

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

July 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-341/19 T-342/19 <i>Martínez Albainox SL v EUIPO; Taser International, Inc.</i> 28 May 2020 Reg 2017/1001 Reported by: <i>Adeena Wells</i>	 <ul style="list-style-type: none"> - hand tools and implements (hand operated); cutlery; side arms; penknives, expressly not including shaving razors, shaving knives and shaving utensils (8) - goods of leather and imitations of leather; purses; umbrellas (18) - clothing, footwear, headgear (25) <p>TASER</p> <ul style="list-style-type: none"> - apparatus for recording video, video cameras; motion picture films; handheld devices; electronic modules for installation on or in weapons (9) - firearms; ammunition and projectiles, weapons, weapon apparatus and installations; non-lethal electronic weapons (13) - provision of training (41) - security services for the protection of property and individuals (45) 	<p>In two applications for declarations of invalidity under article 60(1)(a), read in conjunction with articles 8(1)(b) and 8(5), the GC upheld the BoA's decisions that the later device mark registrations were invalid.</p> <p>The BoA correctly found that there was a likelihood of confusion on the part of law enforcement authorities and private security services, in relation to 'side arms' and 'pen knives', being non-explosive weapons worn on the body, and the goods in class 13 of the earlier mark.</p> <p>When considering reputation, the GC noted that the relevant public did not have to be comprised of those who were likely to use both sets of goods covered by the relevant marks: it was sufficient that the public might call to mind the earlier mark when they were presented with goods under the contested mark.</p> <p>The marks were highly similar. The earlier mark was also held to possess a high degree of distinctive character and a reputation going beyond its specialist public in light of numerous articles in the general press and dictionary definitions (which also indicated that the word was a registered trade mark). The requisite link was therefore established and the findings of invalidity, in respect of the remaining goods covered by the contested marks, were upheld.</p>
Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-681/18 <i>ZAO Korporaciya "Masternet" v EUIPO; Stayer Ibérica</i> 28 May 2020 Reg 207/2009 Reported by: <i>Theo Cooper</i>	 <ul style="list-style-type: none"> - hand held abrasive items (wheels and grinding wheels) (8) 	<p>The GC upheld the BoA's decision not to revoke the registration for lack of genuine use pursuant to articles 15(1) and 51(1)(a).</p> <p>The applicant submitted that there were two categories of grinding wheels: those to be inserted into 'power tools' and therefore within class 7 and those to be inserted into 'hand-operated tools' and therefore within class 8. Since none of the proprietor's evidence proved use in relation to class 8 goods, the mark should be revoked.</p> <p>The BoA had been correct to find that</p>


genuine use had been made by Stayer Ibérica, notwithstanding that the evidence also demonstrated that the wheels could be inserted into different tools. The GC held that Stayer Ibérica was required to prove use of the mark in relation to the sufficiently homogenous category of abrasive wheels only, such that a sub-categorisation on the basis of the various types of tools was unnecessary. Further, the Nice Classification served administrative purposes and in itself could not determine the characteristics of the goods at issue.

