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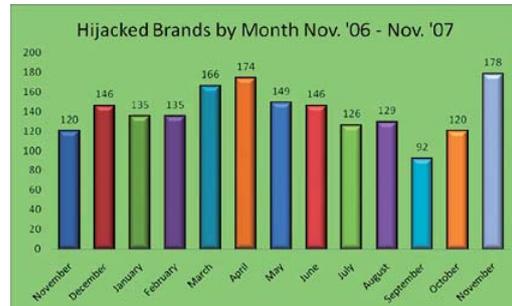
# CYBERSQUATTING'S (NOT) SO PASSÉ

In 1998, the *One in a Million* case *Marks & Spencer plc and Others v One in a Million Ltd and Others* provided much relief to brand owners in the UK and in other countries whose trade mark laws resemble those of the UK (eg South Africa, Australia, India, Singapore and a host of others). In that case cybersquatting was held to be an unlawful act that amounted to both trade mark infringement and passing off. Holding a domain name for resale to the rightful brand owner was using that domain name as "an instrument of fraud". Since 1998, brand owners have fought cybersquatting, generally, by quoting the *One in a Million* case (and subsequent others) with threats of Court, UDRP and/or Nominet action, mostly with success, as the law was fairly settled in this area. However, recent reports on cybersquatting indicate that the phenomenon is far from being under control with important implications for brand owners, licensor's and licensees.

revenue streams, differentiate or diversify their product offerings or for marketing purposes. The strength of any brand is dependant on that brand's ability to bring in repeat custom and degree to which it is exclusive within a product or service category. Strong brands are highly sought after by licensees and command significant royalties. Cybersquatting (in its various forms – see below) threatens a brand's exclusivity and also its ability to bring in repeat custom. For example, if a domain is linked to a pay-per-click site or pornographic site the customer's brand experience is tarnished. With more and more customers shopping online, this presents a significant problem for the brand owner, which if left alone, may result in a weaker brand which will have a direct influence on revenue streams. Combatting the problem, however, increases brand related costs for the licensor which may or may not be passed onto the Licensee.

Cybersquatting is chameleon-like in its ability to facilitate a range of online abuses. For example, an infringing shop owner (sometimes an ex licensee) might register a domain name for their own infringing online sales. His registration is an extension of his infringing activities. Recently, cybersquatting opportunists have employed tactics such as domain name tasting and domain name kiting as means to generate profit. Domain name tasting and kiting are deliberate exploitations of the Internet Corporation for Assigned Names and Numbers (ICANN) 5-day Add Grace Period (AGP). This provision was intended to protect registrars from instances in which a registrant mistakenly registered a name he or she did not wish to keep or pay for. It was also meant to protect registrars when credit card transaction processors refused payment following notification of a lost or stolen credit card (a credit card charge back).

The AGP affords cybersquatters the means to "taste" domain names by registering millions of names and examining the popularity of each within the 5-day window. This test period allows cybersquatters to pay only for the names that provide a satisfactory return on investment and return those that do not, free of charge. The AGP could also be used to "kite" domain names, essentially keeping a name for no cost by perpetually registering, dropping and reregistering a name. Not all of this activity is unlawful. In fact domaining without bad faith intent is a growing legitimate industry. Domainers, as they are called, claim to differentiate and legitimise themselves by avoiding trademarked names and potentially contentious domain names, and refraining from typosquatting. They consider their conduct in buying, selling, and developing domain names to be in the same spirit as real estate investing. Domainers generate revenue via domain parking, through the resale of domain names and by developing domain names into fully functioning websites.



Source: Anti-Phishing Working Group

CADNA (the Coalition Against Domain Name Abuse) released statistics stating that instances of cybersquatting have increased by 248% in 2007 over 2006.

Organisations like MarkMonitor have a BrandJacking Index which monitors cybersquatting every quarter and the Anti-Phishing Working Group, which also monitors domain abuse mainly relating to phishing, boasts a membership of over 3000 with over 1700 companies and agencies worldwide. Closer to home in 2007 Outlaw, Pinsent Masons' informative blog, reported that:

*"Eurid, the organisation behind the .eu domain has suspended 10,000 domain names registered by a Chinese woman whom it accuses of being a cybersquatter. The woman has filed a lawsuit in Belgium in retaliation"*

and  
*"Over 74,000 .eu domains have been suspended and 400 registering companies sued by the company in charge of the European Union's top-level domain."*

### Implications for brand owners, licensors and licensees

The upward trend on cybersquatting instances is hardly good news for brand owners, particularly those involved in licensing or franchising their brands to increase

### Some solutions: Lessons from Dell and Time Warner

At a recent conference in New York, Allison Mcdade (IP Counsel of Dell Inc) and Fabricio Vyara (Senior



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### Christmas Competition

Sadly there were no entries in our Christmas competition and so we must conclude that Barry Quest is "King of the poetic parody"... unless of course anyone cares to challenge him ... the bottle of champagne is still waiting for the author of a clever IP-related literary parody. Please contact the editor at: elson.mary@btinternet.com if you feel up to the challenge!



