

From the Editor



In this issue we report on two major legislative changes. In pride of place "EPC2000", entering into force before our next scheduled newsletter, namely revising and reforming the European Patent Convention. We have mentioned the other before but now it has arrived and will have entered into force by the time you read this, a radical change in UK procedural trade mark law.

Plus, as usual, news of significant UK and European court/tribunal decisions, our own news of client trips, conference attendances, examination successes, arrivals and one significant departure.

We hope to see some of you in London, maybe on the occasion of the Annual Congress of The Chartered Institute of Patent Attorneys at the end of October?

European Patent Office News

December 13 is coming

Significant changes at the EPO: 'EPC2000'

'EPC2000' is a substantial change to the European Patent Convention (EPC) and will come into force on December 13th 2007. The main purposes of the revised EPC is



- 1) to bring the EPC more fully into line with the 'TRIPs Agreement' and the 'Patent Law Treaty',
- 2) to make some minor changes to the wording of the EPC so that the law matches actual working practice,
- 3) to remove unnecessary requirements; and
- 4) to make the EPC easier to change in future by transferring some substantive law from the main Articles – which can only be changed by a Diplomatic Conference of all the Member States - into the secondary Rules.

In case you are wondering why '2000' – the text was agreed in 2000 but it has taken 7 years for a sufficient number of EPC Member States to ratify it... a mere blink of an eye according to some slow-coach Member States...

In this article we summarise the 'Hot 10' changes.

1. Central Limitation Procedure: Articles 105a to 105c & Rules 90 to 96

Under the old law, if new prior art is found after grant which could invalidate the European patent, it can be very expensive to amend the patent with separate requests in each individual country and there is a risk that some countries may refuse amendment or allow different amendments in different countries.

Under the new law, the claims of a European patent may be limited **in one place for all designated States**, the EPO, at the request of the patentee. If the request is due to the patentee finding new prior art, the EPO does not require this prior art to be sent to the EPO with the request. The patentee does not need to provide any reason for making the request and, unlike UK law, there is no discretion on the part of the EPO to refuse the amendment, e.g. because the proprietor delayed.

The request will be examined only for added matter (**Article 123(2)**), unallowable post-grant claim broadening (**Article 123(3)**) and clarity (**Article 84**); but NOT for novelty (**Article 54**) or inventive step (**Article 56**).

The patentee can request limitation at any time during the life of the patent. Therefore, the 9-month opposition term

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does not apply. However, a request cannot be filed validly while Opposition proceedings filed by a third party are pending. If a third party Opposition is filed against a European patent while central limitation proceedings are pending, the central limitation procedure is terminated.

◇ Requests must be substantive and not cosmetic or editorial

It is crucial to note that the request must be substantive and not merely cosmetic or editorial. A request which does not limit the claims will not be allowed.

If the request is allowable, the EPO will invite the patentee to file translated claims in the two other official languages of the EPO (French and German for patents in English) and to pay a final fee. The Examining Division will then limit the patent. Dependent upon national law in each country, the patentee will also need to file a translation of the amended patent in those EPC Countries that currently require translation at grant or after an amendment in Opposition proceedings. In a separate European patent law development that should benefit patentees, some European countries have signed up to ‘**The London Agreement**’. It is expected that this Agreement will be ratified shortly in early

art is only taken into account for novelty and not inventive step.

2.2) New **Article 54(5)** allows a second or further medical use of a composition to be claimed in the format that has been traditionally only allowed for claiming a first medical use of a composition. For example, when there is a prior art known use of composition X for treating an eye infection, the following claim format for a second or further medical use will be allowed for the new use of treating cancer:

‘Composition X for use in the treatment of cancer’

This will be considered novel over the known prior art use of composition X for treating eye infection.

For many years it has been necessary to try to protect second and further medical uses in Europe by way of what is known as a ‘Swiss claim’, which for the above example has the form:

‘Use of composition X in the preparation of a medicament for treating cancer’

The new provision only applies to new uses of known compositions or substances. It does not apply to new uses of known devices in medical or surgical methods. It remains difficult to obtain patent protection for such new uses of devices in Europe.

3. Searches of ex-PCT European Applications and Lack of Unity - **Rule 164(1)**

Applicants need to be careful not to fall into a trap caused by Rule 164(1) EPC2000 for European patent applications which were filed under the Patent Cooperation Treaty (PCT) and which the EPO considers lack unity.

Under the old law before EPC2000, if the EPO considers that an ex-PCT European application lacks unity, the EPO provides the applicant with an opportunity to pay further search fees in relation to additional inventions that the EPO considers are mentioned in the claims. However, under EPC2000, the EPO will **not** provide the applicant with this opportunity and will proceed to search only the invention **mentioned first** in the claims. The overall effect is that the only – and rather expensive - way for an applicant to protect later inventions will be to file one or more **divisional applications before grant of the ‘parent’ case**.

Practice Tip

! A good tip for any applicant of life science and/or pharmaceutical cases is to include the new EPC2000 second and further medical use claims in their new PCT and EP filings alongside old-style “Swiss” claims straightaway.

2008 and after that a patentee’s translation costs will be significantly reduced when validating a European patent after grant or after a post-grant amendment. See our next item on the **London Agreement**.

◇ The new provision only applies to uses of known compositions or substances

The effect of central limitation is retroactive. Therefore, the patent will be treated in any later infringement case as though it was granted in the new limited form.

2. Novelty – **Articles 54(3) and 54(5)**

2.1) **Article 54(3)** has been amended so that a European patent application with its priority date before the subject application’s priority date but published on or after that priority date is prior art for novelty for all designated countries. Under the old law an earlier application was only prior art against those designated countries for which both applications had the designation fees paid. Under the old and new EPC, this kind of prior

It is now important when entering the European regional phase or when amending under **Rule 161 EPC2000** to ensure that the most important independent claim is placed first. **Rule 161 EPC2000** is the rule which allows the applicant a period of one month from an official letter sent by the EPO to file an amendment. To ensure that any searching is conducted on the correct subject-matter, the claim set with the most important claim first should be submitted in reply to the **Rule 161 EPC2000** communication, at the latest.

4. Information on Prior Art - Article 124 and Rule 141

Article 124 and **Rule 141** of EPC2000 gives the EPO the power to call upon the applicant to file prior art information that has been received on related cases. If the applicant fails to respond in time, the patent application will lapse. The extent to which this power will be exercised is to be left up to the discretion of the examiner.

5. Priority - Articles 52(2), 87(1)(b) and 122 and Rules 52(2), 53(5) and 136(1)

From December 13, it will be possible to claim priority from World Trade Organisation (WTO) countries including Taiwan.

Late priority claims can be made up to **16 months** after the priority date.

Usefully, a translation of a priority document is only required if the EPO requests it in order to consider patentability, i.e. novelty or inventive step.

Finally, it will from December 13 be possible to miss the 12-month priority due date to file an application claiming priority but still retain priority. This can be done by requesting **restoration of rights within the next 2 months**. However, it is essential for applicants never to plan to do this. Restoration of rights may be refused. The applicant has a very high burden of proof. It must be shown that s/he took all due care to meet the original due date. The EPO will look into the matter in very great detail and restoration of the priority right will be refused unless a very high standard of care is proved.

6. Patentable Subject Matter - Article 52(1)

Article 52(1) EPC has been changed to state that ‘...patents shall be granted for any inventions, in all fields of technology ...’

This seems a big change. However, we believe

that it is not. It just codifies existing EPO case law which requires the invention to have technical character. *It does not make it easier to obtain business method patents.*

7. Extent of Protection - Article 69

Another area in which an interesting change has been made by EPC2000 is the **Protocol on Interpretation of Article 69 EPC2000**. This Protocol is particularly important when looking at infringement after grant in the national



EPC Courts because it defines how the extent of protection provided by the claims is to be interpreted. Under EPC2000:

‘...due account shall be taken of any element which is equivalent to an element specified in the claims.’

The word ‘equivalent’ is new. It has been added in an attempt to harmonise infringement across European Courts. In fact, all European Courts already have a way of giving due account to equivalents but they do it in different ways and different extents and therefore, this change of law may not have much consequence in practice. It is not thought that the change will equate or approximate to the US doctrine of equivalents.

8. Obtaining a Filing Date (Not ex-PCT) - Articles 14(2) and Rules 6(1), 40(2), 40(3) and 57(c)

Another excellent change is that it will no longer be essential to file a description, claims and drawings to obtain a filing date. Instead, it is possible to refer to the number, date and office, e.g. USPTO, of an earlier application and to request that the description, claims and

◇ **Equivalents?**

◇ **Mark your diary now!**

drawings will be the same as those in the earlier application. The applicant should file a certified copy of the earlier application within **2 months** of the filing date. If a certified copy is not filed in time, the EPO will send an official letter setting a 2-month response term to file it.

Also, a European application may itself be filed **in any language**. Applicants should file a certified translation into English, French or German within 2 months of the filing date, otherwise the EPO will send an official letter setting a 2-month response term for filing it.

