no vote.

Tove Graulund of Zacco in Denmark, who represented **MARQUES** at the one-day meeting, said she was encouraged by the discussions: "It was good to see and hear that the contributions from member states were as open and direct as they appear to have been before the users were present at the meeting."

She said the two main issues discussed were the study on the functioning of the trade mark system in Europe and the Cooperation Fund.

On the study, the Commission reported that its scope and methodology had not yet been finalised, but indicated that it would lead to an amendment of the CTM Regulation and would consider the impact of any such amendment on users' needs.

Although extending the study beyond trade marks and designs was discussed, the users' representatives recommended keeping it focused. "It seems as though there will still be time to put in suggestions on how the study should be conducted and what it should cover. **MARQUES** will of course send its input to the Commission," said Tove.

There was more discussion over the Office's proposal to establish a Management Board to administer the Cooperation Fund, which will distribute €50 million to national offices to help modernise their systems and promote harmonisation.

Under a proposal discussed at the meeting, the Management Board would be chaired by an EU official and would also include three professionals from the business community. There would also be observers from OHIM and the Administrative Board.

Tove reported that the proposal was criticised by some member states, who argued that the Administrative Board and Budget Committee were capable of managing the fund and users' groups should not take part as they would not be representative of all users.

However, users' groups said that a separate Management Board would be preferable as it would able to evaluate the proposed projects independently of the bodies that would be beneficiaries, namely the national offices, and that users must be involved in how the funds were being allocated to ensure they are relevant.

Representatives of the Office pointed out that the Management Board should be independent of the Administrative Board to comply with EU rules.

"The conclusion was that the Office would make the proposal clearer and explain which ideas could be incorporated, before its next meeting in November. We look forward to seeing what progress is made," said Tove.

Continued

OHIM Board meeting continued

The meeting also provided OHIM with an opportunity to update member states and observers on its activities and filing trends, performance indicators, e-business programmes, its most recent User Satisfaction Survey and technical cooperation programmes. The Irish Office gave a presentation on its restructuring, while the Slovak Office presented on trade marks and GIs.

In addition, a number of confidential matters were discussed, including the procedures for the appointment of the next OHIM President. The observers were not party to these discussions.

India promotes GI protection

Miguel Angel Medina, Chair of the GI Team and associate partner at Elzaburu in Madrid, reports on a recent seminar series in India.

Between 29th January and 6th February 2009 a series of three Roving Seminars for the Promotion of Knowledge on Geographical Indications co-organised by WIPO and the Department of Industrial Policy and Promotion of the Ministry of Industry and Commerce of India were held.

The two-day seminars took place in Chennai, Bangalore and Kolkata with an average attendance of 150 people and were an interesting and successful experience.

The seminars, corresponding to their title, were organised to promote knowledge of GIs in India as an important tool for the development of the economy, which can be particularly important in countries such as India where many products are closely linked to a geographical area and present special or unique features in each different area.

These seminars aimed to make people aware of the importance of registering their GIs to have proper protection not only at a national, but also at an international, level in view of the export potential of Indian products for foreign markets.

In December 1999 the Geographical Indications of Goods (Registration and Protection) Act, 1999 was passed. The Act is administered by the Controller General of Patents, Designs and Trade Marks, who is the Registrar of Geographical Indications. The GI Registry is located at Chennai.

Some of the peculiarities of the Indian system are that it is organised according to the Nice Classification and goods of the 34 classes can be protected. GIs last for 10 years, although they can be renewed. There is a trade mark-like registration procedure (including a formal official examination and an opposition period).

A large number of Indian GIs have to do with handicrafts and textiles. Agricultural products, such as fruits and tea, are also relevant. Some of the Indian registered GIs are Darjeeling (No 1 & 2) and Kangra tea, Mysore traditional paintings and textiles such as Kota Doria, Hancheepuram Silk and Mysore Silk.

Continued

India promotes GI protection continued

The number of Indian GIs at the Indian Registry is increasing very rapidly and it amounts to about 100.

At the seminars, members of the Indian Ministry and national producers presented the Indian situation and the protection at international level was discussed by Matthijs Gueze, Senior Counsellor at WIPO, who carefully explained the general international legal framework (Paris Convention; Madrid System; Lisbon Arrangement on Appellations of Origin, which can be supplementary to the protection available under other systems, such as the EU, as the latter only protects a limited number of goods; TRIPs etc).

Luis Fernando Samper from the National Federation of Coffee Growers of Colombia spoke from his own experience protecting "Café de Colombia" as a geographical indication to get stronger protection than what is available for a trade mark, and I made a speech on the protection in the EU, the US and China and how Indian producers and manufacturers can get protection in these territories be that by means of registration as GIs or/and as certification, guarantee or collective trade marks.

