

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

January 2020



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-321/18 <i>Serenity Pharmaceuticals LLC v EUIPO; Gebro Holding GmbH</i> 6 March 2019 Reg 2017/1001 Reported by: <i>Katharine Stephens</i>	NOCUVANT - pharmaceutical preparations for the treatment of nocturia (5) NOCUTIL - pharmaceutical preparations for treating nocturnal enuresis, diabetes insipidus and polyuria syndrome (5)	The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The BoA had been correct to find that the intervener had provided sufficient proof of genuine use of the earlier mark and that the relevant public consisted of the general public and professionals with specific knowledge and expertise in the field of healthcare. There was no appeal to the finding that the goods were identical, but the applicant challenged the finding that the marks were similar on the basis that the elements 'vant' and 'util' were clearly distinct. In dismissing the appeal, the GC noted the two marks were similar because they were at least partially identical as regards one or more relevant aspects (<i>Sun Cali v EUIPO</i> ; T-512/15). Further, the prefix 'noc[u]' would not be seen as descriptive.

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-500/18 <i>Puma SE v EUIPO; Destilerias MG, SL</i> 3 October 2019 Reg 2017/1001 Reported by: <i>Daniel Anti</i>	MG PUMA - beer; various non-alcoholic beverages; preparations for making beverages; syrups for making beverages (32) - alcoholic beverages (except beer); pre-mixed alcoholic beverages, other than beer-based; pre-mixed alcoholic beverages (33)  - alcoholic beverages, in particular gin and gin-based preparations (33)	The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The GC noted that the BoA was correct in its finding that the relevant public would draw a distinction between the word 'gin', which was descriptive, and letters 'mg', which were distinctive. The letters 'mg' and the word 'puma' in the mark applied for were also both distinctive. Consequently, the fact that the letters 'mg' were present in each of the marks was held to be sufficient to establish the existence of phonetic and visual similarity between them, notwithstanding the fact that the position of those letters differed in those marks. Puma's appeal was therefore dismissed in its entirety.

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-240/19 <i>A9.com, Inc., v EUIPO</i>		The GC upheld the BoA's decision that the mark lacked distinctive character pursuant to article 7(1)(b). The GC held that there was sufficient link between the characteristics of the goods identified by the BoA and the relevant public's perception of the mark to call into question the distinctive character of the mark. The overall impression created by the basic form of a bell was not distinctive. The mark would be perceived as a message conveying information about a characteristic of the goods, not as an indication of commercial origin.
7 November 2019 Reg 2017/1001	various goods in class 9, including: - scientific, nautical apparatus and instruments; - apparatus for reproduction of sound; - magnetic data carriers, recording discs; other digital recording media; cash registers; - downloadable software and software applications permitting users to identify and communicate with persons at their door.	On the basis of the lack of distinctive character of the mark, the GC further upheld that it was not necessary for the BoA to consider registrability under article 7(1)(c).
Reported by: <i>Mark Day</i>		

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-527/18 <i>K.A. Schmersal Holding GmbH & Co. KG v EUIPO; Tecnum, SL</i>		The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The GC held that the services were similar because the category "scientific and technological services and research and design relating thereto" included the narrower category of "engineering services" covered by the earlier mark.
21 November 2019 Reg 2017/1001	- scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software (42)	The marks were further found to be visually similar to an average degree due to the shared sequence of letters. The figurative element of the Erlenmeyer flask in the earlier mark did not change this assessment as it had a weak distinctive character in the context of the technical/ scientific services covered. The marks were found to be phonetically similar to a high degree, and to be conceptually similar due to the shared prefix 'tec', which would evoke, for the relevant public, the technical nature of the services covered.
Reported by: <i>Elizabeth Greene</i>		
	- engineering services; scientific and industrial research; graphic design and industrial drawing; computer programming (42)	
	(EUTM and Spanish mark)	

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-736/18 <i>Runnebaum Invest GmbH v EUIPO; Berg Toys Beheer</i>	BERGSTEIGER	The GC annulled the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The GC held, the BoA was incorrect in finding that the applicant's request for proof of use in respect of the Benelux
	- vehicles: apparatus for locomotion by land (12) - retailing of vehicles, apparatus for locomotion by land; advertising;	