9. Petition to the Enlarged Board of Appeal - Article 112a and Rules 104 to 110

◇ **The new laws apply to all applications filed after EPC2000 comes into force**

Another provision in EPC2000 which could prove useful is the ability for a party adversely affected by a decision to petition the Enlarged Board of Appeal to review a decision of a Board of Appeal.

At present there is only one level of appeal open to a party at the EPO e.g. an applicant, patentee or opponent, namely the Boards of Appeal. Every appeal, for example from an Examining Division or Opposition Division, is handled by a Board of Appeal whose decision is final. Under the current system, only a Board of Appeal or the President of the EPO has the right to refer a question on law, not facts, to the higher Enlarged Board of Appeal. However, when EPC2000 comes into force, a party at the EPO will be allowed to petition the Enlarged Board to review a case in *limited circumstances* when a procedure may have been irregular in a Board of Appeal.

A crucial feature of the procedure is that it only allows for the review of an **alleged procedural irregularity** in the proceedings in the Board of Appeal. The procedure is not for

appealing 'normal' Appeal Board findings.

Examples of such procedural irregularities are failures to:

- appoint a hearing,
- consider all requests and/or
- allow a party the right to comment on all points.

There are other grounds, too, but of rare applicability. The time limits for petitioning the Enlarged Board of Appeal vary depending on the grounds for petition.

10. Transitional Provisions

The new laws of EPC2000 apply to all applications filed **after** EPC2000 comes into force and, with a few exceptions, **also** to all applications **pending** and **granted** when EPC2000 comes into force. The few exceptions include the law relating to:

- the new second medical use claim format, which only applies to applications without a decision to grant by the time EPC2000 comes into force;
- petitions to the Enlarged Board by parties at the EPO, which are only allowed for Appeal Board decisions taken after EPC2000 has come into force; and
- the law change set out at **2.1** above, which only applies to applications filed after EPC2000 has come into force.

If you have any questions, please contact James Miller (jmiller@kstrode.co.uk), Kristina Cornish (kcornish@kstrode.co.uk), Jane Hollywood (jhollywood@kstrode.co.uk) or your usual Kilburn & Strode advisor.

UK implementation

Sections 1-5 of the Patents Act 2004 will be commenced on the same date to implement changes brought about by EPC 2000.



◇ **EPC2000 is a version of the European Patent Convention, revised by the Act Revising the Convention on the Grant of European Patents, signed in Munich in November 2000**

The London Agreement

What is it?

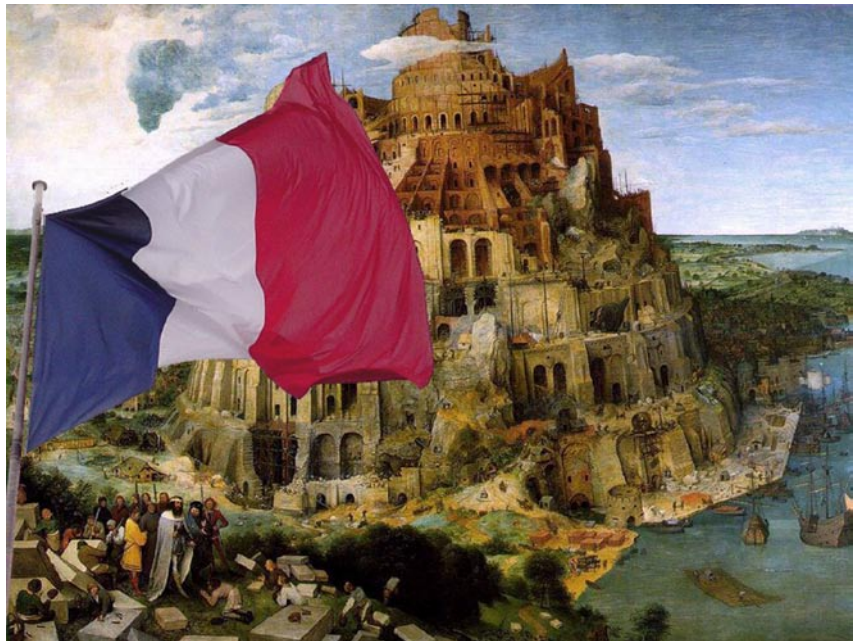
The London Agreement was concluded in London on October 17, 2000 with the aim of creating a less expensive post-grant translation regime for European patents. The Parties (EPC Member States) to the Agreement undertake to renounce, entirely or largely, the requirement for translations of European patents to be filed in their national language. This means in practice that European patent proprietors will no longer have to file a translation of the specification for patents granted for an EPC Member State Party to the London Agreement and having one of the three EPO languages as an official language. Where this is not the case, they will be required to submit a full translation of the specification in the national language only if the patent is not available in the EPO language designated by the country concerned.

What is new?

On August 24, 2007 the French Government adopted a Bill authorising ratification of the London Agreement. It was discussed in the Assemblée Nationale and after a stormy debate, in which Deputies hurled passionate abuse at each other about betrayal of French language and culture, ratification of it was approved (alongside of EPC2000, see previous article). The deposit of ratification instruments could be expected early 2008 – ‘only’ 8 years later.... The Agreement would then enter into force three months after that deposit.

What countries are signed up so far?

France will be the tenth country to ratify the London Agreement. There is no limit in time and number as to other member states of the



European Patent Organisation joining the Agreement. Other member states are currently considering ratification.

◆ **France will be the tenth country to ratify the London Agreement**

Countries having ratified the London Agreement to date are: Germany, United Kingdom, the Netherlands, Switzerland, Iceland, Latvia, Liechtenstein, Monaco and Slovenia. The parliaments of Sweden and Denmark have also approved the Agreement. Accordingly, the London Agreement can be expected to enter into force shortly in 12 of the 32 member states of the European Patent Organisation.

So...

We will of course let you know when the London Agreement enters into force but now there is a real prospect of **very considerably reduced post-grant translations costs**. The Babel of tongues that is Europe has suffered a welcome setback.



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◆ Lord Justice Pumfrey and (opposite) Christopher Floyd QC

More experienced IP judges promoted

If a litigant is able to choose between different countries and wants to be sure that the case will be tried by a very ‘IP-savvy’ judge, the courts of England & Wales are an excellent choice.

In the highest appellate court, the House Lords, we have two highly respected judges in **Lord Hoffmann** and **Lord Neuberger**. In the second instance court, we now have **Lord Justice Jacob** and the newly promoted senior patents judge, **Lord Justice Pumfrey**; alongside of him, also newly promoted are two judges with significant ‘soft IP’ experience, **Lord Justice Rimer** and **Lord Justice Lawrence Collins**.

To fill the vacancy caused by **Mr Justice Pumfrey’s** promotion, a leading member of the IP Bar, **Christopher Floyd QC** has become a Patents Court judge. **Christopher Floyd** has practised in all fields of intellectual property law, with particular emphasis on patent cases in all technical disciplines.

And **HH Judge Fysh** continues to preside over the Patents County Court while also frequently sitting as a High Court judge.

Leading members of the specialist IP Bar are ‘groomed’ for judgeship by being asked to sit from time to time as Deputy judges.

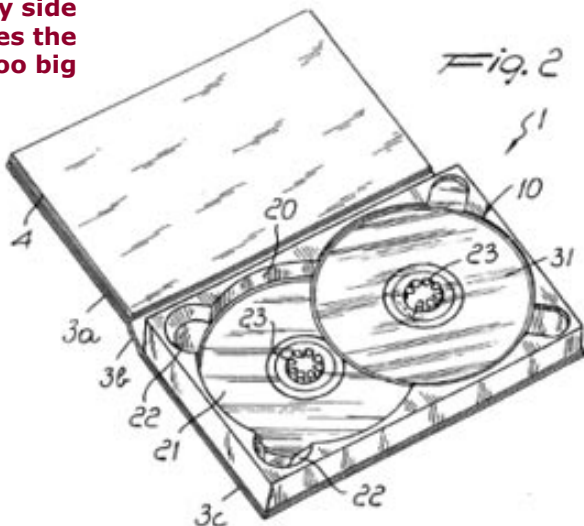


UK Patents News

Court of Appeal reformulates the *Windsurfer* test for obviousness

Pozzoli appealed from a decision by the High Court, which had resulted in their EP(UK) patent being revoked on the grounds of the claimed invention being obvious. The claimed invention was to a particular form of casing for double (or more) CDs, in which the CDs were arranged in partial overlap in a single tray, thus reducing the height of the packaging. The judge had found this to be obvious, given the well-known problem that two CDs placed side by side make the case too thick. Pozzoli’s arguments that there was a long-felt need in the industry for such packaging and a prejudice against such a solution was rejected. **Jacob LJ**, delivering the judgment of the court, dismissed the

◆ Two CDs side by side makes the case too big



appeal. In assessing the well-known *Windsurfing* test for inventive step/obviousness, however, **Jacob LJ** preferred a restated and elaborated version of the test, in which the first two steps were reversed and modified, and the remaining steps reformulated:

- 1(a). Identify the notional ‘person skilled in the art’
- 1(b). Identify the relevant common general knowledge of that person;
- 2. Identify the inventive concept of the claim in question or, if that cannot readily be done, construe it;
- 3. Identify what, if any, differences exist between the matter cited as forming part of the ‘state of the art’ and the inventive concept of the claim or the claim as construed;
- 4. Viewed without any knowledge of the alleged invention as claimed, do those differences constitute steps which would have been obvious to the person skilled in the art or do they require any degree of invention?

