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COMPETITION LAW

- ***Videotape suppliers fined for price-fixing cartel...***

The European Commission has fined Sony and two of its competitors €75m for fixing prices for professional videotapes between 1999 and 2002, contrary to Article 81 of the EC Treaty. Through their illicit contacts, they managed to artificially inflate prices for Betacam SP and Digital Betacam, the two most popular professional videotape formats at that time, for their television and video film producer customers. The parties were found guilty after either agreeing prices or exchanging sensitive information that indirectly enabled prices to be fixed. Sony's fine was increased for obstructing the European Commission's investigation, whilst the other two parties' fines were reduced to reward their co-operation.

CONTRACTS

- ***High Court decides that something said to a computer can amount to a misrepresentation –***

- ***Renault v Fleetpro Technical Services, High Court...***

Renault and Fleetpro had an affinity scheme under which the British Airline Pilots Association (BALPA) members could buy new Renault cars at a discount using Fleetpro. Fleetpro took orders from BALPA members and gave them to a Renault dealership. Each order had its own code number to show that the order was for a BALPA member. An employee of the relevant Renault dealership then entered orders into Renault UK's computer system. The computer system recorded orders as being entitled to the BALPA scheme discount. The cars were then built to order by Renault in France. The process was automated and did not need human intervention. Renault discovered that only three out of 217 orders placed by Fleetpro had been made on behalf of eligible BALPA members. The rest had been for buyers who had bought cars from an Internet broker which acquired the vehicles from Fleetpro. For this reason, Renault claimed fraudulent misrepresentation against Fleetpro. However, one of the issues of the case was whether it was possible in law to find a person liable in deceit if the alleged fraudulent misrepresentation had been made to a machine and not to a human being.

The High Court said that it was possible to make a fraudulent misrepresentation to a machine. A representation could be made to a machine acting on behalf of Renault, rather than to an individual, if the machine was set up to process certain information in a particular way. The machine would not have processed information about the material transaction if the correct information had been given. A misrepresentation had been made to Renault UK when its computer was told that it should process a particular transaction as one to which the discounts under the BALPA affinity scheme applied, when that was not in fact correct. Despite the important ruling regarding making misrepresentations to a computer, Renault still lost the case because of the particular facts - as the High Court ruled that since each car had been made to order for a purchase that would not otherwise have been made, Renault had actually made money as a result of Fleetpro's misrepresentations.

COPYRIGHT AND DATABASE RIGHTS

- ***Wind-turbine company blown away by copyright infringement decision in High Court – Her Majesty's Stationery Office v Green Amps Limited, High Court...***

Her Majesty's Stationery Office (Stationery Office) owns the copyright in certain Government materials and gave the Ordnance Survey (OS) a right to license mapping data to people. Information held by public bodies can be re-used for free for specific purposes without infringing copyright, such as for non-commercial research purposes - otherwise people have to pay licence fees. A university student was employed by Green Amps - a wind-turbine business - for the university holidays. He used EDINA, an OS mapping service, to do his own research and work for Green Amps during his employment. When he left, his username and password was left on Green Amps computers. Green Amps used these to download digital maps and produce a geographic information system which it described as a 'mapping tool' for use on planning applications for wind turbines. The Stationery Office and the OS sued the company for infringing Crown copyright.

The High Court agreed that Green Amps did not have a defence. Although Green Amps was using the database to do research, it was for a commercial purpose and so it could not claim the defence of using the copyright work for non-commercial research. Furthermore, even though Green Amps rightly claimed a right to use the product under the Re-use of Public Sector Information Regulations 2005, the public body which owned the copyright could still charge for the use of that material based on its costs and an additional amount to get a reasonable return on that expenditure.

CYBERCRIME/SECURITY

- ***Theft in virtual world leads to arrest in the real one...***

A Dutch teenager has been arrested for (allegedly) 'stealing' virtual furniture from Habbo, a 3-D social networking site based in Finland with about 80 million users. The value of the furniture in the virtual online world was about €4,000, which someone actually paid in money in the real world. Five other teenagers are being questioned by the police about the incident, which involved tricking other Habbo users into giving the culprits their passwords and then creating fake Habbo websites so as to move the stolen items into the culprits' own rooms - all, of course, taking place within the virtual world of Habbo. The use of real world money is becoming increasingly common on social networking sites - Facebook had a facility whereby people can pay money to send their friends 'virtual' flowers. If you are wondering what the point of paying to send 'virtual' flowers is, then join the club...