<p>BV</p> <p>28 November 2019</p> <p>Reg 2017/1001</p> <p>Reported by: <i>Bryony Gold</i></p>	<p>business management (35)</p> <p>BERG</p> <ul style="list-style-type: none"> - vehicles over land (12) - pedal go-karts (toy), toy-wagons, beach wagons (toy), toy trailers, toy wheel-barrows, toy tipper-trailors, toy scooters, toy diggers, toy tank trailers, toy cranes (28)  <ul style="list-style-type: none"> - means of transport, excluding bicycles and children's bicycles; moving vehicles for children (12) - toys, including construction toys, moving toys, other moving playing equipment and trampolines (28) - education, providing of training, entertainment, sporting activities (41) <p>(EUTM & Benelux mark)</p>	<p>mark was invalid due to it being insufficiently explicit. The applicant used the sentence "furthermore, we raise the objection of non-use (Art. 15)", which was almost identical to the wording used in the EUIPO Guidelines. This, inserted in a separate paragraph with a heading referring to non-use, meant the applicant unambiguously, and validly, contested the matter of genuine use of the earlier mark.</p> <p>The BoA was also incorrect in finding that there was a likelihood of confusion between the marks at issue. Despite there being an average degree of conceptual similarity between the marks, the marks were not visually and phonetically similar to an average degree, but to a weak and low degree respectively. The GC further placed significant emphasis on the high level of attention of the relevant public concerning the goods covered by the application. Accordingly there was no likelihood of confusion.</p>
Ref no.	Application (and where applicable, earlier mark)	Comment

GC

T-266/19, T-267/19

gastivo portal GmbH v EUIPO; La Fourchette SAS



12 December 2019

Reg 2017/1001

Reported by:
Adeena Wells

- promoting goods and services of restaurants by advertising (35)
- providing training in relation to the use of software for managing reservations for restaurants (41)
- providing use of non-downloadable software that allows users to share information about restaurants, make reservations and bookings (42)
- providing restaurant information services (43)



- advertising, business management functions, (35)
- education, providing training (41)
- design and maintenance of websites

The GC upheld the BoA's decision that there was no likelihood of confusion between the marks under article 8(1)(b).

The GC held that the word element "GASTIVO" did not have a particular meaning for the relevant public in any language of the EU, therefore it was inherently distinctive. Further, the fact that the word element was significantly larger than the device element at the start of the mark made it the dominant element of the mark overall. Although the device element was distinctive, this did not deprive the word element from being distinctive in its own right.

The GC found that the respective marks were visually dissimilar, a phonetic comparison was not relevant as the La Fourchette mark did not comprise any word elements, and they were conceptually similar to a low degree.

Given that the word "GASTIVO" would be seen by the relevant public as the primary indicator of origin, taking into account the global assessment, the marks were not held to be similar and therefore no likelihood of confusion was found.

relating to catering (42)

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-683/18 <i>Santa Conte v EUIPO</i> 12 December 2019 Reg 2017/1001 Reported by: <i>Robert Milligan</i>	 <ul style="list-style-type: none">- baked goods, pastries, confectionery, chocolate, desserts, condiments, ice creams and frozen yoghurts (30)- soft drinks and beers (32)- services for providing food and drink (43)	<p>The GC upheld the BoA's finding that the mark was invalid as it was contrary to public policy pursuant to article 7(1)(f).</p> <p>The BoA was correct to find that the relevant public not only consisted of English-speaking consumers but also all EU consumers who would understand the figurative leaf element as a reference to "cannabis".</p> <p>Furthermore, the BoA was correct to find that the relevant public was not only the public to which the goods and services were directly addressed, but also persons who would encounter the sign incidentally in their day-to-day lives.</p> <p>The GC agreed with the BoA that the sign would be perceived by the relevant public as referring to the narcotic substance, cannabis, which is prohibited in a large number of EU Member States.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-40/19 <i>Amigüitos pets & life, SA. v EUIPO; Société des produits Nestlé SA</i> 19 December 2019 Reg 207/2009 Reported by: <i>Louise O'Hara</i>	 <ul style="list-style-type: none">- dietary, protein and vitamin supplements for animals, in particular dogs; animal washes; animal flea collars; medicines for veterinary purposes (5)- foodstuffs for animals; litter for dogs; live animals; seed, natural plants and flowers (31) <p>ONE</p> <ul style="list-style-type: none">- foodstuffs for animals (31)	<p>The GC overturned the BoA's finding that there was a likelihood of confusion between the marks under articles 8(1)(b) and 8(5).</p> <p>The BoA had erred in its determination that the words "THE ONLY ONE" were dominant: whilst they occupied a significant part of the black square, other elements of the mark should not have been considered to be negligible. The average consumer would also be drawn to the red "α" sign, and then naturally read the words "BY α ALPHA SPIRIT" as a whole.</p> <p>As a result, the BoA incorrectly applied the global assessment. The GC concluded that there was no likelihood of confusion under article 8(1)(b) on the basis that the signs were visually and conceptually different and had a low degree of phonetic similarity.</p> <p>The BoA had also erred in finding that the earlier mark had a reputation. All of the evidence relied upon concerned the use of the mark in conjunction with the word "PURINA". The BoA therefore did not have sufficient evidence to find that the earlier mark had a reputation.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
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GC

