

CITMA REVIEW

ISSUE 462 DECEMBER 2020/JANUARY 2021



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PEOPLE POWER

*Why some big names
are rethinking their
long-standing
brand icons*



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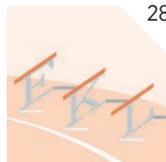
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PRESIDENT'S WELCOME TAKING YOU THROUGH TROUBLED TIMES

This year, we've made sure that we've been there to support our members every step of the way. For example, we regularly published guidance about Brexit to keep you up to date and ahead of the game. We also carried on a constant dialogue with the UK IPO and EUIPO to fight for the best possible outcome for you.

To keep you connected as we began working from home, we created a series of virtual coffee mornings. We also hosted our first-ever virtual conference, which brought in a record number of delegates. It was an opportunity to reconnect with members and listen to a whole host of high-quality speakers.

We have made a conscious effort to push forward diversity and inclusion initiatives and support the work of IP Inclusive. We have also done some planning for our cohort of CITMA Paralegals so that we can host more CITMA Paralegal events in the new year and create more content specifically around CITMA Paralegals.

On top of all of this, we've been in touch with universities and IPReg about the quality of content offered to trainees and students.

I would like to thank all our members who have supported us throughout the challenges of this year, particularly those on our working groups and committees.

To ensure we keep up the good work, we have reviewed and renewed our strategic objectives for the next three years.

We undoubtedly have exciting yet challenging times still to come, and I look forward to tackling the hurdles together and continuing to connect with you all next year.

Richard Goddard, CITMA President



We've renewed our strategic goals



REPRESENT AND PROMOTE



2021

With the help of members, we have now set out what we want to achieve and how we will support members over the next three years.

Four years after becoming a chartered organisation, we are excited to continue leading our profession at this critical time. Guiding our members through and fighting for the best outcome from Brexit is just one part of our recent

work. We have also renewed our support for the paralegals in our profession, and we are proud of what has been achieved through diversity and inclusion initiatives.

Going forward, we will do more to ensure our members develop professionally and are supported to be successful.

There will of course be challenges ahead, but we are ready to help our members meet them. Find out more at citma.org.uk/strategy2021

THE CITMA PARALEGAL COURSE IS UNDER WAY

The CITMA Paralegal Course is taking place virtually this year while we work to create in-person networking events, COVID-19 permitting. Read more at citma.org.uk/epc20

**ENCOURAGE
AND FACILITATE
ENGAGEMENT**



**EQUIP, SUPPORT
AND DEVELOP**



THREE YEARS, THREE KEY AIMS:

- 1** Passionately represent and promote the interests of the membership and the wider profession.
- 2** Equip, support and develop our membership to be competitive and successful, both nationally and internationally.
- 3** Encourage and facilitate engagement in our work to enhance the profession and the organisation, inspiring a positive, healthy and inclusive culture.



AI TO HELP UK TRADE MARK APPLICANTS

A new service that aims to use artificial intelligence to help first-time applicants avoid having trade marks rejected or opposed has been launched by the UK IPO. Find out more at citma.org.uk/preapplytool



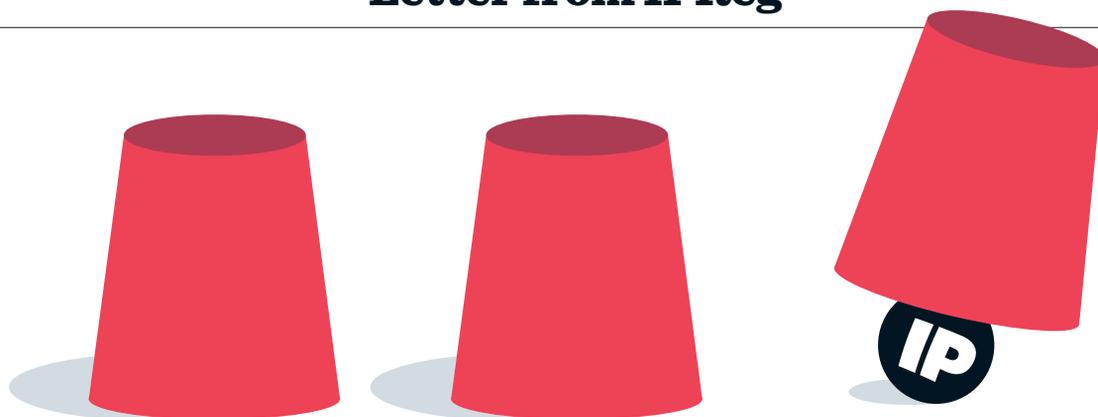
UK GI LOGOS REVEALED

The Government has introduced its own scheme for protecting geographical names for food, drink and agricultural products in the UK after 1st January 2021. This includes a selection of logos that will mark Protected Designation of Origin, Protected Geographical Indication and Traditional Specialty Guaranteed. Find out more at citma.org.uk/NewGILogos



IN MEMORIAM: AIDAN ROBSON

We are saddened to learn that Chartered Trade Mark Attorney Aidan Robson passed away on 20th September. Our thoughts are with his family, friends and colleagues. Find out more at citma.org.uk/aidan



NO CASE FOR ONE-SIZE-FITS-ALL

Sometimes, it's important to read very carefully through the entirety of documents issued by the Legal Services Board (LSB). Recently, the LSB made its formal submission to the Competition and Markets Authority's call for evidence on the operation of the legal services market. Buried deep within the LSB's submission is paragraph 58, which talks about "smaller regulatory bodies" (a term that goes undefined, although we have to assume that IPReg would be counted among them). In relation to these smaller bodies, then comes the killer comment: "We are increasingly concerned about their capacity to deliver high-quality regulation that commands public confidence".

No evidence is produced to back up this assertion, other than a sweeping generalisation about how a system of multiple regulators "makes it difficult for the sector to move forward in a co-ordinated way". For the IP profession, this new approach from the LSB spells a huge problem. The distinctive thing about IP, surely, is that it is a bespoke profession. IP attorneys are skilled in ways that "normal" legal practitioners are not. The learning process to enter the profession is entirely specific to IP. The results of IP attorneys' work are distinct. This is a bespoke profession, and I passionately believe that we need a bespoke regulator.

Let's just imagine for a moment that IP attorneys were lumped in for the purposes of regulation with a much broader profession – solicitors, say, as regulated by the Solicitors Regulation Authority (SRA). Do we think for an instant that the

“

This is a bespoke profession, and I passionately believe that we need a bespoke regulator

SRA would know anything about IP, would be at all interested or concerned, or would realise any of the profession-specific matters that it ought to be considering? Do we imagine that, by comparison with the thousands of solicitors up and down the country, the SRA would be at all interested in the needs of the

much smaller cohort of Patent and Trade Mark Attorneys?

IPReg will certainly mount a fierce argument in support of the need for specific IP-focused regulation for the profession. I very much hope that IP professionals will want to make the same case. This might appear to a bureaucratic mind to be a neat one-size-fits-all approach that could "simplify" a complex landscape of regulatory bodies, but it would be based on a fundamentally foolish assumption. Trying to bundle everyone together doesn't make for better regulation.

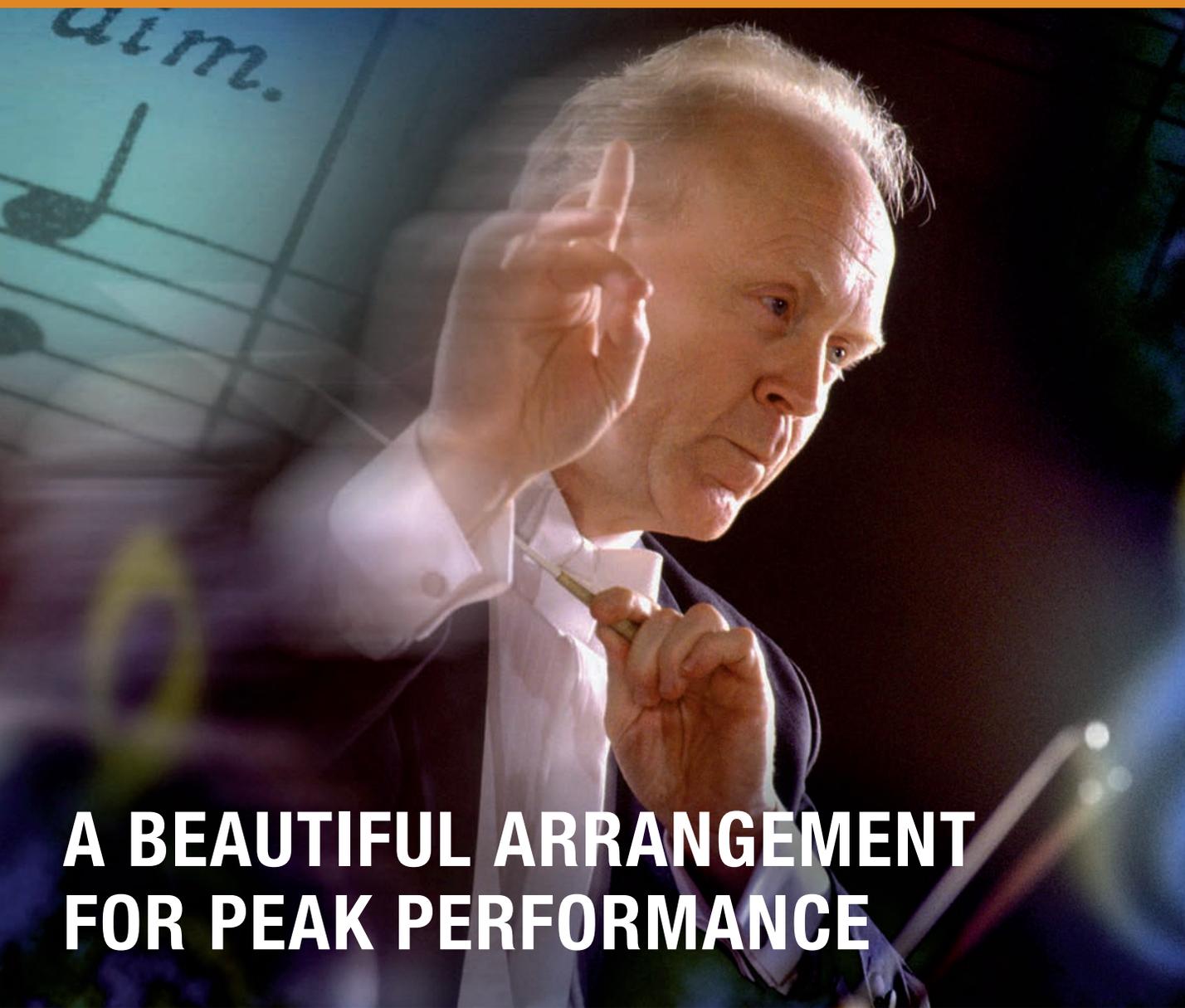
I realise all too clearly that IPReg hasn't always got everything right. We have, I think, been steadily improving in the way we handle our regulatory task. And we're determined to continue this, especially through the fundamental review of our rules and procedures that we're about to undertake. But at least we understand what IP is all about, how important it is, and why we mustn't let the LSB wilfully remove that understanding.



The Rt Hon the Lord Smith of Finsbury
Chair of IPReg

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OUR CONFERENCE RISES TO THE CHALLENGE

Never has a conference theme been more appropriate. We go behind the scenes of an event that met this year's unique circumstances head-on

There couldn't have been a better year for our Autumn Conference to focus on challenges. Of course, our own first challenge was bringing a familiar conference experience to our members at a time when meeting in person was not possible.

Having confirmed that our Autumn Conference would go ahead virtually, we needed a platform that could facilitate conversations, networking, knowledge sharing and debate in an engaging way that was not just another Zoom meeting. The Virtway platform allowed us to do that, with some exciting features (including bespoke avatar wardrobes) thrown in for good measure.



The next challenge was creating a programme that complemented the platform. It needed to deliver key learning outcomes while allowing time for delegates to use some of the additional functions of the platform, including playing interactive games, engaging with exhibitors and networking with other delegates.

Our events committee added in these factors, then brainstormed topics and speakers. Together, we came up with a high-quality programme. Over two half-days, delegates could sit in the virtual amphitheatre and debate with our speakers, visit the networking room, engage with delegates and interact with exhibitors in the virtual lobby.

Sponsored by:



Virtway's digital world and amphitheatre (left) played host to this year's Autumn Conference

The third challenge was how best to tell our members about how the platform would create a memorable virtual conference experience. To do this, we created an in-depth communications plan that included email, social media and website content. Our goal was to be clear and concise with our messaging: to convince delegates to feel the same way we did about the platform.

Delivering the conference itself was the final challenge. From onboarding delegates two weeks in advance to minimise on-the-day technical issues, to ensuring the environment felt like a CITMA event, a lot of effort went into the execution.

On the day, we had technicians on the platform to ensure delegates had the support they needed. We also created a help desk in the lobby and provided virtual assistants to offer the answers to FAQs, so delegates knew exactly where to go for support.

After months of planning, our Autumn Conference came together smoothly. Delegates networked, engaged with speakers and seemed to make the most of our virtual conference on an exciting platform.

DAY ONE IN DETAIL

The virtual avatars of more than 200 people from across the intellectual property profession gathered in our bespoke digital world to learn and share knowledge.

A quick Tai Chi session at the start of the day ensured delegates were refreshed and ready to enjoy two days of digital networking, kicked off by UK IPO Chief Executive Tim Moss. Tim took the opportunity to reassure delegates that the UK IPO is working hard to find the best solutions on Brexit and is talking to stakeholders in government.

The UK IPO aims to have the right solution in place by 1st January, he said. "I can assure you that the IPO is treating this as a top priority. I hope it will be possible to make an announcement on address for service soon," he added.

A LOOK AT APPEALS

Barrister Charlotte Blythe from Hogarth Chambers then took to the virtual stage to update us about some key recent UK cases.



Appointed Persons have been busy, she told the delegates. There have already been 46 decisions this year, compared with a total of 40 decisions in the whole of 2019. Unfortunately, the number of cases this year hasn't translated to more success on appeals to the Appointed Person. Of the 46 decisions, just six resulted in a material change. According to Charlotte, the best way to appeal to the Appointed Person is to focus on the smaller errors rather than the whole case.

Charlotte then completed her presentation by discussing appeals to the High Court.

EXPERT UK IPO INSIGHT

Next, Allan James, Senior Hearing Officer at the UK IPO, shared his expert insight into what tends to go wrong in tribunal actions.

Before he got stuck into his top tips, Allan shared that there are a lot more cases going through the system and that, pre-pandemic, requests for time extensions were down by 90 per cent. He also noted that he has seen an improvement in the quality of pleadings and submissions of evidence.

Allan went on to reveal what tends to go wrong in tribunal actions. He advised sticking to your good points, as these can often get lost or tarnished by any bad points that are brought up.

Delegates then engaged in our Sky v SkyKick debate, where Becky Knott (Barker Brettell) and Ashton ▶

“ Delegates networked, engaged with speakers and seemed to make the most of our virtual conference

Below: Charlotte Blythe takes a look at key UK cases (top), and Ashton Chantrille takes part in our SkyKick debate (bottom)





In between presentations, the delegates networked, engaged with exhibitors and played games of Connect Four

“ Daniel Alexander QC argued that the UK’s freedom to depart from EU trade mark law is mostly theoretical



A group exercise session gets the delegates set for two days of debate and networking

Chanthrielle (8 New Square) discussed clarity, specification and bad faith.

Becky suggested that the case will not change the way Chartered Trade Mark Attorneys file in practice. She told delegates that she thinks the profession will still end up using broad terms with a mix of specific terms, which would carry the same risk as before – the challenge of non-use or the threat of a term being cut down by consideration of genuine use.

Ashton added that this case could mean that overly broad and long lists of goods or services will now attract a challenge on the ground of bad faith. However, she cautioned delegates that bad faith is a high hurdle to meet because it is hard to prove and a serious allegation.

On the question of whether to choose registration through design or copyright, Jonathan Moss (Hogarth Chambers) dived into the Cofemel v Brompton case to share his insight. He informed delegates that designs can also have copyright protection if the design reflects the personality of the creator. Registering a design can involve

clearing even more hurdles than applying for copyright, he explained.