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-506/19 <i>Workplace Group plc v EUIPO; Technopolis Holding Oyj</i></p> <p>28 May 2020 Reg 2017/1001</p> <p>Reported by: <i>Robert Rose</i></p>	<p>UMA WORKSPACE</p> <ul style="list-style-type: none"> – clerical services; planning and conducting of trade fairs; office machines and equipment rental (35) – insurance underwriting; finance services; real estate affairs (36) – rental of meeting rooms, event facilities and temporary office and meeting facilities; hire of temporary office space (43) <div data-bbox="427 1108 810 1348" style="text-align: center;">  </div> <ul style="list-style-type: none"> – organisation of fairs and trade shows for business, advertising and promotion purposes; rental of office machines and equipment; clerical services (35) – financial services; insurance services; money lending services; real estate services; real estate agency (36) – hire of temporary office commercial premises and accommodation; rental of office and commercial furniture (43) <p>(EUTM and UKTM registrations)</p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion between the marks pursuant to article 8(1)(b).</p> <p>The GC upheld the BoA's finding that 'UMA' was the most distinctive element of the mark applied for. Workplace Group had not submitted any concrete evidence to cast doubt on the BoA's finding that "workspace", composed of two basic English words, could be understood by the public throughout the EU. Further, owing to its primary position 'UMA' was dominant in comparison to the descriptive and thus weakly distinctive word element 'workspace'.</p> <p>The GC upheld that there was no likelihood of confusion. The low similarity of the marks, weak distinctive character of the common element of the marks and high degree of attention of the public were enough to offset the identity of the services.</p> <p>The BoA had not called into question the validity of the earlier UK registrations.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-717/18 <i>B. D. - Boyer Developpement v EUIPO; Philicon-97 AD</i> T-718/18 <i>Boyer v EUIPO; Philicon-97 AD</i> 10 June 2020 Reg 2017/1001 Reported by: <i>Jon Edwards</i>	<p>PHILIBON</p>  <ul style="list-style-type: none"> – fruits and vegetables in various forms including candied, jams, preserves, marmalades, dried, frozen, crystallised and preserved in alcohol (29) – fresh fruit and vegetables (31) – fruit drinks and fruit juices, syrups and other preparations for making beverages (32) <p>PHILICON</p>  <ul style="list-style-type: none"> – preserved fruits and vegetables including concentrates, purées, spreads and compotes (29) – natural juices; fruit drinks; nectars (32) <p>(Unregistered marks)</p>	<p>In two applications for declarations of invalidity under article 60(1)(a), read in conjunction with articles 8(1)(b) and 8(2)(c), the GC upheld the BoA's decisions that the contested marks were invalid.</p> <p>The GC found that the BoA had correctly concluded that Philicon had produced sufficient evidence to show that their earlier marks were well known in Bulgaria, within the meaning of article 6bis of the Paris Convention.</p> <p>The GC noted that the relevant dates for establishing a reputation were the respective filing dates of the contested registrations and the dates of the applications for declarations of invalidity, but that evidence which pre- or post-dated the relevant dates was still admissible where it enabled conclusions to be drawn in respect of the situation as at the relevant dates.</p> <p>Commenting on certain items of evidence submitted by Philicon where the sign FRESH appeared alongside the earlier marks, the GC stated that there was no requirement for a trade mark proprietor to prove use of a mark on its own and independently of any other mark or sign: two or more trade marks could be used jointly without undermining the function of each mark as a means of identifying the goods concerned.</p>
GC T-646/19 <i>eSky Group IP sp. z o.o. v EUIPO; Gerhard Gröpel</i> 10 June 2020 Reg 2017/1001 Reported by: <i>William Wortley</i>	 <ul style="list-style-type: none"> – travel arrangement; tour organising; booking of seats for travel and sale of tickets for land, sea and air transport; booking of seats for travel tours; transport brokerage; sightseeing [tourism] (39) 	<p>The GC upheld the BoA's decision that there was a likelihood of confusion under article 8(1)(b).</p> <p>The BoA had been correct in finding that the marks were visually similar to an average degree, and phonetically identical. The structure of the marks, including the tilted lower-case "e" surrounded by a circular line pattern, was likely to be recognised and remembered by the relevant public.</p> <p>The GC rejected eSky Group's argument that the letter 'e' did not constitute a distinctive element capable of conferring distinctive character on the marks. The GC held that the marks had no meaning with regard to the services at issue, and therefore the degree of distinctiveness was average.</p>



- arranging of travel tours; travel reservation; booking of seats for travel (39)

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-133/19 <i>Off-White LLC v EUIPO</i> 25 June 2020 Reg 2017/1001 Reported by: <i>Charlotte Peacock</i>	 <ul style="list-style-type: none"> – glasses; sunglasses; cases for the laptops, phones, tablets and mp3 players; helmets (9) – jewellery; precious and semi-precious stones; watches; watch cases; jewellery cases (14) – pillows; cushions; beds; mattresses; furniture (20) 	<p>The GC annulled the BoA's decision that the mark was descriptive and lacked distinctive character pursuant to articles 7(1)(b) and (c).</p> <p>The BoA's considerations of the elegant character of the colour off-white, involved a subjective assessment and did not make it possible to establish that such colour constituted an objective and inherent characteristic of the relevant goods.</p> <p>The GC held that the fact that the relevant goods may be available in off-white was irrelevant, as it was not reasonable to conclude that off-white would be recognised by the relevant public as descriptive of any intrinsic characteristic of such goods. The direct and specific link between the mark and the goods, required for the application of article 7(1)(c), was therefore absent. The objection under article 7(1)(b) was unfounded as it was based solely on the descriptiveness of the mark.</p>

