

## TRADE MARKS

## Decisions of the GC

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC <b>T-11/14</b> <i>Grundig Multimedia AG v OHIM</i> (21.01.15)</p>	<p><b>PIANISSIMO</b> - engines, alternators, generators, machines for manufacturing, treating, or washing fabrics, sewing machines, industrial robots with the same functions as above, pumps, electrical appliances, vacuum cleaners (7)</p>	<p>The GC upheld the BoA's decision to reject the application on the basis that the mark was devoid of distinctive character under <b>Art 7(1)(b)</b>.</p> <p>The BoA had correctly identified the relevant public as Italian speakers. For those Italian speakers, one of the meanings of PIANISSIMO was 'extremely silent', or at least, the word referred to a very low sound volume.</p> <p>In the light of the characteristics of the relevant goods, the use of which was associated with noise, the GC held that the relevant public would perceive the mark as a promotional formula which indicated that those goods functioned silently.</p> <p>The BoA was correct to conclude that the mark would not be perceived by the relevant public as an indicator of origin for the relevant goods, but rather as the description of one of their characteristics. The mark therefore did not have the distinctive character required under <b>Art 7(1)(b)</b>.</p>
<p>GC <b>T-188/14</b> <i>Grundig Multimedia AG v OHIM</i> (21.01.15)</p>	<p><b>GENTLE CARE</b> - machines for manufacturing, treating, or washing fabrics, sewing machines, industrial robots with the same functions as above, washing machines, vacuum cleaners (7)</p>	<p>The GC upheld the BoA's decision to reject the application on the grounds that the mark was descriptive under <b>Art 7(1)(c)</b>.</p> <p>The BoA had correctly held that, for the relevant English-speaking public, the expression 'gentle care' referred to a 'soft, not harsh or strong activity involved in maintaining something in good condition'. For the relevant public, this expression contained direct information concerning how the goods at issue functioned.</p> <p>Consequently, the connection between that expression and the relevant goods was sufficiently close for <b>Art 7(1)(c)</b> to apply.</p>

<p>GC</p> <p><b>T-133/13</b></p> <p><i>Pro-Aqua International GmbH v OHIM; Rexair LLC</i></p> <p>(22.01.15)</p>	<p><b>WET DUST CAN'T FLY</b></p> <ul style="list-style-type: none"> <li>- substances for laundry use, cleaning, polishing, scouring, soaps, cleaners and fragrances for carpet, flooring, upholstery and window treatments (3)</li> <li>- machines and tools, motors and engines (except for land vehicles), vacuum cleaners, power-operated cleaning machines and water extractors (7)</li> <li>- repair and maintenance of vacuum cleaners and other power-operated cleaners, consultation services in the field of repair and maintenance of vacuum cleaners and other power-operated cleaners (37)</li> </ul>	<p>The GC upheld the BoA's decision that the mark was not invalid pursuant to <b>Arts 52 (1)(a), 7(1)(b) and 7(1)(c)</b>.</p> <p>Under <b>Art 7(1)(c)</b>, the BoA was correct to find that the mark was not descriptive of the goods and services covered as it did not describe the way in which those goods and services operated. Furthermore it was clear that the expression could not be understood as a conventional way of describing the functionalities of cleaning appliances and cleaning tools.</p> <p>The BoA was also correct to find that the mark did not lack distinctive character pursuant to <b>Art 7(1)(b)</b>. The juxtaposition of the words 'wet dust' produced a fanciful and distinctive character. Consequently the expression 'WET DUST CAN'T FLY' called for an interpretative effort on the part of consumers. The mark possessed originality and resonance having the effect of setting off a cognitive process in the mind of the relevant consumer.</p>
<p>GC</p> <p><b>T-322/13</b></p> <p><b>T-393/12</b></p> <p><i>Kenzo Tsujimoto v OHIM; Kenzo</i></p> <p>(22.01.15)</p>	<p><b>KENZO</b></p> <ul style="list-style-type: none"> <li>- wine, alcoholic beverages of fruit, western liquors (in general) (33)</li> <li>- various services relating to wine, including retail services or wholesale services for wine (35)</li> <li>- providing electronic publications on wine, providing electronic publications on sommelier certification (41)</li> <li>- providing foods and beverages, providing temporary accommodation (43)</li> </ul> <p><b>KENZO</b></p> <ul style="list-style-type: none"> <li>- soaps, perfumery, essential oils, cosmetics, hair lotions, toothpaste (3)</li> <li>- leather and imitations of leather, belts, bags, luggage, pocket wallets, travelling</li> </ul>	<p>The GC dismissed the appeals from the BoA's decisions and upheld the oppositions under <b>Art 8(5)</b>.</p> <p>The BoA was correct to hold that there was a link between the goods in respect of which the earlier mark had a reputation (clothing, perfumes and cosmetics) and the services and goods covered by the marks applied for. As with clothing, perfumes and cosmetics, services falling within the wine sector might be part of the luxury sector. The goods of the marks at issue all projected images of luxury, glamour, good taste, success and social status. The GC held that it was possible that proprietors of trade marks for cosmetics could also be active in the alcoholic drinks sector.</p> <p>Given the substantial reputation of the earlier mark, the identity of the marks and the sophisticated and iconic image conveyed by the earlier trade mark (which could be transferred to other sectors such as wine), it was highly likely that the marks applied</p>