We believe that for many years to come, English courts will now apply the *Pozzoli* test.

**Pozzoli SPA v BDMO SA*, [2007] EWCA Civ 588. Jacob LJ, Keene LJ, Mummery LJ, June 22, 2007

What do you need to disclose in an English court action?*

The Court of Appeal had an opportunity to review the requirements, conscious of the cost and general fruitlessness of ‘disclosure’, the recently renamed process of ‘discovery’.

Nichia sued Argos, mail order/catalogue retailer, for infringement of two patents for LEDs embodied in Christmas lights. Argos sought ‘disclosure’ of documents about the making of the invention and about certain experiments which Nichia had conducted to prove infringement.

Lord Justice Jacob, a specialist patents judge, gave the lead judgment and reviewed what was necessary to show that an invention is obvious and the evidence of what the inventor actually did or thought at the time of making the invention which would, or would not, prove helpful to determine that question, going back to the landmark case of *Peruvian Guano*, 1882 (really!). He concluded that the appeal should be dismissed so that no disclosure would be ordered because such evidence was at best secondary and proportionality required that a disclosure of the inventor’s records should not be ordered.

But he sat with two non-specialist judges who could not bear to be as revolutionary as their

brother **Jacob**...and outvoted him 2:1. **Rix LJ** paid tribute (lip service?) to **Jacob LJ**’s ‘masterly review of the history and jurisprudence of the role of disclosure in the context of obviousness to a claim for patent infringement’ but saw disclosure as necessary, commenting that ‘above all, it would be against the interests of justice if documents known to exist, or easily revealed, which would harm a party’s own case or assist another party’s case need not be disclosed because of a blanket *prima facie* rule against any standard disclosure. Once such a principle of disclosure became known to hold sway, dishonest or cavalier litigants would reap an unmerited advantage, contrary to the interests of justice.’ A bitter pill: **Pill LJ** took a similar approach to **Rix LJ**. The appeal was allowed and disclosure was ordered. Most commentators agree with **Jacob LJ**’s approach and see this case as a great opportunity fluffed to expedite, and reduce the cost of, English patent litigation. Ah well.

* *Nichia Corporation v Argos Limited*, [2007] EWCA Civ 741, July 19, 2007



◇ **Jacob LJ concluded the appeal should be dismissed**

Losing their bottle*

European patent (UK) No 0845971 related to a nursing or feeding bottle arranged to aid feeding by preventing ‘the formation of a vacuum within the bottle when liquid is withdrawn’ by a baby sucking on the nipple. The defendants contended that the literal construction of the claim required that the pressure in the bottle had to remain atmospheric and their bottles did not infringe because in them, a slight negative pressure exists during use. **Judge Fysh** expressed surprise that this construction argument had been advanced at all as it ignored the doctrine of ‘purposive construction’. The small negative pressures had no practical effect on the benefit which the patented bottle delivers, and that there was infringement.

The patent, as is alas only too customary, was in the two-part form. The nearest prior art, showed all the features of claim 1 of the patent except for some in the ‘pre-characterising’ or preamble

clause. Thus, there was no prior disclosure of use of the bottle as a *nursing* bottle, nor of the fitting of some sort of nipple. **Judge Fysh** concluded that the nearest prior art gave the skilled addressee all s/he required to design a nursing bottle falling within claim 1 of the patent, adding only common general knowledge. Thus, the claim was found to be obvious, and the patent was found to be infringed but invalid.

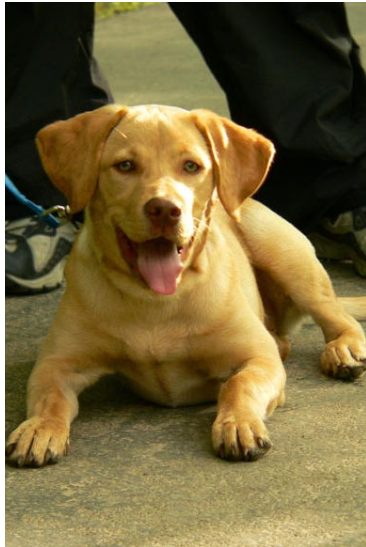
* *Handi-Craft v Berkovitch*, [2007] EWHC B10 (Pat), September 6, 2007



◇ **A baby’s common general knowledge**

Should I stay or should I go (1)*?

In an action for revocation, the defendant requested a stay in the proceedings in view of pending EPO opposition proceedings. The claimant resisted the stay. The defendant had already proposed limiting amendments to the claims to place them in a form corresponding with the EP granted patent.



◇ **Stay!**
Good boy!

The UK-IPO hearing officer considered the relevant case law** on the matter, in which the judge had said that it was not sensible for a court in the UK to allow proceedings which duplicated those in the EPO **unless** justice required otherwise, and that a stay was the **preferred** option.

Considering the relevant circumstances, including the likely outcome of the EPO

proceedings, the advantages or disadvantages to the parties, the strength of the substantive case and the public interest, the hearing officer refused the request for a stay. One important reason for this was that the issue of discretion to amend [a central issue in the UK which is unknown to the EPO, i.e. that the patentee seeking post-grant amendments must come with 'clean hands' and without undue delay, in the absence of which permission to amend may be refused] would in any case have to be litigated before the UK-IPO because the outcome of the EPO proceedings could not possibly affect any forthcoming action in relation to such discretion.

**Gareth Williams v Surfactant Technologies Limited*, BL O/229/07, August 14, 2007

** *Kimberley-Clark v Procter & Gamble* [2000] FSR 235

Should I stay or should I go (2)*?

Research in Motion, who market the Blackberry® device, sought revocation of EP patent 0 996 905 of Visto. There was no counterclaim for infringement, so the main issue in the actions between the parties was

◇ **Calculating the duration of EPO oppositions**



the validity of the European patent and this was also the subject of parallel opposition proceedings in the European Patent Office. In the English court action, about 50 to 60% of the costs of the action, which was said to be of the order of **GBP1m** on either side, had already been spent, and expert reports were due to be exchanged in September 2007 in advance of trial in

January 2008. The EPO opposition proceedings were forecast not to be resolved for between four and a half and five years. Nevertheless, Visto had applied for a stay of the revocation action pending the outcome of the opposition proceedings.

Patten J decided that the court has to exercise discretion based on a consideration of all relevant factors when determining an application for a stay. The primary aim is to achieve a just and proportionate resolution of the dispute between the parties. He thought that there would be real advantages in having a reasoned decision of the English courts arrived at after cross-examination and other forensic procedures not available in either the EPO or other European jurisdictions.

Visto offered various undertakings but **Patten J** refused the stay in order to provide commercial certainty at the earliest possible opportunity.

**Research in Motion v Visto*, [2007] EWHC 1921 (Pat), August 1, 2007

A software patent that got through

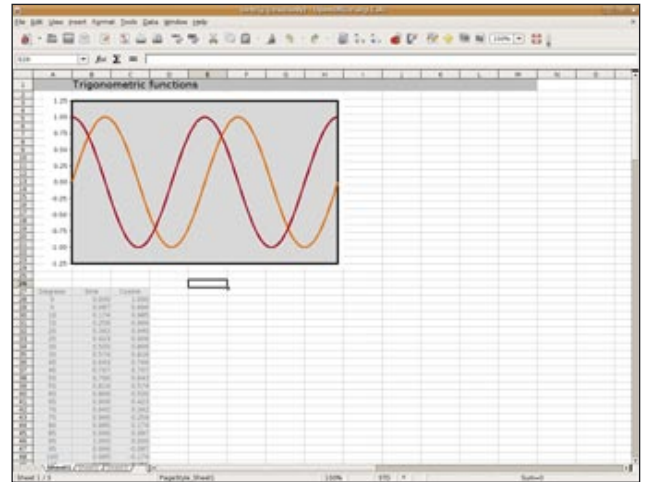
A rare event. Most UK-IPO refusals nowadays are for unpatentable subject-matter since the *Aerotel/Macrossan* decision of the Court of Appeal; the list is depressingly long. Here the invention related to communication between a spreadsheet application and an electronic trading system (ETS), the spreadsheet acting as a user interface for the ETS. The spreadsheet was configured to be updated with market data, and to calculate trading commands to be queued before being sent to the ETS. Before commands were sent to the ETS, they were updated in response to changing market conditions by an application program interface associated with the spreadsheet application.

