

## TRADE MARKS

## Decisions of the GC and CJ

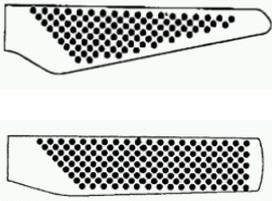
Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC <b>T-131/12</b> <i>Spa Monopole, compagnie fermière de Spa SA/NV v OHIM; Orly International, Inc.</i> (05.05.15)</p>	<p><b>SPARITUAL</b> - nail care and body preparations (3) <b>SPA</b> - mineral waters and aerated waters and other non-alcoholic beverages, syrups and other preparations for making beverages (32) (Benelux mark)</p>	<p>The GC annulled the BoA's decision which failed to find that the SPA mark had a reputation and that there was no likelihood that SPARITUAL would take unfair advantage of the SPA mark under <b>Art 8(5)</b>.</p> <p>The BoA erred in finding that the reputation of the earlier mark SPA had not been made out. The BoA incorrectly concluded on the basis of <i>Il Ponte Finanziaria v OHIM (C-234/06</i>, reported <i>CIPA Journal</i>, October 2007) that the reputation of a separate figurative mark owned by Spa Monopole incorporating the word mark 'Spa' did not extend to the word mark. <i>Il Ponte Finanziaria</i> concerned proof of use of marks of the same 'family' and therefore could be distinguished.</p> <p>The GC also held that in light of the considerable reputation of the word mark SPA, as established in the present case and <i>Mülhens v OHIM (T-93/06</i>, reported <i>CIPA Journal</i> July 2008), a risk of free-riding could not be ruled out.</p>
<p>GC <b>T-183/13, T-184/13 and T-423/12</b> <i>Skype Ultd v OHIM; Sky plc &amp; anr</i> (05.05.15)</p>	<p><b>SKYPE</b></p>  <p>- various goods including telecommunication equipment (9) - providing voice over Internet protocol (VOIP) peer-to-peer communications, electronic transmission of data and documents over computer terminals and instant messaging services,</p>	<p>The GC upheld three decisions of the BoA 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 an average degree of phonetic, visual and conceptual similarity between the marks. The cloud around the figurative mark was merely perceived as a border.</p> <p>The GC rejected Skype's submission that the marks applied for had acquired secondary meaning for the goods and services for which registration was sought. Any 'secondary meaning' was merely</p>

	<p>providing a high speed access to area networks and a global computer information network (38)</p> <ul style="list-style-type: none"> <li>- computer services and software development for others (42)</li> </ul> <p><b>SKY</b></p> <ul style="list-style-type: none"> <li>- scientific apparatus and instruments (9)</li> <li>- telecommunications, including videoconferencing services and sharing of files, images, music, video, photos, drawings, audio-visual, text, documents and data (38)</li> <li>- education, entertainment, sporting and cultural activities (41)</li> <li>- scientific and technological services and research and design relating thereto (42)</li> </ul>	<p>distinctiveness of the marks acquired through use. Furthermore, had the term 'skype' actually acquired meaning for identifying the services covered by the marks, it would be a generic term, and therefore descriptive. In any case, it was the recognition by the relevant public of the earlier mark that must be taken into account when assessing the likelihood of confusion.</p> <p>The GC also rejected Skype's submission that the marks had coexisted for several years without being confused. The relevant period for assessing peaceful coexistence was that which preceded filing of the initial Skype mark application, at which point the marks had only been in use for up to 22 months and limited to peer-to-peer communication services, which were not part of Sky's core business.</p> <p>Therefore the BoA was correct to find a likelihood of confusion between the marks.</p>
<p>GC <b>T-715/13</b> <i>Lidl Stiftung &amp; Co. KG v OHIM; Horno del Espinar, S L</i> (05.05.15)</p>	 <p>- various baking ingredients and related goods in Classes 29, 30, 31</p>  <p>- retail services in stores of all kinds of foodstuffs, especially patisserie and confectionery (35)</p> <p>(Spanish mark)</p>	<p>The GC annulled the BoA's decision in opposition proceedings due to OHIM's failure to provide Lidl with evidence concerning the renewal of the earlier mark under <b>Arts 75</b> and <b>79</b>.</p> <p>The GC upheld the BoA's finding that there was a likelihood of confusion between the marks under <b>Art 8(1)(b)</b>. The marks were visually, phonetically and conceptually similar and the goods applied for were similar, albeit to a low degree, to the services covered by the earlier mark.</p> <p>Notwithstanding this finding, the appeal was successful. OHIM had failed to forward to Lidl a copy of a renewal certificate of the earlier mark. Lidl was therefore not able to submit observations on material that constituted one of the foundations of the contested decision which could have resulted in the BoA reaching a different conclusion as to the existence, validity and scope of protection of the mark.</p> <p>The BoA breached <b>Art 75</b> (in so far as</p>

		<p>it concerned the filing of documents giving evidence of renewal of the earlier mark) and <b>Art 79</b> (in so far as it concerned the failure to notify the filing of documents giving evidence of renewal of the earlier mark).</p>
<p>CJ  <b>C-445/13</b>  <i>Voss of Norway ASA (supported by INTA) v OHIM; Nordic Spirit AB (publ)</i>  (07.05.15)</p>	 <p>- beers, non-alcoholic drinks, water (32)  - alcoholic beverages (except beers) (33)</p>	<p>The CJ rejected the appeal from the GC's decision (reported in <i>CIPA Journal</i>, July 2013) that the mark was devoid of distinctive character and should be invalidated under <b>Arts 52(1)(a)</b> and <b>7(1)(b)</b>.</p> <p>The GC had carried out the correct assessment of the distinctive character of the mark. The GC's reliance on the mark being a 'mere variant' of the shape of the goods for which it was registered did not prevent its assessment from being in line with CJ case law in relation to the distinctiveness of 3D marks.</p> <p>The GC had not failed to take into account the overall impression created by the mark. Although the GC had considered the distinctive character of individual elements of the mark, it had also considered the overall impression conveyed by the shape and arrangement of those components.</p> <p>The GC's decision could not be challenged on the basis that it had placed Voss under an obligation to prove the distinctiveness of the mark despite that mark enjoying a presumption of validity. The GC had carried out its own independent assessment of the evidence and had not required Voss to prove the distinctiveness of its mark.</p>