## President's Diary

**2008 has got off to a cracking start for LES, Britain & Ireland. I had not known as much as I should have about Community Design Rights before 9 January. But, thanks to David Stone of Howrey LLP, I now have an insight into what is available and what OHIM is likely to reject as invalid in a registered Community design. Such rights, which enable the protection of an original design for up to 25 years have been available since April 2003. David reviewed the highlights from the first 300 invalidity decisions of OHIM and left us all with a mental note to include design rights in our thinking for the future.**

I have written before about the warm welcome and excellent events to be found with the Scotland section of LES B&I. This year's Burn's (sic) Supper ""Faking it with Burn's" A Counterfeit Burn's Night" on Shrove Tuesday at the Kama Sutra restaurant in Sauchiehall Street was no exception. The theme of the whole evening was IP Crime and counterfeiting. As with previous events, this was "informally informative". The mis-punctuation of "Burn's Night" was intentional as one of the punning themes of the evening was the identification of the "fake" parts of the evening; this included a Christmas pudding in place of the haggis, incorrect positioning of the piper (who was actually a violinist) in the procession and many other errors that only a Scot would recognise. One unintentional deviation from the programme was the non-arrival of Ian Fletcher. Our national carrier cancelled his flight without notice and offered him an alternative that would have got him to Glasgow just after he should have left for his return flight! (I travelled by RyanAir which left on time, and arrived early, albeit at Prestwick (a cheap and easy train ride from central Glasgow)). But I digress. Faced with a short notice need to find another speaker, Caroline Sincoc's plea for help did not fall on deaf ears. Ron Marchant was already expected to address the haggis and very kindly stepped in to fill his successor's shoes with a keynote speech. He gave us much to think about in the challenges of eradicating international counterfeiting, particularly when a local economy is dependent upon the counterfeit trade in western consumer goods. The clear message is that alternatives have to be offered. The talk from Andrew Jenner, Senior Policy Advisor UKIPO, gave us another perspective on counterfeiting; apart from illustrating the practical effects on the local economy in Wales (all but one of the DVD rental companies have gone out of business, partially because of the counterfeit trade) he had also arranged a table full of consumer goods which the assembled company were invited to inspect and decide which were fakes. Some were

easier to spot (mis-spelling on washing labels, or wrong colours on packaging) but most were superficially of such high quality as to be difficult to identify, and there were genuine products that looked like fakes! We were also treated to a pun-laden trip through the challenges facing Trading Standards Officers in South Ayrshire by David Thomson, Trading Standards Manager. All in all, a genuine night to remember!

Two days later I was pleased to be at the Society of the Chemical Industry building for our half day meeting and evening networking session. The afternoon session on the theme of Product Lifecycle Management featured Shilpa Patel explaining the way that Roche's strategic approach to R&D has changed and Dr Swapu Bannerjee illustrating how the regulatory framework was reducing the number of drugs that get to market and elongating the approvals process, making it ever more important to kill failing projects early. The talk on patent pooling by Jonathan DeVile stimulated thought on its applicability to Pharma; for the key therapeutics area, not likely to be applicable, but in areas such as screening possibly something that should be considered. After the tea interval we were treated to a licensing executive's view of dispute resolution and the power of being prepared to litigate to stimulate negotiation by Colin Hunsley, based on his extensive experience at BTG, and to an explanation of the practical use of data exclusivity from Tibor Papp. Another excellent event, which proved to be an informative and stimulating afternoon.

I finally got to meet Ian Fletcher again at the evening networking session where he updated us on the issues facing the UK IPO and on news from the European Patent Office (progress on a Community Patent may founder on a UK-German difference of opinion on the efficacy of have different courts decide on validity and infringement). He then, after a pause for everyone to recharge their glasses, held a 20-minute question and answer session where his answers and comments were both candid and witty; it is clear that he got the job he wanted, is good at it, and is energetically trying to make all stakeholders aware of just how important IP is to us. One perspective that came across is that though patents will always be important, and are a significant source of revenue to the UK IPO because of the revenue distribution arrangements with the EPO, it is Trademarks that are the most active area for the UK IPO. Also, in terms of perceived commercial value, and public visibility, it is Trademarks and Copyright that attract political and public interest.

So, what have January and February been about for me? Education, gathering information and networking. These are the key objectives of LES. Your next major opportunities to join in are 4-7 May in Chicago, 2 July in London and 28-30 September in Amsterdam. I hope to see you at one of these events.

