



TABS™ Update Technology And Brands

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Karen Millen's High Court success

Fashion designers have welcomed the favourable judgment delivered by the Commercial Court (a division of the High Court that deals with multi-million business as well as intellectual property disputes) in the action taken by Karen Millen Limited ("Karen Millen") against the Irish retailer, Dunnes Stores.

Karen Millen instituted legal proceedings claiming that its unregistered community design rights ("UCDR") had been infringed by Dunnes Stores selling products which copied the designs of 3 of Karen Millen's garments. Dunnes Stores did not contest that the products had been copied but disputed that Karen Millen was the holder of the right to an unregistered community design in each of the three products.

An UCDR confers on its holder the right to prevent others selling the design only if the contested use results from copying the design. A design is protected as an UCDR for a period of 3 years from the date on which it was first made available to the public within the community. The intention of the UCDR is to protect products that have a short market life. This is particularly relevant to the high end of the High Street retail fashion industry.

The High Court accepted that the right to the UCDR vested in Karen Millen. It also accepted that the designs were protected by the UCDR as they created a different "*overall impression*" on the "*informed user*" as well as having an individual character. Dunnes Stores failed to convince the court that the Karen Millen garments were similar to products previously produced by Dolce & Gabbana as well as Paul Smith. In relation to the term "*informed user*", the Court characterised this as being the notional user for the design. In the current case, the informed user was a "*woman with a keen sense of fashion, a good knowledge of designs of women's tops and shirts previously available to the public, alert to design and with a basic understanding of any functional or technical limitation on designs for women's tops and shirts*".

As the UCDR was upheld, the copying of those designs by Dunnes Stores constituted infringement in respect of which Karen Millen was entitled to relief. However, as the High Court judgment has now been appealed to the Supreme Court, a stay has been placed on the order for an account of profits. Dunnes Stores was however ordered to deliver up any infringing products still in its possession. Two similar actions being taken by two other companies in the Karen Millen Group, Coast Limited and Whistles have been adjourned pending the outcome of the appeal.

Copying is becoming increasingly common in the fashion industry. However, those involved in such activities should take note of this judgment. While imitation may be a form of flattery, intellectual property rights are valuable assets which their owners are entitled (and will) defend. Therefore, imitators who ignore (and infringe) these rights do so at their peril! If in doubt, seek legal advice.

Watch future TABS Updates for the outcome of the Supreme Court appeal.



Image rights – seek permission first or else!

Companies interested in using the image of a person on their promotional material should seek their permission in advance. Failure to do so could result in legal difficulties similar to those which the Clare People newspaper currently find themselves in.

In April 2005, the Clare People used the image of the (Clare) Gaelic Athletic Association hurler, Diarmuid McMahon on promotional material to obtain advertising revenue from local businesses prior to the launch of the newspaper. Mr McMahon did not authorise the use of his image. We understand that Mr McMahon has now issued legal proceedings in Ennis District Court to prevent the use of his image for commercial gain.

The lesson for other companies is that they should obtain the consent of an individual before using their image. Otherwise, legal proceedings could be instituted which will not only have financial repercussions but could also damage their reputation amongst consumers.

Watch future TABS Updates for further details on the case.

Changes in data retention laws

Companies such as internet service providers should monitor closely Directive 2006/24/EC on the retention of data generated or processed in connection with the provision of publicly available electronic communications services or of public communications networks (“the Directive”) as its implementation into Irish law may have significant consequences for their businesses. While Ireland has challenged the Directive before the European Court of Justice, we understand that it is the Government’s intention to transpose the Directive into Irish law “early in 2008”. However, no further details are available.

While Ireland already has existing legislation in respect of the retention of telephone records, the new legislation will extend the data retention laws to the internet. Member States will need to legislate for the following records to be kept in respect of internet access, email and internet telephony:

- (a) the date and time of the log in;
- (b) the IP address allocated by the Internet Access Provider to a communication;
- (c) information on whether the IP address is dynamic or static;
- (d) the user ID of the user or registered subscriber.

While we await the transposition of the Directive into Irish law, companies should discuss the potential impact of the Directive on their business with their legal advisors. The time to act is now!

Irish Web Technology Conference / Intellectual Property Ireland 2008 Conference

Beauchamps Solicitors are participating in the Irish Web Technology Conference 2008 as well as the Intellectual Property Ireland 2008 Conference next month.

The Irish Web Technology Conference will take place in the Cineworld complex, Dublin from 26th to 29th February 2008 (see: <http://www.iwtc.firstport.ie>) while the Intellectual Property Ireland 2008 Conference will take place on 20th February 2008 at the Law Society of Ireland, Dublin (email: dmorrissy@i-ep.com). Maureen Daly, Head of our Technology and Intellectual Property Unit will be speaking at both events.

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