

To the point Legislation, cases and news

South Africa

- A South African High Court (North Gauteng) judgment in the case of Oilwell (Pty) Limited v Protec International Limited and Others handed down on 17 February 2010 has ruled that a trade mark assignment entered into without prior exchange control approval from the South African Treasury does not constitute a contravention of South African Exchange Control Regulations. The South African Reserve Bank has in recent times required that South African exchange control residents who assign trade marks and other forms of intellectual property to a foreign entity require prior approval for such a transaction from the Treasury. On the issue of assignments of trade marks without prior approval rendering the assignments null and void, the Court found that an assignment should not be rendered invalid in instances where there had been non-compliance with the Regulations. Time will tell how widely this decision will be applied or if it will be interpreted in a narrow way. Other cases dealing with assignments of trade marks may distinguish themselves on their facts. Our cautious advice at this stage is to continue to secure exchange control approval for foreign assignments of trade marks until such time as there is greater clarity on these issues.

(For any enquiries about exchange control and tax issues arising from assignments of intellectual property please contact our Intellectual Property Commercial Department: Chris Bull +27 21 673 4407, c.bull@spoor.com.)

- The 2010 LES (Licensing Executives Society) International conference took place for the second time in 10 years in South Africa. The conference was hosted in Sandton, South Africa from 11-14 April 2010. It focused on intellectual property and the business of innovation in emerging economies. For more information go to <http://www.lesi2010.org>

United Kingdom

- The UK Intellectual Property Office (IPO) has recently changed the way it administers trade mark invalidation proceedings. If the Trade Marks Registry has ruled on whether a trade mark is invalid it is no longer open to the unsuccessful party to bring proceedings in the High Court looking for a different ruling on this issue. The inverse will also apply. The new procedure is that Hearing Officer's decision will no longer be made 'on paper'. The parties or their legal representatives will be required to attend a full hearing before any decision is made. This is the position only where the challenge to the trade mark is made on relative grounds.



European Union

- "Vorsprung durch Technik", a slogan coined by advertising mogul Sir Henry Hergarty almost 30 years ago at an Audi factory in Germany, has finally seen victory for Audi in Europe. After a seven year legal battle, the European Court of Justice (ECJ) recently ruled in favour of Audi by allowing its slogan "Vorsprung durch Technik" to be registered in respect of non vehicle related goods and services. Translated as "progress through technology", the phrase "Vorsprung durch Technik" was initially refused by the Office of Harmonization for the Internal Market (OHIM) Board of Appeal on the basis that it lacked distinctive character.

This decision was rejected by the ECJ who confirmed that when considering the registrability of words that form a slogan, less strict criteria may be applied than that of ordinary trade marks. Further, the fact that a slogan may at the same time be regarded as a promotional formula should have no bearing its registrability and a trade mark may be considered by the public as a promotional formula as well as an indication of commercial origin.

- The European Patent Office (EPO) withdrew a patent held by Schwabe Pharmaceuticals to produce an extract from the roots of two species, *Pelargonium sidoides* and *Pelargonium reniforme* for the treatment for bronchitis. The patent for the extraction process was successfully challenged by members of the rural Eastern Cape community of Alice, represented by NGO the African Centre for Biosafety (ACB) and a Swiss anti-biopiracy watchdog, the Berne Declaration.

United States of America

- The USPTO (United States Patent and Trademark Office) is extending its Patent Application Backlog Reduction Stimulus Plan until 30 June 2010. The Patent Application Backlog Reduction Stimulus Plan, which came into effect on 27 November 2009, allows small entity applicants having multiple applications currently pending before the USPTO to have more control over the priority which their applications are examined. The USPTO has also issued a notice providing an additional temporary basis which small entity applicants can have an application accorded special status for examination if said applicant expressly abandons another unexamined co-pending application.

- As from 8 December 2009, the USPTO has implemented a pilot program whereby an applicant can have an application accorded special status for an accelerated examination if the application pertains to green technologies and greenhouse gas reducing technologies. These include applications pertaining to environmental quality, energy conservation, development of renewable energy sources or greenhouse gas emission reduction.

- In *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97 (2nd Cir. 2009), the Second Circuit U.S. Court of Appeals held that the Trademark Dilution Revision Act of 2005 ("TDRA") does not require proof of "substantial similarity" between a famous mark and an infringing mark for a trade mark owner to establish dilution by blurring, nor does it require that an infringer act in "bad faith" in using his mark.



Taiwan

- Amendments to the Copyright Act and Copyright Intermediary Organization Act were promulgated on February 10, 2010. The amendments will no longer impose criminal sanctions for a number of activities including, inter alia the exploitation of digitized karaoke machines or jukeboxes which contain licensed duplication(s) of music works for public performance.

Japan

- The Design Examination Standards Office, Japan Patent Office has offered the public until 28 February 2010 to comment on the "Draft Revision of the Design Examination Standard for the examination procedures".

Korea

The Intellectual Property Tribunal, Korean Intellectual Property Office, has determined that use of oral hearing in patent trials will be expanded. Formerly, patent trials relied largely on documentary proceedings.

China

A Free Trade Agreement was concluded between Costa Rica and China on 10 February 2010. In the sixth and final round of talks, the two sides conferred on a variety of issues including the rule of origin of intellectual property rights.

