

## TRADE MARKS

## Decisions of the GC and CJ

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>CJ  <b>C-147/14</b>  <i>Loutfi Management  Propriété intellectuelle  SARL v AMJ  Meatproducts NV &amp;  Anr</i>  (25.06.15)</p>	 <p>- goods in Classes 29 and 30  (Benelux trade mark application)</p>   <p>- goods in Classes 29, 30 and 32</p>	<p>The CJ gave a preliminary ruling concerning the interpretation of <b>Art 9(1)(b)</b> and whether the meaning and pronunciation of words in non-Latin alphabets should be taken into account when assessing similarity between marks.</p> <p>The Belgian court found the relevant goods to be the same or similar goods and that the relevant public composed Muslim consumers of Arab origin who consumed halal food products in the EU and had at least a basic knowledge of written Arabic. Further, the word elements "EL BNINA" (meaning softness), "EL BENNA" (meaning taste) and "EL BAINA" (meaning sight) were dominant elements as were those in Arabic script, albeit to a lesser degree. The Belgian court also found a certain visual similarity between the Arabic words appearing in Arabic and Latin script, however, the pronunciation and significance of those words differed.</p> <p>The CJ ruled that, in order to assess the likelihood of confusion between marks which covered identical or similar goods and which both contained a dominant Arabic word in Latin and Arabic script, those words being visually similar and where the relevant public had a basic knowledge of written Arabic, the meaning and pronunciation of those words must be taken into account. If any phonetic and conceptual differences were not taken into account, the assessment of the likelihood of confusion could be made only partially and, would not take into account the overall impression made by the marks on the relevant public.</p>



		<p>not be excluded that the BoA might have reached a different conclusion if it had favoured a broader interpretation of the national laws.</p> <p>The GC concluded that the BoA's decision must be annulled.</p>
<p>GC <b>T-657/13</b> <i>BH Stores BV v OHIM;</i> <i>Alex Toys LLC</i> (02.07.15)</p>	<p><b>ALEX</b> - children's bath toys; children's educational and developmental activity toys (28)</p> <p><b>ALEX</b></p>  <p>- sporting articles (28) (German marks)</p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>The toys covered by the mark applied for had a different nature to 'sporting articles' covered by the earlier marks.</p> <p>Furthermore, the goods in question had a different purpose. Sporting articles were intended to train the body through physical exercise whereas the children's toys were used to amuse and educate children. It followed that the goods at issue were not competing. Even if the price of sporting articles rose, consumers of sporting articles would still not resort to those toys in order to replace genuine sporting articles. Finally, the goods were manufactured and sold in specialist stores. Even where the goods were sold in the same commercial establishment, they were found in different departments.</p> <p>Therefore the BoA was correct to find that the goods at issue were different, thus there was no likelihood of confusion between the marks.</p>
<p>GC <b>T-521/13</b> <i>Alpinestars Research Srl v OHIM;</i> <i>Kean Tung Cho and Ling-Yuan Wang Yu</i> (07.07.15)</p>	 <p>- backpacks, travelling bags, briefcases, handbags, shopping bags, wallets, walking sticks, umbrellas (18)</p> <p>- cyclists' clothing, gloves [clothing], hats, sports shoes, ear muffs [clothing], socks (25)</p> <p><b>A-STARS</b> - leather and imitation of leather and goods made of these materials, trunks,</p>	<p>The GC annulled the BoA's decision and instead found a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>The BoA was wrong to find only a low degree of visual similarity. The word 'aster' was the dominant element in the mark applied for. The words 'aster' and 'a-stars' were similar in length and differed only due to the presence in the earlier mark of a hyphen, an additional 's' and the use of 'a' rather than 'e' as the second vowel. The visual similarity was therefore average.</p> <p>The BoA was also wrong to find a low degree of phonetic similarity. The stylised 'a' element of the mark applied</p>

	<p>suitcases, parasols, umbrellas, knapsacks, walking sticks, handbags, travelling bags, mountaineering bags, school bags, camping bags, wallets and purses (18)</p> <p>- clothing, footwear and headgear (25)</p>	<p>for would be unlikely to form part of its pronunciation and, whilst the hyphen in the earlier mark would cause English speakers to pronounce it as two elements, it would not have the same effect for non-English speakers. The similarity of the vowel sounds 'a' and 'e' in the second part of the marks and the fact that the final 's' of the mark applied for would be silent in some European languages had the result that the marks were highly phonetically similar for at least the non-English speaking part of the relevant public.</p> <p>Although the marks were conceptually dissimilar, given the visual and phonetic similarity and the identity of the goods, the BoA had been wrong not to find a likelihood of confusion. The goods in question would be purchased primarily based on a visual inspection, making the visual similarity of the marks particularly important and the conceptual dissimilarity less so.</p>
<p>GC <b>T-436/12</b> <i>Deutsche Rockwool Mineralwoll GmbH &amp; Co. OHG v OHIM; Ceramicas del Foix, SA</i> (08.07.15)</p>	 <p>- paints, varnishes, lacquers (2)</p> <p>- building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; monuments, not of metal. All the aforementioned goods with the exception of all kinds of mineral wool goods and damping materials for use in the building industry (19)</p> <p>- carpets, rugs, mats and matting (27)</p> <p><b>MASTERROCK</b></p> <p><b>FIXROCK</b></p> <p><b>FLEXIROCK</b></p> <p><b>COVERROCK</b></p> <p><b>CEILROCK</b></p> <p>- building materials</p>	<p>In invalidity proceedings, the GC dismissed the appeal from the BoA's decision that there was no likelihood of confusion between the marks under <b>Arts 53(1)(a) and 8(1)(b)</b>.</p> <p>The BoA was correct to find that the relevant public would identify the elements 'rock', 'master', 'fix', 'flexi' and 'cover' as part of basic English vocabulary used in the building industry and as such were descriptive of building materials. The distinctiveness of the earlier marks was weak, with the exception of CEILROCK, which was averagely distinctive.</p> <p>Despite the presence of the suffix '-rock' in each of the marks, the marks' visual similarity was reduced due to their different prefixes and because of the graphical element of the contested mark and its being divided by an ampersand. There was a low degree of visual similarity between the marks. Similarly, the degree of phonetic and conceptual similarity between the marks was low.</p>