The applicant argued that the invention made a contribution that was technical in nature in having aspects relating to a new technical system comprising a communications network and an underlying system for trading, and that the contribution lay in the way commands were generated, transmitted, queued and updated.

Although the contribution included a trading

aspect, the UK-IPO hearing officer determined that the underlying system features did solve a physical problem caused by the limitation of the computer at the receiving or ETS end of the transmission. This did not relate solely to a business method, and the contribution did not lie solely in a computer program, although the invention did depend on programming in order to update the commands before transmission. The contribution therefore passed the third step in *Aerotel/Macrossan* and, being technical in nature, was not excluded by the fourth.

* CFPH LLC's Application, BL O/226/07, August 10, 2007



◇ The spreadsheet application communicates with an Electronic Trading System

European Patent Office Decisions

Keep (your manhood) cool!*

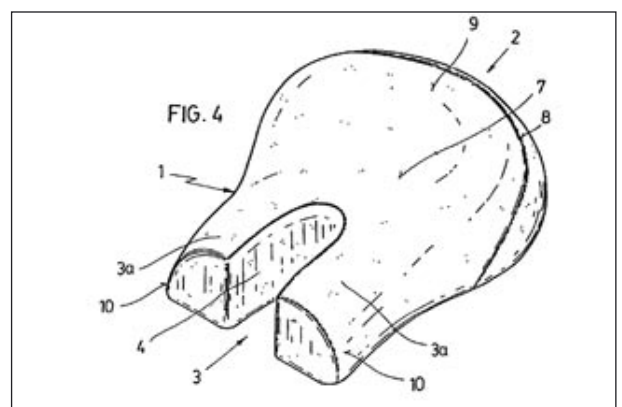
This application concerned the shape of a seat of a bicycle saddle type, the crucial feature of which is an 'open space...located in correspondence with the user's genital area and allowing the latter to be accommodated therein', which had the stated benefit of increasing air circulation to the region. The Examining Division had refused the application without taking due account of the appellant's arguments. On appeal to a Technical Board of Appeal (TBA), certain prior art was found not to destroy novelty (**Article 54 EPC**) when it was appreciated that the open space described was located forward of the genital area and therefore did not allow a user's genitals to be accommodated. Accordingly, it reversed the Examining Division's decision.

Apart from what one might call the 'tee-hee' factor, the case is of interest because the TBA criticised the apparent lack of attention to the appellant's arguments by the Examining Division, in breach of the applicant's right to have relevant grounds taken into account (**Article 113 EPC**). The TBA noted that the Examining Division's decision was drafted as though the appellant's arguments had not even been considered,

there being nothing in the file to show that that material had either been read or discussed on the merits. The Board stated that **Article 113(1) EPC** 'requires not merely that a party be given an opportunity to voice comments, but more importantly it requires that the deciding instance *demonstrably hears and considers* these comments.' Accordingly, the Board granted the appellant's request that its appeal fee should be reimbursed on the grounds that there had been a substantial procedural violation and the case was remitted to the Examining Division for further prosecution.

*T763/04,
Application No.
01915434.3, *Seat
Furniture / Badia I
Farre, Jordi*. TBA
decision of 22 June
2007

◇ Saddle up!



Up to the hilt is better than balance of probabilities*

One ground of destroying novelty of a patent application is to show that the invention was used publicly prior to the earlier priority date of the application. There has been some controversy as to the onus and level of proof in an allegation on this ground.

In its appeal, the patentee pointed to the lack of evidence, the uncertainties about what exactly was used and the precise circumstances of the use, and submitted that the Opposition Division was wrong to find prior public use. It submitted

lies with the party claiming that the information was made available to the public. On the key issue of standard of proof, the Board noted that certain decisions requiring the standard of ‘balance of probabilities (‘the prior public use was more likely than not’). However, the TBA adopted the approach of requiring proof ‘beyond any reasonable doubt’ or ‘up to the hilt’ which had been taken in other decisions. In its view, this was more appropriate because revocation of a granted European patent was at stake and the evidence in support of the alleged prior use is within the power and knowledge of the opponent.

In the actual case the TBA held that the documentary evidence filed by the opponent was not sufficient with regard to the date on which the prior use occurred, and remitted the case back for further prosecution.

* **T 0225/03:** *Conical roller bearing for supporting a pinion shaft of a differential gear / NSK Ltd.* TBA Decision of June 22, 2007

Practice Tip

! If in a European opposition you wish to rely on prior public use, you must have strong and cogent evidence in view of the high level of proof required.

that the correct standard of proof was ‘beyond any reasonable doubt’, and that where the prior use is by the opponent himself, he has to prove his case ‘up to the hilt’.

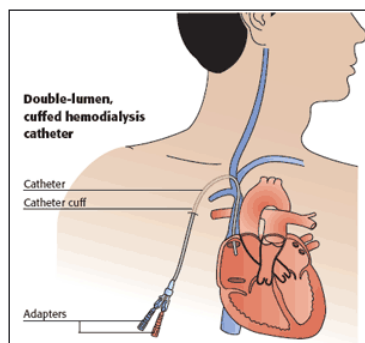
The TBA confirmed that the burden of proof

How many people does it take to obtain priority?*

◇ **The ‘person’ was different for the two documents**

The proprietor had filed two quite similar applications. The earlier one had a co-applicant while the second one did not and was in the sole name of the patentee. Retention of the claimed priority was critical for the patentee.

The patentee argued that, because the patentee was an applicant in both applications, the patentee had to be regarded as the ‘person’ referred to in **Article 87(1) EPC (and Article 4 of the Paris Convention)**. In the opponent’s submission, the earliest document concerned



essentially the same invention, therefore it was the ‘first application’ within the meaning of that Article, destroying the patentee’s claim to priority based

on a later document. Conversely, the patentee argued that because of the presence of a second applicant in the earlier document, as opposed just one here, the ‘person’ was different for the two documents, hence the priority claim was valid.

The TBA agreed with the patentee. It considered that a right to priority is part of the applicant’s right. So, in the present case, the right to priority belongs jointly to the two applicants who constitute a legal unity, the ‘person’, unless one of them transfers the right to the other (who then becomes its successor in title) before filing the later case. The TBA concluded that the earlier application could not represent the ‘first application’ and that the priority date was valid.

* **T 0788/05:** *Vascular Catheter / Terumo Kabushiki Kaisha,* TBA, May 8, 2007

The EPO criticizes the English Court of Appeal's *Aerotel/Macrossan* decision*

In our Newsletters # 8 and 9 we reported the decision of the Court of Appeal (**Jacob LJ**) in *Aerotel/Macrossan*, laying down the test for determining whether software-based inventions were excluded from patentability because they were programs or business methods 'as such'. That judgment criticized the EPO's allegedly inconsistent case-law. Subsequently, the then President of the EPO, **Alain Pompidou**, declined **Jacob LJ**'s suggestion to refer the issue to the EPO's Enlarged Board of Appeal while the UK-IPO has rigorously applied the *Aerotel/Macrossan* test, resulting in an almost unbroken long list of refusals of applications. Here a Technical Board of Appeal (TBA) seized the opportunity and delivered an unusually strongly worded rebuff to **Jacob LJ**. We report here only the comments in that regard and not the otherwise commonplace facts of the actual case.

In dismissing the appeal, the TBA set out seven principles of general application which summarise the relevant jurisprudence of the boards of appeal:

(a) **Article 52(1) EPC** provides 4 requirements for patentability:

- (i) there must be an 'invention';
- (ii) it must be novel;
- (iii) it must be inventive;
- (iv) it must be industrially applicable.

(b) An 'invention' implicitly requires 'technical character'.

(c) Subject-matter related to the exclusions of **Article 52(2) EPC** may be patentable if it has technical character.

(d) The four requirements for patentability are separate and independent.

(e) A claim must be construed to determine its technical features.

(f) A valid claim may have technical and non-technical features (even if the latter are dominant) but novelty and inventive step must be based only on the technical features.

(g) In assessing inventive step with the problem-and-solution approach, the problem must be a technical problem but may be formulated using an aim to be achieved in a non-technical field.

In explaining the nature of 'technical character', the TBA made reference to the Basic Proposal for the Revision of the European Patent Convention, which states that technical character involves a

'technical teaching', i.e. 'an instruction addressed to a skilled person as to how to solve a particular technical problem using particular technical means'. This is implicit in the requirement for an 'invention'. The TBA explained that of the four independent patentability criteria, the first ('invention') was an absolute requirement, whereas the second and third (novelty and inventive step) were relative requirements. The TBA distinguished between these absolute and relative requirements, noting that although the latter are understood in a popular sense to be the ordinary meaning of the term 'invention', the proper meaning of 'invention' relates to the absolute requirement, including technical character.

