

Bird & Bird

Report of Trade Mark Cases


For the CIPA Journal

October 2022



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-237/21 <i>Fidelity National Information Services, Inc. v EUIPO; Banca IFIS SpA</i> 4 May 2022 Reg 2017/1001 Reported by: <i>Maisie Briggs</i>	 <ul style="list-style-type: none">computer software used in financial transaction processing and verification, computer software used in the operation and management of banks, and in the rendering of banking and financial services (9)financial transaction processing and verification, payment processing, and fraud and risk management services all for banks, credit unions, savings institutions, lenders, and other financial institutions and financial-services businesses (36) IFIS <ul style="list-style-type: none">financial affairs; monetary affairs; financial advice; financial information; financial sponsorship (36)	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b).</p> <p>The GC held that the BoA had erred in finding that the goods and services were directed at the public at large. The GC held that the public that was likely to use both the services covered by the earlier mark and the goods and services covered by the mark applied for consisted solely of specialised professionals with a high level of attention. However, since the BoA had also considered confusion from that perspective, its decision was not vitiated by the error.</p> <p>The BoA had been correct to find that the financial software in class 9 covered by the mark applied for and financial services in class 36 covered by the earlier mark were complementary and that they targeted the same consumers.</p> <p>The signs were also held to be similar to an average degree because the word element of the mark applied for was wholly contained in the earlier mark. In light of all this, it was held that there was a risk of confusion, even when taking into account the high level attention of the professional public.</p>

Ownership of goodwill in the name of a music group

Thomas v Luv One Luv All Promotions Ltd & Anor (Nicholas Caddick QC sitting as a Deputy High Court Judge; [2022] EWHC 964 (IPEC); 27 April 2022)

In a dispute between two brothers over the use of a name of a music group, the Judge held that the goodwill in the name belonged to the original partnership, and not to the individual members. As such, the passing off claims failed. Adeena Hussain reports.

Background

Ian and Winston Thomas were brothers. Both had been part of a Jamaican sound system called "Luv Injection" ("LI") in the 1980's. Winston had had a managerial role, whilst Ian had been the "front-man" of the group. In

2016, the two brothers fell out. Winston was the first to continue to perform as Luv Injection with new group members ("WLI"), and Ian later continued to do so in another group ("ILI").

In 2017, Winston registered the mark LUV INJECTION SOUND. A year later, Ian invalidated the registration. In the context of that action, the goodwill in LUV INJECTION was determined to be owned by the LI partnership. As there had been no transfer of the goodwill to Winston, he was not personally entitled to it.

In 2019, Ian issued proceedings for passing off against Winston. In that regard, Ian claimed that Winston was estopped from denying Ian's entitlement to the goodwill following the IPO's invalidation decision. Ian's arguments were originally accepted by the IPEC. However, the Court of Appeal allowed Winston's appeal ([2021] EWCA Civ 732 - see CIPA Journal October 2021). The Court of Appeal held that, although Winston could not claim that he alone owned the goodwill in the LUV INJECTION mark, he could rely on the argument that the goodwill was a partnership asset, and so only the partnership as a whole could launch passing off proceedings against Winston.

Following this, Ian claimed that the goodwill in the mark was no longer owned by LI, but was owned by him personally, or at least by ILI such that Ian could enforce it in his capacity as a partner of ILI. Ian claimed that the ownership had changed because i) Winston had done nothing after the split of the original LI partnership to obtain his share of the goodwill, and ii) Ian was a prominent 'musical' member of the group, so the goodwill had been appropriated by him and the other prominent members of ILI, and not Winston. As such, Winston's use of LUV INJECTION in connection with WLI constituted passing off, as did WLI's actions in 'toasting' LI in its music, the lyrics of which specifically mentioned LI, Ian and other members of ILI.

Winston denied the claims and counterclaimed that the affairs of the original LI partnership be wound up, and its assets (including the goodwill) distributed amongst the LI partners. However, the Judge adjourned the counterclaim to a later date whilst third parties could be notified and given a chance to be joined, among other things.

Decision

As per the SAXON decision ([2003] EWHC 295), it was common ground amongst the parties that (i) LI had been a partnership at will; (ii) the partnership had dissolved when the split occurred in October 2016; and (iii) at the time of split, the goodwill in the mark was owned by the LI partners.

After the split, since WLI had been the first to start performing under LUV INJECTION, ILI could not launch a passing off claim against that use because it had no protectable goodwill – ILI had not existed at all at that point. Therefore, any action against WLI had to have been based on the goodwill owned by the original LI partnership.

The Judge rejected Ian's claim that he had 'appropriated' the goodwill because he was the public face of LI. The LI partnership, including Winston, owned the goodwill at the date of the split. That fact had been conclusively determined at earlier stages of the litigation, and thus was common ground. The fact that Ian was a 'front of house' member was irrelevant. Even if Ian was still front of house in ILI, that would only have been relevant as to who owned the goodwill in ILI, and had no impact on the ownership of the LI goodwill. There was no agreement to transfer the goodwill to Ian, or legal basis for Ian's claim that he had appropriated it.

Ian's argument that Winston had abandoned his interest in the LI goodwill by not actively seeking to realise his share in the LI partnership assets was also dismissed. Winston had continued to use the mark without a break following the LI split, and had made no indication he had intended to abandon his LI partnership interest. The Judge therefore dismissed the passing off claim relating to Winston's use of LUV INJECTION, as well as Ian's trade mark invalidation claim. Ian was not the proprietor of the goodwill in the mark and had no basis to bring these claims. The goodwill belonged to the LI partnership.

As regards Ian's passing off claim in respect WLI's 'toasting' of LI and Ian in its music, again, Ian had no rights to bring a claim that WLI had passed itself off as LI. Ian also had not established he owned goodwill in his own names, either his personal name, or his stage name "Zukie", so his claims in that regard also failed.

The CJ and GC decisions can be found at https://curia.europa.eu/jcms/jcms/j_6/en/. Cases marked with a * can be found at <http://www.bailii.org/>.



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This report was first published in the CIPA Journal, October 2022

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