KEYNOTE KEY POINTS

Delegates then heard from keynote speaker Daniel Alexander QC. He told us that the freedom for the UK to depart from EU trade mark law is mostly theoretical, or at least less extensive than it may at first appear.

Daniel said: “EU law has embedded itself into the fabric of UK trade mark law in a way that is hardly replicated in any other law. It’s not going to be straightforward to dis-embed it.”

DAY TWO HIGHLIGHTS

Artificial intelligence, regulation and Brexit were the hot topics on day two of our event. Our AI panel, made up of Lee Curtis (HGF), Dr Birgit Clark (Baker McKenzie), Nick Phillips (Edwin Coe) and Stephanie Wickenden (Serle Court) and chaired by CITMA First Vice-President Rachel Wilkinson-Duffy (Baker McKenzie) considered the future of AI and its impact on the profession.

Delegates heard insights from the panel about the role that AI is already playing in enabling people to order products via home devices such as Amazon’s Alexa. Oral use of trade marks is already included in

the Trade Marks Act and so it may not need to be updated for these purposes.

There was agreement among the panellists that the focus has been on other IP rights like patents, meaning that trade marks have been overlooked in terms of their applications in the world of AI.

Birgit Clark remarked that “we’re not going to be overrun by AI, as there will always need to be a human element”.

Following the panel, Michael Tennant (Tennant IP) gave an enthusiastic presentation about significant cases in the EU and reflected on what they mean for our profession. Delegates were informed that *Halloumi v BQloumi* resulted in good news for owners of collective marks. Michael also noted that the case highlights the boundary of geographical indications and the “metaphorical sword of trade mark rights”.

EMPHASIS ON EDUCATION

Keynote speaker Lord Chris Smith, Chair of IPReg, updated delegates on the changes the regulator has undergone over the past year and what its objectives are for the future. A new CRM system was installed this year to communicate more effectively with users and customers, he explained. IPReg has also moved to new premises to become more accessible and usable – particularly once we are all able to return to the office.

Lord Smith revealed that IPReg is reviewing the performance of the educational routes into the profession, prompted by complaints from students at university about

Minister for IP Amanda Solloway tells delegates about the government's post-Brexit plans for IP



the quality of educational content. IPReg will be working with education providers over the next few years to improve quality. IPReg will also undertake a thorough review of rules, regulations, procedures and governance. Finally, Lord Smith explained that IPReg will be looking at how it can improve CPD to make it more than “just a box-ticking exercise”, with the aim of helping the “profession be professional”.

BREXIT. BREXIT. BREXIT.

In a session on making decisions in a post-Brexit world, Richard May (Osborne Clark) revealed what delegates really should be considering. Richard told delegates that although “Madrid” trade marks designating the EU will be created as UK trade marks in their own right, there is a way to return them back to the Madrid system if desired. Article 4^{bis} covers this provision, he said, although he admitted that it is “not currently common practice”. He recommended filing a TM28 at the UK IPO to avoid ambiguity, too.

In her keynote address on the day, Minister for IP Amanda Solloway told delegates that she intends to ensure that, post-Brexit, the “IP framework is in the best possible position to support the UK”.

She also praised the value of CITMA: “This organisation and its members reach right across the economy”, noting that “few other professions have contact with virtually every sector”. ●

“ Minister for IP Amanda Solloway intends to ensure that, post-Brexit, the ‘IP framework is in the best possible position’

Below: CITMA President Richard Goddard takes to the stage (top), and Tim Moss updates delegates on the UK IPO's preparations for Brexit (bottom)



Lord Chris Smith, Chair of IPReg, delivers his keynote address



FOCUS ON FAITH

Colin Bailey challenges us all to engage
with the subject of culture and belief
in the workplace



Because I have a habit of saying “Yes!” to every opportunity, I recently agreed to speak at an event organised by IP Inclusive centered around culture and belief in the workplace (and then to contribute this article on the event for *CITMA Review*). The workshop was an eye-opener for a number of reasons.

First of all, I was surprised to find so many people in attendance. I genuinely didn’t think that so many people were interested in the topic.

Second, I was cheered by the number and nature of the questions being asked. Many of these seemed to have a common theme: “What more can we do in our workplaces to accommodate people’s various different faiths?”

MY OWN EXPERIENCE

Around 15 years ago, I converted to Islam while at university. Since then, I have gone on to study the Arabic language (becoming fluent) in various countries across the Middle East and Africa. I have also spent some time learning the traditions of Islam. In my early years as a Muslim, I was under the impression that the beliefs, rituals, rules and prohibitions

were well defined and had finite and clear boundaries, but during my travels my outlook changed completely. This has led to me adopting a tolerant stance on Islam (not to be confused with a lax approach). The most important thing I learned was that the more you learn, the more you realise how little you know. Each country (or even each city) has its own take on things, and everyone's opinion and viewpoint is valid.

As a senior member of the Marks & Clerk LLP IT team, my role sits between the technical side of the IT department and the business side of operations, so I interact with attorneys, formalities staff and the various IT teams. The opportunity to meet and get to know all sorts of people is something I particularly enjoy. I am a Muslim, and if asked I will state that as my religion and my belief. If there is something organised in the workplace that is focused on Islam, I will get involved with it. However, there can still be a bit of awkwardness around my faith.

For example, a colleague who only knows my name would not have the slightest clue that I'm a Muslim on that basis. This can lead to confusion if, for example, I tell them, "I can't do lunch on Fridays because I go to pray". Or, when invited to a pub-based social event, I reply that I don't generally go to places with alcohol if I can avoid it, so I'll give it a miss. This regularly prompts the question, "Why?"

Even for those who do know that I'm a Muslim, there seems to be some sort of unwritten rule that "We don't talk about religion in the workplace". Perhaps there is an actual rule out there that discourages religious discussion, but I'm more than happy to chat to anyone about anything! Even though colleagues might be concerned that they are crossing a line by discussing religion with me, I am more than open to doing so.

WORKPLACE WORSHIP

Islam can also impose a number of outward practicalities that come along with its inward beliefs. These may be rituals that are required or prohibitions related to things that we are encouraged to avoid. For

example, as well as being strongly encouraged to attend prayers at lunchtimes on Fridays, my particular faith also requires me to pray five times at various points throughout the day (others may have different requirements). In the summer, this means just one prayer during normal work hours, but in winter this increases to three as the hours of daylight draw in. For those who are fortunate enough to have an allocated area for prayer, following this practice would mean three visits in an afternoon (at a stretch, you can do two during normal lunch hours), each of which typically lasts five to 10 minutes. With many employers, this may be something that requires a bit of negotiation, but my experience has been that most organisations are accommodating and appreciate openness on the subject.

A few more examples of aspects of Islam that can have an impact on working life are:

- Fasting in Ramadan (which means no food or drink from sunrise to sunset for a month);
- Wearing the hijab (which should be accepted as part of a professional wardrobe); and
- Dietary restrictions (which can require specific catering at office events and may result in an inability to participate in social events organised around alcohol).

Accommodating some of these needs can be tricky, and I fully appreciate the difficulties that organisations face in making accommodations for people from a variety of backgrounds and with different beliefs and faiths. On a personal level, I have no expectation that my employer would cater especially for me, but I do feel positive and optimistic when an employer demonstrates a desire to engage. However, many Muslims simply won't engage in a discussion

“ A colleague who only knows my name would not have the slightest clue that I'm a Muslim on that basis

about religion with their employer if they have to initiate that discussion.

Including a section on your internal intranet which addresses faith/religion in the workplace and which talks about any provisions that are in place would be a good starting point for countering this. Information on this subject could also be included in a handbook for new starters. In the IP Inclusive workshop, I suggested having a designated representative within every company who is the go-to person for a particular faith, and with whom other members of that faith could discuss how they deal with implementing their faith in their daily working life. For example, I'd be more than happy to be approached by other Muslims within Marks & Clerk to discuss topics such as where I go to pray, whether I attend certain social events and how I manage Ramadan fasting at the office.

This is, necessarily, just a small selection of my experiences and opinions, and the topic of the impact of faith, religion and beliefs on working life is a complex discussion. Yet hopefully this article will encourage everyone who reads it to extend their knowledge, express their own opinions and create more inclusive organisations that are better equipped to support those of any faith. Be the next to say yes! ●



Colin Bailey

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THE

SHAPE TM

As we reach the end of the CJEU's supremacy in the UK, Dan Bailey reflects on whether INEOS has altered the road ahead for automotive trade mark rights

On 3rd August 2020, the High Court of England and Wales upheld INEOS Automotive Ltd's (INEOS) oppositions against Jaguar Land Rover Ltd's (JLR) most recent attempts to protect the shape of its iconic Defender 90 and Defender 110 models as UK trade marks.¹

This widely reported decision has caught the attention of the Trade Mark Attorney community because it adds further fuel to the contention that brand owners will continue to face rough terrain when it comes to protecting and maintaining shape marks both in the automotive industry and more broadly.

JLR'S APPLICATIONS IN BRIEF

In late 2013, JLR announced that it would cease production of the Defender, having produced more than two million examples of the model since 1948. Following this announcement, INEOS – led by British billionaire and Defender aficionado Jim Ratcliffe – offered to purchase the tooling and production equipment from JLR in order to continue manufacturing the vehicle. JLR turned this offer down. INEOS then announced the development of its own “truly functional off-roader” in early 2016.

Following that announcement, JLR filed four UK trade mark applications for the shape of the Defender 90 and 110 vehicles in classes 9, 12, 14, 28 and 37. These

FUTURE?

OF THE



applications were for the Defender 90 and 110 with and without spare wheels (the Marks, shown below).

On this initial attempt, the applications were refused by the UK IPO on the basis that they were considered to be “descriptive of a sports utility vehicle... and devoid of any inherent distinctive character”. However, JLR later submitted further evidence of acquired distinctiveness based on the long-standing use of the Marks, which secured acceptance of the applications and publication. This resulted in an opposition by INEOS on a number of grounds, including:

(i) s3(1)(b) and (c) of the Trade Marks Act 1994, that the Marks are descriptive of the goods/services or otherwise devoid of any distinctive character;

(ii) s3(1)(d), that the Marks consist of signs that have become customary in the bona fide and established practice of the trade in the goods/services at issue; (iii) s3(2), that the shapes are necessary to achieve a technical result and/or give substantial value to the goods; and (iv) s3(6), that the applications were filed in bad faith.

THE OPPOSITION DECISION

The Hearing Officer (HO) acknowledged that the Marks have some unusual design aspects (eg, the “arrow shot” rear windows and alpine-side windows). However, in applying the criteria from London Taxi², he went on to find that the shapes as a whole did not depart significantly from the norms and customs of the passenger car ▶

The JLR Marks (one view per series)

Application No. 3158947



Application No. 3158948



Application No. 3164282



Application No. 3164283

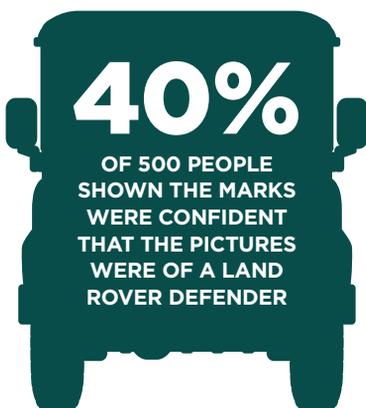


sector and, therefore, were not inherently distinctive.

Moving on to acquired distinctiveness, the HO considered the factors in *Windsurfing Chiemsee*³, including: reviewing the market share; considering the amount spent on promoting the Defender models; and the public recognition of the Marks. In support of the final point, JLR submitted survey evidence showing that somewhere between 20 and 40 per cent of 500 people shown the Marks were confident that the pictures were of a Land Rover Defender, with around 10 per cent of respondents referring to Jeep. However, the HO held that this survey response did not show anything beyond mere recognition and did not indicate that the Marks act as a badge of origin. The HO therefore held that the Marks had not acquired distinctiveness.

JLR appealed to the High Court, claiming that the HO had incorrectly assessed inherent distinctive character and acquired distinctiveness. In relation to the inherent distinctiveness of the Marks, Her Honour Judge Clarke was satisfied that the HO made no material error in law or that their findings were wrong.

The Court then addressed whether the Marks had acquired distinctiveness. In particular, JLR objected to how the HO evaluated the survey evidence and the manner in which it assessed the evidence of Defender modifiers.



GETTY



The appeal decision helpfully restates the current position regarding surveys and acquired distinctiveness for shape marks. Surveys have long been a thorny issue in demonstrating the distinctiveness of a trade mark, particularly due to the subjectivity of their results. The Court agreed with the HO's assessment of the evidence and therefore held that even a high degree of recognition (as high as 40 per cent in this case) is insufficient to show that the shape alone, and not the other branding elements such as logos, is used as a badge of origin.

Turning to the "modifier" market, HHJ Clarke stated that consumers would "buy a modified vehicle because they want a Defender, but better". The fact that a customer could buy a modified vehicle from a third party, such as (in the UK) Twisted Automotive or Overfinch, suggested that the transaction arises because of the specific modifications on offer. If a customer wanted to buy a Defender, they would buy it from JLR. As a guarantee of origin, the shape was therefore unimportant.

AUTO SECTOR IMPLICATIONS

The INEOS decision has caught the attention of the wider public given that it relates to one of The Queen's favourite vehicles. However, for IP professionals, it raises a question as to how automobile manufacturers can protect their designs moving forwards.

Naturally, the first port of call would be to file for registered design protection. However, this is not



straightforward either. As always, the drawings to be relied on have to be carefully selected, as including too much or too little detail can assist third parties in designing around the registrations. In addition, car manufacturers often have one or more signature features that are present across all or the majority of their range (for example, the BMW grille or Porsche's hood design). The inclusion of these recognisable elements is difficult to balance with the novelty requirements for registered designs.

Further, as manufacturers periodically redesign their existing models, this leaves scope for a "squeeze" argument (ie, that the new model is sufficiently similar to the old model, which reduces the scope of protection afforded to it).

Applications for shape marks for new car designs will likely be met with absolute grounds objections as outlined above or at least challenged on these grounds by third parties. Given the decisions of the courts in this case and in *London Taxi*, the vehicle design would likely have to vary quite substantially from the norms and customs of the sector to achieve registration without any use to support the application. Given the vast number of vehicles of all shapes and sizes on the market, it would take something very outlandish to avoid



being caught by a s3(1)(d) objection. Perhaps a design similar to the Tesla Cybertruck would be successful. For the vast majority of automobiles, however, it is likely that the door to a shape mark is permanently closed.

And design rights won't assist automobile manufacturers seeking to protect or extend protection for their classic designs. While it is possible, extending the protection period of a design by filing a trade mark application for a duplicate shape mark is often looked upon poorly by the courts and intellectual property offices.

Granted, a number of automobile manufacturers do own EU and/or UK trade marks for the shapes of some of their more famous vehicles. For example, VW owns registrations for its classic camper van and Beetle, Aston Martin has protected the DB5, and JLR the E-Type. Nonetheless, this decision, coupled with the decision in London Taxi, certainly looks to have ramifications for manufacturers seeking to protect/maintain protection for such shapes. The fact that consumers must not simply associate a shape with the manufacturer but also understand that a shape is exclusive to a specific manufacturer and rely on the shape

to identify the origin of the vehicle is clearly a very high water mark.

Perhaps one of the only vehicles with the potential to succeed in showing that it has acquired distinctiveness is the original Mini, at least in the UK. However, given the changes in the Mini's manufacturer and brand owner over the years, it seems unlikely that even that iconic shape is capable of acting as a reliable badge of origin.

In terms of where this decision leaves the protection of shape marks for the UK automotive industry, it is clear that obtaining protection is increasingly difficult. For those companies that already own shape mark protection in the UK, the INEOS case is a reminder that getting the application accepted isn't the end of the story. If the registration is subject to challenge, keeping it on the register may be significantly more difficult than previously thought. The key may lie in educating the public that the particular shape of the registration originates from you and that the shape, and the shape alone, informs them of that fact. Tying this into a slick marketing message is unlikely to be straightforward.

Post-Brexit, many are expecting UK trade mark law to diverge from EU law over time. Arguably, this trend has already begun. For example, in Nestlé⁴, the General Court (in a decision upheld by the CJEU) found that the shape of the Kit Kat had acquired distinctiveness in the UK, despite a Court of Appeal finding that it had not.

