

Newsletter

IP.IT.Media

January 2008

The end of the “absolute person
of contemporary history” in personal law

The most essential changes as a result of
the amendments made to the Television Directive

Risk when combining several different trademarks

Confusion when it comes to
company names and trademarks –
The ECJ makes changes to legal practice

Changes in law –
current amendments

Case law News Ticker –
Principles and Comments

News from the IP.IT.Media Practice Group



Dear Readers,

Editorial

Ulrike Helkenberg

It really comes as no surprise in the age of event culture that there is a growing need to create a means to protect an event mark. This new type of mark offers mark protection specifically for the field of sponsoring and merchandising. The most significant function of an event mark is particularly its ability to secure respective trade brand licenses and add value to an event's financing options. Thus, for example, the World Football Federation FIFA registered the trademarks "Fußball WM 2006", "Fussball WM 2006" and "WM 2006". The BGH, the German Federal Court of Justice, generally only allowed for the protectability of the mark "WM 2006" when associated with certain products and services and otherwise decided to cancel the other marks. In the meantime, FIFA has abandoned these marks in Germany.

On the other hand, the Office for Harmonization in Alicante, Spain, dismissed the cancellation applications against the trademarks. The pending appeal proceedings in this matter (case number: R 1468/05-1) are supposed to be decided by the end of this year. The decision in this matter is eagerly awaited, the more so because, generally speaking, a need has been recognized that these kinds of large events need to be granted a certain amount of protection, which, under currently applicable law, does not exist.

Speaking of the keyword "Event" is also a good way for us to alert you to our conference on the subject "Update on Internet Law". After the first event in Cologne on 15 November 2007, we are pleased to announce additional speaking events that will be held on the topic at our other locations. We will be providing information on copyrights, personal rights and liability issues with respect to the Internet. The scheduled dates can be found on page 25 of our newsletter. We look forward to seeing you there.

Enjoy reading through our newsletter, which we are presenting in its new layout. The latest edition deals especially with media, personal rights and trademark law and gives an explanation on essential changes as a result of the revisions made to the Television Directive.

Yours, Ulrike Helkenberg



In a number of its most recent decisions, the Sixth Civil Senate of the German Federal Court of Justice significantly strengthened existing legal means to protect celebrities against unwanted publication of photographs. Triggering these further advances in law were, once again, Princess Caroline and Prince Ernst August of Hanover, who filed suit in particular against the publication of photographs showing them on a skiing holiday.

In accordance with German legal practice in the past reporting on celebrities with pictures was, generally speaking, legal pursuant to §23(1)(1) KUG [German Artistic Copyright Act], if said photos were taken at locations accessible to the public. No specific journalistic reason was necessary. The celebrity concerned was to tolerate pictorial reporting, solely because, by virtue of his notability, he was deemed as a so-called “absolute person of contemporary history”, and therefore information on his person was always considered of justified interest to the public. Thus, it did not matter whatsoever whether the photograph of the celebrity concerned showed him on stage or shopping at his local supermarket. He was principally only protected against public view in remote private locations. For the most part, exceptions to this rule generally applied only when the party concerned had a justified interest in not having pictures published in individual cases. At these times, however, he would have needed to provide evidence of such justified interest (§23(2) KUG). It was even generally permissible to publish photographs of other persons, not celebrities themselves, accompanying the celebrities.

Additional thought needed to be given to this practiced case law as a result of a decision made by the European Court of Human Rights (ECHR 24.06.2004, NJW, 2647 et seqq.). The ECHR attested that German case law was in violation of Article 8 of the European Convention on Human Rights, in this case against the human right to the protection of privacy. Said proceedings had also been initiated by Caroline of Hanover.

With the decisions made more recently, the Federal Court of Justice addressed the ECHR’s concerns. It now emphasizes that a person’s high profile as such is not sufficient to be considered a factual justification for an image of contemporary history. What is also required to justify taking these kinds of photo-

The end of the “absolute person of contemporary history” in personal rights law

BGH 06.03.2007, NJW 2007, 1977 et seqq. and
BGH 06.03.2007, NJW 2007, 1981 et seqq.

Kai Runkel (Cologne)

Legal situation to date

Decision by the ECHR

New legal position

The end of the “absolute person of contemporary history” in personal rights law

graphs is moreover an occasion constituting a specific public interest in having the photographs in question published. Thus, publishing a photograph showing Princess Caroline in a ski lift at her skiing holiday destination on its own does not constitute a general public interest in how higher nobility spends its holidays. What made this kind of photograph permissible in this specific example was a caption reporting on a severe illness that her father, the Prince of Monaco was suffering. Therefore, the occasion for publishing the report with images documenting the daughter’s skiing holiday was whether or not Caroline should have been at her father’s side during his time of suffering instead of riding a ski lift. In comparison, the use of the photographs depicting her on her skiing holiday to illustrate an article about a social event, which by no means was associated with the princess’ winter sports trip, was considered impermissible.

k.runkel@heuking.de

Result: When reporting on celebrities using photographs, in future what will need to be reviewed even more intensely is whether or not the photograph being published can in any way be contextually associated with an event taking place in contemporary history. As a result, the legal concept of the „absolute person in contemporary history” that based its publishing justification purely on the celebrity status of the person being reported on will in the end have outlived its purpose.

The most essential changes as a result of the amendments made to the Television Directive

The revisions to the Television Directive have now been completed. It is now referred to as the “Audiovisual Media Services Directive” (AVMSD). The European Parliament passed the new directive on 29 November 2007. As is evident from its new title, the most significant amendment includes an expanded scope of application based on which a graduated regulation was introduced. What is more, the rules governing advertising were deregulated.