Use in the course of trade by an individual

A v B (CJ; Tenth Chamber; C-772/18; 30 April 2020)

The CJ held that under article 5(1), read in conjunction with article 5(3)(b) and (c), of Directive 2008/95, an individual can use a trade mark in the course of trade if the transactions carried out, by reason of their volume, go beyond the scope of a private activity. The fact that an individual receives negligible economic benefit or remuneration for 'using' the trade mark is of no relevance. Robert Milligan reports.

Background

B, a natural person resident in Finland, received from China a consignment of 150 ball bearings, used as spare parts in transmission mechanisms, generators and engines and in the construction of bridges and tramways. On those bearings there was affixed the sign, INA. A was the proprietor of a registration for INA covering 'bearings'.

Once customs was cleared in B's name, B withdrew the consignment from the customs warehouse at Helsinki airport and took them to be stored at B's home. A few weeks later, the bearings were delivered to a third party to be exported to Russia. By way of remuneration, B received a carton of cigarettes and a bottle of brandy.

Criminal proceedings were brought against B for trade mark infringement, to which A was joined with respect to their civil interest, in the Helsingin käräjäoikeus (Court of first instance of Helsinki, Finland). B was acquitted on the ground that it could not be proved he had deliberately committed an offence. However, the Court ordered B not to continue such conduct and to pay compensation and damages to A for the harm suffered.

On appeal to the Helsingin hovioikeus (Court of Appeal of Helsinki, Finland), the Court held that B's activity was equivalent to an act of storage and onward transport of goods, and it had not been B's objective to obtain any economic benefit. The remuneration received was held to be consideration for the storage of the goods and not for the economic exploitation of the goods in the course of business. The Court dismissed the claim, finding that B had not used in the course of trade a sign similar to the registered trade mark and the claim made by A for compensation and damages was, therefore, unfounded.

A appealed to the Korkein oikeus (Supreme Court, Finland) who stayed the proceedings and referred four questions to the CJ; in circumstances where a person not engaged in trade as an occupation, takes delivery of goods affixed with a trade mark, stores those goods and releases them for free circulation in a Member State, is that person using that trade mark in the course of trade?

Decision

The CJ held that the exclusive rights conferred by a trade mark may be relied on by a proprietor only against economic operators within the context of a trading business, or, where the transactions carried out, by reason of their volume, frequency or other characteristics, went beyond the scope of a private activity. In the present case, the CJ found that ball bearings used in heavy industry were manifestly not intended for private use and so the transaction had to be considered as falling within the scope of a trading business. Furthermore, a person who made known their address as the place to which the goods concerned were to be shipped, who completed the custom clearance of those goods and released them for free circulation was importing those goods.

The CJ found that a person acted in the course of trade where goods were imported and released for free circulation. There was no need to examine subsequent dealings with those goods, for example, whether they have been stored or put on the market within the EU or exported to a non-EU country. In addition, the significance of the remuneration the importer received by way of consideration was of no relevance.

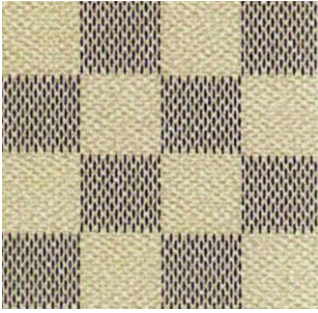
Assessment of inherent and acquired distinctive character

Louis Vuitton Malletier ('LV') v EUIPO (Norbert Wisniewski) (General Court; T-105/19; 10 June 2020)

The GC held that, in assessing whether a figurative mark had inherent distinctive character, the BoA was entitled to rely on well-known facts about the norms and customs of goods in the relevant sector, where those facts corroborated the evidence submitted by the applicant. However, the BoA had erred in its assessment of whether the mark had acquired distinctive character, by limiting its analysis to a small selection of the total evidence submitted, without adequate explanation. Elizabeth Greene reports.