	sets (18) - clothing, footwear (except orthopaedic footwear), headgear (25)	for would ride on the coat-tails of the earlier trade mark.  Contrary to Kenzo Tsujimoto's submission, the fact that the marks applied for corresponded to his forename did not establish due cause for its use.
GC <b>T-123/14</b> <i>BSH Bosch und Siemens Hausgeräte GmbH v OHIM; Arçelik A.Ş.</i> (28.01.15)	<b>AQUAPERFECT</b> - electric motors (other than those for land transportation vehicles); pressured air producers, compressors; pumps; electric apparatus used in the kitchen for chopping, grinding, crushing, mixing and crumbling; dishwashers, washing machines and dryers, electrical or motor-operated floor polishing machines; electric vacuum cleaners and electric carpet washing machines and their parts (7)  <b>WATERPERFECT</b> - electrical household and kitchen machines and apparatus; electrical waste disposers; dishwashers; electric machines and devices for cleaning laundry and clothing; electric household cleaning equipment; parts for all the aforesaid goods (7)	The GC annulled the BoA's decision which found that there was no likelihood of confusion between the marks under <b>Art 8(1)(b)</b> .  The GC disagreed with the BoA's assessment that the marks only had a low degree of visual and phonetic similarity and held that the similarity was average in these respects.  The BoA had also erred in finding that there was no conceptual similarity between the marks. The word 'aqua' was a common Latin term that the average EU consumer may be assumed to know. The word 'water' could be considered part of the basic vocabulary of the English language and would therefore be understood by a large part of the relevant public (even the non-English speaking public). According to settled case law, a linguistic difference between the marks was not sufficient to exclude the existence of conceptual similarity, provided this difference did not preclude the relevant public from making an immediate conceptual comparison. The GC therefore held that the marks would be viewed by the relevant public as having the same semantic content (the element 'perfect' was common to both marks), and therefore the marks had an average degree of conceptual similarity.  In light of the above, the GC held that there was a likelihood of confusion between the marks.

### **Europcar's 'e' logo held to infringe Enterprise's 'e' CTM**

***Enterprise Holdings, Inc v Europcar Group UK Ltd & Anr\** (Arnold J; [2015] EWHC 17 (Ch); 13.01.15)**

Europcar were found to have infringed Enterprise's CTM (which consisted of a stylised 'e' logo against a green background) by prominent use of a similar logo in its own branding. Enterprise's claim for passing off also succeeded.

Enterprise and Europcar were car rental companies. For many years Enterprise had used a stylised lower case 'e' logo on a green background as a prominent part of its branding. Europcar began using a logo consisting of a stylised lower case 'e' logo on a green background (the 'e-moving logo'). It had used the e-moving logo in three ways: (i) alone; (ii) in combination with smaller, descriptive sub-brands; and (iii) in combination with the word 'Europcar' and a smaller strapline. Examples of both parties' logos are shown below:

