

# Round Table: Intellectual Property 2013

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Crystal Chen is a partner at Tsai Lee & Chen. She is admitted to the National Bar of China and the New York State Bar.

Ms Chen commenced practising in the IP field in 1996. She has advised extensively on patent protection and infringement opinions, and always counsels on patent and trademark prosecution and enforcement in Taiwan and China. She is a prolific writer and speaker who constantly provides clients with updates on IP law and prosecution and enforcement practices relating to Taiwan and China.

Ms. Chen is a member of the International Association for the Protection of Intellectual Property (AIPPI), the American Intellectual Property Law Association (AIPLA), the American Bar Association (ABA) and the Beijing Bar Association, and serves as a committee member for the IP Owners Association (IPO).



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Otto Licks has 19 years of experience both as a working attorney and as a law professor within the intellectual property, patent, life sciences and information technology arenas. As a trial and appellate litigation specialist, he advises clients involved in complex litigation within the telecommunications, life sciences, medical devices, and information technology industries.

His emphasis includes intellectual property laws, due diligence, business transactions, government procurement and antitrust matters. He regularly works with clients to resolve matters involving data package exclusivity, regulatory compliance, international patent issues, unfair competition, misleading advertising and qui tam actions.

He has an international client roster and has considerable experience working with clients to challenge existing laws, working with regulatory agencies, and protecting clients' intellectual property rights at all levels.

In his career, Otto has acted as the lead attorney for patent and life sciences litigation groups and also has experience as a professor of patent law in a post-graduate program on the subject.



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Anamari Laskarin is a member of the Croatian Bar Association from 1993. She is senior partner in the Macestic & partners Law offices, the head and team leader of IP Department and licensed Patent and Trade mark Agent registered as authorised representative with the State Intellectual Property Office since 1994. She is a lawyer with more than 20 years of experience in trademarks, designs, patents, copyrights and domain name registration matters as well as in complex litigations and out of court dispute resolutions.

Ms Anamari Laskarin cooperates with foreign counsels and engineers and her knowledge is valuable in preparation of patent applications.

Ms Anamari Laskarin is active in IP community and is the member of INTA, and Interty Network, the network of IP Attorneys worldwide. She attends major international conferences, seminars and other important events.

Apart from standard assistance in intellectual property, trademark, design and patent registrations, for the last eight years, with Anamari Laskarin in charge, the office acts as the Croatian correspondent in the registration of domains for foreign clients in Croatia and several International Registries.

Apart from its IP practice Macestic & Partners Law Offices also provides assistance in the following practice areas: dispute resolution, transportation, insurance, energy and natural resources, corporate/M&A/insolvency/corporate restructuring/competition/public procurement, banking and finance and commercial property/real estate.



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Maggie Ramage is a UK and European trade mark attorney, and started in the profession in the early 1980's. She is a member of INTA, ECTA and MARQUES. She is also active on the governing Council of The Institute Of Trade Mark Attorneys in the UK, and from April 2010 until April 2012 was its President. Maggie worked for the California-based Raychem Corporation in San Francisco, and was seconded to that city in 1987. She then worked for Beecham Group (now part of GlaxoSmithKline), before moving to British Telecom. She became a partner in Surrey-based Alexander Ramage Associates in 1991. Maggie has extensive experience in trade mark matters, particularly in overseas jurisdictions, and has also worked very closely through her Institute with the UK IPO, OHIM, WIPO, and the Legal Services Board in the UK. Maggie currently chairs the General Purposes & Finance Committee of her Institute, which is the management Committee for the profession.



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Andrew J. Sherman is a Partner in the Washington, D.C. office of Jones Day, with over 2,500 attorneys worldwide. Mr. Sherman is a recognized international authority on the legal and strategic issues affecting small and growing companies. Mr. Sherman is an Adjunct Professor in the Masters of Business Administration (MBA) program at the University of Maryland and Georgetown University where he has taught courses on business growth, capital formation and entrepreneurship for over twenty (23) years. Mr. Sherman is the author of twenty-three (23) books on the legal and strategic aspects of business growth and capital formation. His twenty-third (23rd) book, *Harvesting Intangible Assets, Uncover Hidden Revenue in Your Company's Intellectual Property*, (AMACOM) is due out in the Fall of 2011.



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Lawyer, graduated with honors from the Instituto Tecnológico Autónomo de México (ITAM). Laura has Law Specializations in Intellectual Property, Corporate, Civil, Constitutional and Environmental Law from the Universidad Panamericana and a Legal Specialization in Contracts from the ITAM.

She has taught Copyright and Intellectual Property Law at different universities in Mexico City and Veracruz. She has over 24 years of experience in Intellectual Property and was Director of the Sub-office for the Prevention of Unfair Competition at the Mexican Industrial Property Institute (IMPI). Her practice includes the complete lifecycle of Intellectual Property rights, from consultancy to application, to resolving disputes involving these rights. She has written several articles for a national newspaper on issues related with Intellectual Property and is a speaker at conferences on this subject. She has worked at this firm since 2001 and is currently Managing Partner.

She is an active member of national and international professional organizations, including: AMPPI (Chair of the Trademarks Committee), Barra Mexicana Colegio de Abogados, INTA, AIPPI, Marques, APLF,ASIPI, AIPLA and PTMG.

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# The Experts



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Ruth Hoy is an experienced intellectual property lawyer and is Head of the Intellectual Property Group in London. Ruth advises on all areas of IP with particular specialisms in copyright and related rights, database rights, trade marks and passing off, and breach of confidence. Chambers & Partners lists Ruth as commanding “a great level of expertise in trade mark and copyright matters. She impresses sources with her “technical prowess and first rate commercial acumen””. She is a global co-chair of DLA Piper’s Fashion, Retail and Design sector focus group. She also writes regularly for Informa’s Intellectual Property Magazine. A number of Ruth’s cases have been the subject of media interest. Recent cases of note include the Remus Films copyright case, Emirates trade mark and domain name dispute [2012] EWHC 517(Ch), Football DataCo v Sportradar [2012] EWHC 1185 (Ch) (database rights) and Premier League v QC/AV [2012] EWHC 108 (Ch) (copyright).



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Michael Gromett is solicitor in the Intellectual Property team at Howes Percival. Michael specialises in Intellectual Property and Information Technology matters, but his mixed Commercial and Intellectual Property background gives him an excellent perspective from which to advise clients.

Michael represents clients in a host of sectors including manufacturing, technology, food and drink and advises on the protection, enforcement and exploitation of Intellectual Property including intellectual property audits, portfolio management, licensing and assignments.

The wealth of experience in the Intellectual Property team at Howes Percival also means that it has the ability to handle an extensive caseload of IP litigation in the English courts as well as before the UK Intellectual Property Office and the equivalent European authorities.



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## Intellectual Property

In our Intellectual Property Roundtable 2013 we spoke to twelve experts from around the world to analyse the changes and developments we have witnessed over the past year along with what we can expect to see in the near future. Highlighted topics include the rising unbranded biotech and pharmaceutical problem, the challenging patent litigation landscape and text-free logo trademarks.

### 1. Can you summarise the current trends or recent regulatory changes in your jurisdiction?

**Kang:** The most significant change occurring in respect of Singapore IP laws is the move to a positive grant patent system. This will involve a formal examination of the patent application by qualified patent examiners based in the Singapore Patent Office. Currently, examination is done by designated patent offices outside Singapore and there is no bar against obtaining a grant notwithstanding and adverse examination report.