<p>GC <b>T-608/13</b> <i>easyGroup IP Licensing Ltd v OHIM; Tui AG</i> (13.05.15)</p>	 <ul style="list-style-type: none"> <li>- wrapping and packaging (16)</li> <li>- insurance including travel insurance, currency conversion (36)</li> <li>- transportation of goods, passengers and travellers by air, land and sea (39)</li> <li>- temporary accommodation, provision of food and drink (43)</li> </ul>  <ul style="list-style-type: none"> <li>- wrapping and packaging (16)</li> <li>- insurance including travel insurance, currency conversion (36)</li> <li>- transportation of goods, passengers and travellers by air, land and sea (39)</li> <li>- temporary accommodation, provision of food and drink (43)</li> </ul> <p>(German mark)</p>	<p>The GC annulled the BoA's decision to allow the opposition under <b>Art 8(1)(b)</b> as there was no likelihood of confusion between the marks.</p> <p>The BoA was correct in its assessment of the relevant public as the general public and professionals in the travel industry who display a higher than average level of attention when purchasing goods/services connected with travel arrangements.</p> <p>The GC held that the common term 'airtours' was not sufficient for a finding of visual similarity – the presence of the orange rectangle and the word element 'easy' had the same importance in the overall impression. Further, the additional element 'ticket factory' contributed to the visual dissimilarity. Phonetic similarity was average or even low, taking into account the element 'ticket factory' in the earlier mark. The element 'easy' also influenced the impression created by the mark applied for. The marks had a low to very low level of conceptual similarity.</p> <p>The GC held that the low level of phonetic and conceptual similarity was effectively cancelled out by the visual dissimilarity – the marks were therefore dissimilar and there could be no likelihood of confusion.</p>
<p>GC <b>T-169/14</b> <i>Ferring BV v OHIM; Kora Corp. Ltd</i> (13.05.15)</p>	<p><b>KORAGEL</b></p> <ul style="list-style-type: none"> <li>- pharmaceutical and veterinary preparations, sanitary preparations for medical purposes, dietetic substances adapted for medical use, food for babies, plasters, materials for dressings, material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides (5)</li> </ul> <p><b>CHORAGON</b></p> <ul style="list-style-type: none"> <li>- pharmaceutical products and substances (5)</li> </ul>	<p>The GC upheld the BoA's finding that there was no likelihood of confusion between the marks pursuant to <b>Art 8(1)(b)</b>.</p> <p>Contrary to the BoA's finding that there was no similarity between the goods designated by the earlier mark as regards preparations for destroying vermin, fungicides and herbicides, and food for babies, the GC found that there was a low degree of similarity with regard to such goods. For example, there was a certain connection between some foods for babies and pharmaceutical products and substances in respect of their intended purpose, their method of use and their distribution channels. The remaining goods were either identical</p>

		<p>or similar.</p> <p>The BoA was however correct to find a low degree of visual similarity and an above average aural similarity so far as concerns the German speaking public. A conceptual comparison was not possible.</p> <p>The GC therefore confirmed that there was no likelihood of confusion even for German speaking consumers.</p>
<p>GC</p> <p><b>T-71/14</b></p> <p><i>Swatch AG v OHIM;</i> <i>Panavision Europe Ltd</i></p> <p>(19.05.15)</p>	<p><b>SWATCHBALL</b></p> <p>- various goods and services in classes 9, 35, 41 and 42 relating to films, cinema and other visual and performing arts, excluding goods or services relating to timekeeping.</p> <p><b>SWATCH</b></p> <p></p> <p>- clocks, watches and precious metals (14)</p> <p>(International and Community marks)</p>	<p>The GC upheld the BoA's decision that there was no link established between the marks under <b>Art 8(5)</b>.</p> <p>The marks were visually similar to an average degree, and conceptually similar, as they all contained the word 'swatch'. The marks were phonetically similar to a low or average degree as only the last syllable was different in the mark applied for. The earlier marks also had a particularly strong reputation.</p> <p>However, the goods and services covered by the application targeted a specialist public whereas the goods covered by the earlier marks targeted the general public. This, and the differing nature of the goods and services, which served very different purposes, weighed against finding a link between the marks. It was highly unlikely that the public would encounter the goods covered by those marks in the same shops or think of the goods covered by one mark when presented with the goods covered by the other mark.</p> <p>The BoA was therefore correct in finding that there was no link between the marks.</p>

<p>GC</p> <p><b>Joined cases T-331/10 and T-416/10</b></p> <p><i>Yoshida Metal Industry Co. Ltd v OHIM; Pi Design AG &amp; ots</i></p> <p>(21.05.15)</p>	 <p>- cutlery, scissors, knives, forks, spoons, whetstones, whetstone holders, knife steels, fish bone tweezers (8)</p> <p>- household or kitchen utensils and containers (not of precious metal or coated therewith), turners, spatulas for kitchen use, knife blocks for holding knives, tart scoops, pie scoops (21)</p>	<p>Following the CJ's decision to set aside the GC's earlier decisions to invalidate the two marks (representations of knife handles) and refer back to the GC for reconsideration, the GC invalidated the marks on the ground that they represented shapes necessary to achieve a technical result under <b>Arts 52(1)(a)</b> and <b>7(1)(e)(ii)</b>. The CJ's decision was reported in <i>CIPA Journal</i>, April 2014.</p> <p>The GC rejected Yoshida's submission that <b>Art 7(1)(e)(ii)</b> did not apply to 2D figurative marks, and held that the provision applied to any sign (whether 2D or 3D), where all the essential characteristics of the sign performed a technical function. Further, the BoA was correct to treat the marks as 2D marks representing 3D shapes (as the dots represented dents on the knife handles), and correctly applied <b>Art 7(1)(e)(ii)</b> on that basis.</p> <p>The GC rejected Yoshida's submission that the dents represented in the marks were ornamental with no practical purpose and confirmed (on the basis of various European and US patents held by Yoshida) that the dents were designed to fulfil the function of creating a non-slip surface on the knife handles. The registration of these marks would improperly reduce the possibilities for competitors to bring to the market alternative products incorporating variations on this non-skid design.</p>
<p>GC</p> <p><b>T-145/14</b></p> <p><i>Adidas AG v OHIM; Shoe Branding Europe BVBA</i></p> <p>(21.05.15)</p>	 <p>- footwear (25)</p>	<p>The GC annulled the BoA's decision and upheld the opposition on the basis that there was likelihood of confusion between the marks under <b>Art 8(1)(b)</b> and infringement of <b>Art 8(5)</b>.</p> <p>It was not disputed that the relevant public consisted of average consumers in the EU or Germany or that the relevant goods were identical.</p> <p>However, the BoA had erred in finding that the marks were not similar. There were visual elements that were clearly common to the marks at issue i.e. parallel sloping stripes,</p>