DATA PROTECTION/PRIVACY/CONFIDENTIALITY

- ***HMRC's loss of 25 million people's data may lead to big shake-up on data protection law - with big implications for business...***

Following Her Majesty's Revenue and Customs (HMRC)'s loss of data relating to 25 million people, the Information Commissioner is calling for a massive shake-up in data protection laws. Ultimately, this may lead to more businesses facing bigger sanctions for breach of data protection obligations. HMRC lost the tax records relating to the families of every person claiming child benefit in the country. The details in question included people's names, addresses, dates of birth and bank account

details. The incident occurred when the data was sent on computer disc and posted unrecorded, to go to the National Audit Office in London via the internal post system. The Government originally claimed that a 'junior' official made an error and had not followed procedures, but email evidence shows the problems were far worse. Not only did senior officials know that this was occurring, but more data about each person was being held on HMRC's system and despatched to the NAO than was needed for the NAO's purpose, and junior employees should not have been able to access so many people's data unsupervised, let alone being able to download and copy that data to portable memory devices (which could have been sold to anyone even without the data being lost).

The Information Commissioner, the regulator in charge of enforcing data protection laws in the UK, has been far from impressed with HMRC. Under the Data Protection Act, data controllers - such as HMRC or most businesses or organisations that hold data about any living individuals - must take appropriate measures to keep data secure and not hold excessive amounts of data. The Commissioner, Richard Thomas, has got the bit between his teeth. He wants to use the opportunity in the wake of the scandal to help his case for strengthening data protection laws. He would like to have the right to make unannounced spot checks to ensure compliance with the Act, and also criminal sanctions for large-scale data security breaches. As this data fiasco has shown, a large problem with any data protection scandal is the negative publicity that arises from data breaches. Unlike HMRC's position, businesses may lose their customers if those customers find out about data protection breaches.

- ***Information Commissioner orders Foreign Office to sign undertaking to comply with Data Protection Act for data security breach...***

It is amazing how easy it is for things to go wrong with Government department websites. One of the latest data blunders came from the UK's online visa application website operated by UKvisas (a joint Foreign and Commonwealth Office and Home Office venture). Personal data of about 50,000 visa applicants were visible to other people visiting the site. The Information Commissioner's Office, the regulator in charge of enforcing data protection laws in the UK, investigated the matter and has ordered the FCO to sign undertakings to comply with the Data Protection Act 1998. The FCO had co-operated with the ICO's investigation. The FCO has meanwhile closed the website and plans to replace it. It has also announced that it will conduct a strategic review of its data processing.

- ***Information Commissioner tells police forces to shred old criminal data...***

The Information Commissioner has ordered four police forces - Humberside, Staffordshire, Northumbria and West Midlands - to delete old criminal convictions files from the Police National Computer (PNC). This follows the Commissioner's investigation into complaints received from various individuals. The forces in question have appealed to the Information Tribunal about the enforcement notices served on them. Some of the conviction files that are in dispute date back 30 years and involve very minor offences. For example, one record held by Humberside Police relates to the theft in 1984 of a packet of meat valued at 99 pence by someone who was under 18 at the time of commission of the offence, for which the offender was fined £15. Another record relates to a minor assault when someone had been under 14 years-old, which Staffordshire Police had intended not to delete until the offender reached 100 years-old! The Commissioner has stated that there is no justification for retaining these files for policing purposes especially as they are causing harm and distress to the people involved. Keeping excessive details of personal data or data for longer than necessary is a breach of the Data Protection Act 1998.

- ***Facebook faces data protection investigation for failing to remove old users' data...***

Facebook, the popular social networking website, is being investigated by the Information Commissioner - the UK's data protection regulator - for alleged breaches of data protection laws. It follows complaint to the Commissioner that users have been unsuccessful in trying to delete their accounts. The profiles become 'deactivated' but not removed from Facebook's servers, although the site claims that no unauthorised surfers can access those details.

