

# Contego Intellectual Property

**A quarterly update from Contego Intellectual Property of IP related news from the UK, Ireland and Europe**

## Our Expertise

- Trade Marks;
- Designs;
- Copyright;
- Confidential Information;
- Passing off;
- Trade Name Disputes;
- Competition;
- Exhaustion of Rights;
- Franchising;
- Freedom of Information;
- Domain Name Disputes;
- Anti-Counterfeiting;
- Data Protection;
- Image Rights;
- Database Rights.

## Cheaper Intellectual Property disputes in the United Kingdom

In 1987, the UK government set up the Patents County Court (PCC) to provide a more affordable alternative to the High Court for litigating Intellectual Property disputes.

Despite its laudable aims, the PCC however never attracted a significant number of cases and was proving to be unsuccessful.

With the subsequent implementation of new Civil Procedure rules, litigants were finding that there was little difference in costs between the PCC and the High Court.

Change however came about in June 2009 when the Intellectual Property Users Committee (IPCUC) proposed reform of the PCC to bring it back into line

with its founding objective.

As a result of IPCUC proposals, a limit of £500,000 (excluding interest) has now been placed on the value of claims brought before the PCC. Recoverable costs are also capped at £50,000.

Discussion amongst IPR stakeholders are also currently on-going about introducing a 'small claims track' for minor IP disputes.

Cases before the PCC must be fully set out at the start of proceedings. Further evidence can only be filed with the permission of the judge hearing the case. A case before the PCC is also less likely to take as long as one before the High Court.



As a firm of specialist IP lawyers, Contego has full rights of audience before the PCC.

If you would like further information, please email us at [contego@contegoip.co.uk](mailto:contego@contegoip.co.uk).

## Irish Bread wars

One of the most significant cases decided by the Irish High Court this year was that of *McCambridge Limited v Joseph Brennan Bakeries Limited*. The case concerned a Passing off claim by McCambridge Bakeries against its competitor, Joseph Brennan Bakeries.

McCambridge claimed that Brennans deliberately copied the packaging of their whole-wheat brown bread product in order to cause confusion amongst consumers.

The court found in favour of

McCambridge and held that consumers could confuse the packaging of the rival products, particularly when sold side by side on a shop shelf. The Court also took into account that the purchase of bread by the average consumer does not require much attention.

While the Court accepted there were visual differences in the rival products, the overall appearance on a 'first impression' for the average consumer was crucial.

This case is significant because



Courtesy of 9nong

the Court appears to have been influenced by the Design concept of 'overall impression'. This shows that the Irish courts are prepared to adopt a flexible attitude when deciding Passing off cases.

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## Single colour Trademarks - a rare success.



Courtesy of [Arvind Balaraman](#)

The well known chocolate confectionery company, Cadbury has succeeded in registering the colour purple (Pantone 2865c) as a Trade Mark in the United Kingdom for *chocolate in the form of bars and tablets, eating and drinking chocolate and preparations for making chocolate products*. Cadbury's application for registration had been contested by its competitor, Nestle.

Cadbury was however unsuccessful in convincing the UK Intellectual Property Office

(UKIPO) that the colour purple was distinctive enough to warrant registration in respect of *cakes and boxed chocolates*.

Cadbury's partial victory is significant because businesses that seek to register single colours as Trade Marks normally face a real challenge.

Both the UKIPO and the European Trademarks and Designs Registration Office (OHIM) impose a significant evidential burden on

businesses seeking to register single colour Trade Marks. To succeed it is necessary for the applicants of such Trade Marks to convincingly demonstrate that consumers see the colour in question as being an indicator of commercial origin.

In the case of Cadbury, the UKIPO was satisfied that, because of significant long term use and recognition, the colour purple was associated in the minds of consumers with Cadbury.

## Counterfeit goods in transit through the European Union

*Non Community goods which bear a CTM and are subject to customs supervision in a Member State and in transit from one non EU Member State to another may only be seized if there are sufficient grounds for suspecting they are counterfeit and are to be put on the market in the European Union*

The Court of Justice of the European Union (CJEU) has recently ruled that products in transit through the European Union which are unauthorized imitations may only be detained by the relevant customs authorities if it can be shown that the products were or will be subject to trade within the European Union.

