

Intellectual Property Newsletter

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Keywords unlock legal action on Google

Google France SARL v Louis Vuitton Malletier SA et al [2010] All ER (D) 23 (Apr)

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This case was a worldwide example of a trade mark infringement claim by a trade mark owner against a search engine. Louis Vuitton was one of three companies that brought this case against Google with a view to obtaining a declaration that Google had infringed its trade marks once it discovered the Google search.

Louis Vuitton was the owner of the following trade marks:

- “Vuitton” - Community trade mark
- “Louis Vuitton” - French national trade mark
- “LV” - French national trade mark

In 2003, Louis Vuitton became aware that entry of keywords constituting the above trade marks, together with expressions indicating imitation such as ‘imitation’ and ‘copy’, into Google’s search engine triggered the display of links to sites offering imitation versions of Louis Vuitton products under the heading “Sponsored Links”.

To breach trade mark rights in France, the use of the trade marks:

- Must not be consented to by the trade mark owners
- Must take place in the course of trade
- Must relate to the goods/services which are identical/similar to those covered by the registration
- Must affect, or be liable to affect, the essential function of the trade mark as guaranteeing the origin of the goods/services by confusing the public.

Google was originally found “guilty” of infringing Louis Vuitton’s trade marks in 2005 by the Regional Court, Paris, and was then subsequently found “guilty” on appeal in 2006 by the Court of Appeal, Paris. Google then brought an appeal on a point of law (cassation) against the 2006 judgment, and the French Court of Cassation stayed the proceedings and referred several questions to the European Court of Justice (ECJ) for a preliminary ruling.

On 23 March 2010, the ECJ found that:

1. Google had not infringed trade mark law as it was

not using Louis Vuitton’s trade marks in a trade mark sense, but it could be held responsible if “having obtained knowledge of the unlawful nature” of advertiser activities, “it failed to act expeditiously to remove or disable access” to that advertising.

2. An internet referencing service provider (such as Google) which stores, as a keyword, a sign identical to a trade mark and organises the display of advertisements on the basis of the keyword **does not** infringe trade mark rights.
3. An advertiser that uses a keyword which is identical to a trade mark **may infringe** trade mark rights if the advertisement does not enable an average internet user—or enables that user only with difficulty—to determine whether the goods or services on offer originate from the trade mark owner or from the advertiser.

The ECJ ruled that when Google permits advertisers to select, as keywords, signs identical to trade marks, stores the signs and displays sponsored links on the basis of these keywords, Google is not using the signs in a trade mark sense and is not liable for trade mark infringement. In this case, although Google was creating technical conditions necessary for the use of a sign and being paid for that service, Google itself was not using the sign. This differs, however, to the ECJ’s third finding where advertisers would be using the signs in the course of trade and in relation to goods or services identical to those for which the trade marks were registered.

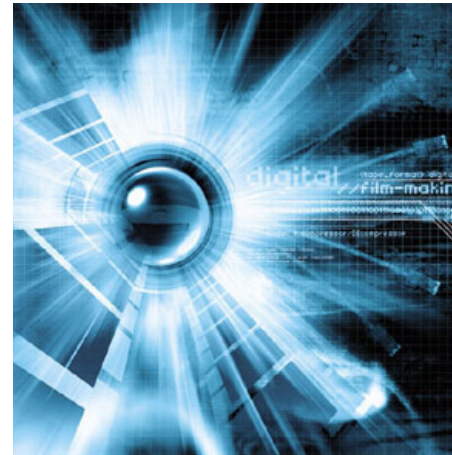
Currently, there is no Australian law that is specific to sponsored links and keywords. There is no doubt however that Australian courts will turn to this decision as guidance should an action arise on sponsored links and keywords. In the meantime, there are alternative causes of action that may assist a trade mark owner if its trade mark is being used as a keyword, such as:

- Trade Mark Infringement: *Trade Marks Act 1995* (Cth)
- Sections 52 and 53: *Trade Practices Act 1974* (Cth)
- Tort of Passing Off.

What this means for you

1. There is no Australian law on sponsored links or keywords ... yet. What this means though is that international decisions and opinions are of somewhat importance as they are likely to influence the Australian courts’ position should an action arise.

