

Bird & Bird & Reports of Trade Mark Cases for CIPA Journal

November 2018



Trade mark decisions

Decisions of the General Court (GC) and Court of Justice (CJ)

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-435/17 <i>Grendene SA v EUIPO; Hipanema</i> 25 September 2018 Reg 207/2009 Reported by: <i>Thomas Pugh</i>	 <p>- jewellery; jewellery products, precious stones; timepieces and chronometric instruments; precious metals and alloys; works of art of precious metal; jewellery cases [caskets]; boxes of precious metal; watch cases, bracelets, chains, springs or glasses; key rings [trinkets or fobs]; statues or figurines (statuettes) of precious metal; cases or presentation cases for timepieces; medals (14)</p>     <p>- sandals, beach shoes, bath slippers and boots (25) - store and retail trade of men's, women's and children's footwear, such as sandals, beach shoes, bath slippers and boots (35)</p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion between the marks pursuant to Art 8(1)(b).</p> <p>The BoA had correctly assessed that the goods and services at issue were different in all aspects and were neither in competition nor complementary. Grendene had failed to advance sufficient evidence to demonstrate that the goods were aesthetically complementary and the mere fact that they belonged to adjacent markets was insufficient to establish similarity under Art 8(1)(b).</p> <p>Grendene submitted that the BoA had failed to take into account Hipanema's 'tacit recognition' of the purported similarity of the marks based on evidence of the 'reality of the market'. The GC confirmed that these concepts were manifestly irrelevant for the purposes of the opposition proceedings, which required an objective assessment of the goods and services at issue covered by the specification for each mark.</p> <p>As the goods and services at issue were dissimilar, the BoA had been entitled to find there was no likelihood of confusion, without examining the similarity of the signs. The appeal was dismissed in its entirety.</p>
Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-472/17 <i>Wilhelm Sihh jr. GmbH & Co. KG v EUIPO; In-edit Sàrl</i> 27 September 2018 Reg 207/2009	 <p>- computer software packages and computer software for configuring technical and commercial data, software packages for computer-assisted production and/or sales (9)</p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion between the marks under Art 8(1)(b).</p> <p>As regards the similarity of goods at issue, Wilhelm Sihh had failed to prove that configuration and operating software in the mark applied for was an integral part of "head ends for cable networks" covered by their earlier mark. In addition, such software did not fall under "parts" or "accessories or</p>

Reported by:
Henry Elliott

- design, development, updating and maintenance of computer software and software packages, rental of computer software and software packages, research, technical studies, consultancy and advice relating to the setting up and installation of computers, computer systems, computer software and computer software packages (42)

CHAMELEON

- head ends for cable networks, namely apparatus for receiving, processing, converting, amplifying and transmitting signals, parts, accessories or fittings for the aforesaid goods, as far as included in this class (9)



(EUTM and German mark)

fittings" which were vaguely defined terms. The GC noted that it has been open to Wilhelm Sihm to include more specific wording within the specification if it had wanted to ensure software was covered by the earlier marks: it was not entitled to rely on vague wording to retrospectively expand the scope of protection afforded by its registrations.

The BoA was not therefore required to consider that the earlier marks were registered for configuration and operating software for "head ends for cable networks".

"Head ends for cable networks" were "apparatus", not systems, and therefore were not comparable to computer systems. The goods were fundamentally different in their nature and intended purpose. The fact that the apparatus performed functions also carried out by computers was not sufficient to treat such apparatus like computers.

The BoA was therefore correct to find that the services covered by the mark applied for and the goods covered by the earlier mark were dissimilar.

