

Scandinavian IP Law Review

A review of the development within Danish, Norwegian
and Swedish intellectual property law in 2008



Zacco is one of Europe's largest IP consultancies with more than 350 employees in Denmark, the Netherlands, Norway and Sweden. Together with its associated law firms, Zacco provides a full range of IP services, including IP management, filing and prosecution, litigation, licensing and portfolio management services.



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A review of the development within Danish, Norwegian and Swedish intellectual property law in 2008

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Introduction

Scandinavian IP Law Review is an annual review of the most important decisions in national Danish, Norwegian and Swedish intellectual property law published by Zacco on a complimentary basis for the benefit of our clients and friends in Scandinavia and abroad.

We hope that you will find Scandinavian IP Law Review as exiting to read as it has been for us to create, and welcome any question or comment that you may have to the decisions reported herein or otherwise.

This and past issues of Scandinavian IP Law Review are published electronically on our website at zacco.com where you can also subscribe to an e-mail alert of the publication of future issues.

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1. Copyright

Denmark

Assignment of building design allowed

Arne Brogaard vs. Bach Gruppen, the Supreme Court

On behalf of a contractor, architect Arne Brogaard had created a building design as basis for an application for building permit. The building permit was granted, but the contractor went into liquidation without building the houses. The liquidator assigned the building project with the building design to a new contractor, Bach Gruppen. Bach Gruppen used Brogaard's building design for building the houses in accordance with the building permit, and Brogaard claimed compensation and damages arguing infringement of his copyright in the building design. The Court found that the building design was assigned to the original contractor by the grant of the building permit with respect to the houses covered by the permit, and that the contractor was allowed to assign its right in the building design irrespective that the building design was protected by copyright. Consequently, Bach Gruppen did not infringe the copyright of Brogaard by building the houses in accordance with the building permit.

20 days suspended imprisonment for copying CD's

The Public Prosecutor vs. NN, the Eastern High Court

Two individuals were found to have committed a copyright infringement through a period of 1 year and 9 months by having copied 410 music CD's, sold 200 copies, gained a profit in the amount of DKK 4,000 (about EURO 550), and created an offer for

sale of 725 titles as copies. Irrespective of the extent of the offense the Criminal Act was found not to apply, but the individuals were sentenced 20 days suspended imprisonments according to the Copyright Act.

Subscriber's responsibility for file sharing not proven

IFPI Danmark vs. NN, the Eastern High Court

IFPI had proven that copyright protected works had been copied and shared via an internet connection subscribed to by an individual with an internet service provider. The individual disputed to have copied and shared the copyright protected works and argued that others could have used her wireless internet connection without her consent or knowledge. The Court found that there was no basis to revert the onus for the individual to prove not to have committed the offence, and as IFPI had not proved that the offence was committed by the individual (only that it was committed via her internet connection) or that the individual had acted negligent in connection with others having committed the offence, the claims were dismissed.

Subscriber's responsibility for file sharing proven

IFPI Danmark vs. NN, the Western High Court

Also in this case IFPI had proven that copyright protected works had been copied and shared via an internet connection subscribed to by an individual with an internet service provider. Taken into consideration that the wired internet connection was accessible only from within the home of the individual and that the individual

lived alone, it was considered proven that the offense was committed by the individual. Consequently the Court ordered the individual to pay compensation and damages in the amount of DKK 160.000 (about EURO 21,500) and to delete the copied files on his computer.

Use of pictures of the Little Mermaid sculpture in a collage allowed

Edvard Eriksen's heirs vs. Forlaget Forum and Bjørn Nørgaard, the Eastern High Court

In the advent of the H.C. Andersen-year Bjørn Nørgaard created a collage on the subject of the H.C. Andersen fairytale "the Little Mermaid" using two pictures of the Little Mermaid sculpture as created by the deceased Edvard Eriksen, without obtaining the consent of his heirs. Consequently, the heirs of Eriksen commenced litigation for copyright infringement. In defence Nørgaard submitted that the copyright in a new, independent work of art, which is created through the free use of another work, is not dependent on the copyright in the original work. The Court found that Nørgaard's collage was a new, independent work of art. Considering whether the use of the photos of the Little Mermaid sculpture was free use of another work, the Court emphasized that Nørgaard had shown that there is a fixed tradition that artists in collages and similar works of art use the works of others without their consent, and that such tradition may be taken into consideration when interpreting the Copyright Act. As the specific use of the photos were not dominant in the collage and not suitable to enrich Nørgaard on the account of the heirs, the Court found that the collage was created through free use of

the photos of the Little Mermaid sculpture and thus dismissed the claim for copyright infringement.

Norway

Use of nude scenes from movie constituted copyright infringement

Gørild Mauseth vs. NRK, the Oslo District Court

The Norwegian movie “Brent av frost” (Burned by frost) was produced in 1996. The movie contains an episode where a sexual act is taking place on top of a pile of freshly caught fish in a fishing boat. The episode was later parodied in a movie called “Kill Buljo”. In connection with the launch of “Kill Buljo”, NRK (the Norwegian Broadcasting Corporation) showed a scene from “Brent av frost” including the sexual act and some subsequent nude scenes with the actress Gørild Mauseth, which were not subject to parody in “Kill Buljo”. NRK knew before the broadcast of the TV-show that the producer of the film was subject to contractual limitations in the use of the scenes towards the actress and that her consent to use the scene would not be given. The TV-show was broadcasted without prior censoring and made available for downloading in approximately nine days at NRK’s website.

