








TRADE MARKS

Decisions of the GC and CJ

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC T-516/12 <i>Ted-Invest EOOD v OHIM; Scandia Down LLC</i> (25.09.14)</p>	 <p>- pillows for sleeping; mattresses (20)</p> <p>- textiles and textile goods included in this class, bed and table covers, bed sheets, pillow-cases, bed covers, bed sheets, quilted covers, counterpanes, bedclothes (24)</p> <p>SCANDIA HOME</p> <p>- pillows (20)</p> <p>- bedding products, namely, bed canopies, bed linens, bed sheets, bed spreads, bed throws, bed skirts, blankets, comforters, mattress covers, mattress pads, pillow cases and pillow shams (24)</p>	<p>In invalidity proceedings, the GC dismissed the appeal from the BoA's decision that there was a likelihood of confusion between the marks under Arts 53(1)(a) and 8(1)(b).</p> <p>It was not disputed that 'pillows for sleeping' were in part identical and in part similar to 'pillows' of the earlier mark. The remaining goods were similar to an average degree. Although the respective goods covered by the marks were not of the same nature, they were complementary. Further, the goods were directed at the same consumers, often used simultaneously and sold through the same outlets.</p> <p>It was not contested that there was a low degree of visual similarity. The GC concluded that there was an average degree of phonetic similarity.</p> <p>Conceptually, the marks were similar. Although 'sensi' had no inherent meaning, it was an abbreviation of 'sensitive' in several European languages and taken as a whole, each of the signs were likely to evoke Scandinavian comfort.</p> <p>The earlier mark had normal distinctiveness. Given this, a likelihood of confusion between the marks could not be ruled out.</p>
<p>GC T-51/12 <i>Scooters India Ltd. v OHIM; Brandconcern BV</i> (30.09.2014)</p>	<p>LAMBRETTA</p> <p>- vehicles; apparatus for locomotion by land, air or water (12)</p>	<p>In the first of two cases involving a LAMBRETTA mark, the GC annulled the BoA's decision in proceedings for partial revocation under Art 51(2), on the basis of the BoA's assessment of genuine use in connection with goods in Class 12.</p> <p>In reaching its decision that there was insufficient use of the goods, the BoA had exclusively examined whether the mark had been used in connection</p>



		<p>with the sale of 'vehicles; apparatus for locomotion by land, air or water' in the strict sense, and rejected evidence relating to sales of spare parts of scooters.</p> <p>The GC held that as the mark was registered before the CJ's decision in <i>IP Translator (Case C-307/10)</i>, reported in <i>CIPA Journal</i>, July 2012), the approach in <i>Communication no. 2/12</i> should be followed, which provided that for CTMs registered before 21 June 2012, the use of all the general indications listed in a class heading reflected the applicant's intention to cover all the goods or services included in the alphabetical list relating to that class.</p> <p>In this case, as the list would include at least some spare parts, the GC held that the BoA should have examined the evidence put forward by Scooters India in relation to spare parts for scooters.</p>
<p>GC T-132/12 <i>Scooters India Ltd v OHIM; Brandconcern BV</i> (30.09.14)</p>	<p>LAMBRETTA</p> <p>- badges and signs of metal, metal rods, bars, tubes and pipes; non-electric cables and wires; iron mongery; nuts and bolts; metal boxes and containers; fuel tanks; locks, padlocks and keys; chains, safety chains; springs (6)</p> <p>- engines; alternators; ball and roller bearings; dynamos, brake linings and shoes; carburettors; catalytic converters; dynamos and generators; sparking plugs and glow plugs; vehicle jacks; lubricators; cylinders; starters for motors and engines (7)</p> <p>- games and playthings; gymnastic and sporting articles not included in other classes (28)</p>	<p>In the second of two cases involving a LAMBRETTA mark, the GC annulled the BoA's ruling in revocation proceedings that the evidence submitted by Scooters India was not sufficient to prove genuine use of LAMBRETTA under Art 51(1)(a).</p> <p>The BoA erred in examining the evidence submitted to it by Scooters India in isolation and not in conjunction with the evidence previously provided to the Cancellation Division.</p> <p>The GC found that the BoA had infringed its obligation to carry out its own assessment of the evidence submitted, regardless of whether Scooters India expressly called such evidence into question. It held that the extent of the BoA's examination was not limited to the grounds relied upon by Scooters India, but rather extended to all relevant matters of fact and law. The BoA should have carried out a global assessment of the evidence which included all relevant factors of the case.</p>
<p>GC T-531/12</p>		<p>The GC dismissed the appeal from the BoA's decision and upheld the opposition, finding a likelihood of</p>