In a separate development, the Information Commissioner has warned that many people are unaware of the electronic footprint they leave behind on the web, particularly on social networking sites. He is concerned that people do not read privacy policies and do not realise that their data could be available and accessible by many people, including employers and potential employers. The most concerning aspect is when the data relates to children. To try to alleviate the problem, the Information Commissioner has launched a website to help young people understand their information rights and with some useful tips for protecting their security and identity online.

- ***Prince becomes despotic by asking fans to remove his images from fan websites...***

Prince Fans United - a fan group of the pop artist, Prince - has stated that Prince's representatives have asked them to remove images of the artist from their websites. The group is made up of the website operators of housequake.com, Prince.org and Princefams.com. The group claims that the copyright in most of the photos it uses do not belong to Prince as they were taken by photo-takers that supplied them to the site, including at Prince's concerts. The group has also pointed out that the websites are run by fans on a 'voluntary unpaid basis' and that none were a commercial venue. However, Prince seems intent on alienating his fans and trying to protect his image - even if he does not own the intellectual property rights in the material or the photos were taken in a public place.

- ***Daily Mail feels the heat as it settles out of court in Blairs' family holiday photo privacy claim...***

While Tony Blair and his family were sunning themselves in 2006 at Sir Cliff Richards' Barbados villa, the British paparazzi were busy taking photos of them with a long-lens camera. The photos ended up in the *Daily Mail* and the Blairs decided to sue for infringement of privacy. Associated Newspapers, the owners of the paper, have settled out-of-court and the Blairs have received a substantial but undisclosed sum. The Blairs said that they have donated to charity. The photos showed the couple on a pleasure-boat and Cherie sunbathing in 'celebrity-style'.

DEFAMATION

- ***French court lets off Wikipedia in defamation claim...***

Three men took the Wikipedia Foundation to court in France for comments published on its user-generated encyclopaedia website. The website stated that the men in question were gay activists. They claimed €69,000 in damages. The French Court found that Wikipedia could not be liable for user contributions if it did not know that the contributions were defamatory, so it was given the same protection as an Internet service provider would have been. The court further commented that Wikipedia was not under a legal obligation to investigate or monitor the information published through its website. The court also took into account the fact that the offending statements were taken down quickly once Wikipedia had been notified of

them. Wikipedia is a 'wiki' site, meaning that users can interactively add and alter existing content on the site.

DOMAIN NAMES

- ***Domain name 'www.recycle.co.uk' breaks .co.uk domain name sale record and is picked up for £150,000...***

The record for the highest price for a 'co.uk' domain has been broken as recycle.co.uk has been sold for £150,000. ASAP Ventures – a venture capital company – bought the domain name to provide a website that will provide information on recycling. The record was previously held by J Sainsbury, the supermarket, which had bought taste.co.uk for £110,000 in 1997. The prices of .co.uk domain name sales are dwarfed by the sales of the more sought after .com names - for example, 'sex.com' was sold for a reported US\$12m-14m in 2006.

EMPLOYEES

- ***1,700 public sector employees sacked or disciplined in 3 year period for misusing IT systems...***

1,722 public sector employees were either dismissed, disciplined or resigned over computer misuse allegations in the last three years. The figures illustrate that misuse of IT systems is a very serious problem for employers. Of those 1,722 people, 132 people were sacked, 41 resigned and 1,554 were warned about their behaviour. Misuse included viewing or circulating discriminatory or offensive material and excessive use of the systems for personal use (such as too much time spent on social networking websites). One offence involved the forwarding of an inappropriate video clip by employees of Hertfordshire Police which resulted in 25 people being disciplined. The findings came as a result of a freedom of information request from *The Observer* newspaper.

