

# IP Report

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**1. German Federal Supreme Court on the interpretation of the scope of protection of a patent claim and the role of the court expert (Decision of February 12, 2008 – Case X ZR 153/05 – “Mehrgangnabe/ Multi-gear hub”)**

**Generally, a patent claim may not be interpreted “below” its literal meaning. However, exceptionally, a restrictive interpretation of a patent claim below its literal meaning is justified if the technical result to be achieved by the invention is only achieved by a technical teaching according to such restrictive interpretation.**

The plaintiff sued for infringement of three patents relating to a multi-gear hub and change-speed hub, respectively. After having commissioned a court expert, the District Court rejected the complaint based on the court expert’s advice. The Court of Appeals, also having consulted a court expert, dismissed the plaintiff’s appeal based on the court expert’s advice. In the appeal decision, the Munich Appeal Court widely referred to the court expert’s opinion without performing its own detailed interpretation of the relevant patent claims by considering the patent specification and drawings. Notably, the court expert’s opinion associated technical requirements and restrictions with the claimed multi-gear hub and change-speed hub, respectively, which were not expressly mentioned in the relevant patent claims. The legal appeal of the plaintiff to the Federal Supreme Court was successful. The decision of the Court of Appeals was lifted and the matter was referred back to the Court of Appeals including some guidelines on proper claim construction.

In this context, the Federal Supreme Court had to decide whether at all, and if yes, under which circumstances an interpretation of a patent claim “below” its literal meaning applies.

The Federal Supreme Court found that – exceptionally – a (restrictive) interpretation of the scope of protection of a patent claim “below” its literal meaning applies if the technical result to be achieved by the invention is only achieved by a technical teaching according to such restrictive interpretation. Such restrictive

interpretation may be indicated but also rebutted by further patent claims and their features, or by the patent specification and drawings or by objective technical factors derived from the general knowledge of the average person skilled in the art.

In the Federal Supreme Court’s opinion, the Court of Appeals did not perform an own evaluation in this respect, but – besides relying on the factual findings – also adopted the court expert’s understanding of the relevant patent claims. In this context, the Federal Supreme Court emphasized that the interpretation of a patent claim is purely a legal question which needs to be decided by the court in its own responsibility. The role of a court expert is to advise the court on the relevant technical background and on any relevant facts which may be needed for understanding the technical teaching of the patent and thus for performing a proper legal interpretation of the patent claim. The court may therefore rely on a court expert as far as the technical set of facts is concerned, but may not simply adopt the court expert’s understanding of the relevant patent claim without any evaluation of its own. According to the Federal Supreme Court, the claim interpretation by a court expert has just as little priority as the interpretation by the parties of the lawsuit.

With the present decision, the Federal Supreme Court further specified its case law on the interpretation of patent claims, while at the same time emphasizing again the supportive (but not authoritative) role of the court expert which was already established in a series of previous decisions, most of which are originating from the same Munich Appeal Court.

In a first step, the Federal Supreme Court presents the essence of its previous case law by expressly naming the various factors for proper claim construction, such as, for example, the patent specification and drawings, and by explaining that a preferred embodiment does usually not allow for limiting a claim wording describing the invention in general and having a broader literal meaning. Thus, the Court arrives at the meanwhile established rule that the scope of protection of a patent claim may generally not be interpreted “below” its literal meaning.



In a second step, the Federal Supreme Court explains – and this is the “new” aspect of the present decision – that there can be an exception to this rule, namely if the technical result to be achieved by the invention is only achieved by a technical teaching according to a restrictive interpretation “below” the literal meaning of the patent claim.

In the practice of the German first and second instance infringement courts, patent claims are usually interpreted on the basis of a so-called function-oriented interpretation, i.e. the literal meaning of a claim feature is interpreted in the light of its technical function from the point of view of the average person skilled in the art. Although the present decision is clearly in conformity with this approach, it must be expected that patent infringers will now try even harder to argue that – exceptionally – an interpretation “below” said function-oriented literal meaning is required in the individual case – distinguishing the infringing product from the patent claim. Therefore, the focus of claim construction will be even more on the objective technical results and advantages achieved in the future with the patented teaching in view of the actually claimed subject matter.

