

Judges Seminar held in Munich

More than 100 attendees from Germany, the Netherlands and Austria participated in the first Judges Meeting organised by **MARQUES** in Germany at the German Patent and Trademark Office (DPMA) in December. The seminar was co-hosted by the DPMA and Markenverband. Kay Uwe Jonas reports.

Under the heading “The Community Trade Mark in the German Practice – Debate with Judges of the German Trade Mark Courts”, the attendees were welcomed by Barbara Preissner, Head of the Trademark and Design Department of the DPMA, as well as by Dr Alexander Dröge of Markenverband and by **MARQUES** Chairman Guido Baumgartner.

All three speakers underlined the importance of the Community trade mark for German trade mark practice.

In very lively and interesting presentations, the German judges addressed many important issues of

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“**The German judges addressed many important issues of German trade mark practice and outlined both the differences from and similarities with CTM practice.**”

In the first session, Achim Bender of the German Federal Patent Court addressed issues of distinctiveness, confusing similarity and association between trade marks and showed examples where the Court of Justice of the EU had adopted the principles of German trade mark practice.

Prof Dr Wolfgang Büscher of the German Federal Supreme Court (BGH) then discussed the importance of well-known trade marks.

In the subsequent colloquium, Wolfgang Wentzel of Schott presented the brand owner’s view.

In the next session, Michael Schmidt from the Court of Appeals of Hamburg (OLG Hamburg) outlined the co-existence of trade mark law and unfair competition law after the harmonisation of the German Unfair Competition Statute.

Dr Hildebrandt of Lubberger Lehment, Berlin, who had stepped in for Dr Rolf Danckwerts, addressed issues of trade mark use and presented the attendees with his opinion that national trade mark rights in the European Union were superfluous.

This provocative opinion was vigorously discussed in the following colloquium in which Jorge Casals Ide of Red Bull also addressed aspects that trade mark owners have to face when defending their brands.



In the third session, Dr Gangolf Hess, Court of Appeals of Berlin (Kammergericht Berlin) presented a recent and most interesting decision of the Court of Appeals in Berlin in which the Court had to deal with a transit case and in which the trade mark laws of the countries of destination were indirectly applied by the Court to decide in favour of the plaintiff and trade mark owner.

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In the last presentation, Prof Dr Olaf Sosniza, University of Würzburg, addressed trans-border aspects of Community trade mark law. In this session, Guido Baumgartner presented the brand owner's position.



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The seminar was closed by Dr Alexander Dröge of Markenverband and Guido Baumgartner in his role as chairman of **MARQUES**.

On behalf of **MARQUES** Paola Tessarolo, Ingrid de Groot, Till E Lampel, Dr Andreas Lubberger and Kay Uwe Jonas had organised and participated in the seminar.

Madrid reforms thanks to **MARQUES**

An important change to the Madrid Protocol came into effect in January, partly thanks to **MARQUES members who raised the issue at WIPO and worked with member states to reform the system.**

As of January 1, national offices are obliged to provide a statement of grant of protection for each International application.

The change, which is designed to provide more security for international trade mark owners, was agreed by member states in September 2008. It came into effect on 1st September 2009 but there was a transitional period before national offices had to comply.

“The whole system for 100 years has been run on the basis that if there is no refusal, then protection is granted – basically no news is good news,” Ernesto Rubio, special counsel at WIPO, said. But he added it had become apparent in recent years that this did not give enough certainty to trade mark owners. “It can be difficult if you don't have any document saying the right is recognised.”

Changes to Rule 18

The most important change was to a paragraph in Rule 18ter providing that when “all procedures

before an office have been completed and there is no ground for that office to refuse protection” the office shall, as soon as possible and before the expiry of the applicable refusal period, send the International Bureau a statement saying that protection is granted.

Rule 18ter also says that where an office sends a notice of provisional refusal, it should send the International Bureau information on which goods and services the mark is protected for, or a statement saying it concerns all goods and services.

Rule 18bis says that where there are opposition procedures an office may send “a statement to the effect that the ex officio examination has been completed and that the Office has found no grounds for refusal but that the protection of the mark is still subject to opposition or observations by third parties, with an indication of the date by which such oppositions or observations may be filed”.