GENERAL IP

- ***New Serious Crime Act 2007 becomes law and imposes restrictions on people who may be involved in IP crime...***

The Serious Crime Act 2007 has received Royal Assent. It permits the High Court to make serious crime prevention orders, imposing restrictions or other appropriate terms on a person if it is satisfied of his involvement in a serious crime and has reasonable grounds to believe the order would prevent, restrict or disrupt his involvement in serious crime in England and Wales. A person is involved in a serious crime if he has committed, facilitated or conducted himself in a way likely to facilitate the commission of one of the serious crimes. Orders can last up to five years. Fines and prison sentences can result from a breach of an order. The serious crimes include:

- Making, supplying or possessing articles used for fraud (the fraud offence).
- Making, importing or distributing articles or recordings which are, and the person has reason to believe are, infringing copies or illicit recordings (the piracy offence).
- Applying a sign to goods or selling (or seeking to sell) or distributing goods that contain a sign may be mistaken for a registered trade mark, with an intent to make a gain or cause loss.

- ***Red Hot Chili Peppers fail to chill out over use of 'Californication' as a television series title...***

A recent TV show title 'Californication' is causing 'bad blood' to flow between its makers, Showtime, and the rock band, Red Hot Chili Peppers. This is because the band had an album title and a hit single called 'Californication' dating back to 1999. The TV series started quite recently, so Red Hot Chili Peppers has decided to sue Showtime for unfair competition and dilution of the value of the name 'Californication' in a Los Angeles court. 'Californication' is about a washed-up writer going through a mid-life crisis and stars former X-Files actor, David Duchovny.

INTERCEPTION OF COMMUNICATIONS

- ***RIPA request made against animal rights activist for hand over of encrypted data...***

An animal rights activist has been asked by the Crown Prosecution Service to hand over encryption keys for encrypted files on her computer which were discovered when the activist's computer was seized by the police. Part III of the Regulation of Investigatory Powers Act 2000 (RIPA), which came into force on 1 October 2007, gave certain public authorities the right to send a Section 49 notice requiring disclosure of encryption keys. It is unclear if a notice under Section 49 of RIPA was actually sent to the animal rights activist or whether she was simply invited to hand it over. If it is such a notice, then not complying with it could mean that the activist could be prosecuted and sent to jail. The activist has claimed that someone else put the files on her computer. She was given 12 days to comply with the request or face the consequences. The request has caused a storm because it had been claimed that the legislation was primarily to deal with the really serious offences such as terror suspects or cases involving organised crime and threats to national security, rather than more minor offences.

IT AND INTERNET USE

- ***OFT and Trading Standards checking hundreds of retail websites to see if they comply with online laws...***

The Office of Fair Trading and Trading Standards are reviewing hundreds of the UK's retail websites to see if they are complying with online shopping laws. They want to clamp down on website operators that are not doing as they should. This is in response to a recent survey in which the OFT discovered that 28% of online traders were either totally unaware or only slightly aware of Internet shopping laws, and that a staggering 66% had never sought legal advice on them.

- ***Publishing industry and search-engine operators agree standards for accessing Internet content...***

Members of the publishing industry - including the World Association of Newspapers, the International Publishers Association and the European Publishers Council - have joined forces with search-engine websites and come up with an industry standard known as Automated Content Access Protocol (ACAP). Owners of copyright materials can use it to communicate permissions for access and use to online intermediaries. This will help online operators to comply with publishers' policies in relation to such materials. The aim of the standard is to give copyright owners more confidence in disseminating content online. As the initiative has backing from the bigwigs of the publishing industry (Associated Press, the Copyright Licensing Agency, Express Newspapers, the Motion Picture Association and News International to name a few), no doubt the standards will have a deep impact all round.

Meanwhile, in a separate development, Nicolas Sarkozy has announced a new plan by some of France's Internet service providers and record and film industries to close down illegal file-sharers' Internet access. The French President said that ISPs would disclose information on major peer-to-peer file-sharers to a new enforcement body, which will warn them to stop. If they fail to comply with that request, their Internet access may be cut. In return, the music industry will offer music without digital rights management software on it - in other words, users will be trusted to make copies of music for legitimate purposes without technical measures stopping them. The BPI - which represents major UK recording companies - has welcomed the French initiative.

- ***US consumer groups advocate an ad-tracking opt-out facility for the likes of Google...***

US privacy bodies and consumer groups want to give people the chance to opt out of ad-tracking devices on the Internet. The 'do not track' list would prevent the tailoring of adverts based on users' habits. The groups - made up of the Center for Democracy and Technology, the Consumer Federation of America and Electronic Frontier Foundation - have approached the Federal Trade Commission with their idea. The list would require advertisers that place cookies on visitors' computers to register with the FTC all domain names of servers involved in such activities.