India has already started applying for protection of certain GIs under the EU system, including for Darjeeling (which might be registered within this year) and Kangra tea.

Links:
India GI Registry www.girindia.in

eBay defeats L'Oréal

Franck Soutoul and Jean-Philippe Bresson of INLEX IP EXPERTISE examine the latest developments in the battle between eBay and L'Oréal.

On 13th May, the Court of First Instance of Paris ruled that eBay was a website host while storing and offering auctions online. Therefore eBay was only liable for the sale of counterfeit goods if there is evidence that it knew of the infringing content and failed to stop its sale. The decision had been awaited for several months and had been postponed several times.

The action started in 2007 after an attempt to solve the situation amicably. L'Oréal Group initiated a proceeding against the eBay companies on the grounds of trade mark counterfeiting, infringement of their selective distribution networks and fault and negligence under civil liability.

According to L'Oréal, eBay platforms enabled either the selling of fake products or the offer of authentic products in breach of their selective distribution networks. L'Oréal's position more specifically consisted in qualifying eBay as a website editor with brokerage activities. Under French practice, this qualification implied full responsibility for the website content. The auction site was indeed depicted as actively intervening in the promotion of cosmetic and perfume products and earned money on their sales. L'Oreal claimed €3.5 million in damages.

eBay denied being an intermediary offering solely hosting services considering its lack of control over the website users and over the contents of their adverts. "Power seller" programmes, eBay shops or Paypal protection were presented as being aimed only at enhancing sellers' auctions. As a hosting company, eBay said it could not be bound by a general obligation to monitor its website.

Continued

eBay defeats L'Oréal continued

The Court followed eBay's arguments. eBay was regarded as having acted in good faith by establishing strong means to fight counterfeiting. Ordinary liability was considered as an exception that could apply only to promotion, commercialisation and enhanced advertising tools in respect of fake products.

This position places a great burden on brand owners to police their marks throughout eBay's websites.

The decision contradicts French case law of less than one year ago. On 4th June 2008, the Court of First Instance of Troyes found that eBay was both a website host in content and an editor for online services and was in breach for not having safeguarded against reprehensible uses of its services. On 28th June 2008, the Court of Trade of Paris ordered eBay to pay almost €40 million for not taking appropriate measures against the selling of perfumes and cosmetics infringing selective distribution networks despite the repeated demands of the plaintiffs against the situation. With that difference in position between courts of the first degree, a Court of Appeal decision would be welcome to clarify which view should prevail.

The latest French decision is however quite in line with a decision of the US District Court – Southern District of New York of 14th July 2008, which held that eBay's generalised knowledge that some auctions involve counterfeit goods was insufficient to make eBay liable for trade mark infringement.

In August 2008, L'Oréal also received a Belgian court decision ruling that the auction site had no obligation to systematically monitor the products offered for sale. And, on 22nd May, the High Court in London also gave a judgment in eBay's favour, though it also referred some questions to the European Court of Justice. L'Oréal has won a parallel dispute in Germany, and a decision in Spain is still awaited.

First "goal" in 2010 World Cup

The first legal contest relating to the 2010 Soccer World Cup has taken place before the South African High Court, reports Andre van der Merwe of DM Kisch Incorporated (South Africa).

Eastwoods Tavern – a popular sports bar in Pretoria near the famous Loftus Versveld rugby grounds that will be a Cup venue next year – started using WORLD CUP 2010, and other symbols in relation to its restaurant or entertainment services.

This use included using a sign reading "WORLD CUP 2010" under the name Eastwoods Tavern on its roof, and displaying banners of soccer-playing nations (also on its roof) accompanied by the numerals "2010", and the words "Twenty Ten South Africa".

FIFA objected to this use, and the matter proceeded to the High Court.

On 7 April 2009, the Pretoria High Court issued an order in the following terms:

First "goal" in 2010 World Cup continued

(a) Interdicting and restraining Eastwoods Tavern from infringing FIFA's trade mark registrations by using the above trade marks in relation to its restaurant or entertainment services;

(b) Interdicting and restraining Eastwoods Tavern from passing off its restaurant and entertainment services as being those of, and/or being connected in the course of trade with, FIFA by using the above trade marks; and

(c) interdicting and restraining Eastwoods Tavern from competing unlawfully with FIFA by obtaining special promotional benefit from, and/or associating its business with, the 2010 FIFA World Cup. (This particular part of the order was issued in terms of Section 15A of the Merchandise Marks Act and/or Section 9 of the Trade Practices Act – both of these Acts dealing with "ambush marketing").