T-743/18

Japan Tobacco Inc. v EUIPO; I.J. Tobacco Industry FZE

19 December 2019

Reg 2017/1001

Reported by:

Dean Rae



- tobacco, smokers' articles, matches (34)



- cigarettes, raw and manufactured tobacco, smokers' articles, matches (34)

The GC upheld the BoA's decision that there was no likelihood of confusion between the marks under article 8(1)(b).

The GC dismissed the appellant's submission that the BoA had erred in finding that the figurative element of the contested mark would not be perceived as the capital letters 'IJTI.'

Instead, the GC held that the relevant public would perceive the figurative element as an abstract and unitary shape. The GC therefore upheld the BoA's finding that the marks were not visually similar.

The GC also agreed with the BoA that the marks were not phonetically or conceptually similar and that the BoA was therefore correct in finding no likelihood of confusion.

Relevance of disclaimers when assessing likelihood of confusion

Patent- och registreringsverket v Mats Hansson (CJ; C-705/17; 12 June 2019)

The CJEU ruled that article 4(1)(b) of Directive 2008/95 must be interpreted as precluding national legislation from allowing for any trade mark disclaimer schemes that would have the effect of excluding an element of a complex trade mark referred to in the disclaimer from the global analysis of the relevant factors in assessing the existence of a likelihood of confusion. Mark Livsey reports.

In 2007, the Swedish company Norrtelje Brenneri Aktiebolag registered the following Swedish national trade mark for alcoholic drinks in class 33:



Fig. 1.

As part of that registration, the PRV (the Swedish Trade Mark Office) required that the registration be accompanied by a disclaimer stating that: "registration does not give an exclusive right over the word

'RoslagsPunsch'." The PRV required that this disclaimer be included as part of the registration because the term 'Roslags' refers to a region of Sweden and the term 'Punsch' described one of the goods covered by the registration.

In 2015, Mr Hansson applied to the PRV for registration of the word sign "ROSLAGSOL" for goods including non-alcoholic beverages and beers in class 32. That application was refused by the PRV because of the likelihood of confusion between it and the earlier mark. The decision was overturned on appeal. The PRV, which was of the opinion that the elements of the earlier mark that the disclaimer related to should not be taken into account as part of the global assessment, appealed that decision to the Swedish Patents and Market Court of Appeal, which in turn stayed the national proceedings and referred the following questions to the CJEU:

- (1) Must article 4(1)(b) be interpreted as meaning that the global assessment of all relevant factors may be affected by the fact that an element of the trade mark has expressly been excluded from protection on registration, that is to say, that a so-called disclaimer has been entered on registration?
- (2) If the answer to the first question is in the affirmative, can the disclaimer in such a case affect the global assessment in such a way that the competent authority has regard to the element in question but gives it a more limited importance so that it is not regarded as being distinctive, even if the element would de facto be distinctive and prominent in the earlier trade mark?
- (3) If the answer to the first question is in the affirmative and the answer to the second question in the negative, can the disclaimer even so affect the global assessment in any other way?

The CJEU, noting that trade mark disclaimer schemes were included as part of national law in Sweden and some other Member States, but not all, held that such disclaimer schemes were not prohibited under the Directive *per se* provided that such schemes did not impair the effectiveness of the provisions of the Directive, in particular the protection given to proprietors of earlier trade marks against the registration of other trade marks liable to create a likelihood of confusion on the part of consumers or other end users.