	 <p>- sports and casual footwear (25)</p> <p>(Various German, community and international marks)</p>	<p>equidistant, of the same width, contrasting with the base colour of the shoe. The overall impression produced by those marks was therefore, to a certain extent, similar.</p> <p>The BoA had also erred in its finding of no infringement of <b>Art 8(5)</b> since that finding was based on the sole ground that the marks were not similar.</p>
<p>GC <b>T-203/14</b> <i>Mo Industries LLC v OHIM</i> (21.05.15)</p>	 <p>- various bags, wallets, purses and cases in Class 18</p> <p>- belts (25)</p>	<p>The GC upheld the BoA's decision that the mark was devoid of distinctive character under <b>Art 7(1)(b)</b>.</p> <p>The BoA was correct to find that the word element of the mark could clearly be used to describe the aesthetic qualities of the goods applied for. The stylised typeface of the mark was largely unremarkable to English speaking members of the general public who would directly perceive the mark as suggesting that goods to which it was applied were aesthetically superior to competing products. The fact that the stylised dot over the letter 'i' was itself registered as a CTM did not give the mark a distinctive character as that element played a minor role in the overall impression created by the mark applied for.</p>
<p>GC <b>T-635/14</b> <i>Urb Rulmenti Suceava SA v OHIM; Harun Adiguzel</i> (21.05.15)</p>	 <p>– various goods in Classes 4, 6 to 9, 11, 12, 16, 17, 35, 37 and 39 to 42</p> <p><b>URB</b></p>  <p>- various goods and services in Classes 6, 7, 35 and 42</p> <p>(International and Romanian marks including collective marks)</p>	<p>In invalidity proceedings, the GC confirmed the BoA's decision that there was no claim for bad faith or earlier rights under <b>Arts 52(1)(b), 8(1)(b) and 53(1)(a)</b>.</p> <p>The BoA was correct to find that Urb could not rely on the earlier marks cited in the proceedings in its invalidity claim under <b>Arts 53(1)(a) and 8(1)(b)</b> as it was not the proprietor nor was it an authorised licensee of the marks nor had it been authorised by the proprietor to file the application for invalidity.</p> <p>Urb's claim for bad faith under <b>Art 52(1)(b)</b> also failed because, <i>inter alia</i>:</p> <p>(i) in contrast to the company of which the intervener is vice president, it was not apparent that</p>

		<p>Urb had the right to use the collective mark when the application was made;</p> <p>(ii) the intervener had a legitimate interest in registering the mark;</p> <p>(iii) Urb had not established that the intervener intended to exclude it from the market; and</p> <p>(iv) since the other grounds had failed, it was insufficient, even if true, to prove that the intervener had known that the applicant was one of the companies authorised to use the collective mark.</p>
<p>GC</p> <p><b>T-420/14</b></p> <p><i>Wine in Black GmbH v OHIM; Quinta do Noval-Vinhos, SA</i></p> <p>(21.05.15)</p>	<p><b>WINE IN BLACK</b></p> <p>- alcoholic beverages, (except beers), in particular wines, brandy (33)</p> <p><b>NOVAL BLACK</b></p> <p>- alcoholic beverages, (except beers) (33)</p>	<p>The GC annulled the BoA's decision in which it held that there was a likelihood of confusion pursuant to <b>Art 8(1)(b)</b>.</p> <p>The BoA was incorrect to find that the marks were visually, phonetically and conceptually similar.</p> <p>Although the principle that the first part of a trade mark had greater visual impact did not apply to the mark applied for, (due to the descriptive nature of the word 'wine'), it was relevant to the earlier mark. 'Noval' would attract more attention than the word 'black'.</p> <p>Furthermore the BoA failed to assess the later mark as a whole when considering the conceptual similarity. 'Wine in black' taken as a whole conveyed to the public the idea of a wine of elegance and distinction rather than suggesting the concept of wine that is dark in colour. The earlier mark was likely to be considered as a company name and would not give rise to the same ideas as the earlier mark.</p>
<p>GC</p> <p><b>T-197/14</b></p> <p><i>La Zaragozana, SA v OHIM; Charles Cooper Ltd</i></p> <p>(21.05.15)</p>	 <p>- gluten free and wheat free beer, ale, lager, stout and porter (32)</p> <p><b>AMBAR-GREEN</b></p> <p>- beers (32)</p> <p>(Spanish mark)</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>Apart from the letter sequence g-r-e-e-n, the earlier mark had no visual similarity to the mark applied for. Given further that the first part of a mark normally had a greater visual impact than the final part, there was only a low degree of visual similarity</p>