Ernesto said many of the 83 member states have already started to notify the International Bureau, ahead of the January 1 deadline. Some have done so by sending regular lists of non-refused marks electronically.

WIPO processes this information, which is published in the ROMARIN database. This means it is accessible to third parties as well as to the mark owners.

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The role of MARQUES

MARQUES raised the need for greater clarity for Madrid Protocol applicants as far back as 2005. After the matter was discussed in the Working Group on the Madrid System, a number of national delegations recognised the benefits of providing more information to both trade mark owners and interested third parties, and support for the change built up over successive meetings.

Tove Graulund was chair of **MARQUES** at the time and in-house counsel for Danish company Arla Foods. She said after Denmark joined the Madrid System in 1996, applicants could choose between national, Community and international protection, which led to some confusion. *“With the Madrid System, you had to wait,”* she says. *“The registration in each country might have happened but you didn’t know.”*

For applicants who were not used to what was still a relatively new system, this uncertainty could be a problem, she added. *“Sometimes someone in the business would want to know what protection we had, and you would have to check.”* Other times, faced with no information, applicants would fear that an application had been lost or was at risk of being refused.

Requiring offices to provide a formal notification that a registration had been granted would therefore benefit both the applicant itself and third parties who want to monitor what rights are protected, Tove explained.

But, when she attended a Working Group meeting in Geneva in her capacity as **MARQUES** Chair in 2005, she said some member states representatives did not see what the problem was: *“They looked at me as if I’d fallen from the moon.”*



“**Member states’ representatives looked at me as if I’d fallen from the moon.**”

Tove Graulund

“**The whole system for 100 years has been run on the basis that if there is no refusal, then protection is granted – basically no news is good news.**”

Ernesto Rubio, WIPO



Ernesto Rubio said that once member states understood the problem support increased: *“A number of delegations were very much in favour of providing more information to trade mark owners about the fate of trade mark registrations.”*

He added that *“some thought it would provide more work for offices”* but that they showed a readiness to adapt their procedures, provided there were interim measures.

Meanwhile, organisations such as INTA added their support to the plans and the International Bureau indicated that it was ready to facilitate communications between national offices and mark owners.

Discussions were encouraged by António Campinos, who chaired the Committee on Trademarks and is now president of OHIM. One of the delegations that most strongly supported the proposal was that of Australia, which was represented by Michael Arblaster. In formal meetings in Geneva the idea to provide statements of grant of protection was soon known as the Australian proposal.

It also helped that WIPO was keen at the time to improve the electronic tools. This meant, however, that countries would have to be encouraged or mandated to send information to WIPO, to be collected centrally, rather than direct to applicants.

Although it took three years from the first discussion to approval – and a further 15 months before the changes became obligatory – Tove says the process is *“a good example”* of what can happen when different interests work together.

“It probably helped that this was a practical not a political issue,” she added.

US Supreme Court declines to review eBay case

eBay's generalised knowledge of substantial sales of counterfeits does not provide a duty to prevent them, explains Janet Satterthwaite of Venable.



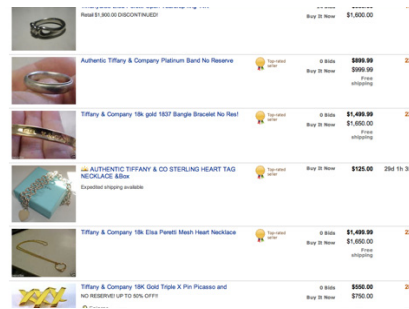
In Tiffany v eBay, the trial and appeal courts held that despite a general knowledge that a significant percentage of Tiffany goods sold on eBay were counterfeit, eBay did not have a duty to prevent any such sales unless and until a specific instance of fraud was brought to its attention. In November 2010, the US Supreme Court declined to take the case for review.

At the Court of Appeal for the Second Circuit, the key issue was whether eBay was contributorily liable for the counterfeit sales by third parties on eBay.

Amicus curiae briefs were filed in support of Tiffany by Coty, the International Anticounterfeiting Coalition and the Council of Fashion Designers, and in support of eBay by Yahoo (on the false advertising issue), the Electronic Frontier Foundation et al and Amazon, Google et al. The Court noted that it was the first US court to apply the test to an online marketplace, referring to some of the European cases which have already addressed eBay's liability.