Enterprise's logo



Europcar's logo



Relying on a number of UK Registered Trade Marks and CTMs, Enterprise sued for trade mark infringement under **Articles 9(1)(b)** and **9(1)(c)**, as well as for passing off. Before proceedings were issued, Europcar had filed cancellation proceedings at OHIM in respect of three of Enterprise's CTMs on which it relied, on grounds of non-use. Europcar requested a stay of the infringement proceedings under **Article 104** in respect of those CTMs, to which Enterprise agreed. However, **Arnold J** was critical of Europcar's subsequent refusal of Enterprise's request to lift the stay. He was of the view that the stay did not make sense given that Enterprise had clearly use the CTMs in question which was, he said, all that mattered for the purpose of the infringement claims. Furthermore, the stay had potentially exposed the parties to the need for two trials. Due to the stay, Enterprise focused its case on its CTM depicting the black and white representation of its logo which was registered in respect of, among other things, 'vehicle rental and leasing services' in Class 39.

#### Article 9(1)(b)

**Arnold J** found that the inherent and acquired distinctive character (through use in green and white) of Enterprise's mark, and the identity of the respective services, supported the existence of a likelihood of confusion. Despite the relatively low degree of similarity between the marks, the Judge was of the view that someone with an imperfect recollection of the Enterprise logo who then saw the Europcar logo could mistake the former for the latter. While the context in which Europcar had used its e-moving logo pointed away from a likelihood of confusion, the Judge considered this argument weakest in relation to the use of the e-moving logo on its own. The Judge went on to state that even in the absence of actual confusion evidence he would probably have found a likelihood of confusion as a result of use of the e-moving logo on its own. However, evidence of actual confusion in relation to the second and third categories of use led him to conclude that there was a likelihood of confusion as a result of all three categories of use, and therefore Enterprise's claim under **Article 9(1)(b)** was made out.

#### Article 9(1)(c)

**Arnold J** held that, assuming an absence of any likelihood of confusion, there would be no detriment to the distinctive character of Enterprise's mark because there was no evidence that the economic behaviour of consumers had changed or that there was a serious likelihood of this. **Arnold J** also held that Europcar's use of the e-moving logo did not take unfair advantage of the distinctive character or repute of Enterprise's mark, in part because of the low degree of similarity between the mark and sign, the context in which Europcar used the e-moving logo, and the fact that both parties were leading players in the same market sector. Therefore, had Enterprise's claim under **Article 9(1)(b)** failed, its **Article 9(1)(c)** claim would also have failed.

#### Passing off

In light of his findings in relation to the **Article 9(1)(b)** claim, **Arnold J** held that Enterprise's claim for passing off was also made out. In considering both the likelihood of confusion for the

purposes of **Article 9(1)(b)** and deception for the purposes of passing off, the Judge held that the relevant public could include residents of a foreign country given, in particular, the transnational character of the vehicle rental market.

## PASSING OFF

### Image rights

***Robyn Rihanna Fenty & Ots ('Rihanna') v Arcadia Group Brands Ltd & Anr ('Topshop')\**** (Richards, Kitchin & Underhill LJ; [2015] EWCA Civ 3; 22.01.15)

The CA dismissed Topshop's appeal from the decision of **Birss J** (reported in *CIPA Journal*, August 2013) finding that its sale of a t-shirt bearing pop star Rihanna's image without her permission amounted to passing off.

Rihanna was a famous pop star and Topshop a well-known high street fashion retailer. Topshop had sold a t-shirt which had on the front an image of a photograph taken of Rihanna by an independent photographer. The photograph had been taken during the video shoot for a single on Rihanna's 'Talk That Talk' album, and showed the artist wearing the same clothing and headscarf as she appeared on that album cover. The video had received significant press attention in the UK due to an objection by the owner of the land on which the video was filmed about the risqué clothing worn by Rihanna. Although Topshop had obtained a licence from the photographer, it did not obtain a licence from Rihanna, who brought a claim for passing off.

At first instance, **Birss J** found that Topshop's unauthorised sale of the t-shirt bearing Rihanna's image amounted to passing off on the basis that: (i) Rihanna had ample goodwill, the scope of which was not only as a music artist but also in the world of fashion, as a style leader; (ii) Rihanna had previously authorised clothing which had been available in Topman (Topshop's brother store) and had participated in a competition two years previously in which the winner won a personal shopping appointment with her at Topshop's flagship store; (iii) Rihanna had entered into an earlier agreement with another established high street fashion store under which she had agreed to design clothing to be sold in-store; (iv) The relationship between the image on the t-shirt and the Talk That Talk album cover and video would be recognised by Rihanna's fans and, as such, the image was not merely recognisable as Rihanna but could be taken for a publicity shot for what was at the relevant time a recent musical release; and (v) Topshop had had previous well-publicised collaborations with other style icons.