Directive 97/36/EC of the European Parliament and of the Council of 30 June 1997 amending Council Directive 89/552/EEC on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities, OJ L 202, 30.7.1997, p. 60-70

Michael Schmittmann (Düsseldorf)

Philip Kempermann, LL.M. (Düsseldorf)



The most essential changes as a result of the amendments made to the Television Directive

Pursuant to Article 1(a), the scope of application of the Directive is defined by the term “audiovisual media service”. European legislators thus decided to take a technology-neutral approach, because for an audiovisual media service the technology used for the transmission is no longer the main issue. This new Directive includes audiovisual media services provided by electronic communication networks within the meaning of Article 2(a) of the Framework Directive (Directive 2002/21/EC), the content of which are moving images, and thus in particular the new opportunities in broadcasting such as IPTV or web-casting. Pure audio services such as radio services, however, continue to be excluded from the scope of application of the new Directive (recital 22).

Within the audiovisual media services, the Directive distinguishes between television broadcasts (Article 1(e)) and on-demand audiovisual media services (Article 1(g)). Television broadcasts fall under the scope of the Television Directive that has been in effect up until now, thus classic television broadcasts. As opposed to the Television Directive, the new Directive introduces new content criteria for the purpose of categorizing a service in a regulatory structure and no longer applies technical criteria. Audiovisual media services on demand are at this time most likely characterized as being “video on demand” services, but it is conceivable that in future even more application models will be available.

Following up on the new scope of application, the Directive now provides for a graduated regulation. Along with the transmitting state principle and the general requirements as they concern advertising, the general provisions for all audiovisual media services also include new rules such as the obligation of media service providers to make information accessible (Article 3a) and the widely controversial product placement rule (Article 3g).

These are followed by special provisions for audiovisual media services on demand and for television programs. From the varying array of requirements, the result of the new European media regulation is a graduated regulation approach. The graduated approach is based on the idea that audiovisual media services on demand may have the potential to partially replace television broadcasting (cf Recital 48), but at the same time offer the users more choice and control options and imposing lighter regulation than for television broadcasting is therefore justified

New scope of application

Graduated regulation

The most essential changes as a result of the amendments made to the Television Directive

(cf. Recital 42). Thus, there are only basic rules when it comes to defining the content of audiovisual media services on demand, which are limited to the protection of minors and promoting European works. In comparison, television broadcasts are subject to significantly more stringent rules, such as the majority of those known from the Television Directive.

The rules governing advertising have been deregulated to a great extent. The daily overall limit for television advertising was dropped altogether. However, the limit to advertising time per hour was left at 12 minutes. At the same time, the rules governing advertising breaks were relaxed. Programs, which up to now could only be interrupted once during a scheduled transmission length of more than 45 minutes, may now include advertising every 30 minutes.

In addition, the much debated product placement ruling did find its way into the new Directive. As opposed to surreptitious advertising, the viewer must be informed of the existence of product placement and the product being advertised may neither be disproportionately emphasized nor may there be a direct invitation to purchase the product. However, the basic principle of prohibiting product placement is still in place. The Member States merely provided for the possibility to allow product placement in exceptional cases for very specific instances. It remains to be seen which of the Member States will make use of this new option. Since product placement as a whole is viewed very critically in Germany, it cannot be expected that product placement will be allowed in Germany.

m.schmittmann@heuking.de
p.kempermann@heuking.de

Deregulated advertising rules

Result: With its new scope of application, the amended Directive and the graduated approach to regulation represent an important step towards a more convergent media regulation with plenty of potential to further development in the future. In addition, the players in the market are given more liberal means in how they handle advertising.



Recently, the matter placed before the German Federal Court of Justice for decision was whether a word mark was being used in a rights-preserving manner if evidence of its use could only be shown in the form of a word / figurative mark, in which an additional word element was included.

Specifically, the issue in question was the use of the word mark "Blue Night". The logo as a whole, which was in fact being used by the trademark owner looked like this:



The court of appeals did not consider the plaintiff's claim against the violation of its word mark "Blue Night" used to protect its perfume products to be justified and rejected the complaint. The court of appeals denied the rights-preserving use of „Blue Night“ and explained its decision by stating that the plaintiff had not used the word mark "Blue Night" but instead only the logo-design "bodo Blue Night" shown above. Even though, pursuant to §26(3) German Trademark Act, a rights-preserving use of a trademark is also given as long as the distinctive characteristics of the trademark have not been altered by slight deviations. However, consumers would understand the element "bodo" here as alluding to a specific series of fragrances offered by the plaintiff and "Blue Night" as the name of a fragrance included in this series. "bodo" was used to describe a common quality of the products in this series of fragrances and thus at the same time the product was also being defined as a member product in the series. Thus, the element "bodo", which itself is a word mark registered by the plaintiff, was accorded its own characteristic effectiveness so consumers would no longer recognize the actual form of use "bodo Blue Night" as the registered trademark "Blue Night".

The Federal Court of Justice overruled the decision contested by the appeals proceeding and referred it back to the court of appeals for a decision. In its decision it argued:

Risk when combining several different trademarks

Q: BGH 08.02.2007, GRUR 2007, 592 - bodo Blue Night

Dr. Søren Pietzcker (Hamburg)

Previous legal situation

The decision in the lower court

Corrections made by the BGH

Risk when combining several different trademarks

“If a product is labeled – as was the product in dispute – using two trademarks, this typically suggests that consumers do perceive it as a trademark made up of two parts. What is also conceivable is that consumers would not see a product marking as a standard indication of its origin, but rather two trademarks distinguishable from one another. Since, in order to preserve the rights to use a trademark, its use as a secondary trademark also suffices, this option must also be taken into consideration in any dispute.”

This applies, in particular, if consumers have become familiar with the use of the secondary trademark. A use in this manner is especially apparent if one of the trademarks being used is one that consumers recognize as the name of the company they are familiar with. However, use of a secondary trademark also suggests a series trademark when the one trademark designates a product family and the other a specific product within the series. For perfume products, it is by all means typical in practice to designate products in this way.