**Hoy:** Since the Hargreaves review in 2011, the UK Government has been looking at how it can adapt the intellectual property regime to ensure that it is fit for purpose in the digital age, because it recognises the value of intellectual property to the economy and the need to support growth. The Enterprise and Regulatory Reform Act 2013 received Royal Assent in April 2013 and introduces some key changes to the copyright regime including extending the duration of protection for artistic works which have been mass-produced (from 25 years to 70 years after the author’s death), reduced copyright protection for unpublished works and introducing powers for the Government to introduce easier licensing of orphan works (where an author is unknown and cannot be ascertained), and extended voluntary collective licensing. In May 2013, the Lord Younger tabled an Intellectual Property Bill which proposes some amendments to the design rights and patents regime.

**Collada:** Mexico recently joined the Madrid Protocol; however our legal frame work does not provide an opposition system. An amendment to our legislation is yet to come, however it is important to highlight that at this stage working with the Protocol will not provide the same tools as in other jurisdictions.

Moreover, it will take years for Mexican companies to use the advantages provided by the Protocol, we are still educating our clients regarding the importance of IP assets. My personal opinion is that filings through the Protocol will be very few, it will not sky rocket.

**Warner:** The United States has now implemented, under the America Invents Act (AIA), first-inventor-to-file rules and has expanded the definition of prior art that may relate to patent applications filed after 16 March 2013. For applications filed after 16 March, but claiming priority to an application filed before 16 March (for example, an application filed in Europe), the pre-AIA rules apply, unless the claims are amended to include material not supported by the priority document. If the claims are so amended, examination of the application shifts to the new rules. Notably, this shift continues even if the new material is later removed.

**Gromett:** There continues to be a drive to educate small and medium-sized enterprises (“SMEs”) on the benefits of intellectual property protection and intellectual property asset management.

The legal system in England & Wales has already seen the revival of the Patents County Court (“PCC”) in October 2010 and the introduction of a small claims track to the PCC in October 2012, all of which is designed to make the legal system more accessible to SMEs seeking to enforce their intellectual property rights. The introduction of the Intellectual Property Bill which looks to reform patent and design law to help protect businesses is likely to bring about further significant change in the interest of SMEs.

The carrot to the PCC’s stick, and a further element of the focus on SMEs, is the significant tax incentive such as R&D Credits and the Patent Box (a reduced rate of corporation tax on profits earned after 1 April 2013 from patented inventions) being offered to encourage SMEs to invest in Intellectual Property.

**Ramage:** There have been many regulatory changes in the UK. The UK trade mark profession has been regulated for the last couple of years by IPREG, and all practitioners now need to be very aware of changes to acceptable codes of practice, procedures have to be in place concerning handling of client conflicts or complaints, the collecting of Continuing Professional Development hours, and all practitioners have to be accountable, not only to their clients, which of course is paramount, but to the Legal Services Board (a Government Department in the UK), and ultimately to the Legal Ombudsman. Perhaps the biggest change to come is the licensing of Alternative Business Structures, which should soon be in place for all trade mark and patent practitioners in the UK, whereby firms may combine with other professionals from a different discipline, for example, trade mark attorneys with brand creation agencies, or patent attorneys with research companies. It will be interesting to see how this pans out in practice, and the resultant extra regulatory costs involved.

**Sherman:** Key trends in the United States include the elevation of intellectual property and intangible asset management to the level of a board of director’s issue and concern as shareholders look to boards to fulfil their fiduciary obligations by protecting key intangible assets of the enterprise. Company leaders need to be proactive in the establishment of Intangible Asset Management (IAM) systems as well as intangible asset harvesting strategies. Other trends include the growing importance of intangible assets in the context of both mergers and acquisitions (M&A) as well as venture capital and private equity financing.

We are also carefully monitoring the impact of the American Invents Act (AIA), which became effective in March 2013, with a special focus on the new “first inventor file patent system and derivation proceedings.”

**Laskarin:** With the accession of Croatia to the European Union on 1 July 2013, process of integration of Croatian intellectual property system within the European Union intellectual property system has been completed. Most significant change that has resulted from the accession is the entry in the Community Trade mark (CTM) system and Community Design (CD) system as systems of unitary trademark rights and industrial design rights that provide protection on the territory of the European Union which Croatia is now also a part of. Consequently, as of 1 July legal effects of all registered CTM and CD applications were automatically extended to the territory of the Republic of Croatia.

**Müller:** The four major parties represented in the German parliament have recently launched a petition to the government to limit the scope of patent protection for computer-implemented inventions. In the eyes of the open-source community, this issue has never been satisfactorily resolved, since a respective proposal for an EU directive was rejected by the European Parliament in 2005. The present petition aims at limiting patent protection to such software that is equivalent to previously used hardware, i.e. to control and measuring techniques. However, the present case law in Germany already excludes computer programs which are non-technical, e.g. because they solve merely an abstract mathematical problem, from patent protection.

Further, the German IP community is closely following the development of the European Union patent system, which is expected to be functional by 2015, once the Agreement on a Unified Patent Court has been ratified by Germany and other member states.

**Chen:** The newly amended Taiwan Trademark Act was enacted in July 2012, while the amended Patent Act entered into force in January 2013. It is believed that the new Acts further a liberal and welcoming atmosphere to brand/innovation owners who would like to conduct business in Taiwan.

In line with international trends, the new Trademark Act, among other things, enlarges the scope of protectable subject matter to allow all forms of sensory signs that are distinctive enough to identify goods or services from others to be registered as a trademark.

In addition, partial designs, Graphical Users Interface (GUI), icons, designs as a set and derivative designs, all become patentable subject matter under the new Patent Act.

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## 2. What litigation issues are currently occurring most frequently?

**Kang:** Due to the relative small size of the Singapore market, very few patent cases are heard by the court annually. The majority of cases involve trade mark and copyright matters. A recent Court of Appeal decision dealt with the authorship and copyright in compilation of horse racing results. Another case dealt with confusion between the trademarks St. Regis and Park Regis.

**Hoy:** A lot of litigation is focussed on infringements in the online world, and how traditional intellectual property principles can be used to deal with those problems. Questions such as - where does the act of online communication take place? (Football DataCo -v- Sportradar); does web browsing (where the technical process involved requires temporary copies to be made on screen and in the internet “cache” on the hard disk of the computer) inevitably involve an actionable copyright infringement? (NLA -v- Meltwater); is the act of streaming live transmissions over the internet of content which a consumer would be lawfully be entitled to receive via their TV set an actionable “communication to the public” (TV Catch Up)? These all involve difficult questions to which there are no easy answers. Fortunately for copyright owners, the European Court has been interpreting the communication to the public right broadly, which means high levels of protection for copyright owners tackling online infringements.

**Ramage:** One of the more exercising issues concerning litigation at present is the surge of litigants in person, whereby someone either brings an action, or defends an action, themselves, before the Patents County Court in the UK, without the benefit of a legal advisor to argue their case. There has been much publicity about the cost of litigation before the High Court, and the time taken to resolve contentious issues. The PCC was brought into place to deal with this matter, and to encourage a cheaper and faster track form of litigation so that people may bring their own actions. However, there is a perception that by having no legal advisor at all in an action does not necessarily make the matter cheaper, and indeed may end up in an unsatisfactory outcome in the case brought, precisely because the litigant in person is not used to dealing with the legal system, and does not really understand how things work, and the evidence required in such proceedings. I understand there are moves to encourage pro bono help from advisors, and certainly in proceedings before the UK IPO, there is increasing help on offer to the litigant in person to help them to find their way around.