Nonetheless, while it is perhaps easier to show that a shape mark has acquired distinctiveness in an individual EU market, the difficulty

“ The fact that consumers must understand that a shape is exclusive to a specific manufacturer and rely on the shape to identify the origin of the vehicle is clearly a very high water mark

facing EU trade mark applications is the necessity of showing that the mark has acquired distinctiveness throughout the EU. As vehicles often have cult-like followings in certain countries, perhaps due to historic reasons such as their prominent role in popular culture, it may be difficult to show the required level of recognition across the entire EU, even if the threshold might be met on a country-by-country basis.

On that note, it seems fit to end by acknowledging the fact that JLR has recently filed for EU protection of the Defender 110. While this is still being examined at the time of writing, we may yet be able to make a direct comparison between the UK and EU approach. ●

1 [2020] EWHC 2130 (Ch), Jaguar Land Rover Ltd vs INEOS Industries Holdings Ltd
2 [2017] EWCA Civ 1729
3 C-108/97, C-109/97, 4th May 1999
4 [2016] EWHC 50



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A SWEET TOOTH TURNS SOUR

Rebecca Anderson-Smith captures the action at our recent mock CMC and hearing

Happily, the COVID-19 pandemic has not deterred CITMA from offering a diverse range of events over the past few months. The mock case management conference (CMC) and hearing on 29th September was testament to what can be achieved with live streaming and perhaps even offered a glimpse of how we might find ourselves conducting UK IPO proceedings in the future.

Participants were able to witness and compare the different approaches taken by Chartered Trade Mark Attorney Patricia Collis and Barrister Charlotte Blythe in an *inter partes* relative grounds opposition, as well picking up some tips from experienced Hearing Officers Mark King and Heather Harrison.

THE SCENARIO

In the fictional scenario presented, the Opponent was Busy Ltd, which

had run a small café in the centre of Nottingham called BUSY for more than 15 years. The owners had recently been discussing the possibility of starting to produce their own products, especially cakes. They conducted a poll of some of their regulars on the name BUSY BAKER, offering the chance to win a free lunch as an incentive.

A trade mark search disclosed a recently filed UK trade mark application for BUSY BAKER covering “cakes; chocolates; chocolate sculptures” in class 30, plus related mail-order services in class 35. Busy Ltd filed an opposition, relying on s5(2)(b) of the Trade Marks Act 1994, claiming likelihood of confusion with its UK trade mark registration for BUSY, covering “café services” in class 43.

After filing the opposition, Busy Ltd selected a winner for its poll at random and realised that it was the Applicant behind the BUSY

BAKER application, Andrew Baker. In addition to participating in the poll, he had been a regular visitor to the café. A keen baker, Mr Baker had been considering starting up a bespoke cake business. He had filed his trade mark application a week after he submitted his response to the café poll. Busy Ltd then made an application to amend its opposition, introducing s3(6): bad faith.

THE CMC

Heather Harrison presided over a CMC to decide if the new ground of opposition under s3(6) should be admitted. On behalf of the Opponent, Charlotte Blythe argued that introducing the ground now would avoid duplication of proceedings and save all concerned the further costs and time that would be incurred if the Opponent were required to bring a separate application for invalidity at a later stage. She stressed that

there would be no prejudice to the Applicant as the application to introduce the ground had been made at an early stage and before any evidence had been filed by either side.

Patricia Collis, acting for the Applicant, countered with an argument that the Applicant should not be unduly prejudiced because of the Opponent's failure to conduct thorough due diligence. She submitted that, had the Opponent researched the identity of the Applicant prior

“ *The event perhaps even offered a glimpse of future UK IPO proceedings* ”

to filing the opposition, or attempted to contact him, the connection to the café would have been discovered. She further argued that introducing bad faith as a ground of opposition would require the Applicant to submit evidence, placing more of a burden on him, particularly in terms of cost.

Harrison concluded that any prejudice to the Applicant in terms of cost could be compensated with an award of costs. She therefore allowed the amendment to introduce an additional bad faith ground.

THE HEARING

In the mock hearing, presided over by Mark King, particular points of focus in Charlotte Blythe's submissions for the Opponent concerned the nature of chocolate sculptures and the degree of attention of the average consumer when purchasing them. She argued that, while this term could concern an elaborate item produced for a special event, it could also encompass a small chocolate bunny sold in a normal shop or café at Easter.

In her discussion of the bad faith ground, Blythe drew attention to the summary of the facts of the case presented in the skeleton argument and then made several submissions based on these facts. She argued

that the Applicant's claim to have independently come up with the name BUSY BAKER was not plausible, and even if true would not exonerate him as he would have known that any BUSY mark in this context would cause confusion.

In her submissions for the Applicant, Patricia Collis began by discussing the marks. She argued that there is a conceptual difference between BUSY and BUSY BAKER, with BUSY evoking the abstract concept of being busy, and the grammatical structure of BUSY BAKER creating an image of a specific person who is busy.

Moving on to the goods and services, Collis admitted that you can buy cakes in a café but denied the claim that all the goods and services are similar. Chocolate sculptures and mail-order services were the two areas of greatest contention, with Collis arguing that these are in fact dissimilar to café services, as the aim of a café is to provide quick refreshment, whereas a consumer purchasing a chocolate sculpture or choosing a mail-order service is likely to have carefully considered their purchase in advance.

Regarding bad faith, Collis submitted that this was a simple case of two parties choosing the same name and that it would be wrong to jump to any conclusions about the timing of the application filing. Seeing others potentially being interested in BUSY BAKER had simply prompted the Applicant to act on his own plans. She further argued that there was no evidence of any plan to take advantage of the Opponent or disrupt its business.

Delivering his verdict on the day, King concluded that he would reject the claim of likelihood of confusion but uphold the opposition on the grounds of bad faith. ●



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SKELETON ARGUMENTS:

DOs AND DON'Ts

Over the course of the event, the Hearing Officers set out some of their best-practice tips.

DO:

- Make sure the content is in line with what has been pleaded in the opposition;
- Clearly identify the key turning points in the case and focus on them;
- Follow the structure and order used in UK IPO decisions, if possible;
- Include a clear comparison of the goods and services, for example by grouping into categories or displaying them in a table;
- Be precise with any references to evidence, directing the Hearing Officer to where the items can be found in the bundle;
- Include full case references when referring to case law;
- Make concessions where appropriate;
- File on time!

DON'T:

- Adopt a “silly position” or try to deny the obvious;
- Include detailed discussion or recite passages from the best-known case law, such as the authorities listed by the UK IPO when inviting you to a hearing;
- Let your skeleton become unnecessarily long or repeat large sections of argument included in submissions during the evidence rounds.

REVOLUTION



EVOLUTION

Adjoa Anim reflects on the historic wave of brand rethinks following recent anti-racism protests

George Floyd's brutal and very public death while being detained by Minneapolis Police forced the issue of racial justice and inequality to the fore in a world stilled by varying degrees of COVID-19 lockdown. The difficult conversations and protests that followed presented an added challenge to some businesses that were already under strain.

Brands with racist, colonial and oppressive origins had long been the subject of complaint for those in the know. But these explosive events exposed them to a larger section of society, and the resulting protestations pushed businesses in fast-moving consumer goods (FMCG), entertainment, sport and professional services to respond by announcing changes to their brands.

One such product was the Fair & Lovely line of beauty products, which has been sold in India and Bangladesh for many years. Hindustan Unilever Ltd changed the name to Glow & Lovely and Glow & Handsome, in an effort to move away from any association with "the benefits of fairness, whitening and skin lightening". This met with some disapproval because the nature of the product's aim – which was seen as promoting colourism – remained unchanged. Currently, Unilever's website declares that its latest formulation aims to "enhance radiance and glow holistically" and insists that "the product has never been, and is not, a skin bleaching cream".

Similarly, last summer, L'Oréal announced plans to remove references to "white/whitening", "fair/fairness" and "light/lightening" from its products. Model Munroe Bergdorf



criticised the announcement on the back of claims that the company had fired her from a central role in a product campaign in 2017 after she spoke out against racism. L'Oréal has since apologised for its handling of that earlier situation, rehired Bergdorf and invited her to sit on the company's UK Diversity and Inclusion Board.

Other FMCG products under review include Darlie toothpaste, sold in Asia. Perhaps unbelievably to UK readers, the product was originally called Darkie, a widely recognised racial slur used against African Americans in the 1930s. Even today, the product's Chinese name translates as "black person toothpaste". Earlier versions of the branding featured a representation of a minstrel-show character, and the current image of a smiling man in a top hat is being reassessed to address negative racial stereotypes.

In the food and drink sector, we've seen Mars scrap the name and image of a fictional black rice farmer that featured in its Uncle Ben's rice brand – a brand identity that dated back to 1946.

"Aunt" and "uncle" were once used to belittle African Americans

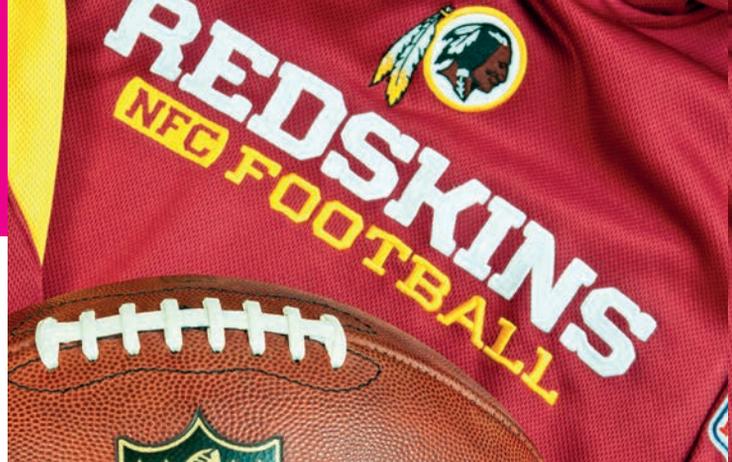


Unilever insists that its Fair & Lovely creams do not bleach the skin

The new name, Ben's Original, will appear on packaging from 2021 alongside new imagery, in a bid "to create more equitable iconography". The company has also announced various new initiatives to support African Americans and other underserved communities. And just as Mars made its statement, The Quaker Oats Company also announced a review of its Aunt Jemima line of syrups and foods, a 130-year-old brand featuring an African American woman named after a minstrel-show character.

The names of these products were rooted in a history of white Americans addressing elderly African Americans as "aunt" and "uncle", as they were deemed undeserving of "Mister" or "Miss".

The Aunt Jemima character was also considered to be reminiscent of the "mammy" figure, a black woman content with her lot in life, which consists of serving her white



masters. Also under review are ConAgra Brands' Mrs Butterworth's line – the firm acknowledging that its “loving grandmother” may not be viewed as intended – and B&G Foods' Cream of Wheat porridge brand, the identity of which was based on a caricatured Chef Rastus character.

INDIGENOUS ICONOGRAPHY

Dreyer's Grand Ice Cream's Eskimo Pie brand has also been revamped. The packaging of Eskimo Pie products has long featured an image of a boy in winter clothing. “Eskimo” is in fact a derogatory term first used by colonisers of the Arctic region, meaning “eater of raw meat”, implying barbarism. Products renamed “Edy's Pie” – honouring one of the company's founders – are expected to hit shelves by 2021.

Meanwhile, Nestlé SA has publicised plans to rename its Colombian Beso de Negra brand (which translates as “kiss from a black woman”) and its Australian Red Skins and Chicos confectionery lines, the latter two being derogatory terms for Native Americans and people from Latin America respectively.

On the entertainment front, UK record label One Little Indian Records changed its name to One Little Independent Records and dropped a logo that, according to its announcement on Twitter, “perpetuated a harmful stereotyping and exploitation” of Native Americans. The company also made a series of donations to charities supporting indigenous peoples and populations.

Not all changes of name have gone so smoothly, however. US country band Lady Antebellum announced a change of name to Lady A in June. “Antebellum” describes the pre-Civil War period and architecture of the southern US states, closely associated with the slavery era. There had been historic use of the name Lady A by the band and fans, and the band owned three US registrations from 2010, covering classes 9, 25 and 41. It also filed a new class 35 US application a day before the announcement. Shortly afterwards, a Seattle-based blues, funk and soul singer, Anita ‘Lady A’ White, stated that she had used the name for 20 years. Initial attempts to settle the matter descended into a legal dispute that has been rumbling on for months.

TEAMS IN TROUBLE

The names of some North American sports teams have been bones of contention for decades. A notable example is the NFL team the Washington Redskins, which adopted its name in 1933 and a logo featuring the side profile of a Native American in 1937. Indigenous groups have been protesting against the “Redskins” name since the 1960s, but the cause received more public attention in the 1990s, to no avail. Despite the derogatory nature of the term “redskin”, the owners, management and many supporters were in favour of the name and its associated imagery, considering it a way of honouring Native Americans. After a fresh wave of objections this summer, including from major sponsors such as FedEx and Nike,

“ The names of some North American sports teams – notably the Washington Redskins – have been bones of contention for decades

The Chicks, formerly The Dixie Chicks, had a happier experience, having jettisoned the “Dixie” element and its association with the Confederate states that supported slavery. The band stated that it is co-existing with a New Zealand-based duo of the same name.

Individual artists have made changes too. UK DJ Joey Negro announced that he would use his real name, Dave Lee, a day after US DJ The Black Madonna publicised her name change to The Blessed Madonna, in response to a petition. Both artists made references to the unacceptable and controversial nature of their names and a desire to drive change.

a temporary name change to the Washington Football Team was announced. The search continues for a new permanent identity.

The Cleveland Indians baseball team launched a review into its name, reportedly to “embrace their responsibility to advance social justice and equality”. In 2019, the team dropped the Chief Wahoo logo from its uniform.

Likewise, Canadian football team the Edmonton Eskimos recently announced plans to drop the “Eskimos” element after three years of consultation. In February, the team had announced that there would be no change (on the grounds that there was no clear consensus



Providence, Rhode Island, has found itself at the forefront of a heated debate about a history of racism

from discussions with Inuit groups in northern Canada), but by July calls for change had been renewed, including complaints from the team's major sponsor, Belairdirect.

Whether other teams will follow these examples remains to be seen. The Atlanta Braves and the Kansas City Chiefs, at the time of writing, were not considering a change, while the Chicago Blackhawks issued a statement to defend the use of their name. In the UK, the Exeter Chiefs Rugby Union team decided to keep its name and logo – use of which was deemed “highly respectful” – but to retire its mascot, Big Chief. The team officially adopted the name and logo, containing a representation of a Native American, in 1999 but claims that the name refers to aspects of Devon life in the 1900s.

PUBLIC SCRUTINY

French advertising agency Rosapark, owned by three white men, announced a rethink of its name after criticism of its use of the name of civil rights activist Rosa Parks. In historic interviews, the owners indicated that the company was in fact inspired by parks in the sense of green spaces, and a “feminine softness”. However, the eight-year-old agency has apologised for any offence caused by any other interpretation of the name.

This metamorphosis appears to have affected public institutions too. In June, Gina Raimondo, the Governor of Rhode Island, issued an executive order to change the name of her state on official

websites and documents from “Rhode Island and Providence Plantations” to “Rhode Island”, due to the full name’s association with slavery. The state’s voters then agreed to change the name officially in November.

One rebrand that did not go smoothly was the Berlin Transport Authority’s attempts to rename Mohrenstrasse (“Moor Street”) Metro Station as Glinkastrasse, after it came to light that the new station’s namesake, Russian composer Mikhail Glinka, was anti-Semitic. “Moor” is a medieval term used to describe people from North Africa. The Berlin-Mitte District Assembly recently approved a change of name for the street itself to Anton-W-Amo-Strasse, after Anton Wilhelm Amo, the first scholar of African descent to attend a European university. It is now hoped that the Metro station will follow suit.