	<p>manufactured, for the most part, from mineral wool (17) (19)</p> <p>- civil engineering and installation works (37)</p> <p>(German Marks)</p>	<p>Deutsche Rockwool could not rely on the broader protection granted to a family of trade marks as the common element 'rock' was largely descriptive and/or laudatory of the goods and services covered by the earlier marks.</p> <p>Given the relevant public's level of attention was particularly high, the weak distinctiveness and low similarity between the marks, there was no likelihood of confusion.</p>
<p>CJ</p> <p><b>C-249/14</b></p> <p><i>Pêra-Grave – Sociedade Agrícola, Unipessoal Lda v OHIM; Fundação Eugénio de Almeida</i></p> <p>(09.07.15)</p>	 <p><b>Qª S. JOSÉ DE PERAMANCA</b></p> <p>- alcoholic beverages (except beers) (33)</p>  <p>- alcoholic beverages (except beers) (33)</p> <p>(Portuguese mark)</p>	<p>The CJ upheld the GC's decision that there was a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>The GC's statements that a likelihood of confusion 'is not capable of being ruled out' or 'it cannot be ruled out' could not be interpreted independently of the substance of the GC's decision from which it was clear that the GC had conducted a global assessment as was required and established that a likelihood of confusion existed.</p> <p>Pêra-Grave's approach to the meaning of 'permanca' was inconsistent: on the one hand arguing that it had no meaning and on the other hand stating that it referred to a region of Portugal. In these circumstances the GC could not be criticised for rejecting Pêra-Grave's submission that the relevant public perceived 'qta s. josé de permanca' as a logical and conceptual whole referring to an estate named San José de Peramanca and prevented the attention of that public being drawn to the element 'peramanca'.</p> <p>Also, on the basis of Pêra-Grave's inconsistent approach to the meaning of 'peramanca', the GC could not be criticised for not considering whether relevant consumers might in the future make a link between the geographical name 'peramanca' and the goods at issue.</p>
<p>GC</p> <p><b>T-89/11</b></p> <p><i>Nanu-Nana Joachim Hoepf GmbH &amp; Co. KG v OHIM; Vincci Hoteles, SA</i></p>	<p><b>NANU</b></p> <p>- cosmetics, scented oils and perfume oils, hair lotions; potpourris (fragrances) (3)</p> <p>- toothbrushes (21)</p> <p>- retail and mail order</p>	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>Nanu-Nana accepted the BoA's findings of identity/ similarity in relation to all the goods in Class 3. The GC held that toothbrushes and</p>

<p>(09.07.15)</p>	<p>services on the market for perfumery (35)</p> <p><b>NAMMU</b></p> <p>- <i>inter alia</i> perfumery, dentifrices (3)</p>	<p>dentifrices were highly similar as they were complementary and had the same purpose; they could be produced by the same undertaking and sold under the same mark. Further, the goods were sold via the same distribution channels. The fact that they differed in nature did not alter this finding.</p> <p>Furthermore, the BoA was correct to find that there was a similarity between retail and mail order services in the field of perfumery and the perfumery goods covered by the earlier mark.</p> <p>The marks had a high degree of visual and phonetic similarity. Other than for a Maltese-speaking public (for which NANU meant dwarf) the lack of meaning of the marks in the EU prevented any conceptual comparison. However, the significant similarities between the marks were such to lead to a likelihood of confusion concerning goods and services which were partly similar and partly identical to the goods covered by the earlier mark.</p>
<p>GC</p> <p><b>T-24/13</b></p> <p><i>Cactus SA v OHIM; Isabel Del Rio Rodríguez</i></p> <p>(15.07.15)</p>	<p><b>CACTUS OF PEACE</b></p> <p><b>CACTUS DE LA PAZ</b></p> <p>- seeds, natural plants and flowers (31)</p> <p>- storage, distribution and transport of manure, fertilisers, seeds, flowers, plants, trees, tools and gardening goods of all kinds (39)</p> <p>- gardening, plant nurseries, horticulture (44)</p> <p><b>CACTUS</b></p> <p> <b>Cactus</b></p> <p>- foodstuffs not included in other classes; natural plants and flowers, grains; fresh fruits and vegetables; except cactuses (31)</p> <p>- advertising, business management and administration, office functions, among other</p>	<p>In opposition proceedings, the GC partially annulled the BoA's decision relating to genuine use of the earlier marks under <b>Art 42(2)</b>.</p> <p>The GC annulled the BoA's decision in so far as it rejected the opposition on the grounds that 'retailing of natural plants and flowers, grains; fresh fruits and vegetables' in Class 35 were not covered by the earlier marks, when determining genuine use. The BoA had committed a procedural error as it had not allowed the parties to present their comments under <b>Art 75</b>.</p> <p>Furthermore, the BoA had erred in finding that those services were not covered by the earlier marks. The earlier marks contained all the general indications listed in Class 35 and therefore constituted a claim to all of the services falling within that class, including 'retailing' in accordance with OHIM Communication No 4/03 (the GC noted that the trade mark application predated the CJ's decision in <i>Chartered Institute of Patent Attorneys v Register of Trade Marks</i></p>