The CJEU's ruling comes off the back of a previous ruling that the transit of product imitations through the European Union destined for a

non EU country did not infringe trademark or design rights in the transit country.

The CJEU stated that goods in transit only infringed national or European IP rights if there was evidence that the products would be subject to an act of trade in the country through which they were being transmitted.

The CJEU acknowledged that the evidential burden on the holders of European based IPRs was heavy. Yet this, nor the risk to consumers from unsafe

counterfeit goods could not overcome the strict rules which regulate products under customs surveillance.

With the ruling from the CJEU, there is a danger that the European Union will be recognized as a valuable gateway to counterfeiters seeking to transit their goods to other countries. This cannot help in the worldwide on-going battle against the counterfeit industry.

## Right of in-house lawyers to litigate is curtailed



Courtesy of [Salavatore](#)

In a case that may have significant implications for European IP in-house lawyers, the General Court of the European Union (GC) in *Prezes Urzedu Komunikacji Elektronicznej ("UKE") v European Commission, Case T226/10* rejected an application from a Polish electronics communications company on the basis that it was made by one of its in-house lawyers.

The GC's decision is based on

a perception that in-house lawyers are not as independent as those in private practice.

The decision from the General Court comes off the back of the earlier ruling by the higher Court of Justice of the European Union (CJEU) in the *Akzo Nobel Case C-550/07* that legal professional privilege does not apply to in-house lawyers in anti-trust cases.

Also, in *EREF v Commission, Case C74/10*, a lawyer who was a company director was refused a hearing before the court because of his status.

As a result of the above cases, companies contemplating proceedings before the courts of the European Union should instruct external lawyers. Care should also be taken that strategic and sensitive legal advice is provided by external counsel to gain the protection of legal professional privilege.



## An Irish solution to illegal downloads

On 29th February 2012, the Irish Minister for Research and Innovation signed into Irish law the European Union (Copyright and Related Rights) Regulations 2012.

The Regulations have been implemented to close a loophole under Irish copyright law which came to light in a number of cases by IPR holders against Internet Service Providers (ISPs), notably Eircom and UPC. In the Eircom case, Eircom agreed to adopt a 'three strikes' rule whereby its customers would have their Internet access cut off if they persisted in illegally downloading protected material. The Irish High Court also granted an unopposed injunction against Eircom.

The second case was taken against UPC and it decided to challenge the application for an injunction to force it to implement technical measures to block unauthorized downloads. The Court refused the injunction because there was no provision in Irish law to force ISPs to implement technical measure to stop illegal downloading.

Effectively Ireland was in breach of EU Copyright Directive 2001/29/EC which obliges EU Member States to ensure that:

"... right holders are in a position to apply for an injunction against intermediaries whose services are used by a third party to infringe copyright or related right"

The Irish government's hand was forced because major record labels then sued the Irish state due to its failure to fully implement the terms of the EU Copyright Directive.

As a result of the amendment to Irish Copyright law, Irish courts now have the power to grant injunctive relief to IPR holders against ISPs that fail to take the necessary technical measure to stop illegal downloading. The measure has met with some criticism from digital rights activists, but it is likely to stand in view of Ireland's obligations under EU law.

The relevant legislation in the United Kingdom is the Digital Economy Act, 2010.

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### Our location



Contego Intellectual Property (Contego) is a wholly lawyer owned boutique legal practice based in London that specializes in providing advice and assistance in matters of British, Irish and European Soft IP law.

Contego was founded in 2009 by two highly qualified and experienced lawyers who, between them, have acted for and advised some of the world's leading companies in Intellectual Property matters and issues.

Contego's lawyers have rights of audience before the UK Intellectual Property Office, the UK Patents County Court, the Irish Patents Office and the Trade Marks and Designs Registration Office of the European Union (OHIM).

We combine our knowledge of the law, with years of experience and a no nonsense approach, to provide strategic, focused advice about freedom-to-use and own, ability to stop others imitating, and how to achieve maximum value for key business assets: brands, designs, copyrights and related rights.

Contego rarely works on a 'time spent' basis and is therefore a strong advocate of 'Alternative Billing'. For further information about our fees and services, please email us at [contego@contegoip.co.uk](mailto:contego@contegoip.co.uk)

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