

Bird & Bird & BrandWrites

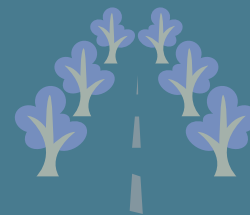
November 2013

A word cloud featuring various marketing and brand-related terms. The words are arranged in a dense, overlapping pattern. The most prominent words include 'protect', 'build', 'manage', 'enforce', 'brand', 'growth', 'loyalty', 'market', 'trends', 'identity', 'promotion', 'consumers', 'fashion', 'product', and 'brand'. The colors range from light blue to dark blue, with some words appearing in a lighter shade than others. The overall composition is a collage of terms related to brand strategy and marketing.

Welcome to the first edition of BrandWrites

At Bird & Bird we're passionate about brands. BrandWrites is an international publication that will explore topical legal and industry related brand news, featuring recent trade mark cases and key changes in the law, practical advice and commentary from respected brand owners. It features contributions from Bird & Bird's renowned IP team across Europe, Asia-Pacific and the Middle East.

We hope you enjoy it. We welcome questions, comments and suggestions, so feel free to get in touch with Editor and Bird & Bird Associate, Nick Aries at nick.aries@twobirds.com, or Bird & Bird Partner, Lorraine Tay at lorraine.tay@twobirds.com or tweet us at [@twobirdsIP](https://twitter.com/twobirdsIP).



If you would like advice on how best to protect or enhance the value of your brand, get in touch for a complimentary initial consultation: brands@twobirds.com



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What's in a brand?

What's in a brand? You'll get a different answer depending on who you ask. The concept of a brand is broad enough to capture a great diversity of constituent elements and interests. Despite, or perhaps because of this, powerful brands have as a central feature the capacity for people to unite around a common theme, a shared vision, an emotional connection. With the brand value of each of the top ten of Interbrand's Best Global Brands 2013 estimated to be worth over \$30bn (and in some cases much more), there's certainly no doubting the value of a strong brand.

From a legal point of view, the word brand instantly conjures up the notion of trade mark rights (both registered and unregistered). However, other IP rights come into play too, notably copyright and designs.

In this edition of BrandWrites we take a look at a range of topics relevant to the life cycle of a brand. From the creation of rights in brands (e.g. the new gTLD regime), through the enforcement of rights (e.g. Rihanna's rights in her 'personal' brand), to brand exploitation (e.g. endorsement contracts and ambush marketing), these are issues which brands interact with on a daily basis. Hopefully, some food for thought for those with an interest in nurturing a successful brand.



By Nick Aries
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Proposals for the modernisation of the European trade mark system

In March 2013 the European Commission published proposals aimed at making trade mark registration in Europe cheaper, quicker and more reliable. In July 2013 the Legal Affairs Committee of the European Parliament (EP) published a draft report on the proposals.

Key changes for trade mark owners

Graphical representation

In the proposals the graphical representation requirement is abolished. Instead, a sign must be capable of being represented in any appropriate form which enables the competent authorities and the public to determine the precise subject of the protection afforded to its proprietor. This offers more flexibility and legal certainty by allowing the use of modern representation techniques. This proposal may allow non-traditional trade marks such as smells and moving images to be registered more easily.

Class headings

The proposals clarify that class headings may be used in trade mark applications if they are sufficiently clear and precise. Owners of trade marks already registered will have 4 months to declare that, at the date of filing, they wished to seek protection in respect of goods and services beyond the literal meaning of the class heading. This could allow owners of trade marks to broaden the scope of their trade marks retrospectively and also leads to the question of what happens when trade mark owners do not file the proposed declaration.



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Double identity cases

In infringement cases involving the use of an identical sign in relation to identical goods or services (“double identity” cases) infringement will only occur if the main function of the trade mark, to guarantee the origin of the relevant goods or services, is adversely affected. This requirement has caused debate among trade mark owners since they see it as a limitation of the scope of protection in double identity cases. The Legal Affairs Committee of the EP suggests not including this requirement as it would lead to legal uncertainty.

Fee structure

At present, for the base trade mark registration fee, applicants can register in up to 3 classes of goods and services. Under the proposals, there would be a lower base fee for registration in one class, with additional fees for extra classes.



