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# Disney, DirecTV, Royal Orchid, Sony: Intellectual Property

By Victoria Slind-Flor - Wed May 04 11:01:01 GMT 2011

A [Walt Disney Co. \(DIS\)](#) unit sued [Dish Network Corp. \(DISH\)](#), the second-largest U.S. satellite-TV provider, for copyright violations in connection with the distribution of movies on the Starz service.

Dish gave subscribers [free access](#) to the Starz premium television service, including copyrighted movies that were provided by Disney on the condition that Starz operate as a premium channel such as HBO, Cinemax and Showtime, according to the lawsuit. Starz, a unit of John Malone's Liberty Media Corp., wasn't named in the suit filed May 2 in federal court in [New York](#).

"Dish's unlawful distribution, transmission, copying and public display and/or performance of the Starz programming, including Disney Enterprises' copyrighted movies, has already resulted in the repeated and continuing infringement of plaintiffs' copyright rights," according to the complaint.

Dish, which agreed along with EchoStar Corp. yesterday to pay TiVo Inc. \$500 million to settle patent litigation, said in a statement that it pays "hundreds of millions of dollars" for the right to distribute Starz content to its customers, including the rights to several Disney movies.

"Dish Network does not have visibility to the contract between Starz and Disney, but we will vigorously defend our rights against any attempt to drag customers into the middle of their dispute," Englewood, Colorado-based Dish said in an e-mailed statement.

The case is Disney Enterprises Inc. v. Dish Network LLC, 11-cv-2973, U.S. District Court, Southern District of New York (Manhattan)

## [DirecTV \(DTV\)](#) Sues 19 Defendants, Says Service Hijacked to [Canada](#)

DirecTV Inc., the largest satellite-television company in the U.S., sued nine named and 10 unnamed defendants for copyright infringement.

The lawsuit, filed in federal court in Newnan, [Georgia](#), on May 2, accuses the defendants of hijacking DirecTV's subscriber accounts, creating fraudulent subscriber accounts and obtaining and distributing DirecTV programming to Canadian businesses and individuals.

DirecTV isn't authorized to sell its services in Canada, the El Segundo, California-based company said in court papers.

Among the ways in which the defendants are accused of infringement is by adding unauthorized "mirrored" satellite receiving equipment to legitimate accounts without the knowledge of or authorization by DirecTV or its subscribers.

The defendants also allegedly exported DirecTV receiving equipment to Canada and activated the equipment without authorization and in violation of U.S. laws, the company said in its

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## Market Snapshot

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<b>DOW</b>	<b>12560.20</b>	<b>+80.60 (0.65%)</b>
<b>S&amp;P 500</b>	<b>1340.67</b>	<b>+11.69 (0.88%)</b>
<b>NASDAQ</b>	<b>2815.00</b>	<b>+31.79 (1.14%)</b>

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complaint. They have operated websites displaying the DirecTV marks and used them to deceive the public into thinking they were offering legitimate DirecTV services, according to court papers.

The satellite-television company said its investigators initiated controlled purchases of DirecTV services through the defendants that weren't authorized.

It asked the court to order the defendants to stop their infringing activities and for awards of money damages, profits derived from the alleged infringement, extra damages to punish the defendants for their actions, and litigation costs and attorney fees.

DirecTV is represented by [Matthew Dexter Richardson](#) and [Matthew D. Justus](#) of Atlanta's Alston & Bird LLP and [Scott T. Wilsdon](#) and [John H. Jamnback](#) of Seattle's [Yarmuth Wilsdon Calfo PLLC](#).

The case is DirecTV, v. Gabor Milisic, 11-cv-00066, U.S. District Court, Northern District of Georgia (Newnan).

For more copyright news, [click here](#).

Trademark

Royal Orchid Barred From Using 'Orchid' for Any New Hotels

[Royal Orchid Hotels Ltd. \(ROHL\)](#), the Bangalore-based hotel chain, cannot use the word "orchid" or a symbol of the flower in any new hotels or other businesses, the Times of [India](#) reported.

India's [High Court](#) acted in response to oppositions from [Kamat Hotels India Ltd. \(KHI\)](#) of [Mumbai](#), which registered "orchid" as a trademark in October 2007, according to the Times of India.

Kamat has operated a five-star hotel in Mumbai under the Orchid name since 1997, the newspaper reported.

