



## Intellectual Property in Transnational Litigation

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## What are we talking about?

- Copyright
- Trade Marks (H) & Passing Off
- Patents
- Trade Secrets & Confidential Information
- Design Rights – but not here.



## Frameworks and EU Impacts on IP & Enforcement: A Crash Course

Cameron and Johnson ....





## EU / UK Competence

Following on from the Treaty of Lisbon, the competence of the EU in the field of intellectual property is expressed more directly as Art. 118 of the TFEU. It provides:

In the context of the establishment and functioning of the internal market, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish measures for the creation of European intellectual property rights to provide uniform protection of intellectual property rights throughout the Union and for the setting up of centralised Union-wide authorisation, coordination and supervision arrangements.



## IP Frameworks

The Treaty on European Union provides (at Art. 4(3)):

... The Member States shall take any appropriate measure, general or particular, to ensure fulfilment of the obligations arising out of the Treaties or resulting from the acts of the institutions of the Union. ...



## IP Frameworks – Directives & Regulations

The Treaty on Functioning of European Union provides (at Art. 288 (ex. Art. 249 TEC), emphasis added):

*To exercise the Union's competences, the institutions shall adopt regulations, directives, decisions, recommendations and opinions.*

*A regulation shall have general application. It shall be binding in its entirety and directly applicable in all Member States.*

*A directive shall be binding, as to the result to be achieved, upon each Member State to which it is addressed, but shall leave to the national authorities the choice of form and methods.*

*A decision shall be binding in its entirety. A decision which specifies those to whom it is addressed shall be binding only on them.*

*Recommendations and opinions shall have no binding force.*



## European Communities Act 1972 (ECA)

- EU Treaties take effect.
- The ECA provides that agreements may be declared, by Her Majesty in Council, as an 'EU Treaty'. Such a declared 'EU Treaty' is then domestic law 'without further enactment': s. 1(3) ECA. A draft of such an order must also have passed both Houses of Parliament.
- Legislative instruments emanating from the EU itself are given effect through the ECA in one of two ways: direct implementation or transposition.



## Copyright (UK / Cayman)

- The Copyright (Cayman Islands) Order 2015
- Supplement No. 5 published with Extraordinary Gazette No. 22 dated 24th March, 2015.
- Extends Part I of the UK Copyright, Designs and Patents Act 1988 to Cayman, with suitable changes of wording (UK/EEA national to Caymanian Status holder, etc)
- UK / Interpretation of semi-harmonised rights: InfoSoc, Term, etc directives.



## Copyright – Protects .... ?

- Expressions of works of a number of types, but not ideas:

### *1 Copyright and copyright works.*

*(1) Copyright is a property right which subsists in accordance with this Part in the following descriptions of work—*

*(a) original literary, dramatic, musical or artistic works,*

*(b) sound recordings, films or broadcasts, and*

*(c) the typographical arrangement of published editions.*

*(2) In this Part “copyright work” means a work of any of those descriptions in which copyright subsists.*



## Works include...

### **3 Literary, dramatic and musical works.**

*(1) In this Part—*

*“literary work” means any work, other than a dramatic or musical work, which is written, spoken or sung, and accordingly includes—*

- (a) a table or compilation other than a database,*
- (b) a computer program;*
- (c) preparatory design material for a computer program and*
- (d) a database*

*“dramatic work” includes a work of dance or mime; and*

*“musical work” means a work consisting of music, exclusive of any words or action intended to be sung, spoken or performed with the music.*

*(2) Copyright does not subsist in a literary, dramatic or musical work unless and until it is recorded, in writing or otherwise; and references in this Part to the time at which such a work is made are to the time at which it is so recorded.*



## Trade Marks

- Generally protects words, marks, devices that highlight the origin of a product/service in certain classes.
- UK Trade Marks Act 1994
- Community/EU Trade Marks Regulation (2015/2424) (207/2009).
- Trade Marks Directives (EU) 2015/2436; 2008/95/EC
- Co-extensive/parallel registrations. See e.g. *Hearst v Avela* [2014] EWHC 439 (Ch).





## Trade Marks – TMA94 example

### **1 Trade marks.**

*(1) In this Act a “trade mark” means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.*

*A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging. ...*

..

### **9 Rights conferred by registered trade mark.**

*(1) The proprietor of a registered trade mark has exclusive rights in the trade mark which are infringed by use of the trade mark in the United Kingdom without his consent.*

*The acts amounting to infringement, if done without the consent of the proprietor, are specified in section 10.*



## **10 Infringement of registered trade mark.**

- (1) A person infringes a registered trade mark if he uses in the course of trade a sign which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered.
- (2) A person infringes a registered trade mark if he uses in the course of trade a sign where because—
  - (a) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered, or
  - (b) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered,  
there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the trade mark.
- (3) A person infringes a registered trade mark if he uses in the course of trade a sign which—
  - (a) is identical with or similar to the trade mark, and
  - (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered,  
where the trade mark has a reputation in the United Kingdom and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.