Lastly, Eastwoods Tavern was ordered to pay the costs of the application on a scale as between party and party.

So, even before the first whistle has been blown in the 2010 World Cup, or the 2009 Confederations Cup for that matter, the legal contests between FIFA et al have started. Accordingly, the score so far is: FIFA 1 The Rest 0 - but keep watching the scoreboard!

MARQUES ON LinkedIn
In keeping with the Association's mission, **MARQUES** recently joined LinkedIn to promote the free exchange of ideas and information between European trade mark owners. LinkedIn is free to join and is an interconnected network of experienced professionals from around the world, representing 170 industries and 200 countries. The **MARQUES** Group on LinkedIn is available exclusively for the members of **MARQUES**. It's a great way to network and connect with other **MARQUES** members, facilitate discussions, request solutions to problems, recommend colleagues and be introduced to potential clients, service providers and experts. If you are a current member of **MARQUES**, you are pre-approved to join.

Parallel imports decision upheld in Hungary

Eva Szigeti of Danubia in Hungary reviews a recent case over parallel imports and what constitutes consent.

The Colgate-Palmolive Company initiated a lawsuit against the Hungarian company Cosmoline Ltd for trade mark infringement on 10th August 2005 because Cosmoline tried to export 1440 pieces of Palmolive Classico soap labelled in Spanish. Colgate asserted that the products had been produced in the 1990s for the Mexican market, and were not intended for sale, nor sold with Colgate's consent, in the European Economic Area (EEA).

Cosmoline alleged that Colgate had not questioned that the products were genuine and the Spanish label could allow consumers to believe that the products had been marketed in Spain, a part of the EEA, thus Colgate's trade mark rights were exhausted.

Continued

Parallel imports continued

Cosmoline also claimed that the onus of proof was on Colgate to show at what point the marketing of the products had become unlawful. The first instance court in its judgment partially sustained Colgate's claim that Cosmoline had infringed Colgate's trade mark 118,666 by trying to export the products and it prohibited Cosmoline from further infringement.

The court also ordered the destruction of the seized goods at Cosmoline's cost and obligated Cosmoline to provide information as to the source and seller of the infringing goods and where these were stored.

The first instance court accepted that Colgate proved its valid trade mark protection by a certified extract of registration and Cosmoline also acknowledged that the products in question were identical to those included in the list of goods of the trade mark.

The court pointed out that infringement can be established even if the products are genuine; there is nothing in the Trade Mark Act providing that genuine products cannot infringe a trade mark.

The infringing behaviour arose from the fact that the owner had not given consent to the use of the trade mark.

In relation to Cosmoline's defence, the first instance court pointed out that the subject of controversy was not whether the consent of the owner was needed to export the legally marketed product to a third country but whether the marketing of the product was actually legal within the EEA.

The court rejected Cosmoline's argument on exhaustion of trade mark protection and also with regard to the burden of proof.

The court's position was that under Section 164 (1) of the Code on Civil Procedures Cosmoline was obliged to prove the existence of the circumstances defined by Section 16 (1) of the Trade Mark Act, ie that the products were marketed in the EEA by the trade mark owner or with its consent. Since Cosmoline did not meet this obligation of proof, the infringement can be established.

Cosmoline filed an appeal against the judgment of the first instance court with the Court of Appeal, focusing on the obligation of proof relating to the exhaustion of rights as well as on the onus of proof. Cosmoline claimed that the issue to be decided was by whom and to what extent the marketing chain should be traced back concerning placement on the market within the EEA, and whether Colgate should prove where the product was first sold and whether Cosmoline has any obligation of proof if Colgate refuses to provide such evidence.

On 31st October 2008, the Court of Appeal held that the court of first instance correctly pointed out that under Section 16 of the Trade Mark Act the burden of proof was on Cosmoline, the party invoking the defence of exhaustion of rights, to show that the products had entered the EEA legally.

Continued

Parallel imports continued

The party referring to the existence of consent is obligated to prove that the trade mark owner granted such consent, rather than the trade mark owner having to prove the lack of consent, ie Colgate cannot be obligated to prove non-infringement. Merely because Cosmoline doubted that Colgate had marketed the products in Mexico, we cannot conclude that Colgate should be obligated to prove that it did not market the product within the EEA.

The Court of Appeal, for the first time in Hungary, held that the infringer has to prove that it has consent from the trade mark owner to use the trade mark, and the owner's burden of proof only extends to the fact that it has a valid trade mark registration and that the infringer has realised one of the prohibited actions of trade mark use.

