

## Intellectual Property

A “threatening letter” from a lawyer can be very effective... or completely ineffective.

Sometimes the recipient gets such a fright they jump to it immediately; the more brazen, aware of the cost of litigation, pay no attention. However, a ‘letter before action’, or ‘cease and desist letter’, is the crucial first step when it comes to protecting intellectual property.

But, warns Neil Maybury, consultant at Else Solicitors, which has offices in Birmingham and Burton-on-Trent, such a move is fraught with difficulty. “It is an area full of traps for the unwary,” he cautions.

Many years ago it was felt that anyone being threatened with patent infringement was put at an unfair disadvantage because they would be unable to check properly whether the patent relied on was valid, and the chances were that a threat of patent infringement was being used more for commercial advantage rather than enforcement of legal rights.

So Parliament enacted specific restrictions on issuing unwarranted threats in relation to patent infringement and created the right to apply for an injunction for restraint and an avenue to claim damages if the threat was unjustified and not within certain statutory limits.

The result, complicated by further legislative tinkering down the years, is that even lawyers and patent agents can be confused about what is allowed and what isn’t.

Of course, protecting intellectual property rights is probably even more important in a recession than in a boom.

In bad times there will always be elements who try to get away with it, hoping that with money tight the intellectual property holder either won’t have the resources to enforce the matter or won’t think it worthwhile.

Mr Maybury, an intellectual property specialist, said: “In relation to patents, registered trademarks, unregistered and registered design rights there is relatively clear statutory law saying what threats you can and cannot make, although there is no equivalent restriction in relation to copyright, moral rights, performance rights, plant variety rights, database rights, passing off or breach of confidential information. In those cases threats of legal proceedings for infringement can be made with impunity.”

Loopholes, though, remain. For example, where an infringer who is blatantly selling goods bearing the infringing trademark but it is not clear where he has got them from and whether or not he has in fact imported the goods concerned.

Mr Maybury said: “This can very often result in a rather weak letter alleging infringement by importation, when the real problem relates to the sale of the goods.

“In some cases merely drawing attention to the alleged infringer of the registered trademark in question is also excluded from statutory objection, and again the recipient may not treat this in any way seriously.”

So how do you best get the message across? Mr Maybury said: “The simple answer is to make whatever threat is technically possible and where appropriate to make it clear that the owner of the intellectual property rights may have further remedies in respect of which their position is specifically reserved and of which they may be taking immediate action. “The recipient of the letters should then be advised to take legal advice immediately and act accordingly. “Unsatisfactory though it may be, that is where we are and that is the simplest and most effective way of dealing with initial notification and enforcement.”

The good news is that once over this first hurdle real progress can be made.

Mr Maybury said: “Intellectual property rights are extremely valuable rights possessed by virtually all individuals and companies in one form or another and can be effectively and speedily enforced.”



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