



An introduction to Intellectual Property

Sarah Whittle,
Senior Associate

IPR?

- Focus of today is on running through the main Intellectual Property Rights (IPR) connected with new products and businesses that provide value to a business
 - Identifying the rights
 - Protecting the rights
 - Enforcing the rights
- IP rights and associated goodwill = valuable assets

Introduction to IP rights

- Both registered and unregistered rights
- 4 main categories:
 - Patents
 - Copyright
 - Design rights (registered and unregistered)
 - Trade marks (registered and unregistered)
- Also database rights and confidential information

- Generally, IPR are property rights in the incarnation of ideas and creative endeavour
- Can also include skill and knowledge involved
- The right to prevent others using IP
- Rights to sell, licence or bequeath to others
- Property rights to offer as security to lenders

Purpose of IPR

- encourage investment by reducing risks
 - more research and development
 - more technological advances
- encourage disclosure of new ideas
- encourage creativity in the arts
- Creation of barriers to entry, to protect and attract investment
- Prevention of unfair competition

What businesses need to protect

- brands
- customer lists
- bespoke software
- new products
- new processes
- know-how
- marketing and selling materials

What protects what?

Parts of your business	Example	Patents	Registered Designs	Unregistered Designs	Trade Marks (registered or unregistered)	Copyright	Database Right	Confidential Information
Brand Logo		x	☺	x	☺	☺	x	x
Company Name	NESTLE	x	x	x	☺	x	x	x
Brand Name	NESCAFE	x	x	x	☺	x	x	x
Product Name	GOLD BLEND	x	x	x	☺	x	x	x

What protects what? (cont'd)

Parts of your business	Example	Patents	Registered Designs	Unregistered Designs	Trade Marks	Copyright	Database Right	Confidential Information
Invention		😊	sometimes	sometimes	×	×	×	😊
Shape or appearance of products / packaging		×	😊	😊	sometimes	sometimes	×	×
Business Information		×	×	×	×	😊	😊	😊
Databases	The White Pages	×	×	×	×	😊	😊	😊

Registered Rights

- trade marks
- patents
- registered designs

Unregistered Rights

- copyright
- database rights
- unregistered design rights
- unregistered trade marks
- confidential information, know how and trade secrets

If you fail to protect IPR ...

- loss of right
- loss of margin
- loss of market share
- diminution in value of business
- loss of royalties
- wasted investment

Patents

- Registered right protecting new inventions
- Time limited monopoly right – trade off for encouraging inventors to publish their inventions
- Covers how things work, what they do, how they do it, what they are made of and how they are made.
- Must be **new**, have an **inventive step** (ie, not obvious to someone skilled) and **be capable of industrial application**

- Will attract professional fees (essential), IPO fees and renewal fees (from 5th year)
- Renewal fees increase (from £70 year 5 to £610 in year 20)
- Lasts 20 years

Patent Application

- Very technical
- A sanitary fitting having an outlet device for cold and hot water, comprising a hot water passage separately led to the outlet within the outflow pipe ducting cold water, wherein the outer outflow pipe conveying cold water terminates in an angled-over exit orifice having an internal screw thread into which is screwed a jet divider insert the portion of which projecting beyond the exit orifice forms a radially external annular opening for cold water and a co-axial internal tubular opening for hot water, the internal sleeve of the sleeves forming the two openings bearing tightly against a coupling pipe section which latter is secured to the outlet-side extremity of the hot water passage.

- Number of sections to be completed. Five main items
 - **1. The Title** - the name that you give to your patent. Published when you make your application (before grant so do not include any confidential information). Not very informative for this reason.
 - **2. The Abstract** - a short description of the idea called the Abstract. Indication of what the patent is all about. Helps people find relevant patents when they are researching new ideas. Normally written last to ensure accuracy

- **3. The Drawings** – rest of document refers back
- **4. The Description** - detailed explanation of the invention and how it works. It must include all the information necessary to make the invention by someone 'skilled in the art'. Need to include everything that makes this idea new.
- **5. The Claims** - most important part of the document. It is here that you are claiming to have made a new invention. Written in a specific style that can be hard to follow. Each claim must stand alone and be complete in itself.