### Martin Sandford

President LES B&I

### <Continued from Page 1

IP Counsel of Time Warner Inc) shared their views on the growing problem and how to combat it. Both Ms Modade and Mr Vyara are passionate about the concern; for them protecting their respective organisations in this area is full time job where they head internal and external teams of lawyers and assistants, which could easily be big enough to be a single department in a law firm. Sometimes, the cybersquatter is dealt with by well crafted letter or phone call but there are occasions when both have been in Court. Mr Vyara stressed that preparation and having as much information at one's fingertips (through Whois databases, the Wayback Machine, Reverse Whois, daily online monitoring, investigations, common sense savvy and persistence) is vital and has saved his company vast sums of money in early settlements. Ms Modade is equally forceful on the need to be prepared adding that a no tolerance approach also sends out a message to cybersquatters. Both also stressed the need for collaboration between companies against serial cybersquatters.

For brand owners who may not have the budgets or extent of problem that Dell or Time Warner do with cybersquatting, they can tackle the problem by regularly conducting online checks or employing an outside agency to do that for them. Whois, Wayback Machine and other tools such as the Google Alerts facility are generally free and can be used to track one's trade mark in a rough-and-ready but

organised way. Brand owners can also ask their trade mark agent or solicitor for advice to help them draft a letter which can be used as a basis for engaging with the cybersquatter. As not all cybersquatting is illegal, it is important for brand owners in the UK, particularly, to take care when issuing threats which, if unjustified, can be unlawful under UK law.

For licensors, care should be taken when drafting agreements to ensure that the licensee's ability to register a domain name (or not - sometimes it is unavoidable) is regulated and that the clause which governs what happens when there is an infringement is carefully considered. This would include cost considerations. Licensees, particularly those with exclusive licenses, should press hard to ensure that their ability to sell as much branded product/service as possible is facilitated, particularly if there are minimum royalties or sales targets. Ultimately the problem is shared by licensor who has an interest in maximising royalty and correct brand exposure and the licensee who seeks to profit from by using another's brand to sell his goods/services. Perhaps this alarming upward trend in cybersquatting merely raises the cost of brand licensing.

### Darren Olivier

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# FAPL SCORES OWN GOAL?

**The recent case of The Football Association Premier League Limited (FAPL) v QC Leisure and others (the Defendants) was a match of great interest and highlighted two 'hot topics' in the field of licensing. The first concerns the remedies available to a licensor/rights holder to prevent copyright infringement in advance of a fully defended trial and the second is the precise scope for licensing on an exclusive territorial basis in the EC. This article will briefly explore these two issues and comment on their potential implications in the world of licensing.**

The Defendants were alleged to have supplied or used non-UK decoder cards which allowed the satellite broadcast of live English Premiership football matches in various public houses in the UK. FAPL claimed copyright infringement and sued the Defendants as importers, suppliers and/or users of the cards. The Defendants made various competition law arguments including that the supply of decoder cards for use in the UK from elsewhere in the EC was allowed under Article 81 which permits free movement of goods in the EC. In addition they argued that the terms of the FAPL licences in the EC were contrary to Article 81 because the licence terms prohibiting foreign broadcasters supplying these cards into the UK was a concerted practice with the object or effect of limiting or controlling the market within the EC. FAPL applied for summary judgment in the English High Court on the grounds that the defences argued had no reasonable prospect of succeeding. The High Court did not agree and allowed the case to go to trial.

## The Remedies

FAPL chose to apply for summary judgment as opposed to interim injunction possibly because it considered this route offered better prospects of success and that obtaining a judgement would be more final. In England, the court will often take into account the timing of a full trial in deciding whether interim injunction is appropriate. If this can happen reasonably quickly, it may be the preferable route rather than trying to decide difficult complex issues of fact and law at a stage where the evidence and arguments are necessarily limited. The court can set down full trials on a fairly speedy timetable and may do that and refuse interim injunction.

Had the same action come before the Scottish courts, FAPL's decision on which remedies to seek is likely to have been different. Scottish courts tend to be more willing to consider granting interim interdict at the very outset of a case and are sometimes prepared to do so without notice to the alleged infringer. Obviously, if the issues of law and fact are complex this may affect the likelihood of interim interdict being granted as it may be hard to show

a clear and strongly arguable legal case. However, it will usually take longer to get to trial in Scotland than in England and as such there may be more of a need to regulate the parties' respective activities to minimise damage and loss during that period. Thus rights holders who have a choice of which court in the UK to choose may wish to consider these differences in approaching their strategic decisions in seeking to enforce their rights. A good example of this was demonstrated recently in an unreported Scottish case, when on the basis of similar facts to FAPL v QC Leisure & Ors, the FAPL successfully obtained an interim interdict.

## Exclusive Territorial Licences

The licence provisions in this case stated that the foreign licensees/broadcasters were obliged to prevent use of the non UK decoder cards in the UK or outside their licensed territory. The court also drew a distinction between 'open' exclusive licences, where the licensor is prevented from licensing itself or others to exploit the subject matter in the territory, and 'closed' licences, where absolute territorial protection is intended to be achieved by the exclusion of parallel imports. In previous cases in the European Court of Justice (ECJ) (such as the Coditel cases) it had been decided, albeit some 25 years ago, that open licences are a legitimate means of partitioning the EC market. However there have been major legislative developments since those cases were decided and the Defendants argued that they should be reconsidered. The Defendants argued that closed licences in these circumstances breached Article 81 because they prevented broadcasters responding to 'passive orders' received from outside their licensed territories. They argued further that they prevented parallel traders from supplying parallel imports of decoder cards. The court also decided that this issue should go to trial. However, given that the Defendants indicated that their intention is to refer the EC law questions to the ECJ on the facts, the case may well run on for many years. Meantime it remains unclear whether or not such contractual provisions are legitimate.

