





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

April 2021



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-71/20 <i>Puma SE v EUIPO; CAMäleon Produktionsautomatisierung GmbH</i> 10 March 2021 Reg 207/2009	PUMA-System – various machines and tools (7) – computer hardware and software (9) – catalogues relating to computer software (16) – updating and maintenance of computer software and programs (42)	The GC partially annulled the BoA's decision and held that there was a link between the marks in issue in respect of certain goods and services for the purposes of article 8(5). In so far as the mark applied for covered specialised good and services aimed at professionals in industry, the BoA was correct to find that, notwithstanding the strength of the earlier marks' reputation and the degree of similarity between the signs, the relevant public would not make a connection between the marks. However, the BoA had erred in its assessment of the goods and services covered by the marks, by failing to appreciate that the mark applied for also covered goods and services aimed at the general public. It followed that for such goods and services the relevant public for the marks overlapped.
Reported by: <i>Jon Edwards</i>	 – leather and imitations of leather, bags (18) – apparel, footwear, headwear (25) – gymnastic and sporting equipment (28)	
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Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-66/20 T-67/20 <i>Hauz 1929 Ltd ""v EUIPO; Houzz, Inc.</i> 10 March 2021 Reg 2017/1001	 – furniture and furnishings (20)  – furniture and furnishings (20) HOZZZ – furniture and furnishings (20)	The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The GC approved the BoA's assessment that the marks had a high degree of phonetic similarity as the 'HAUZ' element of the applied for marks would be pronounced as either 'ha-uz' or 'houz'. Although the 'HAUZ' element of the applied for marks was stylised and the marks contained the additional word elements 'LONDON'/ 'NEW YORK', the GC held that the marks had an average degree of visual similarity. The GC agreed with the BoA that the marks had a high degree of conceptual similarity for
Reported by: <i>Robert Milligan</i>		

English-speaking and German-speaking consumers as the words 'houzz' and 'hauz' would be associated with the word 'house'. The conceptual comparison for the remaining consumers was neutral.

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-56/20 <i>Bezos Family Foundation v EUIPO; SNCF Mobilités</i> ""</p> <p>24 February 2021 Reg 2017/1001</p> <p>Reported by: <i>Theo Cooper</i></p>	<p>VROOM</p> <ul style="list-style-type: none"> – computer software, namely a mobile application for providing information and learning and educational activities and games in the field of early child development and early childhood education (9) <p>POP & VROOM</p> <ul style="list-style-type: none"> – computer software; computer software and mobile applications for the bringing together of private individuals for car sharing and vehicle sharing purposes (9) – computer software design; design of computer software for processing information relating to rail, road and maritime traffic (42) <p>(French registration)</p>	<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 agreed that the goods were identical. The fact that the earlier registration covered some goods and services that were specifically related to transport did not imply a limitation of the broader terms 'computer software' and 'mobile applications' to that field.</p> <p>The validity of the earlier national registration could not be called into question in proceedings for registration of an EU mark, and a lack of clarity or precision in the specification of a national registration, in this case on the basis of the breadth of 'computer software' and 'mobile applications', could not be a ground for invalidity. ""</p> <p>The GC agreed that there was an average degree of visual and phonetic similarity between the marks. The mark applied for was included entirely within the earlier mark. Although 'vroom' could have been understood as an onomatopoeic engine sound, it was not descriptive for 'mobile applications' and 'computer software' as a whole, and only allusive when those goods were for use in the field of transport. It therefore had an average degree of distinctive character.</p> <p>The GC also considered that the fact the Bezos Family Foundation was not a competitor of SNCF at the time the action was brought did not preclude a likelihood of confusion in the future.</p>
<p>GC T-48/20 <i>Sahaj Marg Spirituality Foundation v EUIPO</i></p> <p>3 March 2021 Reg 2017/1001</p> <p>Reported by: <i>William Wortley</i></p>	<p>Heartfulness</p> <ul style="list-style-type: none"> – printed matter, instructional and teaching materials (16) – education, providing of training and cultural activities (41) – consultancy services in spirituality (45) 	<p>In the context of invalidity proceedings, the GC upheld the BoA's decision that the mark applied for was descriptive within the meaning of article 7(1)(c).</p> <p>The BoA was right to refuse registration, on the basis that the word 'heartfulness' can be used to designate a particular relaxation and meditation technique and to inform consumers directly that products or services concern that practice or technique. As such, it was necessary for the word to remain available for public use.</p>

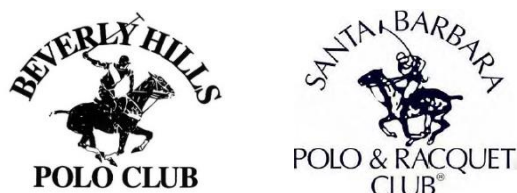
Arbitration agreements and trade marks

***Lifestyle Equities C.V. & Anr v Hornby Street (MCR) Ltd & Ots** (Hacon HHJ; [2020] EWHC 3320 (IPEC); 30 November 2020)**

In a case where Lifestyle Equities sought to avoid an arbitration clause included in a coexistence agreement signed by a predecessor in title, Judge Hacon ruled that a successor cannot represent itself as a party to rely on one element of that agreement for its benefit whilst also seeking to avoid the burden of other parts. Further, the Arbitration Act can apply even where a party seeking to rely on an arbitration agreement is not a signatory to the agreement. Mark Day reports.