- See example patent

Design Rights

- Protection for the overall visual appearance of a product
- 2 Regimes – UK and EU (for now!), registered and unregistered
- Allows you to stop others from creating designs which are too similar to yours

- Unregistered rights
 - EU = three years, UK = 10 years from first marketing or 15 years from creation of the design, whichever is earlier (licences of right in last 5 years).
 - Have to prove copying.
 - UK right doesn't cover 2D aspects such as patterns
 - Free

Unregistered rights

- protects the appearance of a purely functional product.
- Must
 - comprise the shape or configuration (whether internal or external) of the whole or part of an article
 - Be original
 - Be recorded in a design document or made to a recorded design
- First/default owner is the designer (or employer)
- Exemptions for must fit or match/methods of construction/surface decoration

Registered Design Rights

- To be registrable, a design must be new and have individual character.
- Registered Design rights:
 - Maximum of 25 Years
 - No need to prove copying
 - Covers 3D and 2D aspects
 - Professional fees, registration fees, increasing renewal fees every 5 years (range from £70 to £140)

Registered Design Rights

- UK and EU broadly the same, save for territory covered
- Wide definition:

“the appearance of the whole or a part of a product resulting from the features of, in particular the...
...lines, contours, colours, shape, texture, material and/or ornamentation”
- Protects appearance not function
- “Appearance” more than simply visual

What is a Product?

- “Any industrial or handicraft item, including inter alia parts intended to be assembled into a complex product, packaging, get ups, graphic symbols, and typographical typefaces, excluding computer programs”
- Industrial or handicraft item
- Whole or part of product
- If part - must be integral
- Component parts must be visible in use
- Internal features of products
- Includes packaging

Key Feature = “New”

- No identical design has been made available to the public...
 - ...before date of filing (Registered Designs) (12 month grace period)
 - ...before date first made available to public (Unregistered Designs)
- Identical?
- Made available?
- Take care with disclosures (save for exempt disclosures)

Other key features

- Individual Character:
 - Different overall impression on “informed users” from existing designs available to public
 - Informed user: non-expert, but familiar with product and able to identify differences in detail
 - Design constraints: small changes leave a big impression
- Not dictated solely by technical function
- Interconnecting parts?

Registration of Designs

- Registration contains images of the design and a description of the type of good/product applied to
- Limited in geography
- Not easy to search
- Not an absolute guarantee that will stand up to scrutiny, but useful tool in proceedings

	Acquired?	Extent?	Duration?	Territory?
UK Registered Design	File at UK Patent Office	Monopoly	5 years (max. 25)	UK
RCD	File at OHIM	Monopoly	5 years (max. 25)	EU
Unregistered UK design right	Automatic: once available to public in UK	Prevent Copying	10 years from first marketing/15 years from creation	UK
UCD	Automatic: once available to public in EU	Prevent Copying	3 years	EU

Designs and branding

- Design is often part of the distinctive nature of product



- Unregistered right protecting literary, dramatic, musical or artistic works, layouts or typographical arrangements, recordings and broadcasts
- Prevents reproduction of copyright protected work
- Database rights are a derivative of copyright
- Duration varies according to type of right - written work - **life of the creator plus 70 years** from the end of the year in which he/she died
- No cost as automatic right
- First owner = author

Copyright in a business

- Relevance to branding is usually in respect of layout, e.g. websites and advertisements
- May be the only protection afforded to the overall layout, even if individual elements are protected in other ways
- Would also protect the text within the marketing material
- Could protect "look and feel" of computer software - may be part of brand
- Potentially protects longer marketing slogans (which aren't registered) such as "Plop plop fizz fizz oh what a relief it is!"

Overlap between copyright and design rights

Right	Relationship with other rights
Copyright	May coexist with registered design; infringement actions may be taken in respect of either or both rights. May coexist with unregistered design right but, if it is possible to sue for copyright infringement, that action must be pursued and an action for design right infringement may not be brought. (In practice, copyright and design right will be pleaded in the alternative.)
Registered design	May coexist with copyright or design right; infringement action may be taken in respect of either or both rights.
Unregistered Design right	See above

Trade marks

- Protection for sign which can distinguish your goods and services from those of your competitors.
- Words, logos or a combination of both.
- Unregistered
 - Need to rely on “passing off”
 - Need to show reputation, misrepresentation, damage
 - TM
- Registered
 - Monopoly Right
 - Lasts indefinitely, renew every 10 years, no increase in fees
 - ®
 - Registration at Companies House is not enough
 - Relatively inexpensive
 - No deadline on applying

Trade Mark registration

- To be registrable, mark has to be:
 - distinctive for the goods and services you provide
 - Capable of graphic representation
- Must not
 - describe your goods or services or any characteristics of them, for example, marks which show the quality, quantity, purpose, value or geographical origin of your goods or services;
 - have become customary;
 - Contain a specially protected emblem;
 - be offensive;
 - be deceptive. There should be nothing in the mark which would lead the public to think that your goods and services have a quality which they do not.