**Sherman:** The impact of patent troll litigation has been significant. Uptick in patent litigation and trolls (over 3,200 patent infringement lawsuits in 2012 – doubled in the past 10+ years). Trolls are costing U.S. small and mid-sized enterprises over \$35 billion per annum, with the average defence costs for a small or midsize company averaging \$1.75 million. This is shifting entrepreneurship and damaging the U.S. economy in a significant manner.

**Licks:** Litigation against the Brazilian government has increased in the last few years, with good results for plaintiffs. As the rule of law and the court system develop, the unbiased and independent Brazilian Judiciary Power becomes an important ally to foreign direct investment. When looking into the intellectual property, politically motivated decisions by the Brazilian PTO denying patent protection are being overruled by the courts. The same is true for decisions by ANVISA (local FDA) aligned with the current government's industrial policy but not with the country's legislation. The creation of specialised IP courts has increased the grant of preliminary injunctions and expedited court proceedings. Costs of big patent cases are still a fraction of the developed

**Müller:** Germany is the number one litigation country of Europe as it comes to Intellectual Property disputes. Most frequently trademark and patent infringement cases are dealt with. About 70% of all infringement actions in patent litigation in Europe are brought before German courts.

**Rzazewska:** The issue widely discussed amongst lawyers, especially those handling the patent infringement cases, are matters regarding the security of claims as well as differences occurring in the regulations dealing with interim injunction issues.

The Polish regulations de facto provide for two types of proceedings. The first one enables the temporary (for the duration of the proceedings) settlement of the relations between the parties to the dispute, for instance by prohibiting the products infringing the plaintiff's exclusive rights from being introduced into the market or by seizing such goods. The second one allows to file the motion before the court obliging the defendant or the third party who possesses the infringing articles to provide information on the names and addresses, of producers, manufacturers, distributors, suppliers of the products infringing the exclusive right as well as the quantity and the prices of the goods that has been produced, sold and ordered.

For each of the above mentioned proceedings, the premises for acceptance of the motion are different to some extent. Moreover, the very course of the proceedings differs in each case. Having examined the motion for providing the information, the court has to set up the date of the hearing, while in the case of the motion for prohibition of marketing the goods infringing the exclusive rights, the motion is recognised during the closed session.

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### 3. Formulating an effective patent prosecution strategy is a complex, multifaceted task. How would you tailor an organisation's response to any potential breach?

**Laskarin:** In a case of potential patent breach it is very important to familiarise with Client's invention/patent, particularly with patent description and claims specified in Client's patent and compare them with the description and with patent claims of the patent that caused breach. The description and claims of both patents should be very carefully compared in order to ascertain if breach occurred and what is the scope of breach. If breach occurred, the first step would be to notify infringer about infringement, describe the infringement and request infringer to wave from further infringements. In case the warning is ignored court litigation against the infringer may be instituted.

**Müller:** A patent prosecution strategy is a very individual task. Each company in each field of technology has a different approach and it also very much depends on the existing competitors, the number of patents existing and the budget. The same applies mutatis mutandis to infringements of existing patents. Often an amicable solution with a license fee is preferred compared to a long and extensive legal battle.

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### 4. Have there been any lessons learned from significant case studies and recent filings?

**Collada:** In an appeal against an MX Patent Office decision refusing a patent application prosecuted before the Specialised Branch of the Administrative Tribunal, the Tribunal took more into account the arguments from the

MX Patent Office than the arguments from the appellant unless the latter had submitted evidence (mostly, a technical opinion) supporting said arguments. The basis for such criterion given by the Tribunal was that the Mexican Patent Office is an Authority not only in Patent matters but also in technical issues.

**Warner:** The Supreme Court's recent unanimous decision in *Myriad* held isolated naturally occurring DNA sequences to be unpatentable, while holding cDNA, a synthetically created DNA, to be patentable. Since the U.S. Patent and Trademark Office has granted thousands of patents on human genes, this ruling may invalidate any patents drawn to isolated DNA sequences. In addition, a new lawsuit seeking to invalidate a patent on human embryonic stem cells could provide guidance as to whether *Myriad*'s ruling applies to other technology involving natural material. Accordingly, it will now be necessary for researchers and patent attorneys alike to determine which areas of biotechnology research are profitable and more amenable to patent protection.

**Licks:** Brazilian courts and the BRPTO can be influenced by the country political moment. The most persuasive example is the debate regarding the self-executing and non-self-executing nature of the WTO's TRIPS Agreement. After almost 16 years deciding that TRIPS is self-executing some Brazilian courts issued recent decisions denying the enforcement. The interesting data is that 1408 cases were decided upholding the self-executing nature of the TRIPS against only 22 stating the contrary.

**Müller:** Our IP law firm has more than 80 years of experience, so we are capable to tailor any individual "problem" to a successful solution. In the past we have learned, however, that even a successful winning might turn into a long-term battle with the competitor who deprives one of time and money. Therefore, a business solution is usually the best option to a legal problem unless you are dealing with counterfeiters or pirates.

**Chen:** In Taiwan, a recent significant case related to entitlement to patent application dispute involves an employee of a downstream OEM filed a utility model patent for an innovative design that was transmitted by a customer who requested a quotation and a sample product of the design drawings from the OEM. The patent application was later granted. In the litigation proceedings, the actual owner of the design drawings requested the court to confirm that he is the true owner of right to file a patent application (Under the Patent Act, the owner of the right to apply for a patent can be an inventor, utility model creator, designer or his/her assignee or successor).

From that case, a lesson should be taught to business operators:

Before establishing a business relationship with another, a non-disclosure agreement (NDA) is a must. Business operators should not avoid this paper work and take the risk to commence on any sensitive business discussions related to proprietary information. An NDA can not only prevent your inventive idea from being plagiarised, but also serves as a powerful evidence to prove wilfulness, ownership of rights, and when any disputes arise and parties litigate at the court forum.

**Rzazewska:** According to the provisions of Polish law, in order to invalidate the IP right such as trademarks or designs in the course of invalidation proceedings (as opposed to opposition proceedings), applicant needs to demonstrate its legal interest (*locus standi*). However, even though questions as to requirements to show legal interest have been raised several times, there is still no unified practice of the PPO and administrative courts regarding the above. In some cases the constitutional freedom of entrepreneurship is enough to confirm legal interest, while in other ones the mere fact that the applicant competes with the proprietor on the market was considered as only factual interest and applications were dismissed on the grounds of lack of legal interest. Hopefully, this procedural hurdle is going to be eliminated soon.

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### 5. How does the ever changing Patent Law landscape affect patent application filing strategy?

**Kang:** Patentees are very often pushing the boundaries of what is patentable subject matter and therefore there is a tendency for many patentees to file for very broad claims in the hope of claiming a large than necessary

monopoly rights. Even if only one in ten applications are successful or upheld by the courts, it will be a great victory for the patentee as it means keeping the competition out of the market until the patent expires.