		<p>between the marks.</p> <p>The BoA was correct to find a low degree of phonetic similarity. The Spanish public would be able to pronounce the 's' in the mark applied for so the 'green's' and 'green' elements of the marks were not phonetically identical. The 'ambar' part of the earlier mark also had a greater phonetic impact than 'green'.</p> <p>Conceptually, the relevant public would recognise the earlier mark as a type of beer under the AMBAR mark, with 'green' designating that the beer was organic. The relevant public would perceive the mark applied for as of Anglo-Saxon origin on the basis of the use of the apostrophe (unknown in Spanish grammar) and the figurative element conveying the idea of a traditional public house. They would not attribute an organic meaning to 'green's'. There was therefore no conceptual similarity.</p> <p>Despite the identical nature of the goods covered, there was no likelihood of confusion.</p>
<p>GC</p> <p><b>T-55/13</b></p> <p><i>Formula One Licensing BV v OHIM; Idea Marketing SA</i></p> <p>(21.05.15)</p>	<p><b>F1H2O</b></p> <p>- various goods and services in Classes 9, 25, 38 and 41</p> <p><b>F1</b></p>  <p>- various goods and services in Classes 1, 3, 4, 7, 8, 9, 11, 12, 14, 16, 18, 21, 24, 25, 26, 28, 29, 30, 32-36, 38, 39, 41 - 43</p> <p>(Community, International, Benelux and UK marks)</p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion between the marks pursuant to <b>Art 8(1)(b)</b> and that the mark applied for did not take unfair advantage of the earlier marks pursuant to <b>Art 8(5)</b>.</p> <p>The BoA was correct to find a weak visual and phonetic similarity between the mark applied for and the earlier word mark (with no degree of visual similarity with the earlier figurative marks). The relevant public would not perceive the mark applied for as being composed of two separate alphanumeric elements, but as a set of numbers and letters in which the element 'F1' did not stand out more than the element 'H2O', especially as the latter element would be seen to refer to the chemical formula for water. The mark applied for might appear to consumers as a chemical formula (real or non-existent).</p> <p>The BoA was also correct to find that the marks were conceptually different (the earlier marks referred to Formula</p>

		<p>1, the mark applied for either considered as a sequence of letters and numbers or a chemical formula). This counteracted the marks' weak visual and phonetic similarities. Therefore there was no likelihood of confusion between the marks.</p> <p>There was no infringement of <b>Art 8(5)</b> because (i) Formula One was not able to provide evidence demonstrating the reputation of the earlier word marks; and (ii) the differences between the figurative marks and the mark applied for meant that the marks were not similar.</p>
<p>GC <b>T-56/14</b> <i>Evyap Sabun Yağ Gliserin Sanayi ve Ticaret A.Ş. v OHIM; Megusta Trading GmbH</i> (21.05.15)</p>	 <p>- articles for body and beauty-care (3)</p> <p><b>DURU</b></p> <p><b>DURU</b></p> <p><b>DURU</b></p> <p>- various goods in Class 3 including body care and beautification preparations  (earlier Czech, Slovak, Bulgarian, Romanian and International marks)</p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion under <b>Art 8(1)(b)</b>.</p> <p>The BoA was correct to find that the relevant public would generally perceive the mark applied for as composed of four figurative elements and not as a sequence of letters forming a word. Even if some consumers perceived the figurative elements as a sequence of letters (either n-u-r-u or n-u-p-u) the distinctive character of the mark still lay predominantly in the stylisation of the figurative elements.</p> <p>Whilst there was some visual similarity between the second and last figurative elements of the mark applied for and the letter 'u' in the earlier mark, the overall visual similarity between the marks was low. There was also some aural similarity for those members of the public who perceived the mark applied for as the letters n-u-r-u, although this would also be low. As no conceptual comparison could be drawn between the marks, the BoA was therefore correct that the overall similarity of the marks was low.</p> <p>The goods at issue would primarily be sold in a self-service setting. The visual perception of consumers therefore played a greater role in the assessment of the likelihood of confusion. Given the dominance of the stylised elements in the mark applied for and the low degree of visual and aural similarity between</p>

		the marks, the BoA had been correct to find there was no likelihood of confusion.
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**Court of Appeal split on own-name defence**

**Roger Maier & Anr ('Assos') v Asos Plc & Anr ('ASOS') (Kitchin, Underhill & Sales LLJ; [2015] EWCA Civ 220; 01.04.15)**

By a majority the CA (**Kitchin LJ** giving the lead judgment) held that, contrary to the judgment of **Rose J** ([2013] EWHC 2831 (Ch), reported in *CIPA Journal*, October 2013), the use of the sign ASOS gave rise to a likelihood of confusion and damaged the distinctive character of Assos' CTM for ASSOS. However, the majority held that ASOS was entitled to rely on the own-name defence under **Article 12(a)**. The majority also partially allowed Assos' appeal against **Rose J's** partial revocation of the ASSOS mark under **Article 51(1)(a)**.

Roger Maier was the CEO of the second Claimant, Assos of Switzerland SA, and the owner of a CTM for the word ASSOS which was registered for various goods in Classes 3, 12 and 25. Assos had been in business since the 1970s and sold specialist cycling clothing, casual wear, bicycles and bicycle parts in several countries worldwide, mainly through specialist cycling stores and a small number of internet dealers. ASOS was a global online retailer of fashion clothing and accessories for men and women established in 1999 as "As Seen On Screen", later shortened to the acronym "ASOS". It had, in its early years, sold third party goods which were sold as being similar to items worn by celebrities. In the mid to late-2000s ASOS had become a more general fashion retailer, selling both third party and own-brand clothing.

Partial revocation

**Rose J** had revoked the specification of the Assos CTM in Class 25 from 'clothing, footwear and headgear' to 'specialist clothing for racing cyclists; jackets, t-shirts, polo shirts, track-suit tops, track-suit bottoms, casual shorts, caps'.

The majority (**Kitchin** and **Underhill LLJ**) allowed Assos' appeal in part holding that **Rose J** was wrong to revoke the mark to cover only 'specialist clothing for racing cyclists' as this excluded specialist clothing for amateur cyclists. The word 'racing' should therefore be removed from the specification. However, the majority held that **Rose J** was correct to limit the remainder of the specification in Class 25 to individual items of casual clothing. The term 'casual clothing' itself was too broad a category to be supported by the use made by ASSOS, and a list of items was therefore appropriate.

In a dissenting judgment, **Sales LJ** held that 'casual clothing' was appropriate as it was the smallest category which encompassed the selection of items in respect of which use had been proved. **Sales LJ** was of the view that it was unduly restrictive on the rights of the trade mark proprietor to limit the specification to a list of the goods in respect of which use had been proved.

Infringement

The CA was unanimous in finding that **Rose J** had fallen into error by only considering the likelihood of confusion with respect to the actual use made of the ASSOS mark rather than notional and fair use of the mark across the breadth of the specification (even once partially revoked). Based on notional and fair use of the mark, the CA found a likelihood of confusion in relation to goods in Class 25 and retail services in Class 35 relating to those goods. Therefore, there was infringement under **Article 9(1)(b)**.