## Thomas Pink v Victoria's Secret [2014] EWHC 2631 (Ch).





## Thomas Pink v Victoria's Secret [2014] EWHC 2631 (Ch).



## Passing Off





## Passing Off: per Lord Neuberger in Starbucks (HK) v. BSKyB [2015] UKSC 31

[15] As Lord Oliver of Aylmerton explained in *Reckitt & Colman Products Ltd v Borden Inc* [1990] 1 WLR 491, "[t]he law of passing off can be summarised in one short general proposition – no man may pass off his goods as those of another". As he immediately went on to say, a claimant, or a plaintiff as it was then, has to establish three elements in order to succeed in a passing off action:

"**First**, he must establish a **goodwill or reputation** attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. **Secondly**, he must demonstrate a **misrepresentation** by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. ... **Thirdly**, he must demonstrate that he suffers or ... that he is likely to suffer, **damage** by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

...



## Passing Off: per Lord Neuberger in Starbucks (HK) v. BSKyB [2015] UKSC 31

[47] ... I consider that we should reaffirm that the law is that a claimant in a passing off claim must establish that it has actual goodwill in this jurisdiction, and that such goodwill involves the presence of clients or customers in the jurisdiction for the products or services in question. And, where the claimant's business is abroad, people who are in the jurisdiction, but who are not customers of the claimant in the jurisdiction, will not do, even if they are customers of the claimant when they go abroad.



## Patents

- Generally: Protects Inventions and products, eg machines and machine parts, tools, medicines.
- Patents Act 1977 / European (not EU!) Patent Convention (Grant)
- Patents need to be for inventions which are: (a) the invention is new (i.e. not part of the 'state of the art'); (b) it involves an inventive step (non-obvious to person skilled); (c) it is capable of industrial application (made/used); (d) the grant of a patent for it is not excluded (e.g. scientific theories, surgery methods etc).



## Patents and Trademarks Law 2011 (Cayman)

9. *The effect of the recording of an extension to the Islands of a right in or to a patent is to afford in the Islands to the owner of the right so recorded all the equivalent rights and remedies available to him in respect of such patent in the United Kingdom.*
  
10. *The effect of the recording of an extension to the Islands of a right in or to a trade mark is to afford in the Islands to the owner of the right so recorded, the protection and rights afforded to an owner of a trade mark by virtue of the Merchandise Marks Law (1997 Revision) and all the equivalent rights and remedies available to such owner in respect of such trade mark in the United Kingdom.*

## Imerman v Tchenguiz





## Trade Secrets / Confidential Information Lord Neuberger MR (AHTW) *Imerman v Tchenguiz* [2010] EWCA 908 at [69]:

In our view, it would be a breach of confidence for a defendant, without the authority of the claimant, to examine, or to make, retain, or supply copies to a third party of, a document whose contents are, and were (or ought to have been) appreciated by the defendant to be, confidential to the claimant. It is of the essence of the claimant's right to confidentiality that he can choose whether, and, if so, to whom and in what circumstances and on what terms, to reveal the information which has the protection of the confidence. It seems to us, as a matter of principle, that, again in the absence of any defence on the particular facts, a claimant who establishes a right of confidence in certain information contained in a document should be able to restrain any threat by an unauthorised defendant to look at, copy, distribute any copies of, or to communicate, or utilise the contents of the document (or any copy), and also be able to enforce the return (or destruction) of any such document or copy. Without the court having the power to grant such relief, the information will, through the unauthorised act of the defendant, either lose its confidential character, or will at least be at risk of doing so. The claimant should not be at risk, through the unauthorised act of the defendant, of having the confidentiality of the information lost, or even potentially lost.



## How do IP issues crop up?

- What has been happening?
- How can IP be used in multi-prong claims? See e.g. *Imerman v Tchenguiz*.
- What is covered?
- How does this evince itself?



## Gotchas & Typical IP Issues

- Ownership: e.g. buying the Group, forgetting the IP: bona vacantia. Contractors and employees. Hedge Fund Software. Algorithms.
- Going a touch too far: Threats Risk.
- Getting to the nub of it: Privilege against self-incrimination.
- Proving Misuse.
- Goodwill & passing off.
- Need for writing, Territories, Future Assignments and Variations.
- Third Parties and partial ownership.



## Enforcement Variations & Case Law

- Internet Blocking: a new frontier from our friends at *Cartier*;
- Self-incrimination: country-specific;
- Injunctive relief, NDAs and American Cyanamid, Araci;
- Particularisation and oppression.
- Calculating damage, taking an account of profits.
- The usual undertaking getting a workout.