<p><i>Tifosi Optics, Inc. v OHIM; Tom Tailor GmbH</i> (07.10.14)</p>	<ul style="list-style-type: none"> - optical apparatus and instruments; spectacles; sunglasses; frames; cases; hinges; arms and lenses for spectacles and sunglasses, parts and fittings therefor; visors; binoculars; ski masks; protective helmets and goggles, parts and fittings therefor; contact lenses and containers therefor (9) - clothing, footwear, headgear (25)  <ul style="list-style-type: none"> - optical apparatus and instruments; eyewear; eyeglasses; sunglasses; lenses; eyeglass cases and sunglass cases; parts and fittings for all the aforesaid goods (9) - clothing, footwear (25) 	<p>confusion between the marks under Art 8(1)(b).</p> <p>The BoA correctly found that the goods in Classes 9 and 25 were either identical or similar. However, the BoA had erred in finding that 'protective goggles' covered by the mark applied for were identical to 'optical apparatus and instruments' as the later were technically more complex. Instead, the GC found similarity between protective goggles and sunglasses.</p> <p>The GC held that it was not possible to carry out a conceptual comparison; the BoA had wrongly identified the capital letter 'T' as a concept peculiar to the signs at issue. However, the signs were visually similar as the letter 'T' surrounded by an oval was an element that would be remembered by customers, as opposed to the minor differences between the marks.</p> <p>Furthermore, the GC confirmed that the goods were phonetically identical and rejected Tifosi's submission that the aural impression was irrelevant.</p> <p>Therefore, the GC held that the marks were highly similar overall and the BoA was correct to conclude that there was a likelihood of confusion.</p>
<p>GC</p> <p>Joined cases T-122/13 and T-123/13 and case T-77/13</p> <p><i>Laboratoires Polive v OHIM; Arbora & Ausonia, SLU</i></p> <p>(08.10.14)</p>	 <p>DODIE</p> <ul style="list-style-type: none"> - hygienic products for babies, other hygienic products (5) - feeding bottles, dummies, medical apparatus for babies, other medical apparatus (10) - various goods for babies and adults (8, 11, 16, 18, 21, 25, 28) <p>DODOT</p> <ul style="list-style-type: none"> - sanitary and hygienic products, food for babies, portable cases for medicines (5) - sheets for incontinents, baby bottles, teats and 	<p>The GC annulled the BoA's decisions in which it partially upheld the oppositions under Art 8(1)(b).</p> <p>The BoA was correct to find that the relevant public's level of attention was average for most of the goods and higher for certain goods in Classes 5 and 10 relating to health. Whilst some of the remaining goods would have been selected by careful parents with a high level of attention, the relevant public for these goods was not limited to this class of consumer.</p> <p>The marks only had a low degree of visual similarity. Whilst the first part of the marks were identical, the 'ie' and 'ot' endings would be unusual to Spanish and Portuguese consumers reducing their visual similarity. The rules of Spanish and Portuguese pronunciation also made them phonetically similar only to a low degree, if not a very low degree.</p>