Background

LV is the owner of an international registration (designating the EU) for the figurative mark shown below, in respect of goods in class 18, including 'suitcases... luggage... handbags... purses' etc. (the "LV Mark").



Wisniewski filed an application for a declaration of invalidity with respect to the LV Mark, on the basis that it was devoid of distinctive character. The Cancellation Division upheld Wisniewski's application, and the BoA dismissed LV's appeal. LV then appealed to the GC. The GC annulled the BoA's decision for the following reasons.

Did the BoA incorrectly assess the inherent distinctive character of the LV Mark?

LV alleged that the BoA had infringed the burden of proof in invalidity proceedings, by basing its decision not just on the evidence supplied by the applicant (who had the burden of proving that the LV Mark was not valid), but also on certain 'well-known facts'. The BoA noted that the LV Mark consisted of a pattern designed to be placed on the outside surface of goods; therefore the case law relating to the distinctive character of three dimensional goods was relevant. Accordingly, only a mark which departed significantly from the norms and customs of the relevant sector could indicate origin and possess distinctive character. In its decision the BoA relied on the 'well-known fact' that a chequerboard design with a weft and warp pattern inside the squares was a traditional and commonplace pattern with respect to goods in class 18, and did not depart significantly from the norm. The GC held that, although a registered trade mark enjoys a presumption of validity, that does not preclude the EUIPO from relying on well-known facts observed by it in the context of invalidity proceedings, and which the examiner may have omitted to consider during the registration procedure. The GC also confirmed that the BoA was correct to consider it a well-known fact that the chequerboard pattern was a basic and commonplace design that did not depart significantly from the norm of the sector, in the sense that it was a fact that is "likely to be known by anyone or may be learnt from generally accessible sources". The BoA was therefore correct in its assessment of the inherent distinctive character of the LV Mark.

Did the BoA incorrectly assess the distinctive character acquired through use of the LV Mark?

LV alleged that the BoA had erred in its assessment of the distinctive character acquired by the LV Mark. The GC noted that, due to the unitary nature of the EU trade mark, in order to be valid it must have distinctive character, inherent or acquired, throughout the European Union. LV therefore needed to provide evidence to establish acquisition of distinctive character in each Member State, either globally for all the Member States, or separately for different Member States or groups of Member States. It was not required to provide the same types of evidence for each Member State. LV provided a wide range of evidence to demonstrate acquired distinctive character throughout the EU, producing 68 exhibits in total, including sales data, market share figures, invoices, advertising campaigns, press coverage, social media posts, statements from expert organisations, and public surveys.

In the contested decision, the BoA approached this assessment by dividing the EU Member States into three groups, and focussing its analysis on Group 3, which consisted of Member States where LV did not have any physical shops. The BoA then identified which evidence was, in its view, relevant to an analysis of whether the LV Mark had acquired distinctive character in the Group 3 Member States, without explaining why it considered the other evidence to be irrelevant. On the basis of that limited selection of evidence, the BoA concluded that the LV Mark had not been shown to have acquired distinctive character in the Group 3 Member States. Therefore, it went on to conclude that the LV Mark could not have acquired distinctive character throughout the EU.

The GC held that, in only examining a small part of the submitted evidence, without explaining its decision, the BoA had erred in law. Some of the evidence that was not taken into consideration by the BoA was potentially relevant to the assessment of whether the LV Mark had acquired distinctive character in the

Group 3 Member States. The BoA should have examined all the evidence relating to use of the LV Mark, in particular use on the internet. The GC noted that the fact that a proprietor did not have a physical shop in a Member State did not necessarily mean that the relevant public could not become familiar with a mark as originating from that proprietor e.g. by seeing it used on websites or social media accessible throughout the EU.