The CA (**Kitchin LJ** giving the lead judgment) repeated the general principle that there was in English law no 'image right' or 'character right' which allowed a celebrity to control the use of their name or image. However, it found that in this case Rihanna had overcome the 'two critical hurdles' in a claim for passing off, namely: (i) the application of the name or image to the goods had the consequence that they told a lie about the source of the goods, and (ii) the lie must be material so as to have an effect upon the customer's buying decision. The CA held that, in all the circumstances of the case, Topshop's sale of the t-shirt bearing the image of Rihanna amounted to a misrepresentation that Rihanna had endorsed it. **Kitchin LJ** said that the proposition that a famous personality had no right to control the use of her image in general did not necessary mean that the use of an image could not give rise to the mistaken belief by consumers that the goods to which it was applied had been authorised.

The CA went on to hold that it was not necessary for **Birss J** to have assessed the relative factors objectively from the perspective of those who were not fans of Rihanna. As the t-shirts were being sold through Topshop stores, it was plainly relevant to consider potential customers who were both fans of Rihanna and prepared to shop at Topshop, therefore taking into account Topshop's publicity about and promotion of its connection with Rihanna. **Birss J** was entitled to have regard to the fact that the relationship between the particular image used and the images for the album and video would be noticed by her fans.

While agreeing with **Kitchin LJ, Richards and Underhill LJ** regarded the present case as 'close to the borderline', indicating that the outcome was highly dependent on the particular facts, in particular both Rihanna's past public association with Topshop and the particular features of the image itself.

## DESIGNS

### Heat exchanger designs invalid as not visible during normal use

***Aic SA v OHIM; ACV Manufacturing (GC; T-615/13 -T-617/13; 20.01.15)***

Aic was the proprietor of the following registered Community Designs:

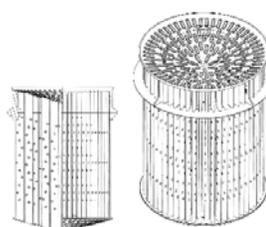
#### Design 1

Registered for heat exchangers



#### Design 2

Registered for heat exchanger inserts



ACV applied to invalidate the designs under **Articles 25(1)(b)** and **4(2)** of the **Community Designs Regulation**. The BoA held that both designs were invalid. Aic appealed to the GC, which upheld the BoA's decision.

The GC agreed with the BoA's analysis that the heat exchangers of Design 1 were a necessary part of a more complex product, namely a household boiler, and the heat exchanger inserts of Design 2 were incorporated into a complex product, namely a heat exchanger (which itself was incorporated into the more complex product; the household boiler). The GC upheld the BoA's decisions that both designs lacked novelty and individual character under **Article 4** since they were not visible during normal use of the more complex products at issue.

## COPYRIGHT

### Photographs cannot record a sequence of techniques so as to create a dramatic work

***McCormack Training Ltd & Anr v Goldmark Training Services Ltd & Ots\* (Judge Hacon; [2015] EWHC 41 (IPEC); 16.01.15)***

Goldmark and Mrs Goldsworthy (the second defendant) were found jointly liable for infringing McCormack's copyright in certain photographs, which appeared in McCormack's training manual, by reproducing them without permission in Goldmark's own manual. However, McCormack's claims for infringement of literary and dramatic copyright failed.

McCormack taught restraint techniques to the security industry. It published a training manual which included photographs depicting certain techniques which it combined with explanatory text. The copyright in the photos and text was owned by McCormack. McCormack had licensed its photographs to the Institute of Conflict Management (ICM) which both McCormack and Goldmark were helping to create its own training manual. Copies of McCormack's photos were kept by ICM in its so-called 'skills register' from where Goldmark had obtained them and used them in its own manual, along with very similar text.