ACT FAST, BUT SMART

As some of these recent examples illustrate, when it comes to addressing cultural concerns, companies may, understandably, want to react quickly and decisively. However, knee-jerk actions can create problems of their own. The key message is to be thorough and give the work the time it needs. For example, businesses may announce plans for a review in order to respond to social movements but then take time to select a suitable replacement. Once the new mark is selected and publicised, ample time must be given to transition to the



Insensitive images of Native Americans are a persistent branding issue

“ Companies may want to react quickly, but knee-jerk actions can create problems of their own. Give the work the time it needs

new version and iron out any unforeseen issues.

There are a number of other important considerations to take into account too. For example, the importance of searching, for both registered and unregistered rights, is manifest in the Lady A dispute. It would be prudent to have a back-up mark in mind in case an unexpected issue crops up with a proposed replacement.

It is also vital to scrutinise suitability beyond availability. Carry out rigorous reviews to see whether the new mark is globally sensitive. Have the marketing and sales teams speak with local partners to gain perspectives that may be lost to those at head office. This information is invaluable and should be fed back to the brand protection team to help whittle down the choices. Where there is a conflicting right, try to acquire it or agree co-existence before publicising the rebrand, as The Chicks appear to have successfully done.

KEEP YOUR OPTIONS OPEN

Mars filed the first application for BEN’S ORIGINAL in Jamaica on 15th July, nearly three months before it publicly confirmed the new name in September. If businesses have the ▶



Land O'Lakes tied in the removal of the image of a Native American woman with its 100th anniversary

“ Criticisms of ‘wokeness’ show that businesses may still face an uphill struggle

Having secured buy-in at board level and educated their consumers, companies must not neglect to take rigorous action when it comes to staff and trading partners. If not, mixed messages can cause damage to the new brand.

budget to file applications for several options while completing searches and then follow up with convention priority filings for the selected mark, they can do so and simply abandon the unsuitable marks at later date.

Businesses should think about how to manage the IP connected to the existing brand. Consider whether historic goodwill, reputation and/or evidence of use can support the new iteration. This depends on how far a new brand departs from the old. Land O'Lakes Inc. rebranded in February, for its 100th anniversary, by removing the image of a Native American woman from the packaging of its butter products. It is likely that the company considered how to keep some of its historic evidence for future enforcement and maintenance of its rights.

Balance the cost-effectiveness of abandoning applications and allowing registrations for the existing brand to lapse against the strength of a bold statement of severance by actively withdrawing and surrendering them. The latter may endear businesses to a socially conscious customer base but will cost money. For big corporations, this may be a unique way to bolster customer loyalty and win new business. The maintenance of these rights should also tie in with the length of the transition period before the new brand is launched.

Consider also how to conclude any pending conflicts based on the old rights. Even if there is legal standing to consider in continuing such actions, it may be unpopular

to maintain them when a decision has been made to eschew a brand.

BRING EVERYONE ON BOARD

Importantly, inform the public of the reasoning behind a change. Consumers appreciate brands that have stories to tell. However, many will be against the change. For instance, plans for Darlie toothpaste faced a backlash against political correctness among some Chinese customers (although it is very likely that these criticisms were based on the lack of awareness around the racist roots of the brand elements).

The family of one of the actresses who had portrayed Aunt Jemima asked The Quaker Oats Company to reconsider the rebrand, as it was part of their family history. These complaints, along with criticisms of “wokeness”, show that businesses may still face an uphill struggle in encouraging some members of the public to accept the changes.

Companies should prepare a strategy for educating customers on the evolution of the brand, including addressing their unacceptable roots. It will be uncomfortable and upsetting, but once brands acknowledge the background of these brands and explain them to consumers, it may convince more people to accept the changes.

A STEP UP FOR SOCIETY

Of course, the type of brand changes that we've mentioned will not, on their own, get rid of prejudicial attitudes and discrimination. And it is important that we do not completely erase these cultural elements where they can serve as useful reminders of what was deemed to be acceptable at a certain time, showing us the path we've taken. This is another reason why it is vital for brands to acknowledge their history when publicising the new iterations of their brands.

Such efforts and acknowledgments of harm will go some way towards promoting a continued and ongoing questioning of any long-standing icons that reinforce persistent stereotypes. After all, studies by academics who examine the interplay between the law and social sciences show that brands play a significant role in shaping individual and group social identity. As a result, it is to be hoped that eliminating imagery that portrays people of colour or indigenous people in a negative light will help to shape a more inclusive and equitable society going forward. ●



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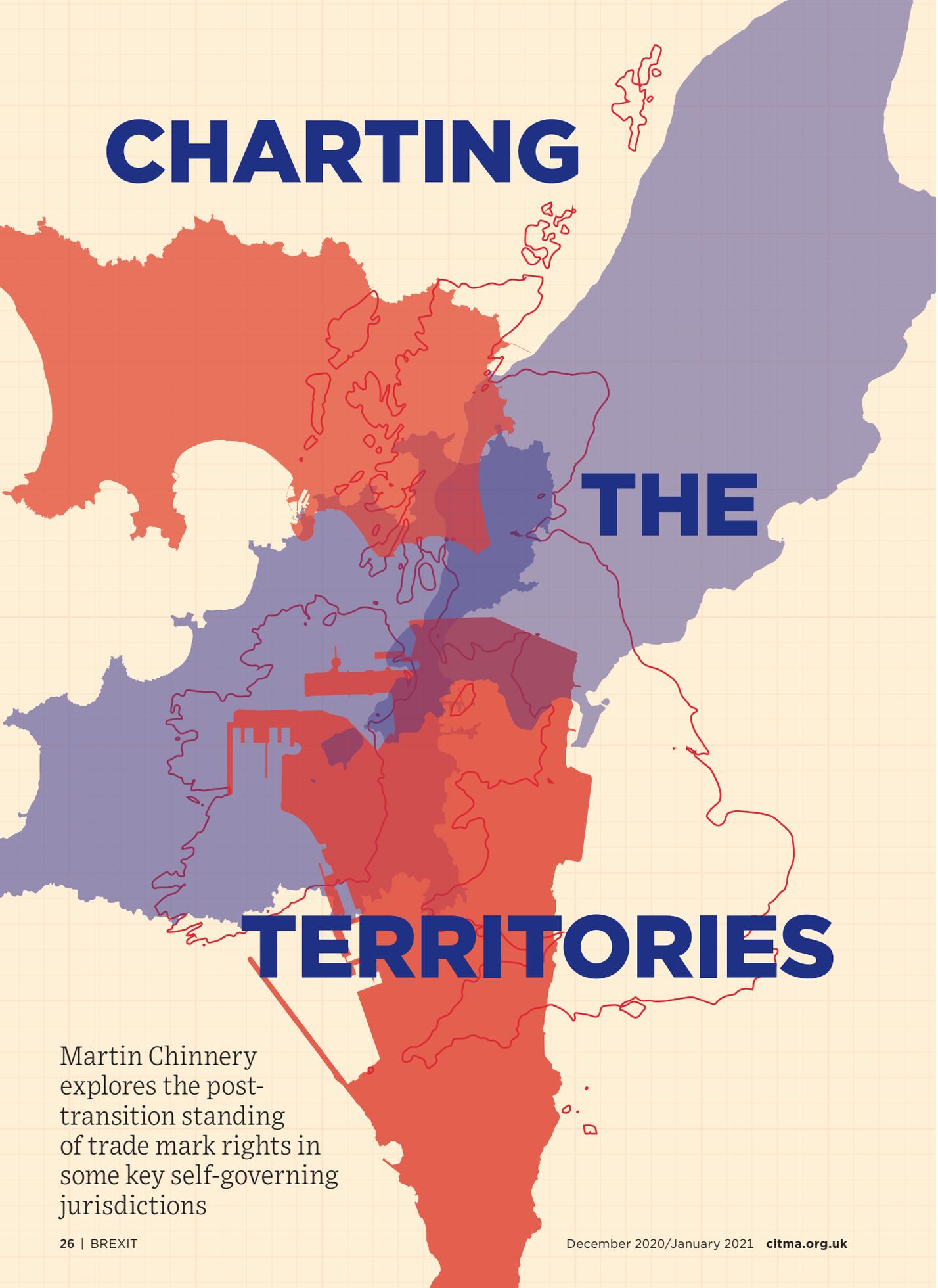
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TERRITORIES

Martin Chinnery explores the post-transition standing of trade mark rights in some key self-governing jurisdictions

The Crown Dependencies of the Channel Islands and the Isle of Man, and the Overseas Territory of Gibraltar, are not in the EU. Notwithstanding this, trade marks registered at the EUIPO are enforceable in some of these jurisdictions. So what effect will Brexit have on the rights of these trade mark owners?

JERSEY

The Trade Marks (Jersey) Law 2000 allows for the extension of national UK registrations to Jersey. Registration is automatic upon the submission of official fees and a certified copy of the corresponding UK registration.

Under the current law, trade marks registered at the EUIPO are automatically enforceable in Jersey without requiring local re-registration. Despite the fact that Jersey is not a member of the EU, the law states that: “The Community Trade Mark Regulation shall be construed as if Jersey were a Member State”.

The authorities in Jersey have stated that there are currently no plans to amend the law insofar as it recognises EU registrations, so Brexit will have no effect on the rights of trade mark owners in Jersey.

GUERNSEY

Unlike its sister island, the authorities in Guernsey had the foresight to adopt a substantive trade mark law a number of years ago. The Trade Marks (Bailiwick of Guernsey) Ordinance 2006 allows for the filing of trade marks in Guernsey independent of any registrations in the UK or the EU. The trade mark law is overwhelmingly similar to the UK’s Trade Marks Act 1994, albeit with a few local idiosyncrasies, such as a very short opposition term of 20 working days. The Guernsey IPO’s initial practice of distinguishing between “primary registrations” and “supported registrations” (the latter being filed on the basis of registrations obtained elsewhere) was abandoned several years ago. All cases are now treated as “primary registrations” regardless

of whether they have already been registered in other jurisdictions.

It should be noted that the smaller Channel Islands of Alderney, Sark and Herm are part of the Bailiwick of Guernsey and are covered by a Guernsey registration.

The fact that its trade mark law is substantive and registrations subsist independently of any others obtained elsewhere means that Brexit will have no effect on trade marks in Guernsey.

ISLE OF MAN

While the Isle of Man is a self-governing Crown Dependency, the Trade Marks Act 1994 extends to the Isle of Man as if it were a part of the UK. Brexit will therefore have the same effect on the rights of trade mark owners in the Isle of Man as in the rest of the UK.

GIBRALTAR

Gibraltar’s Trade Marks Act was enacted in 1948 and, aside from a number of minor amendments in the 1980s relating to official fees and the location of the registry, the provisions of the law remain unchanged today. As in Jersey, the law allows for the extension of national UK registrations to Gibraltar by means of filing a certified copy of the UK registration in question.

Notwithstanding the lack of enabling legislation, since the inception of the EUIPO in 1996 the registry in Gibraltar has, in practice, issued Certificates of Registration for applications that have been filed on the basis of EU registrations. The registry will also accept applications filed on the basis of international registrations designating the EU and the UK.

The registry has done so on the basis of Article 299(3) of the Treaty of Rome, which provides that: “The provisions of the Treaties shall apply to the European territories for whose external relations a Member State is

responsible”. The EUIPO has also taken the view that trade marks registered at the EUIPO are automatically enforceable in Gibraltar, by reason of Article 299(3) of the Treaty of Rome.

However, it is a commonly held view among local trade mark practitioners that because Gibraltar is a common law jurisdiction, legislation has to be passed in order for provisions of international treaties to be enforceable. As such, any trade mark registrations obtained on the basis of EU registrations and international registrations designating the EU may be found to be invalid if relied on in court. Unfortunately, there has been no local jurisprudence in Gibraltar to refer to on the matter.

“ Brexit will have no effect on trade marks in Guernsey ”

Although the registry has not indicated whether its practice will change after 31st December 2020, it should be assumed that it will cease its practice of issuing Certificates of Registration on the basis of EU registrations and international registrations designating the EU. However, it will still be possible to register trade marks on the basis of international registrations designating the UK, as these are regarded by the Gibraltar Registry as UK registrations.

Naturally, from 1st January 2021, it will be possible to register in Gibraltar on the basis of EU registrations that are cloned onto the UK register. But whether Gibraltar will permit the renewal of existing EU-based registrations on the basis of cloned UK registrations remains to be seen. ●



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Fit to move forward

A healthy meals business clears the first hurdle in its series of claims, writes Nicole Marshall

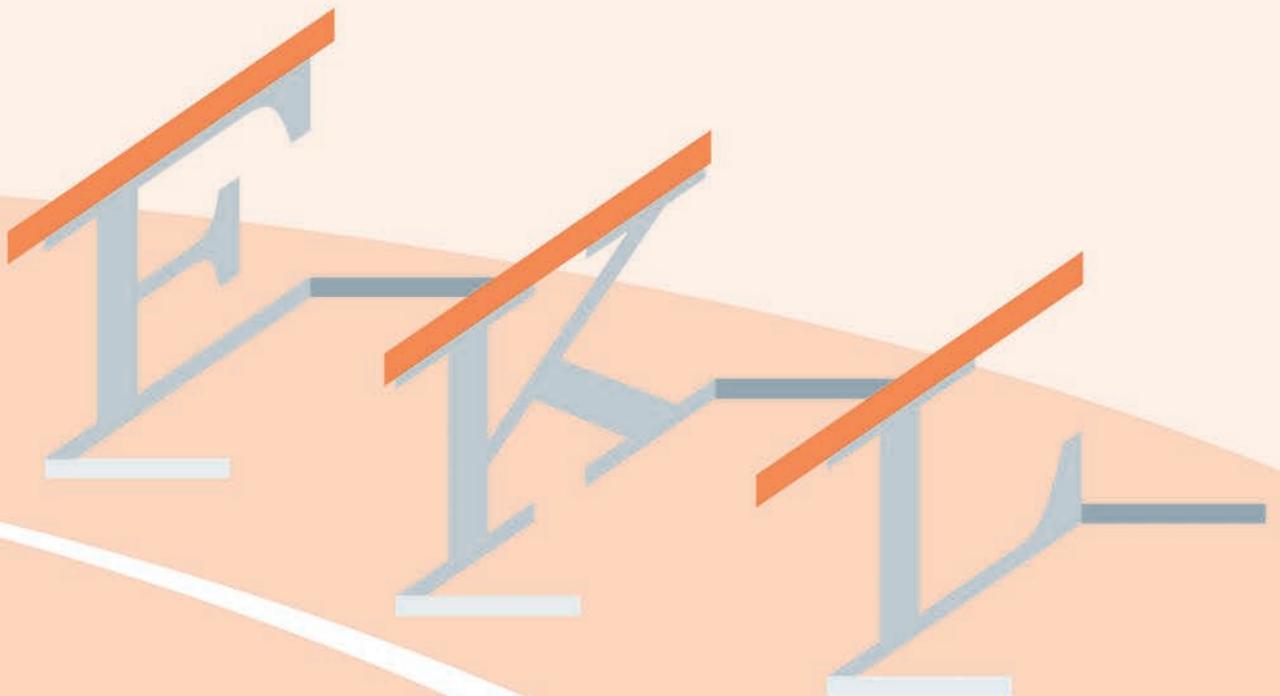
Small business Fit Kitchen Ltd (FKL), which delivers healthy ready meals, sealed a victory at the IPEC at the end of July. After a one-day trial, heard remotely, the presiding judge, His Honour Judge Richard Hacon, found ready meal manufacturer Scratch Meals Ltd (SML) liable for trade mark infringement and passing off over use of the FIT KITCHEN trade mark.

The judgment followed a trial held over Skype in June 2020, in which SML – which sold the infringing FKL products to major supermarket chains Sainsbury's and Waitrose – was found to have infringed the FIT KITCHEN trade mark shown opposite

(the FKL mark) under s10(2)(b) Trade Marks Act 1994 (the Act) and through passing off.

This was one of the first remote trials held in the IPEC, and SML has now been ordered to transfer its mark to FKL, with the matter now

“ *The words were a dominant element in the figurative mark and were therefore capable of constituting infringement* ”



proceeding to the quantum phase for the court to assess compensation to be paid by SML.

THE ISSUES

HHJ Hacon was faced with three main issues in this case: (1) SML's assertion that the FKL mark was invalid as it had been filed in bad faith; (2) whether there had been trade mark infringement, and; (3) whether SML was liable for passing off.

