



IP / IT Newsletter

Autumn 2004

Slogans as Trade Marks

An occasional series on trade mark registration

The value of a successful trade mark derives not only from its attractiveness in pure marketing terms but also from its legal protectability by means of registration. These two features do not necessarily run in parallel, so choosing marks that will appeal to the Trade Marks Registry as well as the public is often a complex and skilled art. This is because trade mark law will only permit registration of distinctive marks, whereas the aim of brand developers is often to choose marks that exhibit a close connection to the goods or services to which they apply.

Distinctiveness is often difficult to demonstrate in the case of marks consisting of words which bear some relation to the goods or services in question. One recent example of this was the application by Wrigley to register 'Doublemint' for chewing gum, which was eventually turned down for registration as a Community Trade Mark because it was inherently descriptive and therefore non-distinctive.

One category of trade marks where there is sometimes particular difficulty is that of slogans. A

successful slogan can reinforce brand awareness, and is therefore potentially valuable in marketing terms, particularly if it can be registered as a trade mark on its own. However, the kind of slogan that may assist in promotional terms may not be distinctive, and may not even function as a trade mark of the usual kind, in which case it will not be capable of registration.

a slogan will not be capable of registration if it is descriptive of the goods or services for which registration is sought

Perhaps the best known product advertising slogan in the UK is (or was) 'Have A Break - Have A Kit Kat', which was actually registered as a trade mark in the UK in 1978. However, this would not necessarily prevent emulators from using the phrase 'Have A Break' on its own. When Nestlé applied to register 'Have A Break' as a trade mark on its own in 1983, the application was refused. A fresh application in 1995 was opposed by Mars UK, and it was eventually held by the English Court of Appeal that the words lacked the quality of inherent distinctiveness that is necessary for registration, particularly because they were never used on their own apart from the full slogan.

A related question (whether

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distinctiveness can be acquired by a mark from its use in conjunction with another registered mark) is the subject of a pending referral to the European Court, but in the meantime Nestlé is reported to have adopted a new slogan 'Make The Most Of Your Break' to replace of the old one, on the basis that although most people in the UK are familiar with it, that does not necessarily make them buy more of the products.

In the 'Have A Break' case, one of the key issues was whether different rules apply to the registration of slogans from those applying to individual words, and it is interesting to note that the Court of Appeal upheld the view of the UK Registry that the criteria for registrability of a slogan are the same as for any other mark. Confirmation of this can also be seen from the opinion of the Advocate General in a case before the European Court concerning the German slogan 'Das Prinzip der Bequemlichkeit' ('The Principal of Comfort'), which again has been held to lack distinctiveness.

Against this background it is interesting to note that the well known German slogan, 'Vorsprung durch Technik' ('Progress through Technology') is actually registered by Audi as a Community Trade Mark. Other slogans in English which have been registered include 'From Thought to Finish' (for IT and other goods and services), 'Nature's Real Thing' (for dairy products) and 'The Best Way to Predict the Future is to Create It' (for technology related services). Examples of slogans which have been turned down for registration include 'Best Buy' (for best services), 'Real People, Real Solutions' (for IT services) and 'Mehr für Ihr geld' ('More for Your Money').

From these cases it is clear that a slogan will not be capable of registration if it is descriptive of the goods or services for which registration is sought, if it is a commonly used phrase, or if it is merely promotional. However, a distinctive slogan which does not come within these categories should be capable of registration.

Software Patents - an update

Business start-ups are often based on existing ideas presented in a fresh format. Sometimes, they present new technical solutions to an existing problem. In either case, intellectual property protection is vital to take full advantage of market potential and keep competitors at bay. Apart from their content and data, many new business ventures in online, new media and related fields rely increasingly on their software systems. Copyright protection for software arises automatically (generally without any need for registration), providing it is not derived from an existing source, but this only protects the actual form of expression of the software, not the underlying concept.

Increasingly, innovative businesses are considering more powerful forms of IP protection, particularly patents, which give an exclusive monopoly for a concept. The downside is arguably that, at any rate on an international basis, patenting is expensive and may take years rather than months. Nevertheless, for important new products it may be worthwhile, and without doubt a patent adds a certain caché to a business plan.

The sticking point in Europe has long been that the European Patent Convention (which forms the basis of patent law in the UK and other EU countries) states that patent protection is not available for a number of things, including computer programs, business methods and the presentation of information as such. In the USA, software and business

method inventions are not subject to this restriction. Most famous, perhaps, has been the 'one click' invention patented by Amazon.com for its business delivery system in the USA.