	<p>advertising; market surveys; outdoor advertising; business management assistance; demonstration of goods, distribution of samples; opinion polling; personnel recruitment; cost-price analysis; public relations (35)</p>	<p><b>(Case C-307/10</b>, reported in <i>CIPA Journal</i>, July 2012), the repealing of Communication No. 4/03 and the coming into force of Communication No. 2/12).</p> <p>Furthermore, the BoA erred in finding that Cactus had not proved genuine use of the earlier marks regarding 'natural flowers and plants, grains' in Class 31 and the GC held that use of the stylised cactus logo alone constituted use of the earlier marks. The GC noted that it was not usual practice to affix a mark directly to the goods in certain plant and flower sectors. Nevertheless, Cactus was able to prove use of the mark through documents publicising their expertise in the sector.</p>
<p>GC <b>T-215/13</b> <i>Deutsche Rockwool Mineralwoll GmbH &amp; Co. OHG v OHIM; Recticel SA</i> (15.07.15)</p>	<div style="text-align: center;">  </div> <p>- insulating materials (17)</p>	<p>In revocation proceedings, the GC dismissed the appeal from the BoA's decision that there had been genuine use of the mark, under <b>Art 51(1)</b>.</p> <p>The BoA was correct to reject Deutsche Rockwool's submission that the evidence of use provided by Recticel (which consisted mainly of advertising material and invoices relating to the purchase of insulating material) had no evidential value. The GC confirmed that the items of evidence must be analysed as an accumulation of evidence which, as a whole, might make it possible to prove genuine use. Therefore the fact that certain items of evidence, when taken individually, did not contain clear reference to the goods at issue, the relevant period, the sale of those goods or the contested mark, did not automatically deprive them of evidential value. The BoA was correct to find that the advertising material, examined as a whole, proved the extent of the use of the mark.</p> <p>The BoA was correct in finding that the use of the mark in place of the first letter "o" in a number of Recticel's CTM word marks including EUROFLOOR and POWERROOF, did not detract in any way from the distinctive character of the mark and therefore such evidence could prove genuine use of the mark.</p>

		The BoA had also been correct in holding that that a declaration from an external auditing undertaking, attesting to the turnover relating to the sale of products under the marks could be taken into account in the context of the accumulation of evidence.
<p>GC</p> <p><b>T-323/12</b></p> <p><i>Knauf Insulation Technology v OHIM; Saint Gobain Cristalería, SL</i></p> <p>(15.07.15)</p>	<p><b>ECOSE</b></p> <ul style="list-style-type: none"> <li>- goods made from rubber, gutta-percha, gum, asbestos, mica, adhesive bands and tapes (other than for stationery and not for medical or household purposes), flexible pipes, not of metal (17)</li> <li>- non-metallic building materials, non-metallic rigid pipes for building (19)</li> </ul> <p><b>ECOSEC FACHADAS</b></p> <ul style="list-style-type: none"> <li>- thermal and acoustic insulating materials and products (17)</li> <li>- non-metallic building materials, non-metallic rigid pipes for building (19)</li> </ul> <p>(Spanish mark)</p>	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>It was not disputed that the relevant public comprised, <i>inter alia</i>, professionals in the building sector in Spain with a high level of attention. The GC upheld the BoA's finding that the relevant public also included do-it-yourself enthusiasts from the general public with a high level of attention. The BoA was correct to find the goods at issue to be partly identical and partly similar.</p> <p>Visually, the marks at issue had the same first five letters, which also constituted the entire mark applied for. The BoA was therefore correct to find the marks were visually similar.</p> <p>Phonetically, the marks were similar: the first two syllables of the marks were identical ('e' and 'co') and would therefore be pronounced in the same manner by the relevant public. The word 'fachadas' in the earlier mark (which translates to façade in English) was relegated to a secondary position due to its descriptive nature. The BoA was correct to find there was no conceptual similarity between the marks, and that the first element of the earlier mark 'ecosec' had no clear meaning in Spanish.</p>
<p>GC</p> <p><b>T-324/12</b></p> <p><i>Knauf Insulation Technology v OHIM; Saint Gobain Cristalería, SL</i></p> <p>(15.07.15)</p>	 <ul style="list-style-type: none"> <li>- paints (2)</li> <li>- goods made from rubber, gutta-percha, gum, asbestos, mica, flexible pipes, not of metal (17)</li> <li>- non-metallic building materials, binding material for road repair, non-metallic</li> </ul>	<p>The GC annulled the BoA's decision that there was a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>The BoA was correct to find the goods at issue to be partly identical and partly similar.</p> <p>Contrary to the BoA's findings, there was only a low degree of visual similarity between the marks at issue. The figurative elements of the mark applied for were not simply decorative. Given the three-leaf clover shaped-</p>