Contrary to **Rose J**, the CA found infringement under **Article 9(1)(c)** on the basis that the ability of the ASSOS mark to identify at least some of the goods for which it was registered as being the goods of Assos had, in circumstances amounting to notional and fair use of the ASSOS mark, been weakened.

#### Own-name defence

**Rose J** had not made a finding in relation to the own-name defence and it therefore fell to the CA to determine whether ASOS' use of the ASOS sign had been in accordance with honest practices in industrial and commercial matters under **Article 12(a)**.

The majority (**Kitchin** and **Underhill LLJ**) held that the own-name defence was available to ASOS for reasons including: (i) the name "asos" had been adopted innocently, being an acronym of ASOS' previous name "As Seen on Screen", and it was never ASOS' intention to confuse the public; (ii) although ASOS had not carried out trade mark searches before adopting the brand, such searches would only have revealed Assos' International trade mark application which would merely have confirmed what it had already known, i.e. that Assos was a business supplying specialist cycling gear; (iii) there was no significant evidence of "actual confusion" between the businesses; (iv) both parties had, over the years, acquired substantial goodwill and reputation; (v) before trial, ASOS had taken steps to ensure that it did not sell cycling clothing on its website; and (vi) the CA's finding of infringement was limited to notional and fair use of the mark. Therefore, the CA found that ASOS had fulfilled its duty to act fairly in relation to Assos' legitimate interests and had not conducted its business so as to compete unfairly with Assos.

Dissenting, **Sales LJ** considered that the own name defence should not be available to ASOS. He considered that the recitals to the Regulation placed greater emphasis on the rights of the trade mark proprietor and the interests of the public in not being confused than on an infringer's right to rely on an own-defence, of which there was no mention in the recitals. **Sales LJ** also placed particular weight on the fact that ASOS had not conducted trade mark searches which it would have been reasonable to carry out, and had expanded its business (including to a number of countries across Europe) after becoming aware of the existence of the ASSOS mark.

*Reporters' note:* Assos is understood to have sought leave to appeal to the Supreme Court on the applicability of the own name defence.

### **GO WALKING and GO RUNNING refused registration on appeal**

#### ***GO Outdoors Ltd v Skechers USA Inc II\** (Rose J; [2015] EWHC 1405 (Ch); 19.05.15)**

**Rose J** dismissed GO Outdoors' appeal from a decision of the hearing officer by which he had refused registration of the words GO WALKING and GO RUNNING in stylised and non-stylised form for retail related services in Class 35.

GO Outdoors was the UK's largest specialist retailer of camping equipment, tents, outdoor clothing and footwear. Skechers was a US based footwear manufacturer. Although the hearing officer rejected Skechers' opposition on its **Section 3(1)(c)** ground, its opposition under **Section 3(1)(b)** succeeded. GO Outdoors appealed, and Skechers cross-appealed, arguing that the hearing officer's decision should be upheld on the additional **Section 3(1)(c)** ground.

**Rose J** held that the hearing officer had not erred in refusing registration of the marks under **Section 3(1)(b)**. While he had set out the relevant paragraphs of the CJ's judgment in **Case C-398/08 Audi AG v OHIM**, the hearing officer had not wrongly treated *Audi* as deciding that the mark must possess a certain originality or resonance. Having considered whether the GO RUNNING/GO WALKING marks exhibited the same characteristics of

originality and resonance as the slogan in issue in *Audi*, the hearing officer had properly gone on to consider whether, even without those characteristics, they were nevertheless inherently distinctive.

**Rose J** went on to reject GO Outdoors' argument that the hearing officer had made findings on **Section 3(1)(b)** which were inconsistent with his findings in relation to descriptiveness under **Section 3(1)(c)**. She found that the hearing officer had rejected the claim to distinctiveness of the marks not on the basis that they were descriptive of the retail services but because the public would perceive them as merely pointing to where the goods were to be found in GO Outdoors' store, rather than as indicating that the goods were from a particular source.

The Judge also found that the hearing officer was correct, when considering whether the marks had acquired distinctiveness, to: (i) take into account the fact that the marks had not been used on swing tags, and; (ii) disregard the fact that the marks had been used on the outside of GO Outdoors' shops, where they could not be said to be merely pointing the customer to a particular part of the shop. **Rose J's** view was that, although GO Outdoors was not seeking to register the marks in respect of goods, use of marks on swing tags was a method which mark owners often used to educate the public to associate the mark with its goods or services. In respect of use of the marks outside GO Outdoors' stores, the Judge considered that the public was more likely to perceive such use as indicating the range of goods available in the store than as a mark of origin.

Given her findings above in relation to **Section 3(1)(b)**, it was not necessary for **Rose J** to consider Skechers' cross-appeal in relation to **Section 3(1)(c)**. However, she observed that the hearing officer's decision was clearly correct given that GO WALKING and GO RUNNING did not describe the activity of shopping for outdoor clothes or shoes and did not comprise a sign or indication which may designate characteristics of that service.

### **JURA ORIGIN allowed to proceed to registration on appeal**

***Whyte and Mackay Ltd ("W&M") v Origin Wine UK Ltd & Anr\** (Arnold J; [2015] EWHC 1271 (Ch); 06.05.15)**

**Arnold J** allowed W&M's appeal from a decision of the hearing officer and allowed its JURA ORIGIN mark (the "Jura Mark") to proceed to registration in respect of "*Scotch whisky and Scotch whisky-based liqueurs produced in Scotland*" in Class 33.