Mauseth sued NRK and claimed that the use of the subsequent nude photos falls outside the right to make a quotation to a work protected by copyright. The Court agreed and found that NRK had the right to make a quotation to the sexual act, but not the subsequent nude scenes with Mauseth as these scenes were not within the scope of the quotation to “Kill Buljo”. The use of the nude photos was also viewed as in breach of “proper usage” and

NRK’s freedom of speech defense was dismissed. Mauseth was awarded compensation of NOK 110,000 (about EURO 12,600) and damages of NOK 45,000 (about EURO 5,100) for non-economical loss.

Sweden

Commercial breaks constituted unlawful change of movies

Claes Eriksson and the estate of the deceased Vilgot Sjöman vs. TV4, the Supreme Court

In connection with TV4’s broadcast of Claes Eriksson’s movie “Hajen som visste för mycket” (The shark that knew too much) and Vilgot Sjöman’s movie “Alfred” commercial breaks were included two and three times respectively. The commercial breaks were about five minutes long, started with a vignette comprising a signature tune and the information that it was a commercial break and that the movie would continue shortly. They ended with the same vignette and information that the movie would continue. The volume of the commercial breaks was slightly higher than in the movies.

Eriksson and Sjöman filed an action against TV4 claiming that the commercial breaks constituted an unauthorized change in their works which was prejudicial to their literary or artistic reputation and individuality.

A movie is characterised by, among other things, the creative elements such as the rhythm of the course of events, the story and the atmosphere created by the combination of sounds and pictures. Since commercial breaks interrupt the course of events

and the atmosphere, the introduction of the commercial breaks were considered a change in the works.

The Court stated that when evaluating if the change is prejudicial to the author the matter should be seen from the author's point of view, but otherwise an objective standard should be applied. The judgement should take its starting point in the conditions within the relevant form of art and take into consideration the individual circumstances. Also the genre and intended use should be considered. Feature movies, as in the present case, has to be considered more sensitive for interruptions than for instance short story movies or episode based movies. The comprehensive experience created in a feature movie through direction and cutting as well as the movie's continuity and dramaturgy is interrupted when commercial breaks are included. The purpose of the commercials does not, when determining what has to be objectively acceptable, weigh more than the author's interest that his work should be shown in a way which does not prejudice his individual rights. Consequently, the Court found that the commercial breaks constituted a change to the works which was prejudicial to the authors' individuality, but not their literary or artistic reputation and found in favour of Eriksson and Sjöman.

2. Design

Denmark

No unregistered Community design rights for women's clothing

Style Butler vs. Rosemunde, the Maritime and Commercial Court

Style Butler and Rosemunde are both designing and marketing women's clothing. Claiming that a number of their styles, including in particular a knitted top with laces, enjoyed protection as unregistered Community design, Style Butler commenced infringement proceedings against Rosemunde's marketing of a number of later styles. Subject to a review of other products in the market, the Court found that Style Butler's styles were not sufficiently new and not the result of such an independent design effort that their design enjoyed protection as unregistered Community designs. Further, the Court did not find that Style Butler's styles compared to other products in the market were sufficiently distinctive and the result of such an independent effort that the marketing of Rosemunde's corresponding styles could be prohibited on the basis thereof.



Style Butler top



Rosemunde top

Unregistered Community design to part of bulkhead

Pendelmatic vs. Ropox, the Maritime and Commercial Court

The Court found that a bulkhead separating the driver's seat from the load area in a van at the time of publication had such an individual character that it enjoyed protection as unregistered Community design. However, the protection did not extend to a floor plate and a strap holder, which did not have an individual appearance. According to

an independent expert opinion it is not very likely that Ropox did not have knowledge of Pendelmatic's bulkhead when developing their similar product. Therefore, the Court found that the design of Ropox' bulkhead in accordance with the characteristic elements of Pendelmatic's bulkhead was the result of copying, and that the unregistered Community design was infringed. However, as the unregistered Community design had expired a claim for injunction was dismissed. Pendelmatic was awarded compensation for the past infringement in the amount of DKK 63.825 (about EURO 8,600) but the Court did not find that Pendelmatic had shown to have suffered a loss in excess thereof and dismissed their claim for damages.

Norway



Hval's design registration

Chocolate piece found to infringe design registration and constituted an act of unfair competition

Hval vs. Brynild, the Borgarting Court of Appeal

The chocolate factory Hval had obtained design registration for a circular piece of chocolate with embedded pieces of candy (coloured icing-covered chocolate). The product had been on the market for 3 years when Brynild launched their chocolate.



Brynild's chocolate pieces

Brynild first launched a round shaped chocolate which later was withdrawn from the market and substituted with a square shaped chocolate. The Court found that Hval's design registration was valid and infringed by Brynild's round chocolate but not by Brynild's square chocolate, which had a different overall impression. However, the Court held that Brynild's square chocolate constituted an act of unfair competition in breach of the Marketing Act and awarded damages in the amount of NOK 250,000 (about EURO 28,500).

