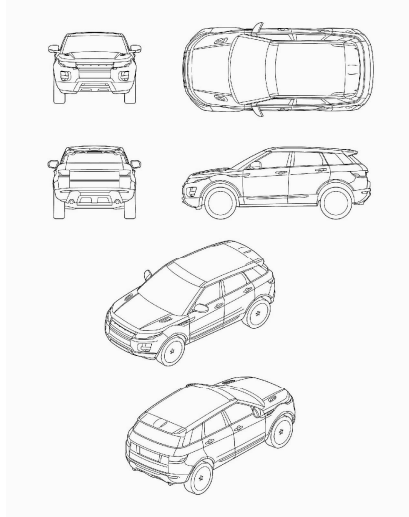
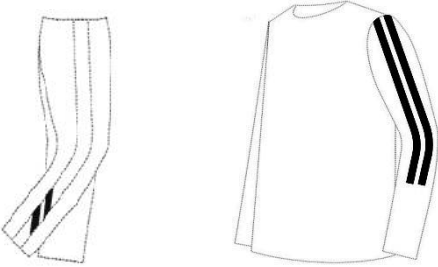





## TRADE MARKS

## Decisions of the CJ and GC

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC</p> <p><b>T-629/14</b></p> <p><i>Jaguar Land Rover Ltd v OHIM</i></p> <p>(25.11.15)</p>	 <p>- vehicles; apparatus for locomotion by land, air or water, ambulances, automobiles, cars, golf carts, electric vehicles, military vehicles for transport, motor homes, refrigerated vehicles, remote control vehicles, other than toys, sports cars, vans [vehicles], vehicles for locomotion by land, air, water or rail, automobile bodies, automobile chassis, automobile hoods, bodies for vehicles, hoods for vehicles, vehicle chassis, vehicle covers [shaped] (12)</p> <p>- games and playthings, games, radio-controlled toy vehicles, scale model kits [toys], scale model vehicles, toy vehicles, toys (28)</p>	<p>The GC partially upheld the BoA's decision that the mark was devoid of distinctive character under <b>Art 7(1)(b)</b>, for certain goods applied for in Classes 12 and 28.</p> <p>The BoA was correct to find that, as the sign depicted 'apparatus for locomotion by land', it significantly departed from the norms of the sector for 'apparatus for locomotion by air and water' and was therefore not devoid of distinctive character in respect of those goods. The GC confirmed that the BoA ought to have applied the same reasoning to 'vehicles for locomotion by air and water' and held that the mark was also not devoid of distinctive character for those goods. The BoA's decision was annulled in respect of those goods.</p> <p>The GC upheld the BoA's assessment that the mark did not depart significantly from the customs of the sector for the remaining goods in Class 12 and the goods in Class 28.</p> <p>The BoA was correct to find that the third party reviews submitted by Jaguar Land Rover (which referenced the Range Rover Evoque or photographs of the car) were irrelevant to its assessment of distinctive character, given that the trade mark application in no way stated that the shape of the car in the graphical representation was that of the Range Rover Evoque.</p>