	<p>rigid pipes for building (19)  <b>ECOSEC FACHADAS</b>  - thermal and acoustic insulating materials and products (17)  - non-metallic building materials, non-metallic rigid pipes for building (19)  (Spanish mark)</p>	<p>device and the green colour of the mark applied for, the visual impression the public would retain was that of a cloverleaf in stylised form. Furthermore, elements of the mark applied for were slightly inclined towards the right, which conveyed a degree of dynamism to the mark.</p> <p>The BoA was correct to find the marks were phonetically similar but had no conceptual similarity.</p> <p>Given the low degree of visual similarity between the marks and high level of attention of the relevant public, there was no likelihood of confusion despite the similarity/identity of the goods designated by the marks.</p>
<p>GC  <b>T-333/13</b>  <i>Westermann  Lernspielverlag GmbH  v OHIM; Diset, SA</i>  (15.07.15)</p>	<p>  - goods and services in Classes 9, 16 and 28</p> <p>  - goods and services in Classes 16, 28 and 41</p>	<p>The GC dismissed an appeal from the BoA's decision that there was a likelihood of confusion between the marks pursuant to <b>Art 8(1)(b)</b>.</p> <p>The BoA was correct to find a visual similarity between the marks. The differences in the additional figurative elements of the marks did not outweigh the visual similarity arising from their common element 'bambino'.</p> <p>The BoA was also correct to find a phonetic similarity between the marks. The relevant public would take greater note of the 'bambino' element at the beginning of the mark applied for.</p> <p>Conceptually, Westermann had not set out the concept that it claimed was conveyed by the 'LÜK' element. Further, even if the term 'bambino' was descriptive, the inference would be that the marks referred to an identical concept which would increase the likelihood of confusion.</p> <p>The BoA's finding of a likelihood of confusion between the marks could not be called into question by Westermann's submission that 'bambino' (referring to babies or young children) was descriptive in the relevant territory and that the stylised child and word 'LÜK' served to prevent any likelihood of confusion. Even if the earlier mark had weak distinctive character, a dispute as to the earlier mark's minimum distinctive character</p>

		could not form the subject matter of opposition proceedings under <b>Art 8(1)(b)</b> .
<p>GC</p> <p><b>T-352/14</b></p> <p><i>The Smiley Company SPRL v OHIM; The Swatch Group Management Services AG</i></p> <p>(15.07.15)</p>	<p><b>HAPPY TIME</b></p> <p>- goods in precious metals or coated therewith, not included in other classes; jewellery; horological and chronometric instruments (14)</p> <p><b>HAPPY HOURS</b></p> <p>- retailing of timepieces and jewellery, retailing of timepieces and jewellery via the internet (35)</p> <p>(International mark)</p>	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>The BoA was correct to refer to the principle that there was usually a similarity between goods and the retail services which affect those goods and to find that the services at issue were generally offered in the same places as those in which the goods covered by the mark applied for were offered for sale and, as such, the relevant goods and services displayed some similarities.</p> <p>The BoA was also correct to conclude that there was a certain degree of visually similarity and a low degree of phonetic similarity between the marks.</p> <p>As regards the conceptual similarity, the BoA was correct to find that each referred to being happy over an unspecified period and that, unlike in relation to the drinks trade that habitually used similar and/or identical signs to bear a promotional meaning, the marks at issue did not bear any promotional meaning. The BoA was also correct to find that the signs at issue had at least a strongly similar conceptual meaning which was sufficient to offset the lower degree of visual and phonetic similarity.</p> <p>The BoA was correct to find that there was a likelihood of confusion between the marks.</p>

### General Court rules on genuine use

#### ***TVR Automotive Ltd v OHIM; TVR Italia Srl (GC; T-398/13; 15.07.15)***

The GC annulled the BoA's decision to reject the opposition to the registration of the figurative mark for TVR (reproduced below) on the basis of earlier Community and UK trade marks for the word TVR under **Article 8(1)(b)**.



The BoA rejected the opposition on the basis that genuine use had not been established for either the earlier UK mark or the earlier CTM under **Articles 15(1)** and **42(2)** and **(3)**.

The GC held that the BoA was not entitled to conclude that the opposition should be rejected on the basis of allegedly insufficient use of the earlier UK mark. Proof of genuine use of that mark was not and could not be requested, as the requisite five year period had not expired by the date of the trade mark application. The GC noted that the Opposition Division was correct in restricting its assessment to proof of genuine use of the earlier CTM.

