

Intellectual Property and Information Technology

JANUARY TO MARCH 2023



I TOPICS

- The Unified Patent Court and the Local Division of Lisbon
- Can video surveillance footage be used against workers?
- Case Law

The Unified Patent Court and the Local Division of Lisbon

Written by António Andrade (Partner) and Pedro Hemsworth (Trainee Lawyer)

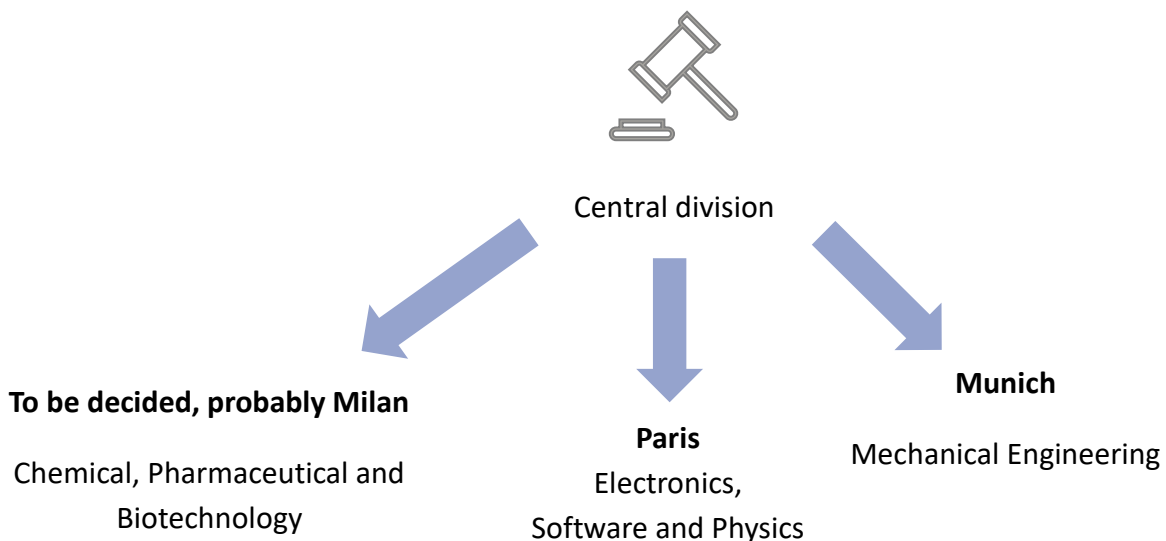
As expected, Europe is now preparing to implement on the 1st of June the Unified Patent Court ("UPC"). As known, this court will operate as a centralized court in the European Union regarding Unitary Patents and European Patents with Unitary effect, meaning that an action brought before the UPC in any division has effect in all EU countries that have ratified the Unified Patent Court Agreement.

Many criticisms arose from the beginning of the discussion of the UPC, particularly in relation to countries that have SME's as the basis of their economics, which happens in Portugal. In fact, the high costs of the proceedings as well as the official languages of the UPC (English, French and German) can cause a lot of practical disadvantages. For this reason, Spain as not ratified the UPC agreement.

Notwithstanding, the UPC is there and the Member States that have ratified the Agreement will have to live with this new jurisdictional reality.

The UPC is composed of several first instance courts, spread across jurisdictions in the European Union, which will be (i) central divisions and (ii) local or regional divisions. The local divisions will be responsible for actions in respect of infringements in their respective countries, while the regional divisions will have similar responsibilities, but having jurisdiction for a certain number of participating Member States. The establishment of local divisions in Germany, Italy, France, the Netherlands, Belgium, Finland, Denmark, Austria, Portugal and Slovenia has been confirmed. In addition, a Nordic regional division based in Stockholm will be established, covering the territories of Sweden, Lithuania, Estonia and Latvia.

The basic structure of the UPC is the following:



The local division in Lisbon is composed of one Portuguese judge, and two non-Portuguese judges, in order to maintain constant jurisprudence between the various local divisions of the UPC, regardless of their geographical location. The local divisions will have jurisdiction to settle, among other matters, patent infringement actions, cease & desist issues and damages actions. In addition, some matters of invalidity or non-violation of a patent may also fall within the jurisdiction of these local divisions.

There is a special advantage regarding patent litigation in the Portuguese local division which relates to the costs of the proceedings (both court and legal fees) which are lower than in several other EU countries. As a matter of fact, the legal fees of the Portuguese market are quite less expensive comparing to other legal markets. This is something that companies should really evaluate because of such advantage.

In general, it should be mentioned that the main objective of the UPC is the offer of a much more efficient, faster and high quality patent enforcement system, as well as regarding patent validity challenges. Judges are specialized in patent rights and have technical background so they have expertise in the various fields of patents eg pharma, biotech, mechanical and information technology.