<p>GC  <b>T-63/15</b>  <b>T-64/15</b>  <i>Shoe Branding Europe BVBA v OHIM</i>  (15.12.15)</p>	 <p>The marks consisted of two parallel stripes of equal width positioned on the lower part of the panel of the trousers/either side of the two sleeves of a long-sleeved shirt.</p> <p>- clothing, namely long sleeve shirts and pants for sports and leisure (25)</p>	<p>The GC upheld the BoA's decisions that the marks were not distinctive under <b>Art 7(1)(b)</b>.</p> <p>The BoA was correct to find that the patterns were simple and ordinary and as such lacked distinctive character.</p> <p>Shoe Branding had not established that such a pattern would acquire distinctive character from the fact that it was affixed on a specific part of clothing.</p> <p>Even if it was accepted that the average consumer paid particularly close attention to simple geometric shapes positioned on clothing, Shoe Branding had not produced sufficient evidence to establish that the average consumer would regard the mark as an indication of origin of the products, and not as a mere decorative element.</p> <p>Moreover, accepting that any geometric shape had distinctive character because it was affixed to a particular area on the clothing would result in some manufacturers being able to appropriate decorative shapes which should remain accessible to all, except where the mark has acquired distinctive character through use.</p>
<p>GC  <b>T-356/14</b>  <i>CareAbout GmbH v OHIM; José Luis Florido Rodríguez</i>  (16.12.15)</p>	<p><b>KERASHOT</b></p> <p>- hair preparations; skin preparations; hair dye; hair wash; hair lotions; hair straightening preparations; hair-waving preparations; shampoos; hair thickeners (3)</p> <p>- applicators for cosmetic products and body care products (21)</p>  <p>- hair lotions (3)  (Spanish mark)</p>	<p>The GC upheld the BoA's finding that there was a likelihood of confusion between the marks pursuant to <b>Art 8(1)(b)</b>.</p> <p>The goods applied for were, at the very least, similar with some identical or highly similar to 'hair lotions' covered by the earlier mark.</p> <p>The isolated 'k' element of the earlier mark possessed weak distinctive character and played a secondary role. The dominant element of the earlier mark was the word 'kerasol', which had average distinctive character. 'Kera' was the most important element in both marks.</p> <p>The BoA was correct to find an above average degree of phonetic and visual similarity and a neutral conceptual similarity.</p> <p>The GC noted that the goods at issue</p>

		were generally sold in self-service stores, such that the visual similarity played a very important part in the global assessment of the likelihood of confusion. Therefore the BoA was correct to find a likelihood of confusion between the marks.
<p>GC <b>T-491/13</b> <i>Perfetti Van Melle Benelux BV v OHIM; Intercontinental Great Brands LLC</i> (16.12.15)</p>	<p><b>TRIDENT PURE</b> - non-medicated confectionery, sugar confectionery including mints (30)</p> <p><b>PURE FRESH</b></p>   <p>- pastry and confectionery; candies (30) (Community and French 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>.</p> <p>The BoA was correct to find that for the part of the relevant public that understood the meaning of the word 'pure', that word was descriptive. By contrast, for those consumers who did not understand the meaning of the word 'pure', it would be considered a fanciful term endowed with average distinctive character. For all consumers the word 'trident' was the more important element of the mark applied for.</p> <p>There was a low degree of visual similarity between the marks and, at best, an average degree of phonetic similarity. The conceptual comparison was neutral.</p> <p>Despite the identity of the goods, there was no likelihood of confusion between the marks. The visual similarity carried more weight in the assessment than the phonetic similarity, because the goods could be bought in shops on a self-service basis.</p>
<p>GC <b>T-535/14</b> <i>The Cookware Company Ltd v OHIM; Fissler GmbH</i> (14.01.16)</p>	<p><b>VITA+VERDE</b></p> <p>- household or kitchen utensils and containers, namely cooking pots, non-electric cooking utensils and recipients for preparing, preserving, keeping warm and serving food products and drinks (21)</p> <p><b>VITAVIT</b></p> <p>- household or kitchen utensils and containers; glassware, porcelain and earthenware (21)</p>	<p>The GC upheld the BoA's decision that there was a likelihood confusion between the marks under <b>Art 8(1)(b)</b>.</p> <p>The BoA was correct to find that the intended consumers of the goods covered by the application included both general and specialist consumers. The GC agreed that it was the lowest level of attention from the combined group, namely that of the average consumer, which needed to be considered when assessing the likelihood of confusion.</p> <p>The BoA had correctly assessed that there was a certain degree of visual</p>