The court didn't bar the use of the Orchid name for Royal Orchid's 11 existing hotels in India, saying the court can make a distinction between already-operating businesses and those which haven't opened, according to the newspaper.

Sony to Use 'Brand Ambassadors' for Next James Bond Film.

[Sony Corp. \(6758\)](#) and the MGM studio agreed that \$45 million of the next James Bond film's production costs will be raised through product placement, the Australian newspaper reported.

That amount is twice what [Bulgari SpA \(BUL\)](#), [Toyota Motor Corp. \(7203\)](#)'s Lexus unit and [American Express Co. \(AXP\)](#) paid to appear in Steven Spielberg's 2002 "[Minority Report](#)," the previous record holder for product-placement dollars, according to the Australian.

Sony is using "brand ambassadors" to connect with potential sponsors, including Chinese technology companies, according to the newspaper.

The film, presently code-named "Bond21," is scheduled to be released in November 2012, the Australian reported.

Alibaba Welcomes U.S. Praise of [Intellectual-Property](#) Efforts

Alibaba Group Holding Ltd. said it will "further enhance the level of trust and integrity" in its online marketplaces after the U.S. Trade Representative urged other Chinese e-commerce

operators to follow the company's lead.

[Taobao](#), Alibaba's online marketplace, started examining vendors' advertising and sales to provide leads to Chinese [law enforcement](#) on infringing activities, the USTR said in its [annual review](#) of the global state of intellectual-property rights protection and enforcement, released May 2.

"We appreciate the USTR's acknowledgment of our ongoing efforts to work with brand owners in protecting their intellectual-property rights," Alibaba, the owner of [China's](#) biggest online retailer, Taobao.com, said in an e-mailed statement yesterday.

Alibaba started an anti-piracy campaign in March after the U.S. Trade Representative identified Taobao and an online marketplace operated by Baidu Inc. as "notorious," along with the Silk Market in Beijing and the Ladies' Market in [Hong Kong](#).

Other online platforms, especially those cited as "notorious markets" in the earlier report, should follow Taobao's lead in increasing cooperation with Chinese police and U.S. rights holders, the U.S. trade office said.

"The U.S. also encourages Chinese enforcement agencies to reach out not only to the larger foreign enterprises, but also to small and medium enterprises that are also being injured by counterfeit goods," the USTR said.

#### Osama Bin Laden's Death Commemorated on CafePress Products

[CafePress.com](#), the San Mateo, California-based company that prints user-designed T-shirts and other items on demand, now has [more than 3,000 designs related to Osama bin Laden](#), many submitted after the al-Qaeda leader was killed by U.S. forces on May 1.

As a public figure, under trademark law, bin Laden wouldn't have been able to halt such use of his name.

One of the products addresses the "birther" controversy about the president's birth certificate. It's a bumper sticker with a photo of the president and the text "Hey birthers, sorry it took so long to get you my birth certificate. I was busy killing Osama bin Laden."

Another sticker reads "Excuse me Mr. bin Laden, Some U.S. Navy SEALs are here to see you." Along that same line is a t-shirt printed with the text "Navy Seals 1, Bin Laden 0."

Mugs and T-shirts can be ordered with the text "Obama got Osama." One design is related to potential Republican presidential candidate Donald Trump's doubts about the president's birth certificate. The mug features a caricature of Trump and the text, "I refuse to believe that Osama bin Laden is dead until I get his official original death certificate."

For more trademark news, [click here](#).

#### Patents

##### FTC's Leibowitz Denounces Patent Accords That Delay Generics

Drug company deals to delay the introduction of generic drugs rose 63 percent last year, Chairman Jon Leibowitz of the [Federal Trade Commission](#) said, calling such arrangements "collusive" and costly to consumers.

The number of such agreements among makers of brand-name and generic medicines rose to 31 in fiscal year 2010 from 19 the year before, Leibowitz said yesterday in an interview at the Bloomberg News office in New York.

"These are sweetheart deals," Leibowitz said. "They are outrageous, and they harm

consumers. Either the courts or Congress needs to stop them.”

Prices of generic drugs are generally 20 percent to 30 percent less than those of brand-name drugs and in some cases as much as 90 percent cheaper, the FTC said in a statement.

The agency has challenged such settlements in court, contending that they are anticompetitive and violate U.S. antitrust law. The FTC has supported legislation in Congress that would prohibit settlements increasing the cost of prescription drugs.