In addition to the local divisions being able to opt to have competence for the above-mentioned matters, they may either second a judge with technical training in the area concerned or, alternatively, refer them to the central division in Paris or Munich.

Many questions and doubts have been raised about what developments and benefits this new court will bring and whether patent holders can expect faster decisions regarding disputes within its jurisdiction. According to European Union forecasts, this Court will bring faster rulings, predictably within 1 year, which will represent a significant advance.

But the major issue is definitely the risk of a single decision which may invalidate a patent in all the territories of the UPC. For this reason there is an opt-out possibility – excluding some patents of the competence of the UPC during a period of 7 years (renewable for more 7 years) – which means that patent holders can still rely on the competence of the regular national courts in EU countries in relation to patent enforcement and validity discussions.

Expectations in the UPC are high and demanding because for the first time there is a centralized forum for patent litigation in the EU. Consequently, the patent holders will pay much attention to the quality and consistency of the judicial decisions notably because they do not want to face uncertainties regarding their patent portfolio. And the UPC is not so affordable in terms of costs.

That is why the mentioned advantage of the local division in Lisbon should be duly considered.

Can video surveillance footage be used against workers?

Written by Simão Sant'ana (Partner), Pedro Hemsworth and Gabriela Picanço (Trainee Lawyers)

The Court of Appeal of Porto, has recently realized that there was no prior criminal procedure required before the use of images captured by video surveillance systems within the scope of disciplinary proceedings.

The controversial issue on which the referred decision pronounced, concerns the admissibility of the use of video surveillance images as a means of evidence within the scope of disciplinary proceedings - specifically when a criminal complaint is not filed about the facts committed by the worker. This issue is of great practical importance, as video surveillance images can provide valuable evidence in the context of disciplinary proceedings.

According to Article 20 n.º 1 of the Portuguese Labor Code, "The employer may not use means of distance surveillance at the workplace, through the use of technological equipment, for the purpose of monitoring the employee's work performance".

The general principle that records from video surveillance means cannot, in principle, be used as evidence in disciplinary proceedings stems from the primacy of the constitutional right to privacy, which Article 20 n.º 1 of the Portuguese Labor Code mirrors and reflects in the labor world.

However, n.º 2 of the aforementioned legal precept states that "The use of the equipment referred to in the previous paragraph is lawful whenever its purpose is the protection and safety of people and property or when specific requirements inherent to the nature of the activity so justify".

In this sense, video surveillance may be installed when the protection and safety of people and property is at stake or when particular requirements inherent to professional activity so justify.

On the other hand, according to article 28 n.º 4 and 5 of the Personal Data Protection Law, these same images collected by the video surveillance systems could only be used in disciplinary proceedings if they were used in criminal proceedings.

However, the Court of Appeal understood that although article 28 n.º 4 of the Personal Data Protection Law mentioned that the recorded images could only be used in criminal proceedings, n.º 5 of the same article opens the scope for the use of such recordings to ascertain the disciplinary responsibility of the employee in question insofar as the facts have criminal relevance. Specifically, the Decision in question states that:

"(...) The video surveillance means cannot be used for the purpose of controlling the worker's professional performance, but rather for the protection and safety of people and property, so that they may be used as evidence in the ascertainment of disciplinary responsibility, if it is not a question of controlling the worker's performance and the facts may have criminal relevance, but regardless of whether there is a criminal proceeding". (emphasis added).

This court decision opens the way for the employer to consider whether or not to file a criminal complaint against the employee in question, without prejudice to the possibility of using the images collected by the video surveillance system for disciplinary purposes.

Case Law

January

Intellectual Property Court

Judgement published on January 18th, 2023

“BARBIE” judged as prestigious trademark in Portugal.

In this judgement the Intellectual Property Court confirmed the decision of the PTO to refuse registration to the new trademark application “RIBS on the BARBIE” for class 29 products with the argument that the inclusion of the word “BARBIE” would create a risk of association to consumers with the prestigious brand “BARBIE” as well as dilution. As such the new trademark application would inevitably take advantage of the prestige of the trademark “BARBIE” its reputation, selling power and image. The court says that the trademark “BARBIE” has an exceptional reputation, selling power and is well known worldwide by the great majority of the relevant public. The registration of the trademark “RIBS on the BARBIE” would inevitably contribute to dilution of the selling power and reputation of the prestigious trademark “BARBIE”.

Lisbon Court of Appeals

Judgement published on January 23rd, 2023.

No likelihood of confusion between “Alento Hotel & Villas Grandola” and “Alento Breathe Serenity”

In this judgement the Court of Appeals granted the registration of the trademark application “Alento Hotel & Villas Grandola” to identify services listed in classes 35 and 43 despite the prior existence of the national trademark “Alento Breathe Serenity”.