However, the CJEU held in relation to question (1) above that a disclaimer scheme that had the effect under national law of excluding an element of a complex trade mark from the global assessment analysis of the relevant factors for establishing the existence of a likelihood of confusion would be incompatible with the requirements of the Directive. The CJEU stated that such exclusion could lead to an incorrect assessment of both the similarity between the signs at issue and of the distinctiveness of the earlier trade mark, which would in turn lead to a distorted global assessment.

As regards question (2), the CJEU held that, for reasons analogous to those given in relation to question (1), a disclaimer scheme under national law that had the effect of attributing (in advance and permanently) a lack of distinctiveness to the element of a complex trade mark mentioned by it so that the element had only limited importance in the global assessment analysis would also be incompatible with the requirements of the Directive.

It was not necessary for the CJEU to answer question (3) given its answers to questions (1) and (2).

Admissibility of arguments not put forward before the Board of Appeal

Przedsiębiorstwo Produkcyjno-Handlowe „Primart” Marek Łukasiewicz v EUIPO; Bolton Cile España, SA (AG Bobek; C-702/18 P; 28 November 2019)

AG Bobek considered that the GC had breached article 76(1) of Council Regulation (EC) No 207/2009 by declaring Primart's arguments concerning the allegedly weak distinctive character of the earlier mark inadmissible. The AG therefore recommended that the CJEU set aside the GC's judgment (reported in CIPA Journal November 2018) and refer the case back to the GC. Ciara Hughes reports.

Primart had applied to register the figurative sign below at the EUIPO for various foodstuffs in class 30.



Bolton Cile España, SA opposed the application on the grounds of a likelihood of confusion under article 8(1)(b), based on an earlier Spanish trade mark registration for the word mark PRIMA covering various foodstuffs in class 30. The EUIPO dismissed the opposition, however, on appeal, the BoA held that there was a likelihood of confusion. In particular, the BoA considered that the earlier mark's level of inherent distinctive character was average as the word 'prima' meant 'female cousin' or 'bonus payment' for the relevant Spanish consumer, and would not have been understood as a laudatory term as it might have been in other languages, such as German or Dutch. Primart appealed to the GC.

The GC upheld the BoA's decision and considered that Primart's arguments concerning the allegedly weak distinctive character of the earlier mark were inadmissible under article 76(1) as they had not been put forward before the BoA. Primart appealed to the CJEU challenging the GC's finding that its arguments were inadmissible under article 76(1).

The AG noted that under article 188 of the Rules of Procedure of the General Court, the subject matter of proceedings which could be put before the GC in its review of EUIPO decisions was confined to the subject matter of the proceedings before the BoA. In that regard, the AG observed that according to article 76(1), the EUIPO was to 'examine the facts of its own motion', but 'in proceedings relating to relative grounds for refusal of registration, its examination [was] restricted to the facts, evidence and arguments provided by the parties and the relief sought'.

Highlighting the inconsistency between different language versions of article 76(1) in relation to the scope of the BoA's review, the AG concluded that the provision did not oblige the BoA to refrain from examining matters of law or fact which were not specifically raised by the parties, but were 'inextricably linked' to the matters which had been raised. In fact, article 76(1) required the BoA to consider such matters of its own motion, provided that it had sufficient information to do so.

It was therefore appropriate for the BoA to examine the question of the earlier mark's inherent distinctiveness, despite this not being specifically raised in the parties' submissions, as this was crucial for the global assessment of the likelihood of confusion. The AG therefore considered that Primart's arguments concerning the allegedly weak distinctive character of the earlier mark were admissible before the GC insofar as they related to a matter addressed by the BoA, albeit of its own motion. As a result, the AG held that the GC had erred in law by applying article 76(1) and that its decision should be annulled given that the degree of distinctiveness of the earlier mark could impact on the assessment of the likelihood of confusion.

Genuine use of a collective mark

Der Grüne Punkt – Duales System Deutschland GmbH, v EUIPO (CJ; C-143/19P; 12 December 2019)

The CJEU annulled the decisions of the GC and EUIPO and held that use of a collective mark to create or preserve an outlet for members' goods or services is genuine use. In this case the affiliation with recyclable waste management could serve to maintain or create a share in the market of the goods in question and therefore was genuine use. Louise Vaziri reports.

Der Grüne Punkt ("DGP") operates a scheme to recognise packaging that can be collected and recycled. DGP registered an EU collective mark for goods in classes 1 to 34, including for everyday consumer goods such as food, beverages, personal care and household products, and services in classes 35, 39, 40 and 42. The mark is shown below.