The facts were in dispute between the parties and **Judge Hacon** was critical of both sides' witnesses. He rejected Goldmark's defence of a plan between the parties and ICM to create a so-

called alternative 'white label' manual, i.e. a manual which could be branded by individual undertakings in their own livery and presented as their own manual.

#### Photographs

**Judge Hacon** found that at no stage did Goldmark have any reason to believe that McCormack had granted it a licence to use its photographs. Therefore, by using the photographs in its own manual, Goldmark and Mrs Goldmark had jointly infringed McCormack's copyright.

#### McCormack's Notes

The Judge found no infringement of the literary copyright in handwritten notes which McCormack claimed to have provided to Mrs Goldsworthy to be typed up for inclusion in the McCormack manual. This was because he found on the evidence that McCormack had created the notes for the purpose of the litigation. However, he queried whether he would have found infringement of the copyright in the text of the McCormack manual itself had it been pleaded.

#### Techniques as dramatic works

**Judge Hacon** concluded that, even if a training technique could qualify as a dramatic work, one photo of that technique in progress did not amount to a dramatic work. Therefore, a series of single photos, each representing a different technique, could not record a sequence of techniques so as to give rise to copyright in that series as a separate dramatic work.

#### **Distribution right not exhausted where physical medium of a work was altered**

***Art & Allposters International BV ('Allposters') v Stichting Pictoright ('Pictoright')* (CJ (Fourth Chamber); C-419/13; 22.01.15)**

The CJ held that the distribution right under **Article 4(1)** of the **Information Society Directive** was not exhausted under **Article 4(2)** in a situation where a work was marketed in the EU with the copyright holder's consent in one physical medium, but that work was subsequently altered to a different physical medium (such as the transfer from a paper poster to a canvas) and placed on the market again in the new form without the copyright holder's consent.

Allposters operated a business offering reproductions of famous paintings. The reproductions were offered both on paper (i.e. as posters) and on canvases. The canvases were created from the posters by using a chemical process to directly transfer the image from the backing paper of a poster onto the canvas. During this process the ink was entirely removed from the backing paper and deposited on the canvas.

The images used by Allposters were covered by copyright managed by the Dutch copyright collecting society Pictoright. Pictoright objected to the sale of the canvases by Allposters without the consent of its clients (who owned the copyright in the images) and commenced proceedings before the Dutch courts for copyright infringement. In particular, Pictoright claimed that Allposters had infringed its clients' distribution rights in relation to the works. At first instance the Dutch court dismissed the infringement action but this was overturned on appeal as the appeal court found that the marketing of canvas transfers constituted a publication which was prohibited under national law and that the distribution right had not been exhausted. On further appeal the Hoge Raad der Nederlanden stayed the proceedings and asked the CJ whether the distribution right derived from **Article 4(1)** of the **Information Society Directive** was exhausted under **Article 4(2)** in the situation where a work was placed on the market with the copyright holder's consent but subsequently underwent an alteration of its medium and was again brought into circulation in that form.

In considering whether the distribution right under **Article 4(2)** had been exhausted the CJ noted that, in each case, the alteration of the medium carried out by Allposters had in fact given rise to a new tangible object incorporating the protected work. The CJ further noted that the technique used by Allposters produced something which was actually closer to the original work (the original painting) than the existing reproduction (the poster). The CJ found that, in these circumstances, the distribution right had not been exhausted as the original reproduction of the work (the poster) had been altered in a way which resulted in a new reproduction of the work within the meaning of **Article 2(a)**. The distribution right under **Article 4(2)** would only be

exhausted after this new reproduction was itself marketed in the EU with the copyright holder's consent.

### **Mere accessibility of photographs on a website is sufficient for jurisdiction over copyright infringement**

***Pez Hejduk v EnergieAgentur.NRW GmbH ('EnergieAgentur') (CJ (Fourth Chamber); C-441/13; 22.01.15)***

The CJ held that the accessibility in Austria of a website reproducing photographs protected by copyright was sufficient to give the Austrian courts jurisdiction under **Article 5(3) of Regulation 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters** to hear a copyright infringement claim against the German company which operated that website. However, the Austrian court would only have jurisdiction in relation to damage caused within Austria and not within other member states.