Designations of origin, geographical indications

Designations of origin and geographical indications that are protected under other EU agreements are specifically included as absolute grounds for refusal of a national application.

Counterfeit goods in transit

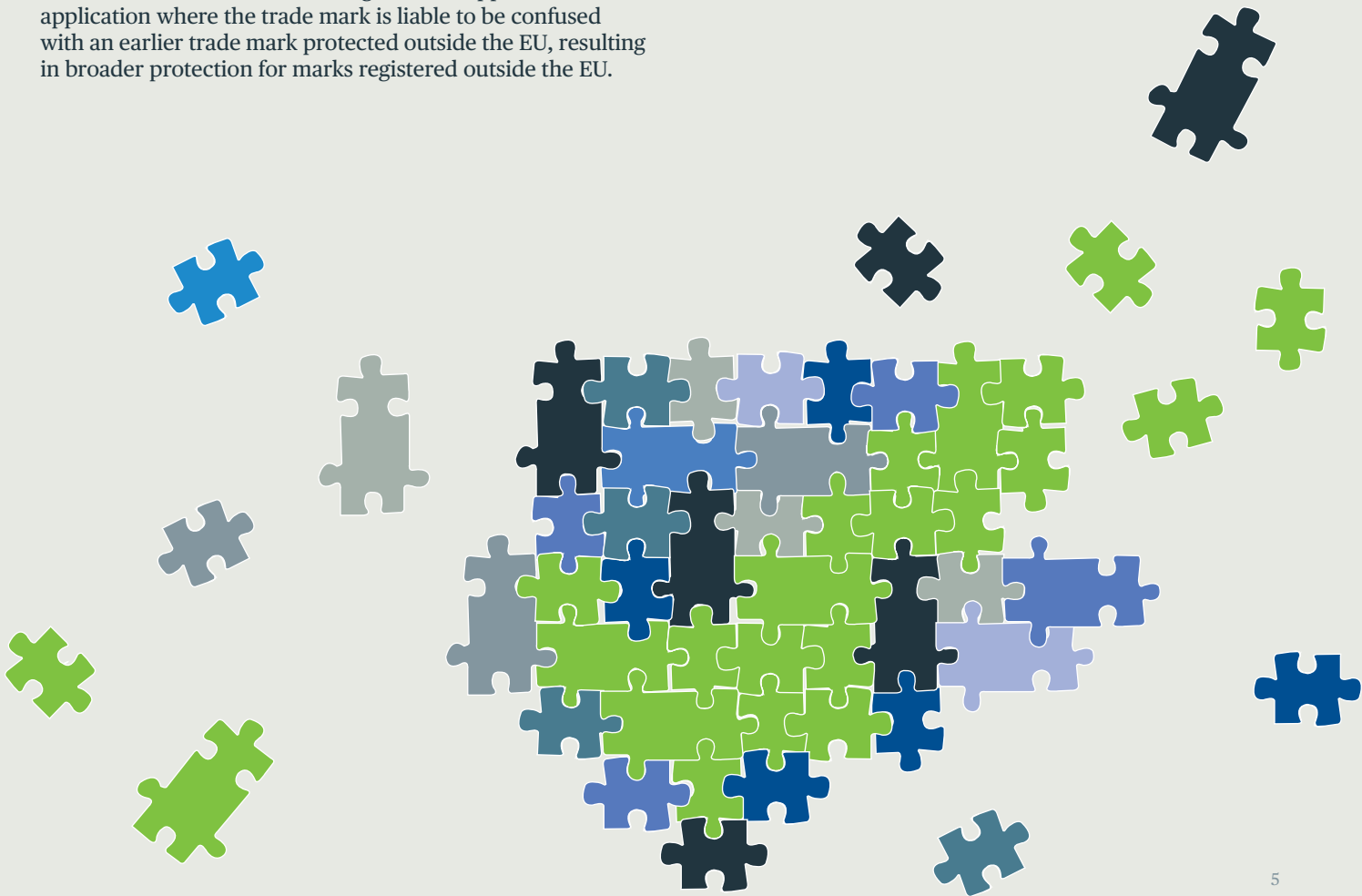
Trade mark owners will no longer have to prove that goods in transit will end up on the European market to be able to establish infringement.