Thus, in the case at hand, the court of appeals needs to examine whether the trademark “Bodo” combined with the trademark in dispute “Blue Night” is interpreted by consumers as an independent trademark. What speaks in favor of this, in the BGH’s view, is that secondary trademarks are often used for the group of products in question and, in particular, the trademark “Bodo” is in fact used in association with other fragrances. If the court of appeals concludes that consumers do recognize the logo “bodo Blue Night” shown above the plaintiff’s registered word mark “Blue Night” as an independent trademark, then for the right-preserving use of the trademark “Blue Night” it does not matter if the products also show the trademark “bodo”. In this case, the right-preserving use of the trademark “Blue Night” would need to be approved.

s.pietzcker@heuking.de

Result: If a case for rights-preserving use cannot be made, no rights can be derived from use of the logo. Any third party may then submit an application to have the trade mark deleted (cf. §49 German Trade mark Act). Therefore, what needs to be considered is that the logo designed as a whole by using two trade marks continues to allow the independent character of each individual trade mark to be distinctly recognizable. The Federal Court of Justice listed both the typical use of a secondary or umbrella trade mark in the respective group of products, as well as the use of the basic element of a series trade mark, as an indication for the independent status of a trade mark with a logo made up of combined trade marks.

Confusion when it comes to company names and trademarks – the ECJ makes changes to legal practice

ECJ 11/09/2007 (Case C-17/06) “Céline”

Dominik Eickemeier (Cologne)

In its judgment of 11 September 2007, the ECJ served up a veritable surprise. Up until now, the prevailing opinion and case law went almost hand in hand by assuming that even a company’s name might conflict with an earlier mark. In principle, this is still how things stand after the judgment made by the ECJ. However, the wind is now definitely blowing in a new direction.

Indeed, the use of a company name, a trade name or shop name may still be in violation of an earlier mark registered to a third party if the required similarity between the products and services is given. However, the ECJ did make a limiting distinction by establishing that this can only be the case if it was used for goods (or services), which would affect, or be able to affect, the functions of the trademark. Once, therefore, sufficient similarities have been established to the opposing logo and sufficient similarities to the products or services in question, according to the ECJ, what must then take place is a more detailed examination of whether the company name, trade name or shop name are understood as a specific means to distinguish particular goods or services.

This means that the German courts will need to more closely examine in future whether in a given case this kind of reference to goods is created by the company name being used. The judges cited one specific example. Thus, for instance, this kind of reference might be established if the company name is also affixed to the individual goods being marketed.

The background of this decision is that company names are generally not intended to distinguish products or services, but instead serve to identify a company more specifically. In this respect, according to the ECJ, there is no likelihood of the consumer confusing a trademark with a company. Only if the company sign were in relation to those products or services, would it be possible to confuse the two. d.eickemeier@heuking.de

The content of the decision

Consequences for German Case law

Result: Case law will need to compile a list of criteria that, if established, would lead to assume this kind of reference to a product. In general practice, such will most likely be easier when it comes to services, since in this case the practice of naming a service by means of a mark and the use of the same term to designate a company are often intertwined.

Changes in law – current amendments

The London Protocol takes effect – easier access to the European patent

Sabine Fiedler (Düsseldorf)

With the London Protocol the European patent will require much less translations. This leads to a substantial cost reduction which facilitates inventors' access to broader patent protection.

For all 32 member states of the European Patent Convention (EPC) applies a simplified patent application process. The European Patent Office grants European patents for the member states of the EPC based on a single harmonized procedure. Therefore, only a single patent application need be submitted in one of the three official languages (German, English, French).

However, even though a European patent may be granted, this does not automatically mean that it is valid in the individual Member States. The patent owner may and must define the geographic area of application for his patent as he sees fit by initiating the "national phase" in each respective country. The European patent granted must then be translated into the official language of the country where the invention is to be protected by the patent. This involves substantial expense. On average, a complete translation of a patent into another language costs around EUR 1,400. With this in mind, an applicant would need to anticipate EUR 30,000 for translation costs to receive patent protection in every member state. This is the reason why, at this time, patent protection rights for a European patent are typically only obtained for seven countries.

In order to significantly reduce the costs of a European patent, the London Protocol was concluded on 17 October 2000. What this protocol provides for is that a European patent application will no longer need to be completely translated in each respective language of the country where the national phase is to take place. The dispensation with translation requirements is mandatory for the patent description. However, each country does have the right to insist that the individual patent claims are translated. However, since these only make up a small portion of the entire patent, the London Protocol will result in significant cost savings. If patent protection is to apply in every member state, instead of

The European patent: Obtaining patent protection in 32 countries with one single application

Disadvantage: High costs involved in translating the patents

The London Protocol: Reducing the translation requirements

The London Protocol takes effect – easier access to the European patent


the translation costs ranging around EUR 30,000 up to now only EUR 6,500 will need to be paid to have the patent translated thanks to the London Protocol.

With the approval of the French National Assembly and the Senate, the way has now finally been paved for ratification of the London Protocol. It will then enter into force four months after depositing the ratification instrument, meaning presumably sometime in the first half of 2008. s.fiedler@heuking.de

Coming into Effect

Result: The London Protocol will definitely have a positive effect on smaller and medium-sized companies. By reducing the overall costs, it will become much easier to obtain European patent protection.

Approval of the 10th Interstate Broadcasting Treaty Amendment



In December 2007, all Prime Ministers of the German Federal States signed the draft of the 10th treaty to amend the interstate broadcasting treaties (hereinafter referred to as: 10th RÄStV). This interstate treaty includes amendments made to the licensing procedure requirements, to how the collaboration between the state broadcasting corporations is organized as well as to regulatory platforms. It is scheduled to be signed at the end of the year by the state prime ministers and is to enter into force as of 1 September 2008.

10th Interstate Broadcasting Treaty Amendment, status 31 October 2007

Philip Kempermann, LL.M. (Düsseldorf)



As a result of the 10th RÄStV, the application procedures for nationwide private broadcasting programs will be amended. The licensing requirements are no longer the responsibility of the individual states. As of 1 September 2008, the newly created commission for licensing and supervision (ZAK) will be responsible for the approval of programs to be broadcast nationwide.