Halston Properties filed an application for partial revocation of DGP's mark on the ground that DGP's mark had not been put to genuine use for the goods for which it had been registered. The Cancellation Division of the EUIPO partially granted the application on the basis that the average consumer merely understood the mark to mean that the packaging of the goods could be collected and recovered according to a recycling system. DGP's mark was only used in relation to packaging; the mark did not serve its essential function in relation to the goods themselves and accordingly the mark had not been put to genuine use. The BoA and GC upheld this decision.

The CJEU agreed with the GC that the essential function of an EU collective mark was to distinguish the goods and services of the members of the association with the proprietor of the mark from other undertakings. The CJEU found that where use of the EU collective mark was part of the objective of the undertaking using the collective mark to create or preserve an outlet for its goods or services then there was genuine use.

In order to determine if such use was made of a mark, the GC should have examined whether the EU collective mark was used on the market, taking into consideration the economic sector concerned, the nature of the goods and the characteristics of the market in question. The GC had failed to properly consider how the DGP mark was viewed in the economic sector concerned.

The CJEU held that, particularly with respect to consumer and household goods that generated daily waste, the disposal of packaging that was environmentally sound could influence consumer purchasing decisions and accordingly the use of DGP's mark would contribute to the creation of a share in the market for the goods to which it was applied. This was genuine use as it served the essential function of the EU collective mark and accordingly the decisions of the GC and BoA were annulled.

Criminal sanctions

***R v James Clements** ([2019] EWCA Crim 2253; Green LJ, Soole J, Judge Walden-Smith; 12 December 2019)**

The Court of Appeal (Criminal Division) upheld the sentence of 2 years imprisonment suspended for 2 years for unauthorised use of a registered trade mark contrary to section 92(1) Trade Marks Act 1994. In addition, the appellant was disqualified from being a director for a period of 5 years and this was also upheld on appeal. Katharine Stephens reports.

The case arose as a private prosecution brought by and on behalf of KDB Isolation S.A, a company incorporated in France ("the Respondent"). It manufactures and distributes insulation material for the construction sector. The Respondent later incorporated a company in the United Kingdom, KDB UK, which was sold to the appellant. A distribution agreement was concluded between the two companies, signed in Paris in October 2012, under which the Respondent supplied goods to KDB UK. Two years later, the Respondent terminated the agreement and issued a claim in the High Court for breach of contract and non-payment of invoices amounting the €178,063.72. The Court made an order for this sum to be paid and when it was not, gave judgment in default. In December 2015, liquidators allowed KDB UK to be wound up.

The action under section 92(1) was begun in September 2017. It was alleged that from 9 December 2014 (the date on which the Respondent had registered "KDB Isolation" as an EUTM) the appellant, initially through KDB UK and subsequently as a sole trader, applied the trade mark "KDB Isolation" to products sold and exposed for sale in England and Wales. Approximately £300,000 worth of goods were alleged to have been sold.

The appellant, who was 70 years old, was convicted by the jury and was sentenced to 2 years imprisonment suspended for 2 years. He was disqualified from being a director for a period of 5 years.

On appeal it was argued that the offence did not pass the custody threshold. In particular, it was argued that the judge wrongly treated the appellant as having acted dishonestly and sentenced him accordingly when in law dishonesty was not part of the *mens rea* of the section 92 offence. The Court of Appeal noted that for a person to commit an offence under section 92(1), the jury had to be sure that the appellant applied infringing trade marks with a view to gain for himself or another, or with an intent to cause loss to another, and without the consent of the proprietor. This was not defined in the legislation as an act of "dishonesty" but, by its terms, it assumes a degree of deliberate wrongdoing for financial gain.

The Court of Appeal held that the judge did not confuse dishonesty with the *mens rea* of the offence under the Trade Mark Act 1994. He addressed himself to the relevant aggravating and mitigating factors. The appellant deliberately used infringing trade marks, thereby exploiting the goodwill of the Respondent to its economic disadvantage, failed to pay its contract debts to the Respondent and was placed into liquidation to avoid a judgment debt in favour of the Respondent. This was the context and the judge was entitled to pay at least some regard to it by way of aggravation.

The Court of Appeal detected no error on the part of the judge in the imposition of a 5-year disqualification. 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

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