Bad faith

Bad faith will be introduced as a ground to oppose an application where the trade mark is liable to be confused with an earlier trade mark protected outside the EU, resulting in broader protection for marks registered outside the EU.

The proposals do not create a 'new' European trade mark system but introduce changes to the Trade Mark Directive and the Community Trade Mark Regulation which aim to streamline registration procedures throughout Europe and modernise existing provisions to create more legal certainty for trade mark owners.

The proposals are meant to be adopted by Spring 2014, after which Member States have two years to implement changes to the Trade Mark Directive into national law. The Community Trade Mark Regulation will have direct effect. To be continued!



Ambush Marketing: opportunities and challenges

Global sporting events often attract the most innovative brand marketing. Great opportunities, however, often come at a cost; sponsors of the London 2012 Olympics, for example, paid up to \$100 million to be officially associated with the event.

Unsurprisingly, ambush or “guerilla” marketing is a common issue arising at the world’s largest sports events. Football fans will recall Bavaria beer’s controversial “orange dresses” at the 2010 FIFA World Cup, or the frequency with which athletes wore Beats by Dre headphones at the London 2012 Olympics.

The Middle East has a plethora of globally recognised, and often sovereign backed, events such as the Etihad Airways Abu Dhabi F1 Grand Prix, the Mubadala World Tennis Championship, DP World Tour Golf Championship, and Commercial Bank Moto Grand Prix of Qatar.

The 2022 FIFA Football World Cup will be hosted in the gulf state of Qatar. This is likely to ignite interest in unofficial brand association not only with the World Cup but also with other global sporting events in the region. This leads to the question: “is ambush marketing illegal in the Middle East?”

In keeping with most countries, including the USA and England, the Middle East generally does not have specific legislation prohibiting ambush marketing, but this does not mean it is permitted.



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Taking the UAE as an example, the UAE has some of the most developed laws in the region, and there are a range of provisions in UAE law that potentially prohibit ambush marketing. Any marketing that includes false particulars or misleading statements/pictures is prohibited. Further, imitating a trade mark, or using a trade mark without permission, is further prohibited. Also, all advertisements must be consistent with the rules of Shariaa Law, public order, public decency and the traditions of the UAE.

Finally, and perhaps most crucially, advertisements must be specifically granted a permit by the relevant ministries. For this reason, ambush marketing is not commonplace. Further, given the importance of Qatar 2022 to Qatar’s economy, it is possible that Qatar will, leading up to the World Cup, issue either general advertising laws and/or specific decrees regarding advertising for the event. This will need to be monitored carefully to avoid falling foul of any such new laws.

While overt ambush marketing, along with anything that is misleading or false, is likely to be rejected, there are opportunities for brands to benefit from a big event. There are some great international examples of marketing of this sort that are clearly not misleading. It is, therefore, possible that brands who are well advised can still engage in marketing efforts to benefit from events in the region. However, we recommend seeking legal advice before undertaking such activities.



UK image rights post-Rihanna/Topshop

Topshop sold a t-shirt bearing Rihanna's image, without Rihanna's permission. The English High Court held that this was passing off of Rihanna's image. Rihanna is "regarded as a style icon by many people" and has goodwill "not only as a music artist but also in the world of fashion, as a style leader". The sale of the t-shirt damaged Rihanna's goodwill as it "amounts to sales lost to her merchandising business" and "represents a loss of control over her reputation in the fashion sphere".

Before this case, the general perception was that merely placing a celebrity's image on merchandise without their permission did not constitute infringement of their rights. This case - the only UK case in recent memory in which a celebrity succeeded in preventing a retailer from using their image on merchandise (as opposed to on advertising material) - has revealed this thinking may be mistaken.

The conclusion reached in this case was tied very much to its particular facts:

- it involved a true global superstar who works hard to cultivate a brand not just in the world of music but also in the world of fashion (Rihanna);
- the image was a notable image of that global superstar which was prominent at the time (it came from a video shoot which had received press attention for being allegedly too risqué); and
- the retailer involved, Topshop, makes a huge amount of effort to emphasise its connections to style icons.

It's not hard to see that this decision could significantly widen the scope of 'image rights'. As consumers grow more and more used to purchasing merchandise endorsed by or officially connected with a celebrity, the scope for challenges based on 'image rights' widens. The judge said that "purchasers would not be surprised to find goods on sale in Topshop which have been endorsed or approved by celebrities". However, you could also say this about other high street retailers today.