Interestingly it may be of little comfort for licensees to know that the EC Commission in this case had seen the relevant provisions and had raised no objection to them. The court considered that short of a full Commission investigation into the agreements and specifically the clauses in question there was no help to be gleaned here for FAPL. Licensees should bear this uncertainty in mind when drafting their licences and watch for the outcome of this ongoing saga to see which party's arguments ultimately score the goals needed to win the final match!

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# Karen Millen – Better Value Beats Them All?

**There is no national unregistered design right in Ireland (unlike for example, the UK) but Council Regulation (EC) No 6/2002 provides for a 3 year Community unregistered design right.**

The Irish High Court has recently examined this unregistered right in a decision involving Karen Millen and Dunnes Stores.

There are relatively few cases on the unregistered design right in Europe and the guidance given by the Irish Court is likely to be useful for IP rights owners and legal counsel in Ireland and across the EU.

## Background

Dunnes Stores is large Irish retail chain and Karen Millen is a well known British high street retailer. Karen Millen claimed infringement of 3 of its designs for a black knit top and two striped shirts (initial claims for copyright infringement and passing off were not pushed).

It was agreed between the parties that Dunnes Stores had copied the designs, and that, if protected, the Dunnes Stores designs would fall within the scope of protection of the Karen Millen designs. However, Dunnes Stores did not admit that the designs were protected by the unregistered Community design right.

## The Unregistered Community Design Right

Under the Designs Regulation (No. 6/2002), a design that is new and has individual character may be protected under the Community unregistered design right ("CUDR"). To qualify for this right, the owner must show that it is a 'design' and that the design is both new and has individual character.

### • Design

A 'design' is the appearance of the whole or part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation.

### • New

To be considered new, there must have been no identical design made available to the public before the date the design was made available.

### • Individual Character

For a design to have individual character, the overall impression it produces on the informed user must differ from the overall impression produced on such a user by any design which has been made available to the public.

In assessing individual character, the degree of freedom of the designer in developing the design must be taken into consideration.

## Proving Your Case

One of the key preliminary matters decided by the Court was that of the onus of proof. Under normal rules, the burden of proving a claim lies on the plaintiff. Applying the Designs Regulation (Article 85(2)), the Court ruled that:

### Onus of Proof on the Plaintiff

- The legal onus of proof is on the plaintiff to establish a right to the CUDR.
- This is achieved by evidencing that the design has been made available to the public and that the first date it was made available to the public was within three years of the alleged infringement and identification of those elements of the designs which the plaintiff contends to mean that the total design produces a different overall impression on an informed user.

### Onus of Proof on the Defendant

- Where the CUDR is challenged, the onus shifts to the defendant to establish, on the balance of probabilities, that one or more grounds for invalidity exist.

## Who is the informed user?

As can be seen from the test for individual character above, the test is the impression on the "informed user". There is little case law on the meaning of "informed user".

The High Court considered various authorities but in particular, the recent decision of Jacob L.J. in the (English) Court of Appeal decision in

*Proctor & Gamble v Reckitt Benkiser (U.K.) Limited* ([2007] E.W.C.A. Civ. 936). The High Court concluded that:

- The informed user is a notional person.
- The informed user is an "end user" of the products to which the design relates. An end user is someone who uses the product for which it is intended and not, for example, for intermediate uses such as retail sale. Here, the informed user is a woman who purchases and wears knit tops and shirts. She is the person to whom the design is directed.
- The informed user is aware of similar designs which form part of the relevant design corpus. Here, the informed user is a woman with a keen fashion eye who has a good knowledge of designs of knit tops and shirts which have been made available to the public but not necessarily aware of every such design.
- The informed user will be alert to design issues and better informed than the average consumer in trade mark law. The extent to which an informed user should be considered as alert to design falls short of a specialist interest in design details which might be expected of a person who is a designer.
- The informed user must be considered to be familiar with the functional or technical requirements of the design or, more precisely, the product for which the design is intended. However, the informed user should only be considered to have a basic appreciation of the functional or technical aspects of limitations on the design.

## Should a court consider evidence from 'informed users'?

The High Court followed the approach of the OHIM Board of Appeal in case R 196/2006-3 *Daka Research Inc. v. Ampel 24 Vertriebs-GmbH & Co. KG* and that of Lewison J in the (English) High Court decision in *The Proctor & Gamble v Reckitt Benkiser (U.K.) Limited* ([2006] EWHC 3154 (Ch)) and found that it was neither necessary nor relevant for the Court to consider evidence of the overall impression produced on a witness, even if that witness has the characteristics of the relevant notional informed user.