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Nevertheless, it has been possible to obtain a software patent, both in the UK and elsewhere in Europe, provided the invention makes a 'technical contribution' over and above simply running the program. According to a consultation paper

produced by the European Commission in 2000, thousands of patents for technical inventions using a computer program have been granted by national patent offices and the European Patent Office (EPO). Examples of software inventions given by the Commission in its consultation paper included:

- a method of digitally processing images
- a data processing unit to protect against over-exposure to X-rays
- a user interface for a business management system

In addition, part of the Amazon.com invention ('A method and system for placing a purchase order via a communications network') was actually granted a patent by the EPO. However, the application of the law

and practice of the various European patent offices varies considerably.

Recent examples from the UK Patent Office of patent applications that failed include:

- a method for facilitating computerised bulk buying discounts via the Internet
- an automated investment portfolio selection system
- a computer implemented system for sharing information used in designing semiconductor products
- an automated processing system for electronic foreign language communication

Meanwhile, the European Union has been debating a proposed Directive intended to clarify the requirements for patenting software inventions, and in particular what is meant by a 'technical contribution'. Despite its avowed intention of maintaining the established (and, by comparison with the USA, more conservative) European approach, the draft Directive met with a barrage of criticism, particularly from the 'Open Source' movement, which accused the Commission of having as its real aim the opening of the floodgates to software patents that would stifle innovation and competition. Earlier this year the European Parliament voted a range of amendments to the Directive, thereby causing stalemate in the legislative process. More recently, however, a 'common

position' on the Directive has been reached, and the proposal is likely to progress further later this year.

Recently the City of Munich announced that it would go back on plans to introduce Linux based open software systems, for fear of possible patent litigation. Whether or not these fears are well founded remains to be seen. More generally, it is still worthwhile for innovative enterprises to consider the possibility of patent protection in appropriate cases, and businesses generally should be aware of the potential risks they face if they do not carry out due diligence on new ventures.

Significant Cost Savings in the Protection of Trade Marks

Link between European and international trade mark registration systems

From 1st October 2004, the European Trade Marks & Designs Office (OHIM) will accept applications for the registration of international trade marks through the Madrid Protocol system. Under the Protocol system, the holder of a CTM (a single trade mark registration covering the twenty five Member States of the European Union) will be entitled to seek international registration of its trade mark by means of a single application. Registration is requested by simply designating those countries of the Madrid Protocol (approximately 66 countries) where protection is desired. For example, the holder of a CTM will be able to request that registration of their trade mark be extended to countries such as the United States of America, Russia, Australia and China by means of just one application. Provided no objection or oppositions are encountered in the designated countries, registration will be automatically granted for ten years.

The link between the CTM and Madrid Protocol systems also means that the holder of an International registration will be able to seek registration of its trade mark in Europe by simply designating the CTM. Effectively, this means that the CTM will constitute part of a single International registration which only has to be

renewed every ten years. Previously, the holder of an International registration would have to separately seek registration of their trade mark as a CTM if they wanted protection in the European Union.

The link between the CTM and Madrid Protocol systems now means that trade mark owners will be able to seek registration of their trade marks in most countries throughout the world by means of just two applications. This development will result in significant cost savings for those companies and individuals who use the link between the two systems because the number of trade mark registrations that a company will ultimately have to renew and maintain will be greatly reduced.

Our "Trade Marks and Designs One Stop Shop" has considerable expertise in filing, prosecuting and managing trade marks throughout the world. Therefore, if you are thinking of protecting your trade mark on an international basis or if you have an existing portfolio of trade marks that are registered throughout the world or you wish to discuss the protection of your brands and other signs, please contact Niall Tierney on 020 7468 1501: Email ntierney@davenportlyons.com.

Another Two Stripes Stopped By adidas

adidas Salomon AG v Dolce & Gabbana Germany GmbH

adidas have been back in court again to protect their "three stripes" trade mark for clothes. In the German Courts, adidas succeeded in preventing Dolce & Gabbana from selling black stretch trousers featuring two parallel silver stripes on the leg.

The ECJ's ruling in adidas -v- Fitness World Trading Case C-408/01 [2004] E.T.M.R. 10 finally established that Article 5(2) of the 1988 European Trade Mark

Directive (and therefore section 10(3) of the Trade Marks Act 1994) applies whether the offending sign is used on identical, similar or dissimilar goods or services as those for which the trade mark is registered. This provides a far more effective tool for proprietors of "famous" trade marks who, to come within Art 5(2), have to show that the relevant section of the public would establish a link between their mark and the offending sign.

