



SUPPORTING THE GIFT AND
HOME INDUSTRY SINCE 1947



PROTECTING YOUR INTELLECTUAL PROPERTY (IP) RIGHTS

TIPS TO HELP PROTECT YOUR DESIGNS

- Sign and date all design drawings which should be as detailed as possible.
- Ensure all drawings, prototypes and samples are kept safely.
- Include readily identifiable elements in your designs.
- Deposit your designs with Copywatch and consider registering them.
- Wherever possible ensure that your contracts with designers include a valid assignment of all rights in designs which are produce on your behalf to you.

COPYRIGHT AND DESIGN LEGISLATION

Copyright protection arises automatically in the UK. Registration of a design is advisable but is not essential to any action or claim made in relation to infringement or enforcement. Protection can extend throughout the European community giving better protection.

IF YOU DISCOVER A COPY

- Buy one and keep the receipt and the product packaging.
- Make notes about where it was being sold and how it was being displayed. If an advertisement is available, or a sales brochure, keep a copy.
- Contact Copywatch.
- Don't cause a fuss in public or issue threats to anyone, neither verbally or in writing – you can be sued for this. Contact the Copywatch lawyers, Gateley and Everesheds for advice.

TRADE SHOWS - FAQ's

- 1 ***If an exhibitor at a major trade show noted a competitor displaying product which the aforementioned exhibitor considered to be a direct 'rip-off' of his own product, could he demand that the offending product be withdrawn instantly and would he be in his rights so to do?***

Any person who objects to a 'rip-off' product being displayed at a trade show has to tread carefully. The intellectual property rights ("IPRs") which may be in play in such scenarios include design rights (whether UK registered, UK unregistered, Community registered or Community unregistered design rights), copyright, trade marks, passing off and (occasionally) patents.





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Current UK legislation provides that, except in certain specified circumstances (which are different in the case of each type of IPR), threatening another with court proceedings for infringement of a UK or Community design right (registered or unregistered), a registered trade mark or a patent is an unjustified threat. If such a threat is made, the recipient of the threat may claim relief in the form of an injunction and damages against the complainant and a declaration that the complainant's assertions are unjustified.

So, if the complainant holds the design right to a product which he is displaying at a trade fair, and another person ("**the infringer**") is displaying the same design, the complainant cannot threaten proceedings against the infringer without opening up the possibility of the infringer bringing a threats action against him.

The only safe things which a complainant can do are either to start legal proceedings or merely to notify the infringer that a patent, a registered trade mark or a registered or unregistered design right in the product exists already. Beyond merely giving such notification it is not advisable to approach the infringer if the prospect of a threats action is to be avoided. It is then in the hands of the infringer as to whether he persists in having the allegedly infringing product on display. The complainant has no right to have the product removed from display.

By contrast, there is no inherent problem with threatening proceedings for copyright infringement or passing off, although an unjustified threat made public can give rise to claims for defamation or trade libel. For a rights owner this is an unsatisfactory position but this is what the law says - making threats and complaints is risky.

2 ***Could he similarly complain to the organisers and would they be duty bound to take action on his behalf?***

In the above situation, the organisers of the trade show are restricted in the same way as the complainant about making threats. Threats actions can be brought not just against the proprietor of the design right, registered trade mark or patent, but also against any person who actually makes the threat. Therefore, the organisers are not able to do more than the proprietor is able to do and can safely do no more than merely to notify the alleged infringer of the existence of the design right, registered trade mark or patent.

If all exhibitors at a trade show had signed up to a condition that any products that they displayed which were proven to the organisers' reasonable satisfaction at the show to infringe third party IPRs would be removed immediately at the request of a complainant, then that obligation would have a contractually binding effect and an infringer would be bound to remove an infringing product from display. The difficulty with this scenario is the practical perspective - usually a complainant will not (while at a trade show) possess sufficient proof of ownership of the IPR in question and infringement (which often requires proof of the act of copying) can be hard to show.





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- 3 ***If the offending exhibitor denied that it was a copy and refused to withdraw it, would he too be in his rights so to do, until such time as it was proven otherwise.***

In the absence of a Court Order, an infringer cannot generally be compelled to withdraw an infringing product from display (unless contractually bound to do so as referred to in the reply to question 2).

- 4 ***Is there an argument for UK exhibition organisers to emulate their European counterparts in that anyone found 'copying' is banned from future shows for a number of years, and in some instances permanently?***

Whether or not an exhibitor could be banned would depend upon any terms and conditions of business between the organiser and the exhibitor. Those terms would determine the degree of certainty there must be before a ban would take place. It's certainly possible to take this sort of step.