Reported by Dr. Tilman Müller-Stoy



## **2. European Patent Office: Petition for review of a decision of a Board of Appeal pursuant to Article 112a of the EPC 2000 – First case settled by the Enlarged Board of Appeal (Enlarged Board of Appeal, case R 1/08 of July 15, 2008 – Injectable solutions containing paracetamol).**

Judicial proceedings in the EPO consist of one single instance, the Boards of Appeal. The EPC 2000 has not changed this in general. However, it has introduced the petition for review as an extraordinary remedy if certain fundamental defects occurred in the appeal proceedings. It was to be expected that the most important ground for petitions will be that the petitioner submits that its right to be heard under Article 113 (1) EPC was violated.

This is what happened in petition R 1/08, the first petition filed under new Article 112a EPC. In the opposition proceedings underlying the petition, the Opposition Division had rejected the oppositions. In appeal proceedings, the Technical Board of Appeal concluded that the claimed subject-matter did not involve an inventive step and revoked the patent.

In its petition for review, the proprietor submitted that he had learned for the first time from the written decision of the Technical Board of Appeal that there were objections against inventive step of its auxiliary request filed one month before the oral proceedings. Since such objections had not been raised before, the proprietor had not been given the opportunity to comment on them. Thus, its right to be heard had been fundamentally violated.

In accordance with Rule 109 (2) a) EPC, the Enlarged Board of Appeal examined in its composition with 3 members whether the petition was clearly inadmissible or unallowable. In its decision, the Board holds that the petition fulfils the formal requirements of Rule 107 EPC, that the petitioner was unable to raise its objections in respect of the alleged procedural defects during oral proceedings before the Technical Board of Appeal and that the petitioner is adversely affected by the decision revoking the patent. From this, the Enlarged Board of Appeal concludes that the petition is admissible.



As to the allowability of the petition, the Enlarged Board of Appeal states that the proprietor was given the opportunity in oral proceedings to provide its arguments with respect to the inventive step of the subject-matter of the auxiliary request. Hence, the proprietor was not taken by surprise that the Technical Board of Appeal intended to deal with the merits of this request. When dealing with the request, the Technical Board of Appeal had sought to assess the contribution made by the added limiting feature to the subject-matter of the main request which up to this point had lacked inventive step. Such a classical approach could not be considered surprising.

No conclusion in favour of the applicant could be deduced from the fact that the auxiliary request was neither commented upon or objected to by the appellant/opponent who did not attend the oral proceedings, nor by the Technical Board of Appeal. The absence of any objections could not, by virtue of this fact alone, make the request allowable.

As a second ground of its petition, the proprietor submitted that the decision of the Technical Board of Appeal was not reasoned with respect to the auxiliary request. The Enlarged Board of Appeal left open whether Article 112a (2) EPC or Rule 104 EPC does at all foresee the possibility of review based on this point of law. Noting the petitioner's submissions that the reasoning was contradictory, the Enlarged Board of Appeal states that it is not its task to enter into the merits of the decision, i.e. the substantive assessment of inventiveness.

The petitioner also made the complaint that the Technical Board of Appeal had refused to consider its submissions related to further technical advantages of the claimed subject-matter on the ground that they were raised for the first time during oral proceedings in the absence of the opponent/appellant. This did not convince the Enlarged Board of Appeal, because it was clear from the context of the reasons of the decision under review that the alleged advantages were not considered for several reasons, inter alia because they had not been substantiated.

As a result, the Enlarged Board of Appeal held by unanimous decision in accordance with Rule 109 (2) a) EPC that the petition is clearly not allowable.

For a better understanding of the situation in the oral proceedings before the Technical Board of Appeal some details may be mentioned which are not recited in the summary of facts and submissions of R 1/08 but become only apparent when reading the decision under review. The only difference of the main request from the cited prior art was that the claimed pharmaceutical composition contains another alcohol as solvent. The auxiliary request indicates, as a further distinguishing feature, a percent in volume ratio for the alcohol. Taking into account that the Technical Board of Appeal followed the appellant in concluding that the main request did not involve any inventive step, the additional feature could confer inventiveness on the claimed subject-matter only if it was not an arbitrary limitation (see Case Law of the Boards of Appeal, 5th ed. 2006, I.D.8.1.3). Hence, the proprietor when making the amendment should have been aware that he had to show in which way the limitation contributed to the solution of a technical problem in case the main request was considered obvious. Having the floor in oral proceedings for the discussion of inventive step of the auxiliary request, he did have the opportunity to make any relevant submissions.

