Our newsletter on recent developments

Trade mark blocking injunctions

Good news for trade mark owners. A UK blocking injunction has been granted for Trade Mark rather than copyright infringement in Cartier International AG v British Sky Broadcasting Ltd [2014] EWHC 3354 (Ch). The case concerned the Claimant's CARTIER and MOUNTBLANC marks and sites selling counterfeits made in China under those marks. The ruling clarifies the secondary liability of mere conduits or Internet Service Providers (ISPs). Whereas once, even with actual knowledge, they did not lose their immunity from liability under art. 12 E-commerce Directive (2000/31/EC), the rule was abrogated by the Enforcement Directive 2004/48/EC for intellectual property, including trade marks, and applied in the UK court's by use of the inherent injunction jurisdiction. Although significant, the result was a foregone conclusion following earlier domestic cases and L'Oréal v eBay, Case 324/09 (on injunctions under the Enforcement Directive 2004/48/EC). Unusually, the application was opposed and therefore the case included a detailed examination of the efficacy of blocking orders to date, summarised by Arnold J. as having been obtained by three groups of rightholders: (a) film studios, (b) record companies and (c) the FA Premier League. Notably the proportionality analysis required the balancing of the Claimant's property intellectual rights protected by art. 1 of the First Protocol to the European Convention on Human Rights (ECHR) and art. 8 (privacy and data rights) and 10 (free rights of defendants expression) and parties. Effectiveness was the key to proportionality as regards a defendant and dissuasive effect in relation to third parties. We can expect to see many more such cases from the big mark owners.

Copyright embedding and circumventing

Also in October in Case C-348/13 *BestWater*, the Court of Justice for the European Union (CJEU) confirmed the embedding on a site, of a work online elsewhere, does <u>not</u> infringe copyright provided there is no new public and no new technical means. The case concerned a video uploaded to YouTube. This follows the ruling in Svensson, Case 466/12 (see our update in March). Note however that where the original upload was without consent, embedding may still infringe. An English translation is awaited.

A decision is still pending in *C More Entertainment AB v Linus Sandberg*, Case C-279/13 dealing with linking by means of paywall circumvention.

Copyright blocking injunctions

October saw another §97A blocking order from Arnold J in 1967 Ltd v BskyB and Others [2014] EWHC 3444 (Ch). The Defendants were the major UK ISPs and the Claimants were record companies claiming on their own behalf and in a representative capacity on behalf of the members of BPI (British **PPL** Recorded Music Industry) and (Phonographic Performance Ltd). The case concerned the Defendants' customers (the public) and their use of various torrent sites (all generating substantial advertising revenues) downloading and copying of the Defendants' copyright protected works from the sites and the communication to the public of the same by users making available/uploading (by participating in a torrent swarm). The operators of the torrent sites were held liable for direct infringement, authorisation and as joint tortfeasors with their users. Both the users of the sites and their operators made use of the Defendants' services. As is usual, the Defendants neither consented nor opposed the application but made submissions as to the wording of orders to be granted.

The reason *Svensson* (above) did not assist was that the works were not made freely available online to the same public elsewhere without charge and different technical means were

used—so that there was a new public (and not that public contemplated by rightsholders when they authorised the original communication). In considering proportionality, evidence submitted from comScore showed on average, the number of UK visitors to bit torrent websites the subject of blocking orders declined by 87%. This proved determinative.

circumvention.

Libel jurisdiction and service

Hegglin v Google [2014] EWHC 2808 (QB) was a claim for an injunction against Google Inc. Permission was sought to serve it out of the jurisdiction. The claim was in relation to defamatory statements about the claimant (a Hong Kong businessman) but as against Google Inc. was framed as a claim for an injunction under sections 10 and/or 14 of the Data Protection Act 1998 requiring that it cease processing by its search function. This is the new 'right to be forgotten' claim following CJEU's decision in the Gonzalez v Google Case 131/12. There was also a claim for a Norwich Pharmical order requiring Google to disclose information within its possession or control as necessary for the claimant to identify the John Doe first defendants who were the authors of the defamatory statements.

In this application, following *Gonzalez*, Google Inc. was a data controller for the purposes of the European Data Protection Directive (95/46/EC) and the court accepted there was a good arguable case that Google was under an obligation, enforceable in this jurisdiction, to comply with the requirements of the 1998 Act when processing the claimant's personal data by operating its search engine at google.co.uk. Statutory torts under the 1998 Act or damage from them were within the jurisdiction and permission was granted for service out. The John Doe first defendants were likely to be necessary and proper parties for jurisdiction also (once identified).

In real terms, many claimants are asserting data protection torts in preference to framing claims in defamation —following *Gonzalez*. The selection of that cause of action may signal that defences to defamation are applicable but the counterbalancing rights in *Gonzalez* were considered to be the economic interests of the website operator and not art.10 (free expression) and

these were considered trumped by the art 8 (reputation and privacy) rights of the claimant. Art.10 would be the counter balancing right in relation to the original publisher (in *Gonzalez* the newspaper which was not required to remove/stop processing due to the journalism exemption). The significance of this is yet to be fully examined but we can expect it to have real impact on intermediaries and other secondary publishers who may see fewer libel claims and more data claims.

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