**Warner:** Due to a greater emphasis on early filing with the switch in the U.S. from a first-to-invent system to a first-inventor-to-file system, there is an increased need for investment in patent applications in areas that are less likely to have a short term return. Other legal developments have also increased the usefulness of more robust specifications. Such specifications may be more likely to include a plurality of alternative embodiments and predictable alternatives. It is also increasingly important for attorneys to actively communicate with scientists and engineers to educate those individuals about what can be patented and what should be included in a patent application in order to create comprehensive patent portfolios.

**Müller:** So far, prospective patent applicants in Germany had essentially one choice to make: national German or European Patent? A PCT application was used if the time delay of 2.5 years for making this decision was required. Now, a third option will soon be on offer: Shall the European Patent be validated in individual member states, or shall it be procured with unitary effect? The former option is safer, because the patent cannot be revoked for all states at once after the opposition period has expired - but it can also not be enforced in all member states through one court action. Further, if a traditional EP patent is chosen, shall it be enforced using the Unified Patent Court, or shall the owner “opt-out” of this system? All these questions will have to be answered on a case-by-case basis, and keeping a close watch for new chances and challenges posed by the new European Union Patent system.

**Chen:** The change of patent law does affect filing strategy. The following three examples are how it affects applicants’ filing strategy in Taiwan.

1. The novelty bar can be exempted if a patent application is filed for the invention disclosed within a certain grace period. Therefore a patent applicant can utilise the grace period to manage his/her filing timeline.

Under Taiwan Patent Act, an absolute novelty bar shall be applied to patent applications; but there is a six-month grace period for an invention that was disclosed due to the following events:

- a. the invention was disclosed by the applicant as a result of conducting a test,
- b. the invention was disclosed by the applicant in a publication,
- c. the invention was displayed by the applicant at an exhibition held or recognised by the Taiwan government,
- d. the invention was disclosed without the consent of the applicant

The above numerated voluntary or involuntary disclosure will be exempted from the novelty and inventive step requirement as long as the invention is filed for patent within the six months after the disclosure and declared such at filing.

2. Simultaneous patent filing for utility model and invention patent is available in Taiwan and China. The utility model patent is one category of patent protection in Taiwan and China, and involves the protection of an invention creation relating to the shape or structure of an article. Since there is no substantive examination for a utility model application, it typically takes only six months from filing to grant. It is therefore a favourite tool used by many small- and medium-sized enterprises to obtain speedy and less-costly patent protection for less technical innovations. The dual filing mechanism allows an inventive idea to be granted as a utility model patent as soon as the application passes formality examination. Subsequently, when the invention application for the same inventive idea is granted, the patentee may have the option to abandon the utility model patent right, convert it to an invention patent and enjoy the remaining exclusive term of the invention patent.

3. Divisional application system may also help when an application encounters office actions, or an applicant wants to keep the application alive, etc.

**Rzazewska:** The regulations on the Unified Patent will undoubtedly have an impact on the strategy of filing patent applications. Poland is a country which has not signed all legal acts governing this new legal institution. As Poland is a signatory of the Munich Convention, it is beyond doubt that Polish inventors will be able to file patent application with the EPO and obtain European patents, but will the European patents that they have obtained have a unified effect in view of the fact that Poland has not accepted all regulations on the Unified Patent?

What would be the process of seeking protection on case of infringement of the patents that have a unified effect? Would the proceedings be held before a court in Paris, Munich, London or Poland – there are many such questions, and the answers to them will certainly have an impact on the strategy of protection of inventions, both for Polish inventors and for the entities which intend to protect their inventions in our country.

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## 6. What are the difficulties in representing international companies in cross-border IP, copyright or patent cases?

**Kang:** The major difficulty in many cross jurisdictional litigation is ensuring consistency in the presentation of the case and evidence. Due to differences in national laws as to what is protected and what is not, one has to be careful not to take inconsistent positions in different countries. Also, what may be protected or available as a defence in one country, may not be available in another. For example, business method and software patents are not universally protected in all jurisdictions. Copyright registration is not available in some countries and can often lead to difficulties in proving ownership and subsistence of copyright within a jurisdiction.

**Hoy:** The main difficulties are issues of jurisdiction, questions of applicable law, locating the infringer and ensuring that any judgment obtained is recognised and can be enforced effectively against that infringer. Would-be Claimants need to grapple with these issues before taking action, and devise an effective strategy which will best achieve the required results. Sometimes Claimants need to think laterally about whether there is more than one effective way to achieve the same result - e.g. by pursuing internet intermediaries (rather than the infringer themselves, if the infringer has made themselves difficult to find) or by using social media to resolve disputes (see, for example, the strategy used by Tatty Devine - [here](#)).

**Collada:** Despite the trend for global harmonisation in patent Law, there are still significant differences among local and regional jurisdictions that might bring diverging results for patent cases within the same family. Patentable subject matter is still an issue when protecting the same invention in different countries. Choosing the country where protection is sought sometimes could be determined by such differences more than by commercial interests.

**Sherman:** The increase in global expansion strategies and cross-border M&A and joint venture transactions as well as global master franchising has made multi-national IP strategy a critical internal and external function in the company. The lack of harmonisation of these laws on a global basis has created both legal and operational challenges for companies of all sizes and in all industries. Companies should reconsider whether they have the right resources and talent in place to support these complex IP challenges prior to developing or implementing a global business strategy.

**Laskarin:** In representing foreign international companies in some cases Attorneys may have difficulties with proving infringement of rights. In order to prove infringement additional time may be required for the process of collecting of evidences before filing the Writ. Process of collection of the evidences on infringement may also require performing a Survey on infringement issues. In order to prove infringement it is recommendable to include very large number of participants. Consequently, very often process of collecting the evidence by method of Survey might be expensive and time consuming. However it is a necessary step since the Writ may be prepared and filed only after the evidence regarding infringement is collected.

**Müller:** Difficulties may arise because the legal jurisdictions differ in different countries; prerequisites, durations and nature of rights (trademarks acquired by use, positional trademarks). Copyright matters differ more than trademark, design or patent matters because harmonisation – even in Europe – is low. It is important to ensure having trustable colleagues and partners around the world to provide the clients with reliable information in all relevant countries. Companies often have an idea about law of the company's location but struggle with the jurisdictions elsewhere. It is important to keep them informed about differences in the countries and why a constellation might work in Europe but not overseas.

**Chen:** In addition to the understanding the nuances of various IP laws and practices, the major difficulty in representing cross-national patent cases is the language differences. This is because patent claims and specification will be translated into various languages when entering into different jurisdictions for patent protection. The differences in language translation may result in different interpretation of claims, which is unavoidable. Thus, in a patent enforcement, different jurisdictions may have different claim construction, which will result in different outcomes of the litigation.

We always recommend companies to draft their patent application in short sentences, no matter what language is used. By doing short sentences, it will reduce chances of misunderstanding or translation errors in a different language, and may keep the original meaning as much as applicable - if your patent agent is doing it right.

Also, when drafting, try to avoid self-invented words. If a self-invented word must be used, there must be definitions of such word provided in the specification.

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## 7. What general advice would you have for patent owners or applicants considering venturing into your jurisdiction?

**Kang:** The Singapore patent system has multiple routes and timelines and to suit different applicants. Thus it is important to consult a local patent attorney to understand the various possible routes and time frame available when seeking patent protection in Singapore.

**Collada:** I would really recommend searching for a firm with a notch expertise. There are only a few firms that do real in depth examination and may advise how to amend an application to comply with the Mexican legal framework as well as practice. Ask such a firm if they have a given expertise in that field.