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-70/17 TenneT Holding BV v EUIPO; Ngrid Intellectual Property Ltd 27 September 2018 Reg 207/2009 Reported by: Louise O'Hara and Katharine Stephens	 <ul style="list-style-type: none"> - electrical energy (4) - administrative managements of transport and distribution of electricity (35) - construction and repair, installation services, all of the aforesaid service in particular relating to networks for transport and distribution of electricity (37) - telecommunication services, in particular related to transport and distribution of electricity (38) - transport, distribution and storage, in particular of electricity (39)  <p>NATIONAL GRID</p> <ul style="list-style-type: none"> - goods and services in classes 1, 35, 37 and 39 	<p>The GC annulled the BoA's decision that there was a likelihood of confusion pursuant to Art 8(1)(b).</p> <p>The identity of the goods and services at issue was not disputed.</p> <p>The BoA did not err in finding that the relevant public (notwithstanding the fact that TenneT Holding had not provided goods and services to the general public) as well as professionals. The GC also upheld the BoA's conclusion that neither the word "northsea" in the mark applied for nor the word "national" in the earlier marks were dominant. The signs were therefore considered as a whole.</p> <p>The GC endorsed the BoA's assessment of likelihood of confusion which considered both English-speaking and non-English speaking consumers. The signs were visually and phonetically similar to a low degree for both groups. In relation to the former, since the word "grid" was as weakly distinctive as "northsea" and "national", it would enable English speakers to make a conceptual distinction between the marks. The GC agreed with the BoA that there was no likelihood of confusion given that English speakers would have no difficulty in identifying the</p>

differences between the marks and would take into consideration the figurative element with its conceptual link to the element "northsea".

The GC, however, differed from the BoA's assessment of how non-English speakers would conceptually view the marks. They would be viewed as conceptually different given the lack of meaning which could be ascribed to the word "grid" and the fact that non-English speakers might break the marks down into their word elements, thus noting the difference between "national" (which would be understood by non-English speakers) and "northsea". As a consequence, the differences, including the figurative element, between the marks meant that there was no likelihood of confusion. The decision of the BoA was therefore annulled.

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-712/17 <i>Christos Ntolas v EUIPO; General Nutrition Investment Co.</i> 27 September 2018 Reg 207/2009</p>	<p>GN Laboratories</p> <ul style="list-style-type: none"> - mineral food supplements, foodstuffs with a base of amino acids; protein dietary supplements (5) - albumen for culinary purposes; edible oils (29) - dietetic foodstuffs, not for medical purposes, with a base of carbohydrates, roughage, with added vitamins, minerals, trace elements (30) 	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks pursuant to Art 8(1)(b).</p> <p>The relevant public included consumers of nutritional and medicinal products, as well as practitioners working in those areas, who had an above average attention due to the nature of the goods. The GC held that 'GN' had no conceptual meaning, which placed greater weight on the phonetic and visual similarities of the marks.</p> <p>The element 'laboratories' was of low distinctiveness as it indicated the quality of the goods. The letter 'C' alone was insufficient to prevent similarity between the marks: the GC confirmed the marks were similar to an average degree.</p> <p>The broader Class 5 specification covered by the earlier mark resulted in identity of goods as the mark applied for did not exclude the goods protected by the earlier mark. The protein-based goods in Classes 29 and 30 of the earlier mark were identical to 'protein for human consumption'.</p> <p>The remaining goods were similar. In particular, edible oils were often used interchangeably with butter, and were held to be similar to 'milk' products. On this basis, the BoA had correctly held that there was a likelihood of confusion between the marks.</p>
<p>Reported by: <i>Aaron Hetherington</i></p>	<p>GNC</p> <ul style="list-style-type: none"> - protein for human consumption (5) - milk products (29) - retail store services featuring health foods (35) 	