3. Trademarks, company names and domain names

Denmark

Custom suspension not lawful as trademark rights were not infringed

Diesel vs. Montex, the Supreme Court

Montex imported to Denmark in transit to Ireland a number of trousers with the figurative mark D. On the request of Diesel the Custom authorities suspended the release of the trousers on the basis of a trademark infringement of Diesel's CTM registration of the figurative mark D. In the subsequent litigation the Court found that the figurative mark D used on the imported trousers did not infringe Diesel's CTM registration and found the suspension unlawful and dismissed the claim for trademark infringement. In an obiter dictum the Court mentioned that suspension according to the Customs regulation requires that the trademarks are identical or almost identical, and therefore has a more narrow scope of application than what would follow from the concept of likelihood of confusion applied in trademark law.



Montex figurative mark



Diesel figurative mark

Distributor's use of Harley MC Parts Davidson an infringement

Harley-Davidson vs. MC Parts by Frank Jensen, the Maritime and Commercial Court



Harley-Davidson has been selling motorcycles in Denmark since 1910, and the Harley-Davidson trademark is registered in various forms and has a reputation. Frank Jensen commenced selling new and used Harley-Davidson motorcycles, spare parts and repair services in 1991, and at least since 1998 he had been doing business under the Harley MC Parts Davidson trade name, which he also used as a trademark for motorcycle clothing. In 1998 he was approached by a representative of Harley-Davidson who claimed that he should cease denominating himself as a Harley-Davidson distributor, but his use of the Harley MC Parts Davidson trade name and trademark was not questioned at that time. Harley-Davidson now claimed that Frank Jensen should cease use of Harley-Davidson as part of his trade name and trademark. The Court found that Frank Jensen's use of Harley-Davidson went considerably further than allowed according to the BMW-case and the Dior-case, and the fact that Harley-Davidson had known of Frank Jensen's use of Harley-Davidson as part of his trade name since 1998 did neither imply consent nor that Frank Jensen by acquiescence was allowed to continue such use. Consequently, the Court found that Frank Jensen should cease use of Harley-Davidson as part of his trade name and trademark and awarded Harley-Davidson compensation and damages with DKK 50,000 (about EURO 6.700). By assessing the claim for compensation and damages, it was taken into consideration that Harley-Davidson had tolerated the infringing use of its Harley-Davidson trademark for several years, and that the claim for compensation was only

for the use of the Harley-Davidson trademark, not for the use of the design of Harley-Davidson clothing.

Use of Budweis and Budweiser by Czech brewery from Budejovicky an infringement of Anheuser-Busch's rights in the Budweiser trademark

Anheuser-Busch vs. Premium Beer and Budejovicky Mestansky Pivovar, the Maritime and Commercial Court

Anheuser-Busch's Budweiser trademark has a reputation in Denmark, and Anheuser-Busch has previously successfully enforced the trademark against the use of Budweis and Budweiser by Czech brewery Budejovicky Budvar in Denmark. This case is one of two parallel cases concerning the use of Budweis and Budweiser by the Czech brewery Budejovicky Mestansky and its Danish importer, Premium Beer.

Mestansky manufactured and Premium Beer imported beer labelled "B.B. Original Czech lager from Budweis Bohemia" and "1795 Budejovicky Pivo", where Budweis and Budweiser were also used in various other contexts on the front as well as on the back label of the bottles. Anheuser-Busch claimed infringement of its Budweiser trademark, whereas Mestansky argued in defence that "Budweis" is a common name for the city Ceske Budejovice in the Czech Republic and the corresponding word for something originating from Budweis is "Budweiser". These designations have been loyally used to indicate the geographical origin of the product without passing off on or discrediting Anheuser-Busch. The Court found that the trademark Budweiser enjoys a wide scope of protection in Denmark and that this protection is not limited by the registration of the geographical indications

“Budejovický pivo”, “Ceskobudejovicke pivo” and “Budejovický Mestansky var” according to the Regulation on Geographical Indications. The protection of the geographical indications covers the geographical indications as registered and not translations or equivalents. Consequently, the Court found in favour of Anheuser-Busch and confirmed the preliminary injunction against the use of Budweis and Budweiser with the exception that Mestansky and Premiums Beer were entitled to continue the use of Budweis as part of a specific ensign in the upper left hand corner on the front label of the product labelled “1795 Budejovický Pivo”. Mestansky and Premium Beer were ordered to pay compensation and damages with DKK 158,000 (about EURO 21,200) and fined for non-compliance with the preliminary injunction. The other of the two parallel cases is currently pending before the Supreme Court.



Injunction for infringement of colour mark refused

Deutsche Telecom vs. TeliaSonera, the Eastern High Court

Deutsche Telecom is using the colour magenta as an integral part of its visual identity in Denmark through the subsidiary T-Systems offering international network to businesses. In 2000

Deutsche Telecom obtained CTM registration 212 787 for the colour magenta. At the time of filing the application the colour was not, as required according to the Libertel-case, identified by an international recognized colour code, but it appeared from the communication between the representative of Deutsche Telecom and OHIM that the colour applied for was RAL 4010 “telemagenta”, and this code was added to the description of the mark after registration.