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And with so many celebrities attempting to branch out from their original fields of fame into the world of fashion, retailers may begin to wonder where the line is drawn, and which celebrities have put in enough 'effort' to have a reputation in the fashion world.

There will be further developments in relation to the English Courts' approach to celebrity image rights in the near future. Topshop have appealed the judgment and a decision from the Court of Appeal is likely in 2014. If the first instance decision is upheld this is likely to fuel further image right cases. While the judge in the Rihanna case was at pains to point out that a market stall selling the same t-shirt would not have been infringing, it remains to be seen what would happen in a case involving a celebrity with less star power and a different high street retailer.



gTLDs: where are we now?

Since 2011 ICANN, the organisation responsible for the management of the top-level domain space, has been embarking on a program of expansion to allow for the registration of a vast number of new gTLDs (generic top level domains).

Applications for new gTLDs were accepted from January 2012 and the first gTLDs proceeded to the final stage of the process on 22 October 2013. At the time of publication, there have been 1,930 applications for a variety of gTLDs.

Among the most prolific applicants have been Google, with 101 applications, and Amazon, with 76. By contrast, Microsoft has so far only applied for 11 gTLDs and Yahoo for just two, both relating to Yahoo-owned trade marks (.yahoo and .flickr).

Brand protection

Trade mark owners can register their marks with the Trademark Clearinghouse (“TMCH”) in order to gain protection in relation to gTLD registrations.

Once a mark is registered with the TMCH the trade mark owner will benefit from the ‘sunrise period’ and the ‘claims period’.

The sunrise period is designed to give priority to brand owners to register their own marks as sub-domains. In this period, which must run for at least 30 days, trade mark owners who have registered their marks with the TMCH can apply before the general public to register sub-domains that exactly match their marks.

The claims period runs for at least 90 days after the sunrise period. In this period, the TMCH is required to: (a) send a warning to any party that seeks to register a sub-domain that exactly matches a mark registered with the TMCH; and (b) notify the trade mark owner if the applicant ignores the warning and registers the sub-domain.

In practice, the usefulness of both the sunrise period and the claims period for trade mark owners is limited by the fact that the services only apply to sub-domains identical (but not similar) to marks registered with the TMCH. However, it could still be a useful strategy in some cases.



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Brand owners who wish to take action against sub-domains which infringe their rights and are registered under new gTLDs can also turn to the Uniform Rapid Suspension procedure (for suspension of domain names in clear cases of trade mark infringement - see e.g. suspension of ‘.facebook.pw’). This sits alongside the standard domain name dispute policy (UDRP) which many brand owners are already familiar with, and which continues to apply to new gTLDs.

‘Closed’ gTLDs and ‘open’ gTLDs

Until recently, applicants could either choose to apply for gTLDs that are ‘generic’ words as ‘closed’ or ‘open’ domains. A closed application would be for the gTLD’s use solely by the applicant’s business. For example, the owner of a closed gTLD for ‘.cook’ would not allow an unconnected party to use any .cook sub-domains.

By contrast, an open application indicates that the applicant will allow third parties to set up sub-domains and control their content. So, in an open application for .cook, somebody could apply to register and operate a website at ‘learn.to.cook’, for example.

The topic of closed gTLDs for generic words generated a significant amount of debate and criticism. It’s clear why these gTLDs have strong opposition - a closed registration of a generic word would allow a company to have a monopoly over that generic word (e.g. cook).

As a result, in July 2013 ICANN temporarily froze closed applications for generic words. It remains to be seen whether ICANN will re-open these applications. It remains possible, though, to apply for a closed ‘.brand’ gTLD registration.

Brand owner view: Merck KGaA

Merck applied for a gTLD to communicate the global initiatives of our Merck Community, which are focused on innovation.

Merck is convinced that the new gTLDs offer the great opportunity to use state of the art technologies which underlines Merck's mission to deliver first class products, treatments and solutions in the business areas of chemical, pharmaceutical and life science.

We expect that especially in our field of business, internet users will benefit from our modern, safe and trustworthy Internet presence clearly designated to the original Merck Community. The new gTLDs support our continuous efforts to fulfil our promise associated with the brand.