The court confirms the existing case law and decides that the comparison between trademarks must take in consideration the overall impression furnished by the signals under assessment as the average consumer understands the trademark as a whole and does not analyze the different particularities of each of the trademarks in comparison. The dominant element of each trademark is decisive to conclude imitation or absence of imitation. In this case the similarities are limited to the word “Alento” therefore there is no likelihood of confusion nor risk of association.

Lisbon Court of Appeals

Judgement published on January 27, 2023

In this judgement the Lisbon Court of Appeals confirmed a judgement of the IP Court that refused registration to a trademark application solely composed of generic and descriptive signs. The courts affirmed once again that a sign deprived of any distinctive elements either figurative or others, whose owner is unable to prove distinctiveness through use in commerce, must be judged descriptive and generic and thus refused registration.

February

Lisbon Court of Appeals

Judgement published on 17th February 2023.

In this judgement the Court of Appeals confirmed a judgement of the IP Court that refused registration to the trademark “Nômade” to identify hotel services judged confusingly similar with the prior trademark “Nómada” for restaurants and declared that hotel services and restaurant services are complementary services. The court also said that what is important in the assessment of the existence of trademark imitation is the scope of services listed in the prior trademark registration and not the services actually performed with the prior trademark. The applicant had argued that the prior trademark owner was not using its trademark for some of the services listed and the new trademark was used for different services of the same class. The courts refused such argument and declared that hotel services and restaurant services are complementary.

March

Judgement published on 13th March 2023

Goose and design not confusingly similar with Golden Goose

In this judgement the IP Court declared that the trademark “Goose and design” is not confusingly similar with the prior trademarks “Golden Goose” and “Golden Goose and design” because the figurative elements of each trademark are different and the proved inclusion of the word “Goose” in several prior national and EUTM registrations makes the relevant consumers reasonably aware that the word “Goose” is being used in trademarks to identify goods of class 25, thus there is no risk of confusion nor risk of association for consumers between the trademarks in discussion.

Lisbon Court of Appeals

Judgement published on 15th March 2023

In this judgement the Court of Appeals. Although for different reasons, confirmed a judgement of the IP Court.

The plaintiff argued the ownership of several prior trademarks for class 30, as a family of trademarks and one for class 35 that contains a slogan that is infringed by the slogan included in the new trademark only addressed for class 30 products. Unfair competition was also argued.

Both the court of Appeals and the IP Court dismissed the appeals reasoning that although the slogan contained in the new trademark for class 30 is quite similar with the slogan of the prior trademark for class 35, the list of products and services indicated for each trademark is neither similar nor complementary and there is no affinity between the products and services listed for the trademarks in question.

The courts concluded for the inexistence of imitation especially because the products and services were not the same - class 30 / class 35 – however, the conceptual similarities between the slogans and the advertising messages they communicate to the consumers, could lead to a different conclusion even though the trademarks at stake are addressed to identify different products and services. Especially because the slogan of class 35 prior trademark is used to advertise the same products of class 30 manufactured by the companies in dispute.

The courts were too formal in the assessment of imitation under valuating facts proved and their importance to declare imitation an above all to declare the existence of likelihood of unfair competition that is also a ground of refusal of trademark registration.

Supreme Court of Justice

Judgement dated 7th March 2023

In this judgement the Portuguese Supreme Court of Justice interpreted article 3^o a), of EU Regulation n^o 469/2009, of 06-05-2009 related to SPC, in the sense that a product composed by one active principle is “protected by a basic patent in force”

when such active principle is expressly mentioned in the claims of the basic patent through a structural definition or in certain conditions through a functional definition, as long as based in such claims interpreted in line with the description of the basic patent, it is possible to conclude that the claims of the basic patent implicitly but necessarily had in consideration such active principle.

To such effect and in the perspective of the skilled person in the art, the product must be necessarily included in the invention, and he must be capable of specifically identify the product in the basic patent based in all the elements disclosed and its own general knowledge in the related technical domain at the priority date and subsequent technical evolution.

The court also clarified its interpretation of article 3º a), of EU Regulation nº 469/2009 in the sense that a product is not protected by a basic patent in force when, although it is covered by a functional definition contained in the claims of the basic patent, that product was developed after the priority date because of autonomous inventive activity.

The court also reaffirmed the legal principle that the SPC right is not directed to enlarge the scope of protection of the basic patent thus the results of new investigations obtained after the priority date cannot be considered to grant an SPC because this would allow the patentee to benefit from such post granted results. Consequently, the court refused protection in Portugal to SPC nº 857 whose basic patent is EP1210428.



Thinking about tomorrow? Let's talk today.

Manuel Durães Rocha

Partner

manuel.rocha@abreuadvogados.com

António Andrade

Partner

antonio.andrade@abreuadvogados.com

Ricardo Henriques

Partner

ricardo.henriques@abreuadvogados.com