In 2001 TeliaSonera, a major telecommunication service provider in the Nordic and Baltic region implemented a magenta colour (pantone 221) as part of its visual identity in Denmark, including in its logo, printed matters, shop design, etc. In 2004/2005 TeliaSonera changed this to another magenta colour (pantone 227) and Deutsche Telecom requested an injunction against TeliaSonera’s use of the colour magenta (defined as pantone 227) as trademark and business sign for telecommunication services principally in the Community secondarily in Denmark. TeliaSonera argued in defence that (a) Deutsche Telecom’s trademark registration was invalid, in particular because it did not identify the colour by an international recognized colour code and that the acquired distinctiveness had not been shown, that (b) TeliaSonera did not use the magenta colour as a trademark but as a design element and that (c) Deutsche Telecom has lost its right by acquiescence as TeliaSonera had used the magenta colour through several years and (d) an injunction would cause TeliaSonera disproportional harm compared to the interest of Deutsche Telecom in obtaining the injunction. TeliaSonera requested a security of MDKK 200 (about MEURO 26,9) should the injunction be granted.

The Court found, in particular on the basis of a number of witness statements, that there could be doubt as to which colour is

protected by the CTM registration. In connection with the addition of the colour code RAL 4010 “telemagenta” at least a specification of the mark had taken place, but the Court found it doubtful whether such specification was allowed under Art. 48 CTMR. Taking into consideration these uncertainties about the trademark rights of Deutsche Telecom and the disproportional harm the injunction would cause to TeliaSonera, compared to the interest of Deutsche Telecom in obtaining the injunction, the request for injunction was refused irrespective that the Court found the two magenta colours used by TeliaSonera confusingly similar to the representation of the colour of the CTM registration on OHIM’s website. A parallel infringement proceeding is pending between the same parties before the Maritime and Commercial Court.

Los Piratos vodka found to infringe rights in PIRATOS liquorice

Haribo vs. Hela, the Supreme Court

Haribo introduced PIRATOS liquorice on the Danish market in 1955 and PIRATOS and SUPER PIRATOS were registered as trademarks in various forms. In 2005 Hela introduced a “vodka shot” (a vodka product which is added the flavour of liquorice) under the name Los Piratos. Hela acknowledged to have infringed Haribo’s rights in the PIRATOS trademarks, and as Hela had knowledge of Haribo’s rights at the time of introduction of the Los Piratos product, the infringement was found to be wilful irrespective that Hela at the time represented the view that their use of Los Piratos did not infringe the rights of Haribo. In assessing the claim for compensation and damages the Court attached weight not only to the scope of the infringement but also to the fact that Haribo’s

trademark PIRATOS, which is used toward children and young people, was associated with alcohol, which Haribo had an interest in avoiding, and awarded an amount of DKK 150,000 (about EURO 20,200). As the infringement was wilful, Hela had committed a criminal offence and was sentenced to pay a fine of DKK 50,000 (about EURO 6,700).



Sport shoes found to infringe Puma’s form strip trademark

Puma vs. Netto, the Maritime and Commercial Court

Puma has manufactured sport and leisure shoes using its form strip trademark since 1958. The form strip is registered as a trademark in Denmark and in several situations Puma has enforced its rights before the Danish courts. In this case a supermarket sold between 7,381 and 8,010 pairs of sport shoes with an appliqué on the side. The Court found that the appliqué was placed approximately at the same place as the Puma form strip. The curve of the appliqué was not identical but very similar



Netto sport shoe



to the curve of the form strip, and taking into consideration that the appliqué differed from the form strip only by the two outer lanes joining and thus ending the middle lane, the Court found from an overall assessment that the appliqué was infringing the Puma form strip trademark and the supermarket had violated the Marketing Act. The supermarket was ordered to pay compensation and damages with DKK 200,000 (about EURO 26,900).

Norway

Norway in line with EU law on parallel import

L'Oréal vs. Nille and Smart Club, the EFTA Court

L'Oréal is the owner of some of the most popular cosmetic and professional hair care brands in the world and thus vulnerable to parallel importers wanting a free ride on the reputation of the L'Oréal brands. L'Oréal has encountered particular challenges in Norway since Norway traditionally has been applying a principle of international exhaustion of trademark rights. Thus parallel import both from EEA countries and non-EEA countries have been permitted.

In 2006 L'Oréal decided to challenge parallel importers in Norway that based their parallel import on the understanding that Norwegian trademark law allows for international exhaustion of trademark rights. L'Oréal, took legal action against the chain stores Nille and Smart Club, which had imported L'Oréal Redken products designed for the US market that were being sold without L'Oréal's permission in Norway.

The national court decided to submit a request for an Advisory Opinion to the European Free Trade Area (EFTA) Court. The ques-

tion was submitted in the light of the Advisory Opinion of the EFTA Court in the Mag-Lite-case (1997) and the subsequent judgement of the ECJ in the Silhouette-case (1998). The EFTA Court and the ECJ dealt in those cases with essentially the same legal issue but came to different conclusions. The EFTA Court opted for an interpretation of the trademark directive allowing international exhaustion of trademark rights, whereas the ECJ opted for mandatory Community wide exhaustion. Upon receiving the request in this matter (the Redken-matter), the EFTA Court had to reconsider whether it is in conformity with EEA law to maintain a principle of international exhaustion of trademark rights.

The EFTA Court changed its earlier view and held that EEA wide exhaustion of trademark rights is mandatory under EEA law. It stated that the trademark directive, which is part of the EEA Agreement, precludes the unilateral introduction or maintenance of international exhaustion of the rights conferred by a trademark.

The judgement by the EFTA Court has the effect that parallel import from non-EEA countries is no longer permitted in Norway, and trademark owners are now awarded the same protection as in EU.