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-736/17 <i>Lincoln Global Inc. v EUIPO</i> 4 October 2018 Reg 207/2009 Reported by: <i>Aaron Hetherington</i>	FLEXCUT - machines and machine tools for treatment of materials and for manufacturing; cutting machines, and parts thereof; plasma cutting machines (7) - power supplies for welding, brazing and cutting machines; power supplies for plasma cutting machines (9)	<p>The GC upheld the BoA's decision that the mark was descriptive of the goods pursuant to Art 7(1)(c).</p> <p>The GC held that the mark consisted of two elements: 'cut' which was an ordinary English word and 'flex' which was acknowledged as a common abbreviation of 'flexible'. The fact that 'flex' could also hold other meanings was irrelevant, as it was sufficient for a mark to be refused registration pursuant to Art 7(1)(c) if at least one of the possible meanings designated a characteristic of the goods.</p> <p>The neologism FLEXCUT would simply be perceived by the relevant public (namely English-speaking professionals with a high level of attention who worked with cutting machines) as meaning 'flexible cut', referring to a machine that can perform various cuts. The mere fact that the mark was a neologism was not enough to preclude a finding that it was descriptive: it was not syntactically or and grammatically unusual, but merely a simple combination of descriptive elements.</p> <p>There was a sufficiently direct and specific relationship between the mark and the goods at issue which enabled the public to immediately perceive, without further thought, a description of those goods.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-328/16 T-344/16 <i>Ian Paice v EUIPO; Richard Hugh Blackmore and</i> T-345/16 <i>Richard Hugh Blackmore v EUIPO; Ian Paice</i> 4 October 2018 Reg 207/2009 Reported by: <i>Louise O'Hara and Mark Livsey</i>	DEEP PURPLE - mousemats and mouse pads, mobile phones accessories, sunglasses, computer hardware, computer chips and discs, interactive software as well as computer firmware, computer games, mobile phones and handheld devices, digital games, mobile phone games, DVD games, computer software and computer programs (9) - clothing, footwear, headgear; pique shirts; polo shirts; rugby shirts; shirts; sport shirts; sweat shirts; t-shirts; baseball caps; golf caps; knitted caps; shower caps; men's and women's jackets, coats, trousers; rain jackets; rainproof jackets; sweat jackets; track jackets; wind resistant jackets (25)	<p>The GC upheld the BoA's decision to refuse registration of the mark for certain Class 9 and 25 goods pursuant to Art 8(4).</p> <p>In Cases T-344/16 and T-345/16, the GC endorsed the BoA's assessment that Mr Paice had established goodwill in the mark applied for as a member of the rock band Deep Purple. The BoA had not erred in taking into account evidence submitted out of time as the evidence was genuinely relevant to the outcome of the opposition.</p> <p>The evidence demonstrated that clothing merchandise was an essential part of the business of a rock band on tour and sunglasses were sufficiently accessorised with clothing. As such, the BoA was entitled to find that there would be a misrepresentation if the goods in Class 9 and 25 were marketed under the mark. Mouse mats and mouse pads and mobile phone</p>
	DEEP PURPLE - audio/visual recordings of musical performances, musical recordings,	

- musical digital downloads, DVDs, CDs, cassette tapes, video tapes, programmes
- entertainment services, live musical performances
- key rings, playing cards
- posters, ticket stubs, sales brochures, books, cards, photographs, stickers, fliers
- guitar plectrums, drum sticks
- buttons, t-shirts, cloth patches, badges, leather arm bands, head bandanas
- spinning tops, trading cards, pin ball games

(Unregistered mark)

accessories were items commonly decorated with commercial or personal imagery, meaning that a misrepresentation was also likely if those goods were similarly marketed.

In Case T-328/16, the GC confirmed that no evidence had been adduced to show that there was any goodwill in respect of computer hardware, computer chips and discs, interactive software...etc. in Class 9. The GC confirmed the BoA's assessment of the English law principle relating to the existence or absence of a common field of activity: namely that the principle was relevant but not determinative in establishing misrepresentation in passing off.


The claim regarding Mr Blackmore's alleged deceptive intent in applying to register the mark was deemed admissible, even though it had not been brought before the BoA, as it closely related to the plea in law brought before the GC. However the plea had only been made summarily and was not substantiated by evidence.



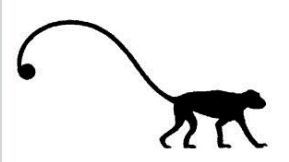
The BoA was not required to provide an exhaustive account of all the lines of reasoning articulated by the parties. As such, it was reasonable that the BoA did not refer to the argument in detail in its statement of reasons, and had not infringed Art 75 by failing to make a specific reference to those arguments.

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-697/17 <i>De Longhi Benelux SA v EUIPO</i> 9 October 2018 Reg 207/2009 Reported by: <i>Henry Elliott</i>	COOKING CHEF GOURMET - electric food mixers with an induction heating element, attachments, bowls and jugs for such electric food mixers (7) - induction cooking apparatus incorporating a food mixing or processing function (11)	The GC upheld the BoA's decision that the mark was devoid of distinctive character pursuant to Arts 7(1)(b) and 7(2). The BoA had examined the overall impression given by the mark and was correct to conclude that it would not be perceived by the relevant public as an indication of the commercial origin of the goods. The mark conveyed a clear promotional message which referred exclusively to the purpose of the goods at issue. The fact that the combination of the word elements differed from ordinary English grammatical use did not render the mark ambiguous nor did it imbue the required distinctive character. Although some of the goods may have had a high purchase price, most of the goods were kitchen devices which did not require particular technical knowledge. The BoA was entitled to conclude that the relevant public (made

up of the English speaking general public and the specialised public in the restaurant sector) had an average level of attention due to the promotional nature of the mark.