Examples of registered trade marks

**HAVE A BREAK.
HAVE A KITKAT.**



- HESTON
- HESTON'S
- HESTON BLUMENTHAL
- HESTON BLUMENTHAL'S TRIPLE COOKED CHIPS
- THE FAT DUCK



Characteristics of a registered Trade Mark

- Mark is limited geographically - UK marks, CTM marks, Madrid applications
- Mark is registered in relation to standardised categories of goods (34) and services (11)
- Only register against the goods and services you need
- Means that more than one person can have the brand



Advantages of Trade Mark Registration

- Protection against use in trade of identical mark
- Protection against use in trade of confusingly similar mark
- Adds value to the business
- Demonstrates you take business seriously
- Saleable asset
- Renewable indefinitely

Limitations of Registered Trade Mark

- No protection against earlier rights
- Must be maintained and used to avoid revocation
- Geography
- Only protects in classes for which it is registered

Effect of Brexit

- Holders of EU trade marks (EUTMs) and registered Community designs (RCDs) registered or granted before the end of the transition period will automatically become holders of comparable IP rights in the UK. Will have the same renewal dates and take the same filing or priority dates as the corresponding EU rights
- Holders of unregistered Community design rights arising before the end of the transition period will be accorded an equivalent UK right with the same term of protection as the EU right

Confidentiality – The value of information

- 1 oz citrate caffeine
- 3 oz citric acid
- 1 fl oz extract vanilla
- 1 qt lime juice
- 2½ oz flavoring
- 30 lb (14 kg) sugar
- 4 fl oz fluid extract of coca
- 2½ gal water
- Caramel sufficient
- Oil (80 orange, 40 cinnamon, 120 lemon, 20 coriander, 40 nutmeg, 40 neroli)
- 1 qt alcohol

Protect your information

- Need to ensure your rights and the value of your rights is protected at all times
- Ensure that initial discussions with third parties are protected
- Consider the use of confidentiality agreements/non-disclosure agreements
- If cannot agree use of CA/NDA, keep discussions at a high level of generality
- Ensure covered off in employment contracts
- Particular danger with unregistered rights

NDAs

- As early as possible and before you disclose anything not in the public domain
- Prevents loss of right to register IP and loss of first to market/"springboard"
- For most information confidentiality is only protection
- Enforces "professional" image
- Ensure information has necessary quality of confidence and is imparted under a duty of confidentiality
- Standard document **BUT** be specific
 - What information
 - What format is information
 - What is the purpose of giving the information
 - How long will it be kept confidential
- Return of information

Finding your IP

- Review your entire business and find the IP
- Make sure you know who owns IP:
 - Done in course of employment?
 - Difference between copyright and design rights with non-employees
- Ensure you are using it in the right way
- Ensure it is protected as much as possible
- Ensure it's value is acknowledged internally and externally
- Keep under review

Contracts affecting IPR

- Non-disclosure or confidentiality agreements (NDAs)
- Licence agreements
- Joint venture agreements
- Collaboration agreements
- Co-existence agreements

Contracts affecting IPR (cont'd)

- manufacturing agreement
- supply agreements
- consultancy agreements
- employment contracts

Putting the world on notice

- © Blake Morgan 2020
- Blake Morgan is the maker of the database
- design rights BM 2013
- TM (unregistered trade marks)
- ® (registered trade mark)
- Patent No: EP 123456
- UK Reg Design No. 12345

Enforcement

- The value of intellectual property rights is directly linked to owner's ability to enforce
- IP rights do act as a deterrent to potential infringers but infringement will still occur
- The infringer is making money that you could be making
- Potential to devalue your products and brand
- Without enforcement your IP can become worthless