At the same time, the transmission rules for foreign television broadcasts were amended. Pursuant to §51b(1) RÄStV, the simultaneous and unchanged retransmission of television broadcasts that can be received within Germany, which are legally licensed to be broadcast in Europe, is now permissible without the need for a decision on the matter. The broadcasting company will neither need to submit a notification of retransmission nor must it take action to obtain its own license. It will suffice to simply present an operating license or a document similar in nature. In so doing, it will be of no significance where the license was issued as long as the broadcast offered for television complies with requirements pursuant to §3 RStV [Broadcasting Treaty] and to the JMStV [State Treaty on Media Youth Protection].

The platform regulation pursuant to §§52 et seqq. RÄStV is completely new. Included are now all platforms, no matter what the technical transmission type and capacity, meaning it includes satellite, terrestrial receivers, broadband cable as well as IPTV. Suppliers of online software-based platforms offering IPTV without a guaranteed bandwidth, however, are only included if they hold a dominant position in the market. Explicitly excluded from the platform regulation are small satellite and terrestrial receiver platforms, as well as independent NE4 cable network operators with less than 10,000 receiving households.

In future, a platform may still be operated without a license. What is new, however, is that the platform must have been registered with the competent state media authority at least one month prior to going into operation. In addition, the platform operator must at least satisfy the same requirements as broadcasting stations pursuant to §20a(1), (2) RÄStV. Also, the platform operator is no longer completely at liberty when it comes to allocating its transmission capacities, since it will be required to observe the allocation requirements as per §52b RÄStV, which are meant to ensure plurality of opinion.

§52c RÄStV ensures that platform operation is non-discriminatory. In this manner, any broadcasting station is to be guaranteed

Approval of the 10th Interstate Broadcasting Treaty Amendment

New licensing procedures for private broadcasting programs distributed throughout Germany

Simplification in retransmitting foreign television programmes

Platform regulation


A platform may be operated without a licence, however it must be registered.

access to the platforms as essential facilities. What is new is the expanded area of protection to include manufacturers of digital broadcast receivers. Often, they depend on certification of their set-top boxes by the platform operators to be able to compete in the market. In the past, such certification had in some cases been denied by platform operators. The amended RÄStV can now be applied to cases of discrimination of set-top box manufacturers in media law in addition to the telecommunications and anti-trust laws. What can now be expected is that this additional legal path will enhance the prospects of success for the manufacturers, because the competent state media corporations are especially obligated to ensure plurality in the field of media, included in which is also the obligation to guarantee technology neutral reception solutions. p.kempermann@heuking.de

Approval of the 10th Interstate Broadcasting Treaty Amendment

A platform is to be operated to be non-discriminatory

Result: The 10th Interstate Broadcasting Treaty will bring about a number of improvements. Some of these will only have an effect on changes in the internal processing and organisational steps involved for the competent official agencies, others will, however, greatly affect the participants themselves. The new legal set will enter into force in October 2008.



The so-called “second basket” of the copyright reform took effect as of 1 January 2008. The “Second Act Governing Copyright in the Information Society” dated 26 October 2007 was announced in the German Federal Law Gazette on 31 October 2007 (for more information on the discussion about the bill, see the article “A basket filled with fresh fruit” printed in the IP IT Media Newsletter March 2007).

The law contains, among other things, a clarification of §53 UrhG [German Copyright Act] dealing with the right to the private copy.

“2nd basket” of the Copyright Reform takes effect at the beginning of the year

BGBI. [German Federal Law Gazette] I 2007, p. 2513

Kai Runkel (Cologne)

The latest on the laws regarding private copy

“2nd basket” of the Copyright Reform takes effect at the beginning of the year

The latest on the laws regarding private copy

This concerns downloading works protected by copyright (in particular, music and film content) using an online file sharing network. Merely the act of downloading the files themselves will in future certainly constitute a violation of copyright, if – as may usually be assumed in the case of file sharing networks – it is evident that the person uploading the files does not have the right to post this content on the Internet. One of the threshold clauses included in the discussion on the draft, which was intended as a means to prevent “criminalizing schoolyards” was not included in the law in the end.

Another new regulation deals with making it permissible in future to have access to works protected by copyright at electronic reading areas in libraries, museums and archives (§52b UrhG as amended). What is already being criticized is that the number of copies to be made available in electronic form was limited by the legislators to the number of existing “hard copies”. What was also newly introduced was §53a UrhG as amended, which will contain rules governing how public libraries are to handle the sending of copies that have been ordered.

What is also new is that agreements will now be allowed which grant rights of use to use types yet unknown (§31a UrhG as amended). Such agreements will need to be in written form. The holder of rights will have the right of withdrawal, which he will be able to exercise within a period of three months after notifying the beneficial owner about the planned new use type in writing. This will apply in cases where no agreement can be made with regard to how to compensate for these new use types. This rule will also apply to old agreements, which were completed prior to 1 January 2008 and which grant exclusive license, unlimited by time and space, to all use types (§137(1) UrhG as amended).

What is more, in early 2008 an extensive range of changes will take effect with regard to the remuneration paid for the reproduction of works protected by copyright. Falling under the obligation of remuneration in the future will be all devices and storage media, the type of which is used to create legal private copies (§54(1) UrhG as amended). As concerns the amount of fees that may be charged, the laws will merely specify a legal framework. The specific fee amount will depend on the extent to which the devices and storage media concerned are actually used to reproduce works protected by copyright (§54a UrhG as amended). The collecting societies and the manufacturer associations are to mutually agree on the terms in this regard.

New rules on electronic reading areas

Agreements on use types yet unknown will be allowed in future

New rules on the obligation to pay remuneration (reproduction device fees)

“2nd basket” of the Copyright Reform takes effect at the beginning of the year

If they are unable to do so, empirical market studies will need to be carried out (§§13a(1), 14(5a) UrhWG [German Copyright Administration Act]). The rate ceiling for device fees originally planned to be at 5% was not realized in the new law.

k.runkel@heuking.de

Result: Particularly in the area of laws governing creative works contracts, the amendments to the law will open the way for new opportunities. In order to capitalise on these opportunities, right of use agreements will need to be reformulated in the future.