W&M's application was opposed under **Section 5(2)(b)** by: (i) Origin Wine on the basis of its earlier registration for the word mark ORIGIN for "*wine*" in Class 33 (the "ORIGIN Mark"); and (ii) the second respondent, Dolce Co Invest Inc, on the basis of its earlier registration for the logo shown below for "*wines; alcoholic beverages*" in Class 33 (the "Logo Mark"):



**Arnold J** agreed with W&M that the hearing officer had erred in his application of **Case C-120/04 Medion v Thomson**. The hearing officer found that the word ORIGIN was an independent and distinctive element of the Jura Mark. However, **Arnold J** was of the view that he had failed at the outset to consider how the average consumer would understand the word ORIGIN in the context of the relevant goods, i.e. whether in relation to wine or Scotch whisky and whisky-based liqueurs, the average consumer would understand the word ORIGIN as referring to the origin of the goods (whether their geographical origin or their

trade origin). This was particularly true of both wine and Scotch whisky, where geographical origin was both an important factor in quality and frequently intimately associated with trade origin. As such, ORIGIN was inherently descriptive, or at least non-distinctive, of the goods in issue. As the average consumer would understand the word JURA as an indication of the name of the producer, JURA ORIGIN would be understood as a unit. Therefore, the word ORIGIN did not have an independent distinctive role in the Jura Mark.

**Arnold J** went on to find that the hearing officer failed properly to take account of the significance of the absence from the Jura Mark of anything resembling the vine-leaf device when comparing it with the Logo Mark. Further, while the hearing officer was entitled to find as he did that there was some similarity between each of the marks and at least a likelihood of indirect confusion, he had erred in failing to apply the principle that, where the only similarity between the mark consists of a common element which has low distinctiveness, that will not normally give rise to a likelihood of confusion.

It therefore fell to **Arnold J** to reassess the likelihood of confusion and, considering the relevant factors overall, he found none in relation to either the ORIGIN Mark or the Logo Mark.

## PASSING OFF

### Supreme Court rules mere reputation in the UK not sufficient for passing off

***Starbucks (HK) Limited & Otrs ("PCCM") v British Sky Broadcasting Group Plc & Ots ("Sky")\**** (Lords Neuberger, Sumption, Carnwath, Toulson & Hodge); [2015] UKSC 31; 13.05.15)

The Supreme Court (**Lord Neuberger** giving the lead judgment) dismissed PCCM's appeal from the decision of the Court of Appeal on the basis that PCCM was based in Hong Kong and had no customers, and therefore no goodwill, in the UK. Accordingly, it could not sustain its claim that Sky's launch of an internet protocol television ("IPTV") service under the name NOW TV passed off Starbucks' own IPTV service.

Sky was the well-known broadcasting and telecommunications company. The claimants were members of a substantial Hong Kong-based group headed by PCCM Ltd. Since 2003 PCCM had provided an IPTV service in Hong Kong. The service was launched under the name NOW BROADBAND TV but in 2006 changed its name to NOW TV. In 2012, NOW TV was the largest pay TV operator in Hong Kong with 1.2 million subscribers. People in the UK were not able to subscribe to the services offered by PCCM. However, the trial judge had found that they could come across NOW TV by: (i) accessing the Chinese language content on PCCM's websites; (ii) accessing certain programmes on PCCM's channel on YouTube; and/or (iii) watching PCCM's videos on in-flight entertainment systems on various international airlines which flew to/from the UK.

In March 2012, Sky announced its intention to launch a new IPTV service, NOW TV. PCCM unsuccessfully brought proceedings for trade mark infringement and passing off in the High Court ([2012] EWHC 3074 (Ch), reported in *CIPA Journal*, November 2012). **Arnold J** found *inter alia* that PCCM had not generated any identifiable goodwill in the UK, as it was not sufficient for PCCM to identify a body of people in the UK who associated the NOW TV mark with its IPTV service if they were not customers here. The decision was confirmed by the Court of Appeal ([2012] EWCA Civ 1201, reported in *CIPA Journal*, December 2013) and PCCM appealed.

The question before the Supreme Court was whether, in order to establish goodwill, PCCM could rely on their reputation alone in the UK, or whether it was necessary to have customers in the jurisdiction. **Lord Neuberger** reviewed the authorities of the House of Lords and the Privy Council along with the Court of Appeal's decision in *Anheuser-Busch v Budejovicky*

*Budvar NP* [1984] FSR 413, 462 and concluded that it had been the consistent view in the UK from 1915 to 1990 that a claimant seeking to establish passing off must show goodwill in the form of customers in the jurisdiction of the court. He accepted that in none of the authorities was that point the main focus but nonetheless concluded that it was clear that that is what a succession of judges, many of whom had substantial experience in the area, considered to be the law.

**Lord Neuberger** acknowledged that there were cases from other common law jurisdictions that supported PCCM's case. In particular the Federal Court of Australia in *ConAgra Inc v McCain Foods (Aust) Pty Ltd* (1992) 106 ALR 465 said that it was no longer correct, particularly in the internet age, to speak of business having goodwill or reputation only where the business is carried on. However **Lord Neuberger** went on to say that, although it was important to consider how the law has developed in other common law jurisdictions, it did not appear to him that there was anything like a clear trend in the common law courts outside the UK away from the "hard line" approach manifested in the UK case law.

**Lord Neuberger** said that a claimant must show that it had significant goodwill, in the form of customers, in the jurisdiction although it was not necessary to show that it had an establishment or office here. It was not enough to show that there were people in the jurisdiction who happened to be customers of the claimant when they were abroad, but it could be enough if there were people in the jurisdiction who, by booking with or purchasing from an entity in this country, obtained the right to receive the claimant's service abroad. He said that the question of whether a pre-marketing advertising campaign launched in the UK might suffice ought to be decided in a future case where it arose.

### **Account of profits**

***Lumos Skincare Ltd v Sweet Squared Ltd ("SSL") & Ots\** (Iain Purvis QC; [2015] EWHC 1313; 19.05.15)**

**Iain Purvis QC** (sitting as an Enterprise Judge) decided a number of issues on the hearing of an account of profits following a finding of passing off.

Lumos distributed specialist premium-priced skincare products under the mark LUMOS. It brought a passing off action against SSL and two other defendants in respect of the sale of nail care products in the UK under the mark LUMOS (which was manufactured in the USA by the second defendant, Famous Names LLC). The claim failed at first instance but was successful on appeal to the Court of Appeal ([2013] EWCA Civ 590, reported in *CIPA Journal*, July 2013). Lumos subsequently applied for an account of profits.