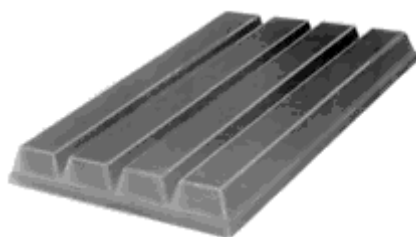
		<p>similarity between the signs and that the marks were phonetically similar. The GC confirmed that the marks also had a certain degree of conceptual similarity to the significant part of the relevant public who understood the 'vita' element as a reference to the concept of 'life' and/or 'vitality'.</p> <p>Given further the identity of the goods, the BoA was correct to find a likelihood of confusion.</p>
<p>CJ <b>C-50/15</b> <i>Kurt Hesse v OHIM; Hubert Ampferl and anr</i> (21.01.16)</p>	<p><b>CARRERA</b> - mobile navigation apparatus, in particular satellite-based mobile navigation apparatus (9)</p> <p><b>CARRERA</b> - automobiles and their parts, land and water vehicles and their parts except bicycles and their parts (12) (Community and German marks)</p>	<p>The CJ dismissed an appeal against the decision of the GC which refused registration of the mark under <b>Arts 8(1)(b)</b> and <b>8(5)</b>.</p> <p>The CJ held that the GC had not erred in law by upholding the BoA's assessment that the goods at issue were similar for the purposes of <b>Art 8(1)(b)</b> on account of their complementarity, without having carried out an analysis of the origin, marketing, distribution channels or points of sale of those goods. The complementary nature of goods was an autonomous criterion capable of being the sole basis on which similarity may be established.</p> <p>The GC's decision that the earlier mark enjoyed a reputation pursuant to <b>Art 8(5)</b> was based on an assessment of the facts which could not be subject of an appeal, save where the facts and evidence submitted to the GC had been distorted. Mr Hesse had failed to show that the GC erred in its assessment of the facts submitted to it or that it had distorted those facts.</p> <p>The third ground of appeal, under which Mr Hesse submitted the GC had erred in law by considering that there was a risk of 'image transfer' in favour of the mark applied for, was based on the argument that the goods at issue were not similar. As the finding of similarity had been upheld, the third ground of appeal was necessarily rejected.</p>

## High Court rules on test for acquired distinctiveness

### ***Société des Produits Nestlé SA v Cadbury UK Ltd\** (Arnold J; [2016] EWHC 50 (Ch); 20.01.16)**

Following an earlier preliminary reference to the CJ (reported in *CIPA Journal*, October 2015), **Arnold J** dismissed Nestlé's appeal from a decision of the hearing officer that the shape of its four-finger KIT KAT product had not acquired a distinctive character and was therefore not registrable as a UK trade mark.

Nestlé applied to register the following three-dimensional sign as a UK trade mark in respect of various goods in Class 30:



The mark corresponded to the shape of Nestlé's four-finger KIT KAT product except that it lacked the KIT KAT logo embossed onto each of the fingers of the actual product. The application was opposed by Cadbury on various grounds, in particular that registration should be refused under **Section 3(1)(b)**, in response to which Nestlé relied upon the proviso to that provision. The hearing officer found that the mark was devoid of inherent distinctive character and had not acquired a distinctive character in relation to the majority of goods covered by the application.

On appeal (reported in *CIPA Journal*, February 2014), **Arnold J** referred a question to the CJ, namely, whether in order to register a trade mark which had acquired a distinctive character following the use made of it within the meaning of **Article 3(3)**, it was sufficient for the applicant to prove that a significant proportion of the relevant class of persons recognised that mark and associated it with the applicant's goods, or whether the applicant must prove that the relevant class of persons perceived the goods designated exclusively by that mark, as opposed to any other mark which might also be present, as originating from a particular company. Agreeing with the AG, the CJ concluded that the applicant must prove the latter, i.e., they must prove that that mark alone, as opposed to any other trade mark which may also be present (regardless of whether the use is as part of another registered mark or in conjunction with such a mark), identified the particular undertaking from which the goods originated.