Rather, the Court should make its own assessment of the overall impression of the design as compared with the earlier design(s). As per Jacob L.J. in *Proctor & Gamble v Reckitt Benkiser (U.K.) Limited* ([2007] EWCA Civ. 936): "The court must 'don the spectacles of the informed user' to adapt the hackneyed but convenient metaphor of patent law."

## Assessment of overall impression on the informed user

The High Court also considered that the correct comparison is between the whole of the CUDR and any specific prior designs not the whole of the relevant prior design corpus as argued by the defendant.

In this case, the Court held that the overall impression produced by the Karen Millen designs clearly differs from the prior designs submitted by the defendant. It is interesting to note that the Court applied the higher test of "clearly differs" as opposed to "differs" feeling that it was not necessary to make any conclusions on that point of interpretation of the Designs Regulation on the facts of this case.

## Conclusion

The Court held that the Karen Millen designs were protected by the CUDR and that Dunnes Stores had indeed infringed the CUDRs.

This case is important to owners of CUDRs, Community registered designs and legal counsel as it gives important guidance on how the CUDR may be claimed, the nature of the "informed user" and the assessment of the overall impression.

Dunnes Stores has publicly indicated its intention to appeal the decision to the Irish Supreme Court.

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# PATENT OWNERSHIP DISPUTES PROBLEMS AND SOLUTIONS

## Collaborative R&D and IP ownership disputes

Collaborations between the traditional research-based pharmaceutical companies, biotechnology companies, academia and other players are now an established feature of operating in the life sciences, but they are not unique to this sector. Many companies now procure outside expertise in the development of new products. It is a fact of life that because there are more collaborative R&D efforts, there are more instances of companies falling into disagreement. There has been a notable increase in the number of disputes relating to the ownership of inventions and patents that have come before the English courts in recent years.

Disputes can get particularly difficult and unpredictable when ownership is challenged of patents that are already subject to a licence. The recent decision by the House of Lords in *Yeda Research and Development Company v Rhone-Poulenc Rorer and others* concerned the blockbuster cancer drug Erbitux®. The patent rights to Erbitux® are owned by ImClone Systems Inc. The UK dispute was part of a global battle between scientists at the Weizmann Institute in Israel who, through their IP holding company, Yeda, claimed to be entitled to the patent rights to Erbitux®. ImClone is reported to have received at least US\$1.35 billion in milestone and royalty payments from sales of Erbitux® and so Yeda's challenge to the ownership of its patents was of major commercial importance.

## The law as to patent entitlement

The law as to entitlement of patents under English law is codified in the Patents Act 1977, which specifies that a patent is to be granted to the inventor (or joint inventors) of the invention to which it relates. Once the inventor has been determined, the Patents Act contains the relevant rules governing who is entitled to the patent. However, in March 2005, the Court of Appeal decided that entitlement disputes involved another layer of complexity. In the case of *Markem v Zipher*, the court held that if a company wishes to make a claim to entitlement of a patent as against the registered proprietor, it must also have some *other* basis in law in order to establish its claim, such as a breach of contract claim or a claim relating to the misuse of trade secrets. The decision by the House of Lords in *Yeda v Rhone-Poulenc Rorer* overruled the Court of Appeal in *Markem*, deciding in effect that the Patents Act contains an exhaustive code for determining who is entitled to the grant of a patent. Shortly after the Lords issued their opinions in the *Yeda* case, the dispute was settled on terms that included a new licensing deal involving Yeda and payments of US\$120 million.

## Who is the inventor?

Although the House of Lords has simplified the legal hoops that a claimant needs to clear in order to bring a successful entitlement action, putative claimants should be warned that entitlement disputes are often fraught with complicated factual questions, such as determining the inventor. In the Patents Act, the inventor is defined as "the actual deviser of the invention", although it has been left to the Judges to develop a test for working out who is responsible for devising an invention, especially in circumstances where there have been contributions from a number of different people (as there often are in entitlement disputes). In *IDA Limited and others v The University of Southampton*, the court set out the steps. First, the inventive concept or concepts in the patent must be discerned. Then, the person or persons who came up with the inventive concept or concepts must be identified. However, a person is not necessarily an inventor merely because some form of contribution has been made to the claims of the patent. To be an inventor, a person's contribution must be to the formulation of the inventive concept in the patent.

## Avoiding disputes - a checklist

Entitlement disputes may be avoided by inserting IP ownership provisions in the contract that governs the joint project. A suggested checklist of practical points that might be addressed in such a contract are as follows:

- Identify clearly what each party is expected to contribute to the collaboration.
- Identify the key individuals who will be working on the project.
- Define the "Background IP" so that it is clear what will not be the subject of joint rights.
- Try to agree in advance the ownership of any "Foreground IP" that should arise from the collaboration.
- Hold regular IP review meetings with joint discussion of all relevant patent filings in advance.
- Monitor and document the progress of the project.
- Include a provision for binding, low-cost dispute resolution procedures (such as arbitration or mediation) to avoid lengthy battles in court.