PASCAL SØTT & SALT found to infringe SØTT + SALT

Søtt + Salt vs. Pascal Søtt & Salt, the Supreme Court

PASCAL
søtt & salt

Pascal owns five restaurants in Oslo and is famous for its confectionary goods. The trademark PASCAL was registered in 2004. In 2005 Pascal started to use and applied for the trademark PASCAL SØTT & SALT (PASCAL SWEET & SALTY).

Søtt + Salt, which is the owner of the prior trademark SØTT + SALT (SWEET + SALTY), filed an opposition against Pascal's application, claiming that Pascal's mark was confusingly similar to the trademark SØTT + SALT.

The Court found that PASCAL was the dominant element of the younger mark and that the element SØTT & SALT was "visually subdominant". Referring to the decision in the Thomson Life-case, the Court further found that the expression "sweet and salty" was distinctive for the services in question and that the element "SØTT & SALT" had an independent role in the mark. Thus it could not be excluded that many of the relevant consumers would believe that the two companies were commercially linked (indirect confusion). Thus PASCAL SØTT & SALT was found to infringe SØTT + SALT and Pascal's trademark application was declared invalid and Søtt + Salt was awarded damages with NOK 25,000 (about EURO 2,800).

Establishment by earlier use does not prevent the cancelation of a trademark registration due to non-use

Saga Oil vs. StatoilHydro, the Borgarting Court of Appeal

After merging with Saga Petroleum in 1999, Norsk Hydro did not actively use four SAGA trademarks registered for inter alia

oil production. Another oil company started using the Saga name in 2005. Norsk Hydro protested against Saga Oil's choice of name and Saga Oil sued Norsk Hydro and claimed that the four trademarks should be cancelled due to non-use. The Court found that use of SAGA as part of a company name did not fulfil the obligation to use a trademark and stated that even though the SAGA trademarks probably could still be considered established through their earlier use in Norway, this did not prevent the cancellation of the registrations due to their non-use during the last five years. Consequently, the Court cancelled all four trademark registrations.

CÆSAR LAGERHOTELL found to infringe HOTEL CÆSAR

Intrige vs. Keiser, the Oslo District Court

"Hotel Cæsar" is the name of a very popular Norwegian television series that has been broadcasted in more than 1,600 episodes. The rights to the series are held by Intrige and HOTEL CÆSAR is registered as a word mark in classes 9, 18, 25, 38 and 41. Keiser, which rents out storage space, was sued by Intrige when Keiser started to use Cæsar Lagerhotell (Cæsar Storage Hotel) as a secondary trade name and as a trademark on its cars and buildings. Intrige claimed that the HOTEL CÆSAR trademark had a reputation.

When discussing whether HOTEL CÆSAR qualified for protection as a trademark with a reputation, the Court considered whether the extensive reference to and use of the name "Hotel Cæsar" constituted trademark use or whether "Hotel Cæsar" is merely the well-known name of a copyright protected work and a television programme. The Court concluded that in cases



where the marketing of the film or series has been as strong as that of Hotel Cæsar, the public's perception is that the use in question is trademark use, and that the HOTEL CÆSAR trademark therefore enjoyed protection as a trademark with a reputation. On this basis, the Court found that the use of the trademark Cæsar Lagerhotell was detrimental to the goodwill in the trademark HOTEL CÆSAR.

Sweden

Import of clothes considered trademark infringement

The North Face vs. Sture Bäckman, the Supreme Court

Bäckman's daughter ordered 42 counterfeit The North Face jackets, trousers and vests from her father's Chinese business acquaintance, Chau Lee. Half of the goods were intended to be given to the helpers in the stable of her riding school as Christmas gifts and the other half were to be given as Christmas gift to the daughter's friends and relatives.

During a trip to China Bäckman paid Chau Lee for the goods on behalf of his daughter. The goods were sent to Sweden and

Bäckman was stated as the receiver of the goods. When the goods arrived Bäckman visited the Customs to collect the goods and paid the necessary fees. Upon inspection the Customs found the goods were counterfeits, and contacted The North Face who commenced legal action against Bäckman. The Court found that, even though Bäckman had not imported the goods for his own business, his actions should be considered made in the course of



trade. The import of the goods was considered use in the course of trade as the goods were declared for free circulation with the Customs. Bäckman had acted at least negligently as he knew that the goods, at least in part, should be used by his daughter in the course of her trade, and as he had knowledge about his daughter's arrangement with Chau Lee, which required him to investigate whether the goods could constitute an infringement.

The Court prohibited Bäckman, under the penalty of a fine, from, in the course of trade, importing goods marked with The North Face trademarks, and ordered him to pay damages in the amount of SEK 10,000 (about EURO 880) and to compensate The North Face for their storage costs with SEK 45,282 (about EURO 4,000).

Entitlement to bring action for cancellation if injury is suffered

Demp vs. Homer, the Supreme Court

Demp (Bauhaus) is using trademarks containing the words THE HOME STORE in several countries, and filed an action for cancellation of Homer's Swedish trademark registrations containing the words THE HOME DEPOT due to non-use.

Homer had filed actions for invalidation of Demp's Benelux registrations of THE HOME STORE trademark, which was the basis for Demp's international registrations covering Sweden.

Homer argued that Demp did not suffer any injury from the registrations and therefore had no entitlement to bring action for cancellation. Further, Homer argued that the trademarks had been used for at least some of the goods concerned.