Jonas Koelle,
Merck KGaA

Lessons for sponsors: celebrity endorsements

On 12 June 2013 the Spanish public prosecutor lodged a criminal claim against Barcelona footballer Lionel Messi for tax fraud. Messi is a worldwide celebrity, so the claim has attracted a lot of press attention.

News of the claim will have been unpleasant not only for Messi but also for his sponsors, as the negative impact of such a claim could extend to the reputation of the brands Messi was endorsing.

Sponsors may even argue that, in such situations, endorsement agreements might be rendered worthless because the purpose of the endorsement as originally pursued (to associate a brand with the positive values generated by the star in question) is defeated when the brand begins to be associated with negative publicity about them.

Sponsors might also wonder if claims against their stars could be a reason to terminate their agreements. This may be so, but this area is fraught with problems of interpretation where the parties' rights in this regard are not set out precisely in the agreement or where morals or customs differ from one nationality to another. Sponsors face a difficult balance between a generic clause, which might not be sufficient as it could leave them unprotected from uncertain but still damaging acts, and a clause that attempts to set out specifically every act that might cause damage to the sponsor's brand, which would always be incomplete.



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Taking a recent example from the franchising world, The Body Shop's franchise contract was the subject of a case in the Madrid Appellate Court. The contract provided a right to terminate where the franchisee, or any of the managers, executives, directors or partners acted in a way that could damage the reputé or quality of the products, or in a way contrary to or in conflict with the values of the beauty care brand. The court held that this clause was sufficient to entitle the franchisor to terminate an agreement with a franchisee who was suspected of using the franchised shops for money laundering.

Sponsors, therefore, will need to carefully examine the particular circumstances of the parties, their respective values, the specific products and services to be endorsed, as well as the territorial scope of the agreement. The aim is to balance the risks of damage to the reputation of a house brand by an association with an external party's activities which are beyond the brand owner's control, with the benefits that come with the endorsement of an individual with a large public following.



Upcoming changes to the Trade Mark Law in China

On 1 May 2014, important changes to the Trade Mark Law in China will come into effect. In this article, we set out some highlights from the upcoming changes.

- Sounds can be registered as trade marks. No specific test for the registrability of sound marks is provided, so sound marks should satisfy the registrability requirements that apply to other kinds of marks.
- Multi-Class applications will be made available, which will ease administrative work and reduce costs in relation to trade mark portfolio management. It is not yet known, though, whether official filing fees will be adjusted accordingly.
- A general principle, taken from the General Provisions of the Civil Law and stating that registration and use of trade marks should follow the principles of honesty and trustworthiness, will act as a “catch-all” provision to govern trade mark applications and use. This principle is not a ground in trade mark oppositions or trade mark invalidations and its significance has yet to be seen.
- The registration of another person’s unregistered mark that has been used previously on identical or similar goods is prohibited if there is evidence showing that the applicant has clear knowledge of that other person’s mark through contractual, business or other relationships.
- An opponent who relies on relative grounds must be the owner of the earlier right or an interested person. Any person may file an opposition on absolute grounds of refusal. With this amendment, the previous practice of relying on an unrelated party’s registered mark to file an opposition will no longer be possible, unless the opponent can show that it is an interested person.
- If the Chinese Trademark Office rejects an opposition, the opposed mark will be registered. The opponent may then file an application with Trademark Review and Adjudication Board (TRAB) to invalidate the registered mark. This is a change to current practice, where the opposed mark remains unregistered while an opponent files a review with the TRAB.
- Any person may file a cancellation against a registered mark if the mark has become a generic name for its designated goods/services. To guard against this, rights holders should use the symbol “®” alongside the registered mark, monitor the use of the mark in the market, and actively enforce their rights against infringers.
- In an invalidation handled by the TRAB, if the earlier right needs to be determined on the basis of the decision of the court or the administrative authority in another case, the invalidation can be suspended. The proceedings can be restored when the reason for the suspension no longer exists.
- Rights owners will have to demonstrate that their “use” (or in infringement cases, the infringer’s “use”) is “to identify the origin of the goods”. It will be interesting to see if there is certainty and consistency in determining whether OEM use will amount to trade mark infringement or will be sufficient to defend against non-use cancellation.
- If, before the filing date of a registered mark, another person has used an identical or similar mark for identical or similar goods and the mark has acquired a certain level of influence, the registered mark owner will not have the right to stop that other person from using the mark in its original scope, but may ask that other person to use an additional sign to distinguish the marks.