## An evolving area of the law

Complicated issues can arise in relation to ownership of inventions and entitlement to patents when two or more companies collaborate. Often, there will be an agreement between them prescribing who is to own any IP that is produced as a result of their joint efforts, but even if matters are set down in a contract, disputes can still occur. This is an evolving area of the law that appears to be increasingly important for companies undertaking collaborative R&D projects.

**Dr Duncan Curley**  
Innovate Legal, London

## BUSINESS NEWS

**NOVAGRAAF** are pleased to announce that the **IDL Group of Intellectual Property consultants, including Innovation Development Limited, Hillgate Patent Services and Q.E.D. Intellectual Property Limited** have joined the Novagraaf Group as from **1 February 2008**.

The IDL Group Managing Director, Neil Muttock, has been appointed Head of UK Patents for the Novagraaf Group and will operate from the Novagraaf London Offices at:

**Parchment House,  
13 Northburgh Street,  
London EC1V 0JP**

**Coler IP Management Ltd** are pleased to announce the appointment of Sue Ratcliffe as of the 18th December 2007 as a Senior Patent and Trade Mark Attorney. Sue is a UK and European Patent Attorney as well as being qualified to act before the UK Trade Mark Registry and OHIM.

# News from the Regions

## LES Scottish Branch

It wasn't just the date that was a little different for the LES (Scottish Branch) Annual "Burns' Supper with a Difference" in Glasgow on 5 February 2008. As the topic for the night was IP Crime, there were a plethora of things "wrong" at the "Faking it with Burns – a Counterfeit Burn's Night", from the placement of the apostrophe and the Selkirk Grace in Welsh (thanks to Mike Waters of the IA Centre) to the stabbing of a Christmas pudding with a fork, whilst accompanied by McGonagall verse (thanks to Ron Marchant) and fiddle music (by Alan John) in the "Kama Sutra" Indian restaurant with haggis pakora on offer! The guests had to keep record of the 20+ items which identified a counterfeit Burns' night and the winning table got a haggis each!

But there was a serious message being put across by the three speakers. We were very sorry that Ian Fletcher, Chief Executive UK IPO, was unable to join us – it was even worse for Ian as he spent a frustrated evening at Heathrow. We were extremely grateful to Ron Marchant who (with minutes warning!) spoke on the international perspective of IP Crime followed by Andrew Jenner, Senior Policy Advisor (Enforcement) Copyright & Enforcement Directorate, who spoke on the UK IPO's response to this threat. Andrew also posed our second quiz of the night – bringing with him a selection of 35 fakes and "reals" for us to guess the difference. With his gorgeous assistant in the guise of Derek Brown, Heriot Watt University, the guests won a selection of prizes and were enabled to be more discriminating in their future purchases of perfumes, T-shirts, DVDs, cigarettes and condoms! Our final speaker David Thomson, Trading Standards Manager, South Ayrshire Council, introduced the threats encountered by one of the most active anti-counterfeiting and anti-piracy local authorities in Scotland – and certainly one of the most innovative in its response. There were common themes. All speakers emphasised the size of the problem – **7-10% of all goods sold world wide being counterfeit**, amounting to a market value of £500 billion annually. There were specific examples e.g. 40% of DVDs sold in the UK being pirated and 80% of pharma products in Nigeria being fakes (and dangerous ones e.g. using lead paint to colour the tablet). It was noted that many poorer countries adopt an "entrepreneurial model" where counterfeiting is seen as a route out of economic depression. Simply castigating governments is no solution. Discussion on the night looked at the external help that could offer real alternative routes to economic growth. One example given was major brand owners getting the counterfeiters to make genuine goods to feed into the bona fide supply chain.

Another common theme was the difficulties in enforcement – not least the social acceptance of criminal behaviour where many who would never approve of shoplifting are quite happy to buy counterfeit goods. As Andrew emphasised, part of the enforcement challenge is deciding which law is applicable, the jurisdiction, etc. Again innovations by the owners were highlighted. Such as, the rapid release of Casino Royale DVD taking away the advantage offered by the pirate in the marketplace, and new business models such as making movies available by on-line download. Enforcement has been helped by the Proceeds of Crime Act, when high public visibility brings home that the perpetrators have accumulated lavish lifestyles, and by inter-agency cooperation – e.g. counterfeiters also involved in benefits fraud, so their true addresses were revealed by records in the Department of Work and Pensions.