JURISDICTION

- ***Canadian wiki music library website dismantled after European music publisher claimed copyright protection had not yet expired in Europe (although it had done in Canada)...***

In February 2006, a Canadian music student established the International Music Score Library Project, a non-commercial website using wiki tools aimed at allowing people to upload and download music scores whose copyright had expired. A 'wiki' site allows users interactively to add and alter existing content on the site. From a standing start in 2006, it had amassed 15,000 scores by over 1,000 composers and received one million hits a day. That was until the student decided to close the website down recently. The student caved in under pressure from the Canadian lawyers of Universal Edition, an Austrian music publisher. Universal claimed that despite the copyright for some of the music scores on the site having expired in Canada 50 years after the composer's death, some of the music was still within copyright in Europe - where copyright lasted for 70 years from the composer's death. The site had been careful to comply with Canadian laws, and despite technically having the possibility of infringing European copyright laws, there was little use in Europe of the offending material. Despite that, the student did not want to face the music by continuing with the website.

PATENTS

- ***Small academic company claims patent rights over core Google technology in Texas court...***

Google is being sued by the Northeast University and Jarg, a small company founded by academics, for patent infringement in the Eastern District of Texas. The claimants believe that they invented technology that is at the heart of the giant's search engine technology. It claims to have filed the patent in 1994, some four years before Google was founded. Google is willing to fight the claim, which it describes as being 'without merit'. The claimants state that they are not interested in stopping Google

from doing business - but they just want a royalty. The Eastern District of Texas is a jurisdiction notorious for favouring patent owners and is often the scene of frivolous patent claims.

- ***ECJ says that national courts can directly apply provisions of TRIPs subject to conditions of national laws – Merck Genericos v Merck Sharp & Dohme Ltd, European Court of Justice...***

Merck & Co owned a Portuguese patent which was granted in 1981. The patent was to be used for making a product known as 'Renitec'. Merck Sharp & Dohme had been licensed the right to exploit that patent in Portugal. In 1996, Merck Genéricos, an independent company that sold generic products, marketed a pharmaceutical product under the trade mark 'ENALAPRIL MERCK', which it sold at a lower price than the price of 'Renitec' and which, it claimed, was the same product as 'Renitec'. Merck & Co and Merck Sharp & Dohme sued Merck Genéricos, seeking an order that the latter should refrain from importing, marketing in Portugal or exporting the product under the trade mark 'ENALAPRIL MERCK' or under any other commercial description without their express authorisation, and seeking compensation for damage caused by its unlawful conduct.

Merck Genéricos argued that the patent protection period had run out as under Portuguese law patent protection lasted for 15 years. Merck Sharp & Dolme said that Article 33 of the Trade Related Aspects of Intellectual Property Rights Agreement (TRIPs) applied to Portugal. TRIPs is an international set of standards of intellectual property protection that Member States must provide and is administered by the World Trade Organisation. Article 33 of TRIPs states that the term of patent protection available shall not end before the expiration of a period of 20 years from the filing date. The patent owner and licensee therefore argued that the patent was still valid. The matter ended up being referred to the European Court of Justice (ECJ). The ECJ found that under EU law, Article 33 of TRIPs could be directly applied by the national courts in relation to patents subject to the conditions provided by national laws. The matter must now go back to the Portuguese Supreme Court for it to decide whether or not Portuguese conditions allow it to apply Article 33 of TRIPs.

TRADE MARKS AND PASSING OFF

- ***Shape of bottle not registrable as a trade mark due to lack of distinctiveness – Develey Holding GmbH v OHIM, ECJ...***

Develey, a German company, applied to the Office of the Harmonisation in the Internal Market (OHIM) to register a three-dimensional form of a bottle as a European Community Trade Mark (CTM) for various food goods. It relied on the priority of its earlier German trade mark. OHIM rejected the application on the ground that the mark was devoid of distinctive character since the actual shape of the bottle for Develey's product was not particularly different from other bottles used to hold liquid products. Develey appealed all the way up to the European Court of Justice (ECJ).