	<p>closings of baby bottles (10)</p> <p>- various goods and services for babies and adults (3, 12, 16, 18, 20, 21, 24, 25, 28 and 44)</p> <p>(Spanish and Portuguese mark)</p>	<p>Given the low degree of similarity of the marks the BoA had been incorrect to find a likelihood of confusion, even where the goods were identical. Whilst the earlier marks had enhanced distinctiveness in relation to nappies and nappy pants, this did not give rise to a likelihood of confusion given the visual and phonetic differences between the marks.</p>
<p>GC</p> <p>T-300/12</p> <p><i>Lidl Stiftung & Co. KG v OHIM; A Colmeia do Minho Lda</i></p> <p>(08.10.14)</p>	 <p>- meat, fish, fruits and vegetables (29)</p> <p>- coffee, tea, cocoa, sugar, and other non-alcoholic beverages, flour and preparations made from cereals, bread, pastry and confectionery, chocolate, various sauces (condiments) and spices (30)</p> <p>GLOBO</p> <p>- preserved and precooked food (29)</p> <p>- sauces, condiments, confectionary bars, sweets, chocolates, pralines, ready meals made with brown sugar and pre-cooked cereal dishes, desserts (30)</p> <p>(Portuguese marks)</p>	<p>The GC annulled the BoA's finding that there was genuine use of the earlier marks under Arts 42(2) and (3).</p> <p>The six invoices submitted as evidence were barely legible and it was only possible to make conjectures of little probative value concerning both the commercial value and frequency of the sales from these.</p> <p>The BoA was incorrect to refer to the sum resulting from the sale of all the goods under the earlier marks in each of the six invoices in reaching its finding and should have instead taken account of the sales figures relating to the relevant goods coming within a coherent and homogenous category or sub-category.</p> <p>Further, the quantity of examples of use submitted by opponent Colmeia do Minho was very low such that it was not possible to discount any possibility of merely token use of the earlier marks.</p> <p>Therefore the BoA was incorrect to find that the earlier marks had been put to genuine use.</p>
<p>GC</p> <p>T-342/12</p> <p><i>Max Fuchs v OHIM; Les Complices SA</i></p> <p>(08.10.14)</p>	 <p>- bags, shoulder bags, rucksacks, except sports bags (18)</p> <p>- military clothing and outdoor clothing (25)</p>  <p>- leather and imitations of leather, bags, briefcases,</p>	<p>The GC upheld the BoA's decision that there was a likelihood of confusion under Art 8(1)(b).</p> <p>It was not disputed that the goods were identical or similar. The BoA was correct in finding the signs were visually similar. The BoA held that the marks represented a star and consumers might refer to them aurally as such. However, contrary to Fuchs' submissions, the BoA had not held that the marks were phonetically similar; it had correctly held that no phonetic comparison was possible. The marks were conceptually identical.</p>

	<p>pouches, pocket wallets etc (18)</p> <p>- clothing, shoes, helmets (25)</p> <p>(Community and French marks)</p>	<p>The revocation of the earlier CTM did not affect Fuchs' interest in challenging the contested decision. The GC could not take into account a revocation decision that occurred after the decision of the BoA since the revocation decision could not have had an effect for the earlier period.</p>
<p>GC</p> <p>T-262/13</p> <p><i>Skysoft Computersysteme GmbH v OHIM; British Sky Broadcasting Group plc and & Anr</i></p> <p>(15.10.14)</p>	<p>SKYSOFT</p> <p>- various goods and services in Classes 9, 35, 38 and 42</p> <p>- maintenance and repair of data processing equipment and computer installations (37)</p> <p>SKY</p> <p>- various goods and services in Classes 16, 18, 25, 28, 35, 38, 41 and 42</p> <p>- data processing equipment and computers (9)</p>	<p>The GC dismissed the appeal from the BoA's decision that there was a likelihood of confusion between the marks under Art 8(1)(b).</p> <p>The BoA was correct to find an average degree of similarity between the services covered in Class 37 on the one hand, and the goods covered in Class 9, on the other hand. Both could be offered by the same undertaking, could share the same distribution channels and had the same end users. When selling goods to customers, many producers offered after-sale services, either themselves or through an integrated retailer or one with which they maintained commercial relations. The identity of the remaining goods and services was not disputed.</p> <p>The BoA was also correct in finding the marks had an average degree of similarity.</p> <p>The earlier mark had a substantial reputation in the UK for some goods and services in question. Therefore the BoA was correct to find a likelihood of confusion in the minds of the relevant public, particularly the English speaking public in the UK with average or above average attentiveness.</p>
<p>GC</p> <p>T-444/12</p> <p><i>Novartis AG v OHIM; Tenimenti Angelini SpA</i></p> <p>(16.10.14)</p>	<p>LINEX</p> <p>- pharmaceutical preparations, containing lactobacillus acidophilus (5)</p> <p>LINES PERLA</p> <p>- ladies hygienic diaper; hygienic napkins for incontinents (5)</p> <p>- disposable napkins made of paper or celluloid, paper tissues (16)</p> <p>- napkins in the form of</p>	<p>The GC annulled the BoA's decision and held that there was no likelihood of confusion between the marks under Art 8(1)(b).</p> <p>The relevant public consisted of Italian women exposed to gastro-intestinal risks, and patients exposed to gastro-intestinal risks or urinary incontinence. Their level of attention was high.</p> <p>The BoA had erred in finding that the contested goods were highly similar. Although they were partly marketed in the same outlets, there was only a very</p>