SML's bad faith claims (pursuant to s47(1) and s3(6) of the Act) were predicated on the temporary strike-off of FKL in 2016, during which time the FKL mark was filed. FKL's owner claimed that he was not aware of the dissolution, which resulted from an administrative error. The strike-off had been caused by an administrative error on the part of the company's accountants, and the company was restored once the error was discovered.

Counsel for SML argued that the owner of FKL was aware of the strike-off and that filing for the FKL mark in the name of a struck-off company fell short of the "standards of acceptable commercial behaviour observed by reasonable and experienced men in this area". However, in his ruling, HHJ Hacon rejected SML's claims.

INFRINGEMENT

The next issue considered by HHJ Hacon was that of trade mark infringement; in particular, whether there had been infringement under both s10(2) and s10(3) of the Act. In considering these points, he ruled that the words "Fit Kitchen" were a dominant element in the figurative trade mark and that, therefore, the use of this expression by SML was theoretically capable of constituting trade mark infringement.

Turning first to s10(2), counsel for SML conceded that the SML mark is similar to the FKL mark and that the goods of the SML mark are similar to the services for which the FKL mark was registered. Therefore, HHJ Hacon needed to consider only whether the similarities led to a likelihood of confusion. FKL presented evidence of 65 instances in which members of the public mistakenly contacted FKL regarding SML products. Thus, HHJ Hacon was satisfied that there had been relevant confusion and, hence, infringement under s10(2).

HHJ Hacon next had to consider infringement pursuant to s10(3). After considering the sales of FKL, it was found that the evidence presented to the Court was not sufficient to establish a sufficient reputation in the UK catering services market to justify a finding of infringement

“ While the date for assessing goodwill was the same as the date for proving reputation, the threshold of use required is lower

under this subsection. Therefore, FKL's claim of infringement under s10(3) failed.

PASSING OFF

All that was left to consider of the three main issues was passing off. It was left to the FKL's counsel to establish the three usual indicia of passing off, namely: goodwill in its business; that there was an actionable misrepresentation on the part of SML; and, finally, that there was damage as a consequence.

Turning first to goodwill, while the date for assessing goodwill was the same as the date for proving reputation under s10(3), the threshold of use required is lower than that required to prove a reputation in accordance with EU trade mark law. As such, HHJ Hacon was of the opinion that by December 2016, on the evidence already produced, the FKL mark had been sufficiently used to generate the necessary goodwill. As a likelihood of confusion had already been established, this evidence also supported the conclusion that there had been an actionable misrepresentation by SML stemming from its use of FIT KITCHEN. Finally, damage was found and, therefore, the claim of passing off raised by FKL succeeded.

FKL succeeded in its claim that SML had infringed the FKL mark under s10(2) of the Act, but this was not found under s10(3). In addition, FKL was able to establish that there had been passing off on the part of SML in relation to FIT KITCHEN.

This judgment means that FKL has been successful in clearing the first hurdle of its claims. Its remaining claims against Waitrose and Sainsbury's have been stayed pending the outcome of the trial against SML, which is now proceeding to the quantum phase.

Appleyard Lees represented Fit Kitchen Ltd in this matter.



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KEY POINTS

★ A figurative mark with dominant word elements can infringe against a word mark containing the same elements

★ A claim of passing off may succeed even where the evidence of reputation is not sufficient for a finding of reputation under s10(3)

MARKS

THE FKL MARK
UK No. 00003179170



THE SML MARK
UK No. 00003187357

FIT KITCHEN

THE INFRINGING
MARK IN USE



No trivial pursuit

Daniel Ramos digs into what constitutes accessory status

On 30th July 2020, Recorder Douglas Campbell QC found in favour of Bayerische Motoren Werke AG (BMW) in a High Court action for infringement of its registered trade marks and registered Community designs (RCDs), passing off and, in the case of one of the Defendants, breach of contract.

The action concerned the export and sale of replica alloy wheels. The main Defendant was UK-based company DGT Wheels and Tyres Ltd (DGT), the sole director and owner of the voting shares of which was another of the Defendants, Mr Jerome David Layzell (JL). The action was also brought against Premier Alloy Wheels (UK) Ltd, which was said to provide logistical services for DGT and was owned and run by JL's stepfather and another of the Defendants, Mr Devon Thompson (DT). The fifth Defendant was JL's grandfather, Mr David Layzell (DL), who assisted DT in the management and running of DGT.

INITIAL COMPLAINT

BMW first complained to DT in 2012, alleging that his business at the time was offering for sale replica alloy wheels that infringed BMW's intellectual property rights. Following this initial complaint, and in consideration of BMW refraining from bringing legal proceedings, DT and some of the other Defendants signed undertakings not to infringe a range of BMW's intellectual property rights.

The action was subsequently brought by BMW following the granting of an interim injunction and search order in June 2018, which resulted in the discovery of a "badging station" in DGT's warehouse, as well as the seizure of more than 1,600 infringing wheel centre caps and other badges, including some bearing BMW's trade marks. The Defendants brought a counterclaim against BMW for invalidity of its RCDs.

JUDGMENT

Mr Campbell QC dismissed the counterclaim for invalidity and found in favour of BMW's trade mark infringement, passing off and breach of contract claims. Further, it was held

that the Defendants had infringed six out of the 10 BMW RCDs produced as specimens at trial, and that JL and DL were jointly liable for the acts of DGT.

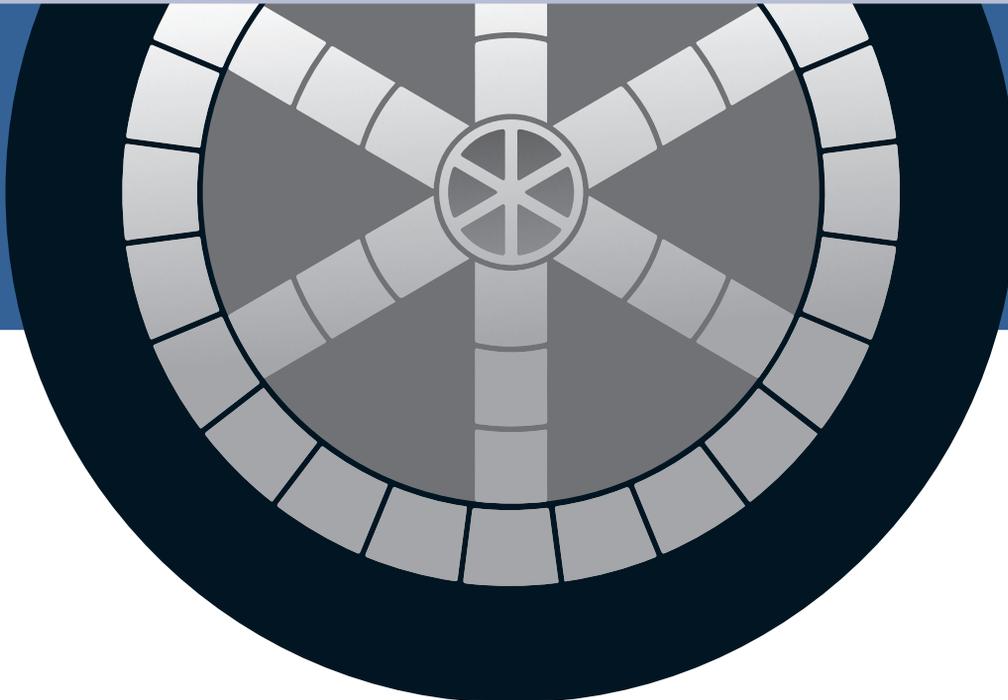
However, the Court refused to grant injunctive relief extending further than the six RCDs in respect of which infringement was found, as there was no specific evidence of infringement relating to the remaining four designs selected for inclusion at trial (out of a total of 73 RCDs on which BMW sued). In this regard, BMW tried to argue that injunctive relief should be granted in respect of the remaining four designs "on the basis that they were (and remain) popular designs" and were therefore likely to have been offered for sale by the Defendants.

This argument was dismissed and Mr Campbell QC highlighted that, unlike in *Microsoft v Electro-Wide*¹ (in which it was held that there was a general threat to infringe the copyright in a whole class of software, resulting in the Court granting a wide injunction covering unspecified "operating system computer software"), there was no general threat to infringe all of BMW's designs. Therefore, the injunction was limited to the six specific designs.

JOINT LIABILITY

The bulk of the analysis in the judgment concerned the finding of joint liability of JL and DL with DGT, with which they each had varying degrees of involvement. It was held that they both provided "more than trivial" assistance to DGT to commit the acts for which it was held to be liable.

With respect to JL, the Court pointed to, among other facts, that he was a main signatory on DGT's bank account and had worked in various capacities at DGT, with at least partial knowledge of DGT's illicit activities. Similarly, DL's involvement in the administration of DGT (including through assisting with invoicing and arranging for shipping and supply) played an important role in the Court's finding of his joint tortfeasorship. Further, the Court held



that the fact that neither individual intended their actions to be tortious was irrelevant.²

ACCESSORY ISSUE

This judgment provides useful guidance when considering the issue of accessory liability, in particular in circumstances where the role played by the alleged tortfeasor is administrative in nature, as was the case with DL. Usefully, the judgment also expands on the conditions required to establish accessory liability set out in *Fish & Fish Ltd v Sea Shepherd UK*.³ It highlights, for example, that:

- 1) There is no need to show that the alleged accessory intended or knew that the act should be tortious; and
- 2) Mere facilitation and/or knowledge of the tortious act is not enough. There must be assistance in committing it.

Rightsholders should therefore bear the Court's reasoning and the above principles in mind when considering the scope of any claims they may have against potential tortfeasors, especially in the context of identifying potential defendants at the outset of proceedings.

Helpful direction is also provided by the judgment with respect to the scope of injunctions which may be granted by the Courts. In particular, it highlights that while the Courts have in past cases been willing to grant wide injunctions, such a decision is fact-dependent. It is also worth noting that the main case relied on by BMW to

“ Mere facilitation and/or knowledge of the tortious act is not enough. There must be assistance in committing it

support its request for a wide injunction (*Microsoft v Electro-Wide*) involved a finding of a “general threat” by the defendant in that case to infringe the copyright in a whole class of software, rather than a particular version of the software. The fact that Mr Campbell QC dismissed BMW's arguments in this regard on the basis that no such general threat to infringe existed would suggest that evidence of a general threat of infringement is needed to support a claim for a broad injunction.

1 [1997] FSR 580

2 [1989] *Unilever plc v Gillette (UK) Ltd*, RPC 583, 609

3 [2015] AC 1229

KEY POINTS

- + In the context of joint tortfeasorship, knowledge by the alleged tortfeasor that the act in question is tortious is irrelevant
- + Even if a defendant's assistance is minor, accessory liability may be established if the assistance is more than trivial
- + While the UK courts have the power to grant wide injunctions, such an injunction will only be appropriate in some circumstances, depending on the facts of the case



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A view to TKIL

Emily Scott outlines a decision that got decidedly personal

This case before the High Court concerns the sale of fluids used to clean the compressor blades of gas turbines. The Claimant, one Turbo-K Ltd (TKL), claimed that Turbo-K International Ltd (TKIL) and a Mr Roselli (TKIL's sole director since 2019) were jointly and severally liable for acts of passing off relating to TKIL's use of Turbo-K (the name and associated logo). TKL also sought the invalidation of TKIL's UK registration No. 2582207 for TURBO-K on the basis of TKL's prior rights in an identical sign and bad faith.

TKL'S ORIGINS

In 1997, preparations were made to set up a new company that would manufacture and sell its own compressor cleaning products. Philip Stainer, a chemist with a consultancy company called Lach Dennis Consultants Ltd (LDC), formulated a new cleaning product for the company in return for a shareholding in the company.

The parties agreed that the company would be called "Turbo-K Ltd" and that the name of the new product would be "Turbo-K". TKL was subsequently incorporated on 9th January 1998.

Invoices showed that TKL had started selling a cleaner made to LDC's formulation and called Turbo-K by September 1998, and that sales were made under the Turbo-K name and logo until at least 2014. Sales were made to entities globally, as well as (from 2001) in England and Wales. The majority of the sales appeared to have been made to TKL's distributors.

By an agreement dated 17th February 1999, Turbo-K cleaner was manufactured by a Sunil Pathak, Director of Midland Chemicals Ltd (Midland). Midland manufactured Turbo-K cleaner until 2014.

TKIL'S BACKGROUND

In December 2010, Mr Roselli was approached by Mr Pathak, acting on behalf of a director of TKL, Mr Winter. According to Mr Roselli, Mr Pathak told him that, given the declining sales of Turbo-K Cleaner, Mr Winter and Mr Pathak were keen to open up new markets using Mr Roselli's company, Roselli Chemicals Inc. (RCI) as a distributor. As a result, a Distributor Agreement was signed in early 2011 by Mr Roselli and Mr Winter (for TKL).

It was clear from the Agreement that Mr Roselli's dealings were with TKL, that the Turbo-K Cleaner was a TKL product and that the Turbo-K name was owned by TKL.

TKIL was subsequently incorporated on 18th May 2011. Its directors on incorporation were Mr Winter, Mr Pathak, Mr Roselli and Mr Stainer (of LDC). On 23rd May 2011, TKIL applied to register Turbo-K as a UK trade mark for goods including gas turbine compressor cleaning fluid. The mark was registered on 9th September 2011.

On 17th June 2011, TKIL entered into the following Agreements:

- 1) With LDC, granting TKIL an exclusive worldwide licence to make, use and sell turbine cleaners based on LDC's formulation;
- 2) With Midland, whereby Midland was to manufacture Turbo-K products for TKIL; and
- 3) With RCI, whereby RCI was appointed the exclusive distributor of Turbo-K products.

CLAIMS MADE

The relevant date for the passing off claim was 18th May 2011, when TKIL was incorporated with a name that implied a threat to use Turbo-K. Based on the evidence, it was held that TKL had clearly acquired goodwill in the Turbo-K name and logo well before the relevant date.

TKIL was then held to have carried out actions constituting threatened or actual misrepresentations that its goods were connected with or derived from TKL, including:

- a) TKIL's use of a company name that incorporated Turbo-K, with the intention of trading in the same Turbo-K Cleaner;
- b) TKIL's selling and marketing of the Turbo-K Cleaner;
- c) TKIL's agreement with Midland, whereby Midland was to manufacture the Turbo-K Cleaner; and
- d) TKIL's application to register Turbo-K for (*inter alia*) cleaning products for turbines.

Some evidence of actual confusion was also presented.

DAMAGE

Damage was inevitably held to have followed. The judgment briefly discussed whether anyone had really been misled, given that

TKIL appeared to have only supplied to its distributors, who presumably knew the difference between TKL and TKIL. However, the Judge recited para 4.19 of *Wadlow* to explain that there was nothing in this point:

“It has generally been accepted that the tort of passing off is complete when the defendant disposes of goods which are calculated to deceive, even if the immediate recipient is a trader who is not himself deceived. This is despite the fact that no actual damage can normally be said to accrue until the infringing goods are sold to a customer who had intended to buy the goods of the claimant, which often will not be until the goods are purchased by the ultimate consumer.”

This applies even if the goods are put on the market outside the UK, so long as the exported goods are likely to deceive in the overseas market.

Given the international nature of TKL’s marketing and sales, the Judge was satisfied that the ultimate customers, whether in the UK or abroad, were likely to be deceived by the goods that TKIL (via its distributors) was selling. The passing off claim succeeded.

INVALIDITY AND BAD FAITH

For the purposes of the invalidity claim, the relevant date was 23rd May 2011, the filing date of TKIL’s registration. The registration was found to be wholly invalid on the basis of TKL’s prior rights in the Turbo-K sign.

Was TKIL’s conduct in applying for registration of TURBO-K dishonest (or did it otherwise fall short of the standards of acceptable commercial behaviour) judged by the ordinary standards of honest people? The answer here was “Yes”. It was held that TKIL’s directors knew the history of TKL’s use of the Turbo-K name, given that at various points they were either directly involved in the management of TKL or involved in manufacturing or distributing TKL’s products.

PERSONAL LIABILITY

That Mr Roselli was a director of TKIL did not of itself mean that he was jointly liable for TKIL’s acts of passing off. For Mr Roselli to be personally liable, it needed to be shown that he had either: personally carried out that act; procured or induced TKIL to do that act; or been part of a common design to carry out that act.