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Brand watch

Madrid Protocol: new joiners

Mexico, India, Rwanda and, most recently, Tunisia have all joined the Madrid Protocol in 2013. The World Intellectual Property Organisation's Madrid system for the international registration of marks allows brand owners to file trade mark applications in a number of different countries through a single, international application. Subsequent changes and renewals to registrations can also be managed through this centralised system. Brand owners interested in Mexico, India, Rwanda and Tunisia now have the opportunity to protect their brands in those countries via the Madrid system.

Class headings

In August 2013, the UK IPO issued a Practice Amendment Notice (PAN 03/13) following the Court of Justice of the European Union's decision in the IP Translator case. The Court had confirmed that terms used in a trade mark specification to identify goods/services covered by the mark should be sufficiently clear and precise. The IPO's practice note sets out how it will treat UK trade mark applications containing certain forms of specification:

- "All goods in class X" will result in an objection.
- If an applicant wishes to register for all goods and services in a particular class, they should list all the individual items in the alphabetical list.
- Certain 'General Indications' (i.e. parts of a Class Heading) should be avoided as being too vague - see the list in the PAN.

Non-traditional UK trade marks

In October, the English Court of Appeal handed down judgments in two joined cases concerning the registrability of certain trade marks (Nestlé v Cadbury; and J W Spear & Sons v Zynga). The Court found that the two trade marks at stake (a particular colour mark for Cadbury in one case; and a scrabble tile mark for Spear/Mattel in the other) failed to fulfil the requirement of being "a sign", and were therefore also insufficiently graphically represented. The Court said this was because the registrations at stake potentially covered a variety of different marks. The judgment means that a number of existing 'non-traditional' UK trade marks (i.e. sounds, colours, shapes, etc) may be vulnerable to invalidity, depending on their form of registration and any accompanying descriptions.

Get in touch if you would like our help with reviewing your TM portfolio.

Croatia joins the EU

Croatia joined the EU on 1 July 2013 and as a consequence, EU-wide brand protection measures now include Croatia.

CTMs filed on or after 1 July 2013 will cover Croatia as well as the other EU Member States. CTMs filed on or before 30 June 2013 are 'grandfathered' (i.e. they are automatically extended to cover Croatia). There is no need for rights owners to do anything.

Rights holders can now apply for Customs actions against counterfeit goods in Croatia. Parties wishing to do this can either file a National Application for Action with the Croatian customs authorities or file a single Community Application for Action with the designated customs department in their Member States, remembering to include Croatia on the list of countries in which they wish customs action to be taken.



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New Customs Regulation (EC No. 608/2013)

From 1 January 2014 the new EU Customs Regulation (replacing regulation EC No. 1383/2003) will have direct effect across member states.

The new regulation should simplify aspects of the customs enforcement proceedings for rights holders:

- The currently optional 'simplified procedure' for destruction of goods without a court order under certain circumstances will now be compulsory in all member states.
- Rights holders will be able to opt in to an expedited procedure for the destruction of small postal consignments. Opting in will give customs authorities the power to destroy these small consignments without the need for rights holders to provide consent.



Industry perspective

Exposure are an independent communications agency, formed in 1993. Exposure work with a variety of fashion & lifestyle and blue chip brands to create campaigns and content that provide creative solutions to business challenges. Here, we put some questions on brands to James Burgon, Exposure's CFO...

How has social media affected branding?

Social media has had a huge impact on branding. Historically, brands produced branding which communicated to consumers. In the social media world, branded communication must be designed to encourage the user to share communication with other consumers. Consumers don't share advertising, but they share stories and details. For example: a consumer who buys jeans will never share the fact that they bought the jeans because they saw a model wearing them in an advert, they will refer to fit, cut, denim quality, stretch, and product details so the social media communication message needs to be completely different to encourage the consumer to share.

What challenges do you see for brand owners in the future?