In response to TVR Automotive's submission that the BoA had failed to take into account an earlier decision of the Cancellation Division (which found genuine use of the earlier CTM), the GC held the following:

- The principle of *res judicata*, whilst recognised by case-law, was not applicable to the relationship between a final decision in opposition proceedings and an application for a declaration of invalidity, given that proceedings before OHIM were administrative and not judicial and, further, that the Regulation laid down no rule to that effect. The same was true concerning the relationship between a final decision of revocation or on an application for a declaration of invalidity and opposition proceedings.
- Findings made in a final decision on revocation/invalidity, however, could not be entirely ignored by OHIM in opposition proceedings between the same parties, relating to the same subject-matter and based on the same grounds of proof of genuine use, provided those findings were not affected by new facts, evidence or grounds. Nevertheless, the BoA was not obliged to follow the Cancellation Division's decision faithfully. To find otherwise would undermine the effectiveness of separate legal remedies of oppositions on the one hand, and revocation/invalidity proceedings on the other. This was supported by the fact that the relevant periods for assessing genuine use in the two proceedings were different (although they overlapped) – the subject matter of the two sets of proceedings was not therefore altogether identical.

The BoA was wrong to reject the opposition on the ground that the genuine use of the earlier CTM had not been established. Proof of genuine use did not have to be proved for each year of the five year period; it was sufficient for the mark to have been put to use for only a part of the five-year period, as otherwise any disruption in use for a short period of time might affect the proprietor's rights. Here, the CTM had been used for a substantial part of the five-year period (between at least 2003 and 2006 - as evidenced by a number of independent sources including Wikipedia and articles on the BBC website) which the GC held was sufficient to establish genuine use. The fact that the production and sale of cars fell in 2006 and their manufacture ceased at the end of 2006 was not sufficient for the contrary conclusion to be reached.

### **Genuine use of CTM required in more than one Member State**

***The Sofa Workshop Ltd ("SWL") v Sofaworks Ltd* (Judge Hacon; [2015] EWHC 1773 (IPEC); 29.06.15)**

**Judge Hacon** held that SWL's CTMs for SOFA WORKSHOP were invalidly registered under **Article 7(1)(c)** and liable to be revoked for non-use. However, SWL succeeded in its claim for passing off.

SWL was a retailer of sofas and other furniture and the owner of two CTMs for SOFA WORKSHOP registered in Classes 18, 20, 24 and 35. Sofaworks was in the same business and SWL alleged that its use of the name Sofaworks was an infringement of the CTMs and

amounted to passing off. Sofaworks counterclaimed for revocation of the CTMs for non-use and a declaration of invalidity on the basis that the CTMs were descriptive of the goods and services for which they were registered.

#### Whether 'genuine use in the Community' required use in more than one Member State

**Judge Hacon** cited **Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV** and, summarising the ruling, concluded that the CJ had drawn a distinction between national and Community marks when assessing genuine use. For national marks the geographical extent of use was a factor to be taken into account but was of no great weight, whereas in respect of CTMs the geographical extent of use would usually be crucial and must extend at least beyond the boundaries of one Member State.

While SWL had put the CTMs to extensive genuine use in the UK in the relevant five year period, the Judge found that its use of the marks in advertising in magazines with a Europe-wide distribution did not qualify as genuine use outside the UK. This was because the UK telephone numbers provided in the advertorials and the invitation to "pop in" to SWL's stores indicated that the advertisements were targeted at UK-based readers. This was consistent with the fact that SWL could only point to one sale from outside the UK (which took place back in 2013), and there was no evidence that this sale resulted from marketing received by the purchaser outside of the UK. It was entirely possible that the individual who placed the order could have done so in the UK.

#### Invalidity of the CTMs

**Judge Hacon** held that SOFA WORKSHOP consisted exclusively of signs which may serve in trade to designate a characteristic of some of the goods for which the marks were registered, such as sofas, sofa beds, loose covers of sofas and upholstered furniture to the extent that that term included sofas and sofa beds. He noted that SWL itself used the term "workshop" descriptively in its advertising.

The Judge accepted that the marks had acquired distinctiveness in the UK by the relevant date, on the basis of SWL's marketing and advertising and customer interest forms showing that SWL customers had cited SWL's advertising or word of mouth as the reason for their custom. However, he found that the marks had not acquired distinctiveness outside of the UK. Following the GC's decision in **Case T-307/09 Liz Earle Beauty Co Ltd v OHIM**, it was necessary for SWL to show acquired distinctiveness in all countries in which the mark was descriptive to a native English speaker. Due to the widespread use of English, this might include the Scandinavian countries, the Netherlands and Cyprus, whereas SWL had not even established use, less still acquired distinctiveness, in Ireland or Malta.

#### Infringement of the CTMs

In case he was wrong on his findings of invalidity and revocation for non-use, **Judge Hacon** considered SWL's claim for infringement under **Article 9(1)(b)**. Basing his assessment on the goods which Sofaworks marketed using the SOFAWORKS sign and which Sofaworks admitted were identical to those covered by the CTMs (namely furniture, sofas, upholstered chairs and sofas), the Judge concluded that the sign and the CTMs were visually, aurally and conceptually similar. He considered that the limited evidence of actual confusion adduced by SWL was sufficient to indicate that a (more than *de minimis* but less than 50%) proportion of consumers who recognised SOFA WORKSHOP as a trade mark, were aware of the sign SOFAWORKS, and who were reasonably well-informed, circumspect and observant were likely to believe that the goods of each party came from the same or economically-linked undertakings. Accordingly, following *Interflora III* [2014] EWCA Civ 1403 and *Spear v Zynga* [2015] EWCA Civ 290, the court could therefore conclude that there was a likelihood of confusion from the perspective of the average consumer. Therefore, a finding of infringement was warranted should the CTMs be valid.