David Thomson spoke of further difficulties in enforcement – e.g. the violence of some counterfeiters when challenged. Enforcement by TSA is becoming more targeted – pursuing the market operator rather than individual stall holders. David spoke of the innovative initiative of Fake-Free Ayrshire: working with local businesses, licensed premises, and schools; leafleting of streets and neighbourhoods and offering that all info would be treated confidentially; putting prevention and education in addition to enforcement on the TSA agenda. All told, a stimulating and thought-provoking but immensely fun evening – helped by our generous sponsors – Memex Technology Ltd, Scottish Intellectual Asset Management Ltd, Maclay, Murray & Spens LLP and McGrigors LLP. Our success can perhaps be best judged from the comment from our waitress – in future she is going to "look more carefully at purchases"!!

**Caroline Sincok** Chair, LES Scotland Region

## LES Irish Branch

Congratulations are due to Jeanne Kelly who is the new Chairman of the Irish branch. From Mullingar, Co. Westmeath originally, Jeanne is a partner in the commercial department of Mason Hayes+Curran specialising in IP, IT and data protection.

At the Law School of the Law Society of Ireland, Jeanne is a guest lecturer in commercial drafting, electronic commerce law, software licensing law, and data protection law. She serves on the domain names sub-committee of INTA. Jeanne is a regular speaker and attendee at IP law conferences in Ireland and abroad.

Jeanne has co-authored the second edition of Business Law, published by Oxford University Press. She has also co-authored a book on Irish Information Technology law by Cavendish, a book on Data Protection Law in Ireland published by Thompson Round Hall in 2004 and the Irish chapter of *Le traite des dessins et des modeles* (Greffre, Litec, 2008, France).

The chain of office was passed to Jeanne by outgoing Chairman Alistair Payne. The board thanks Alistair for all his hard work as Chairman.

**Peter Bolger**

Mason Hayes + Curran

## Meetings

**The Laws Committee met on 9th January to brainstorm about what 2008 is likely to bring in terms of new developments of interest to the licensing executives community and to consider the "hot topics" on which the Committee might organise meetings, conducting member consultations, etc during the year. There was a very lively discussion with all the Committee present, plus Nigel Jones, Vice President of LES (B&I) and Mark Wilson of GSK.**

The following topics were thought to be "hot":

1. **Insurance and litigation funding. (A meeting is planned on 12th March to consider this.)**
2. **EU wide harmonisation of litigation.**
3. **Patent abuse/ abusive patents in the UK, Europe and the US; and the general antipathy to patents and SPCs that is growing around the world, and the impact of insurance and litigation funding on patent litigation. (The Laws Committee is planning a session on Abusive Patents for the AGM on 2nd July.)**
4. **Settlements in the pharma industry in the USA and the UK.**
5. **Trends in contractual licence disputes, including CAT v Abbott and in relation to improvements.**
6. **What should be in licence agreements/ an update to licensing law.**
7. **Business process patents internationally.**
8. **Protection of software and games in the EU, to take account of the changing approaches.**
9. **Stem Cells (including the ethics), and the awaited decision of the Enlarged Board of Appeal of the EPO.**
10. **Competition law. Suggestions have included: the overlap with IP law; and the impact on software.**
11. **The impact of Open Source software.**
12. **Changes in technology and their impact on the law.**

As well as the meetings already planned the Laws Committee plans to organise meetings to consider some of the other points at the Autumn Meetings.

If there are other topics that members would like to see considered please let Robin Nott know, as Chairman of the Laws Committee, at [laws@les-bi.org](mailto:laws@les-bi.org).

# Fundamentals of Intellectual Asset Management

21st – 23rd April 2008 Cranfield University

This highly recommended course has been developed by the Licensing Executives Society – the premier worldwide organisation for all those involved in technology transfer – and offers a comprehensive and complementary mix of lectures and interactive exercises.

The course fee of £199 covers tuition, all course materials and also entitles attendees to a refund of their subscription to LES for 2008 (a saving of £160 for new members and £140 for existing members). Lunch and dinner can be purchased from Mitchell Hall. Overnight accommodation is also available at a rate of £62 per person per night including breakfast.

## Day 1: The Basics of Intellectual Property and Licensing

An introduction to all IP including Trade secrets, Patents, Trade Marks, Copyright and Design Rights followed by an introduction to the basics of licensing with exercises and a review of the important clauses of a licence.

## Day 2: Making Money from Intellectual Assets

Following an introduction to intellectual asset (IA) management, the speakers look at the different ways of using IP to create value and various IA management tools.

## Day 3: The Deal

The third day concentrates on how to negotiate a licence deal with valuation and the negotiation using the three company profiles and IP from day two. An extensive licence negotiation forms the final part of the day.

## Who should attend?

The course is aimed at anyone from beginner's level to those with up to two year's experience in licensing. It is a valuable introduction to this field whether you have a legal, academic, financial or other business background. You should aim to attend all three days given the interaction between the topics covered. However the following may claim exemption from the first day only:

- Those who have previously attended course 101.
- Patent or Trade mark attorneys, or lawyers with IP experience
- Anyone who satisfies the organisers of equivalent knowledge or experience.