**Warner:** The U.S. patent system welcomes foreign companies and individuals to obtain and to enforce U.S. patent rights. Foreign applicants are well-advised to retain experienced counsel—even sophisticated U.S. applicants regularly employ counsel—because the application process can be complex and has been further complicated by the recent switch from a first-to-invent patent system to a first-inventor-to-file system. An application can proceed under either system depending on its priority date, and the laws and rules that apply to an individual application can vary widely. Once U.S. patent rights have been obtained, a foreign patentee may sue in a U.S. court to stop infringement. Furthermore, patentees with a sufficient domestic presence may seek to stop the importation of infringing products at the U.S. border.

**Gromett:** The key is for such owners/applicants to familiarise themselves with the intellectual property system in England & Wales in order to ensure they understand the impact of the system on their business and their business plans.

It is crucial that businesses also seek specialist advice given that the story of businesses losing intellectual property protection due to a lack of understanding is an all too familiar story.

We would also always advise clients to consider the other intellectual property rights available to them as a

means to bolster their protection. Any patent owner or applicant also needs to consider establishing a base in the U.K in order to benefit from the Patent Box's reduced corporation tax rate.

**Ramage:** I have taken this from the trade mark viewpoint. I would definitely recommend that anyone looking to move into the UK considers whether they should protect themselves for the whole of the EU at the outset, or to consider protection in the UK first, followed up by subsequent protection in the EU. It is important when filing a mark in the UK to understand that the application is based upon intent to use the mark at the outset, so the application should cover goods or services which the applicant reasonably expects to bring into the market commercially under that mark. It is also becoming increasingly apparent that trade mark owners are aware that trade mark protection is important, say in being able to take action against the registrants of domain names similar to the applicant, and that to have a trade mark in place is paramount in such proceedings. It is further increasingly important to check not only the local Trade Mark Register, but also social and internet media sites for availability of a mark before launch - there is a great deal of commercial information available now to check that a mark is available before use and registration. Internet checks can give an immediate idea of percentage of risk in launching a new brand in the face of what is already in the market.

**Licks:** Some difficulties may concern the eyes of patent owners or applicants venturing into a jurisdiction like Brazil. Backlog, severe delays, restricted views, lack of examining guidelines, among others. However, the landscape changes fast, with the Brazilian PTO working to catch and make for the lost tome. A series of new investments, guidelines and procedures aim at improving the Brazilian PTO performance. Nevertheless, the Brazilian patent prosecution still requires knowledge to avoid the pitfalls, in PCT practice, divisional applications, claim language, etc. The lack of detailed examining guidelines is one of the main issues, where different opinions among examiners affect the predictability of the patent system.

**Laskarin:** The permanent outstanding issue for the inventors, applicants and patent owners is how to find venture investors. Majority of inventors and patent owners are not aware of the importance of the market research. Applicants and patent owners are faced with yearly maintenance costs for invention/patent and have problems to put the patent on the market. General advice for each potential inventor (future patent owners) is to develop strategy for the invention from the very beginning. It is important that through research of available data bases it is ascertained that, with consideration to prior art, particular invention indeed may be considered as new and an inventive step, to monitor industry trends in the particular field to which the patent refers, to perform market research and inquiry on potential international and domestic investors. After inquiry is performed an evaluation of the chances to put the patent on the market and possibility to grant the license should also be conducted.

**Müller:** Anybody filing a patent application in Germany would cover not only a central part of the European Union but also a big territory which makes it nearly impossible for competitors to freely move their goods through the EU without infringing a German patent. Therefore, it is often sufficient to have a patent only in two or three jurisdictions in order to stop competitors investing in the European Union.

**Chen:** Patent applicants should bear in mind that, Taiwan is not a member of the Patent Convention Treaty. Therefore, a national application for invention must be filed within 12 months from the earliest priority date or filing date under the Paris Convention. Also, applications should be filed before the invention is laid open as Taiwan adopts absolute novelty, unless the exemption under grace period can be applied.

If a PCT application is going to enter into national phase in China, a Chinese translation must be ready for submission at the time of filing of the application. Therefore, there must be sufficient time left for translation work before the due date of a Paris Convention national application or before the 32-month restoration period for a PCT application entering into Chinese national phase.

Should applicants wish to file a patent application in both Taiwan and China, we recommend filing in Taiwan first within 12 months after the earliest PCT application is filed. By the time when the same PCT application entering into Chinese national phase, only a language compatibility check (from traditional characters to simplified characters) and syntax review will need to be conducted, since a Chinese translation has been prepared in Taiwan during the patent prosecution.

A reminder to the applicants is that, Taiwan, Hong Kong, Macau and China PRC are all different jurisdictions.

**Rzazewska:** The patent holders should be aware of the fact that the Polish legal system is not a common law one (which is built on precedents), but it is based on the regulations laid down by the legislator (the Parliament).

Invoking the decisions issued in other cases, though possible, has no effect on the decision issued in a given case.

One should bear in mind that no specialised patent court has been established in Poland yet, although the work on such system is in progress. For the time being, common courts which are competent for all types of cases also deal with patent infringement matters.

The shortage of judges who specialise in patent infringement cases is a challenge for representatives of the parties, as it their expertise (legal and technical) and the ability to present it to the court determine not only the course of the proceedings, but also their final result.

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**8. In the biotech and pharmaceuticals, it is predicted that by 2015, branded and unbranded generics are expected to be growing faster than patent protected and non-protected branded drugs in Latin America. How can you ensure a patented product is safeguarded?**

**Collada:** Linkage systems between Sanitary Authorities and Patent Offices should be promoted in the area. This measure has proven to be effective to avoid the granting of market authorisations for patented products to generic companies when the patent is still in force. Also, the possibility of patent extension for inventions in the industry could be analysed. Countries should also create and/or enhance the legal framework for data protection in order to avoid the generic manufacturers to benefit themselves from studies carried out by the innovators.

**Licks:** The Brazilian government plays a major role in the country's pharmaceutical market. This influence is even larger at the biotech, where the government is the only customer in the country, purchasing 100% of the needs for free non-commercial distribution to patients of the public healthcare system, SUS. The recent industrial policy measures to nationalise production of biological medicines are seen as manoeuvres to give few local companies to be the brokers for tech transfer agreements with little chance of being successfully executed. Further, the rapid desire to nationalise production of complex biological products have raised concerns about quality, safety and efficacy.

**Müller:** A patented product is as safeguarded as long as the patent is existing. Thereafter, however, it is possible to safeguard the product by design and/or trademark protection and copyright.

**Rzazewska:** Patent is an exclusive right to make use of invention within a given period of time. By virtue of this fact, patent protection is one of the most desirable protection for biotech and pharmaceutical products. The costs of development of pharma and biotech industry products are growing, therefore, originators are trying to cover these expenditures by holding its monopoly as long as possible. In pharmaceutical field the trademark is also plays a big role. As of today we do not have in Poland the INN prescription only, hence this prediction about faster growth of branded and unbranded generics versus patent protected and non-protected is not appropriate. In fact, patent protection becomes much more important for pharma industry. Both, the

originators and generics are trying to protect their products. If the product is protected by a strong, good quality patent, there is less chance that this protection will expire due to invalidation action. Additionally, if product is patent protected, the patent owner is entitled to take the legal steps against infringements of his patent.

In summary, a patented product is safeguarded if the respective pharma company obtains protection for this product through strong patent/patents and enforces its rights against patent infringements and counterfeits.