Demp argued that there was a risk that Homer's registrations could be used in an action against them, preventing Demp from

using its registered trademarks and possible future trademarks established through use. On this basis the Court found, contrary to the Svea Court of Appeal, that Demp had shown to suffer injury from the maintenance of the trademark registrations, and remitted the case for further hearing.

DEEONE not considered confusingly similar to d:1

Stadium vs. the Patent and Registration Office, the Court of Patent Appeals



In 2001 Stadium filed an application for the word mark DEEONE for shoes, clothes and headgear in class 25, and the Patent and Registration Office refused the registration citing an earlier right in the figurative trademark d:1 for goods in class 25.

The Court found that the trademarks evidently differed visually. Also phonetically the trademarks differed since nothing indicates that the consumers would spontaneously pronounce the trademarks in English rather than Swedish. The earlier trademark would in Swedish be pronounced as “DE ETT” which differs from DEEONE. Consequently, the registration was granted.

FORMAC confusingly similar to MAC

Apple vs. Formac, the Court of Patent Appeals

Formac filed an application for FORMAC for goods and services in class 9, 38 and 42 and Apple opposed the registration based on its earlier trademark registrations for MAC and iMAC i.a. for computers in class 9 and services in class 38 and 42.

The Court found that Apple’s trademark MAC is notorious and should therefore be granted an extended protection. Since MAC

constitutes a considerable part of the opposed trademark and since FORMAC could be pronounced “for mac” the trademarks were considered confusingly similar, and in view hereof the trademark registration for FORMAC was cancelled.

LEKSAND STARS confusingly similar to DALLAS STARS and STARS

NHL vs. Leksands IF Ishockey, the Court of Patent Appeals

Leksands IF Ishockey applied for registration of the trademark LEKSAND STARS, and NHL filed an opposition on the basis of its rights in the figurative trademarks DALLAS STARS and STARS and the protection established through use for the trademark STARS.

The Court found that NHL had not produced evidence showing that their trademark STARS should be considered well known. The word STARS constitute the most essential part of the NHL trademarks, especially in view of the figurative elements constituting stars. The word STARS was regarded to be suggesting that the goods in question have good quality. Since the word STARS is an essential part also in the trademark LEKSAND STARS the Court found the trademarks to be visually as well as conceptually similar. Since the goods and services concerned were identical the trademarks were considered confusingly similar, despite



the fact that hockey supporters would probably not confuse the trademarks. According to the Court the relevant consumers were not only hockey supporters, but the public in general, which, in case of use of the trademark LEKSANDS STARS, might think that there were an association between Leksands IF Ishockey and NHL. In view hereof the Court cancelled the registration.

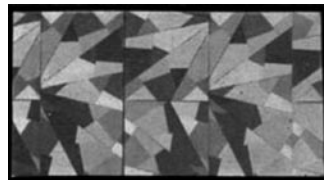
A hologram not registrable as a trademark

Smithkline Beecham vs. the Patent and Registration Office, the Court of Patent Appeals

Smithkline Beecham's application for registration of a hologram as a trademark was refused as the shifting appearance of the trademark could not be represented graphically.

The Court stated that in principle a hologram could be registered as a trademark if the requirement concerning graphical representation according to the Sieckmann-case is met.

The trademark in question consisted of a black rectangular frame within which there was a vast amount of geometrical figures. Depending on how the light hit the trademark the picture changed in many different ways, and since Smithkline Beecham had only included one picture of the trademark in its application the Court found that the requirement concerning graphical representation was not met. This was not changed by the fact that the trademark in the application was described as a hologram.



4. Patents

Denmark

Method to degreasing of intestinals found not patentable

Fritz Amstrup vs. Appeal Board for Patents and Trademarks supported by DAT-Schaub, the Supreme Court

Amstrup filed in 1980 a patent application for a method and an apparatus to degreasing of intestinals. The application was rejected by the Appeal Board, and Amstrup filed a divisional application. Also this application was rejected by the Appeal Board, and Amstrup appealed to the ordinary courts. The Court found that the invention as claimed was nothing but an automatic time control of an already known process, and that the automation of an already known process is not patentable. Amstrup did not manage to show that the automatic time control had special features which meant that the invention differed substantially from what was known in 1980. Consequently, the Court confirmed the decision of the Appeal Board and rejected the application.

Utility model for a device to control the rear wheels of a trailer valid

Mørch & Sønnner vs. VM Tarm, the Supreme Court

Mørch had obtained a utility model registration for a device to the forced control of at least one set of the rear wheels of a trailer. VM Tarm admitted to have infringed the utility model as registered by manufacturing three trailers but disputed infringement with respect to further two trailers, and generally submitted that the utility model registration was invalid. VM Tarm did not claim

cancellation of the utility model registration and did not provide evidence that the invention as claimed was not new or did not differ clearly from what was known before the time that the utility model application was filed. Consequently, the Court found that the utility model registration was valid. Further, the Court found that the utility model registration was infringed also with respect to the two trailers for which VM Tarm had disputed infringement, and awarded damages in favour of Mørch.