De Longhi could not rely on its earlier 'CHEF' mark to attribute distinctive character to the mark subject of this application: the GC rendered this argument inadmissible as it had not been raised before the EUIPO and, in any event, 'CHEF' differed considerably from the mark applied for, so had no impact on the BoA's decision to refuse registration of the mark.

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-24/17 <i>LA Superquimica, SA, ("LAS") v EUIPO; D-Tack GmbH</i></p>	<p>D-TACK</p> <ul style="list-style-type: none"> - chemicals, namely adhesives and sealants (1) - adhesive tapes and sealants (17) - retail and wholesale services relating to chemicals and building articles (35) 	<p>The GC upheld the BoA's decision to reject the opposition on the basis that genuine use of the earlier marks had not been demonstrated pursuant to Art 15(1) and Art 42(2) and (3).</p> <p>The GC endorsed the BoA's decision to disregard LAS' late-filed evidence to substantiate use of the earlier marks.</p>
<p>10 October 2018 Reg 207/2009</p> <p>Reported by: <i>Charlotte Peacock</i></p>	<p>TACK</p>  <p>TACK Ceys</p> <ul style="list-style-type: none"> - adhesive materials (16) <p>(Spanish marks)</p>	<p>The BoA had correctly exercised its discretion and was entitled to find that the evidence produced before it for the first time should not be taken into account. The rules regarding substantiation are clear and had been brought to LAS' attention by the EUIPO. The fact that there had been a technical problem with the relevant national database did not justify the delay.</p>
		<p>The GC also endorsed the BoA's decision that the admissible evidence did not, in any event, demonstrate genuine use of the word mark 'TACK'. The evidence failed to demonstrate use of the mark 'TACK' independent from 'CEYS', and the mark often appeared in conjunction with additional elements such as 'CRICK' or 'CRISTAL'. Although the 'CEYS' element was smaller and represented in a different colour and font, the element did not occupy a secondary or ancillary position in the overall impression of the mark.</p> <p>The BoA was therefore correct to find that the figurative marks altered the distinctive character of the word mark 'TACK'. This finding was further supported by the items of evidence which showed the figurative mark 'TACK CEYS' being used in conjunction with additional elements.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-548/17 <i>VF International Sagl v EUIPO; Ken Virmani</i></p> <p>16 October 2018 Reg 207/2009</p> <p>Reported by: <i>Ciara Hughes</i></p>	 <ul style="list-style-type: none"> - cases for smart phones or notebook computers (9) - jewellery, fobs, key rings, necklaces (14) - baggage, hand bags, casual bags, luggage boxes, toiletry bags, beach bags (18) - waist belts, shoes, head scarves, kerchiefs [clothing], collar protectors, clothes, in particular of leather and textiles and in particular for women or men (25)   <ul style="list-style-type: none"> - spectacles, spectacle frames, spectacle cases (9) - jewellery, precious stones, horological and chronometric instruments (14) - paper, cardboard, printed matter, stationery (16) - leather and imitations of leather, animal skins, hides, trunks and travelling bags, umbrellas, parasols and walking sticks, whips, harness and saddlery (18) - textile and textile goods, bed and table covers (24) - clothing, footwear, headgear (25) - games, toys, gymnastic and sporting articles, decorations for Christmas trees (28) 	<p>The GC annulled the BoA's decision that there was no likelihood of confusion between the marks pursuant to Art 8(1)(b).</p> <p>The BoA correctly determined that the representations of a monkey in the mark applied for and the earlier marks were distinctive and not negligible in the overall impression of the marks. Although word elements were generally considered to be more distinctive than figurative elements in composite marks, the word ANOKHI in the mark applied for was not dominant.</p> <p>The GC held that despite the differences between the word elements of the marks, there were significant similarities between the figurative elements (monkeys in profile with slender silhouettes and long tails and walking on all four legs). The BoA therefore erred in finding the marks were visually dissimilar.</p> <p>The mark applied for was phonetically dissimilar to the first earlier mark and a phonetic comparison with the earlier figurative mark was not possible. As the word elements of the marks had no meaning for the relevant public, the marks were overall conceptually similar, due to the figurative elements of a monkey.</p> <p>The BoA therefore erred in finding the marks at issue were not similar, and the GC annulled the decision in its entirety.</p>
Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-644/17 <i>DNV GL AS v EUIPO</i></p>	<p>Sustainable</p> <ul style="list-style-type: none"> - providing consultancy services in the area of global sustainable solutions; compilation of environmental information into computer databases; providing consumer product information; providing consumer 	<p>The GC upheld the BoA's decision that the mark was descriptive and lacked distinctive character pursuant to Arts 7(1)(b) and 7(1)(c).</p> <p>The BoA was correct to find that the term 'sustainable' would be understood by the relevant public to refer to a</p>