News from our practical experience

When not even the truth holds true ... On publishing decisions in one's favour

Anton Horn (Düsseldorf)

Thorsten A. Wieland (Frankfurt am Main)

Decisions should not be published without further explanation. Those winning a court case should give thorough thought to how they communicate their victory. Members of our practice group IP-IT Media worked out a way to assure that even the party that lost in patent infringement proceedings was not left helplessly at the mercy of press reports issued by the prevailing party

A company may be in dispute with its competitor and the case receives a great amount of attention in the marketplace. The matter at hand: patent infringement, product piracy accusations are made and the matter lands in court. The legal dispute is drawn out, complicated and expensive. In the first instance, the holder of the patent wins at the Regional Court in Düsseldorf, the most important German court dealing with patent infringement



matters. He is happy and publishes the decision in PDF-format for download on his website, while at the same time notifying his customers via e-mail.

Quite understandable, given that he is merely publishing the truth. The holder of the patent is giving the interested participants in the market the opportunity to gather more information on the content of the decision by supplying the original document.

And yet, a note of caution to the winning party. The losing party is not necessarily required to just sit by and tolerate that the decision is made public. Even the truth can be misleading, if, for example, certain facts are not expressed with the necessary amount of clarity.

Recently, our Frankfurt legal advisors dealing in competition law (Thorsten Wieland, Dr Holger Alt and Dr Eberhard Koch) were able to establish, in conjunction with the Düsseldorf advisors dealing with patent law (Anton Horn, Melanie Künzel and Sabine Fiedler), that when reporting on a decision, for example, it must be made very clear that the outcome (i) is not yet unappealable, (ii) is only enforceable for the time being by submitting a (high and not yet made) security payment, and (iii) only relates to very specific products offered by the losing party. These significant aspects might not be gathered without further explanation from either the reporting or from the wording in the decision, at least not for persons unfamiliar with legal matters.

When it comes to court decisions in patent infringement cases, the entire wording of a patent claim is repeated, possibly creating to the impression that an indiscriminate number of products were being discussed that are affected by this very broad wording. In reality, the proceedings had to do with a very specific product and the judgment only made a statement relating to that particular product. A caveat to the judgment's legal relevance may, however, only be deduced from the reasons for the decision (several pages after the "operative provisions") and the "design form in dispute" described there. The German Federal Court of Justice has clearly made a decision that in this manner the, albeit very abstract and thus broadly expressed, wording of the operative provisions of the judgment are restricted further (BGH, decision of 23 February 2006, file no I ZR 272/02 – sales of name brand perfumes) – but if you are not a legal professional, how would you know that?

When not even the truth holds true ... On publishing decisions in one's favour

However, even the truth can be misleading.

Decisions only make statements on a specific product



By obtaining a preliminary injunction, a clarification was made possible. The holder of the patent must actively provide information that the judgment is appealable and also that it only relates to specific products and thus that it contained no conclusion with regard to other products.

So, if you only provide incomplete information, you are also misleading the readership. Patent infringement judgments are not meant to provide the public with information and, if they are nonetheless used in this manner, then the publishing party will need to include additional explanatory statements to prevent any misunderstandings.

In the meantime, an appeal has been filed with the Upper Regional Court in Düsseldorf against the patent infringement judgment and the losing party is having the validity of the patent reviewed by filing an action of nullity with the German Federal Patent Court. It is by all means conceivable that these roles might reverse at a later date. In consequence, great care should be given when reporting on the repeal of infringement judgments in trial court as well as any order of an action of nullity against a patent – or you simply enjoy your triumph in silence.

a.horn@heuking.de
t.wieland@heuking.de

When not even the truth holds true ... On publishing of decisions in one's favour

Clarification made possible by means of a preliminary injunction

Result: Those winning in a court case should give thorough thought on how they communicate the outcome of their triumph to the public. If you do not tread carefully in this case, in the end, the winner might easily turn out to be the loser.

Copyright law

With regard to a violation against the right of distribution of an author as a result of sales in foreign countries

BGH, decision dated 15.02.2007, I ZR 114/04;
printed in GRUR 2007, p. 982 et seqq.

Principle (summarised by the GRUR editorial staff): If reproduced copies of a protected work in applied arts protected by copyright in Germany are offered for sale there, the author's right of distribution is also infringed upon if those copies are actually sold in a foreign country, even if the work of art is not protected by copyright in that particular country.

Comment: In the pertinent case, the defendant promoted reproductions of a work of art protected by copyright in Germany online at a website published in German as well as in German print media in a manner that German customers were able to purchase the works of art by way of assignment of goods in a foreign country. The BGH had already deemed this promotion addressed to the domestic public as a violation against the domestic author's exploitation rights pursuant to §17(1) UrhG. It was considered irrelevant that the actual sale had taken place abroad, in a country where the work was not protected by copyright.

In the opinion of the BGH, the element "offering for sale" within the meaning of §17 UrhG, has not to be understood in accordance with the legal term of defining a contract offer with the purpose of concluding a sales agreement, but instead in an economic sense, so that even advertising measures promoting the purchase of a work of art would already constitute an offer to the public.

Competition law

BGH: With regard to disturbance liability for the risk of initial infringement

BGH 19.04.2007, NJW 2007, 2636 –
Online Auctions II

Principle: 1. The inapplicability of the liability privilege as per §10, sentence 1 TMG [German Tele Media Act] (= §11, sentence 1 TDG [German Teleservices Act] 2001) to claims to injunctive relief applies not only to the injunction based on an infringement that has already taken place, but also to the preventative injunctive relief.

[...]

3. A claim to injunctive relief may also be filed against a disturbing party if an infringement to the protected right has not yet taken place, but rather an infringement might be suspected in

Competition law

the future due to specific circumstances. The requirement for this action is that the potential disturbing party poses a risk of initial infringement.