### Passing off

Following his findings as to the acquired distinctiveness of SWL's SOFA WORKSHOP marks in the UK and his findings in relation to infringement, the Judge held that SWL's claim for passing off succeeded.

### **Acquired distinctiveness must be shown in all relevant Member States**

***The Ukulele Orchestra of Great Britain ("UOGB") v Erwin Clausen & Anr t/a the United Kingdom Ukulele Orchestra ("UKUO")\**** (Judge Hacon; [2015] EWHC 1772 (IPEC); 02.07.15)

**Judge Hacon** held that UOGB's CTM for the word mark THE UKULELE ORCHESTRA OF GREAT BRITAIN was invalid as it was descriptive and had not acquired distinctive character. However, UOGB's claim to passing off succeeded.

UOGB was a group of musicians who played ukuleles and who had enjoyed considerable success in the UK and Germany. UOGB argued that its CTM was infringed by the Defendants' (Erwin Clausen and Yellow Promotion GmbH) use of the name 'United Kingdom Ukulele Orchestra' under **Articles 9(1)(b)** and **9(1)(c)**. UOGB also alleged passing off. Yellow Promotion counterclaimed for a declaration that the CTM was invalid.

### Validity of the CTM

**Judge Hacon** found that the CTM was descriptive to the English speaking average consumer in relation to concert services, CDs and DVDs under **Articles 52(1)** and **7(1)(c)**. UOGB therefore sought to rely on acquired distinctiveness under **Article 52(2)**. **Judge Hacon** held that the territory across which acquired distinctiveness of a word mark must be established depends on the language of the mark.

First, the CTM did not contain obscure English words so it would be understood in the UK, Ireland, Malta, the Netherlands, Denmark, Sweden, Finland and Cyprus where English was sufficiently well spoken by the average consumer.

Secondly, the German for Ukulele Orchestra is "Ukulelenorchester" and therefore the CTM would be understood by average consumers who spoke German. Accordingly, acquired distinctiveness also had to be shown in Germany, Austria, Luxembourg and Belgium.

**Judge Hacon** held that the CTM had not acquired distinctive character in relation to concert services in all of these Member States by the relevant date, and therefore declared the CTM invalid. However, in case he was wrong, he found that the Defendants would have infringed the CTM under **Articles 9(1)(b)** and **9(1)(c)**.

### Passing off

UOGB's evidence of acquired distinctiveness was sufficient to establish goodwill in its trade name. **Judge Hacon** also held that the evidence of a likelihood of confusion established misrepresentation by Yellow Promotion's use of UKUO and that this damaged UOGB's goodwill in its name. The passing off claim therefore succeeded.

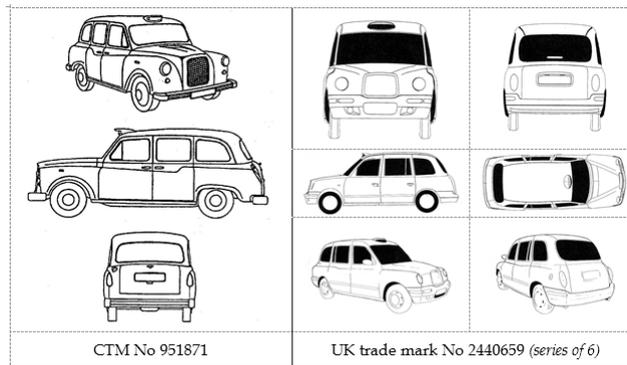
## **PASSING OFF**

### **Survey evidence**

***The London Taxi Corporation Ltd (T/A The London Taxi Company) ("LTC") v Frazer-Nash Research Ltd & Anr\**** (Richard Spearman Q.C.; [2015] EWHC 1840 (Ch); 03.07.15)

**Richard Spearman QC** (sitting as a Deputy Judge of the Chancery Division) dismissed LTC's application for permission to (i) adduce in evidence the results of a pilot survey for the purposes of establishing its case on passing off; (ii) carry out a full survey in the form of that pilot survey and to adduce in evidence the results of that full survey for the same purposes, and (iii) rely upon evidence from some respondents to both those surveys by adducing as their witness evidence a selection of the signed completed survey questionnaires.

LTC was a manufacturer of purpose built taxis and the owner of intellectual property relating to various models of London black cab dating back to 1947. Frazer-Nash was a business which researched and tested new solutions for transportation. The second defendant, Ecotive Ltd, manufactured and sold motor vehicles. Together, the defendants developed a new model of black cab (the "Metrocab"). Although commercial sales of the Metrocab had not yet begun, LTC brought proceedings for infringement of its Community and UK trade marks depicting versions of the London black cab, as shown below, and passing off:



As the proceedings were likely to come to trial before any significant numbers of the Metrocab appeared on the road, any confusion or deception of the relevant public was unlikely to occur or come to LTC's attention before trial. LTC therefore sought permission to rely on survey evidence from actual or prospective taxi passengers in respect of its passing off claim.