	<p>underpants (25) (Italian mark)</p>	<p>low degree of similarity. The goods belonged to broad categories that were similar overall (pharmaceutical preparations and sanitary preparations), but on a comparison of specific products the nature and manner of use of these goods were dissimilar. Furthermore, the contested goods did not have the same purpose; although recommended as a supplement to improve health in incontinence treatment, lactobacillus acidophilus did not have a medicinal or therapeutic purpose. The goods were also not complementary.</p> <p>The marks were conceptually dissimilar. Both visually and phonetically, the marks had a low degree of similarity, which was insufficient to offset the low degree of similarity between the goods.</p>
<p>CJ C-521/13 <i>Think Schuhwerk GmbH v OHIM</i> (11.09.14)</p>	<div data-bbox="531 875 751 1055" data-label="Image"> </div> <p>- shoes, in particular laces (25)</p> <p>Note: the application for registration described the mark as follows: 'Protection is requested for shoes with red shoe lace aglets'.</p>	<p>The CJ dismissed Think Schuhwerk's appeal, and upheld the GC's decision that the mark did not have the minimum degree of distinctive character necessary for the purposes of Art 7(1)(b).</p> <p>Think Schuhwerk's submission that the GC breached its right to a fair hearing was manifestly unfounded. In relation to Think Schuhwerk's application for judgment in default the GC was not obliged to grant the form of order applied for or hold a hearing.</p> <p>Think Schuhwerk's submissions that the GC had breached both its duty to state reasons and the principle that OHIM was to examine the facts of its own motion were manifestly inadmissible. Both sought to obtain a re-examination of the application submitted to the GC.</p> <p>Think Schuhwerk's submission that the GC had infringed Art 7(1)(b) was in part manifestly inadmissible in so far as it required the assessment of facts reserved to the jurisdiction of the GC, and in part manifestly unfounded in so far as it challenged the GC's application of the legal criteria.</p>
<p>GC T-497/13</p>	<p>PRECISION SPECTRA - clinician computer programs for controlling an</p>	<p>The GC upheld the BoA's decision that the mark applied for was descriptive of the goods at issue under Arts</p>

<p><i>Boston Scientific Neuromodulation Corp. v OHIM</i> (16.09.14)</p>	<p>implantable pulse generator, handheld remote control units for controlling the implantable pulse generator, programming software for the clinician programmers and/or handheld remote control units (9)</p> <p>- implantable neurostimulation systems, accessories used therewith (10)</p>	<p>7(1)(c) and 7(2) and accordingly devoid of distinctive character under Art 7(1)(b).</p> <p>Boston Scientific's request for a declaratory judgment from the GC was manifestly inadmissible. Such judgments did not fall within the purpose of bringing actions before the GC, which was to have the lawfulness of BoA decisions examined and to obtain annulment or alteration of such decisions.</p> <p>The BoA's finding that the goods were aimed at a professional public that was particularly well informed and attentive, and its assessment of the meaning of 'precision spectra' were not challenged. Accordingly the BoA was correct that the mark was descriptive under Art 7(1)(c).</p> <p>A word mark which was descriptive of goods or services for the purpose of Art 7(1)(c) was necessarily devoid of any distinctive character in relation to those goods and services. The BoA was therefore entitled not to examine whether the mark was devoid of distinctive character and to conclude that registration had also to be refused on that basis.</p>
<p>GC T-605/13 <i>Alma-The Soul of Italian Wine LLLP v OHIM; Miguel Torres SA</i> (25.09.14)</p>	<p> SOTTO/SOLE - wines (33)</p> <p>VIÑA SOL SOL VIÑA SOL</p> <p> - alcoholic beverages including wine (except beers) (33) (Community and Spanish marks)</p>	<p>The GC annulled the BoA's decision in which it allowed the opposition pursuant to Art 8(5).</p> <p>The BoA acted in breach of its duty to provide a statement of reasons under Arts 75 and 76(1) in so far as it did not take into account evidence that Alma had provided to OHIM to establish that the word 'sol' and translations thereof had a weak distinctive character in the wine industry.</p> <p>Alma's evidence to support a weak distinctive character consisted of pages from various websites concerning bottles of wine featuring trade marks containing the word 'sol', 'sole', 'soleil', or 'sun' and/ or images of the sun as well as examples of other CTMs registered for goods in Class 33 containing the same words and images of the sun.</p> <p>There were no details on the basis of which it would be possible to</p>

		determine whether the BoA took the evidence into account or to understand the reasons why it may have considered such evidence to be irrelevant. Therefore the BoA acted in breach of its duty to provide a statement of reasons and the decision was annulled.
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ISPs ordered to block access to websites which infringe trade marks