Utility model for a fire safe covering for lighting devices not valid

Scan Products vs. Unelco, the Maritime and Commercial Court

Scan Products had obtained a utility model registration with priority from 27 January 2005 for a fire safe covering for lighting devices and marketed a downlight model SL1220 exploiting the invention. Unelco introduced a competing downlight model F1560 which was manufactured by a Chinese company who had filed an international patent application claiming priority from three national Chinese patents with priority dates from 9 June 2004, 20 August 2004 and 21 January 2005 respectively. In defence against Scan Products' claim for infringement, Unelco claimed cancellation of the utility model registration referring to a New Zealand patent and the three Chinese patents as relevant prior art. The Court found that the substantial features in the claim of Scan Products' utility model registration were known from the New Zealand patent, and that the three Chinese patents covered a similar invention. Consequently, the Court cancelled the utility model registration and dismissed Scan Products' claim for infringement.

Norway

The courts should show restraint in deviating from the decisions of the Norwegian Patent Office

Biomar vs. the Norwegian Ministry of Trade and Industry, the Supreme Court

The Supreme Court heard an appeal in a case concerning judicial review of the Norwegian Patent Office's refusal to grant a patent relating to an invention consisting of fish feed that reduces the occurrence of cataracts.

The Court found that the invention lacked inventive step and accordingly ruled that the decision of the Patent Office was valid. When assessing the question of inventive step, the Supreme Court reassessed and confirmed the principle set out in the Swingball-case (1975), stating that the courts should show restraint in deviating from the decisions of the Patent Office. The Court also stated that the practise of the EPO is relevant and important, but not decisive in individual cases.

The doctrine of equivalents also applies to so-called "analogy method" patent

Pfizer vs. Sandoz, the Borgarting Court of Appeal

The question was whether Sandoz's generic Sertraline (Hexal) infringed Pfizer's Norwegian Sertraline patent, which expired in 2000 but benefited from a SPC extension until 2005. Pfizer's patent was a so-called "analogy method" patent, a type of patent particular to Norway and other countries where, in the 1990s, product patents could not be obtained for pharmaceuticals.

The parties were in agreement that the Sandoz's method did not absolutely fall within the literal wording of the patent claims. Thus the Court had to assess whether Sandoz's method infringed Pfizer's patent under the doctrine of equivalents. The Court held that it, under the test of equivalence, must examine whether:

- the infringing object solves the same problem as the patented invention;
- the modifications that were made must be obvious to the average person skilled in the art; and
- the infringing object was in the art at the date of the patent application.

The Court found that the main principles of the two methods were the same (even if Sandoz's method had two extra steps) and that Sandoz's method for the production of generic Sertraline was obvious to the skilled person at the time of filing of Pfizer's patent application. The Court concluded that Sandoz's method was based on well-known chemical methods and sought to circumvent Pfizer's patent. Therefore, Sandoz's alternative method infringed Pfizer's patent under the doctrine of equivalents. Pfizer was awarded damages in the amount of MNOK 8 (about EURO 908,000).

The doctrine of equivalents also applies to so-called "analogy method" patent

Wyeth vs. Ratiopharm, the Borgarting Court of Appeal

A few months later, the Borgarting Court of Appeal heard another appeal regarding an analogy method patent. The question this

time was whether Ratiopharm had infringed Takeda's Norwegian analogy method patent as licensed to Wyeth for preparing therapeutically active pyridine derivatives, including lansoprazole. Takeda's Norwegian patent had expired in 2004, but benefited from a SPC extension until December 2005. On 2 May 2005 Ratiopharm launched a generic lansoprazole compound in Norway.

The Court stated that the equivalence test comprises the three criteria as set out in the Pfizer vs. Sandoz-case reported above. There were several differences between the two methods. However, after comparing the two methods, the Court came to the conclusion that the two methods had "essential common features", and that Ratiopharm's method was obvious to the average person skilled in the art. Thus, an infringement had occurred. Takeda was awarded damages in the amount MNOK 28.5 (about MEURO 3,2). The Supreme Court has refused both Sandoz and Ratiopharm's request for leave to appeal the decisions.

Sweden

Request for pricing at of a generic product not considered infringement

Pfizer vs. STADApHarm, the Supreme Court

Pfizer held a patent for Sertraline, an anti-depressive pharmaceutical preparation. The patent expired on 28 October 2000 but benefitted from a SPC extension until 28 October 2005. Pfizer AB had the right to use the invention, which they did by sale of the product Zoloft.

On 22 December 2004 Läkemedelsverket (the Medical Products Agency) approved STADApHarm's sale of the phar-

maceutical preparation Sertralin Stada, and on 20 April 2005 STADapharm filed an application at Läkemedelsförmånsverket (the Pharmaceutical Benefits Board – LFN, now Tandvårds- och Läkemedelsförmånsverket) requesting that Sertralin Stada should form part of the pharmaceutical benefits program and that a price should be fixed. On 25 May 2005 LFN decided that the Sertralin Stada should be included in the pharmaceutical benefits program and a price was set for the generic product.

It was undisputed that Sertralin Stada fell within the scope of protection of Pfizer's SPC and that STADapharm had not made any sale of Sertralin Stada during the term of the SPC. The question was whether STADapharm's request at LFN and their further contacts with the Board was to be considered an offer for sale.

The Court found that offering for sale does not only include sale, but every expression showing a will to offer a product under commercial terms, for instance by leasing, pledging or lending. However an application for allowance into the pharmaceutical benefits program and the fixing of a price could not be seen as an offering for sale since it is not conducted with the purpose of LFN acquiring any right to a product for the benefit of itself or of others. Consequently, the Court found that STADapharm had not infringed Pfizer's SPC.