On the contrary, under Section 164 of the Code on Civil Procedures, it is the party accused of infringement that has to prove that its trade mark use is legal either because it has been granted consent to use the trade mark or because of the exhaustion of rights. In the given case Cosmoline was unable to prove that its trade mark use was legal.

Deadline changes in Spain

Since 4th May 2009 the Spanish Industrial Property Official Gazette (Boletín Oficial de la Propiedad Industrial, abbreviated as BOPI) has been published daily (except for Saturdays, Sundays, national and local (Madrid) holidays). This is a major change as since the BOPI was created 123 years ago, it had been published only on the 1st and 16th of each month.

As the publication in the BOPI of certain adverts (applications, official actions, SPTO decisions, etc) opened the time periods for filing oppositions, replies to official actions, administrative and contentious-administrative appeals, etc, and these time periods are usually counted in months, this implied that the terms for carrying out these actions ended always on the 1st or 16th of a month (unless said day was not a working day).

The change means that now, similarly to OHIM deadlines, the deadlines to act before the SPTO or in Spanish contentious-administrative appeals can end on any day of the month.This has also required most Spanish patent and trade mark agencies to adapt their systems and controls to the new situation.

By Miguel Angel Medina, Elzaburu

McDonald's loses case to McCurry

A recent decision from the Malaysian Court of Appeal denies McDonald's exclusivity over the use of the prefix "Mc", reports Gladys Mirandah of patrick mirandah co (s) pte ltd.

McCurry Restaurant is a famous eatery in Kuala Lumpur serving Indian cuisine. In 2001, McDonald's Corporation instituted a suit against McCurry Restaurant on the grounds of passing off in relation to its use of the prefix "Mc" in the trade name "McCurry".

The matter went for trial at the High Court, which decided in favour of McDonald's, and in doing so granted an injunction to restrain McCurry Restaurant from using the prefix "Mc" or any other confusingly or deceptively similar prefix in the course of trade.

In coming to her decision, the High Court judge considered that McDonald's has used and continued to use the prefix "Mc" as its trade identifier. By doing so, she held that the prefix "Mc" is distinctive to McDonald's due to its extensive trade and publicity campaigns.

Continued

McDonald's loses case to McCurry continued

This led the judge to conclude that it had goodwill and reputation in the prefix "Mc".

Moreover, the judge concluded that misrepresentation by the defendant was proven when witnesses associated the red-and-white-coloured McCurry signage with McDonald's. After considering the facts of the case, the judge concluded that McDonalds's had proven all elements of passing off.

Further, both parties agreed on several facts in the trial court. Among these was that McDonald's business concept is based on fast food whereas McCurry offers Indian cuisine.

However, the Court of Appeal reversed the High Court decision and dismissed the case.

In overturning the High Court decision, it decided that McDonald's Corporation does not own the goodwill and reputation attached to the prefix "Mc". In doing so, the Court allowed the appellant, McCurry Restaurant, to operate with the prefix "Mc" in its trading name.

The Court of Appeal noted the distinguishing features between the parties in the conduct of their trade. Other than the differences in signage, the Court took into consideration that the items for sale in McDonald's carried the prefix "Mc" but McCurry's items do not carry such a prefix. The appeal court also found it important that McCurry served Indian food but McDonald's served fast food.

The written judgment of the Court of Appeal has not been published yet. However McDonald's may still apply for leave to appeal to the Federal Court of Malaysia, and if leave is granted, then the Federal Court will have the final say in this matter.

The decision of the Court of Appeal brings the situation in Malaysia in line with the position in the UK where McChina Chinese restaurant was not found to be infringing the McDonald's trade mark.

Recent IP changes in Venezuela

Recent changes, mostly originating in political decisions from the government, have directly affected IP prosecution and enforcement, explains Ricardo Alberto Antequera of Estudio Antequera Parilli & Rodriguez.

On 22nd April 2006, the government decided to denounce the Cartagena Agreement by means of which Venezuela was a member of the Andean Community. From that moment all rights and obligations derived from this membership ceased.

Given that the most recent national regulation in industrial property was the Industrial Property Law from 1956, the Andean decisions fulfilled the emptiness caused by this outdated regulation. Hence the main concern arising from the resignation was the uncertainty respecting the direct application of the Andean Regulation, specifically the enforcing of Decision 486 regarding the Common Regime in Industrial Property, since according to the Venezuelan constitution integration treaties are part of the national regulation and have direct application.

Continued

Recent IP changes in Venezuela continued

Two petitions on interpretation were filed before the constitutional chamber of the Supreme Court, but so far no official pronunciation has been issued.

