

# Locutus

The newsletter of intellectual property law, statutory deceptive conduct and franchising law.

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Fourth Floor St James Hall, 169 Phillip Street Sydney NSW 2000  
DX 330 Sydney  
Phone Number: 9237 0536

Author and senders of this e-mail: **Carmen Champion, Barrister-at-Law.**

E-mail: <mailto:carmen.champion@stjames.net.au>;

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**Welcome to Locutus**

**APRIL 2007**

**Locutus** is a newsletter of current news, recent cases, and practice decisions. It is authored by Carmen Champion Barrister-at-Law.

## **Recent Cases -**

### **COPYRIGHT**

#### ***BRENT BURGE & ORS v JOHN HARLEY SWARBICK***

On 26 April 2007 the High Court held that moulds used in the reproduction of a high speed yacht did not attract copyright protection as works of artistic craftsmanship. The Court held that whether a work is a work of artistic craftsmanship for the purposes of section 77 of the *Copyright Act 1968* turns on the extent to which the work's artistic expression is unconstrained by functional considerations. Here the visual appeal was secondary to the functional aspect of the work. The aspirations or intention of the author of the work is irrelevant to that determination.

The Court reviews in this decision the history of the copyright/design overlap provisions and the cases dealing with the issue of 'works of artistic craftsmanship'.

#### ***ARISTOCRAT TECHNOLOGIES AUSTRALIA PTY LIMITED (ACN 001 660 715) v DAP SERVICES (KEMPSEY) PTY LIMITED (IN LIQUIDATION) (ACN 055 803 542) [2007] FCAFC 40***

The Court considered on the issue of damages whether loss of sales by the copyright owner could be inferred merely from the fact of sales of infringing product. Held: requirement for evidence of lost sales and the value of such sales

## **TRADE MARKS**

### ***STARR PARTNERS PTY LTD v DEV PREM PTY LTD.***

The full court of the Federal Court of Australia allowed the appeal from the primary judge's judgement.

The primary judge had held that the mark 'Star Realty' and star device was not deceptively similar to 'Starr Partners' and star device. Both marks were used in respect of real estate services.

The full court held that the primary judge had given too much weight to the differences in the content of the marks. Their Honours stated that because the likelihood of deception or confusion must be assessed in the light of both common and uncommon words, the uncommon words (such as "Star" or "Starr") will be the more memorable, and therefore more significant for infringement purposes than the common words (such as 'Partner' or 'Realty'). Their Honours identified as the essential features of the marks the star device, its close relationship with the initial capital letter 'S', and the ideal or concept of a star. The words 'partners' and 'realty' were identified as inessential features and not likely to make a lasting impression on the hypothetical reader's mind.

## **CONFIDENTIAL INFORMATION**

### ***BLUESCOPE STEEL LIMITED v KELLY [2007] FCA 517.***

The issue here was whether a former employee and the company which he had incorporated disclosed part of certain confidential information belonging to the applicant to a third party.

Mr Kelly had signed a confidentiality agreement in 1993 which provided that the obligations imposed by that agreement were not to extend to information that at the time of disclosure to him, was in the public domain or after disclosure becomes part of the public domain.

Mr Kelly retired in 1999 and set up a consultancy company which entered into an agreement with a third party.

There was no dispute as to what disclosures were made by Mr Kelly to the said third party. As a result of those disclosures the applicant sued Mr Kelly and his company for copyright infringement, breach of contract and breach of confidence.

In regards to the breach of confidence claim the court reiterated at [88] what the applicant needed to establish to succeed.

The main issue was whether the disclosed information was, in fact, confidential. The respondents asserted that it was not in that it was either in the public domain or was information which Mr Kelly was free to use following the termination of his employment with the applicant.

The court held that the information was confidential and the disclosure constituted a breach of the general law duty of confidence.

***Great Southern E-Vents Pty Ltd v Peskops [2007] NSWSC 382***

Here the Court had to consider whether an injunction may be granted to restrain contact with clients of a former employer based solely upon contractual restraint of use of confidential information. The Court answered that question in the affirmative. In support reference was made to *Cactus Imaging Pty Ltd v Glenn Peters* [2006] NSWSC 717; *Digital Pulse Pty Ltd v Harris* [2007] NSWSC 33; *Kolback Securities Ltd v Epoch Mining NL* (1988) NSWLR 533; *Lo Presti v Karabalios* [2000] NSWSC 395, cited

***Retractable Technologies v Occupational and Medical Innovations [2007] FCA 545***

Here the Court considered the extent to which the conduct of a third party acting bona fide without notice and for value might be restrained in the exercise of the court's jurisdiction to enforce an obligation of confidence said to devolve upon such a third party in the acquisition and resupply of retractable syringes said to embody the applicant's confidential information. The Court states that this issue requires consideration of the circumstances in which the 3<sup>rd</sup> party received the confidential information to determine whether the conscience of the 3<sup>rd</sup> party should be bound.

**And finally...**

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