The case gives some information on the procedural handling of petitions for review. Although the examination on whether the petition is clearly inadmissible or unallowable takes place without the other parties, these are informed of the receipt of a petition for review and its rejection or its forwarding to the panel with the five members, as the case may be. Communications are not excluded but not obligatory (cf. Article 13 of the Rules of Procedure of the Enlarged Board of Appeal). In the reported case no communication was issued. Oral proceedings have to be held if requested. No request was made in the reported case. This may explain why it was possible to settle the case within some three months.

Reported by  
Dr. Rudolf Teschemacher



**3. European Patent Office: Protection of further medical uses – Swiss type claims under the EPC 2000 – technical effect underlying a known therapeutic use does not establish novelty (Technical Board of Appeal 3.3.04, Case T 406/06 of January 16, 2008, “Stimulation of beta cell proliferation”, not foreseen for publication).**

The reported decision addresses two issues of primary interest related to the protection of further medical uses.

1. Swiss type claims under the EPC 2000.

Under the EPC 1973, the exclusion of medical treatment from patent protection was mitigated by Article 54 (5) permitting purpose-related product protection of known substances for a first medical use (substance X for use as a medicament). In analogy to Article 52 (4) EPC, the Enlarged Board of Appeal in G 5/83 (OJ EPO 1985, 64) allowed claims for further medical uses in the Swiss-type format indicating the specific application (use of substance X for the manufacture of a medicament for treating disease Y). In both situations novelty was derived from the new therapeutic application, deviating from the normal rule that a use can establish novelty of a product only if it implies a specific form of the product.

Under the EPC 2000, purpose-related product protection has been extended to further medical uses in new Article 54 (4) and (5) (substance X for use as an analgesic). The provision applies to pending applications. According to the Guidelines for Examination in the EPC C-IV, 4.8, last para., Swiss-type claims are still allowable for first and further medical indications.

Decision T 406/06 queries the position stated in the Guidelines. According to the Technical Board of Appeal 3.3.04, the question arises whether the exception to the general novelty requirement, which was accepted in decision G 5/83 under the EPC 1973, is still justified under the new legal framework which enables the applicant to frame its claims in accordance with the provision of Article 54 (5) EPC 2000 in order to obtain patent protection for a new therapeutic application of a known medicament. If this question

had to be answered in the negative, the novelty of Swiss-type claims would have to be assessed merely on the basis of the substance itself or the manufacturing process.

The Board observes that this question may be regarded as an important point of law justifying a referral to the Enlarged Board of Appeal. However, eventually a referral was not required in the case at hand since, even if G 5/83 was still applicable, novelty was lacking (see below). Hence, the question was left undecided.

2. Novelty of the medical use

The application concerned the use of GLP-1 (Glucagon-like peptide-1) for stimulating beta-cell proliferation to treat beta-cell depletion and diabetes associated therewith. GLP-1 and its use for treating diabetes had been known at the priority date. However, the applicant argued that the claimed subject-matter should be considered as novel since the cited state of the art did not disclose the effect of stimulating beta-cell production.

The Board cites the case law according to which a Swiss-type claim to the use of a known medicament for the known treatment of a disease can derive novelty from to the application to a new patient group, or by a new mode of administration. However, the Board sees no indication that such a situation is present. According to the description, beta-cell depletion is a symptom of diabetes. Hence, the therapeutic use indicated by the feature “for stimulating beta-cell proliferation” is a treatment of diabetes. Reviewing the case law interpreting G 5/83, the Board states that a new technical effect alone is not sufficient to establish novelty of a further medical use, but that a therapeutic use may only be considered novel if the new technical effect also leads to truly new industrial/commercial activities. Thus, the applicant’s appeal was dismissed.