Reinstatement of patent after request for validation was sent to EPO by mistake

Ernst Keller vs. the Patent and Registration Office, the Supreme Administrative Court

The patent attorney of Ernst Keller filed a request for validation of a patent. By mistake the document was sent to EPO instead of the Swedish Patent and Registration Office.

When the mistake was discovered the deadline for validation had expired and a request for reinstatement was filed. In order to have a patent reinstated it is necessary to show that all due care has been taken and that the late filing of the documents was due to an isolated mistake or exceptional circumstances in a normally well functioning system. The patent attorney of Keller, who handles a lot of validation matters, should have sent the documents to the Patent and Registration Office. All documents that are sent by the patent attorney to the Office were sent together with a receipt list which is signed by the Office and thereafter returned to the patent attorney. Since the document in question was never sent to the Patent and Registration Office it was never noted on the receipt list sent together with the documents that were sent to the Office on the day in question. The patent attorney did not check the receipt list received in return from the Office and therefore did not realise until it was too late that the document in question had not been filed in time. Nevertheless, the Court found the attorney's system for sending documents and checking whether they have been received by the recipient to be satisfactory. The fact that the document in question was sent to the wrong recipient and the omission to check the receipt from the Office was considered to be an isolated mistake. The patent was therefore reinstated.

5. Unfair competition and advertising law

Denmark

Use of photo as poster an infringement of the individual's right to its own picture

Handball Player's Association on behalf of the Danish Women's National Team in Handball and Karin Mortensen vs. Aller Press, the Supreme Court.

During the 2002 Women's European Championship in Handball the weekly magazine *Se og Hør* included a poster with photos of the Danish women's national team and its goal keeper Karin Mortensen. Aller Press argued that the right to commercial use of photos taken in connection with the championship had been assigned to the European Handball Federation as the organizer. The Court found it not proven that the right to commercial use of the photos had been assigned and that commercial use of the photos therefore required express consent of the Women's national team and Karin Mortensen. Further, the use of photos in a poster suitable for being taken out of the magazine could not be considered part of the news coverage of the championship, and was therefore unlawful. The women's national team was awarded damages with DKK 100,000 (about EURO 13,400).

Claim that belts of bonded leather are of "genuine leather" not misleading

Bosswik vs. Philipsons, the Maritime and Commercial Court

Bosswik and Philipsons were both importing belts to Denmark. Philipsons imported belts marked "genuine leather" or the Danish language equivalent "ægte læder" where only the outside of the belts were of leather, whereas the inside of the belts were of bonded leather. The Court found that the buyers of belts normally pay most attention to the outside of the belts, whereas it is of less importance whether or not the inside of a belt is made of the same material as the outside of the belt and that the buyers of cheaper belts must be aware that they can not expect the same quality and durability of a cheaper belt than of a more expensive belt. Further, the Court emphasized that bonded leather is in fact manufactured from leather. Consequently, the marking was neither found to be misleading nor to deviate from normal marketing of comparable products in a way to constitute an act of unfair competition.

Sweden

No misleading imitation or misuse of the reputation of Mag-Lite torches

Mag Instruments vs. Rusta, the Market Court

Rusta sold torches under the trademark Greppa between 2000 and 2002. Mag filed an action in which they claimed that Rusta's torches constituted misleading imitations and that Rusta, through the sale of the Greppa torches, misused Mag's reputation for the Mag-Lite torches (Mag-Lite D-cell and MagCharger).

The case was decided according to the new Market Act irrespective of the fact that sale took place before the Act came into force. The Court found that the Mag-Lite torches contained elements which were only functional and elements with more of



Mag-Lite torch Greppa torch

a design character, but when evaluating the overall impression of the torches the Court found that the Mag-Lite torches were distinctive and further that the Mag-Lite torches were well-known. When considering the similarity between Rusta's and Mag's torches the Court found that there were some similarities, but that the Rusta torches differed sufficiently and therefore did not constitute any misleading imitation or misuse of Mag's reputation of the Mag-Lite torches. Furthermore the Court mentioned that at the point of sale the consumer would only see the torches in their packaging, and as the packaging differed concerning colour and the use of the trademark Greppa they would not be confused. In principle it has to be allowed to design torches which resemble the Mag-Lite torches as long as they do not constitute a mere imitation.

“Medical”, “Diagnosis” and “Prescription” misleading for marketing of cosmetic and hygienic products

L'Oréal vs. Aco, the Market Court

In 2005 Aco launched a new set of products, called the medical-series, including inter alia washing cream, bath oil, hand lotion, foot lotion and shampoo. The products were marked MEDICAL. In some marketing of the products the words “Diagnosis” and “Prescription” were also used.

L'Oréal filed an action claiming that the use of “Medical”, “Diagnosis” and “Prescription” was misleading. The Court found that the use of “Medical” on the cosmetic and hygienic products and the use of “Diagnosis” and “Prescription” in the marketing of products marked “Medical” could give the consumers the impression that the products are medical preparations or would have

medical or similar effects. It was undisputed that the products had no medical qualities and in view hereof the use of the wordings was considered misleading. The Court issued an injunction prohibiting Aco, under penalty of a fine, from further use of the term “Medical” or similar terms and the terms “Diagnosis” and “Prescription” in connection with the term “Medical” or similar terms which could give the impression that the products are medical preparations or that would have medical or similar effects.



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