***Cartier International AG & Ots ("Richemont Group") v British Sky Broadcasting Ltd & Ots ("ISPs")** (Arnold J; [2014] EWHC 3354 (Ch); 17.10.14)**

Arnold J held that the Court had jurisdiction to grant injunctions against internet service providers requiring them to block access to websites which sold counterfeit goods under the Richemont Group's trade marks, notwithstanding the absence of an express statutory provision equivalent to **Section 97A CDPA**.

The Richemont Group owned the well-known luxury brands Cartier, Montblanc and Richemont, including a broad portfolio of trade marks. The ISPs were five companies who together had a market share of approximately 95% of UK broadband users. Site-blocking injunctions pursuant to **Section 97A** were well established in relation to online content which infringed copyright, but had not previously been granted in the UK in relation to sites which infringed trade marks. The Richemont Group sought such an order in relation to websites which sold counterfeit goods under its trade marks.

Jurisdiction

Arnold J held that under its general power to grant injunctions, as recognised by **Section 37(1) Supreme Courts Act 1981** (the "SCA"), the Court had jurisdiction to make the order sought, notwithstanding the absence of an equivalent to **Section 97A**.

Arnold J also held that **Article 11 of European Parliament and Council Directive 2004/48/EC of 29 April 2004 on the enforcement of intellectual property rights** (the "IP Enforcement Directive") was intended to apply to all IP rights, rather than just copyright, and therefore the Court had the power to grant the injunction sought pursuant to **Section 37(1) SCA**, as interpreted in accordance with the **IP Enforcement Directive**.

Conditions

Arnold J held that the conditions to be satisfied for the Court to make such an order were effectively the same as those for blocking injunctions under **Section 97A**, namely: (i) the ISPs must be intermediaries; (ii) the users and/or operators of the website must infringe the Richemont Group's trade marks; (iii) the users and/or operators must use the ISPs' services to do that; and (iv) the ISPs must have actual knowledge of this.

Arnold J held that the threshold conditions were met in the present case, but that to make the order sought the relief must: i) be necessary; (ii) be effective; (iii) be dissuasive; (iv) be not unnecessarily complicated or costly; (v) avoid barriers to legitimate trade; (vi) be fair and equitable and strike a "fair balance" between the applicable fundamental rights; and (vii) be proportionate. The Judge considered each of these factors in turn and concluded that blocking orders should be granted. In reaching this decision he conducted a detailed analysis of the effectiveness and cost of implementing blocking orders in comparison to other possible remedies available to the Richemont Group.

Finally, **Arnold J** held that the orders made in the present case should have two modifications: (i) a requirement that the notice on the blocked page should identify the party who applied for it to be blocked and state that the affected users had the right to apply to the

Court to vary and/or discharge the order; and (ii) the inclusion of a "sunset clause" such that they would cease to apply at the expiry of a defined period (which **Arnold J** indicated should be approximately two years).

Use of a trade mark with a word element can constitute use of the mark without that word element

Specsavers International Healthcare Ltd & Ots v Asda Stores Ltd; Registrar of Trade Marks (Intervener)* (The Lord Chief Justice of England and Wales, Black & Kitchin LJ; [2014] EWCA Civ 1294; 15.10.14)

Specsavers was successful in its appeal against an order that its wordless trade mark (the "Wordless Mark") be revoked for non-use. The Wordless Mark was as follows:



To establish genuine use, Specsavers relied on its use of the Wordless mark within its Specsavers logo (which was also a registered trade mark) (the "Logo"):



Following a CJ ruling on a reference from the Court of Appeal (**Case C-252/12**), Specsavers and Asda settled their dispute regarding Asda's infringement of various Specsavers trade marks (including the Wordless Mark and the Logo). Therefore, the only matter to be determined by the Court of Appeal was Specsavers' appeal against the order for revocation of the Wordless Mark for non-use pursuant to **Articles 15** and **51**. As Asda did not contest the appeal, the Registrar for Trade Marks intervened to protect the public interest in preventing invalid trade marks being restored to the register.