Reported by Dr. Rudolf Teschemacher







**4. European Court of Justice: Likelihood of confusion when two Community trademarks are involved – Likelihood of confusion in a part of the Community sufficient – NOMAFOAM precludes registration of ARMAFOAM – (Judgment of September 18, 2008, Case C-514/06 P – Armacell Enterprises GmbH v. OHIM – nmc SA)**

Armacell had applied to register ARMAFOAM as a Community trademark for various goods in cl. 20. The application was opposed by nmc on the basis of an earlier Community trade mark NOMAFOAM, registered for goods in cl. 17, 19, 20, 27, and 28. In first instance the opposition was rejected, but the appeal to OHIM's Board of Appeals resulted in a rejection of ARMAFOAM. The CFI dismissed Armacell's action (Judgment of 10 October 2006, Case T-172/05). Armacell appealed to the ECJ, but the appeal was dismissed.

The case is of significance because it deals with the issue of likelihood of confusion limited to a part of the European Community.

Armacell argued that in English "FOAM" was descriptive and non-distinctive and that, therefore, there could be no likelihood of confusion in relation to the earlier Community trademark NOMAFOAM. Seen from the perspective of European users who do not speak English, the word FOAM is just as distinctive as the words SPUMA, ECUME, ESPUMA, SCHUIM, SKUM, SCHAUM. The similarity of the marks is thus sufficiently great for the non-English speaking public that the finding of likelihood of confusion in part of the Community territory is unassailable.

As a matter of law, likelihood of confusion in a part of the territory of the Community suffices to defeat a later CTM application:

"(57) In fact, the unitary character of the Community trademark means that an earlier Community trademark can be relied on in opposition proceedings against any application for registration of a Community trademark which would adversely affect the protection of the first mark, even if only in relation to the perception of consumers in a part of the Community.

(58) Consequently, having established that the Board of Appeal's assessment is not flawed as regards the comparison of the marks at issue from the point of view of the relevant non-English-speaking public, the Court of First Instance was fully entitled to dismiss the appellant's action without comparing those marks from the point of view of the English-speaking public."

It remains to be seen how the courts will decide when the issue is not the registrability of the later mark ARAMFOAM, but its use, and if the use was challenged in territories where there is no likelihood of confusion.

Reported by  
Dr. Alexander von Mühlendahl

**5. OHIM permits substitution of an opponent's Community trademark by national mark resulting from conversion in opposition proceedings – (Decision of the Grand Board of Appeal of July 15, 2008, Case R 1313/2006-G – Cardiva S.L. v. Cardima, Inc., CARDIMA/CARDIVA)**

Cardima opposed the registration of Cardiva's mark on the basis of an earlier CTM application for goods in cl. 9 and 10, and for services in cl. 42. During the pendency of that opposition, Cardima's earlier CTM application was partially refused on the basis of Cardiva's earlier Spanish marks. The earlier CTM application finally matured into a registration for services in cl. 42. As regards the goods in cl. 9 and 10, Cardima obtained after conversion national registrations in the Benelux and in the United Kingdom.

Cardima's opposition was successful as regards Cardiva's cl. 10 goods, the Opposition Division taking the view that the cl. 42 services and the cl. 10 goods were sufficiently similar. The Opposition Division did not take into account the national marks resulting from conversion.



Cardiva appealed. Cardima invoked Article 8 (3) of the Rules of Procedure of the Boards of Appeal, which reads as follows:

3. In inter partes proceedings, the defendant may, in his or her response, seek a decision annulling or altering the contested decision on a point not raised in the appeal. Such submissions shall cease to have effect should the appellant discontinue the proceedings.

The Fifth Board of Appeal referred the case to the Grand Board because of the importance of the issue of whether the opposition could also properly be based on the national marks resulting from conversion.

The Grand Board, composed of nine members, including all the chairpersons of the Boards, accepted Cardima's argument under Article 8 (3) of the Rules.

As to the substance of the issue, the Grand Board concluded that indeed the national marks resulting from conversion would take the place of the previous CTM and must be taken into account when deciding an opposition.

On the merits, the decision refusing the contested application of Cardiva for the goods in cl. 10 was confirmed.

This result is contrary to OHIM's Opposition Guidelines, which – it is assumed – will be changed in due time.

For proprietors of Community trademarks that have been converted into national marks during the pendency of opposition or invalidation proceedings, this decision is good news: They can now rely on the national marks as if the opposition had been based on them initially.