It must also be borne in mind that some alleged infringers may completely innocently have infringed IPRs. In such circumstances, despite the infringement, it hardly seems fair to ban such exhibitors from future trade shows.

- 5 ***Messe Frankfurt for instance 'name and shame' plagiarists and display the copied product alongside that of the original. Is this something that UK exhibition organisers should adopt?***

A 'name and shame' policy would certainly deter persistent plagiarists from copying products which they know are protected by IPRs. Again, however, such a policy only works in the presence of proof of infringement, which may be difficult to obtain within the time-frame of a trade show itself. For this reason, such an approach may be difficult to adopt.

- 6 ***What action should be taken against an importer who 'unknowingly' is selling a plagiarised product, and is he still liable even though he was acting in all innocence?***

An importer of a copied product who unknowingly imports such a product into the UK can be held liable automatically if the product is protected by means of a Community design (registered or unregistered), a UK registered design right, a registered trade mark or a patent. No knowledge is required on the part of the importer where those particular IPRs are in play and he will be liable even if he is entirely innocent.

If an importer unknowingly imports a copied product, but its infringement is of a UK *unregistered* design right, then it will not be held liable as a result of the mere act of importation. Provided the importer did not know that the article was an infringing article (ie. a copied product) when he imported it, the only remedy against him with regard to subsequent dealings in those particular imported units will be damages in the form of a reasonable royalty when he sells the article if, when he subsequently sells the article, he





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knows that the article is an infringement. If the infringer still does not know at the point of sale that the product is an infringing article, then no liability will attach to him.

An importer can be held liable for unknowingly importing into the European Economic Area ("the EEA") a product protected by *copyright* where that product has not previously been put into circulation in the EEA. This will certainly be the case if the importer subsequently sells on the product within the EEA.

If the product has already been put into circulation within the EEA, the importer will only be liable for copyright infringement when he imports or sells on if he knows, or has reason to believe, that the product is copied.

- 7 ***What action if any, can be taken against a visitor to an exhibition who is found to be using his mobile phone as a camera. Would the organisers be in their rights to demand the said phone and escort the individual from the premises?***

The only circumstances in which trade show organisers could possibly demand that mobile phones be confiscated from attendees would be if the terms of entry prohibited taking photographs and that anyone caught at the venue using a mobile phone as a camera would be asked to leave, with the photographs taken being deleted before departing the premises.

Such policies, from a practical viewpoint, may be difficult to enforce. There is no right in law, aside from any conditions of entry, for any person to demand that photographs are not taken at a trade show. Such an event will effectively take place in public so that any rights to confidentiality are lost.

- 8 ***It is often the case that small innovative companies, with limited funds, find their most successful product being copied. Assuming they haven't got the resources necessary to pursue and prosecute the plagiarist, what other options are open to them?***

The holder of the IPRs in the product being copied may be able to approach the infringer and offer him a licence to sell the product, on the basis that the infringer acknowledges that he holds no IPR in the product at all. The holder of the IPR will demand a licence fee in return for the infringer being granted such a licence, and may also demand a percentage of any sales made by the infringer. In some circumstances, the infringer may be happy to enter into such an arrangement if it means that legal costs in defending a claim for infringement of an IPR are avoided. In the absence of an agreement the position remains that "might is right".

- 9 ***If a proven plagiarist is found to be a member of the Giftware Association [GA] should the said GA expel that person/company and what are the implications?***

In order to expel any member for plagiarism, the GA would need to have in place a very strict policy concerning plagiarism by its members. Given the fact that most claims settle





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without admission of liability it would only be appropriate for such action to be taken against those held by a court to be infringing. Even then such expulsion may be very unfair if the infringement was committed innocently.

- 10 ***If the accuser and the accused are both found to be GA members, should the GA step in and mediate, and again, what are the implications of taking such action?***

The GA would need to make agreement to a mediation policy a condition of membership. In our view this would be inappropriate as intellectual property disputes are not always suitable for mediation given the complexity of the issues involved.

- 11 ***Any other comments [no matter how extensive] you may wish to make on plagiarism in general!***

Plagiarism and copying in general are difficult topics. There are no easy answers. The law is designed to protect traders (particularly small ones without resources) against unwarranted threats. Unfortunately, that also means that rights owners are restrained in taking actions in the most straightforward way. Traders can't both have their cake and eat it!

*****These replies are provided for information purposes only and are not to be relied upon in place of specific legal advice as applied to the facts and circumstances of the particular case.*****

FOR MORE INFO CONTACT

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