Despite this situation, both the Venezuelan Intellectual Property Office – Servicio Autónomo de Propiedad Intelectual (SAPI) – and the courts continued to apply the resolutions and procedures of Decision 486, including ex-officio rejections, official actions, oppositions and registration procedures.

It was only on 12th September 2008, more than two years after the resignation from the Cartagena Agreement, that SAPI issued an official notification "reminding" the users that as a consequence of the resignation of the Cartagena Agreement, the Andean Decisions were no longer applicable and the enforceable regulation was the Industrial Property Law of 1956.

The applicability of other international IP treaties to which Venezuela is party, including the Paris Convention and TRIPs, is also uncertain, since the position of SAPI is that they are not applicable since no national law has developed its principles to enforce them.

Aside from the fact that SAPI is not the authority for deciding the applicability of any regulation, this situation has led to not necessarily positive changes regarding the registration procedure of trade marks, including:

- No further classification of goods and services according to the Nice classification, since this law includes a national classification. Hence all trade mark applications and renewals must indicate the corresponding national class.
- No further application of the grace period of six months for renewal after the due date.
- Prior to the publication of an application in the Industrial Property Gazette for opposition purposes, it must be published in a nationally circulated newspaper, delaying the registration procedure by almost six months.
- Concepts such as vulgarisation and secondary meaning are no longer recognised.

Nevertheless, the most recent and negative consequence materialised two months ago, when SAPI by means of the Industrial Property Gazette No 501, dated 3rd March 2009, decided to declare as withdrawn more than 13,000 trade mark applications filed between 1992 and 2008 on the grounds of lack of defences to the oppositions formalised against them, an obligation established in the Industrial Property Law.

This decision was not only illegal but unconstitutional, since the Venezuelan Constitution expressly forbids the retroactive application of any law.

This was the largest violation of individual rights proceeding from this office.

Unfortunately all of these changes have created legal uncertainty threatening the protection of IP rights in Venezuela, since the future applicable regime is not clear.

Deliberating on domain name disputes

Manisha Singh Nair, a Partner of Lex Orbis Intellectual Property Practice in New Delhi, examines the rationale that courts in India have adopted in domain name disputes.

With the virtual world gaining greater prominence, the stature that domain names hold is akin to that of trade marks. As the internet has become a medium for advertising, marketing and trading, the jurisprudence behind trade marks has been extrapolated to domain names. Domain names have naturally become an extension of corporate identity, having an impact on sales, marketing and consumers of a product or service and acquiring characteristics akin to industrial property.

In the case of Satyam Infoway Ltd v Sifynet Solutions Pvt Ltd [AIR 2004 SC 3540], the Court opined that the role of a domain name was not only to provide an address for a computer on the internet but also to act as a means of carrying on commercial activity.

Therefore, a domain name acting as a business identifier serves as an address for internet communication and also provides information/ services associated with it. Thus a domain name may pertain to provision of services within the meaning of Section 2(z) of the Trade Marks Act, 1999.

Domain name cybersquatting has become a matter of increasing concern. The fallout of this is felt not merely on the concerned industries, but also on consumers and internet users.

In cases involving a dispute between a trade mark and an identical or similar domain name, the trade mark owner must establish that he is the registered owner of the trade mark and that the domain name was registered and used in bad faith.

One of the first cases that threw light on this was Yahoo Inc v Akash Arora 1999 (2) AD (Del) 229, which concerned a dispute between the trade mark Yahoo and the alleged infringing domain name yahooindia.com. The Court noted here that as long as yahooindia.com does not try to pass itself off as Yahoo itself, no offence should be recognised.

At best, in recognition of Yahoo's position in the industry, Yahoo India may be compelled to display a prominent disclaimer that it is not associated with Yahoo Inc, USA.

Another example is the suit Super Cassettes Industries Ltd v Wang Zhi Zhu Ce Yong HU and Ors 2009 (39) PTC 162 (Del) before the High Court of Delhi. Dealing with the trademark "Supercassettes" as against the domain name www.supercassettes.com, the Court took into account the fact that the domain name www.supercassettes.com was created in 2003, while Super Cassettes had been carrying on business for over 20 years under its trade mark.

Observing this to be a clear attempt at passing off the services offered through the domain name, the court also observed that the nature of the services being transacted was contrary and detrimental to the corporate philosophy and the image of Super Cassettes.

The jurisprudence behind domain name/trade mark disputes now seems to have been settled with the courts delivering such clear and precise verdicts. This is a result of the recognition of the growing commercial and economic prominence of domain names.