16 October 2018
Reg 207/2009

Reported by:
Christine Danos

product information relating to food or drink products...information services to promote public awareness of environmental issues and initiatives; ...providing consumer information relating to certified goods, namely goods that meet standards and requirements that promote a sustainable environment (35)

- scientific analysis of consumer habits; research in the field of environmental conservation; technical consultancy in the field of environmental science; technical consultancy, namely providing technological information about environmentally conscious and green innovations; development of computer software application solutions; testing of services for the certification of quality and environmental standards; design and development of software for evaluation and calculation of environment data; compilation of environmental information; compilation of information relating to environmental conditions (42)

concept linked to sustainable development, and that the term followed by the letter 'l' or the number 1 had no bearing on the interpretation of the word 'sustainable'. The addition of the number or letter at the end of the mark had a minor impact on the overall impression produced by the sign and consumers were used to seeing trade marks containing grammatical errors or spelling mistakes.

The GC held that the Class 35 services may, in the mind of the public concerned, aim to encourage a responsible use of the goods in question which had regard for the natural environment in which that public lives. The services in Class 42 expressly concerned the environment and, because of their intended purpose, would only be seen in the context of an activity of providing advice and promoting public awareness on environmental and ecological issues.

The BoA was therefore correct to find that the mark was descriptive of the services at issue.

On the basis of the descriptive nature of the mark, there was no requirement for the BoA to consider registrability under Art 7(1)(b).

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-822/17 <i>Weber-Stephen Products LLC v EUIPO</i> 17 October 2018 Reg 207/2009 Reported by: <i>Christine Danos</i>	iGrill - computer hardware and software; thermometers (9) - household, kitchen and barbeque utensils and containers; grill cover (21)	<p>The GC upheld the BoA's decision that the mark was descriptive and lacked distinctive character pursuant to Arts 7(1)(b) and 7(1)(c).</p> <p>The BoA was correct to find that the letter 'i' as a prefix, referred to the words 'interactive' and 'intelligent', or to information technology, and that the word 'grill' referred to a cooking device, with the result that the term 'iGrill' would be understood by the relevant public to refer to an interactive, intelligent grill or a grill that made use of information technology. Further, the goods at issue could be used to operate such a grill or be used with it. As such the BoA was correct to find that the term 'iGrill' was descriptive of the goods at issue.</p> <p>The mark would be seen as the mere juxtaposition of 2 elements, 'i' and 'grill' and not a neologism consisting of a single word that had no obvious meaning.</p> <p>On the basis of the descriptive nature of the mark, there was no requirement for the BoA to consider registrability under Art 7(1)(b).</p>

Standing of collective representation bodies

Coöperatieve Vereniging SNB-REACT U.A. ("SNB") v Deepak Mehta (CJ, Third Chamber); C-521/17; 7 August 2018

The CJ considered questions on the entitlement of collective representation bodies to bring actions and pursue remedies on behalf of their members, concluding that such action was permitted under the Directive provided that those bodies were entitled to take such action on the basis of national law. *Emma Green reports*.