The biggest challenge for most brand owners is the speed that information can be distributed via the internet, the consumption of messaging on multiple platforms simultaneously and the growth in e-commerce and m-commerce via multiple devices. Brand owners of the future need to have real honesty and complete integrity. Ethical sourcing, sustainability, product truths, personal service, grace and politeness are distinguishing factors required by consumers. Many sectors have ubiquitous products so the way those products are delivered to the customer is vital. For example, no one talks about how great a particular bank product is because such products are all very similar, but poor customer service by a bank will be shared via media channels with millions of people in seconds. The consumer may be reading negative social media at the same time as watching a slick TV commercial for the same brand.

Which brands do you admire and why?

Coke - because they share happiness.

Levi's - because I always wear them and whenever I try other jeans, then just don't feel right.

John Smedley - John Smedley are made in the heart of Derbyshire and I have been a huge fan since I was 16 years old. Their sea island cotton and merino wool polo shirts and pullovers are timeless and a perfect example of a fantastic British Brand. When worn they never fail to generate positive comments, they are worth every penny and to top it all, they are machine washable!

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Heineken - Heineken constantly innovates. I loved the metal barrel tins that they introduced into the market a number of years ago and recently I read that they have launched an amazing beer dispenser for the take home market in Europe. It's called "The Sub". It hasn't launched in the UK yet but watch this space!

What have been the highlights for Exposure in the last 12 months?

Minnie Mouse Love Magazine collaboration - it was an amazing campaign which made Minnie Mouse a front cover fashion muse.

Bacardi Martini 150th Anniversary - it was the best event Exposure have ever produced.

Reinventing training at EE, which received incredible feedback from the attendees.

How does IP affect what you do?

IP is becoming more important in agency communication as brands collaborate with each other, with music stars, with celebrities etc. Global worldwide rights in perpetuity are difficult and expensive to acquire in a multiplatform world.

How do you see the role of branding elements such as smells, sounds and colours developing?

Sounds which can be picked up by smart phones but not necessarily the human ear is an area that will grow: for example sounds that can launch apps for brands.

The importance of the relationship between branding agencies and legal advisors

Intangible assets, such as a portfolio of brands, are key differentiators of a business in an increasingly competitive global commercial market.

Business owners look to branding agencies to develop such differentiators. The creative output from a branding agency generates intellectual property rights such as copyright and trade marks. Given the saturation of brands it is critical for branding agencies to work closely with their legal representatives to ensure the client can “own”, in a legal sense, what the branders develop and that they do not infringe another party’s existing rights.

One recent matter in Australia highlights the importance of the relationship. After spending some months developing a new brand and associated visual identity for a telecommunications company, the agency realised, at the eleventh hour and under enormous pressure from the client to launch the business, it needed to conduct clearance checks of the brand.

Although the clearance searches revealed some potential infringement issues, the agency decided to go against the legal advice, given the imminent launch date for the business. The outcome was regrettable. The business launched under the new brand in connection with considerable branding collateral and expense. The competitor was alerted to the new brand and lawyers were instructed to send a nasty letter.

Although going back to the drawing board prior to launch would have meant a grumpy client due to missed deadlines, it would have avoided the added expense of rollout material, legal costs, and the embarrassment of ‘getting it wrong’.

Lawyers and brand agencies can work together. Instead of viewing legal input as a hindrance to the creative process, if lawyers are involved early in the design process, the legal and brand team can provide an important value add to the client. From a governance perspective it makes sense, with many businesses questioning why an agency should be able to charge a client for a design or identity that the client can’t register or that results in infringement proceedings.

Important points to note:

- Logo trade marks are not “word” marks. A logo mark incorporating the new brand does not necessarily allow you to stop others using the word alone.
- If the client’s budget doesn’t allow for the costs of trade mark registration, ensure that at least preliminary searches are conducted prior to launch and use of the TM symbol is adopted to put third parties on notice that the brand is being used as a trade mark.
- Understand who created the brand and who the ultimate owner is meant to be.
- Conduct searches of each market in which the client intends to commence business prior to launch to ensure a uniform global brand strategy can be adopted.
- Discuss the brand guidelines for each brand with the lawyers to ensure the trade mark registrations accurately reflect the branding agency’s recommended use of the brands.