The Supreme Court in *Fish & Fish Ltd v Sea Shepherd*¹, set out the relevant test for liability as part of a common design. Three conditions must be satisfied:

- 1) The defendant must have assisted the commission of an act by the primary tortfeasor, in which the assistance “must



be substantial, in the sense of not being *de minimis* or trivial”;
2) The assistance must have been pursuant to a common design on the part of the defendant and the primary tortfeasor that the act be committed. “Mere assistance” or “facilitation” is not sufficient, and “a common design will normally be expressly communicated between the defendant and the other person, but it can be inferred”; and
3) The act must constitute a tort against the claimant, but “the claimant need not go so far as to show that the defendant knew that a specific act harming a specific defendant was intended”.

Applying this test, the Judge held that Mr Roselli was personally liable in respect of TKIL’s passing off.

Mr Roselli had created and amended brochures and TKIL’s website and, to that extent, he had personally carried out acts of passing off on TKIL’s behalf.

Further, TKIL was set up with the clear intention that it would use the Turbo-K name to manufacture, market and sell the Turbo-K Cleaner, and that was held to be the common design of Mr Winter, Mr Pathak, Mr Stainer and Mr Roselli and, after its incorporation, of TKIL itself. Mr Roselli was held to be an active participant, even if he was not the instigator.

1 [2015] AC 1229

KEY POINTS

- + To be personally liable for a tortious act, it needs to be shown that an individual: has personally carried out that act; has procured or induced that act; or has been part of a common design to carry out that act
- + Even if the immediate recipient of the relevant goods is not deceived, passing off can still be found if the ultimate customer is deceived. This applies even if the goods are for export outside of the UK



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Extra arguments aren't effective

Confusion was the clincher for a bourbon clash, writes Charlotte Wilding

Sazerac Brands LLC (Sazerac), the spirits company behind Southern Comfort, Goldschläger, Booth's Gin and Eagle Rare (to name just a few), has been successful in its High Court infringement claim over AMERICAN EAGLE.

Sazerac brought an infringement and passing off action against the three Defendants – Liverpool Gin Distillery Ltd (LGDL), Halewood

“ Given that there were no other EAGLE bourbons on the market, consumers would likely associate the two

International Ltd (HIL) and Halewood International Brands Ltd (HIBL) – over the use of AMERICAN EAGLE in respect of bourbon whiskey and requested damages or an account of profits.

THE SAZERAC MARKS

Sazerac sought to rely on its EAGLE RARE mark for class 33 goods, as protected under EUTM registration No. 2597961, filed on 1st March 2002, and UK Trade Mark registration No. 1148476, filed on 10th February 1981.

The infringement action was brought on the grounds of: (1) a likelihood of confusion between AMERICAN EAGLE and EAGLE RARE; and (2) that AMERICAN EAGLE took unfair advantage of the



distinctive character or repute of EAGLE RARE and/or is detrimental to its distinctive character.

The Defendants sought revocation of Sazerac's UK and EU registrations on the basis of non-use for a period of five years.

LGDL'S MARKS

On 22nd June 2018, LGDL filed an application to register a UK trade mark for AMERICAN EAGLE in respect of alcoholic beverages (except beers) and spirits in class 33. This registered without issue on 21st September 2018 under UK Trade Mark registration No. 3319844. Accordingly, Sazerac also sought a declaration of invalidity against the UK registration on the basis of its prior rights and alleged infringement.

LGDL had sought to register AMERICAN EAGLE in class 33 in the EU on 18th October 2018, but this application was opposed by Sazerac and later withdrawn on 24th January 2020. Therefore, it does not form a part of the proceedings.

INFRINGEMENT

When considering a likelihood of confusion, Mr Justice Fancourt specifically focused on the identity and characteristics of the average consumer.

The Defendants' claim that the average consumer of bourbon in the UK/EU would have a high degree of attention was dismissed. However, Fancourt J did accept that there is a degree of care when purchasing a product to ensure that a preferred brand is bought. Therefore, Fancourt J found that the average bourbon consumer would have a "somewhat higher" degree of attentiveness than a consumer of other spirits.

Given that there were no other EAGLE bourbons on the market prior to the Defendants' AMERICAN EAGLE release, Fancourt J found that the average consumer would likely associate the two. EAGLE is the distinctive element of both marks, and confusion is more likely when a mark is distinctive.

Accordingly, Fancourt J found a likelihood of confusion on the basis that consumers would connect the two brands as being related.

On the issue of unfair advantage, Fancourt J found that EAGLE RARE was "sufficiently known to have a reputation in the bourbon market of the UK and the EU". While the turnover of EAGLE RARE may be on the lower end of the scale for spirits, it is a premium brand and therefore "only ever likely to appeal to a part of the bourbon market".

“ The Defendants may have been reckless in choosing the name, but this does not necessarily lead to unfair advantage

However, despite the finding of a reputation, Fancourt J did not consider AMERICAN EAGLE to be likely to dilute or "whittle away" the EAGLE RARE trade mark. The Defendants may have been reckless in choosing the name, but this does not necessarily lead to unfair advantage.

Further, when considering Sazerac's claim of detriment to the distinctive character of EAGLE RARE, Fancourt J found "no evidence that the name EAGLE RARE will be less strongly indicative of [Sazerac's] products (absent confusion) as a result of the sale of AMERICAN EAGLE". Accordingly, the infringement claim under unfair advantage was dismissed.

ADDITIONAL ISSUES

As a result of the finding of a likelihood of confusion, LGDL's UK trade mark registration was declared invalid. During the trial, Sazerac agreed to revocation of its registrations except for in relation to "whiskey; bourbon whiskey". This did not affect the decision in this case given that the goods in question were bourbon whiskey.

Although Sazerac's action originally included a claim for relief under the tort of passing off, this was withdrawn during day four of the trial. As a result, it did not add to the trade mark infringement action.

Taken as a whole, this case highlights that while there may be a successful finding of a likelihood of confusion, distinctive character and reputation of a mark, it does not automatically follow that there is an unfair advantage or detriment.

Further, unless a passing off claim adds to the infringement claim, it usually isn't worth exploring during trial stage. However, it is always important to include your strongest claim from the outset. It can always be withdrawn at a later date if not required.

KEY POINTS

- ✦ Likelihood of confusion does not equate to unfair advantage or detriment
- ✦ Passing off may not need to be explored if infringement is found



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Perception position pays off

Trecina Sookhoo describes why Dior's case was dismissed

On 6th September 2019, Adele Savage (the Applicant) filed an application to register PRETTY SAVAGE. The application covered, *inter alia*, soaps, cakes of soap, wax melts, scented wax melts, exfoliants, body butters in class 3, plus dishes for soap and soap holders in class 21.

The opposition in this case was directed against all goods covered by the Application, based on s5(2)(b), s5(3) and s5(4) of the Trade Marks Act 1994. It relied upon Parfums Christian Dior's earlier international registration (designating the EU) for SAUVAGE in class 3.

CONFUSION

The Hearing Officer (HO) of the UK IPO found that the goods in class 3 were identical and similar but concluded that there was no similarity in relation to the Applicant's class 21 goods, despite the earlier registration covering "soap" and soap being centrally important to the use of a soap dish.

Turning to the comparison of the marks, the HO found that the marks had an overall low to medium degree of similarity and that there may be a degree of conceptual overlap because the average consumer may determine that Dior's earlier mark translates to mean "savage" in English. The HO also concluded that Dior had an enhanced distinctiveness across a range of the goods relied on.

The HO went on to say that the consumer will primarily encounter the marks visually, and although the average consumer is likely to pay a medium/average degree of attention, this may be higher for perfumery products.

Despite these conclusions, the HO decided that there was no likelihood of confusion (direct or indirect). The Application consisted of two English words, "pretty" and "savage", and Dior's earlier mark was a non-English word. The HO considered that the reasonable, average consumer would not perceive the application as being associated with the earlier mark SAUVAGE. The opposition on the basis of the claim under s5(2)(b) therefore failed.

REPUTATION

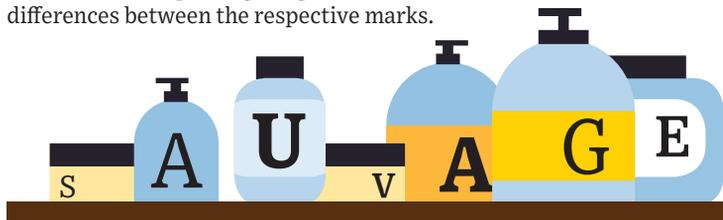
Due to evidence that demonstrated substantial expenditure on promotional activity, various awards relating to the SAUVAGE mark and high sales for men's fragrances, the HO found that the earlier mark SAUVAGE had a reputation for men's fragrance. Notwithstanding this reputation, the HO concluded that the crux of the matter was consumers' perception of the mark PRETTY SAVAGE and whether there was a similarity with Dior's earlier mark. It was considered that the differences between the marks were such that the relevant public would make no connection between them. Dior's opposition under s5(3) also failed.

PASSING OFF

Dior claimed to have used the mark SAUVAGE in the UK since 2015. The HO found that Dior had established actionable goodwill for fragrances, perfumes, eaux de toilette, body sprays, aftershave lotions, aftershave balms, shower gels and deodorants. However, it was also necessary to demonstrate that on a balance of probabilities a substantial number of Dior's customers or potential customers would be deceived. The HO concluded that the use of PRETTY SAVAGE would not be a misrepresentation/deception actionable under the law of passing off, given the differences between the respective marks.

KEY POINTS

- ✦ The average consumer was unlikely to confuse the marks at issue given the differences between them
- ✦ Ultimately, this decision is a reminder that the perception of the average consumer of the goods is key



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Door closes on butler mark

Presumption of patronage was the problem, reports Rebecca Davey

This case concerns the recent UK decision in the opposition by the Lord Chamberlain on behalf of Her Majesty The Queen against an application by former royal butler Grant Harrold to register the sign shown below (the Sign) in relation to a range of entertainment, education and training services in class 41.

Following observations by the Lord Chamberlain, the application was initially refused on the basis that it contained a specially protected emblem and was likely to lead persons to think that the Applicant has or recently had royal patronage or authorisation. This objection was waived in 2019, as the Hearing Officer (HO) was satisfied that the words “the Royal Butler” would be taken to indicate a fictional character. However, the Lord Chamberlain had also filed an opposition against the application under, *inter alia*, s3(5) and s4(1)(d) Trade Marks Act 1994 (the Act), in particular that the Sign falsely indicated royal patronage or consent and was therefore prohibited.

CONSENT CLAIMED

In response to the opposition, Mr Harrold argued that the words “royal” and “butler” are dictionary words not owned by anyone and that the device contained in the mark is not a royal emblem or insignia. He also claimed that verbal consent to use “the Royal Butler” was given by the household of The Prince of Wales and that he had used the name since 2012. However, based on the evidence, it was held that consent had not been given and, even if it had, such consent would have been irrelevant, as valid consent could only have been provided by The Queen.

In assessing the criteria set out under s4(1)(d) of the Act, it was necessary to decide whether use of the Sign would be “likely to lead persons to think that the applicant either has or recently has had

royal patronage or authorisation”. In light of the public’s awareness that the royal household employs butlers and the importance attached to the observance of correct etiquette in royal circles, it was held that it was likely that for at least some services the holder of a trade mark featuring the words “the Royal Butler” would be assumed to be someone who holds, or previously held, the official title in the royal household.

DIVISION AND DECISION

The HO therefore divided the services applied for into two main groups: “educational services” and “entertainment services”. For “educational services”, the assumption of royal patronage was considered likely, but perhaps this would be less so in relation to “entertainment services”. However, as entertainment covers a broad range of services (the example of a “serious” butler entertaining guests at Madame Tussauds was given), it was ultimately held that royal patronage was also likely to be assumed here. As a result, the application was refused under s3(5) and s4(1)(d) of the Act, subject to any appeal.

KEY POINTS

+

This decision reiterates the importance of public perception where a mark may indicate royal patronage in the context of the relevant goods or services

+

Although approval is not necessarily required for every trade mark that incorporates the word “royal” in relation to any goods or services, where royal patronage is likely to be perceived, consent can only be provided by The Queen

MARK



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Karma confusion

The consumer would see the connection, explains Gavin Stenton

The UK IPO has upheld an opposition by Biogroupe (the Opponent) against Fruitfina Ltd's (the Applicant) UK trade mark application for KARMA (the Contested Mark) for "alcoholic beverages (except beers)" in class 33 on the basis of a likelihood of indirect confusion with the Opponent's Earlier Marks (shown below).

The Opponent invoked s5(2)(b) Trade Marks Act 1994 (the Act), relying on UK and EU trade mark registrations covering (among other goods): "coffee; tea; sugar; artificial coffee; preparations made from cereals; honey; yeast; vinegar" in class 30, plus "beers; mineral and aerated waters and other non-alcoholic [beverages]; fruit [beverages] and fruit juices; syrups and other preparations for making beverages" in class 32.

The UK IPO held that the class 33 goods of the Contested Mark were dissimilar to the Opponent's class 30 goods, but similar (albeit to a low degree) to its class 32 goods. In particular, it found the Opponent's "beers" to be similar to "alcoholic beverages (except beers)" due to both goods being alcoholic, having the same purpose (of being an intoxicant), sharing the same users (adults aged over 18) and having the same distribution channels (pubs, bars and restaurants, and the same section of retail premises). The UK IPO also found the Opponent's "other non-alcoholic beverages" to be similar because, in addition to the aforementioned reasons (intoxicant aside), the Earlier Marks included non-alcoholic versions of alcoholic beverages.

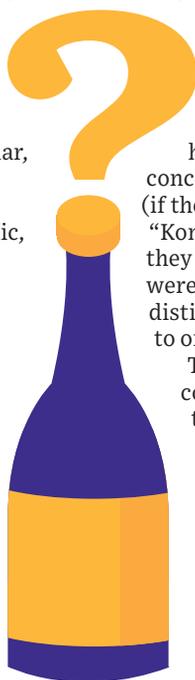
The UK IPO went on to establish that the average consumer was over the age of 18 and that the goods

were an inexpensive and reasonably frequent purchase conducted primarily on a visual basis. It concluded that at least a medium level of attention applied.

The UK IPO noted that while the Earlier Marks are a composite arrangement consisting of a figurative element (a pair of eyes) placed above the words "Karma" and "Kombucha", the dominant element is the word "Karma". The word "Kombucha" was found to be descriptive in respect of some of the Opponent's goods and distinctive in respect of the other goods, but of secondary importance in terms of the overall impression of the mark due to its smaller size and subordinate position. The figurative element was found to "make a visual impact" but to be of less importance than the verbal elements.

The marks were found to be visually similar to a medium degree, aurally identical (where "Kombucha" was not pronounced), highly similar (where it was), conceptually similar to a high degree (if the meanings of "Karma" and "Kombucha" are known) and neutral if they are not. Further, the Earlier Marks were considered to be inherently highly distinctive because they did not allude to or describe the goods in question.

The UK IPO held that the average consumer would not directly confuse the marks, but that there would be indirect confusion. The common, highly distinctive "Karma" element meant that the average consumer would likely perceive the Contested Mark as a "plausible brand extension" and the marks as being connected to the same economic undertaking. Consequently, the UK IPO upheld the opposition.



KEY POINTS

✦ This case presents a useful reminder that additional verbal or figurative elements do not necessarily detract from or dilute a particularly distinctive element contained in a composite mark

✦ In respect of indirect confusion, the consumer may recognise that the later mark is different from the earlier mark but nevertheless conclude that it is likely to originate from the same or related economic undertakings

MARK

BIOGROUPE'S
EARLIER MARK



UK No. 3044869 and
EU No. 14682132



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Case turns on common ground

Emmy Hunt reveals why an overlapping public played a key part

The General Court (GC) has upheld Brouwerij Haacht's (Haacht) opposition against Novomatic AG's EU trade mark application for PRIMUS for gambling and gaming machines and apparatus in class 28, based on Haacht's earlier rights for PRIMUS for alcoholic and non-alcoholic beverages. The GC upheld an earlier Board of Appeal (BoA) decision finding no likelihood of confusion, but there was sufficient evidence of reputation for a favourable outcome under Article 8(5) EUTMR.