Reported by  
Dr. Alexander von Mühlendahl



## **6. German Federal Supreme Court on the scope of information to be rendered by an infringer of IP rights (Case I ZR 55/05 – Hollister)**

**According to various rules in different fields of intellectual property law, German law obliges an infringer of an intellectual property right to inform the owner of the right about the marketing channels of the infringing products. The infringer must provide information about the names and addresses of his commercial clients and of the supplier of the infringing goods as well as about the quantities of the infringing products that he has purchased or sold.**

Since German law in principle does not allow for discovery relating to infringing acts that have not yet been proven, some courts have interpreted the IP owner's right to claim for information in a restrictive manner. In particular, the Munich Court of Appeal found that the infringer's obligation to render information about his supplier, clients and the quantities marketed was limited to the very shipments the IP rights owner has proven or to those that have not been contested by the infringer. As a consequence, the owner of an IP right, though having proven one case of shipment of an infringing good, would neither be allowed to obtain information on the complete quantity of such marketed infringing goods in other shipments nor on the identity of all suppliers of the clients involved in different shipments.

The Federal Supreme Court in the above-cited decision reversed this very restrictive interpretation of the intellectual property rules in German law providing for claims on information about the scope of infringement. It lifted the decision of the court of appeal and clarified that the information claim was not limited to the proven shipments but ruled that the defendant had to reveal any other shipment he has received or sent involving the goods of the infringing kind, the quantity comprised by any such shipment, as well as the suppliers and commercial clients. The Federal Supreme Court further confirmed that the infringer was obliged to further specify the LOT-number of the infringing goods and the dates of all shipments.



The information claim, in its broad sense as confirmed by the Federal Supreme Court, allows for the IP right owner to discover the complete channel of distribution of the infringing goods and to stop any further marketing activities of any party involved in the distribution line. This is the purpose of the statutory rules on infringers' obligation to render information, and the Federal Supreme Court has left no doubt that such claim for information is already given if the plaintiff is only able to provide evidence for one shipment of infringing goods. The infringer must then reveal any further infringing act of the same kind. The matter in dispute concerned a parallel import (trademark) case, but there is no doubt that this ruling also applies to patent, copyright or design infringements.

The purpose of the statutory rules on rendering information, however, is not to facilitate damage claims. The Federal Supreme Court in this decision found that the infringer was not obliged by these rules to render information about purchase and sales prices, which would enable the IP right owner to calculate and claim for damages. Infringers are usually also obliged to render information about purchase and sales prices, but such claims must be based on a different general provision of German law which not only requires evidence on the infringement having taken place, but, additionally, that the infringement has been committed wilfully or by negligence and that the IP right owner is likely to have suffered damages.

However, this specification is rather of academic interest since the new German law on enforcement of intellectual property rights, which entered into effect shortly after this decision, provides that the infringer will have to reveal the prices paid along with the information about the channels of distribution. Evidence of one infringing act will therefore be sufficient to request that the infringer reveal all shipments of infringing goods received or sent, the identity of all suppliers and commercial clients involved in these shipments, the quantity of the infringing goods and the respective prices. Our firm has represented the plaintiff in the above matter.

Reported by Dr. Stefan Abel

## 7. German Federal Supreme Court rules again on the scope of protection of 3-D trademarks and related protection under national "passing off" law (Case I ZR 123/05 – "Rillenkoffer" /"Suitcase")

**On April 30, 2008 Germany's Federal Supreme Court issued a further ruling, contributing to a set of 3-D trademark decisions related to the requirements of successful enforcement and, in particular, the mark-in-suit's scope of protection (see also IP-Report 2007/IV No. 5).**

The claimant's product is a range of suitcases that are being sold in Germany for fifty years in the shape as shown below,



having been registered by way of German 3-D trademarks for "cases and suitcases (made of aluminium or plastic)" as exemplarily depicted below:



The defendant was sued for distributing the below "Beauty-Trolleys" in Germany.



The Cologne District Court granted corresponding claims for cease-and-desist plus further claims for damages etc. The Cologne Appeal Court lifted said decision and denied the asserted claims. The Federal Supreme Court now overruled the Appeal Court's decision, starting by drawing a clear distinction between IP protection on the grounds of IP rights conferred by a registered (or non-registered) 3-D trademark, on the one hand,





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and, on the other hand, parallel protection provided by German unfair competition law (“passing off”). The latter protection, says the Court, is necessarily linked with the protection of a concrete product or product range, claiming specific features of origin (“competitive individuality”) which if copied would cause an avoidable deception as to the origin (Section 4 No. 9 lit a Act against Unfair Competition). Such protection would not conform with the essence of trademark law.

