

licence holder. Mr. Kitto, however, owned the registered trade mark "That's". As Mr. Kitto's magazines became steadily more profitable, his Chinese licence holders wanted more control. In the ensuing power struggle, Mr. Kitto lost the borrowed publishing licence and his trade mark rights. Mr. Kitto is currently appealing the China Trademark Review and Adjudication Board's decision to cancel his rights to the trade mark "That's".

There are no immediate plans for media sector liberalisation so foreign publishers will have to continue operating under others' licences though foreign publishers have successfully both registered and enforced their trade mark rights in China. To stay ahead of the game, foreign publishers should choose business partners wisely, and select and use trade marks carefully so they are less vulnerable to cancellation. To avoid having trade marks cancelled on the grounds of bad faith, trade mark owners are advised to retain evidence of the development and first use of the mark.

*Lisa Wang, Rouse & Co. International, Beijing*

## Commission warns of fake and unlicensed drugs on the internet

On 27 March 2006, the EU Commission warned that counterfeits of an obesity and smoking cessation drug, which has not yet even completed its EMEA evaluation for marketing in the EU, are being sold via several websites. The Commission's Vice-President said that the Commission was working with European and international partners to address the threat of fake drugs on the internet. In a recent survey of member states, 170 counterfeit medicines were found to be sold via illicit distribution channels in the last five years.

*Georgy Evans, Editor, with thanks to Rouse & Co. International*

## EU: OHIM user satisfaction survey

The results of OHIM's user satisfaction survey have been published

(<http://oami.eu.int/en/office/pdf/USFinalReport.pdf>). The report is long including detailed explanation of the methods and criteria used. In relation to the CTM, key points are:

- Out of a target of 11,600 respondents, just 17.3% replied; a worrying 1,880 emails were returned as undeliverable, though it is not clear where the errors lie. Of respondents, there was roughly a 50-50 split between proprietors and agents.
- 17% of agents and 8% of proprietors had filed complaints with OHIM in the past year, usually in respect of delays or information errors relating to certificates, opposition matters, formalities or e-filing. Very few users were satisfied with the way that their complaints were handled.
- OHIM's strengths are perceived to be its professionalism and seriousness, and particularly high satisfaction with OHIM staff. Its weaknesses: flexibility and transparency.
- Areas considered important for action are clarity, coherence, depth and completeness of (examiners') decisions, and, for proprietors,

ease of use of forms and simplicity of administrative procedures, particularly for appeals.

- In the appeal process, delays are causing dissatisfaction as is inaccessibility of OHIM staff.
- All information and communication aspects were recommended to be reviewed though agents showed high satisfaction in this area.
- The website was generally praised though clarity of content and structure, and speed of navigation need to be improved. CTM Online was regularly used as were most other databases with the exception of 'My Page' (<https://secure.oami.eu.int/efiling/login?action=login&langId=EN>.)
- On pages 57 and 58 of the report there is a hitlist of issues to be addressed, with the priority they should be accorded.
- Out of the 1,700 users who abandoned the questionnaire without finishing it, nearly 25% gave up after the first question - which entailed selecting which language they were going to answer in. It may explain why simplicity of administrative procedures is so very important to users.

*Georgy Evans, Editor*

## EU: Attorney General's decision in Boehringer v Swingward

This was delivered on 6 April 2006. A report on it will follow in the next edition.

## India: changes in territorial jurisdiction practice

In the post liberalisation era of the 90s, brand owners had encouraging results in enforcement actions from the Indian courts. However, it became clear that selecting a jurisdiction favourable to plaintiffs was important as not all courts are consistent in their approach and turnaround time. Further, local factors unconnected with the merits of the case could influence decisions.

Recognising that copyright infringement, trade mark infringement and passing off claims overlap in many cases, a court was willing to exercise its jurisdiction even if strictly speaking it did not have jurisdiction to hear the case in relation to all the claims.

However, in December 2005, the Supreme Court in *Dhodha House v. S.K. Maingi* overturned this long established practice. It held that trade mark infringement, copyright infringement and passing off cannot be tried together unless each of the causes of action could be tried by that particular court.

The judgment particularly affects owners wanting to bring passing off cases as the owner of a registered trade mark has a statutory right to bring his action either where he resides or works for gain, or where the infringing goods are sold. To invoke jurisdiction in a passing off case, a plaintiff now has to establish that the infringing goods are manufactured or sold in that court's jurisdiction, or that the defendant carries on business there, which the Supreme Court held meant that he has to have a share of gain or less

there or some control over the business.

This decision may further encourage infringers to operate their businesses from remote areas where IP enforcement is likely to be more expensive and less effective. Also, it may mean that infringement and passing off actions relating to the same set of facts will be tried by different courts.

*Rachit Bahl, Rouse & Co International, Dubai*

## India - higher damages available

Although the Indian courts in the last decade have been energetic in protecting rights of IP holders, there have not been many decisions where they have awarded damages. In most cases, the infringers escaped being monetarily penalised as there was seen to be no basis to quantify the damages in the absence of proper records of the transactions made by them.

In the last year, there has been a significant change in the way courts have awarded damages in intellectual property cases. The decisions can be divided into two groups -

1. Award of compensatory damages. Different ways of quantifying such damages have been adopted by the High Court. In *Microsoft Corporation v Yogesh Papat*, the court granted USD 43,800 as this was the likely loss to the plaintiff calculated on sales lost owing to the unlicensed software that was likely to be sold by the defendants. In *Himalaya Drug Company v Sumit* compensatory damages of USD 17,600 were awarded as the plaintiff could show that it would cost it this much to create a web-site and so it would have cost the defendant the same had it not copied the plaintiff's web-site.
2. Award of punitive damages. First awarded in *Time Incorporated v Lokesh Srivastava* in January 2005. The court awarded USD 11,000 stating that imposing punitive damages would serve the twin purpose of making piracy less profitable and relieving pressure on an overloaded system of criminal justice by providing a civil alternative to criminal prosecution.

The decisions are being welcomed by IP owners. However, none of the cases on damages has been contested by the defendant and it will be interesting to see whether the courts will take a similar stand when counter arguments are produced. Also, executing court decrees and actual recovery of the amounts remain a challenge.

*Rachna Bakhru, Rouse & Co. International, Dubai*

## Libya: home country registration no longer required

From 20 December 2005 the Libyan registry dropped its requirement for a legalised copy of the registration certificate in the home country. Now a certified copy of the registration certificate in any country is enough.

*Rouse & Co International, Dubai*

## Saudi Arabia: infringers to be imprisoned

The Saudi Arabian Information and Culture Ministry promised a visiting delegation from the