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**9. Global brands such as Starbucks and AT&T are increasingly ditching words from their logos and in turn their trademarks. What challenges does this pose for trade mark practitioners, offices and courts?**

**Kang:** Ditching words from logos can be dangerous as the consuming then starts to identify the brand by what he perceives the logo to be. Is it a bird, a plane or what? How do companies achieve brand recognition if consumers in one country call it a bull and consumers in another country call the same logo a dog? If brand recognition is not uniform, how does the court or the brand owner distinguish one brand/logo from another when consumers themselves refer to the same logo by different names.

The importance of using word brands is that, save for bad pronunciation, the brand is still recognisable globally and among the majority of the consumers.

**Hoy:** A trade mark must be a sign which is both capable of graphical representation and capable of distinguishing goods or services of one undertaking from those of other undertakings. The requirement for graphical representation can be problematic where people are seeking to register non-word marks such as colours and smells. A brand owner needs to ensure that the non-word mark for which registration is sought is very precisely identified and defined (e.g. by reference to pantone number if it is a colour mark), otherwise it may not be registered. In addition, brand owners will often have to file evidence to show acquired distinctiveness through use for non-traditional marks, and ensure that their specification is drawn narrowly to cover only those goods/services for which distinctiveness through use can be proved.

**Warner:** The United States trademark system has long recognised the use of image-only marks. As a practical matter, however, image-only marks are more difficult to search and to analyse under a likelihood of confusion standard than are word marks. This increases the complexity in prosecuting and examining an image-only mark. Owners of an image-only mark, therefore, will need to be more active in policing their own marks through opposition and cancellation proceedings at the U.S. Patent and Trademark Office.

**Gromett:** The challenge for practitioners will be to become more adept at assessing the similarity between logos that do not feature any words, and assessing the risk of confusion between such marks from the public's perspective in order to advise clients on the strength of an intellectual property right infringement claim (whether that be as the potential claimant or defendant).

There are long established principles for the global assessment of trade marks on the basis of the visual, aural and conceptual similarities between two marks. With respect to consumer goods in particular, an emphasis is however placed on the aural perception of marks. With global brands now dropping the word elements, the historic means of analysis will need to be adapted.

Practitioners will also need to revise the advice they give to clients and advocate the wider use of other intellectual property rights to protect branding.

**Ramage:** If a global brand is re-launched to use, say, a well-known logo, but without the words which previously were included alongside that logo, or were included in a given trade mark registration, there is a danger that others may sail as close to the wind as possible by coining similar logos, and the likelihood of successful attack

against such copying may be made more difficult as the logos would have to be relatively close to succeed in a legal challenge. Customers also tend to call a mark by the name of the product or provider, giving more exclusivity to the owner of the mark. If a logo and word are combined in use and registration of a mark, it is rather more difficult to confuse the consumer by using a similar combination mark, unless there is blatant copying. In China in particular, if there is no word in a mark, but only a logo, that logo may have its own “description” in use in China, which can have an impact on the reputation of the mark. Marks are often described by how they look, rather than the intended “meaning” of the mark by the proprietor. The consumer tends to call a mark by the words it contains. It may look cleaner and more up to date to only go with a logo, but this opens up the possibility of fending off copycats.

**Rzazewska:** The practice of ditching words from logos and trademarks is to be linked to the general idea of rebranding. Considering the fact that such practices result from divergent economic or legal causes, no general evaluation of such practices may be provided, i.e. without recognition of a particular case. One of the biggest challenges that this poses is to maintain the identification of the brand with its genuine proprietor. It is also a question, whether such new logo/trademark should be perceived as a new brand, not linked to the position of the former brand (no matter whether positive or negative), or just opposite. It may be assumed that the idea of such rebranding is to erase unwanted connotations and to leave a general positive image of the brand, around which new promotional efforts shall be concentrated or new businesses run. If such brand has already been deep-rooted in consumer minds, the new policy will serve good to the consumers, as well as to trademark practitioners, simply starting a new direction for all.

Since its generally figurative (distinctive and dominant) elements remain whereas the words are abandoned, we see no major problems for trademark practitioners to deal with such situation in terms of new trademark applications, and for courts – to deal with any disputes to arise.

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#### 10. With many counterfeit or ‘fake’ products circulating – how can a company safeguard the prestige of its brand?

**Kang:** A company must have an effective campaign against counterfeits. First is must ensure adequate trade mark protection is obtained in a jurisdiction. It must have low tolerance for counterfeits and it must set aside a budget to deal with the problem. By saying it’s too rampant, or it’s a different market segment is simply burying one’s head in the sand. Counterfeit know if you don’t take action, you are not interested in your brand. But is the brand owner takes action, counterfeiters will know brand owners are serious and will move on to other brands with a weak or no enforcement strategy

**Hoy:** Companies have to adopt clever strategies to safeguard the prestige of their brand. From a legal perspective, a robust anti-counterfeiting strategy is an absolute must. But there are other, more preventative, ways that brands can act to maintain their prestige - for example, ensuring that all their licencing deals are strategic, that they do their due diligence on suppliers and licensees and that they only licence to third parties who will share and maintain their brand image; some brand owners have successfully used tiering (where they assign different brands and sub-brands to their prestige and value products/collections), targeted advertising and creative collaborations to achieve this. Brand owners also need to think about their approach to the social media; and their attitude to outlet/discount sales.

**Warner:** The key to protecting a brand’s prestige is diligence—both in obtaining and in protecting the intellectual property rights connected to that brand. Brand protection typically requires trademark and copyright protection, but it can also require design and utility patent protection, especially when product design and function ties into the brand. A company must then be diligent in enforcing those valuable intellectual property rights. Litigation can be costly, but it can be far more costly to suffer brand dilution and loss of market share at the hands of competitors who peddle counterfeits and knock-offs without fear of repercussion. Because counterfeiting is a global problem, a good brand protection strategy should also involve customs authorities, who may have the

legal power to block or to destroy counterfeits of which they become aware.

**Gromett:** We see these problems a lot in our work and the best advice is to take charge of your intellectual property (“IP”) portfolio. Developing a strategy for the clear management of IP which provides for the proactive registration of trademarks, registered designs and patents (if applicable) along with systems to record the creation and use of non-registrable rights (e.g. copyright, unregistered designs and databases) is key to preserving the prestige of a brand.

Having a readily identifiable IP asset base (with accompanying records and registrations) will make the enforcement of such rights in order to reduce the availability of counterfeit or ‘fake’ product much easier.

These IP rights should however be teamed with other measures such as:

- using selected retailers and publicising their list of authorised stockists;
- liaising with government authorities (such as import control) to prevent the importation of counterfeit products;
- policing online marketplaces proactively and utilising the take-down procedures provided by the operators of such sites; and
- depending on the product being copied, using technical measures such as Digital Rights Management controls for software and track and trace systems.

It is virtually impossible to eliminate the risk of counterfeit products entirely but the systematic enforcement of IP rights and the education of your target market as to how to identify genuine products is the best form of defence.