Pez Hejduk was a professional photographer domiciled in Austria and the creator of photographic works depicting the work of a particular architect. Ms Hejduk granted permission for that architect to use her photographs as part of a conference organised by the German company EnergieAgentur. Without Ms Hejduk's permission, EnergieAgentur subsequently made those photographs available on its website, which had a .de domain name. Ms Hejduk commenced proceedings for copyright infringement against EnergieAgentur in the Austrian courts. EnergieAgentur submitted that its website was not directed at Austrian users and the mere fact that Austrian users could access the website was insufficient to confer jurisdiction on the Austrian courts. The Austrian court stayed the proceedings and asked the CJ whether **Article 5(3)** must be interpreted as a meaning that, in relation to an allegation of copyright infringement where the rights are guaranteed by the member state of the court seised, that court had jurisdiction to hear an infringement action which resulted from the placing of protected photographs online on a website accessible in its territorial jurisdiction.

The CJ first noted that **Article 5(3)** grants jurisdiction to the courts in the place where the damage occurs or in the place of the event giving rise to it. In this case the event giving rise to the damage was the activation of the process of the technical display of the photographs on the website. This event took place in Germany where EnergieAgentur was based. The Austrian courts could therefore only have jurisdiction under **Article 5(3)** if Austria was the place in which damage had occurred.

The CJ explained that, for the purposes of determining the place in which the damage had occurred, it was irrelevant whether EnergieAgentur's website was directed at Austria. The damage occurred because of the accessibility of the protected photographs via the website in Austria, where Ms Hejduk's rights were protected. The accessibility of those photographs in Austria was therefore sufficient to give the Austrian courts jurisdiction to hear the claim under **Article 5(3)**. Referring to its previous decision in *Picnikney (C-170/12*, reported in *CIPA Journal*, November 2013) the CJ also explained that the Austrian courts only had jurisdiction to determine the damage caused within Austria and not in relation to other member states.

## **DATABASES**

### **Website database owners may rely on terms and conditions to prevent screen-scraping**

***Ryanair Ltd v PR Aviation BV (CJ (Second Chamber); C-30/14; 15.01.15)***

PR Aviation operated a price comparison website, which allowed customers to check prices of low-cost flights and to book tickets online upon payment of a commission. PR Aviation obtained

data for its website from a dataset linked to Ryanair's website, a process known as 'screen scraping'.

Ryanair sued PR Aviation in the Netherlands, claiming that it had infringed copyright law and the *sui generis* database right under the **Database Directive (96/9/EC)** (the 'Directive'), and also claimed that PR Aviation had acted contrary to the terms and conditions of use of its website, which explicitly prohibited screen-scraping, unless a licence agreement had been agreed upon with Ryanair.

The Netherlands Supreme Court, upholding the view of the Amsterdam Court of Appeal, found that the flight data publicly available on Ryanair's website was not protected by either database copyright or *sui generis* right. However, the Supreme Court stayed the proceedings and asked the CJ whether, on the premise that the Ryanair dataset constituted a database within the meaning of **Article 1(2)** which is not protected by copyright or the *sui generis* right, the Directive must be interpreted as meaning that, taking into account the combined application of **Articles 6(1), 8 and 15**, the freedom to use such a database cannot be contractually limited.

The CJ held that, where a database did not qualify for protection under the Directive (i.e. either by copyright protection under **Article 3(1)** or by way of the *sui generis* database right under **Article 7(1)**), the lawful use provisions under **Articles 6(1) and 8** did not apply, nor did **Article 15** which rendered null and void any contractual provisions contrary to **Articles 6(1) and 8**. PR Aviation could not rely on these provisions in order to avoid the breach of contract claim and would, without prejudice to national laws, be bound by Ryanair's website terms and conditions which prohibited screen-scraping. Therefore, although Ryanair's online database may not enjoy the protection of the Directive, it could nevertheless protect the content of its website from screen-scrapers by relying upon its website Terms of Use, to the extent permitted by national laws.

**Katharine Stephens, Zoe Fuller and Hilary Atherton**

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The reported cases marked \* can be found at <http://www.bailii.org/databases.html#ew> and the CJ and GC decisions can be found at [http://curia.europa.eu/jcms/jcms/j\\_6/home](http://curia.europa.eu/jcms/jcms/j_6/home)