At first instance, **Mann J** considered that the addition of the word "Specsavers" in the Logo altered the distinctive character of the Wordless Mark and therefore use of the Logo could not be deemed to be use of the Wordless Mark. He therefore ordered revocation of the Wordless Mark for non-use.

On appeal, **Kitchin LJ** examined whether the requirement of "genuine use" was satisfied by the use of the Wordless Mark only where words were superimposed over it. The CJ had held that there would be genuine use of the Wordless Mark if the altered form did not alter the distinctive character of the Wordless Mark so that the average consumer still identified the product as originating from a particular undertaking as distinguished from others. Referring to the CJ's decision **Kitchin LJ** held that it was sufficient use if, as a result of that use, the average consumer actually perceived the products as originating from Specsavers. Therefore, if the Wordless Mark did distinguish Specsavers' goods it did not matter that the Logo (within which it is used) was also a registered CTM.

Further, where the Wordless Mark was actually used in a particular colour (e.g. green) it was permissible to take that into consideration when determining whether it was indicative of the origin of the goods. **Kitchin LJ** took into account the fact that Asda had originally taken the Wordless Mark and adapted it to what it believed was a sufficiently different, permissible, sign for Asda to use. Asda therefore, having knowledge of the average consumer for the relevant goods, believed that the average consumer associated the green Wordless Mark as an identifier for Specsavers' products. Therefore the changes between the Wordless Mark and the Logo (which was the sign actually used by Specsavers) did not alter the distinctive

character of the Wordless Mark, i.e. it was still a trade mark in and of itself, and not merely the background to the word "Specsavers" in the Logo.

Finally, speaking *obiter*, **Kitchin LJ** stated that the finding that Specsavers' Wordless Mark was valid was not inconsistent with the finding that Asda's mark had not infringed that mark because Asda's sign (i) had to be looked at in the context of its use; (ii) bore different wording from the Logo; and (iii) was a slightly different shape to the Wordless Mark (the ellipses did not overlap).

Injunction granted to restrain Fox's use of "Glee" for a television series

***Comic Enterprises Ltd ("Comic") v Twentieth Century Fox Film Corporation ("Fox")* (Roger Wyand QC; [2014] EWHC 2286 (Ch); 17.07.14)**

This decision related to a dispute between the parties about each of the major heads of relief sought by Comic following judgment in the action for trade mark infringement and passing off in which it was found that Fox's use of "Glee" for a television series and associated live concert tour (the "Series") infringed Comic's figurative trade mark (reported in *CIPA Journal*, March 2014).

Injunction to restrain trade mark infringement

Roger Wyand QC (sitting as deputy judge) acknowledged that in deciding whether to grant an injunction a balance must be made between the right of intellectual property and the right to freedom of expression. He said that the Court must apply a multifactorial exercise balancing the two competing fundamental rights with no presumption that either one automatically trumps the other. The Judge also said that there was no legal burden on a defendant to show why an injunction should not be granted and it would depend on the facts of each case.

In coming to the conclusion that an injunction should be granted, **Mr Wyand** did not accept that retitling the Series and communicating the new name to the public would be such an expensive and difficult task when compared to the value of the Series itself. In order to assist Fox with bringing the title change to the attention of the relevant public, the Judge ordered that the injunction should allow a reference to the fact that the Series was previously known as "Glee".

Delivery up for destruction

Mr Wyand ordered delivery up of infringing copies of the Series but only in relation to those within the possession, power or control of Fox and not third parties, in relation to which Comic would have to apply for a separate Order.

Account of profits

Although the Judge agreed with Fox that the choice of title of the Series was only one factor that contributed to its success and that it would be a very difficult job to assess what that contribution was, he ordered that Comic was allowed the option of seeking an account of profits. The Judge carrying out the assessment of account of profits would have to estimate the percentage contribution that would have to be applied to the total profit available.

Island v Tring disclosure

Since it was permitted to elect between an account of profits and damages, Comic sought extensive disclosure from Fox to enable them to make the choice. **Mr Wyand** did not allow this disclosure, instead ordering that Fox give a rough assessment of the total profit made by the Series to include a rough apportionment contributed by the UK market.

Publicity Order

In finding that a publication order was appropriate, the Judge referred to the importance to viewers of the Series of having their attention drawn to the judgment.