When the case returned to the High Court, **Arnold J** criticised CJ's practice of reformulating questions referred to it. He was of the view that the CJ's answer to the question referred was unclear, save that it rejected the first of the two alternatives posed. He went on to say that he understood the CJ's answer to mean that, "*in order to demonstrate that a sign has acquired distinctive character, the applicant or proprietor must prove that, at the relevant date, a significant proportion of the relevant class of persons perceives the relevant goods or services as originating from a particular undertaking because of the sign in question (as opposed to any other mark which may also be present)*".

As the hearing officer had concluded that survey evidence adduced by Nestlé merely showed that consumers recognised the mark and associated it with KIT KAT products, **Arnold J** held that he had not erred in his decision. That a majority of those surveyed were able to name KIT KAT did not prove that they perceived the mark as exclusively designating the

trade origin of such products. An additional factor which supported the hearing officer's decision was that there were likely to have been a number of similarly shaped products produced by other undertakings on the market in the years leading up to the relevant date. There was no evidence, however, that consumers thought that those products were KIT KAT products, which was inconsistent with the mark having acquired a distinctive character. The appeal was dismissed.

### **High Court victory for Merck KGaA in trade mark infringement and breach of contract dispute**

#### ***Merck KGaA v Merck Sharp & Dohme Corp & Ots ("MSD")\** (Norris J; [2016] EWHC 49 (Pat); 15.01.16)**

**Norris J** held that MSD was in breach of a co-existence agreement between the parties, and that uses of MERCK as a mark by MSD on various of its web pages amounted to infringement of Merck KGaA's trade marks.

Merck KGaA and MSD were multi-national companies with a common origin - they were founded as an apothecary's shop in Darmstadt, Germany in 1668. At the end of the First World War, MSD became a separate independent business, based in the USA. The parties entered into various agreements to regulate the use of MERCK. The most recent iteration was entered into between the parties on 1 January 1970 (the "1970 Agreement").

The 1970 Agreement gave Merck KGaA the right to use the trade mark and name MERCK outside the USA and Canada. In the USA and Canada, MSD could use MERCK alone as a trade mark. Outside the USA and Canada, MSD was permitted to use "Merck Sharp & Dohme" as a trade mark or corporate name, and was also permitted to use "Merck & Co., Inc" accompanied by geographical identifiers with the USA or Canada, as appropriate.

#### Breach of Contract claim

By way of preliminary hearing before **Nugee J** ([2014] EWHC 3867 (Ch)), the 1970 Agreement was held to be governed by German law.

In interpreting the 1970 Agreement under German law, **Norris J** held that it governed use of the word MERCK as all or part of a trade name or trade mark on the Internet. Although the Internet did not exist in 1970, the Judge found that the 1970 Agreement was intended to settle both current and future disputes. Furthermore, both parties' German law experts agreed that a German Court would be likely to find that the 1970 Agreement applied to the Internet.

Contrary to MSD's submissions, the 1970 Agreement was held to cover use of the word MERCK in relation to the provision of services (the 1970 Agreement derived from an earlier 1955 agreement, and service marks did not exist until 1958). **Norris J** held that the 1970 Agreement was forward-looking and was not anchored to any particular time, nor was the concept of "mark" in the agreement anchored in any single system of law. If the meaning and content of the word "mark" or "trade mark" changed in any particular jurisdiction, the obligation not to use MERCK as a trade mark continued. There was no ground for thinking that in 1970 the parties intended to confine their agreement only to the scope it would have had in 1955.

The use in the UK of MERCK alone as a contraction of MSD's full corporate name was held to be a breach of the 1970 Agreement, which required that the corporate or firm names of MSD could only be used with geographical identifiers of equal prominence. **Norris J** rejected MSD's submission that in the "Terms of Use" its website "Merck" was defined as "Merck Sharp & Dohme" and that the Terms of Use stated that the site was "intended for use by residents in the US". This made no difference, given the content of the websites.

**Norris J** also held that use of MERCK as part of a domain name or email address would be treated by a German Court as analogous to a company trading name, and that such use would therefore be in breach of the 1970 Agreement.