**Ramage:** It is important to use market intelligence agencies to check the usage of marks, and in particular on the ever increasing numbers of counterfeits coming onto the market. Customs checks are definitely worth consideration, to prevent goods coming into the country by using market intelligence, so that those goods are impounded at the outset, and a trace can be made of the origin. The use of Trading Standards in the UK is worth consideration, although I have found that the help offered here can vary considerably from one geographical location to another around the UK, because of budget restraints, and a general saving in public expenses. Use of private investigators is also to be encouraged, to carry out anonymous checks into the provenance of goods or services on offer. OHIM is currently working on such market intelligence. On the internet, domain watching is a must - it is essential to be aware of the look-alike domains continually being coined, and to take down those sites as soon as possible, and ensure that they do not point to other sites for actual trade. Speed is of the essence here. Checks of products sold on internet sites such as eBay are also a must, again to ensure the products sold under a given mark are genuine, and are not inferior in quality, or indeed dangerous to the public. The quicker these spurious products are removed from the market, the less damage there is likely to be to the reputation of the owner of the original mark. Allowing such counterfeit goods or services to circulate commercially, even for a short time, can be terminally damaging to the reputation of the genuine brand. Education of in-house staff about market intelligence therefore, and continually monitoring the market, is essential.

**Müller:** Besides the legal possibilities of registering and defending these brands extensively (with cease and desist letters and court actions), we recommend practicing a “pro-active” enforcement and infringement strategy. It is necessary to closely watch the borders and work together with customs, especially in core countries. It is advisable to combine advertising of products and informing customers about existing fake products, including arguments why buying originals and no fakes; for instance better quality, legal consequences. It is necessary to explain how to recognise fakes, e.g. price differences, quality, specific fabrication hints (synthetic material instead of leather for handbags).

**Rzazewska:** The basic principle of taking care of the brand image is to consistently fight against counterfeit

goods. In order to effectively perform this task and to prevent such products from being brought into market it is highly recommended to submit an application for border protection. The right holder should file a motion with customs authorities providing as much information as possible in order to effectively detect attempts of importing counterfeit goods. Thus, such activities significantly increase the chances of seizing products which infringe industrial property rights still at the border, preventing their entry into the domestic market. Moreover, it is possible that after fulfilling the conditions laid down in the relevant provisions, counterfeit goods – seized by customs officers at the border – might be destroyed in the course of a so-called ‘simplified procedure’, which ultimately prevents their negative impact on the brand image.

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#### 11. To what extent are internal risks as dangerous as external risks with regards to trade secrets?

**Hoy:** The internal risks are much more dangerous than the external ones! Because trade secrets are these days, very often stored in digital form, it makes them very easy to copy - an employee can all too easily copy large quantities of data in a very short space of time. Particularly, in the digital age, employers therefore need to have adequate safeguards to prevent employees taking their trade secrets to a competitor, or setting up on their own in competition with their employer. Most of the reported cases on trade secrets are about employees, and the number of cases are on the increase. Whilst employees do have implied duties of fidelity, businesses should consider how these might be bolstered by particular clauses in their employees’ contracts.

**Gromett:** We would suggest that the internal risks are greater than external risk in so far as “trade secrets” are concerned.

Whilst not identified in the English legal system as an independent intellectual property right, trade secrets are protected by the principles of confidentiality. To benefit from the common law rights attaching to confidential information such information must have the necessary quality of confidence and only be disclosed in situations imparting obligations of confidentiality (either implicitly or by way of contract). In the absence of such characteristics, protection will be lost. The biggest risk is therefore not identifying the value of confidential information and investing the time to ensure that it is recorded and not freely disclosed. If a business does not identify confidential information it cannot expect its employees (and, in particular, departing employees) to recognise its value and confidentiality.

The impact of a failure to protect confidential information both legally through confidentiality agreements and employment contracts is matched by the failure to protect unauthorised disclosure practically through restricted access, departmentalised disclosure and other technical means.

**Sherman:** In an increasingly mobile society and with rising levels of employee discontent and disengagement, the internal risk of trade secret misappropriation is even higher today than the external risk of hacking, pilferage or even reverse-engineering. In addition, the impact of the recession and massive job cuts at many companies has caused a level of employee frustration that may lead to compromise of trade secret and confidentiality policies, either out of survival and/or revenge.

**Laskarin:** Businesses should pay special attention to protection of trade secrets since their disclosure may cause great losses, foremost financial. Companies tend to focus on protection from outside threats but due to the significance of the consequences of disclosure, the same effort should be invested in protection from internal risks since they often occur as the cause of disclosure. In some cases the losses are caused by sale of trade secrets information of the employees to the third parties, but more likely they are result of oversight and negligence of employees and lack of awareness of importance of this information. Furthermore, in e-commerce, third parties contractors (e.g. web developers, technology consultants) are also a potential internal risk factor since they have access to personal information on companies’ clients. Protection mechanisms against these threats may be to familiarise the employees with the companies’ trade secrets that they may be exposed to and to sign the non-

disclosure agreements with the employees as well as with third parties contractors.

**Müller:** Internal risks are as dangerous as external risks and it very much depends on the industry as to how to handle “trade secrets”. The European Commission (DG Trade) is right now investigating the protection of “trade secrets” and that might be fuelled by the current debate about espionage. Intellectual property rights are an excellent protection against the free flow of trade secrets and should be used wherever possible.

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#### 12. Are there any other sectors which are causing Intellectual Property lawyers headaches?

**Collada:** At least in our jurisdiction regulatory issues are coming nearer and nearer to IP issues. For many fields of science and as well for many markets each time IP lawyers need to know Regulatory Law, if not, the advice is not complete.

**Warner:** In the software arts, the use of functional language is receiving increased scrutiny from the U.S. Patent and Trademark Office. During prosecution in the U.S. Patent and Trademark Office, apparatus claims using functional language are frequently being interpreted by Examiners as means-plus-function claim elements. This may result in unduly limiting claim interpretations during litigation. During litigation, apparatus claims using functional language and method claims that are not closely tied to a specific machine may both be subjected to arguments about whether the claims improperly cover an abstract idea. As evidenced by the recent en banc Court of Appeals for the Federal Circuit decision in *CLS Bank International v. Alice Corp.*, those types of arguments have divided the courts and may lead to unpredictable holdings.

**Ramage:** One area which is really proving problematic at present to trade mark and IP lawyers is the increasing occurrence of so-called “unsolicited” invoices, being sent direct to trade mark owners, and offering everything from entry into unofficial databases, or offering services to file an EU trade mark application, or a watching service, or renewal service, usually at a very high cost. Finally, after some years of discussion, OHIM and the UK IPO are taking these approaches seriously. Many of my own clients have been caught by these invoices, which often look official, and often use logos which look as though they come from a Government Department. There is even one circulating at present, with the heading OHMI. The wording on some of these invitations is vague, and in some cases it is hard to even work out what is on offer. The cost of these services is usually exorbitant. Most practitioners in the UK, and now elsewhere, and even our own UK IPO and OHIM are informing the public that these invitation letters/invoices are circulating, and to be aware. There is now a very useful entry on our own UK IPO website to this effect. The best advice is to educate your clients that if they receive any invoices which do not come from their usual intellectual property advisors, to immediately tell their existing advisors, and not to pay these invoices, and not to respond to these advances either.

**Sherman:** The growing role of brands and the availability of proprietary content on so many desktop and mobile technology devices have forced intellectual property lawyers to keep up with these more complex and ever growing methods of downloading and dissemination. Another area of potential headache from an IP law and strategy perspective is the lack of reliable metrics to measure and assess both research and development expenditures and intangible asset harvesting strategies, coupled with the financial markets overall inability to properly value these assets has caused some confusion and even frustration in the overall IP strategic planning process.