Interim payment

Comic sought an interim payment of £1.25 million in respect of the damages or account of profits that Fox would have to pay. **Mr Wyand** found that, although there would be difficulty in assessing the quantum of damages or account of profit that would be awarded, this did not prevent him from ordering an interim payment provided that it was conservative. He went on to order an interim payment of £100,000.

Stay

In deciding to order a stay on the injunction (but not the publicity order) pending appeal, **Mr Wyand** took into account that the damage and disruption to Fox that would be caused by a wrongly awarded injunction would be substantial and could not be made good by an award of money (which in any event Comic would be unlikely to be able to pay). He also considered that the majority of the damage had already been caused.

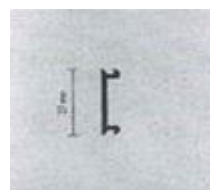
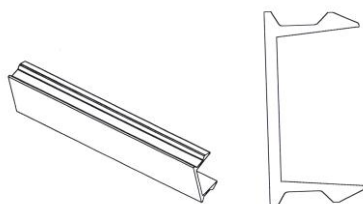
DESIGNS

Validity of Community Design for a component part of a complex product

Cezar Przedsiębiorstwo Produkcyjne Dariusz Bogdan Niewiński v OHIM; Poli-Eco Tworzywa Sztuczne sp. zo.o. (GC; T-39/13; 03.10.14)

The GC annulled the BoA's finding that a Community design to be applied to skirting boards was invalid under **Articles 4(2)(a) and (b), 6(1)(b) and 25(1)(b)** of the **Community Designs Regulation**.

Cezar was the owner of a Community design intended to be applied to skirting boards (representations of which are shown below left). Poli-Eco applied for a declaration of invalidity, relying on various designs that had been placed on the market in 1999, including an earlier design by a German company (below right).



Component part of complex product

The GC upheld the BoA's finding that the contested design constituted a component part of a complex product, consisting of (i) a skirting board with a recess designed to accommodate cables and (ii) the contested design, which was an insert intended to cover that recess. Although potential uses of a design should not be ruled out, Cezar's submission that the contested design could be used as a stand-alone product could not be taken into account as it was purely hypothetical.

Visible features of contested design

The GC held that the only use of the contested design that could be taken into account was its use as an insert to cover a recess in a skirting board or wall. During such normal use, the BoA correctly found that only the flat front surface of the contested design remained visible. Contrary to Cezar's submissions, if the contested design was manufactured of transparent material, not all parts of the design remained visible. Furthermore, the application of the design was not limited to products made entirely of transparent materials and this feature was not included in the graphic representation of the contested design.

Earlier design

However, the BoA had erred in its finding that, during normal use, the only visible feature of the earlier design was the flat front surface. According to the catalogue in which the earlier design could be seen, it was to be attached to the back part of a skirting board. As a result,

the earlier design was not visible at all during normal use of the complex product of which it was a part. The BoA had therefore made an error when comparing the designs in question. Since a design which constituted a component part of a complex product which was not visible during normal use of that product could not be protected under **Article 4(2)(a)**, it was held by analogy that the novelty and individual character of a Community design could not be assessed by comparing it with an earlier design which, as a component part of a complex product, was not visible during normal use of that product. As a consequence, Poli-Eco's application for a declaration of invalidity was unsuccessful.

Groundless threats and Ebay's VeRO program

***Cassie Creations Ltd v Simon Blackmore & Anr** (Mr Richard Spearman QC; [2014] EWHC 2941 (Ch); 25.07.14)**

Richard Spearman QC (sitting as a Deputy Judge of the High Court) refused to strike out Cassie Creations' claim for groundless threats and refused to grant summary judgment to either side.

Both parties marketed cake tins on eBay. The defendants sent a notice to eBay complaining that Cassie Creations' cake stands infringed their registered designs. As a result, eBay sent Design Right Violation Notices to Cassie Creations pursuant to its Verified Rights Owner (VeRO) program and required Cassie Creations to desist from marketing on eBay numerous models of acrylic cupcake stands. Cassie Creations subsequently brought proceedings against the defendants alleging that eBay's Notices of Claimed Infringement (NOCIs) constituted groundless threats under **Section 26** of the **Registered Designs Act 1949** as amended and **Section 253** of the **CDPA**. The defendants applied to strike out the claim and both sides applied for summary judgment.