Against this background, the TBA criticised **Jacob LJ**'s 'technical effect approach' in *Aerotel/Macrossan* for being rooted in the ordinary meaning of the term 'invention' (the relative requirements) and not, as it should be, in the proper meaning of the term (the absolute requirement). It further criticised **Jacob LJ**'s approach for

◇ 'Seconds out...'
UK vs EPO



presupposing that excluded subject-matter that is novel and inventive does not count as a technical contribution. This does not take account of the independence of technical character from novelty and inventive step (point (d), above). Technical character may result from the interaction of non-technical features with technical elements. **Jacob LJ** related the use of non-technical features to the prior art (and hence the relative requirements of novelty and inventive step), whereas it is the case (point (f), above) that only technical features can establish novelty or inventive step; non-technical features could not, in the Board's view, do so.

* **T 0154/04**: *Method of estimating product distribution / Duns Licensing Associates, L.P.*; TBA decision November 15, 2006

Searchlight on searching*

Here the TBA considered the appeal of the Examination Division's rejection of a patent application for lack of inventive step over common general knowledge. However, no search had been performed during either the International or European phases of the application's prosecution. Should the application have been rejected on this basis without any specific documents having been identified?

The TBA noted that under **Rule 45 EPC** a search can only be denied where it is not possible to carry it out, and that the Examination Division is not obliged to make a search for purely formal reasons if it considers that refusal

can be justified on the basis of prior art which is either:

- (a) so well known that it clearly does not require written proof; or
- (b) is accepted by the applicant as known.

However, it made clear that these circumstances did not apply here in that there were technical features present that could not be notoriously 'old'. The case was remitted back to the department of first instance for further prosecution including an additional search.

**T0690/06: Financial Records Maintenance System / Aukol Limited; TBA decision April 24, 2007*

EPO Decisions Digest

- T0223/05**
- 1. Article 69 EPC & its Protocol do not provide a basis for excluding what is literally covered by the terms of the claims.**
 - 2. The interpretation of the scope of protection is reserved for national courts, not the EPO.**
 - 3. Where only some claims are opposed, the Board may only consider of its own motion those claims and claims appendant to or related to them.**

The invention related to a chemical compound. Claim 18 included references to groups X and y, but group X was only defined in the description. The Opposition Division had applied **Art 69** and the Protocol to find that the skilled person would understand that X in the absence of Y was a Michael receptor, thereby providing novelty over the prior art.

On appeal, which was not substantiated against all claims, the Board held that interpretation of the scope of protection was reserved to national courts, not the EPO. **Art. 69 EPC** could not be used to import matter from the description into a claim when assessing novelty. The Board held that it could only consider of its own volition claims appendant to opposed claims, or claims directed to the use of products covered by the opposed claims.

- T0284/02**
- Objects of the invention do not necessarily provide sufficient support for claim broadening when considered in the light of the description as a whole.**

The invention as originally claimed related to a method of treating seeds for implanting into a living body so as to make them emit X-ray radiation, and involved planting the seeds with a specific palladium compound.

Amended claims which referred to palladium in more general terms were filed during appeal proceedings, the basis being statements of objects of the invention which did not contain the original limitations. The Board, considering the description as a whole, concluded that there was no support for omitting this originally-claimed feature, which produced a new technical teaching extending beyond the original disclosure. The Board's reasons were supported by a detailed technical analysis.

- T06848/04**
- Terms which are *prima facie* relative or vague may be allowable in claims if their meaning is clear the particular art.**

The fact that specified ingredients do not add up to 100% does not necessarily make the scope of a claim unclear.

An opposition was based *inter alia* on alleged lack of clarity due to the presence terms in the claims which were relative and of uncertain scope.

The Board considered that, in the context of **Article 84 EPC** and **Rule 29(1) EPC**, the meaning of a term had to be considered in terms of the definition generally accepted in the relevant art (PVC plastics). In general, terms such as ‘rigid’, ‘non-friable’ and ‘not waxy’, would be objectionable as being of uncertain scope and incapable of distinguishing from prior art. However, in the context of the invention, the description implicitly defined ‘rigid PVC’ by its manufacturing method, it being known in the art that injection moulding produced rigid PVC. Also, one of the prior art documents referred to ‘PVC (flexible and rigid)’, which indicated that the skilled person appreciated the difference between rigid and non-rigid PVC.

Similarly, ‘wax’ was used in the cited documents in a way that indicated that the skilled person would know what was meant by it in the PVC art, while the description itself clearly specified the difference between ‘friable’ and ‘non-friable’.

During the proceedings the applicants submitted a graph (not present in the application as filed) representing experimental data relating to the invention, which demonstrated that the somewhat indefinite limit ‘about 18%’ in the claims and description as filed, was based on a definite dip in the graph that occurred at around this value. The Board agreed that the nature of the experimental data was such that the minimum could not be specified to a more precise accuracy and that, in the particular circumstances, ‘about 18%’ was clear to the skilled person.

The fact that the percentage ranges specified in the claims did not add up to 100% was not considered objectionable, since the unspecified balance of substances had to be such as not to affect the claimed rigid properties of PVC.

T0519/04 Hand-outs and reports of a conference in the press may support allegations of disclosure to the public.

Similarity between the format and content of the affidavits of two witnesses is not necessarily suspicious.

An opposition had relied on obviousness based on prior public oral disclosure at a conference in Japan. The Opposition Division did not consider the disclosure to be adequately substantiated.

On appeal, the Board held that the conference [with over 180 participants] had not been subject to non-disclosure obligations.

The fact that the affidavit evidence submitted by two Japanese attendees was presented in very similar format and similar language did not reflect any lack of veracity or indicate that the affidavits were not the work of the attendees themselves. Rather, it was considered to be the inevitable consequence of the use of a standardized format for the production of such affidavits, the similarity of the wording reflecting the fact that both affidavits were accounts of the same event. The use in both of ‘textbook’ to refer to what were in fact the handouts issued at the conference, was considered to be a mere translation error.

T 1488/06 A statement of grounds of appeal must be a self-contained document which sets out all the relevant issues. A simple reference to the contents of earlier correspondence does not comply with the requirements of the EPC.

The grounds submitted by opponents consisted of a brief letter which stated that the arguments were the same as those previously provided in two earlier letters bearing specified dates, both of which had been cited incorrectly. While the Board considered the correction of the dates to be a minor matter, the Board observed that the purpose of filing grounds was to allow the Board to consider the issues without having to make a detailed investigation of its own. The appeal was refused because no statement setting out the grounds of appeal had been submitted.

T 0119/05 A claim as amended may claim a range of values which lies outside what was originally stated to be the range of preferred values. It is sufficient that the later-claimed range lies within the range contemplated as a whole.

The invention related to bullet-proof armour in general, consisting of a mixture of different fibre types selected from respective ranges of sizes. 'Soft' armour [for clothing] used one preferred range, 'hard' armour [for vehicles] another range. The claims as amended during examination were restricted to a bullet-proof vest containing ranges of fibres which lay outside what were originally said to be preferred ranges, but were within the range envisaged as being within the invention. The fact that the bullet-proof vest now claimed included fibres in a range outside the preferred limits for such items was not relevant, as the claims did not refer to soft or hard armour. The opponent's arguments that the skilled person would only seek to try values in the preferred ranges were not accepted. There was explicit disclosure in the original application for the ranges now claimed.

T 0363/05 A claim which specifies a range of values which are dependent on the test conditions, is insufficient if the specification as a whole does not teach the conditions under which the measurements are to be made.

The invention related to chewing gum. The claim included a reference to the gum stick 'having a stiffness ranging from 15 to 66 Taber units'. The description was silent as to the conditions under which the stiffness test was to be performed. Evidence from the opponents was that the Taber test was developed for measuring the properties of paper products, and that the stiffness of gum would vary greatly with parameters such as temperature, humidity, and thickness of the gum stick. The applicants argued that the Taber test had been used for gum for over 50 years, but were unable to produce any published dated documentation in support. The application was refused for insufficient disclosure under **Art 83 EPC**.

UKIPO News

UKIPO consults on fast-track patent and trade mark application processing

A public consultation has been launched by the UK Intellectual Property Office, arising from recommendations in the Gowers Review of Intellectual Property, see our Newsletter #8.

If agreed, for **patents** fast-track processing will be available *as of right* (i.e. no reason need be given) on payment of a fee, proposed to be in the range of GBP 400-600. In such a system the Office will expect to Issue a first search and/or examination report within three months of request; process amendments within five working weeks of receipt; and expedite processing using telephone and/or email. It states that it should be possible to take an

The Editor or your usual K&S advisor would be pleased to receive your comments on these proposals. Would you or your clients wish to make use of fast-tracking?

application from its filing date to grant in about **1 year**.

For **trade marks**, the consultation proposes a new system which will enable applicants to request

examination within 10 business days as opposed to the 4-6 week time a standard application will take, at a premium fee of GBP300. For this, the Office will examine new trade mark applications within 10 business days of receiving a correctly completed application together with the correct fee. After that, progress will depend on the nature of objections, if any. An application for fast track examination must be filed electronically and 'series' applications will not be accepted for fast track processing.