BACKSTORY

Novomatic AG, a games equipment manufacturer, sought to register PRIMUS for various class 28 goods but was opposed by Haacht, the Belgian brewer of PRIMUS-branded beer. Haacht's opposition was based on earlier Benelux and EU rights for PRIMUS, covering alcoholic and non-alcoholic beverages in classes 32 and 33. Haacht claimed a likelihood of confusion and reputation in PRIMUS under Articles 8(1)(b) and 8(5).

The EUIPO's Opposition Division found neither likelihood of confusion nor reputation in the earlier PRIMUS mark. However, Haacht succeeded on appeal based on its reputation in PRIMUS, despite there being no likelihood of confusion.

BoA BACKED

Novomatic claimed that the BoA's finding of reputation was based on presumptions and probabilities. In fact, Haacht had submitted significant evidence to show its reputation in PRIMUS, but much of this showed stylised marks and additional elements. The GC applied the rule that the mark in use may differ from that registered only in elements that do not alter the distinctive character of the mark and found satisfactory use of PRIMUS.

Some of Haacht's evidence of reputation showed use after Novomatic's filing date, and Novomatic sought to exclude some evidence because it had not been translated into English, was undated or post-dated the



application. (Notably, Novomatic did not request translation during the proceedings and therefore had responded to untranslated evidence.) The GC adopted a holistic approach and considered undated evidence where it supported other evidence and evidence post-dating Novomatic's application where it enabled conclusions to be drawn regarding reputation as of the application date. The GC upheld the BoA's approach.

Having found sufficient evidence of Haacht's reputation for lager beers in Belgium, the GC considered whether a link existed. It determined that the relevant public of both parties overlapped. The Applicant targeted a professional public in the gaming and gambling sector, while the Opponent targeted those operating bars and drinking establishments. Both also targeted the general public. The relevant public overlapped insofar as professional consumers of gaming and gambling machines were likely to be aware of the earlier mark's reputation and both gaming and gambling machines and beer were commonly found in pubs and bars. A link therefore existed in the mind of the relevant public, despite the dissimilarity of the goods.

KEY POINTS

- ✦ Request translations of evidence early, and avoid responding to untranslated evidence
- ✦ A link is different to a likelihood of confusion. If there is evidence to show a link, it doesn't matter that the goods are dissimilar
- ✦ Consider the relevant public, and remember that the end consumer is not the only consumer



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Making room for Messi

Dominic Farnsworth analyses a ruling that left the way clear for a footballer's mark

On 17th September 2020, the CJEU issued a judgment that should finally clear the way for footballer Lionel Messi to register a figurative mark, shown below, which he first applied for in August 2011. The extent of Messi's fame (as a professional footballer for FC Barcelona and Argentina) ultimately proved a pivotal issue in deciding the outcome of the case. Despite the visual and phonetic similarities between the "Messi" word element of the mark applied for and the Opponent's earlier MASSI word marks, the CJEU agreed with the General Court (GC) that these were outweighed by the conceptual difference between the marks, resulting in particular from the fame of Lionel Messi among the relevant public.

Lionel Messi had applied to register an EU trade mark for the figurative mark in respect of a range of clothing, footwear, headgear, gymnastic and sporting articles and protective gear across classes 9, 25 and 28. His application was opposed by the proprietor of two earlier marks registered for the word mark MASSI in respect of sports clothing, footwear, headgear and a variety of helmets and protective clothing for cycling, also across classes 9, 25 and 28.

Both the Opposition Division in 2013 and the Board of Appeal at the EUIPO in 2014 held that the MESSI application should be refused. They accepted the Opponent's argument that the high level of similarity between the dominant elements of the marks, combined with the near identity of subject matter, meant that there was a likelihood of confusion between the marks under Article 8(1)(b) Regulation 207/2009. The relevant public for such goods would be average consumers across the EU – reasonably well-informed, circumspect and observant – and only part

of that public would make any conceptual differentiation between the marks.

EARLIER APPEALS

Lionel Messi successfully appealed to the GC, which in 2018 annulled¹ the EUIPO's decision, broadly holding that the average consumer of the goods in question (sports equipment/clothing) would associate the term "Messi" with the famous footballer, resulting in a conceptual difference from "Massi" that would sufficiently counteract the visual and phonetic similarities between the marks.

Both the EUIPO and the proprietors of the MASSI mark then appealed to the CJEU to overturn the GC's ruling. While those appeals were unsuccessful, a number of points in the CJEU's reasoning are worthy of further elaboration.

HOW FAMOUS IS MESSI?

The EUIPO's sole ground of appeal was to argue that the GC had failed to consider that a minority of the relevant public might not associate the term "Messi" with the famous footballer, and that this minority might be significant enough to undermine the suggested conceptual distinction between MASSI and MESSI. The CJEU dismissed this argument, saying that it relied upon a misreading of the GC ruling, which had found as a matter of fact that the proportion of the relevant public who would not make such an association with Lionel Messi would be negligible.

WAS FAME RELEVANT?

The proprietor of the MASSI mark put forward four grounds of appeal. The first and fourth grounds both argued that the GC had been wrong to take account of the fame of Lionel Messi as the person whose name was applied for, given that CJEU case law said that only the reputation of the earlier mark was relevant when considering likelihood of confusion. If this were not the case, the proprietor argued, the door would be left open to "all famous

“ *The visual and phonetic similarities were outweighed by the conceptual difference* ”

“Fame can generate a conceptual distinctiveness for a potential name mark”

people [to] have the right to automatically register their name as a trade mark, irrespective of whether earlier practically identical marks exist”.

The CJEU firmly rejected this argument. What settled case law actually established was that: (1) the assessment of likelihood of confusion requires a global assessment, taking into account all relevant factors; (2) such a global assessment as regards visual, phonetic or conceptual similarity would be based upon the overall impression that both signs produced, taking into account any distinctive or dominant elements; and (3) while such a global assessment would certainly take into account the reputation of the earlier mark, “account must also be taken of the possible fame of the person applying for his name to be registered as a trade mark, since such fame can clearly have an influence upon the perception of the [applied for] mark by the relevant public.”

THE POWER OF “WELL-KNOWN FACTS”

The other two grounds of appeal argued that the GC had been wrong to treat knowledge of Lionel Messi’s surname “throughout Europe” as a well-known fact that the BoA should have taken into account, citing for example Lithuania, “where the main sport is basketball and where football is of little significance”. They also claimed that Lionel Messi had wrongly been allowed to introduce new evidence as to his fame at the GC stage.

Again, the CJEU dismissed these arguments. It was not for the CJEU to interfere with the GC’s factual findings, and to the extent that Lionel Messi had introduced a new claim (that his fame extended beyond sport), that too was something that the GC was entitled to treat as a well-known fact.

One important issue was left undecided – it was argued by the Opponents but dismissed by the CJEU as having been raised too late in proceedings – as to whether the GC may have moved too swiftly from accepting the “well-known fact” of Messi’s fame to a conclusion that consumers would associate that name with a specific mark as a commercial origin of goods distinct from the MASSI brand. It’s a sobering reminder for practitioners that one needs to be meticulous to ensure that pleadings fully comply with all of the procedural rules,



otherwise – after nearly nine years of challenges – fundamentally important questions can remain unanswered by the CJEU.

While it would be an exaggeration to state, as the Opponents argued, that this ruling leaves the door open to all famous people “to automatically register their name as a trade mark”, it probably does move the balance a little in that direction, particularly for those whose fame amounts to a “well-known fact” across Europe. It helpfully clarifies that such fame can generate a conceptual distinctiveness for a potential name mark, even in circumstances where a likelihood of confusion might otherwise have been fatal to the application. But it perhaps remains uncertain how famous you have to be before the courts will give you the Messi treatment.

The judgment in this case is available in Spanish and French only.

1 T-554/14, Lionel Andrés Messi Cuccittini v EUIPO, judgment of 26th April 2018.

KEY POINTS

- +
- The fame of an applicant is relevant when assessing potential confusion between its “famous name” application and a similar earlier mark
- +
- Extreme fame can amount to a “well-known fact”
- +
- Important questions were left unanswered due to late pleading

MARK



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Grey area gains ground

Adrian Dykes fills us in on why the idea of descriptiveness was not quite black and white



If you have not purchased a scarf labelled “scarf” or a wallet labelled “wallet” recently, or if you missed Hailey Bieber’s wedding dress, or if you’re not one of DJ Virgil Abloh’s 5.6 million followers on Instagram, you may be forgiven for not knowing about Off-White. Abloh founded the fashion brand in 2012, and has described the label as “a bridge between the vigour of streetwear and the precision of couture”. The name apparently refers to “the grey between black and white”.

However, Off-White has found itself in a three-year battle with the EUIPO regarding the registration of its house mark, OFF-WHITE (shown opposite), for a typical range of fashion goods outside class 25, namely goods in class 3 (toiletries), class 9 (sunglasses, glasses, mobile phone accessories), class 14 (jewellery) and class 21 (bedding). The Examiner initially rejected the Application for all goods on the grounds of descriptiveness, concluding that the mark was merely the colour of the goods and it therefore lacked distinctiveness. The Applicant argued that “off-white” was not a single colour, that

consumers could interpret it as a range of shades of white, yellow and grey, and that the nexus to the goods was absent, as consumers are aware that the goods are offered in different colours. Further, the stylisation enhanced the distinctiveness beyond the minimum threshold, and “off-white” has several meanings relating to street culture, as set out in the Urban Dictionary.

The Examiner did not consider herself bound by the fact that the word mark OFF-WHITE had been registered as an EU trade mark in classes 18, 25 and 35 some four years earlier, or the fact that the similar marks SURFACE WHITE, WHITE BLUR and WHITE SELECTION had been registered for similar goods. The Examiner did, however, backtrack on her objection for class 3 goods.

Nonetheless, relying on DOUBLEMINT¹, she held that the mark could simply refer to the colour of the goods and that the degree of stylisation lacked originality. She rejected the mark for all goods in classes 9, 14 and 20.

The Applicant then developed the same arguments before the Board of Appeal (BoA)

and was partially successful, with the objection being waived in relation to certain class 14 goods, namely jewellery items made of precious metals/alloys, because “off-white” was not a relevant colour description for these types of goods. The objection was maintained in relation to classes 9 and 20, and class 14 goods such as watches, watch bands, clocks and jewellery cases, with the BoA maintaining that “off-white” clearly and directly referred to a visual aspect of the goods, namely their colour.

LATEST APPEAL

Next, the Applicant appealed to the General Court (GC) on two grounds, first arguing that the EUIPO had failed to apply Articles 7(1)(b) and (c) EUTMR correctly, and then that the BoA’s decision amounted to unequal treatment and conflicted with principles of sound administration and legal certainty. Finally, the Applicant claimed that the BoA had failed to explain why it did not follow earlier EUIPO decisions.

On descriptiveness, the GC found that the parties were essentially at one on their interpretation of the colour off-white: the range of colours argued by the Applicant and the dictionary definition of grey/yellowish white relied on by the EUIPO were essentially the same thing. It did not matter that a consistent shade of off-white would not be understood by consumers; what mattered was that it would be perceived as a shade of white. Other potential meanings advanced by the Applicant were held to be irrelevant.

The question, therefore, was whether there was a sufficiently direct and specific relationship between the term “off-white” and the goods objected to by the Office, such that the relevant public would immediately perceive, without a further thought, that “off-white” described the goods or one of their characteristics, which the GC confirmed included colour.

The Applicant argued that goods have many characteristics. For example: glasses improve sight to various degrees, protect the eyes and have lenses of different qualities. All goods have one or more colours, and consumers will not automatically think that the goods are actually “off-white” when confronted with the sign. The Applicant argued that the names of colours are only descriptive for special categories of goods, such as orange juice and green tea.

The EUIPO argued that fashion goods are typically acquired by consumers on the basis of their visual impact, which includes their colour, and “off-white” brings qualities of elegance and discretion to particular goods.

“ *The EUIPO sometimes appears to get entrenched in a position contrary to its own earlier decisions and out of step with consumers’ perception of trade marks* ”

RANDOM ASPECT

The GC was not convinced. While “off-white” could refer to a possible colour variation for the goods, it did not constitute the sole or even predominant colour. “Off-white” was a purely random and incidental aspect which may reflect the colour of some of the goods, but it did not have a direct and immediate link to the nature of the goods. The GC did not consider it reasonable to believe that the relevant public would see “off-white” as descriptive of an intrinsic characteristic inherent to the nature of the goods, and therefore allowed the appeal in relation to descriptiveness.

As the EUIPO’s conclusion on a lack of distinctiveness was based on the finding of descriptiveness, the appeal was also allowed in relation to distinctiveness. The GC did not go on to consider the stylisation or the other grounds advanced by the Applicant.

This series of cases will be familiar to some users of the EU trade mark system. The EUIPO sometimes appears to get entrenched in a position contrary to its own earlier decisions and out of step with consumers’ perception of trade marks. Even so, this is a useful reminder of the threshold requirement for descriptiveness: there must be a sufficiently direct and specific relationship to the goods or services in question such that the relevant public immediately perceives, without further thought, a description for the goods or a characteristic of the goods.

This decision is good news for trade mark owners seeking to secure word marks for unusual colours. The GC has now confirmed that registration is absolutely possible if the colour is not descriptive of an intrinsic characteristic which is inherent to the nature of the goods.

1 C-191/01 P, OHIM v Wrigley

KEY POINT

✦ To meet the threshold requirement for descriptiveness, there must be a sufficiently direct and specific relationship to the goods or services in question, such that the relevant public immediately perceives, without further thought, a description for the goods or a characteristic of the goods

MARK

OFF-WHITE



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The power of perception

Users didn't see origin in the colour of their inhalers, Dale Carter discovers

Non-traditional trade marks, including shape and colour marks, are notoriously difficult to register. When it comes to protecting such marks at the EU level, the difficulties facing applicants increase considerably. In this decision, even Glaxo Group Ltd, a multinational pharmaceutical company with considerable EU sales, was unable to satisfy the evidential burden for proving that its colour mark had become distinctive through use in the EU.

PROGRESS OF A PANTONE

Glaxo had filed an EU trade mark for the colour mark Pantone 2587C in 2015, covering pharmaceutical preparations and inhalers for the treatment of asthma and/or chronic obstructive pulmonary disease in classes 5 and 10. Glaxo uses Pantone 2587C on inhalers sold in the EU.

The application was rejected under Article 7(1)(b) EUTMR, but later accepted after Glaxo filed evidence of acquired distinctiveness through use. Glaxo's evidence consisted of, *inter alia*, samples of marketing materials (in 15 Member States), sales and market share data (in all Member States), and survey data and information from various sources demonstrating recognition of the mark among the relevant public (in various Member States).

However, following receipt of third-party observations, the EUIPO reversed its acceptance, rejecting Glaxo's application for lack of distinctiveness both inherent and acquired. The Examiner held that inhalers are classified by colour, with "each colour designating a type of medicinal product".

Glaxo appealed, unsuccessfully, to the Board of Appeal (BoA). Based on the evidence, the BoA held that the colour referred to the main active ingredients of the medicines, their intended use and their characteristics. Accordingly, the mark was deemed to be descriptive. The BoA also held that in the pharmaceuticals market there was a

“ *Informally agreed colour conventions undermined Glaxo's claim regarding an indication of origin* ”

“specific interest” in colours being kept free for others to use, particularly from the perspective of users of respiratory inhalers. The evidence provided by Glaxo was held to be “insufficient to show that the mark applied for had acquired distinctive character in every Member State.”

GC APPEAL

On appeal to the General Court (GC), Glaxo claimed infringement of Articles 7(1)(b) and 7(3). Under Article 7(1)(b), Glaxo argued that the BoA had been incorrect to find that the relevant public made a connection between the colour and the characteristics of the goods. There was no legislative or regulatory requirement or convention restricting the use of colour, said Glaxo. Glaxo also argued that the goods at issue were marketed in a wide variety of colours and that consumers understood that colour could designate origin. Pantone 2587C had been selected because of its “unusual, unique and memorable character and because of the fact that it had not been used by any other competitor”.