The ECJ agreed that the mark lacked distinctiveness for registration as a CTM. It ruled that Develey's national German registration could still exist, though. EU trade mark laws did not replace the trade mark laws of Member States and the CTM system was an autonomous system which applied independently of any national regime. OHIM had rightly considered the registrability of a mark on the basis of EU law and not national laws. It was possible for a trade mark to be devoid of distinctive

character in one Member State or in the Community system, but not so in another Member State.

The ECJ clarified the issue of how to assess the distinctive character of three-dimensional marks consisting of the appearance of the product itself. This was no different to the rules applicable to other types of trade mark such as names or logos. However, average consumers did not generally make assumptions about the origin of products on the basis of the shape of the product or its packaging. Only a mark which departed significantly from the norm or customs of the sector, and thereby fulfilled its essential function of indicating origin, would not be devoid of distinctive character for the purposes of EU trade mark law. The ECJ therefore agreed that OHIM had been right to find that the particular features of Develey's bottle were not sufficiently different from the usual shape of a bottle to enable it to fulfil the essential function of indicating origin.

Shape marks have often been refused registration due to lack of distinctiveness, so this decision follows that trend. Shapes are often protected by registered designs instead of trade marks. One case that went the other way recently was the Bang & Olufsen speaker application. For more on that case, please click here: <http://www.upload-it.com/editArticle.aspx?ID=2321>.

- ***Fujitsu-Siemens gets away with 'ACTIVY Media Gateway' trade mark application against Gateway - Gateway v OHIM, European Court of First Instance...***

Fujitsu-Siemens applied to register the words 'ACTIVY Media Gateway' as a European Community Trade Mark (CTM) for various IT goods and services. Gateway Inc, the world's third largest IT company, opposed the application as it had earlier trade marks for the word 'Gateway' and, it alleged, the application was therefore likely to cause confusion with its earlier marks. The matter ended up with the European Court of First Instance, which did not allow the opposition. The Court said there was no likelihood of confusion since the two marks were neither identical nor similar. The relevant public would see the word 'Gateway' in 'ACTIVY Media Gateway' as being no more than a descriptive component of a complex mark, the dominant element of which was the word 'ACTIVY' itself. The word 'Gateway' did not stand out in the mark applied for as the word 'ACTIVY' was stronger instead. On that basis, there was no similarity in the two marks and so no likelihood of confusion would arise.

- ***Avis tries to 'run down' lawyer using its logo to report on a case online...***

Eric Turkewitz – an American personal injury lawyer – reported on his blog (or web diary) as to the immunity of car rental companies from certain kinds of negligence suits in the US. To help bring his story to life, he included logos of Hertz and Avis. Avis wrote to him and asked him to take down the logo as it claimed that his use of its logo in his blog was an infringement of its trade mark rights. Mr Turkewitz claimed that his use of the logo was fair use in the context of discussion. If Avis had claimed copyright infringement, again Mr Turkewitz could have claimed fair use. In the US, fair use rules allow people to use copyright materials in various limited contexts such as news reporting. (The UK's fair dealing laws, which also allow people to use copyright materials in various limited contexts, are generally thought to be narrower than US fair use rules.) The blogger has continued to keep up the Avis logo, both in the original story and in his report about the controversy over its use.

- ***CFI has no time for 'Omega' watch maker's trade mark application -***

Omega SA v OHIM, European Court of First Instance...

Omega SA – the Swiss watch maker – applied to register a European Community Trade Mark (CTM) for the figurative mark 'Omega'. Omega Engineering Inc opposed the application especially for apparatus for measuring time and distance in the sporting, scientific and industrial fields. It relied on its earlier registrations for 'Omega' in the UK and in France. Omega Engineering Inc also claimed that it had a co-existence agreement with Omega SA under which Omega SA would not apply to register the 'Omega' mark for apparatus employed in measuring scientifically and industrially various parameters.

The Office for Harmonisation in the Internal Market (OHIM), the body in charge of deciding whether to accept or reject EU trade mark applications, allowed the opposition. It found that there was a likelihood of confusion between the marks in the UK and France. The matter ended up in the European Court of First Instance (CFI). In its appeal, Omega SA relied on a number of national registrations for watches and time-measuring equipment (class 9), which were identical to its current application and which pre-dated Omega Engineering Inc's trade marks.