Comment: In its decision, the BGH has for the first time expressly recognized that a claim to injunctive relief against a disturbing party may even be given by the mere risk of an initial infringement. The decision is thus consistent, because legal provisions governing claims to injunctive relief not only grant such relief in the event of a risk of recurrent infringement but definitely also for the risk of an initial infringement. There seems to be no apparent reason to see things differently in the case of a disturbing party than one would for an offender or an actual participant.

Principle (excerpt): 2. One who poses a serious risk as a result of his commercial actions, with the result that third parties violate the interests of market participants protected by competition regulations, is obligated by virtue of his duty to safeguard traffic under competition law to limit this risk within the realms of what is possible and reasonable. One who violates a legal duty to safeguard traffic under competition law in this manner shall be deemed to have committed an act of unfair competition.

3.a) The legal duty of the operator of an online auction platform to safeguard traffic under competition law, as this pertains to third-party content morally harmful to minors, can be defined more directly as the obligation to review content, which only comes to existence when a concrete annotation is received warning of certain content offered by a vendor, which might be considered to be harmful to minors. The operator of such a platform is not only obligated to immediately block said specific content, but must also take reasonable precautionary steps to prevent any further violations of this kind.

Comment: This decision brings up points in principle regarding disturbance and offender liability and might imply a new direction in the BGH's dogmatic considerations. For the first time, the court classified the obligation to review, up to now an obligation especially relevant in the field of disturbance liability, as a special form of a "legal duty to safeguard traffic under competition law", which might imply that the BGH is considering giv-

BGH: On the matter of "Duty to Safeguard Traffic under Competition Law"

BGH 12.07.2007, WRP 2007, 1173 –

Media morally harmful to minors available at eBay

Competition law

ing up its opinion that disturbance liability is an analogous derivation from property and ownership protection claims to the benefit of a derivation from tort laws. Also very unusual is the fact that the BGH establishes the platform operator's liability as the offender based on the violation against a legal duty to safeguard traffic, thus not seeing the operator as a mere disturbing party, even though the latter, according to the opinion held up until now, would have been the more likely stance. Based on this reasoning, a large number of cases which in the past had been addressed from the angle of disturbance liability will in future be declared to be a regular offence against competition laws with all of the resulting legal ramifications such as, most particularly, the full offender's liability for damages. Exactly where the BGH will draw the line here in future cases remains to be seen.

Principle (excerpt): Comparative advertising is not to be considered unfair within the meaning of §§3, 6 II no 2 UWG [German Act against Unfair Practices] simply because the advertising party compares prices it has set itself for products it sells under its own private brand name against other brand name products it sells.

Comment: The defendant, a retail business, had used price comparison as a means to advertise whereby the only prices the advertisement compared were such that the business had set itself for various different cosmetic products, of which on the one hand it showed brand name items from third-party manufacturers and then compared the prices, on the other hand, to store brand products the defendant had had manufactured on its behalf and marketed under its own store brand name. The BGH found this kind of comparative advertising to be permissible. What was especially given in this case was the required objective comparison pursuant to §6(2)(2) UWG, even though the advertising party had itself set all of the prices compared. The mere possibility to be able to manipulate prices does not justify a general ban on comparing prices between store brands and third-party brand products.

BGH: With regard to the legality of internal price comparisons

BGH 21.03.2007, GRUR 2007, 896 –
Internal Price Comparison

Competition law

BGH: With regard to the permissibility of taking photos as evidence in the business premises of the offending party

BGH 25.01.2007, GRUR 2007, 802 – *Test Photos III*

Principle: Should it only be possible to sufficiently demonstrate and provide evidence for an offence against unfair practices by taking photographs, such taking of photographs within the business premises of the offender shall not be considered unfair if there is no predominant interest on the part of the business owner to avoid a possible business disruption and, in particular, there is no (concrete) risk of a significant disturbance (continuation of BGH, NJW-RR 1997, 104 = WRP 1996, 1099 - test photos II).

Comment: In this decision, the BGH abandons its hitherto followed line of jurisprudence, whereby taking photographs in the business premises of a merchant by a test buyer for the purpose of providing evidence was generally considered unfair. In future, taking photographs as evidence in third-party business premises will only be impermissible if predominantly opposing interests of the business owner are given. In doing so, with this amended jurisprudence, the BGH is especially staying abreast of technical advances and, associated with them, the changed behavior of today's customers. Today, it is simply not unusual, for example, for a customer to use his mobile phone to take pictures of an advertisement or products on offer and to send the photograph via MMS, in order to, for instance, coordinate a purchase decision with someone else.

Principle: Competition law infringements perpetrated by employees or representatives of a company before its legal entity has merged with another legal entity pursuant to §2, no 1, UmwG shall not constitute a risk of recurrent infringement for the absorbing legal entity even if said company continues to exist. Furthermore, a risk of initial infringement may in such cases not be assumed for the absorbing legal entity simply as a result of the legal succession and the continued existence of a company.

Comment: The risk of a recurrent infringement is a factual circumstance and is thus not assignable by virtue of legal succession. Therefore, claims for injunctive relief against the absorbing legal entity based on past violations in the absorbing legal entity's business will only be considered in the event that due to the special circumstances of the case there remains a risk of infringement even in the new company (for instance if

BGH: With regard to the obsolescence of the risk of recurrent infringement by a legal successor on the part of the offender

BGH 26.04.2007, GRUR 2007, 995 –
Succession of Liability

Competition law

the violation was perpetrated by executive management and the same group of people will continue to run the business in the consolidated company without further changes).

Principle (excerpt): The elements of an offence as per §11 I 1 no 4 HWG [German Act on Advertising Medicinal Products] require that the advertisement is used to influence an audience of laypersons in an unobjective manner and, as a result, at least effecting an endangerment to health (abandonment of BGH, GRUR 2001, 453 [455] = NJW-RR 2001, 684 = WRP 2001, 400 - TCM-Centrum).