Major change in UK Trade Mark Examination Procedures

The basics

As mentioned in our Newsletter #9, **October 1, 2007** will have seen the introduction of radically different official procedures in the examination of UK trade mark applications. As from that date, the UK Intellectual Property Office will no longer have the power to refuse applications, pending or new, on the basis of earlier rights it has found in its official search ('relative grounds'). The procedure will change from a search-and-refuse system to a **search-and-notify** one: owners of conflicting earlier rights will be officially notified of the existence of the newly examined application in time for these owners to oppose it if they wish. Examination on formal and absolute grounds will continue as before.

This system is essentially similar to the current system for Community trade marks ('CTMs').

The existing powers of the Office to refuse applications after acceptance in opposition proceedings will not change.

The changes in detail

Searching will continue as before and we are promised that the current high standards will be maintained. The Office will send the results of its search – if anything is found – to the applicant or its representatives as before. However, the search report will not contain a refusal. Instead, a single (but extendible) two-month opportunity will be given to the applicant to contest the inclusion of any particular item in the search report.

The applicant's response may include an argument to deny the likelihood of confusion between the mark of the application and its goods and/or services with those of the mark(s) in the search report as well as a restriction of its own goods and services. The applicant may also ask for a suspension while it seeks an accommodation, e.g. a letter of consent, with the owner of the prior right.

The Office response: after considering the Applicant's response, the Office will make a

final decision. It will then proceed to accept and publish the application with the search report which will not contain item(s) successfully contested by the applicant's response. Its decision in this respect is not appealable.

The current inextendible **three-month** opposition will remain but in addition:

(i) owners of prior UK national and International (UK) marks in the search report, (unless they have **opted out** of the system), will be **automatically notified** at the address for service specified in their earlier registration of

◇ **Another date for your diary**



the publication of the application and the expiry of the opposition period; and

(ii) owners of prior CTMs and International (EU) marks will be notified **only if they opted into** the notification system. To **opt in** in respect of any one CTM or International (EU) mark, the Office requires a fee of **GBP 50**; this fee provides for the sending out of notifications for **3 years** (after which a fresh fee for a like period is required, if the owner so chooses).

(iii) Please ask your usual Kilburn & Strode advisor for further details of the opt-in/opt-out procedures and our associated charges.

Opposition

Although this article is primarily about changes in pre-acceptance Office practice, there is also a significant change in law as to **who may oppose**:

as from **October 1, 2007** an opponent may only rely on **its own rights** if opposing on relative grounds (and not anyone else's, as until now). Licensees will have 'intervener' rights.

Reminder: by a recent change in law where an opponent relies in its opposition on an earlier right which has been registered for **5 years** or more at the date of publication of the later application, the opponent is required to state whether, and if so, for what, the earlier mark has been used and the applicant has the right to ask for proof of such use.

◇ **Owners of prior CTMs must decide whether to opt in**

Recommended action for trade mark owners

1. If you have had an application refused in the UK in the past on relative grounds and you were not able to overcome the refusal either by argument or by obtaining consent from the owner of the prior right, it may well be worth **trying again**: the Office will not now refuse the new application and the prior owner may well decide not to oppose or be prompted to enter into meaningful negotiations. (If the prior mark was a CTM, its owner may not have opted-in and thus not be notified, a fact that can be established by inspecting the UK website).

The previous obstacle may in any case have disappeared e.g. because it has lapsed or been restricted.

2. Owners of prior CTMs and International (EC) marks must decide whether to opt into the notification system at the cost stated above.

3. Owners of prior CTMs and International (EC) marks may already have a watching service in place and may not need to opt in to the notification system. Owners who do not make use of a watching service should now consider doing so (if appropriate, on a wider geographical scale than just the UK). We can help to arrange such a service.

4. Owners of prior UK and International (UK) marks who do not wish to receive these notifications (e.g. because they already maintain a watch) may **opt-out** of it by a simple letter to the Office. An opt-out may be rescinded subsequently.

For further details on the changes you may like to go to the official web page <http://www.ipo.gov.uk/tm/t-decisionmaking/t-law/t-law-pan/t-law-pan-pan807.htm>; or better still, ask your usual Kilburn & Strode advisor.

Non-use of Trade Marks



Lidl Stiftung & Co. KG (Lidl) owned a word and figurative mark 'Le chef DE CUISINE', registered in Germany in July 1993. The mark was also protected in Austria from 12 October 1993 under its international trade mark registration, which was published on 2 December 1993.

◇ **The ECJ were asked to clarify 'proper reasons for non-use'**

On 5 November 1998 Lidl opened its first supermarket in Austria, in which it sold ready-made meals bearing the mark 'Le Chef DE CUISINE'. On 13 October 1998 Mr Häupl sought to cancel the mark in Austria on the ground of non-use.

Eventually, the ECJ was asked to clarify 'proper reasons for non-use' for five years, and whether there are proper reasons for non-use of a mark if the implementation of the corporate strategy being pursued by the trade mark owner is delayed for reasons outside the control of the undertaking, or whether the trade mark owner obliged to change his corporate strategy in order to be able to use the mark in good time.

The ECJ made the following points in response to the question:

- **The Trade Mark Directive** did not give any indication of the nature and characteristics

of 'proper reasons'. However, under the TRIPS Agreement circumstances arising independently of the will of the trade mark owner, which constituted an obstacle to the use of the mark, were to be recognised as valid reasons for non-use. The definition in the TRIPs Agreement was a factor in the interpretation of the concept under the Directive.

- The obstacles concerned must have a direct relationship with the mark. However, the obstacles did not have to make the use of the trade mark impossible; a sufficiently direct relationship could also make its use unreasonable. As an example, the ECJ commented that the proprietor of a trade mark could not reasonably be required to sell goods in the sales outlets of its competitors.

In conclusion, the ECJ held that **Article 12(1)** must be interpreted as meaning that obstacles having a direct relationship with a trade mark, which make its use impossible or unreasonable and which are independent of the will of the proprietor, constitute 'proper reasons for non-use' of the mark. It was for the national court or tribunal to assess the facts in the main proceedings in the light of that guidance.

Shop names and trade marks – no retail therapy*

Two French companies had traded clothes under the name CELINE for over 50 years. The first company, Céline SA, had a trade mark registration that was filed in April 1948 for clothes and shoes. The second had registered a clothing business trading as CELINE in Nancy in 1950 - the business was operated out of a shop called CELINE, but did not brand its clothing CELINE.

The question before the ECJ was whether the Nancy shop infringed and if so, whether it had a legitimate defence under the **TM Directive 89/104/EEC**.

The ECJ **held** that...it all depends! Actually, it held that there was use of a sign in relation to goods where the sign was used in such a way that a link was established between the trading name (for example, the shop or company name) and the goods marketed or services provided. Whether the use made in this case affected, or

was liable to affect, the essential function of the registered CELINE trade mark was a question for the national court.

The question for the national court was whether such use was in accordance with (the defence of) honest practices, which required consideration of, in particular, the risk of a significant proportion of the relevant public linking the goods or services of the trade mark owner and the third party; and the extent to which the third party ought to have been aware of the public perceiving a link.

**Céline SARL v Céline SA; ECJ Grand Chamber; Case C-17/06; September 11, 2007*

◇ **Infringement by shopping bag?**



Not all members of a family are equally important*

FMG applied to register as a Community trade mark a composite sign including certain graphics and the word 'Bainbridge'. Ponte opposed, citing a number of its earlier Italian trade marks for the word mark THE BRIDGE and two families of marks, one figurative and one three-dimensional, for similar goods but many of these had never been used while others were less than 5 years old. Ponte lost successive appeals on a variety of grounds, including likelihood of confusion with its families of marks. The matter came before the ECJ which dismissed the appeal, holding that

1) by its rules it cannot substitute its own assessment of the facts of similarity of marks for that of the CFI, the lower tier of the ECJ which is the final arbiter of facts;

2) no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or

series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a 'family' or 'series', the earlier trade marks which are part of that 'family' or 'series' must be present on the market.

It is what we always thought, but nice to have it confirmed...

**Case C-234/06 P, Il Ponte Finanziaria SpA v OHIM, FMG Textiles Srl; ECJ, September 19, 2007*

◇ **The Bainbridge Mark**



The right approach to comparing composite marks

In two major instances the ECJ had to overrule its own lower court, the CFI, for departing from the one true path:

◇ **The CFI had wrongly applied the law**



Marks: Limoncello (the composite mark shown on the left) v (C-334/05 P, *OHIM v Shaker di L. Laudato; Limiñana y Botella, SL.*, June 12, 2007). The goods were similar. The CFI concluded that the round dish decorated with lemons

was the dominant component of the figurative mark; the word elements were not dominant and were therefore not considered during the CFI's analysis. In the successful appeal the ECJ held that the CFI had wrongly applied the law by only considering the dominant element of the figurative mark, i.e. it had failed to carry out a global assessment of the likelihood of confusion. The ECJ noted that the assessment of similarity can focus on one dominant characteristic only when all other parts of a mark are negligible (which was not the case here).