**Licks:** The lack of enforcement of Data Package Exclusivity for drugs of human use is for sure a major issue. The lack of compliance with the WTO TRIPS Agreement has never been satisfactory. The research in the country’s rich biodiversity struggles with the current IP regime. The possibility of anti-IP bills being introduced before the Brazilian Congress further increases the problem. Brazil’s backlog at the patent office, now reaching 14 years on some arts is another sector.

**Müller:** With the introduction of the European patent with unified effect - which as such is generally welcomed - a common patent court called “Unified Patent Court” will be set up. It will have a first instance having a central division based in Paris, with branches in Munich and London, and having local divisions in various member states. According to Art. 33 and 83 of the Agreement on the Unified Patent Court, infringement actions can be brought before a local or the central division, depending on the seat of the defendant, and for a transitional period of seven years still before the national courts, i.e. many courts will have to deal with the difficult subject-matter of the European Union Patent at once. When so many different courts are newly established, it is to be feared that the quality and consistency of judicature might suffer. This is especially worrying for the German IP community, because we have enjoyed a particularly efficient and high-quality court system for patent infringement matters for many years.

**Rzazewska:** In addition to the issues addressed above, a considerable concern of the professionals in the field of protection of intellectual property in Poland is caused by absence of comprehensive case law related to infringement of exclusive rights. The most relevant problems related to recognition of patent infringement cases by Polish courts result from the fact that although the judges have professional educational background as lawyers cases of this kind also require expert knowledge in a specific technical field. In this context, there also appear quite complex issues caused by companies who tend to overuse their rights, e.g. by means of so called trolling, or big corporations who tend to threaten the competitors with lawsuits for alleged infringements e.g. of trademark protection rights.

On the other hand, there remains a problem of look-alike products that clearly do not have identical name and packaging but are intended to benefit from a shadow of their promoted and heavily invested older brother.

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### 13. What key trends do you expect to see over the coming year and in an ideal world what would you like to see implemented or changed?

**Kang:** There seems to be a move towards harmonisation of intellectual property laws. This can be seen by the US moving to a first to file patent system and the EC setting up a unified patents court. With harmonisation, there will be greater certainty in the implementation of intellectual property law across different countries having different economic considerations and development. A balance has to be drawn between the protection given to rights owners and the need for essential commodities to be made available to the masses and this is something that should be seriously considered in an ideal world.

**Collada:** A new generation of Free Trade Agreements containing an IP chapter with higher protection and enforcement standards such as the Trans-Pacific Partnership Agreement is expected to be discussed or signed amongst the main global players. In patent matters, the discussion about statutory subject matter regarding business methods, computer implemented inventions, laws of nature and the like is expected to be intensified. It is also expected that more countries which had not entered the PCT Treaty become interested to be part thereof like the recent joining of Iran and Saudi Arabia.

In an ideal world, it would be desirable that harmonisation regarding IP Laws could be reached so there could be more certainty for both, IP owners and IP professionals, regarding the degree and enforceability of IP rights around the globe.

One of the main trends in the coming years that I would like to see is the valuation and monetisation of IP rights basically on trademarks. In our country there are very valuable trademarks that not even their owners realise how much they value, and how much return they can get on them; there are even a significant amount of very well-known Mexican TM throughout Latin-American. I also believe that it is a trend in business law to look at the IP assets in a different way as a source of wealth and competitiveness.

**Gromett:** In the coming year we can expect to see further debate over the Intellectual Property Bill and the modernisation proposed by the Bill. Given that primary legislation is rare these days, it will undoubtedly be debated at length.

We will also be watching to see what impact the PCC’s small claims track has on the enforcement of intellectual property rights, particularly in the creative sector where claims are, whilst vital to creative businesses, relatively low in value and do not justify high legal costs.

Practitioners will also be getting to grips with the impact of the Jackson reforms on disclosure, costs budgeting, and the “hot tubbing” of experts (where the Court hears from both experts on the same issue at the same time). Having been introduced on 1 April 2013, we are yet to see how they work in practice.

In an ideal world, I would like to see legislative reform that is future proof and that, with aid of advice from industry, is drafted in anticipation of new technology giving the legal profession the tools it needs to protect the interests of clients.

**Sherman:** From the dawn of mankind to the year 2003, we created 5 exabytes of data worldwide in the aggregate. In 2013, we now create that same amount of data every two days. By 2015, we may be generating that same amount on a daily basis, driven by user-generated content. By 2017, mobile data traffic generated by tablets alone is expected to reach 1.3 exabytes per month. The challenge for global company leaders in the coming year and thereafter will be how to properly manage, mine and harvest all of this data to drive shareholder value and to provide a defined return on the investments that have been made in gathering various types of data.

**Licks:** With the boost of foreign investment in recent years, patent applications, filings and disputes are all on the scope as companies look to protect their innovations and assert their rights in countries like Brazil. A PTO with backlogs and examining guidelines compatible with international standards is the primary need. The possibility of joining the PPH is necessary. On the regulatory side, joining ICH and doing away with the branded non-interchangeable copies of drugs is also needed. Easing the tech transfer regulations that limit the ability to contract is a major issue. Finally, revoking the special discriminatory regime for patent applications claiming pharmaceutical products or process is a priority.

**Laskarin:** The accession to the European Union has expanded the market for Croatian entrepreneurs. This should raise awareness of the Croatian business community of importance of protection of their intellectual property rights for securing their position in the market. The integration in the European common market and European professional networks in the intellectual property field (such as European Observatory on Infringements of Intellectual Property Rights) should contribute to strengthening of efficient intellectual property rights protection which would further result in strengthening of competitiveness of Croatian economy and mechanisms for fight against intellectual property infringements.

**Müller:** The European Commission and the European Parliament are right now modernising the European Trademark Law and we expect to have a new law in place in 2015 or 2016. That will harmonise the national laws to a much greater extent than before as well as the European Patent system has changed the landscape. However, the “legal world” is still beyond the “virtual world” and it will be a great challenge for national prosecutors to combat international (virtual) infringement over the internet. Multi-national treaties have to be found in order to be able to combat the global piracy while - at the same time - encouraging competition and innovation.

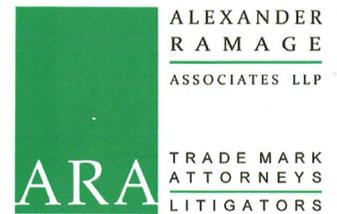
**Chen:** Since more and more IP Offices would like to share their resources with each other and carry out patent prosecution highway (PPH) program for the examination of patent applications, there is an increasing need for a globally harmonised standard in determining patentability, drafting requirements, standards for novelty and inventive steps, as well as the grace period for the exemption of novelty and inventive step. We believe a

harmonised global patent system will economise patent applicants' costs, and further efficient examination practice in major IP Offices.

**Rzazewska:** In my everyday practice of the domestic/European patent attorney and attorney at law, I observe the increasing awareness of Polish businesses of the necessity to protect industrial property rights – in an increasing number of cases these rights are a part of business strategy. The Polish government tries to facilitate the development of innovative businesses. Moreover, an increase of expenses spent on R&D activities may be observed among entrepreneurs. I think that the activities undertaken will result in an increase of industrial property rights protected by Polish entrepreneurs not only in Poland under the domestic procedure, but also under the Community and International procedure, as the recent tendency of applying for exclusive rights in such countries as Germany, US, Japan or China shows.



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