INTELLECTUAL PROPERTY

MARCH 2013

EXAMINERS COMMENTS

Question 1 - Patent

(a) is invention patentable

Section 18 Patents Act lists the following elements of a patentable invention manner of manufacture:

- novel
- involve an inventive step
- useful
- not secretly used

In relation to novelty, the Finnish feature film and the Swiss academic study are both part of the prior art. However, the Finnish feature film does not contain all of the essential features of the machine and the Swiss academic study does not contain all of the essential features of the machine, and it is not possible to mosaic the two parts of prior art because one is a fiction/leisure and one is an academic study and they would not be regarded as the same source of information (*one of the students said you could combine because Finland and Switzerland are both in Europe. This is not enough.)*

Ian has not compromised novelty disclosing the invention to the Commonwealth Anti-Doping Agency because it will not compromise novelty to disclose to a government agency.

In relation to useful, the invention only works with single malt whisky not blends of whisky. However, the patent application only discloses whisky not single malt whisky. Therefore, it will not work, so it is not useful.

In relation to no secret use, Ian is using the invention in his own races and these may not be considered a reasonable trial.

Bonus mark that Ian's application does not disclose the best method known for performing the invention as required by section 40 Patents Act.

(b) are Silvano and Silvano's customers infringing

Silvano's customers are using tablets instead of biscuits. However, the tablets are a mechanical equivalent of the biscuits because they have the same essential ingredient – they are using the pith and marrow, the essential elements of the invention – *Catnic Components.*

(Many students missed the customers, and only considered whether Silvano was infringing).

Silvano would not ordinarily be infringing because he is not supplying all of the necessary components because an essential part of the invention is whisky and he is not providing the whisky – *Dunlop Pneumatic.*

However, Silvano is providing the tablets with instructions and the use of the tablets in accordance with the instructions infringes the patent. Therefore, Silvano is liable under section 117 Patents Act. In addition, Silvano is providing tablets that are not a staple commercial product and are capable of only one reasonable use. Therefore Silvano is liable under section 117 Patents Act; *Northern Territory v Collins*

Question 2 – Trade Mark

This question was badly answered by most students.

Some students missed the point completely and analysed whether Tim Tabs (or Tim Tams) is registerable rather than whether the mark Tim Tabs has infringed the registered mark Tim Tams.

Some students referred to the parrot. The parrot has nothing to do with it. The question clearly says that the registered trade mark is the words "Tim Tams".

The relevant section is section 120 Trade Marks Act.

First, is Tim Tabs substantially identical with, or deceptively similar to Tim Tams.

Tim Tabs may not be substantially identical with Tim Tams. The test is a side by side comparison – *Shell v Esso.* The marks look different because one has an m and one has a b, similar to Solahart and Sola Hut – *Solahart v Solarshop.*

However, Tim Tabs is deceptively similar to Tim Tams – *Effem Foods v Wandella.*

Second, the types of goods that the mark is applied to.

The registered goods are biscuits in class 30. Silvano has applied the mark to medical tablets and capsules.

Medical tablets and capsules are not biscuits. Therefore, Silvano is not infringing section 120(1).

Medical tablets and capsules are not goods of the same description as biscuits. Therefore, Silvano is not infringing section 120(2).

However, Tim Tam is a well-known mark, and because the mark is well known Silvano's use of the mark may be taken to indicate a connection between unrelated goods. Therefore, Silvano may be infringing section 120(3).

There are no defences.

Question 3 – Passing Off / ACL

(a) Passing Off

There are three elements of passing off

- reputation in certain indicia of reputation
- misrepresentation
- damage

Arnotts would need to establish that it has a reputation. The indicia of reputation is the parrot and the words "Tim Tams". Arnotts could show this by having evidence of its marketing spend and survey evidence.

Arnotts would need to establish that Silvano's use of the parrot and the words "Tim Tams" suggest a connection that there is an association between Silvano's product and Arnotts. It may be that the use of the parrott *on a bicycle* would suggest that it was not an authorised product and that it was a "cheeky reference" rather than an authorised product – *McIlhenny v Blue Yonder Holdings.* It may be that the fact that it is in a completely unrelated area – elite sports rather than indulgent biscuits – may suggest that there is no connection.

(b) section 18 ACL

There are three elements in section 18 ACL:

- is Silvano a person – it would be NSW Fair Trading Act rather than Commonwealth Consumer and Competition Law because Silvano is an individual rather than a corporation;
- is Silvano in trade or commerce – yes, because he is selling the tablets to customers;
- is Silvano's conduct misleading or deceptive or likely to mislead or deceive – is he suggesting that his tablets and capsules have a connection with Arnotts.

Bonus point that the ACL remedies may be more flexible and may include corrective advertising.

Question Four – Confidential Information

(a) Ian against Commonwealth

Ian's claim against Commonwealth would be based on an equitable obligation of confidence.

There are four elements of equitable obligation of confidence – *Corrs Pavey v Collector of Customs:*

- specifically defined information
- confidential
- received in circumstances importing obligation of confidence
- unconscionable breach of the obligation

The information is specifically defined – it is the information he provided to Commonwealth Doping Agency.

The information may not all be confidential. The information that was in the patent application is public and no longer confidential. However, the patent application does not include single malt whisky, and does not include Lagavulin so this is confidential.

There may not be an obligation of confidence. Ian labels everything confidential. However, the Commonwealth Anti-Doping Agency has official statutory functions and may not be subject to an obligation of confidence in relation to information that they receive – *Smith Kline French v Secretary of Health.*

Even if there was an obligation of confidence, the Commonwealth Anti-Doping Agency may not be breaching the obligation to disclose the information to the Tour De France because this may be part of its statutory duty – *Smith Kline French v Secretary of Health.*

(Some students referred to John Fairfax and government information. However, when Ian is disclosing information to the Commonwealth Anti-Doping Agency, it is not government information, it is Ian's information.)

(b) Tour De France against Graeme

Students did not answer part (b) as well as part (a). Some students missed altogether that Graeme was an employee and so would have contractual obligation of confidence. Some students analysed Graeme's obligation to Brian rather than Graeme's obligation to TDF.

TDF would have a claim against Graeme based on an equitable obligation of confidence.

In addition, Graeme is an employee, so TDF has a claim against Graeme as there would be an implied term in his contract of employment – *Del Casale v Artedomus .*

There may be equitable obligation as well as a contractual obligation – *Optus v Telstra*.

The information is not merely general know-how to allow Graeme to do his job, but is specific information in the nature of a trade secret – that it is Laguvulin single malt whisky - *Faccenda Chicken v Fowler, Printers and Finishers v Holloway, Blue Scope Steel v Kelly.*

Graeme may have a defence to the equitable obligation of confidence because he is disclosing the information in the public interest. Graeme was justified in going to the newspapers rather than the authorities because it was clear that the authorities were not doing anything about it because he received the information from the Commonwealth Anti-Doping Agency – *Lion Labs v Evans.*