This latest German case in fact concerned Art 5(1)(b) (section 10(2) of the Trade Marks Act 1994). This covers signs which are identical or similar to the trade mark on identical or similar goods. For there to be an infringement, there must be a likelihood of confusion on the part of the public (which includes the likelihood of association between the sign and the trade mark). The German court held that a low degree of similarity between the marks can be compensated by a higher degree of similarity between the goods or by a higher "identifying power". In this case, because adidas' mark was exceptionally well-known and the similarity of the goods was high, a risk of confusion was established - Dolce & Gabbana fell foul of the test.

Trade Mark Registration of Signs that Incorporate The Emblems and Flags of Countries and International Organisations

In a recent trade mark case, the Court of First Instance of the European Court of Justice upheld the decision of the European Trade Marks and Designs Registry (OHIM) not to register a trade mark which incorporated the twelve stars of the European Union flag. In this case, a



German company had applied to OHIM to register the following sign as a trade mark in respect of computer

hardware and software, the organisation of conferences and other training and services connected with computer software and databases.

When the trade mark application came before the Examination Division of OHIM, it was rejected because the trade mark in question was deemed similar to the following well known blue European flag which is protected under a treaty of the United Nations known as the Paris Convention.



Under the Convention, the flags and emblems of almost every country and non-governmental organisations are protected against unauthorised use and registration by third parties. For example, the Royal Court of Arms is also protected under this Convention. In this case, the German company argued that because the sign which it was seeking to register as a trade mark also incorporated the letters ECA and was in black and white as opposed to blue, it did not resemble the European flag and would therefore not suggest a connection

between it and the institutions of the European Union. The Court of First Instance rejected this argument and stated that the important question was whether the trade mark in question would be regarded as a European emblem. Importantly, the Court stated that the trade mark in question did not have to be identical to an emblem protected under the Paris Convention in order to be refused registration. Likewise, the difference in colour between the trade mark and the European Union flag/emblem was also irrelevant as was the fact that the EU emblem was represented on a rectangular background of a flag.

Significantly, the European Court of First Instance did not specifically rule out the trade mark registration of a sign that incorporates the emblem/flag of an international

it will no longer be easy for companies or individuals to register trade marks that incorporate the emblems or flags of well known organisations or countries

organisation or country. Registration will be allowed provided the sign in question is not of such a nature to suggest that a connection exists between the holder of the trade mark and the organisation/country in question. Interestingly, in the case before it, the Court of First Instance found that because the trade mark in question comprised the letters ECA, it actually reinforced the impression that there would be a connection between the applicant and the European Union because "ECA" could be taken as an acronym for the European Court of Auditors.

The ruling of the Court of First Instance indicates that it will no longer be easy for companies or individuals to register trade marks that incorporate the emblems or flags of well known organisations or countries. It is suggested that in most instances, companies and individuals who use trade marks that comprise or include the flags/emblems of countries or well known organisations do so to give the impression that somehow the goods and/or services sold or supplied under such trade marks are connected with, or have the endorsement of, the country or organisation of the flag or emblem being copied. The message from the European Court is you should avoid trying to register such trade marks.

A Rule Of Thumb For Brand Owners: The More Rights The Better!

Businesses naturally think "trade mark" whenever they see a logo and rightly seek to secure registrations in all relevant territories for that logo.

Unfortunately, in brand protection terms, reliance on trade marks can prove to be inadequate when trying to prevent a third party from exploiting an identical or similar mark.

In practice, it can be difficult to overcome the tests to establish trade mark infringement. A court must assess the degree of similarity between the offending sign and the registered trade mark and look at the types of goods and services on which the sign has been used. It must also consider whether the sign has been used by the alleged infringer as a trade mark in a trade mark sense (essentially, to indicate origin). A classic example deployed by trade mark lawyers to illustrate non-trade

mark use is to envisage the hypothetical scenario where "?" is registered as a trade mark on, say, printed matter. If I then publish a book entitled "Who shot JR?" (it was Kristin in case you've forgotten) then I would not be infringing the "?" trade mark as I would be not be using it as a trade mark - I would be using it as a question mark.

Also, to show passing off (a tort which is often relied on hand in hand with trade mark infringement) one would have to establish a misrepresentation that would cause, or be likely to cause, confusion in the minds of the public between the offending sign and the mark and therefore the business behind them. This would entail a detailed analysis of the thought processes of consumers and could require market research or expert witness evidence.

With such hurdles in mind, what other intellectual property rights could be relied upon to secure a remedy?

As a logo can qualify as an artistic work under the Copyright, Designs and Patents Act 1988 if it is sufficiently original, the proprietor of the logo should also think "copyright". With copyright arising automatically and without the need to pay registration or renewal fees, this is one right that should be used carefully in any brand protection strategy.