In Case C- C-193/06 P, *Société des Produits Nestlé SA v OHIM (Quick Restaurants SA)*,

September 20, 2007 followed *Limonchelo*. The applicant's mark was for the word *QUICKY* with a drawing of a fairly large rabbit atop. The words and graphics were of, roughly, equal size. The opponent's marks were *QUICKIES* and *QUICK*; the goods were deemed similar. The CFI, while paying lip service to the global assessment test at the outset of its analysis, then stated that there is a likelihood of confusion where a complex mark, leaving aside the figurative element, has a verbal element which is identical or similar to an earlier word mark unless that word element is subsidiary to the non-verbal element. Once such a similarity between the verbal element is established, the next step, said the CFI, is to examine whether the additional figurative/graphic element is capable of imparting a sufficient visual differentiation to overcome the position established by the word elements, i.e. whether the additional figurative/graphic element is a dominant element of the composite in the mind of the public or whether its distinctiveness is equal to or lower than that of the verbal element.

The ECJ condemned this approach and referred to its own *Limoncello* case.

Confusion over similarity leading to confusion

◇ **Similar, but... not?**

The CFI and OHIM Boards of Appeal continue to confuse us with their disparate logic of what constitutes similar goods.

Thus in a case involving trade marks *PIRAÑAM + graphics v PIRANHA**, In assessing the similarity of goods for the purpose of **Article 8(1)(b) CTMR**, the nature, intended purpose, method of use, distribution channels and whether or not the goods are in competition with each other or are complementary will all be relevant considerations. The class 25 goods specified in the application (namely clothing, footwear, headgear) and those in class 18 of the earlier mark are often made of the same raw material (leather or imitation leather). However, this factor alone was **not sufficient** to establish that the goods are similar.

A first group of class 18 goods (leather and imitation leather goods not included in other classes) included handbags, purses and wallets which were often sold via the same distribution channels as goods in class 25. Such goods are

often coordinated in a particular way depending on the particular consumer and the purpose for which the 'look' is assembled. The **4th Chamber** of the CFI held that goods designated by the figurative mark in class 25 showed a degree of similarity, which was more than slight, to those goods in the first group of class 18. OHIM was wrong to find that there was no likelihood of confusion solely on the basis of a comparison of the goods concerned.

*Case **T-443/05**, *El Corte Inglés SA v OHIM*; *Juan Bolaños Sabri*, July 11, 2007

But contrast this with the judgment of the same court **on the same day** (though a differently constituted panel of judges forming its **2nd Chamber**) in three related cases involving *Mülhens GmbH & Co. KG***.

The Italians' applications were for (i) the word mark 'TOSKA' for bags, leather and imitation leather bags and accessories; (ii) a slightly stylized word mark *TOSCA BLU* for bags, handbags, travelling bags and leather accessories as well

as clothing for men, women and children; (iii) another stylized and visually dominant word mark TOSKA LEATHER, also for bags, leather and imitation leather bags and accessories.

Mühlens opposed each application on the basis that its *unregistered* word mark TOSKA was allegedly well-known in Germany for perfumes, eau de toilette, eau de Cologne, body lotions, toilet soaps, and shower gel.

The CFI found that the public is accustomed to fashion industry products being marketed under perfume trade marks and appearing together in fashion magazines, but this was not sufficient to compensate for the absence of similarity between



the goods. It did not establish that the leather and clothing goods are so closely linked as to mean that one is indispensable or important for the use of the other so that consumers

would consider it ordinary and natural to use those goods together. The CFI held that there was **no similarity** between three Italian applicants' marks and Mühlens' earlier unregistered mark.

** *Mühlens GmbH & Co. KG v OHIM*; (i) **Case T-263/03 Conceria Toska Srl**; (ii) **Case T-150/04, Minoronzoni Srl**; (iii) **Case T-28/04 Cara**; all July 11, 2007)

And just one day later*... the same court had to compare the goods 'wines' under the sign and 'glassware' under the pure word mark WATERFORD. The CFI held that when assessing a likelihood of confusion an assessment must be made of the nature of the goods, their intended purpose, their method of use and whether they are in competition with each other or are complementary.

◇ Mühlens opposed each application

Although glassware may occasionally be sold together with wine, or given away with wine for promotional purposes, there was no evidence that this was of any significant commercial importance. The mere fact that there is some degree of complementarity between some glassware in that they are used for drinking wine, this is not sufficient to confuse the average consumer.

* *Assembled Investments (Proprietary) Ltd v OHIM; Waterford Wedgwood plc*, Case **T-105/05**, June 12, 2007

As they say in the USA, 'go figure'; or 'predictions are notoriously difficult – especially of the future'....of what the CFI may decide next!

Comparative advertising – a human right or a dog's breakfast*?

In an ad, VetPlus claimed that Boehringer's Seraquin® contained much less active ingredient than stated on its label. The evidence was that the label claim was not met.

An 1891 case, *Bonnard v Perryman*, established that the courts will not restrain the publication of a defamatory statement where the defendant says s/he is going to justify it at the trial of the action, except where the statement is obviously untruthful and libellous. Boehringer submitted that this rule does not apply to trade mark infringement; instead the court should apply the normal rule in *American Cyanamid v Ethicon*.

The ever-busy **Jacob LJ**, agreed because a trade mark registration is to protect a property right; it is not a claim to protect the claimant's reputation. Furthermore, although there is an important issue of free speech involved in comparative advertising, other complex factors are also involved, in particular that the defendant has a commercial interest in diverting trade to itself. He

then further held that the 'general threshold' established for the purpose of **Section 12(3) Human Rights Act 1998**, i.e. that the plaintiff/claimant will 'probably succeed' at trial, should also be the general rule for trade mark infringement in a comparative advertising case. Unless a trader can show that it is more likely than not that a disparagement is wrong and misleading, then rivals ought to be free to say that which they honestly believe.



◇ Eat up... the label claim was not met

* *Boehringer Ingelheim Limited and others v Vetplus Ltd.*, [2007] EWCA Civ 584; June 20, 2007

Is Passing off a Mr as a Miss a human right or an infringement*?



The owners of Community TM registration 'Miss World' and of the rights in the Miss World competitions sued a TV company about to put on a programme entitled 'Mr Miss World'

◇ 'And the winner is...'

about a transsexual beauty pageant in Thailand. There could be very little argument against a finding of infringement of the owners.

The claimant asserted that even if members of the public were not confused into the belief that the defendant was transmitting a Miss World production, they would still associate it with the claimant's product; the use of the mark was free-riding on the claimant's reputation, which was unfair. The defendant accepted that the Miss World mark had a reputation, but argued that, since the case involved

publication of a television programme, **Article 10 of the European Convention on Human Rights** and **Section 12(3) of the Human Rights Act 1998** applied, i.e. the right to freedom of expression. Moreover that Act provides a presumption that no interim injunction should be granted in such cases.

Pumfrey J noted that the jurisprudence of the European Court of Human Rights has always attached greater importance to political expression than to commercial expression. The relief sought here was not to restrain broadcast of the programme, but to do so using the words 'Mr Miss World'. He was satisfied that there was a strong arguable case of unfair trading on the goodwill and repute of the Miss World mark. The programme may leave a lasting impression, undesired by the claimants, and which could affect their relationship with sponsors. Editing the programme so late before the scheduled transmission would be difficult but possible. The overall picture seemed to be one where an injunction was appropriate.

**Miss World Limited v Channel 4 Television Corporation, [2007] EWHC 982 (Pat); April 16, 2007*

Designs News

European Union joins 'International' design system



It is widely expected that as of **January 2008**, the European Union's Community registered designs system will be linked to WIPO's international designs system, to be more précis, by acceding to the Geneva Act of the Hague Convention. What this means in practice is that applicants from signatory states will be able to designate 'The European Community' as a single designation in their international design applications; this is broadly analogous to designating the European Community in a so-called Madrid Protocol international trade mark application.

What is the “relevant sector” for balls?*

Green Lane sold laundry balls which are placed inside a tumble dryer in order to soften fabrics without the need for chemicals. The balls were sold in a package of spiky blue and pink pastel plastic balls. They were reputed to reduce drying time by 25%. A selection of laundry balls is depicted opposite.

Green Lane registered its designs as Community registered designs, the certificate of registration described the products as ‘flatirons and washing, cleaning and drying equipment’.

In August 2001 PMS marketed similar balls extensively in the European Union and elsewhere from 2002, as ‘massage balls’, not laundry balls. In October 2006 PMS realised that the tool from which their massage balls were made could also be used to make laundry balls and marketed them as such. Green Lane alleged PMS would infringe their design rights if they continued to sell their product for anything other than use as massage balls. PMS were unconvinced that Green Lane’s design registrations were valid since spiky balls were a known design before the date of Green Lane’s registrations.

Article 7 of the Regulation deprives a design of

protection if it had already been made available to the public at the time when registration was sought,

‘except where these events could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community.’