SNB was a Dutch entity responsible for ensuring collective representation of trade mark owners. SNB sought an injunction against Mr Mehta for the registration and use of (1) various domain names which included signs identical to trade marks owned by its members; and (2) websites unlawfully offering for sale goods bearing such signs. Mr Mehta submitted that he had neither registered nor used the domain name in any way which infringed the rights of the trade mark owners.

The action before the Harju Maakohus (Court of First Instance, Harju, Estonia) dismissed SNB's action on the basis that it had failed to show that it had standing to bring an action in its own name seeking to enforce the rights of its members and to recover compensation for the loss caused by the alleged infringement. On appeal the Tallinna Ringkonnakohus (Court of Appeal, Tallinn) referred two questions to the CJ. The first related to the recognition of bodies representing trade mark proprietors by national courts and the second related to the definition of a service provider and whether the exemptions of liability provided by Articles 12 to 14 of Directive 2000/B1 (the Electronic Commerce Directive) therefore applied.

In relation to the first question, the CJ held that under Article 4(c) of Directive 2004/48 (the Enforcement Directive), Member States were required to recognise a body collectively representing trade mark proprietors as a person entitled to seek, in its own name, the application of the remedies laid down by that Directive, for the purpose of defending the rights of those trade mark proprietors.

Such a body could also bring legal proceedings, in its own name, for the purpose of enforcing those rights. However, that body had to be regarded by national law as having a direct interest in the defence of those rights and that national law had to permit the body to bring legal proceedings to that end – the circumstances of which were to be verified and decided by the national Member State court.

As to the second question, Articles 12 to 14 of Directive 2000/31 had to be interpreted as meaning that the limitations of liability under those provisions applied to the provider of an IP address rental and registration service allowing the anonymous use of internet domain names, inasmuch as that service came within the scope of one of the categories of service referred to in those articles and met all the corresponding conditions.

It would also be necessary for the activity of such a service provider to be merely technical, automatic and passive nature, (implying that this had neither knowledge of nor control over the information transmitted or cached by their customers) insofar they did not play an active role in allowing those customers to optimise their online sales activity.

Targeting

Argos Limited ('AUL') v Argos Systems Inc ('ASI')* (Kitchin & Floyd LJJ & Sir Colin Rimer; [2018] EWCA Civ 2211; 9 October 2018)

The CA dismissed AUL's appeal from a decision of Richard Spearman QC sitting as a Deputy Judge in the High Court (reported in *CIPA Journal*, July 2017). Although the CA disagreed with the trial judge on the issue of targeting of UK consumers by advertisements on an electronic billboard service and on the issue of absence of a link, it agreed that ASI's use of the sign ARGOS did not take unfair advantage of the distinctive character or repute of AUL's ARGOS mark. *Hilary Atherton reports*.

Background

AUL was a very substantial UK-based retailer of non-food consumer products which began trading in 1973 through catalogues and retail stores. It operated primarily in the UK and ROI under the mark ARGOS (for which it owned two EUTMs registered for advertising and retail services) and via the domain name 'www.argos.co.uk'. ASI was a US company which provided CAD systems for the design and construction of residential and commercial buildings. It had traded under the name ARGOS since 1991 in North and South America; it had no clients in the EU and had made no attempt to enter the European market.

ASI agreed with Google to become a member of Google's AdSense advertising programme, through which Google delivered ads for AUL's UK and Irish retail business to ASI's website. Evidence showed that a substantial number of internet users based in the UK and Ireland who wanted to visit AUL's website were visiting ASI's website by mistake by typing argos.com into their web browser believing that it was AUL's domain name. As a result of its participation in the AdSense programme, ASI was earning revenue as a result based on the volume of traffic.

At first instance, the trial judge rejected AUL's claim for trade mark infringement under Articles 9(1)(a) and (c) and for passing off. AUL's only remaining claim on appeal was that under Article 9(1)(c).

Targeting

At first instance, the deputy judge held that no part of AUL's website targeted UK consumers. Floyd LJ (giving judgment for the Court) was of the view that the trial judge had come to the wrong conclusion on the question of targeting because: (i) he had been overly influenced by the fact that the majority of consumers who arrived at the site arrived there by virtue of their own mistake, which was irrelevant, and (ii) he gave too much consideration to who the consumer would think was responsible for the ads.