In particular, to establish copyright infringement, a court will not look at how the logo has been used or the types of goods and services on which the logo has been used, nor will it carry out an analysis of consumers' thoughts on confusion. Instead, it will apply the substantiality test - has a substantial part of the copyright work been reproduced either directly or

indirectly? An analysis and comparison of the original work and the alleged copied work will be carried out - a more straightforward test.

The recent case Football Association Premier League Limited and Ors -v- The Panini UK Limited [2003] EWCA Civ 995 is a perfect example of the power of copyright. In this case, Panini distributed football stickers depicting Premier League players in their Club strips bearing the logos of the Club and the Premier League. A claim was brought for copyright infringement and the Court held in favour of the Claimant - the "incidental inclusion" defence did not apply as the use of the logos in the sticker photographs was integral to the depiction of the footballer. It can be inferred that the reason the Football Association did not bring a claim for trade mark infringement was because of the notorious difficulty in establishing trade mark infringement where it is arguable whether the trade mark is being used to indicate origin.

In addition, since the Registered Designs Act 1949 has been amended, the scope for securing registered designs has increased to such an extent that, subject to certain requirements, most trade marks (other than word marks) are capable of registration. As the procedure for obtaining a European Registered Design is relatively cost effective and does not involve a formal examination procedure akin to that carried out by the Trade Marks Registry when assessing trade mark applications, businesses seeking to adopt new logos should, as a matter of course not only file trade mark applications, but also carefully consider filing design right applications. The registration can then be used as another weapon against infringers.

As with copyright, it may also be easier to establish registered design right infringement, than, trade mark infringement. The court does not need to delve into issues of similarity of goods and services offered or how the design has been used; where the design is new and has individual character, one only needs to show that the alleged infringing design does not produce on an informed user a different overall impression.

Therefore, despite the fact that a trade mark registration can be a very powerful tool against an infringer, the existence and power of copyright and design rights should absolutely not be overlooked.

IT Beyond Manhunt

'And shall we just carelessly allow children to hear tales which may be devised by casual persons, and to receive into their minds ideas for the most part the very opposite of those which we should wish them to have when they are grown up?' Plato, 374 BC.

The parents of the recently murdered schoolboy, Stefan Pakeerah, are claiming that the makers of violent 18-rated game Manhunt are responsible for the death of their son. The boy was murdered by his 17-year old killer and friend, Warren Leblanc, using methods similar to those featuring in the computer game Manhunt, which involves the player taking on a role of convicted murderer who is then forced to kill others in order to survive. Weapons used in the game include claw hammers, guns, plunges so deep they had caused serious injuries to his kidney and liver. Evidence has shown that his killer was obsessed with playing Manhunt, being a reclusive child left to his own devices since an early age after his mother was killed.

Dixons, Woolworths and Game took the unusual step shortly after the event of removing the product from its shelves. For those stores still selling the game, like HMV, the game has apparently sold out and re-entered the Top Twenty Charts. Calls have

again been made to ban this game as being the root of the death. It was already banned six

months ago in New Zealand by censorship officials. ELSPA, one the key industry bodies representing the games industry, firmly rejects any links between Manhunt

Violent computer games may be directly responsible for aggressive behaviour.

Stefan Pakeerah died from horrific and fatal injuries sustained

from a claw hammer. The boy had been hit so hard that his head had been fractured in several places with deep cuts to his head and neck, he had multiple stab wounds from knife

and the tragic events. As it said in an official statement, "the game in question is classified by the British Board of Film Classification and therefore should not be in the possession of a juvenile...We would add that simply being in someone's possession does not and should not lead to the conclusion that a game is responsible for these tragic events." The police have also said they have not connected the game with the murder, the motive being robbery.

With an ever-increasing number of games featuring violence as the major theme, fears have often been expressed that this may result in the player becoming more aggressive and potentially being incited to commit acts of violence or even murder. There are many examples of such games, for which a cry has oft gone out for their ban. Hooligans - Storm over Europe (rated 18), is a game that was released in 2003 and gives players the chance to be a football hooligan in Europe. The game depicts gruesome scenes of soccer thugs fighting one another in pubs and terraces armed with broken bottles, knives and other weapons. Grand Theft Auto, set in Miami, has a main character who roams the streets killing for pleasure. The more people killed, the greater the points. There are many other examples, too long to list here.

Can any of this lead to the user replicating the acts of violence depicted in these games? Research is beginning to give us a picture of what these effects might be. Middlesex University has carried out research and concluded that violent computer games may be directly responsible for aggressive behaviour. The University carried out its research on the behaviour of 204 pupils aged between 12 and 14 at a London school. They discovered that the longer children played violent computer games, the more aggressive their behaviour became. They concluded that "there is a growing body of evidence to

suggest that there is a link between playing games and aggression."