The settlements are known as reverse-payment or pay-for-delay deals because the brand-name company compensates the generic-drug maker in return for dropping challenges to patents.

The court challenges haven't always been successful. In September, a federal appeals court refused to reconsider whether a [Bayer AG \(BAYN\)](#) settlement of a challenge to its patent on the anthrax treatment [Cipro](#) was appropriate.

Antitrust regulators on both sides of the Atlantic are focusing on how settlements between companies that make branded medicines and generics might harm consumers. Bayer was among drugmakers told by European Union officials in January to submit details of patent-settlement deals that may delay the introduction of generics.

[Bristol-Myers Squibb Co. \(BMY\)](#) in 2006 tried to protect its heart pill Plavix, the company's best-seller, from generic competition in a transaction that resulted in the firing of former Chief Executive Officer Peter R. Dolan. Dolan made a deal to delay sales of cheaper Plavix copies by Apotex Inc., violating terms of a deferred prosecution agreement.

[Cephalon Inc. \(CEPH\)](#) and [Teva Pharmaceutical Industries Ltd. \(TEVA\)](#) face an EU investigation of a deal that delayed generic versions of Cephalon's biggest product, [Provigil](#), a treatment for excessive sleepiness.

Cephalon last year lost an attempt to dismiss U.S. antitrust suits, including one by the U.S. Federal Trade Commission, over patent-infringement settlements it reached regarding generic versions of Provigil. It also lost a U.K. bid in November that aimed to block Mylan Inc. and Orchid Chemicals & Pharmaceuticals Ltd. from selling generic versions of the drug in Britain before a patent trial.

#### University Seeks Patent on Lobster-Shell Golf Ball Invention

The University of [Maine](#) applied for a patent on an invention that uses ground-up lobster shells to make biodegradable golf balls, the school said in a [statement](#).

The shells are a byproduct of the lobster canning industry. They are ground up and mixed with a biodegradable binder and coating, the school says.

The market for such golf balls would be cruise ships. Golfers could hit the balls off the ship and into the water without adding to pollution of the ocean.

According to a [2007 story](#) in the New York Times, the practice of hitting golf balls into the ocean from cruise ships was ended in 1990 when the International Maritime Commission banned the dumping of plastic into the ocean.

The cost of ingredients to make a single golf ball would be about 19 cents, the school said. The balls, which will be white and dimpled, can be used with both wood and iron clubs.

Another possible use for the invention would be surveying stakes or plant pots that decompose when placed in the ground.

The application isn't yet published in the database of the U.S. Patent and Trademark Office.

#### N.C. State Licenses Biofuel Technology to Avjet's Red Wolf

AvJet Biotech Inc.'s [Red Wolf Refining](#) unit took a license to technology developed at North Carolina State University for producing biofuels from fats and for producing products from genetically modified marine microalgae, the Pinehurst, North Carolina-based company said in a [statement](#).

The company has an exclusive license to the invention, and will reimburse the school for its investment in patent applications. To date, patent applications have been filed in 22 foreign countries in addition to the U.S.

The company said it will sell stock and used the funds to reimburse the university and for development capital to create a production model for the biofuel-refining system. The ultimate aim is the production of aviation biofuels.

For more patent news, [click here](#).

#### IP Moves

##### Dechert Expands Silicon Valley IP Group, Hires Stephen Akerley

Dechert LLP hired Stephen J. Akerley for its intellectual- property practice, the Philadelphia-based firm said in a [statement](#).

[Akerley](#), a patent and trade-secrets litigator, joins from O'Melveny & Myers LLP of [Los Angeles](#). He will practice in Dechert's Silicon Valley office.

He has represented clients in trial court and before the International Trade Commission and international tribunals. Among the clients he has represented are [Google Inc. \(GOOG\)](#), [Lenovo Group Ltd. \(992\)](#), Intergraph Corp., Hitachi Ltd., Neutrogena Corp. and Device VM.

Akerley has an undergraduate degree in electrical engineering from Cornell University and a law degree from the University of [San Francisco](#).

To contact the reporter on this story: Victoria Slind-Flor in Oakland, [California](#), at [vslindflor@bloomberg.net](mailto:vslindflor@bloomberg.net).

To contact the editor responsible for this story: Michael Hytha at [mhytha@bloomberg.net](mailto:mhytha@bloomberg.net).

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