Floyd LJ said that the relevant enquiry on the issue of targeting was whether ASI's use of the sign ARGOS in relation to its electronic billboard service was a use in the course of trade in the UK. Referring to the CA's decision in *Merck v Merck Sharpe & Dohme* [2017] EWCA Civ 1834 which had been handed down since the first instance decision in this case, Floyd LJ said that it was clear that evidence of subjective intention was a relevant, and possibly (where the objective position was unclear or finely balanced) a determinative consideration in deciding whether the trader's activities, viewed objectively from the perspective of the average consumer, were targeted at the UK. Subjective intention could not, however, make a website or page (or part of a page) which was plainly, when objectively considered, not intended for the UK, into a page which was so intended.

Floyd LJ held that it was clear that ASI was providing a billboard service which included ads of interest to UK consumers. To the extent that it contained such ads it was targeted at the UK, but not otherwise. In circumstances where those ads appeared, as they undoubtedly would, ASI was targeting UK users of its billboard although Google and its advertisers were targeting ads at the UK as well. ASI was using the sign ARGOS in relation to its billboard when it performed those targeted activities, not least because it was accessed via the website argos.com.

The requirement for a link

In respect of the requirement for a link to be made between the sign used by ASI and AUL's mark (which it was accepted had a reputation), it was sufficient that the sign called the mark to the mind of the average consumer. However, it was not always necessary to establish a "bringing to mind" in all cases. In the case of keyword advertising, the consumer already had the mark in mind at the moment the search was commenced. Floyd LJ concluded that there was the requisite link between the use of ASI's sign and AUL's mark. Visitors who arrived at ASI's website on the strength of AUL's reputation already had AUL's reputation in the mark ARGOS in mind. Although such visitors immediately realised that they were in the wrong place, they were also immediately confronted by ASI's billboard service. At this point they either left the site altogether or clicked on an ad in order to leave. Nevertheless, by presenting the billboard service to the internet traffic which has arrived at the website on the strength of AUL's reputation, ASI gained at least the "impression fee" earned by the downloading of the ads. Advantage was thereby taken of an opportunity which arose only because the internet traffic arrived at the site on the strength of AUL's reputation. This was sufficient to establish a link. The trial judge's conclusion that the relevant link was not formed was based on his conclusion that it was mere supposition which brought the traffic to ASI's website. However, this was not a reason why a relevant link was not present. Nor was the link broken because visitors to the website immediately realised that they were in the wrong place.

Unfair advantage

The CA agreed with the finding of the trial judge that AUL did not succeed in establishing that ASI's use of the sign ARGOS took unfair advantage of the distinctive character or repute of the mark. Floyd LJ rejected AUL's submission that unfairness was established by the fact of economic advantage and no more. So to hold would, he said, be to empty the word "unfair" of any meaning. The trial judge had correctly identified that the case was not one involving any transfer of image to ASI's goods or services and had gone on to consider factors which had a bearing on unfairness. These were that (i) ASI had not done anything to seek out the unwanted internet traffic which arrived at its website, and which it had no power to prevent; (ii) ASI's display of AdSense ads was of some benefit to AUL by restoring misdirected customers to AUL who might otherwise have lost interest; (iii) participation in AdSense was a normal and commercially unobjectionable activity; (iv) the income stream derived from it by ASI was small in the context of both parties' businesses; and (v) on arriving at the website even moderately observant customers would see it had nothing to do with AUL.

The trial judge's conclusion on the issue of unfair advantage was therefore upheld and the appeal was dismissed.

The reported cases marked * can be found at <http://www.bailii.org> and the CJ and GC decisions can be found at http://curia.europa.eu/jcms/jcms/j_6/hom

Editorial team

Katharine Stephens

Partner, IP

Tel: +44 020 7415 6000
katharine.stephens@twobirds.com



Emma Green

Associate, IP

Tel: +44 020 7415 6000
emma.green@twobirds.com



Hilary Atherton

Associate, IP

Tel: +44 07415 6000
hilary.atherton@twobirds.com



Reporters

Thomas Pugh; Henry Elliott; Louise O'Hara; Aaron Hetherington; Mark Livsey; Charlotte Peacock; Ciara Hughes and Christine Danos

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