Facts

In 1997, the proprietors of the Beverly Hills Polo Club and the Santa Barbara Polo & Racquet Club entered into a written agreement to settle a trade mark dispute between the parties. Each side consented to the use of their respective opposing marks (shown below) worldwide and to the filing of further marks in the same form and in word form (the "1997 Agreement").



By March 2009, the Beverly Hills trade marks had been assigned to Lifestyle Equities without knowledge of the 1997 Agreement. Lifestyle Equities issued proceedings in 2020 alleging trade mark infringement of its Beverly Hills logo EUTMs and UKTM and passing off in relation to acts done in the UK and EU under the Santa Barbara Logo. Santa Barbara Polo & Racquet Club ("SBPRC") was the Eighth Defendant in the proceedings and was a signatory to the 1997 Agreement, which included an arbitration clause. A subset of the Defendants sought to rely on this agreement to stay proceedings pursuant to section 9 of the Arbitration Act 1996 and CPR 62.8. The Court had to decide whether the arbitration provision could be enforced against Lifestyle Equities.

Original parties only?

Lifestyle Equities argued that the cumulative effect of sections 5, 6 and 9 of the Arbitration Act meant there must be a written arbitration agreement to which Lifestyle Equities was a party in order for the Arbitration Act to be engaged. As Lifestyle Equities was not a party to the 1997 Agreement, there was no basis for a stay. Lifestyle Equities also contended that enforcing an arbitration agreement against a person who is not a party to it ran contrary to privity of contract.

The Judge concluded that there is no requirement in the Arbitration Act that precluded a party relying on an arbitration agreement in relation to proceedings brought by a party that was not a signatory to that agreement. The Judge remarked that he had been shown nothing in the Arbitration Act that precluded SBPRC applying for the stay of a claim brought by the assignee of assets protected under the contract.

As regards Lifestyle Equities' knowledge of the 1997 Agreement, it became clear during proceedings that in 2013, Lifestyle Equities had been provided with a copy of the 1997 Agreement and subsequently identified itself as signatory in representations made to the Mexican Trade Mark Office. In those representations, Lifestyle Equities stated expressly that it was an agreement between itself and SBPRC in order to benefit from the 1997 Agreement. Accordingly, the Judge held that Lifestyle Equities had become a party to the 1997 Agreement.

The law that governs the arbitration agreement

Rule 64(1) of *Dicey's Conflict of Laws* provides that the interpretation of an arbitration agreement is governed in the first instance by the law expressly or impliedly chosen by the parties, where applicable. Clause 9 of the 1997 Agreement provided that the governing law was Californian law, and so this was the law to be applied.

The Judge rejected various submissions from Lifestyle Equities that English and European laws were the correct laws as they governed the assignments of the trade marks in issue.

The effect of the arbitration agreement under Californian Law

The Judge preferred SBPRC's expert evidence relating to the general proposition of Californian law that a burden attaching to a trade mark which is the subject of a settlement or co-existence agreement can include the obligation to arbitrate. This burden can bind an assignee, regardless of knowledge. The expert evidence put forward by Lifestyle Equities did not explain why an obligation to arbitrate would be an exception to that general rule.

The Judge found that Lifestyle Equities was bound by the arbitration agreement and stayed proceedings.

High Court rules that domain names are intangible personal property

***Hanger Holdings ("HH") v Perlake Corporation Sa ("Perlake") & Simon Croft** (Hacon HHJ (sitting as a Deputy High Court Judge); [2021] EWHC 81 (Ch); 19 January 2021)**

The Judge held that a domain name is intangible personal property and accordingly an equitable entitlement to a domain name can arise. The Claimant had acquired an equitable interest in the domain name in dispute and the associated goodwill and was entitled to call for the legal transfer of the domain name and goodwill. Louise Vaziri reports.

HH entered into an agreement with Perlake in 2003 under which the domain, www.blackjack.com (the "Domain Name") and the associated goodwill, transferred to Perlake in exchange for consideration of \$250,000 and subsequent payment of commission from revenue generated utilising the Domain Name. The initial consideration was paid but the subsequent commission was not.

HH argued that the failure to pay the commission was a material breach of the agreement and that the breach had not been remedied. Accordingly, HH terminated the agreement. Upon termination, HH was entitled to the transfer of the Domain Name and the goodwill originally transferred as part of the agreement. Perlake did not transfer the Domain Name. HH claimed the Domain Name and associated goodwill were intangible personal property and that, as the agreement was terminated, HH had an equitable interest in the Domain Name and goodwill.

The Defendants argued there was no breach of the agreement and HH was therefore not entitled to terminate the agreement. In any event, the Defendants claimed that the Domain Name was not property in which an equitable interest could arise and therefore HH could not be entitled to its transfer.

HH relied on the judgment of Lord Hoffman in *OBG Ltd v Allan* [2007] UKHL 21, in which he expressed the view that domain names could be intangible property. The Judge agreed with this, holding that domains are intangible personal property. The Judge held that there had been a material breach of the agreement. HH was entitled to terminate the agreement and accordingly had an equitable interest to the Domain Name and associated goodwill. As such HH was entitled to call for the legal transfer of those assets.

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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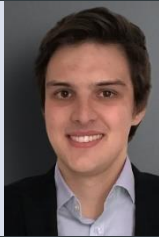
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