The CFI commented that just because Omega SA had previous national trade marks which had pre-dated the opponent's marks, this did not mean that the relevant public would not associate the 'Omega' mark with the applicant, so there was still a likelihood of confusion - the relevant public could be led to believe that the goods covered by the opponent's earlier mark had been produced by the applicant. It made no difference that Omega SA had national trade marks identical to the CTM applied for. This would not affect the acceptance or rejection of the opposition. It was not for OHIM to rule on a conflict between the opponent's national mark and another mark at national level. The CFI also ruled that the co-existence agreement between the parties was irrelevant to the question of likely confusion and whether the opposition was successful.

- ***Sunplus unable to eclipse Sun Microsystems with its trade mark application for 'Sunplus' -***

Sunplus Technology v OHIM, European Court of First Instance...

Sunplus Technology wanted to register a European Community Trade Mark (CTM) for the figurative mark 'Sunplus' in relation to a number of computer goods. Sun Microsystems opposed the mark as it had earlier national trade marks for 'Sun' in relation to computers and computer equipment and data. The Office for Harmonisation in the Internal Market (OHIM), the body in charge of deciding whether to accept or reject CTM applications, allowed the opposition even though it thought that the marks were visually dissimilar - as the goods concerned were very similar and there was a high degree of phonetic and conceptual similarity between the marks, which was likely to cause confusion with the relevant public.

On appeal, the European Court of First Instance (CFI) agreed that the mark should not be allowed to be registered. It decided that the global assessment of the likelihood of confusion had to be carried out on the basis of whether there was similarity in the marks and that of the goods or services covered. Accordingly, a lesser degree of similarity between the goods or services covered could be offset by a greater degree of similarity between the marks and vice versa. In this case, the relevant public was producers in the information technology field and computer users - and the CFI interestingly discounted claims by the applicant that one product was aimed more at specialist manufacturers and the other more at end users.

The CFI ruled that there was a high degree of similarity between the marks at the phonetic and conceptual levels. These were not negated by the significant visual differences (of 'plus' and the logo). As to the phonetic similarity, the word 'sun' constituted the dominant component in the mark applied for and the addition of 'plus' did not make enough difference as the dominant component of Sunplus's mark was still identical to the dominant component of Sun Microsystems' mark. 'Sun' was also a strong, distinctive conceptual element of both marks and 'plus' did not make much difference.

- ***Owners of TOFIX mark come out on top of TOP IX mark – NV Marly SA v OHIM, CFI...***

NV Marly SA applied for a European Community Trade Mark (CTM) for a figurative mark containing 'Top ix' for car-cleaning and maintenance goods. Erdal GmbH opposed the application as it had earlier registered trade marks for 'TOFIX' in the Benelux, France, Germany and Italy for various domestic and general cleaning and maintenance goods. The Office for Harmonisation in the Internal Market (OHIM), which decides on which CTM applications to accept or reject, allowed the opposition on the basis that the goods were similar, the marks were visually similar and phonetically very similar, and there was therefore a likelihood of confusion. NV Marly SA was not happy with the decision and the matter ended up in the European Court of First Instance (CFI).

The CFI agreed with OHIM - there was a likelihood of confusion between NV Marly's mark and Erdal's word mark in relation to members of the relevant public. In this case, the relevant public was the average consumer of everyday goods in the Benelux countries, France, Germany and Italy. The CFI took into account the nature of the goods, who used them and whether they competed with or complemented one another. Therefore, the CFI compared the descriptions of the respective goods in the trade mark applications. In short, car cleaning and maintenance products and domestic cleaning and maintenance products were similar. Erdal's earlier registration covered, by virtue of its generality, NV Marly's goods. The goods were substitutable and were sold through the same channels. The marks were also phonetically strongly similar and visually fairly similar (despite the figurative element). Despite the marks being conceptually different, the CFI decided that the overall impression of the marks based on phonetic and visual similarities would have been likely to cause confusion with the relevant public, especially if the products had been advertised on radio.