#### Trade Mark Infringement Claim

**Norris J** decided that, as MSD's websites were global websites with specific UK content directed at UK individuals, the average consumer of goods and services within the UK would consider that the website was aimed at them. He held that where the use of MERCK created the impression of a link between the relevant goods and services, this amounted to trade mark infringement under **Section 10(1)** – this included the scenario where MERCK was used on websites within a logo, or as part of the website branding. **Norris J** went on to hold that should it have been necessary, he would have also found infringement under **Section 10(2)** and **Section 10(3)**. He rejected the own name defence put forward by MSD under **Section 11(2)(b)**, on the basis that the name by which MSD was known or called by its customers in the UK was "MSD" or "Merck Sharp & Dohme", and not "Merck".

**Norris J** partially revoked Merck KGaA's UK trade mark registrations in respect of a few sub-categories of goods and services, but stated that he did not consider that this affected the substantive claim.

### PASSING OFF

#### Goodwill in get-up alone

#### ***Gama Healthcare Ltd v Pal International Ltd\** (Amanda Michaels; [2016] EWHC 75 (IPEC); 20.01.16)**

Amanda Michaels (sitting as a Deputy Judge) dismissed Gama Healthcare's claim for passing off relating to the get-up of Pal International's clinical wet wipes. The Judge held that there was insufficient evidence that Gama Healthcare owned goodwill in the pleaded get-up of its wipes. Additionally, the Judge did not consider there was a risk of deception amongst a sufficiently substantial number of Gama Healthcare's customers or potential customers for there to be a real effect on its alleged goodwill in any case.

Both Gama Healthcare and Pal International manufactured and supplied clinical wet wipes for use in the healthcare industry under the trade names "Clinell" and "Medipal", respectively. Gama Healthcare (the market leader) claimed that the get-up adopted by Pal International for its disinfectant and detergent wipes passed off its own disinfectant and detergent wipes. The get-up in which Gama Healthcare claimed goodwill was green for disinfectant wipes and yellow for detergent wipes, each in combination with the colour block design for the front of the packaging, as shown below (goodwill was not claimed in the use of colours as such, nor in colour-coded packaging *per se*):



Gama Healthcare disinfectant wipes



Pal International disinfectant wipes



Gama Healthcare detergent wipes



Pal International detergent wipes

**Ms Michaels** found that prior to the introduction of Pal International's packaging designs, there had been a convention in the industry whereby green packaging denoted a disinfectant wipe, and yellow a detergent wipe. Indeed, Gama Healthcare's founder and chief witness accepted under cross-examination that such use of colours was "the overriding industry norm". The use of curved lines on wipe packaging was also found to be common in the industry. The Judge noted that there was almost no evidence of reliance on any elements of the get-up other than colour and/or the name 'Clinell' as an indication of the trade origin of Gama Healthcare's goods. She therefore held that there was no goodwill in the pleaded get-up of its disinfectant or detergent wipes, absent the 'Clinell' trade name.

In case she was wrong on the issue of goodwill, the Judge went on to consider the other issues relevant to Gama Healthcare's passing off claim. She was of the view that Pal International had intended in its packaging design to reference Gama Healthcare's products, in order to indicate that they were competitor products. However, while she considered that this amounted to a decision to live dangerously, it did not amount to an intention to deceive or to pass off, particularly given the distinctive difference between trade names and the noticeable differences between the packaging.

Furthermore, there was no evidence of actual deception, as any confusion caused had not been due to the get-up as pleaded. Taking into account the specialist market in which the majority of the relevant goods were sold (i.e. to hospital procurement departments or clinicians), the manner in which they were sold, the characteristics of the majority of purchasers, the manner of purchase and the unsatisfactory evidence of alleged confusion adduced by Gama Healthcare, the Judge held that there was no risk of deception amongst a sufficiently substantial number of Gama Healthcare's customers or potential customers so as to amount to passing off.

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

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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)