All delegates who complete the course will receive a Certificate of Attendance. All the course presenters have extensive experience of working and teaching in the licensing field. LES B&I CPD Ref NO: CBL/LESO (12CPD points accredited for days 2&3 only). For further information see: [www.bi.les-europe.org](http://www.bi.les-europe.org)



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### Correction

Steve Poile's correct contact details are as follows:  
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# Events Diary 2008

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Email: gfearon@ttuk.com

For further information please contact regional officers for LES events in Britain and Ireland (see panel on the left of this page or visit the LES B&I website <http://www.les-bi.org/>) and the officers of national societies for overseas events (see LES directory or the LESI website <http://www.lesi.org>)

### 6 March 2008 LES, Bioscience for Business and Resource Efficiency Network KTN

"Licensing of Renewable Technologies"  
UMCI, 48 Grafton Street, Manchester  
Free to LES members.  
For further information please contact:  
Sue Addison of Bioscience for Business  
Tel: +44 (0) 1223 566 850 or  
Email:  
[sue.addison@biosciencektn.com](mailto:sue.addison@biosciencektn.com)

### 12 March 2008 LES London Region

Charles Russell Offices  
8-10 New Fetter Lane, London  
Topic: Using Insurance to protect and increase the value of your IP portfolio.  
Speaker: Ian Lewis of Samian Underwriting Agencies Ltd  
For further information contact Cara:  
Email: [les@glasconf.demon.co.uk](mailto:les@glasconf.demon.co.uk)

### 21-23 April 2008 LES Training Course:

"Fundamentals of Intellectual Asset Management"  
This three-day course has been developed by the Licensing Executives Society - the premier worldwide organisation for all those involved in technology transfer - and offers a comprehensive and complementary mix of lectures and interactive exercises.  
Mitchell Hall  
Cranfield University, Cranfield  
Beds MK43 0AL  
For further information contact Cara:  
Email: [les@glasconf.demon.co.uk](mailto:les@glasconf.demon.co.uk)

### 4-7 May 2008 LES International Conference

Sheraton Chicago Hotel and Towers  
Chicago, Illinois, USA  
See: [www.usa-canada.les.org/meetings/2008spring/](http://www.usa-canada.les.org/meetings/2008spring/)

### 3-5 June 2008 TechConnect Summit

Connecting Innovators, Investors and Corporations  
Hynes Convention Centre  
Boston, Massachusetts, USA  
See: [www.nanotech@nsti.org](http://www.nanotech@nsti.org)

### 11 June 2008 TIPO

Gray's Inn  
"Pharmaceutical Regulations"  
Email: [tiplo@renatesiebrasse.co.uk](mailto:tiplo@renatesiebrasse.co.uk)

### 2 July 2008 \*Date for the Diary\* LES B&I Annual Conference and AGM

Wellcome Collection  
Conference Centre,  
Euston Road, London NW1 2BE  
Plenary speakers include Richard Seabrook, Head of Business Development at The Wellcome Trust, along with a wealth of workshops to tempt you from "virtual reality", to healthcare's "exclusive distribution agreements", to patent abuse and current issues surrounding brands.  
Further details TBA  
Email: [les@glasconf.demon.co.uk](mailto:les@glasconf.demon.co.uk)

### 28-30 September 2008 LES Pan- European Conference

Amsterdam, The Netherlands  
See: [www.2008.les-benelux.org](http://www.2008.les-benelux.org)

## Welcome!

Council has been pleased to welcome the following new members to the Society:  
**John Allies**, Strategic Allies; **Ceri Batchelder**, Smith & Nephew; **John Colbourn**, Redd Solicitors; **Barny Cox**, Queen Mary, University of London; **Tom Grek**, Qinetiq; **Anthony Hill**, NHS Innovations South East; **Bernice Jordan**, Rouse & Co International; **Elizabeth Kirby**, University of Reading; **Esther Kirwan**, Lupion Fawcett; **Gary Mackay**, BP International; **Sarah Merrifield**, Boulton Wade Tennant; **Jackie Turnbull**, Amsha Therapeutics; **Joanna Westwood**, Wilson Gunn.

## Thought about advertising in newsxchange?

Contact **Cara** at the LES Administrative Office

Email: [les@glasconf.demon.co.uk](mailto:les@glasconf.demon.co.uk)

## newsxchange™

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## Moving Company/Changing Address?

Please remember to tell our administrator, **Cara McIlwraith**, if you change your office address so that we can continue to send you LES information and newsxchange™. Her address is:

LES Administrative Office, Northern Networking Ltd  
1 Tennant Avenue, College Milton South, East Kilbride  
Glasgow G74 5NA

Please also remember to change your contact details in the Membership Directory on the LESI website. As a service to our members the editor will print any change of company and location in newsxchange™. Please contact **Mary Elson**, [elson.mary@btinternet.com](mailto:elson.mary@btinternet.com)

## Membership

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Email: [les@glasconf.demon.co.uk](mailto:les@glasconf.demon.co.uk)

A membership application form may also be found on the LES B&I website: [www.les-bi.org](http://www.les-bi.org)