2. There are, however, alternative causes of action that may assist a trade mark owner if its trade mark is being used as a keyword, such as: Trade Mark Infringement: *Trade Marks Act 1995* (Cth), Sections 52 and 53: *Trade Practices Act 1974* (Cth) and the Tort of Passing Off.



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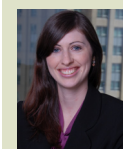
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US District Court rules isolated DNA not patentable subject matter

Association for Molecular Pathology, et al., v. United States Patent and Trademark Office, et al, No. 09 Civ. 4515. (Southern District of New York March 29, 2010)

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In a decision with far reaching implications, the United States District Court for the Southern District of New York held that isolated human gene sequences and the comparison of their sequences are not patentable subject matter under section 101 of the United States Patent Act (35 USC § 101).

The plaintiffs, the American Civil Liberties Union and the Public Patent Foundation (on behalf of scientific organisations, breast cancer and women's health groups, as well as individuals) commenced proceedings against the United States Patent and Trademark Office (USPTO), Myriad Genetics Inc (Myriad Genetics) and the University of Utah Research Foundation. The plaintiffs sought a declaration that 15 claims contained within seven Breast Cancer Susceptibility Gene (BRCA) patents owned or licensed to Myriad Genetics and granted by the USPTO were invalid or unenforceable on statutory and constitutional grounds. The BRCA patent claims were directed to various isolated DNA sequences encoding the Breast Cancer Susceptibility Gene 1 (BRCA1) and the Breast Cancer Susceptibility Gene 2 (BRCA2), together with methods of analysing, comparing and using this DNA (including the diagnosis of breast cancer and the development of cancer treatments).

The question before Judge Robert Sweet was whether isolated human genes and the comparison of their sequence constituted patentable subject matter under the United States Patent Act (35 USC § 101). The plaintiffs argued that the DNA sequences, even as isolated, were a product of nature and were not patentable. Myriad Genetics countered that the purification of the isolated nucleotide sequences from other cellular components found in naturally

occurring DNA rendered these sequences patentable subject matter.

The Court held that Myriad Genetics' isolated DNA was not "markedly different" from native DNA and was not patentable subject matter. In reaching its decision, the Court reaffirmed that the mere purification of a product of nature does not render the isolated compound patentable subject matter. Rather the purified product must possess "markedly different characteristics" to satisfy the requirements of Section 101. The structural and functional differences between native and isolated BRCA1 and BRCA2 did not, in the opinion of the Court, alter its essential characteristic – the embodiment of biological information – nor the information it encodes.

Similarly, the Court held that the claims for analysing and comparing DNA sequences were "abstract mental processes" and were not patentable subject matter. As a result, the Court invalidated the patent claims and declined to consider the constitutional challenge.

Myriad Genetics has appealed the ruling to the Federal Circuit Court of Appeals, a process which may take several years. In light of this appeal the effect of this decision on the patentability of genetic material in the US and abroad remains to be seen.

Despite this there are some suggestions that this decision may signal the beginning of the end for gene patents. On 8 June 2010, Cancer Voices Australia and Yvonne D'Arcy initiated proceedings in the Federal Court of Australia against Myriad Genetics Inc and Genetic Technologies Limited, seeking to invalidate the Australian BRCA patents. Against this background, the Australian Senate will in September 2010 release its findings from an enquiry into whether the Australian Patents Act 1990 should be amended to expressly prohibit the granting of patents for human and microbial genes, proteins and their derivatives.

What this means for you

1. The US District Court for the Southern District of New York has held that isolated human gene sequences and the comparison of their sequences are not patentable subject matter under section 101 of the United States Patent Act (35 USC § 101). Although persuasive, this ruling is not binding on Courts outside the Southern District of New York.
2. This case is currently on appeal to the Federal Circuit Court of Appeals. Applicants for US patents should not alter their patenting

- strategies in the US prior to a ruling from the Federal Circuit, or indeed the US Supreme Court if the case is appealed further.
3. The validity of gene patents in Australia will depend on the outcome of the Myriad Genetics proceedings in Australia and any recommendations arising from the soon to be released Australian Senate Enquiry into the validity of gene patenting.

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