The Judge considered it was not clear whether the NOCIs constituted a threat, and both parties therefore had a reasonable prospect of success. The matter therefore required to be tried. While he considered submissions made on behalf of Cassie Creations to be "much more persuasive" than those of the defendants, the two particular matters the Judge considered relevant were that: (i) **Pumfrey J** had considered the system of VeRO notices in *Quads 4 Kids v Campbell* [2006] EWHC 2482 (Ch) and had regarded the relevant question as remarkably difficult, saying only that it was arguable; and (ii) he did not have to hand all the necessary material to make an assessment of the validity of defendants' counter-arguments that, on the particular facts of how the VeRO system operated, there had not been a threat. Given this finding, the Judge did not go on to consider whether, if there had been a threat, it was groundless.

PERFORMERS' RIGHTS

Inquiry as to damages

***Jodie Aysha Henderson v All Around The World Recordings Ltd ('AATWR')** (Judge Hacon; [2014] EWHC 3087 (IPEC); 03.10.14)**

In an inquiry as to damages, **Judge Hacon** found that Miss Henderson was entitled to damages according to the 'user principle' of £30,000 and a further £5,000 pursuant to **Article 13(1)(a)** of the **Enforcement Directive** in respect of AATWR's infringement of her performer's rights.

Miss Henderson was a singer, songwriter and musician. In 2004, when she was 14 years old, Miss Henderson had composed the lyrics for 'Heartbroken' and had sung them into the computer-based recording system of Mr Tawonezvi. Mr Tawonezvi later became a successful DJ and in 2007 he produced a new version of Heartbroken which consisted of Miss Henderson's vocal performance above a new bass-line he had created. AATWR subsequently

signed a contract with the company acting as Mr Tawonezvi's manager to release Heartbroken. The contract purported to give AATWR all the rights necessary to release Heartbroken, but did not in fact include Miss Henderson's performance rights. The song was a big hit and reached number 2 in the main singles chart. **Judge Birss** (as he then was) held that AATWR's release of Heartbroken was an infringement of Miss Henderson's performer's rights (reported in *CIPA Journal*, March 2013).

The Judge reviewed the authorities in relation to an inquiry as to damages generally and the principle of a notional licence agreement between a willing licensor and licensee, including *32 Red OKC v WHG (International) Ltd* [2013] EWHC 815 (Ch). Hypothesising a licence between Miss Henderson and AATWR, the Judge found that AATWR was in a stronger bargaining position than Miss Henderson because (i) she had, immediately before the release of Heartbroken, only acquired a little fame, (ii) as such, she had an incentive to reach an agreement with AATWR and may even have agreed to a disadvantageous deal in order to gain public profile; and (iii) it was not certain that she could have arranged for an identical copy of Mr Tawonezvi's contribution to be performed by someone else, nor was there any evidence that another record company was willing to release an alternative version.

It was common ground that AATWR would have paid a royalty to Miss Henderson rather than a single fee. In assessing the royalty rate, the Judge took into account that Miss Henderson had signed a record deal with AATWR for another song after the release of Heartbroken. The relevant royalty rate payable under that agreement was 20%, which the Judge considered acted as a guide which pointed to a net royalty of 12%. He assumed that in the hypothetical negotiations the parties would have reached the view that Miss Henderson and Mr Tawonezvi were joint and equal performers, which suggested a royalty due to Miss Henderson of 6%. Applying this rate to 23% of total income as paid to Mr Tawonezvi, the Judge held that Miss Henderson was entitled to £30,000 under the user principle.

The Judge went on to award Miss Henderson an additional sum of £5,000 under **Article 13(1)(a)** of the **Enforcement Directive** to recognise the extent to which her name and reputation would have been enhanced by the release of Heartbroken which at the same time provided unfair profit to AATWR. The Judge thought she would have sought to have her name on the record presented with equal prominence to Mr Tawonezvi, which it was not. However, the Judge refused to award damages for 'moral prejudice' under **Article 13(1)(a)** as he was of the view that it was only in unusual circumstances that moral prejudice would be sufficiently significant such that damages for economic loss were not proportionate to the overall prejudice suffered by the claimant. The Judge also thought that **Section 191J(2) CDPA** (which provided for additional damages in cases of flagrant infringement) had become effectively redundant by reason of its conformity with **Article 13(1)(a)**, and was in any event already provided for by the award under **Article 13(1)(a)**.

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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