As regards asserted claims for trademark infringement, the Court held that the distinctive character of the 3-D mark-in-suit had an impact on whether consumers perceive the underlying shape as an indication of origin when being confronted in public with this shape as the shape of the claimant’s underlying product. If said product had been extensively marketed and sold over fifty years, this could amount to an increased distinctiveness of the 3-D-mark-in-suit through use – a consequence ignored by the Cologne Appeal Court.

Turning to asserted claims under German unfair competition law, the Supreme Court confirmed that for a full product range of cases and suitcases corresponding protection against misappropriation may be claimed when showing similarities as to purpose and design. It is not necessary, said the Court, that competitive individuality can be claimed for each of the single products, unless the recurring characteristic features of appearance would cause a clear distinction, in the perception of the public, between the products belonging to the product range and products of other competitors – an aspect also ignored by the Cologne Appeal Court.

Due to the above inconsistencies and deficiencies, the Federal Supreme Court remanded the case to the Cologne Appeal Court for review and decision.

Reported by Dr. Henning Hartwig



## **8. German Federal Supreme Court: Competitors using the designation “Post” for postal services are not infringing the trademark “POST” of Deutsche Post AG (Case I ZR 169/05 – POST and I ZR 108/05 - CITYPOST).**

The plaintiff – the Deutsche Post AG – is the owner of the German word mark “POST”, registered inter alia for transportation and delivery of letters and parcels. Furthermore, the plaintiff is the owner of various word and figurative trade marks with the designation “Post” (“Mail”). In the present proceedings, the plaintiff sued competitors that used the designation “Post” as part of their company name and for their delivery services (“Die Neue Post” [The New Mail], “City Post” [City Mail]). Whereas the District Court and the Appeals Court of Cologne had rejected the plaintiff’s claim in default of likelihood of confusion between the signs “Post” on the one side and “City Post” on the other, the District Court and the Appeals Court of Naumburg held that there was likelihood of confusion between the marks “Post” and “Die Neue Post”.

The Federal Supreme Court confirmed the decision of the Appeals Court of Cologne, but overruled the decision of the Appeals Court of Naumburg, arguing that use of the designation “Post” by the defendant was authorized by Section 23 No. 2 Trademark Act. However, the Federal Supreme Court did not decide whether there was any likelihood of confusion between the signs “Post” and “Die Neue Post”. According to Section 23 No. 2 Trademark Act, third parties may use a trademark to explain the very nature of their services, unless such use is not immoral. Taking into consideration that the European Union and also Germany have – at least formally - liberalized the mailing sector, the new companies active in the field of delivery services have an eligible interest in using the designation “Post”. Thus, as far as the new competitors cease from the use of other signs used by the plaintiff – e.g. the post horn or the colour yellow – they are allowed to use the designation “Post”. The designation “Post” is subject to cancellation proceedings, pending with the Federal Supreme Court. The oral hearing will take place on October 23, 2008.

Reported by Philippe Kutschke



### **9. German Federal Supreme Court on licensing stage performances of songs taken from musicals (press release of the Federal Supreme Court, judgement of July 03, 2008 – I ZR 204-05 – Musical Starlights)**

#### **GEMA standard license does not cover onstage representation of musical songs if at least a part of the musical's plot is represented**

The plaintiff in this case was the owner of all rights in several well-known musicals. The defendant organized stage performances of songs from these musicals without performing the story of the musical.

The defendant has obtained a standard license to play the songs of the musicals. Such standard licenses for musical works rest with GEMA, the German company collecting license fees for musical works. Anybody may obtain such license from GEMA as long as royalties are paid as stipulated by GEMA, and GEMA observes if anybody plays any songs without having a license.

The defendant has asked for and obtained such standard license by GEMA for the songs it performed on stage. The question was if this standard license covered also the defendant's on-stage performance or if the defendant would have needed to get a license directly from the plaintiff.