“Generalised” knowledge

The Court found that eBay had only “generalised” knowledge of counterfeiting and held that, under the governing precedents, generalised knowledge was insufficient to impose a duty to prevent the problem. In reaching this conclusion, the Court was heavily (and in my opinion misguidedly) influenced by the extent of eBay's actions to respond to specific notification of violations.



The Court rejected reliance on evidence of probability and insisted that liability for contributory trade mark infringement could be imposed only upon proof that an offer of specific product by a specific seller was fraudulent.

“The Supreme Court's failure to take up the case means that eBay enjoys the status quo for now in the United States.”

Tiffany petitioned the US Supreme Court to review the decision. Amicus briefs in support of Tiffany were filed by Coty, the International Trademark Association and the International Anticounterfeiting Coalition.

The Supreme Court's failure to take up the case means that eBay enjoys the status quo for now in the United States. It also leaves a dichotomy between US and European case law on whether eBay has a duty to make some effort to filter out counterfeits.

If another brand owner challenges eBay in a different judicial circuit and wins, then there might be a direct conflict among the federal circuits and the Supreme Court might then decide to take up the case. Alternatively, brand owners may need to pursue legislation. Retailers recently pursued a legislative solution to eBay's duty to prevent the sale of stolen goods.

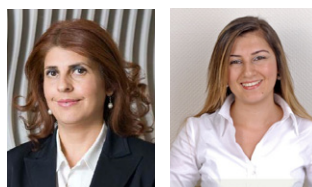
“Some smaller companies may need to hire student interns as the only affordable way to keep on top of this problem.”

For now, brand owners must devote resources to policing eBay and other online auction sites in the United States for counterfeits. Some smaller companies may need to hire student interns as the only affordable way to keep on top of this problem. Companies need to learn how to use eBay's VeRo programme to provide notice and takedown information, and to monitor eBay to ensure that repeat offenders don't keep showing up under new aliases.

The author is a member of the Outer Borders Team and was lead writer of the brief on behalf of Coty.

Turkey signs cybercrime convention

Selma Toplu Unlu and Selin Sinem Yalincakli of Mehmet Gun & Partners explain the latest developments in Turkey regarding the suppression of cybercrime.



New international legal arrangements and mutual cooperation between countries are needed because of the rapid spread of cybercrimes. These are defined as crimes that are already defined under the codes but are committed in a different form through cyberspace. This means cyber crimes go beyond territorial borders making them difficult to prevent.

To fill this need the Convention on Cybercrime, the first written document on this topic, was opened for signature on 23rd November 2001 as the Budapest Convention. This aimed to define and fight cyber crime within the scope of its regulations. So far, 43 countries have become parties to the Convention, 39 of them members of the European Union.

Even though Turkey has continued its fight against cybercrime according to the general provisions of the Criminal Code and the Code on the Arrangements of the Publications Published Under

Internet Media and Fighting the Crimes Committed Regarding These Publications, it finally signed the Convention on 10th November 2010, nine years after it was opened for signature.

Copyright and related rights

One of the four main topics the Convention deals with is offences related to infringement of copyright and related rights. Article 10 of the Convention obliges the signatories to establish relevant legal regulations with respect to copyright infringement that is committed intentionally, in a commercial degree and by computers, pursuant to their obligations under the Paris Act revising the Berne Convention, the TRIPs Agreement and the WIPO Copyright Treaty.

“**Turkey finally signed the Convention on 10th November 2010, nine years after it was opened for signature.**”

They are also obliged to establish regulations regarding related rights pursuant to the Rome Convention, the TRIPs Agreement and the WIPO Performances and Phonograms Treaty.

Even before Turkey legislates for these regulations, the articles of the Convention will be directly applicable and enforceable in Turkey if the national code on approval of signing the Convention is enacted according to Article 90/1 of the Constitution.

Accordingly a person whose rights are infringed will have the right to rely on the provisions of the Convention and to assert the rights that it recognises.

However, although Turkey signed the main Convention it has not yet signed the Additional Protocol. This has detailed regulations regarding the criminality of the spread and the expression of racist and xenophobic content using the contracting parties' information systems.

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