The Judge held that the proposed survey questions were addressed to an issue which the CA in *Zeebox (Zee Entertainment Enterprises Ltd v Zeebox Ltd; [2014] EWCA Civ 82)* had regarded as "subsidiary" and a reason for degrading a survey's value and not allowing it into evidence, i.e. whether the relevant public had a propensity to make a connection between the mark and the sign, rather than addressing the issue of deception.

The Judge went on to consider that this was an ordinary case in which the trial judge would be able to take into account any relevant characteristics of the relevant public and make allowances for it, rather than a case involving "specialised" or "esoteric" matters.

While the Judge accepted that there were obvious difficulties for LTC in replicating the circumstances of the real world in its survey given that the Metrocab was not yet in widespread use, it did not follow that using two photographs (one of LTC's taxi and the other of the Metrocab) came anywhere near to replicating real world circumstances.

Going on to find that the key question in the proposed survey (which asked participants "Do you think there is a connection between the company that makes this vehicle [image C2] and the company that makes this vehicle [image M7]?") was leading to an unacceptable degree and therefore did not comply with the Whitford Guidelines, the Judge considered that the survey was not of 'real value'. Further, even if the survey satisfied the criterion of being reliable, the Judge doubted that its value would justify LTC's estimated cost of £80-100,000.

However, the factor which weighed most with the Judge was the likely impact on the trial hearing. He thought that either the existing five day fixture would need to be increased or

that a disproportionate part of it would be spent on cross-examination of survey respondents, consideration of expert evidence and cross-examination of witnesses, and submissions on the reliability of the survey and evidence of respondent witnesses. The Judge therefore found it hard to accept that "the game would be worth the candle" and the application was dismissed.

## **DESIGNS**

### **Summary judgment granted in favour of owner of unregistered design rights in shirt design**

#### ***Dalco v First Dimension* (Judge Hacon; [2015] EWHC 760 (IPEC); 05.02.15)**

**Judge Hacon** found that First Dimension's 'Daniel Rosso' shirt infringed Dalco's unregistered design rights in its 'Dalco shirt' design and granted summary judgment in favour of Dalco.

Dalco designed men's clothing and supplied such clothing in the wholesale market, as did First Dimension. Dalco claimed that First Dimension had infringed both unregistered Community design right and UK design right in the design of its Dalco Shirt by reason of its sales of its 'Daniel Rosso' shirts. It was common ground that the two designs were essentially identical. However, First Dimension's defence was that the Daniel Rosso shirt design predated that of the Dalco Shirt. It therefore followed that Dalco could not own any rights in that essentially single design and the Daniel Rosso shirts could not be copies of the Dalco shirt.

**Judge Hacon** found that there was no evidence to substantiate First Dimension's contention that the design of the Daniel Rosso shirt predated that of the Dalco shirt. The Judge commented that an unusual feature of this application for summary judgment was that he had set out in an earlier case management conference a timetable for disclosure and evidence which was now exhausted. He was therefore entitled to assume that there were no more documents or evidence which either side would be able to advance at trial.

Having satisfied himself that at least significant parts of the Dalco shirt design were the original creation of Dalco, the Judge was also satisfied that the Daniel Rosso shirt was copied from the Dalco design and that First Dimension had no real prospect of successfully defending the claim. There being no other compelling reasons why the case should be disposed of at trial, the Judge granted summary judgment in favour of Dalco.

### **Summary judgment granted in favour of owner of registered designs for cake moulds**

#### ***Karen Davies Sugarcraft Ltd v Croft* (Judge Hacon; [2015] EWHC 2035 (IPEC); 09.06.15)**

**Judge Hacon** found that Mr Croft's sale of three cake moulds infringed Sugarcraft's two registered designs and granted summary judgment in favour of Sugarcraft.

Sugarcraft was a cake decoration business which offered for sale moulds used for cake decoration. Mr Croft (trading as Neitmoulds) also sold moulds for cake decorating. Sugarcraft owned the following two registered designs:



There was no counterclaim brought by Mr Croft for invalidity of Sugarcraft's registered designs, and the Judge inferred that no closely relevant prior art had emerged. He found that the moulds alleged to infringe were so close in design to the registered designs that the prospect of there being prior art that would narrow the scope of the registered designs to the point of no infringement was "Micawberism and fanciful". He therefore found infringement of the two registered designs and granted summary judgment in favour of Sugarcraft.

## COPYRIGHT

### **Beatles documentary blocked due to infringement and copyright in songs**

#### ***Sony/ATV Music Publishing LLC & Anr ("SATV") v WPMC Ltd & Anr\** (Arnold J; [2015] EWHC 1853 (Ch); 01.07.15)**

**Arnold J** held that UK and US copyrights in eight songs by The Beatles were infringed by their inclusion in a documentary containing a recording of The Beatles' first US concert performance.