Comment: The BGH's position is now, in a striking example of abandoning its jurisprudence in the past, that §11(1), sentence 1, no 4 HWG, when viewed in light of the freedom to choose a profession (Article 12(1) GG [German Constitution]), is to be interpreted in a restrictive manner to the effect that it will only ban an advertisement for medical care and treatment outside of the professional circles, which uses a pictorial representation showing persons in workwear as worn in the medical profession, if such advertisement would be used to influence an audience of laypersons in an unobjective manner on the one hand and, on the other hand, would have the result of at least effecting an endangerment to health. Thus, the elements of an offence are restricted from their abstract form towards a concrete element of an endangering offence. To what extent, in individual cases, this will be permissible in advertising campaigns remains to be seen. In view of the high value placed on protecting the health of consumers, one should not expect that such matters will be judged with a large amount of leeway.

BGH: With regard to the restrictive interpretation of the ban against medical care advertising using pictorial representation of persons dressed in medical professional workwear

BGH 01.03.2007, GRUR 2007, 809 –
Hospital Advertising

Trademark Law

ECJ: With regard to protection impediment of a product's shape giving substantial value as three-dimensional marks

ECJ 20.09.2007, GRUR 2007, 970 -
Benetton/G-Star

Principle: Article 3(1)(e) third indent of the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trademarks is to be interpreted in meaning such that the shape of a product, which adds substantial value to that product cannot constitute a trademark under Article 3(3) of that Directive even if before the date of application for registration it acquired attractiveness as a result of recognition as a distinctive sign following advertising campaigns presenting the specific characteristics of the product in question.

Comment: The Dutch court the case was presented to was uncertain as to whether or not the fact that the product had acquired distinctiveness with regard to its characteristics constituted an inability to legally protect the three-dimensional mark submitted for registration (in this case: because they gave substantial value to the product) and was in itself able to overcome the specific protection impediments for three-dimensional marks. The ECJ negated this, because overcoming protection impediments by acquiring distinctiveness is only intended for the protection impediments of a lack of distinctive character, and cited the need to keep a mark free for the trade and names that have become commonly known as denomination of a category of products (Article 3(3) Mr.RL [Trademark Directive]; implemented in Germany by §8(3) MarkenG [German Trademark Act], which only relates to §8(2), nos 1 through 3 MarkenG, not, however, also to §3(2) MarkenG).

Principle (excerpt): The right to claim damages as a result of an infringement against a marking as well, as the right to disclosure of information serving to estimate said claim are not time limited by virtue of a creditor's proof of an initial act of infringement (quoted from BGB, decision V. 26.11.1987 - I ZR 123/85, GRUR 1988, 307 - Gaby).

Comment: With this decision, the disagreement that has been in discussion for several years between the BGH's 1st Civil Senate responsible, among others, for competition and trademark law and the BGH's 10th Civil Senate responsible for patent law, has finally been resolved. The 1st Civil Senate has sided with the "Nicola" jurisprudence issued by the 10th Civil Senate. In future, the offending party will be obligated to also disclose

BGH: Abandoning the established "Gaby" Case law on time limits to the right to access information and claims for damages

BGH 19.07.2007, WRP 2007, 1187 – *Windsor Estate*

Trademark Law

information on acts of infringement which took place prior to the first act of infringement proven by the claimant and, as the case may be, to pay damages for such. This applies not only in trademark law, but beyond that in all areas of intellectual property rights and competition law.

Principle (excerpt): [...] 2. Artistic freedom requires a legal perspective specific to art when a literary work of art depicted as being a novel is concerned. From this follows in particular the assumption of the fictitiousness of a literary text.

3. Artistic freedom also includes the right to use models from real life situations.

4. There is an interdependency between the way that the author creates an aesthetic situation detached from reality and the intensity of an infringement on an individual's personal rights. The stronger the match between the imaginary figure and the original model, the graver the encroachment on the individual's personal rights. The more the artistic representation affects especially protected dimensions of the individual's personal rights, the greater the fictionalization of his character must be in order to exclude an infringement on personal rights.

Comment: With this decision, on the one hand, the BVerfG prunes back in part to a fairly broad extent the banning practiced by the civil courts when it comes to a "roman a clef", the characters and plot of which are based on recognizable figures in the real world. On the other hand, the BVerfG also places emphasis on the private sphere, which in the case at hand would be infringed upon as a result of the detailed portrayal of the sex life of a character in the novel, whose model the character was based on in real life was clearly recognizable. In the range of the private sphere, as per the opinion of the BVerfG, neither the claimant, the model of the character in the novel, nor the novel's author could possibly provide evidence of truth, nor would this even be reasonable. Therefore, the claimant need

Media Law/Personal Rights Law

BVerfG [German Federal Constitutional Court]: With regard to the ban on a "roman a clef" based on infringement of personal rights

BVerfG 13.06.2007, AfP 2007, 441 - *Esra*

Media Law/Personal Rights Law

not tolerate that the reader ask the question suggested by the novel, whether or not the events described in the novel had actually taken place in reality. Hence, the matter of discussion relating to the publisher's artistic freedom and the claimant's general personal rights would side in favor of the protection of personal rights. In so far, the ban issued by the courts of lower instance prohibiting the circulation of the novel was confirmed by the BVerfG.

Organized by **Dr Verena Hoene** and **Dominik Eickemeier** (both Cologne), on 15 November 2007 in Cologne, a client seminar of the IP.IT.MEDIA Practice Group was held entitled "Update on Internet Law". Additional speakers were **Kai Runkel** (Cologne) and as the keynote speaker **Sven Markschläger** (Mast-Jägermeister AG). The response to the client seminar was extremely positive and it is scheduled to be repeated, with an alternate selection of speakers, at five of our other locations. The scheduled dates are:

- 22 January 2008 (Berlin)
- 23 January 2008 (Munich)
- 07 February 2008 (Hamburg)
- 12 February 2008 (Frankfurt am Main)
- 06 March 2008 (Düsseldorf)

The IP.IT.Media Practice Group would be delighted to welcome you as a participant!