Admissibility of arguments not put forward before the Board of Appeal

Przedsiębiorstwo Produkcyjno-Handlowe 'Primart' Marek Łukasiewicz ("Primart") v EUIPO; Bolton Cile España SA (CJ; C-702/18 P; 18 June 2020)

The CJ held that the GC had erred in declaring Primart's arguments inadmissible under article 76(1), as the distinctive character of the earlier mark in opposition proceedings properly formed part of the subject matter of proceedings before the BoA, irrespective of whether one of the parties had submitted arguments on the issue. 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 from the perspective of the relevant Spanish public. 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, so would not have been understood as a laudatory term as it might have been in other languages of the European Union. 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 CJ challenging the GC's finding that its arguments were inadmissible.

The CJ considered that the BoA was required to decide on all issues which were necessary to ensure the correct application of the relevant regulation, and in relation to which it had all information required to make such a decision. This was the case regardless of whether an element of law related to those issues had been relied on by the parties. In the context of opposition proceedings based on article 8(1)(b), this meant that the EUIPO was obliged to examine the inherent distinctiveness of the earlier mark, even if the issue was not raised by one of the parties. As a result, the inherent distinctiveness of the earlier mark was an issue forming part of the subject matter of the proceedings before the BoA within the meaning of article 188 of the Rules of Procedure of the General Court. The GC had therefore erred in declaring Primart's arguments on the weak distinctive character of the earlier mark inadmissible under article 76(1).

Due to the nature of the global assessment of the likelihood of confusion, which required consideration of all relevant factors, including the distinctive character of the earlier mark, the CJ held that it could not be ruled out that the GC would have reached an alternative decision had it considered Primart's arguments on the

weak distinctiveness of the earlier mark. The CJ therefore set aside the GC's decision (reported in *CIPA Journal* November 2018) and referred the case back to the GC for judgment.

Protected designations of origin

***Les Grands Chais de France SAS ("LGC") v Consorzio di Tutela della Denominazione di Origine Controllata Prosecco (the "Consorzio")** (Nugee J; [2020] EWHC 1633 (Ch); 5 June 2020)**

The High Court upheld the UKIPO's decision at first instance finding the figurative trade mark NOSECCO unlawfully evoked the Protected Designation of Origin ("PDO") for Prosecco and deceived the public as to the nature of the goods. Lauren Kourie reports.

French wine producer, LGC, sought protection in the UK for the international trade mark registration shown below, covering "non-alcoholic wines; non-alcoholic sparkling wines" in class 32. The trade mark is used as a product label for LGC's alcohol-free sparkling wine NOSECCO.



The Consorzio is an association established to protect and promote the name "Prosecco", which is a PDO in the EU. Pursuant to the PDO, use of the word is reserved for wines which meet specific conditions relating to the region of Italy from where the grape is grown, the grape variety, the cultivation method and the minimum alcohol strength.

Before the IPO, the Consorzio successfully opposed the trade mark application on two grounds: firstly, use of the mark was prohibited by EU law under section 3(4) Trade Marks Act as NOSECCO evoked the PDO for Prosecco within the meaning of article 103(2)(b) of Regulation 1308/2013 (the "Regulation") and secondly, NOSECCO was of such a nature as to deceive the public as to the origin of the goods under section 3(3)(b).

The Court dismissed LGC's appeal for the following reasons:

Evocation of the PDO (section 3(4))

The main thrust of LGC's appeal on section 3(4) was that the Hearing Officer did not properly apply the appropriate legal tests and that her findings of fact were not supported by a fair assessment of the evidence.

For instance, LGC submitted there were gaps in the evidence, including no expert evidence as to the similarity between NOSECCO and Prosecco. However, the Judge disagreed commenting that the similarities between them were obvious. In fact, LGC had gone out of its way to portray NOSECCO as similar to a sparkling wine by presenting it in a typical Prosecco-like bottle, advertising it at celebratory occasions in flute-shaped glasses and describing it by reference to its colour, nose and palate in a way that was reminiscent of wine. NOSECCO's only differences stemmed from the fact it was non-alcoholic.