In 1964, the Beatles performed their first concert in the USA at the Coliseum in Washington DC. The concert was videotaped for subsequent exhibition at cinemas and theatres across the USA. In 2009, the Second Defendant, Iambic Media Ltd, acquired a copy of the master tape with the aim of making a documentary about the concert entitled *The Beatles: The Lost Concert*. Subsequently, the rights to the original concert video were transferred to WPMC. WPMC and Iambic were both English companies which shared the same director for a time. In 2009 and 2010, Iambic negotiated with SATV, as holders of rights to the musical and literary works in eight of the songs played by The Beatles during the concert (the "Copyright Works"), for a synchronisation licence to reproduce and otherwise exploit the Copyright Works as part of the soundtrack to the documentary. No synchronisation licence was executed as a result of these negotiations.

In 2012, SATV discovered that the documentary was being promoted through a website and a trailer. SATV brought claims in the UK for infringement of both the UK and US copyrights in the Copyright Works. The claim for infringement of the US copyrights was brought pursuant to the decision of the Supreme Court in *Lucasfilm Ltd v Ainsworth* [2011] UKSC 39, [2012] 1 AC 208. Iambic later entered into a deed of settlement with SATV under which it assigned to SATV all its rights in the concert video and documentary.

WPMC did not dispute that it had committed acts which infringed the UK copyrights in the Copyright Works if it did not have SATV's licence. In this respect, there were two issues to be determined applying English law: (i) whether a collateral contract to grant a synchronisation licence was concluded between SATV and Iambic during their 2009/2010 negotiations, the

benefit of which had been assigned to WPMC; and (ii) whether, if no collateral contract was concluded, SATV were estopped from denying that they had granted a synchronisation licence. A third issue was whether WPMC's exploitation of the documentary in the USA would amount to fair use under US law.

In relation to the first issue, **Arnold J** held that there was no collateral contract as there was no acceptance of an offer, the negotiations had remained expressly 'subject to contract', and SATV had made clear that a licence would not be granted until they had seen and approved the final version of the documentary, which did not happen. Further, WPMC failed to establish that Iambic had assigned the benefit of any contract with SATV to WPMC.

In relation to the second issue, **Arnold J** held that, although it was possible to advance a defence of proprietary estoppel in respect of intellectual property rights such as copyright, such a defence was not available to WPMC as the representations which SATV had made to Iambic (i.e. that it would grant Iambic a synchronisation licence) were expressed to be 'subject to contract'.

In relation to the third issue, **Arnold J** held that the inclusion of the Copyright Works in the documentary did not amount to fair use under US law on the basis that: (i) the Copyright Works were expressive works within the core of copyright protection; (ii) the use was commercial and only partially transformative; (iii) the Copyright Works had been reproduced in their entirety and the extent of the reproduction was excessive having regard to the transformative purpose; and (iv) to permit such use would be likely to damage the market for, or potential value of, the Copyright Works.

Accordingly, **Arnold J** concluded that SATV succeeded in their claims for infringement (or threatened infringement) of the UK and US copyrights in the Copyright Works.

### **Joint authorship - share of copyright**

***Minder Music Ltd & Anr v Steven Sharples\** (Recorder Amanda Michaels; [2015] EWHC 1454 (IPEC); 20.05.15)**

**Recorder Amanda Michaels** (sitting as a Deputy Enterprise Judge) declined to make the declarations sought by the claimants as to their shares of the copyright in a song.

"Touch Sensitive" was a song recorded in 1999 by a band featuring vocalist Mark Smith (the original version of which he wrote with the second claimant, Ms Adamson) and released on an album called The Marshall Suite. Minder Music was a music publishing company to which Mr Smith assigned his publishing rights in the song. Mr Sharples was the producer of The Marshall Suite album. Minder Music and Ms Adamson sought declarations that: (i) Minder Music owned a 33.34% share of the copyright in the album version of the song; (ii) no part of the copyright was owned by Mr Sharples; and (iii) an inquiry as to damages.

The Recorder found no grounds on which to set aside a settlement agreement between Ms Adamson and Mr Sharples by which Ms Adamson had granted Mr Sharples half of her copyright interest in the album version of the song with the intended effect that they would each have a 33.33% interest in the song. In case she was wrong in reaching that conclusion, the Recorder went on to consider whether Mr Sharples was a co-owner of the publishing rights in the album version of the song under a separate oral agreement (which she found he was not) or, alternatively, as a joint author.

Considering Mr Sharples' claim of joint authorship of the album version of the song, the Recorder held that the differences between the original version written by Mr Smith and Ms Adamson and the final version which was released on the album version were sufficient in both quantity and quality for the album version to attract separate copyright protection. Mr Sharples was found to have made a small but significant original contribution to the

composition of the music by composing and adding string sections to the original work. However, as this contribution was relatively small, the Recorder did not accept that Mr Sharples' share of the copyright would have been as great as one third. In her view, his contribution as co-author would have been properly reflected by a 20% share. As established in *Bamgboye v Reed* [2002] EWHC 2922 and *Fisher v Brooker* [2009] UKHL 41, a co-author's contribution could justify him having a share which was not equal to that of his/her co-author(s).

**Katharine Stephens, Zoe Fuller and Hilary Atherton**

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The reported cases marked \* can be found at <http://www.bailii.org/databases.html#ew> and the CJ and GC decisions can be found at [http://curia.europa.eu/jcms/jcms/j\\_6/home](http://curia.europa.eu/jcms/jcms/j_6/home)