Ms Sabine Fiedler, attorney, took up her new position at our Düsseldorf office in August 2007 and there she is a welcome addition strengthening our patent law team. During her legal internship, she held positions in a Cologne media company and in a Düsseldorf corporate law firm specializing in intellectual property rights and competition law. In addition, she brings with her knowledge obtained while writing her dissertation on antitrust law. Sabine Fiedler spent one year in Spain at the Universidad de Salamanca as a part of her University education.

News from the IP.IT.Media Practice Group


Client Seminar „Update on Internet Law“

Additions in Düsseldorf

News from the IP.IT.Media Practice Group

Additions in Düsseldorf


Philip Kempermann, LL.M. will join our Practice Group in Düsseldorf in February 2008. Early on, during his legal internship, he was able to gain experience in the field of media law in our Practice Group at the Düsseldorf office. He used a part of his time during his legal internship to become familiar with the legislative side of law when he held a position in the German Federal Ministry of Economics in the New Media department. In addition, he earned his LL.M. degree in legal informatics at the University of Hanover, during which time he spent a part of his study years at the University of Lapland in Finland. While he was still in school, Mr. Kempermann spent a year in Nevada (USA).



We continue our growth in the field of intellectual property law at the Frankfurt office by adding an additional attorney, **Mr. Florian Geyer, LL.M.** He has been a licensed attorney since 2003 and has up until now held positions in a Düsseldorf corporate law firm, where he was also responsible for intellectual property law and competition law. While there, he was particularly involved in consulting with clients with regard to purchasing businesses and creating strategies for registering trademarks.

At our Frankfurt office we now have six attorneys working in the field of IP.

Addition in Frankfurt



The patent law team in Düsseldorf in the Practice Group IP.IT.Media has compiled the most important German court decisions on the subject of "Indirect Patent Infringement" in the form of a book. The judgments were chronologically sorted and edited in a "Case Book". The introduction to the book is an outline showing which aspects are relevant to the individual judgments. This way, the reader has all of the most important judgments at his fingertips.

"Indirect patent infringement" is a term used for products, which in themselves do not fulfill all of the attributes of a patent claim, but are used for the purpose of manufacturing products, that infringe upon a patent. Oftentimes these are preliminary products, vendor parts or spare parts. The holder of the patent has the

Case Book "Indirect Patent Infringement" is now available

News from the IP.IT.Media Practice Group

Case Book "Indirect Patent Infringement" is now available

possibility under certain circumstances to stop the sale of such items and, in doing so, to already take action before the patent is actually infringed upon.

A similar case book on the subject of "Equivalent Patent Infringement" is currently being prepared. This book deals with the fact that a patent can be asserted under certain circumstances even beyond the manner in which it is worded. What this means is that there is the possibility of having products, which are "actually" not protected by a patent, banned from being produced and offered to the market.

The case books are free of charge and may be ordered from Ms Romy Dziwisch, Tel. +49 (0) 211 - 600 55-375, Fax +49 (0) 211 - 600 55-370, e-mail: r.dziwisch@heuking.de

 "Zusammenfassung aktueller Ereignisse: I. Flexibilisierung der Frequenzregulierung als europäisch-deutscher Konfliktfall, II. Vertragsverletzungsverfahren wegen Must-carry-Privilegierung von DVB-T-Programmen" by Michael Schmittmann, AfP, in the column "Blick nach Brüssel", April 2007, p. 334-336

"Digitalisierung und Medienkonzentration – Was macht die Kommission?" by Michael Schmittmann and Philip Kempermann, AfP, in the column "Blick nach Brüssel" 05/2007, p. 426-428

"A practical insight to cross-border Telecommunication Laws and Regulations" by Dr Dirk Stolz and Anita Krmek in the 2008 Edition of "The International Comparative Legal Guide to: Telecommunications Laws and Regulations", published by Global Legal Group Ltd, London, www.iclg.co.uk

Publications

This Newsletter does not constitute legal advice. While the information contained in this Newsletter has been carefully researched, it only offers a partial reflection of the law and its developments. It can be no substitute for individual advice appropriate to the facts of an individual case.

Imprint:

Editors of this Newsletter:

Rechtsanwalt Dr Holger Alt (Frankfurt a.M.)
Rechtsanwalt Kai Oliver Runkel (Köln)
Rechtsanwältin Melanie Künzel, LL.M. (Düsseldorf)

Responsible Editor:

Rechtsanwalt Kai Oliver Runkel
bei den Rechtsanwälten und Steuerberatern Heuking Kühn Lüer Wojtek,
Magnusstraße 13, 50672 Köln

Printer:

aquadrat
Parkstrasse 35
40477 Düsseldorf

Berlin

Friedrichstrasse 149
D-10117 Berlin
T +49 (0)30 88 00 97-0
F +49 (0)30 88 00 97-99

Chemnitz

Weststrasse 16
D-09112 Chemnitz
T +49 (0)371 38 203-0
F +49 (0)371 38 203-100

Frankfurt am Main

Grüneburgweg 102
D-60323 Frankfurt am Main
T +49 (0)69 975 61-0
F +49 (0)69 975 61-200

Hamburg

Bleichenbrücke 9
D-20354 Hamburg
T +49 (0)40 35 52 80-0
F +49 (0)40 35 52 80-80

Brussels

Avenue Louise 140
B-1050 Brüssel
T +32 (0)2 646 20-00
F +32 (0)2 646 20-40

Cologne

Magnusstrasse 13
D-50672 Köln
T +49 (0)221 20 52-0
F +49 (0)221 20 52-1

Düsseldorf

Cecilienallee 5
D-40474 Düsseldorf
T +49 (0)211 600 55-00
F +49 (0)211 600 55-050

Munich

Prinzregentenstrasse 48
D-80538 München
T +49 (0)89 540 31-0
F +49 (0)89 540 31-540