Furthermore, LGC submitted there was a requirement for actual evidence of consumers having established a link between NOSECCO and the PDO, which was not established as the only evidence provided was inadequate, second-hand social media evidence. The Judge rejected this stating the case law suggested it was the "presumed reaction of consumers" that should be taken into account and in any event, the social media evidence and press articles strongly supported the conclusion that the mark evoked the PDO and that such a link was therefore established. For example, the Judge highlighted use of hashtags including #noalcoholprosecco and #AlcoholFreeProsecco, which showed that consumers regarded NOSECCO as a non-alcoholic version of Prosecco. The Court found that this evidence demonstrated the genuine and unprompted perception of ordinary consumers, which in fact had distinct advantages over evidence specifically prepared for litigation.

The Judge therefore found the Hearing Officer entitled to conclude that NOSECCO evoked the PDO, indeed, he doubted that the Hearing Officer could properly have come to any other conclusion.

Although the Judge had dismissed the appeal at this point, he went on to discuss LGC's choice of the NOSECCO name. LGC's position was essentially that NOSECCO was a made-up word which suggested the product was not alcoholic; not Prosecco; and not dry (i.e. a combination of 'no' and the Italian word 'secco' meaning dry). However, the Judge commented that the Hearing Officer was entitled to form a view as to the presumed reaction of consumers, which did not depend on the original derivation of the name. Furthermore, the Judge considered the inclusion of 'no', supposedly to convey that NOSECCO was not Prosecco, actually had the opposite effect of causing an association and giving the impression it was a Prosecco-like drink. In evidence, LGC had in fact referred to the name as a "parody of Prosecco" and to its "witty nature" or "clever concept", which the Judge thought came very close to accepting that the intent behind the name, or at least its effect, was to make consumers think of Prosecco. It was not necessary that the consumer believed the product to actually be Prosecco, as it is clear that the Regulation covers formulations such as "Prosecco-like", "in the style of Prosecco" or even "imitation Prosecco". The average consumer would understand that products so labelled were not actually Prosecco, but this did not prevent them being examples of evocation.

Deception as to the nature of the goods (section 3(3)(b))

The Judge held that the Hearing Officer was entitled to find use of NOSECCO created a "sufficiently serious risk" that consumers would be deceived as to the nature of the goods. LGC had criticized the Hearing Officer's view that consumers would mistakenly believe NOSECCO was in some way compliant with the PDO as LGC submitted NOSECCO was clearly not compliant with the very detailed and onerous Prosecco specification requirements. The Judge found this argument irrelevant as consumers could not be expected to have such a detailed knowledge of the specification; consumers merely had to believe the mark in question had some connection to the PDO.

Prohibition on use of the protected name

The Consorzio also attempted to uphold the Hearing Officer's decision under section 3(4) on an alternative basis by submitting that use of NOSECCO was prohibited by article 103(2)(a) of the Regulation. Given the appeal had been dismissed, the Judge considered it unnecessary to reach a conclusion on this ground, but stated if it had it would not have succeeded as NOSECCO could not be described as use of the protected name Prosecco, whether a misspelling or otherwise.

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

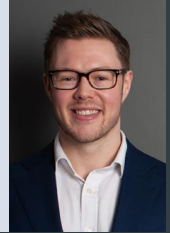
Tel: +44 020 7415 6104
katharine.stephens@twobirds.com



Thomas Pugh

Associate, IP

Tel: +44 020 3017 6873
thomas.pugh@twobirds.com



Aaron Hetherington

Trainee Trademark Attorney

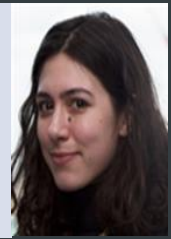
Tel: +442074156183
aaron.hetherington@twobirds.com



Ciara Hughes

Trainee Trademark Attorney

Tel: +442074156193
ciara.hughes@twobirds.com



Reporters

Adeena wells; Theo Cooper; Robert Rose; Jon Edwards; William Wortley; Charlotte Peacock; Robert Milligan; Elizabeth Greene; Lauren Kourie.

This report was first published in the CIPA Journal, July 2020