The GC reflected upon the public interest underlying the registration of colour marks and the effect that colour depletion could have on the goods in question, potentially giving rise to a monopoly that would create a competitive advantage for a single trader. The GC then reiterated that “colours and abstract combinations thereof cannot be regarded as being inherently distinctive, save in exceptional circumstances”.



The GC noted that manufacturers do sell inhalers in a variety of colours, but that informally agreed colour conventions existed in the inhaler market. Glaxo was found to have followed such practices when changing the colour of some of its respiratory inhalers in certain EU markets. The GC also found that Glaxo had used various shades of purple on its “disc” and “boot-shaped” inhalers. In some instances, the shade of purple was linked to the strength of the medicines (a darker shade denoting greater strength). This undermined Glaxo’s claim that the relevant public would perceive 2587C as an indication of origin.

In response to Glaxo’s argument that the colour selected is “unusual, unique and memorable”, the GC stated that “novelty or originality are not relevant criteria in the assessment of whether a mark has distinctive character”. The GC held that the Board had not erred in finding that the mark was devoid of inherent distinctive character.

UNSUCCESSFUL ARGUMENTS

Glaxo also alleged infringement of Article 7(3) EUTMR because the Board erred when assessing the relevant public, survey evidence

and in failing to extrapolate from the surveys. This ground of appeal was also unsuccessful.

As regards the relevant public, Glaxo argued that it was sufficient to show that the mark had acquired a distinctive character among a significant section of the relevant public (healthcare professionals) rather than all sections of the relevant public. The GC rejected this argument, stating that origin function is “as important for the end user of a product as for the intermediaries who are involved in its marketing”.

As regards Glaxo’s survey evidence, this was not capable of demonstrating that the mark had acquired distinctive character through use. Consequently, the results could not be extrapolated to other Member States. The GC noted that Glaxo’s opinion surveys were carried out among GPs, pharmacists and patients in 15 Member States. However, the surveys targeting patients covered only 10 Member States and approximately 1,500 individuals. The survey evidence was not supported by information that would allow an assessment of how representative the patient sample was and therefore the probative value of the surveys could not be assessed. The numbers of patients and GPs surveyed were considered “much too low to be reliable”. Other criticisms of Glaxo’s evidence included only one colour sample being presented to survey participants and different colour shades being used in the surveys. Other evidence referred to the colour purple in general terms, rather than the specific Pantone shade at issue. Without direct evidence of distinctive character having been acquired, Glaxo’s sales figures and advertising materials, while significant, did not demonstrate that the relevant public perceived the mark as an indication of origin.

Key to this case was the perception of colour among users of respiratory inhalers. Asthma sufferers often identify the colour of an inhaler with the effect of the associated medicine: a blue-coloured pump being recognised as a ‘preventer’ treatment and a purple-coloured pump being recognised as a ‘reliever’ treatment. Among this section of the relevant public, colour plays no origin function, and this was reflected in the evidence and the practices of the relevant sector. In light of this, Glaxo’s evidence fell short of the required standard.

KEY POINTS

- ✦ Save in exceptional circumstances, colour marks will not be considered inherently distinctive
- ✦ Novelty or originality are not relevant criteria in the assessment of whether a colour mark has distinctive character
- ✦ When proving acquired distinctiveness under Article 7(3) EUTMR, without the support of direct evidence of distinctive character, even significant sales figures will not demonstrate that the relevant public perceives a mark as an indication of commercial origin

MARK



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Moon Boot fails to land

Lack of distinctiveness crashed this case, says Catherine Byfield

The EUIPO Board of Appeal (BoA) has dismissed an appeal filed by Tecnica Group SpA (Tecnica) against a successful cancellation action filed by Zeitneu GmbH (Zeitneu). The BoA found that the registration for a Moon Boot 3D trade mark (shown below) did not depart from the norms and customs of the footwear sector.

The cancellation action was filed in 2017 on the basis of Article 59(1)(a) EUTMR, in conjunction with Article 7(1)(b), (c), (d) and (e). A non-distinctiveness objection raised by the EUIPO had been overcome without acquired distinctiveness when the application was filed in 2012.

The evidence was found to demonstrate that there was little variety in the shapes of “after-ski” boots, made of similar materials, with variations limited to design or technical features. It was held that the relevant public would not distinguish the contested sign as it did not depart sufficiently from the norms and customs of the sector. The registration was cancelled in respect of footwear and related goods.

Tecnica’s position on appeal was that the similar boots evidenced by Zeitneu originated from Tecnica, or were either licensed variants or short-lived imitations. Tecnica emphasised its enforcement programme, providing cease-and-desist letters and license agreements. It argued that it had policed the mark and that capitulation by third parties demonstrated its perceived distinctiveness. Zeitneu disputed this.

SECTOR NORMS

As per established case law, a 3D mark consisting of the shape of the product must diverge appreciably from the shape that is

expected by the consumer and depart significantly from the norms or customs of the sector. The fact that the average consumer here was the general public (with an average degree of attentiveness) played an important role, combined with obvious design considerations for items of footwear.

The description of the mark contained in the registration provided the basis for a list of the main features of the boot. Tecnica also provided a list of features, which included terms the BoA concluded were either technical, functional or not a feature of the contested sign.

When trying to demonstrate the differences in competitor products at the time of launch and filing, the BoA found that the images supplied by Tecnica appeared to show many features in common. Also highlighted was a reference by a German lawyer to “this kind of foamed winter boot” during discussions following a cease-and-desist letter, which alluded to a generic boot shape of this type in Germany.

References to the existence of imitations produced by well-known clothing brands, however short-lived, constituted an admission of other versions of the boot on the market. Even illegal copies of a 3D product shape mark influence consumer perception, preventing the belief that all boots with that appearance originate from the same party. Ultimately, the BoA felt that consumers may associate the boot in question with Tecnica but not exclusively so.

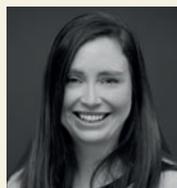
The evidence filed by Tecnica itself seems to have been most damning here. The images it provided do seem to indicate third-party use of a similar shape and features from the point of view of the general public. Tecnica has now filed an appeal to the General Court.

KEY POINTS

When the decision maker has a large volume of evidence to review and the content is crucial to the outcome of a case, clear presentation is important, to allow for an effective review

When preparing a detailed assessment, remember the relevant point of view. Would the average consumer be able to distinguish the contested mark from third-party products?

MARK



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Clearly cannabis

Ciara Hughes clarifies why a claim of word play wasn't convincing



KEY POINTS

- + An obvious misspelling of a descriptive word is not enough to avoid an objection under Article 7(1)(c)
- + An inventive argument on how the mark constitutes a play on words will likely fail to sway the BoA
- + References to similar marks that have achieved registration are seldom persuasive in isolation

In April 2019, Mr Thomas Kunkel (the Applicant) applied to register the word mark CANNUBIS at the EUIPO in respect of “toiletries”, “nutritional supplements”, “coffee, teas and cocoa and substitutes therefor” and “soft drinks” in classes 3, 5, 30 and 32. The application was refused on the grounds of Article 7(1)(b) and (c) EUTMR, in conjunction with Article 7(2). The Applicant appealed.

The First Board of Appeal (BoA) upheld the Examiner's decision. The BoA agreed that the mark was a clear misspelling of “cannabis” but left open the question of whether the Examiner's reliance on a Google search for “cannubis”, which automatically redirected to results for “cannabis”, was sufficient to support the refusal. Noting that for English speakers, both “cannabis” and “cannubis” would be pronounced with the emphasis on the first syllable, the BoA concluded that the change in the second vowel sound from “a” to “u” would go almost unnoticed from an aural perspective.

On the basis that cannabis and hempseed oil are commonly used in small quantities in cosmetics, medicines, foodstuffs and beverages due to the vitamin, mineral and fibre content, the BoA held that “cannubis” was descriptive of a property of the goods applied for. Since “cannubis” was not sufficiently far removed from the word “cannabis”, the mark applied for also consisted of an indication that served to designate the intended purpose of the goods applied for.

SHORT SHRIFT

The BoA rejected the Applicant's argument that the mark constituted a play on words, combining the word “cannabis” and the

name of the ancient Egyptian god Anubis, as it considered that consumers of toiletries and foodstuffs were unlikely to establish such a connection with Egyptian mythology.

The Applicant had referred in his arguments to other similar marks filed in relation to similar goods in classes 3, 5, 30 and 32, which were accepted for registration. These include CANNABIN, CANNABIA and CANNABI. The BoA gave characteristically short shrift to this argument, issuing a reminder that it is

not bound by previous registrations, Examiners' decisions or even the examination guidelines.

EXPECTED OUTCOME

Although not particularly surprising, this decision serves as a reminder that a slight change to a descriptive word will rarely be sufficient to avoid an objection under Article 7(1)(c), and that merely presenting a creative

argument about how the mark constitutes a play on words and referring to similar marks which were accepted for registration is very unlikely to persuade the Examiner or the BoA to reverse their initial findings. Essentially, the takeaway here is that “cannubis” is far too close to “cannabis” – an expected, but accurate, outcome.

The decision was originally published in German; unofficial machine translation used.

“*Creative arguments about how the mark constitutes a play on words are very unlikely to persuade the BoA*”



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How to throw a case

Unfortunate remarks helped to cement the invalidity argument, reports Sarah Williams

On 7th February 2014, Pest Control Office Ltd (the Proprietor) applied to register the FLOWER THROWER trade mark shown below for goods and services in a range of classes. The mark proceeded to registration at the EUIPO on 29th August 2014 (EUTM No. 12575155). The Proprietor is a limited company formed by a representative of the secretive graffiti artist Banksy.

On 12th March 2019, Full Colour Black Ltd (the Applicant) applied for a declaration of invalidity on the registration against all of the goods and services on the grounds of bad faith under Article 59(1)(b) and 59(1)(b) and (c) EUTMR.

FULL PICTURE

The Proprietor's FLOWER THROWER image was first created in 2005 and registered for a range of goods and services across 11 different classes. The image also appeared on the cover of *Wall and Piece*, a book released by Banksy in 2006 and in which, notably, Banksy states that "copyright is for losers".

The main argument raised by the Applicant was that the trade mark was registered in bad faith as the Proprietor had no intention to use it. It was argued that the registration was obtained because Banksy could not enforce his copyright while maintaining his anonymity.

Following the filing of the invalidity action, Banksy set up a store in London – which was not open to the public – under the name Gross Domestic Product. He also opened an online

shop. However, he then stated in several publications that he "was merely trying to fulfil the trade mark class categories to show use for these goods". Ultimately, this was deemed not to be genuine use of the trade mark and to be inconsistent with honest practices for the purposes of bad faith.

When reaching its decision, the Cancellation Division (CD) stated that there is no precise definition of the term "bad faith" and that it is "subjective based on the applicant's intentions".

“
Merely trying
to fulfil the
class categories
to show use is not
genuine use of
the trade mark

RELEVANT PERIOD

There was much discussion surrounding the "relevant period". While the relevant point at which to show bad faith in connection with a contested registration is the date that an application is filed, it was deemed that evidence both prior to and after that date can be relevant as it can show

the Proprietor's intentions at the time of filing.

Using earlier case law as its basis, the CD found that bad faith may apply if the Proprietor never intended to use the trade mark or if the intention in filing the trade mark was to obtain an exclusive right for purposes other than those falling within the functions of a trade mark. It decided that the Proprietor's actions were "inconsistent with honest practices" as it had "no intention to use the EU trade mark according to its function and thus it was filed in bad faith".

Given that the CD had found in favour of the Applicant regarding bad faith, the remaining grounds were not considered.

KEY POINTS

- + Graffiti is not carried out with the permission of the property owner and is carried out in commission of a criminal act. To such extent, no copyright rights may accrue from such work (or there is an argument that the copyright may be assumed to be gifted to the property owner)
- + Evidence before and after the relevant time period can show the intention for the relevant period

MARK



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Our events

An action-packed year is in the offing

Whether online or in person, we are ready to provide you with plenty of learning and networking opportunities in 2021.

From January through to April, we have an exciting line-up of events planned online to keep you up to date, to support your continuing professional development and to help you stay connected with the profession.

For example, our biennial Design Seminar is set to take place on 3rd and 4th March, so make sure you save the date.

We're also pleased to announce that our Spring Conference will be going ahead early next year. We will be in touch with more information soon, so please watch this space.

Our fingers are crossed that we'll be able to begin delivering in-person events from May onwards. And don't forget to mark your calendar for 3rd December, when our London Christmas Lunch is set to make its comeback.

Reflecting on 2020

Over the past 12 months, like so much else in our lives, our events programme needed to change and adapt. We have brought you more webinars and online events than we ever have done before, providing you with the high level of learning and networking you expect.

As well as our expanded webinar series, we hosted a series of virtual coffee mornings to keep members connected. On top of this, we hosted our first ever virtual Autumn Conference on a brand-new digital platform, which brought in a record number of delegates.

We'd like to thank our events committee for its support in adapting our programme during this difficult time.

We look forward to connecting with you at one of our events in the new year.

COMING UP IN 2021



Design Seminar:
3rd-4th March



Spring Conference:
Date TBC



London Christmas Lunch: 3rd December

THE TRADE MARK 20

Q&A



Isadora Schumacher

is looking forward to a new life in London

I work as... Head of the International Practice at Mansur Murad Advogados, São Paulo, Brazil.

Before this role, I was... studying for the Intellectual Property LLM at Queen Mary University of London and working as a Trade Mark Assistant at Bird & Bird (IP Services).

My current state of mind is... excited that I'll shortly be getting married and starting a new life in London. I'll finally be able to progress the opportunities that Mansur Murad has been patiently waiting to put into practice. After all the delayed plans, it still feels unreal!

I became interested in IP when... I joined the IP study group at my university and discovered that it involved subjects I was passionate about, such as fashion and movies.

I am most inspired by... teamwork. Being part of a team with a common purpose motivates me to work hard.

In my role, I most enjoy... dealing with different cultures and clients. I also enjoy searching for new trends in trade mark law and brand strategies.

In my role, I most dislike... tight deadlines. I'm extremely organised, so I don't enjoy last-minute requests messing up my schedule.

In my pocket is... lip balm to protect against the cold weather.



“

After all the delayed plans, the move still feels unreal!

On my desk is... water, a book about trade marks and my notebook. I love making notes throughout the day.

My favourite mug says... nothing, but it is in the shape of the Genie from *Aladdin*.

My favourite place to visit on business is... anywhere. I love travelling and meeting people, so I always have a great time meeting current and new clients.

I can't live without... breakfast. I love having a few minutes to relax or talk to my fiancé before I start working.

If I were a trade mark or brand, I would be... Natura. I admire its work to evolve and grow in the beauty sector. Nowadays, it's an important name in terms of innovation and diversity.

The biggest challenge for IP is... keeping up with technology and globalisation, which have changed the way consumers perceive brands.

The talent I wish I had is... photography. My sister always complains about my lack of skill in taking “Instagrammable” pictures.

My ideal day would include... exploring a new city with my fiancé.

The best piece of advice I've been given is... you have to work hard and put in the effort in order to reach your goals.

When I want to relax I... read a book or crochet some Japanese characters called *amigurumis*.

In the next five years I hope to... expand the firm's practice and our UK and European client base. I'd also like to travel more to visit my family in Brazil and my in-laws in South Korea.

The best thing about being a member of CITMA is... the sense of community. I recently joined and have already attended some seminars and read some interesting articles.

A QUALIFIED/PART-QUALIFIED TRADE MARK ATTORNEY

A TRAINEE TRADE MARK ATTORNEY

Tomkins is one of Ireland's oldest and largest firm of Patent and Trade Mark Attorneys. A Tier 1 firm, we have a rapidly growing, enviable client base, managed by a team of enthusiastic, friendly and experienced Attorneys. To meet the expanding needs of the Trade Mark Team, we are seeking to hire a part-qualified or qualified Trade Mark Attorney, as well as a Trainee Trade Mark Attorney, too. The successful candidate(s) will be involved in providing the full range of Trade Mark services to a variety of interesting and dynamic clients, both domestic and international.

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Wishing you all a very

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CHRISTMAS**

and a Happy New Year!

*For all your attorney and support
needs, now or in the New Year,
please get in touch...*

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