In this context a preliminary issue arose as to what was the ‘sector concerned’ in this case? According to Green Lane it was only the sector covered by the product class specified in the registration. PMS disagreed: in their view the relevant sector consisted of or included the sector of the alleged prior art.

Lewison J, holding for PMS, agreed that the ‘relevant sector’ was the sector that included both the sector of the alleged prior art and the sector defined by the designation in the registration.

** Green Lane Products Ltd v PMS International Group Ltd and others [2007] EWHC 1712 (Pat), July 19, 2007*



◇ **Article 7 of the Regulation deprives a design of protection**

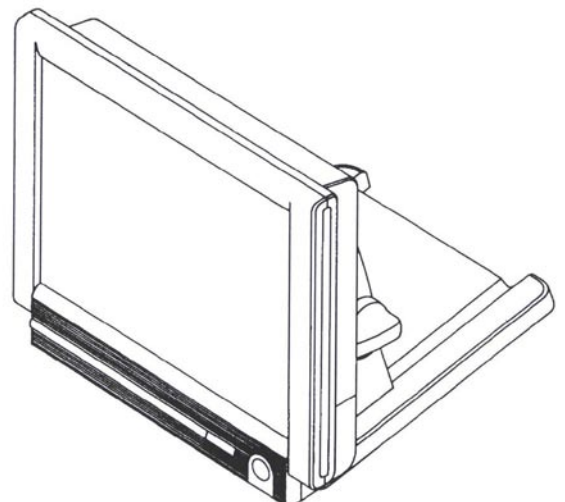
OHIM meddling with Product Indication to end?*

One of the recurring complaints of practitioners against OHIM’s Designs Department has been the high-handed way, brooking no argument, its officials have been changing the product indications submitted by applicants. Indeed, this was an officially announced policy. OHIM’s justification was that the exact wording has no legal significance. In this case, Casio discovered that without being told the examiner removed the words ‘point of sale’ from ‘data processing equipment’ and refused to reinstate them.

On appeal to an OHIM Board of Appeal, the Department was overruled. It is clear from decisions in conflicts between registered designs (e.g. of logos) and earlier trade marks as well as a variety of other situations (e.g. in the determination of the appropriate ‘informed

user’) that the product indication can have legal consequences. In addition, OHIM violated Casio’s right to be heard. The appeal was therefore allowed and in its latest newsletter OHIM acknowledges that this ruling will have consequences for it.

**R 1421/2006-3 ‘Cash Registers/CASIO’, July 5, 2007*



Look and feel infringement*

Nova had produced a successful coin-operated video game based on pool which allowed players to win cash prizes. Mazooma also produced video games based on pool. There were some similarities but the games ‘looked



and felt’ quite differently when played. The defendants never had access to the claimant’s source code, but had the chance to play Nova’s game. Nova lost in the High

Court and appealed to the Court of Appeal.

The images stored as graphics in a program are protected by copyright as *graphical* works. But the Court of Appeal’s analysis of the status of a *sequence* of such images was that moving images were protected by *film* copyright and a

series of still images was protected in the same way as a single still, namely as graphical works.

The source code is protected as a *literary* work. The question was how far copyright would go in protecting the *idea* behind the source code. The Court of Appeal held that copyright in the case of computer programs protected skill and labour that went into the programming, not the work that went into the idea(s) behind the program.

The Court of Appeal said:

‘Merely making a program which will emulate another but which in no way involves copying the program code or any of the program’s graphics is legitimate’.

So simply copying or emulating what a program does and the way it does without copying the source code is not an infringement of copyright in that program.

Nova Productions Ltd v Mazooma Games Ltd (Sir Andrew Morritt, Jacob and Lloyd L.J.J.; [2007] EWCA Civ 219; March 14, 2007)

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Movers & Shakers



Gareth Fennell

Gareth Fennell has been promoted to the partnership as from October 1, 2007. Our heartiest congratulations to him. Gareth has been making a number of presentations for the Chartered Institute of Patent Attorneys on 'EPC2000', see this issue. He qualified as a Chartered Patent Attorney and European Patent Attorney in 2003.

Following recent exam results, we are pleased to announce that **Emily Phillips** has been appointed an Associate of the Firm. Emily graduated with a MSci Honours degree in Natural Sciences (Physics) from University of Cambridge in 2001 and entered the profession in 2002. She joined Kilburn & Strode in 2006.



Emily Phillips

Conferences & Events



Nick Lee

Nick Lee and **Monika Rai** attended the Bangalore Bio 2007 conference in India, billed the 'flagship biotech event of India', basking in 47°C temperatures, and also met with clients and contacts in and around the Delhi area. This year's focal theme for Bangalore Bio was 'Think BIG' (Biotechnology, Innovation, Growth).



Nick Bassil

Nick Bassil, **Carrollanne Lindley** and **Bill Neobard** attended BioKorea this year. Those visiting could find them mingling with delegates by the Kilburn & Strode exhibit. **Bill**, ever busy, also met with clients and contacts in Boston and Denver.



Gwilym Roberts

Gwilym Roberts took a whirlwind tour of Korea and Malaysia, meeting with contacts and promoting his book, *A Practical Guide to Drafting Patents* (published by the EIPR). The book is [available here](#). He is delighted to have been elected President of the UK Group of UNION, an influential pan-European organisation of private practice and employed IP attorneys.

Gwilym will also speak at the forthcoming congress of the Chartered Institute of Patent Attorneys (November 1-2) on his favourite topic of good drafting in the form of an interactive drafting workshop

In June, partners **Michael Maggs** and **Jim Miller** visited contacts in Japan.



Michael Maggs



Peter Hale

Peter Hale and **Richard Howson** flew out to sunny California to meet with new

client Boeing and various other contacts. Their meetings were interspersed with a walk down Hollywood Boulevard (who says men can't shop?).

Kristina Cornish has been appointed to the editorial committee overseeing the prestigious monthly Journal of the Chartered Institute of Patent Attorneys.



Kristina Cornish

Tibor Gold is a speaker at the Pharmaceutical Trade Marks Group Conference, Budapest, October 3-6, reviewing European jurisprudence on who is the average consumer for pharmaceutical goods. His presentation is available on request. He is also very pleased to announce that he has been appointed Visiting Professorial Fellow at Queen Mary Intellectual Property Research Institute, University of London.



Tibor Gold

Alison Care attended the 35th annual Intellectual Property Owners conference in New York City. She met with several of Kilburn & Strode's clients and contacts, as well as new contacts. American billionaire Donald Trump was also in attendance to give his view on "Trademark Trolls".



Alison Care

K&S Welcomes...



Heather Chapman

Heather Chapman joins Kilburn & Strode as a trainee patent attorney. Heather graduated with a MEng in Engineering and Materials Science from Oxford University in 2004. She entered the patent profession in 2006 after obtaining an MSc in Management of Intellectual Property from Queen Mary College, University of London, where she achieved a distinction in patents. She is specialising in the fields of information technology, electronics and physics.



Yvonne Berman

Yvonne Berman joins Kilburn & Strode as a trainee trade marks attorney, currently working towards qualification. A qualified barrister, Yvonne spent time in private practice before moving into industry. She joined K&S in September.

In addition, **Sharon Kirby** joins the trade marks group as a Trade Marks Assistant. Sharon began her career in legal publishing. After studying for an LLM in Intellectual Property and Media Law, she started training as a Trade Mark attorney in private practice. Sharon qualified in 2006.

Kilburn & Strode branches out

Kilburn & Strode is pleased to announce the opening of a second UK office as a result of the significant growth in our client base over recent years. The new office is based in the historic city of St. Albans, at the centre of the “Research Golden Triangle” of Oxford, Cambridge and London - all three cities, incidentally, having world class universities for whom we are proud to act. The St. Albans Office is led by IT Partner **Michael Maggs** and Life Sciences Partners **Paul Chapman** and **Nick Lee**, and Associate **Elizabeth Crooks**.

◇ **Leading our new office**



Michael Maggs



Paul Chapman



Nick Lee



Elizabeth Crooks

And finally...



Richard Ashmead

Richard Ashmead retired as a Partner of the Firm at the end of September, although he remains with us as a consultant. Richard qualified as a patent and trade mark attorney in 1976 and became a Partner of Kilburn & Strode in 1979. He represented Kilburn & Strode at the ITMA meeting in Treviso, Italy at the end of September.

The Partnership

[Nigel Jennings](#)
[Chris Rees](#)
[Michael Maggs](#)
[Peter Hale](#)
[Paul Chapman](#)
[James Miller](#)
[Kristina Cornish](#)
[Gwilym Roberts](#)

[Nick Hedley](#)
[Nick Bassil](#)
[Nick Lee](#)
[Carrollanne Lindley](#)
[Tim Copsey](#)
[Bill Neobard](#)
[Gareth Fennell](#)

(Click names for online profiles)

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If you would like further information about any article in this newsletter, please contact the Editor, who welcomes all communications. Refer to the address details below, or email editor@kstrode.co.uk.

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