Up-to that point it had been clear that performing the songs and story of a musical would not fall under the scope of the standard license the collecting company offers. What has been unclear, however, was the question whether the on-stage performance of single songs in the context of further elements of the musical, such as costumes, stage settings and representations of single scenes, would still fall under the scope of the standard licenses available from the collecting company GEMA, or if this would rather require a special license to be granted by the copyright owner.

The German Federal Supreme Court now found in the reported decision that the standard license available to anybody does not cover an onstage representation, if at least a part of the musical's plot is represented. It is not necessary that the whole story or essential plot be enacted.

It is sufficient that the audience is able to recognize the idea of a part of the musical, e.g. a scene of the musical. This had been the case in the dispute at hand. The plaintiff has not only performed the songs but, along with some of the songs of the musical, also represented some scenes of the musical by using costumes and stage settings referencing the musical. This was considered sufficient to interfere with the rights of the owner and to be no longer covered by GEMA's standard license. The Defendant would have needed to get a license directly from the owner of the musical rights which he failed to do.

This decision represents a clear improvement on the copyright level. However, it must be kept in mind that it is often also possible in such cases to already challenge the announcements and advertisements for such shows. The purpose of such shows usually is to attract a larger public by referencing the well-known original musical or film, e.g. naming the show similar to the musical or film and representing well-known scenes or other elements of the original. Such advertisements may be prohibited on the basis of trademark law and unfair competition law. This has often been proven to be more effective than challenging the show itself.

Reported by Dr. Stefan Abel





## 10. Implementation of the Enforcement Directive in Germany

**The German legislative chambers have – after a delay of more than two years – finally passed a law implementing the so-called Enforcement Directive 2004/48/EC. This new law entered into force on September 1, 2008. Corresponding to the main object of the Enforcement Directive, it aims at ensuring a high standard of IP rights protection with respect to enforcement.**

Notably, already the previous German law provided for a relatively high protective standard so only some amendments needed to be made in the new German law in order to fulfil the requirements of the Enforcement Directive. While some of these amendments will have to prove their practical relevance in the future (e.g. a newly established claim for the publication of a judicial decision), other innovations will certainly improve the position of the IP right owner when fighting infringers. The most important example appears to be, at least for patent cases, the introduction of a substantive claim for inspection of potentially infringing products or methods (in particular at the presumed infringer's premises). This claim may be enforced – also prior to a full-blown litigation – relatively quickly by means of a preliminary injunction, and, as the case may be, in combination with a request for independent evidentiary proceedings, allowing for a court-appointed expert to perform the inspection and resulting in a written expert opinion while the claimant's attorneys are present during the inspection to support the expert. This instrument picks up various aspects of the French "saisie-contrefaçon", of the UK's "search and seizure order" and of the Italian "descrizione" and will, therefore, certainly become an important tool for fact finding and preserving evidence, although it does clearly not reach the dimensions of the US-style "pretrial discovery".

Further important amendments are the extension of the IP right owner's claims for the disclosure of information from third parties beyond the infringer (e.g. access providers in the internet; shipping agents) and the newly established claims for recall and definitive removal of infringing

products from the channels of commerce. However, although there is already one first instance decision available in a patent case, the meaning of the latter claims will – due to their relatively marginal regulation in the Enforcement Directive as well as in the implementing law – continuously need to be clarified by the case law. Finally, the implementing law also introduced the simplified procedure (Art. 11 of the so called Border Seizure Regulation 1383/2003) in the German system, with the consequence that now a fiction of approval with the destruction of counterfeits applies if the entitled person does not object within a certain deadline.

Technically, the implementation was done by amending the existing specific IP laws (mainly in the field of patents, utility models, trademarks, designs, copyrights) instead of introducing a general IP rights law. This will certainly endow the courts with the necessary flexibility when handling the specific IP right concerned in view of the circumstances of the individual case. Notably, no direct amendments to the field of the unfair competition regulations were made.

In summary, the implementation of the Enforcement Directive is another welcome step in the right direction and will certainly help to improve and consolidate the various European IP litigation systems, besides other efforts like the EPLA or the Community Patent (both of which are still having an unclear future). In view of the advantages of a heterogeneous application of the law in Europe, this seems to be all the more relevant, taking into account that the ECJ will now have a chance to comment on the related questions of law.

Reported by Dr. Tilman Müller-Stoy



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