### **Secondary liability**

The Judge rejected Famous Names LLC's argument that it should not be liable for any profits because they all arose out of sales to Lumos and the third defendant which were not in themselves acts of passing off (either because they took place outside the UK or did not involve a misrepresentation). The Judge pointed out that Famous Names LLC had been found jointly liable because it was in common design with Lumos and the third defendant to pass off by selling nail care products in the UK under the LUMOS brand, and held that Lumos was therefore entitled to recover whatever profit had accrued to Famous Names LLC by reason of that common design.

### **Non-UK sales**

The Judge rejected Lumos' argument that the defendants were liable to account for revenues accruing to the defendants from sales to customers outside the UK. He found that there was no evidence that Irish and other European sales by the defendants had been made as a result of their marketing activities which took place in the UK and which amounted to passing off.

Further, UK goodwill could not be damaged by a misrepresentation to a non-UK customer, even if the misrepresentation occurred in the UK.

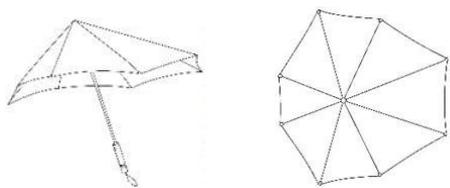
## DESIGNS

### Asymmetrical umbrella designs found to have individual character

#### *Senz Technologies BV v OHIM; Impliva BV (GC; T-22/13 and T-23/13; 21.05.15)*

The GC annulled the BoA's decision to invalidate two registered designs under **Article 25(1)(b)** of the **Community Designs Regulation**.

Senz was the proprietor of two separate Community Designs (reproduced below), registered for umbrellas.

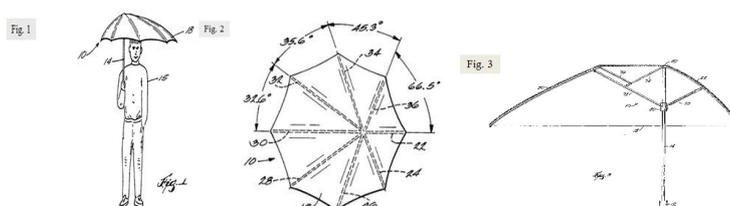


Contested Design 1



Contested Design 2

Impliva applied to invalidate both designs under **Article 25(1)(b)** of the Regulation on the basis that they did not have individual character and made the same overall impression on the informed user as a number of earlier rights, including that covered by a US patent, reproduced below:



Earlier Right

The Invalidity Division granted both applications for a declaration of invalidity. On appeal, the BoA upheld the decisions of the Invalidity Division. Senz appealed to the GC which overturned both earlier decisions.

### **Article 7**

The BoA had been correct in finding that a US patent could be known to circles specialised in the umbrella trade in the EU. Senz did not provide evidence to substantiate its arguments in this regard and the BoA was thus entitled to find that the earlier patent had been made available, despite the fact that the earlier patent had never been put into practice by manufacturing the umbrella.

### **Article 6**

The GC, however, accepted Senz's submission that the contested designs could both be considered to have individual character, notwithstanding the earlier US patent. The BoA's

definition of the informed user (as someone who wanted to use an umbrella) and his/her level of attention (relatively high) were found to be correct, as was the finding that the degree of freedom of the designer was limited such that even minor differences over the earlier right would suffice to produce an overall impression. However, on an overall assessment, the GC concluded that despite the common asymmetrical appearance of the umbrellas, the canopy shapes were the key factor in the overall impression created by each. The differences between the various canopy shapes were such that both the contested designs could be said to have individual character. These differences included the following:

- in the earlier right the back part of the canopy was curved, whereas the back part of the umbrella in the contested design 1 was straight and the back part of the umbrella in the contested design 2 was made up of two straight, bent ribs;
- the depth of the canopy of the umbrella covered by the earlier right appeared to be much greater than in the contested designs; and
- the canopy shape of the earlier right resembled rather more a bonnet marked by curved lateral contours and a flat surface in the middle whereas the contested design 1 had an irregular pyramidal shape and contested design 2 had a quasi-pyramidal shape with lateral contours marked by ribs made of straight parts.

Accordingly, the GC overturned the BoA's decision.

### **Inquiry as to damages**

#### ***Alfrank Designs Ltd v Exclusive (UK) Ltd & Anr\** (Judge Hacon; [2015] EWHC 1372 (IPEC); 18.05.15)**

**Judge Hacon** held that, in relation to 20% of the sales of two infringing dining table designs by Exclusive, Alfrank was entitled to the profit it would have made from sales of equal numbers of its own tables of equivalent design, plus the profit it would have made from sales of convoyed goods in the same proportions. In relation to the remaining 80% of sales of infringing tables by Exclusive, Alfrank was entitled to damages of £100 per table.

Alfrank and Exclusive were competing wholesalers of furniture which they sold to retailers. Exclusive had agreed by way of a Tomlin Order that there should be an inquiry as to damages on the basis that they had infringed unregistered Community and UK design rights owned by Alfrank relating to the designs of two ranges of dining furniture.

**Judge Hacon** found that there was insufficient evidence that Harveys (a furniture retailer which had bought from both Alfrank and Exclusive) would have bought either of Alfrank's table designs if Exclusive's equivalent tables had been unavailable. Similarly, there was no evidence that other retailers (who had previously bought from Exclusive but not Alfrank) would have looked beyond their usual suppliers to Alfrank had they never been supplied with the two infringing table designs by Exclusive. However, the Judge was prepared to accept that Alfrank would probably have sold some more of its two table designs to its regular retail customers if Exclusive's equivalent designs had not been on the market. Taking into account the comparable prices of each of Alfrank's and Exclusive's tables, and that many consumers would not have searched so exhaustively so as to come across Alfrank's tables, the Judge applied an estimated figure of 20% in respect of each table design.

In relation to convoyed sales, the Judge accepted evidence that the sale of a dining table drove sales of additional furniture (such as dining chairs) which went with a consumer's chosen table. Therefore, for each lost sale of one of its two table designs in relation to which Alfrank was entitled to claim damages by way of lost profits, it was also entitled to claim in respect of lost sales of other furniture.