Maintenance and enforcement

- Trade Marks
 - Not used – revocation
 - Too generic – e.g. Escalator, Yo-Yo, Thermos (Google are sensitive to this)
 - Renewals
 - Acquiescence against an infringing trade mark – inability to object to infringing trade mark
- Patents
 - Renewals
 - If allow infringement – waive right



Maintenance and enforcement

- Copyright/ Unregistered Design Right
 - If you allow others to copy, your rights are watered down
- Registered Design
 - Renewals
- Licences
 - Obligation in licence to enforce?
 - Value of licence
 - Territories
 - Enforcement of licence in itself

Is there an infringement? Patents

- Protection
 - Is patent granted?
- Infringement
 - Making
 - Using
 - Selling
 - Keeping
 - Importing
- Does the product infringe?

Is there an infringement? Trade marks

– registered marks

- Protection
 - Is it registered? What is the scope?
- Infringement
 - Registered mark is used without owner's consent and:-
 - Identical mark in relation to identical goods/services
 - Identical/similar mark in relation to identical/similar goods/services and evidence of confusion
 - Identical or similar mark in relation to any goods/services where use takes unfair advantage of/detrimental to the distinctive character/repute of registered mark
 - Infringing use must be in the course of trade

Is there an infringement?

Unregistered marks and passing off

- Infringement – The Classic Trinity
 - Reputation
 - Misrepresentation
 - Damage
- Protection
 - Use of TM
 - Keep evidence of history of use

Is there an infringement? Registered designs

- Protection
 - Is it registered and what is scope?
 - National/EU?
- Infringement
 - Occurs when making, offering, putting on market, importing, exporting, stocking or using protected product without owner's consent
 - Must not produce a different impression on the informed user
 - Infringement not limited to the exact design or the original article

Is there an infringement?

Unregistered designs

EU

- Protection
 - Only lasts for three years
- Infringement
 - Similar to registered right but **must** be copying

UK

- Protection
 - Duration: 10/15 years
- Infringement
 - Primary: making
 - Secondary: importing, keeping, selling or offering for sale
 - Does the product infringe?
 - Copying

Is there an infringement? Copyright

- Protection
 - use of ©
 - Keep record of what produced and when
- Infringement
 - Occurs when:-
 - Copying
 - Issuing to the public
 - Performing, showing or playing
 - Communicating to the public
 - Must be whole or a substantial part

Practical considerations

- Proof of ownership and subsistence
 - Keep your own register
- Evidence
 - What is infringer doing? Where?
 - Trial purchase
 - Knowledge
- Time
- Groundless threats (trade marks, designs, patents)

- Your right **will** be challenged and subject to scrutiny
- What do you want to achieve?
 - Warning to others
 - Finding of validity
 - Prevent competitor from entering the market
 - Money – fixed sum or income stream?

How to enforce

- Take advice early
- Letter of claim
- Injunction
- Court proceedings
- Costs
 - Use of mediation?
 - Ways to fund litigation (e.g. Conditional Fee Agreements, third party funding)

Remedies available

Think about what you want to achieve:

- Injunction – interim and final
- Delivery up or destruction
- Damages **or** an account of profits
- Declaration of ownership/validity
- Certificate of contested validity
- Criminal offences – bootlegging and counterfeiting

Other enforcement considerations

- Check registered domain names – if include your trade mark, complain to nominet
- Recent decision re: trade marks and use by Google enhances rights of trade mark owners in this respect
- Consider use of other authorities:
 - Trading Standards
 - ASA

IP policy

- Keep proper records, both of the protected work and registration renewals, assignments etc.
- Keep records of unregistered work and evidence of creation
- Keep patent, registered designs and trade mark portfolios under review
- Use symbols correctly
- Place patent/design numbers on goods
- Use trade mark watch services
- Monitor market activity
- Monitor licensees
- Put in place a procedure for dealing with infringement quickly

A success story? Mandy Haberman



Final tips

- Have a strategy for enforcement - greater the success, more inevitable infringement becomes
- Get to know the IPO website – ensure you are not infringing anyone else's IP before you invest
- Become friends with Google – monitor activity and check for similar products/business
- Plan your investment – include external assistance along the way



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Senior Associate

sarah.whittle@blakemorgan.co.uk