But surely the same can be said about film, books, or boxing on telly, or as one individual remarked, following the fifteen deaths caused by Robert Steinhäuser when he stormed his former school in Erfurt in Germany armed with guns after becoming obsessed with the game Counterstrike, should we ban bread because 90% of killers have eaten bread before their crime? As we all know, most juveniles who commit crimes of this nature will have suffered a difficult childhood, possibly having been abused themselves, losing one or both parents through death or divorce, or having mental illness of some sort. The matter must surely be more complicated than just focusing on what the child had been playing on his games console 48 hours before his victim's death.

So could the makers of computer games be held legally liable for acts such as that committed by Pakeerah's juvenile killer?

So could the makers of computer games be held legally liable for acts such as that committed by Pakeerah's juvenile killer? It could be argued that both the developer, when creating the game, and the publisher when publishing and distributing the game, have a legal duty of care under the law of tort and doctrine of negligence. It is arguable that those parties should have foreseen that playing a violent game repeatedly might cause a player to go and carry out in real life what had been experienced on the screen. But a victim harmed would have to prove that the developers' and/or publishers' negligence was the cause of the injury, although it is not necessary for it to be the sole or dominant cause. This may be hard

to prove, but in light of an increasing body of evidence to suggest that there is a causal link between use of a computer game and increased levels of aggression, this is a potential risk that should not be totally ignored. One might also argue that there is a distinction between books/films and games: in the former, the reader/viewer is generally passive, but in a game, there is a truly interactive experience.

Although no one has yet succeeded in a court of law in establishing a link between aggression and playing violent computer games in real life, there have been a number of dramatic events in recent years resulting in legal proceedings being issued against publishers and developers of computer games. In 1997 in West Paducah, Kentucky, the parents of three girls shot at Heath High School filed a \$130m lawsuit against 25 media companies including Time Warner, Nintendo, Sega of America Inc., Atari Corporation, Nintendo of America, Sega of America Inc. and Sony Computer Entertainment. The lawsuit was for negligence based on their not warning consumers that content they made available could incite copycat violence. The basis of the claim was that, as the gunman, high school freshman Michael Carneal, played violent computer and video games, visited Internet pornography sites and watched violent movies, he was influenced sufficiently by them to commit murder. In April 2000, a federal judge dismissed the lawsuit based on finding that the video game makers could not have foreseen what Carneal would do, having played their games. The judge's opinion was based heavily on a similar case that arose over a decade ago in which the Sixth US Circuit Court of Appeal held that the makers of the Dungeons and Dragons popular role playing game were not liable for a teenager's suicide. The West Paducah shooting was among the first in a string of school shootings

nationwide that also included Jones Burrow, Arkansaw, Stringfield, Oregon and Columbine High School in Littleton, Colorado.

More recently, earlier this year, US lawyers brought actions against the Edinburgh-based developer Rockstar Games, who produced the game Grand Theft Auto, following claims by teenage boys in Tennessee that they were acting out the game when they shot at vehicles. A man was killed and a woman wounded after being shot in their cars near the Tennessee town of Newport. It is understood that the parents of murdered teenager, Stefan Pakeerah, have also prepared writs against Rockstar in relation to Manhunt. Of further interest is that a copy of the game was also found in Stefan's games collection.

Case law has been unable so far to establish a link between aggression and computer games and has resulted in a number of US cases being dismissed. Whether things will change in the future will remain to be seen. It is hard to believe they will, for the reasons given above, and no doubt to the relief of the games industry. Whether there should be any change to the content of games is, of course, a different matter. But at the end of the day, games developers and publishers are just responding to market forces. If we, as consumer, didn't have a hunger, either ourselves or through our children, to buy these games, then there would be no market for them. Recent sales of this game, following the "bad" press, indicate otherwise. It could be said that children will always be attracted to such things, not always being in a position to judge right from wrong.

Which means we, as parents, need to take more responsibility in controlling what games our children play. It is, of course, very difficult to control this entirely, children always being adept at borrowing from their friends or playing at their friends' houses, hiding away the games and so on.

Most of us know we would never kill or maim, no matter how many games we may play of a violent nature, movies we may watch or circumstances in which we find ourselves in. But there is always that tiny percentage who will. To blame games for that is probably a little short-sighted.

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This newsletter is designed to provide a summary of the subject matter. It does not purport to be comprehensive or a substitute for specialist legal advice in individual circumstances.

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