With regard to a reasonable royalty to which Alfrank was entitled in relation to Exclusive's sales of infringing tables which had caused Alfrank no lost sales, the Judge took into account that in hypothetical negotiations both Alfrank and Exclusive would have known that a significant benefit to Exclusive of obtaining a licence would be that licensed sales of Exclusive's tables would drive sales of dining chairs and other furniture. The Judge held that Exclusive would have agreed to pay around 25% of the profits it would generate from the sale of the licensed tables and driven sales of other furniture, i.e. a royalty of £100 in relation to each table sold by Exclusive.

## COPYRIGHT

### Inquiry as to damages

***Bodo Sperlein Ltd ("BSL") v Sabichi Ltd & Anr\** (Judge Hacon; [2015] EWHC 1242 (IPEC); 08.05.15)**

**Judge Hacon** held that Sabichi had infringed BSL's copyright in its "Red Berry" tableware design by importing and selling its "Red Blossom" tableware design in the UK. Sabichi Ltd and Sabichi Homewares Ltd (the second defendant) were held jointly liable for both companies' collective profit from such sales.

Bodo Sperlein was a designer specialising in ceramics and was sole director and shareholder of BSL. He created a tableware surface design called the "Red Berry" design which was applied to various items of bone china making up a tableware collection which became very successful. Tableware bearing Sabichi's "Red Blossom" design was made in China, imported into the UK by Sabichi Homewares, and sold to the public through stores, some of which were run by another Sabichi company. BSL brought proceedings against Sabichi Ltd and Sabichi Homewares for infringement of the copyright in Mr Sperlein's Red Berry design document, which had been assigned to BSL. The Red Berry and Red Blossom designs are shown below:

Part of Mr Sperlein's design document



Samples from the Red Berry and Red Blossom tableware collections



The Judge found that the similarities between the two designs were very striking. In particular, he thought it almost inconceivable that Sabichi's design should employ exactly the same shade of red as that of BSL's design unless the latter was copied or alternatively that there was a very convincing explanation for the coincidence. However, on the evidence, the Judge found that Sabichi had not discharged the burden of explaining away the similarities. Although Sabichi's in-house designer gave evidence that she had no recollection of being influenced by the Red Berry design, the Judge found that the possibility could not be excluded that she had forgotten such influence or successfully put it out of her mind.

The Judge was in no doubt that the Red Berry design had been copied in substantial part in the creation of the Red Blossom design. As knowledge necessary for secondary infringement was not disputed, the Judge held that Sabichi had therefore infringed BSL's copyright by importing into and selling in the UK ceramics bearing the Red Blossom design, and that there was no justification for refusing an account of profits.

### **ISPs ordered to block access to "Popcorn Time" type websites**

***Twentieth Century Fox Film Corporation & Ots v Sky UK Limited & Ots ("ISPs")***\* (Birss J; [2015] EWHC 1082 (Ch); 28.04.15)

**Birss J** granted the injunctions applied for under **Section 97A** of the **CDPA**, requiring the ISPs to block access to a number of websites that were making copyright works available to the public, including a new type of site called "Popcorn Time" websites.

Popcorn Time was an open source application that enabled the user to watch film and TV content. The application was downloaded onto a user's computer from a Popcorn Time application source website (a "**PTAS site**"). The application then allowed users to browse, search and locate available content, and would download the selected content using the BitTorrent protocol; it operated as a BitTorrent client with the addition of media player software, an index/catalogue of titles and images and descriptions of titles. The application was also able to prioritise downloading the beginning of the content, enabling the user to watch the content as a stream rather than waiting for the download to complete.

The content available on the Popcorn Time application was constantly updated, by maintaining links with a website used as a source of update information ("**SUI sites**"). The SUI site would be the source of a data file with the index/catalogue which was presented to the user when they ran the application.

**Birss J** noted that the Popcorn Time websites (i.e. the PTAS and SUI sites) raised new and different issues from the websites considered in previous comparable applications, and considered the four conditions to be established for the Court to have jurisdiction under **Section 97A**, namely (i) that the ISPs were service providers, (ii) that the users and/or operators of the target websites infringed copyright, (iii) that users and/or the operators of the target websites used the services of the ISPs to do so, and (iv) that the ISPs had actual knowledge of this. There was no issue in meeting (i) and (iv) as these had been considered in previous cases. Point (iii) was also satisfied, as the ISPs' internet services had an essential role in the infringements committed by the Popcorn Time website operators. In analysing (ii), **Birss J** considered whether the operators of the Popcorn Time websites infringed copyright by communication to the public, authorisation, and joint tortfeasance.

#### Communication to the Public

**Birss J** held that neither the operators of the PTAS nor SUI sites (the "suppliers" of the Popcorn Time application) communicated copyright works to the public. The Popcorn Time system differed from previous jurisprudence because it was the application itself (rather than a website), running on the user's computer that presented connections to the sources of the copies. The PTAS site was purely the source from which the Popcorn Time application was downloaded, and once downloaded the application never connected back to this site. **Birss J** held that the scope of the act of communication to the public could not be stretched as far as to cover the operation of a site which merely made the Popcorn Time application itself available to download.

In relation to the SUI sites, **Birss J** held that from a user's point of view it was not this website that presented them with catalogue/indexing information, but the Popcorn Time application itself. It was the application which made the content available at a time and place of the user's choosing, not the SUI websites.

### Authorisation

The Popcorn Time suppliers were alleged to infringe copyright by authorising the infringing communication to the public by the host website operators. **Birss J** held that although it was clear that the operators of the host websites were carrying out infringing acts, there was no evidence of a connection between the operators of the PTAS and SUI sites, and the host website operators.

### Joint Tortfeasorship

**Birss J** held that the Popcorn Time suppliers were jointly liable with the operators of the host websites. The application was the key means which procured and induced the user to access the host website, and caused the infringing communications to occur. The Popcorn Time suppliers knew and intended that to be the case, and provided both the software and information to keep the indexes up to date. **Birss J** therefore found that the Popcorn Time suppliers had a common design with the host website operators to secure the infringing communications to the public.

The Court had jurisdiction under **Section 97A** to make a website blocking order against the Popcorn Time websites, and granted such an order in respect of both the PTAS and SUI sites.

### **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.euro pa.eu/jcms/jcms/j\\_6/home](http://curia.euro pa.eu/jcms/jcms/j_6/home)