“Lawyers and brand agencies can work together. Instead of viewing legal input as a hindrance to the creative process, if lawyers are involved early in the design process, the legal and brand team can provide an important value add to the client”



About our relationship with Truman Hoyle

Bird & Bird has a cooperation agreement with the Australian law firm Truman Hoyle. Truman Hoyle is a Sydney-based firm which share our strengths in key sectors like telecoms, technology and media, serving similar industries and similar clients.



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'Well-known' trade marks: Kucharek v Vegeta

On 3 September 2013 the Polish Supreme Administrative Court issued an important decision providing guidance as to the factors that should be taken into account when determining whether a trade mark is a well-known one.

These factors had been rather unclear in the light of statutory regulation and earlier case law. The guidance concerns, among other things, use and assessment of surveys as evidence of knowledge and recognition of the trade mark by the public. Well-known trade marks are protected once they are generally recognised as trade marks by the relevant public. Due to lack of formal registration, it is more difficult to establish when such protection starts and what its scope is.

The case concerned the marks Kucharek (owned by Prymat sp z o. o.) and Vegeta (owned by Podravka Prehrambena Industrija). Kucharek and Vegeta are popular all-purpose spices sold in Poland. Both are sold in blue packaging containing the image of a chef with fresh vegetables. The dispute between these parties goes back 14 years, with Podravka originally filing invalidation proceedings against the Kucharek trade mark in 1999.

Podravka claimed that their Vegeta trade mark is well-known in Poland as a result of its use and advertisement over 25 years. Podravka were able to win on this argument in the lower Polish courts, which found that Vegeta is a well-known trade mark in Poland and so benefits from protection against similar marks. This conclusion was based on an assessment of surveys which proved that the name Vegeta was recognised by 98% of respondents and used by 59% of respondents.

On appeal, the Polish Supreme Administrative Court held that the court of lower instance did not investigate properly what elements were regarded by the relevant public to be the Vegeta well-known trade mark. As the surveys concerned exclusively the name Vegeta, they were insufficient to prove that the whole trade mark in question, i.e. a trade mark consisting of the name Vegeta and the image of a chef with fresh vegetables on the blue background, was well-known.



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The court set out the following guidance that should be used when assessing whether a trade mark benefits from protection as a well-known trade mark:

- The description of the sign in question must be precisely established (since the trade mark is unregistered, there will be no registration documents showing the exact scope of the sign).
- A sign has to be universally known in its function as a trade mark. It is not enough to prove that the sign is widely known; the sign must be associated with a particular product as an indicator of the product's origin.
- It is also necessary to prove that the sign in question enjoys strong public awareness as a mark that distinguishes the product from others on the market. This can be achieved through surveys, but the survey questions must concern the whole trade mark and not only its verbal element.

This guidance is of use both to owners of trade marks they believe qualify for "well-known" status and to applicants for registered trade marks. A pre-existing well-known trade mark belonging to a third party is an obstacle for the subsequent registration of the same or similar sign for the same or similar products by another party.

As such, parties seeking to register a trade mark in Poland should make a careful examination not only of the trade mark register but also of the market in which they wish to register their mark in order to identify potential well-known trade marks.

Procedural changes at the Benelux Office for Intellectual Property and their impact

On 1 October 2013, important procedural changes came into effect in the Benelux. These changes form part of a global initiative and work plan of the Benelux Office for Intellectual Property (BOIP) to improve the quality, efficiency, reliability and user-friendliness of its services, and to harmonise and modernise the procedures.

These modifications affect all users of the Benelux trade mark system. The most significant changes to day-to-day practice are:

- The BOIP amended the method for calculating the opposition period, affecting the duration of the opposition period. The opposition period of two months was calculated from the first day of the month following publication of the application but will now be calculated starting from the actual date of publication, decreasing the opposition period from a possible almost three months to a fixed two months. Opponents will need to react more swiftly and the negotiation period preceding the launch of an opposition will be reduced.
- The cooling off period and suspension of opposition proceedings on joint request has been extended to four months, as well as any prolongation thereof. This modification is the result of a survey on the evaluation of the opposition proceedings conducted by the BOIP. Previously, the opposition could only be deferred for a period of two months, which was considered an inadequate period of time for the parties to find an amicable solution. The extension to four months answers this concern, and will in most cases also result in decreased costs for the extension of the deadlines.
- The BOIP has simplified the procedure for the renewal of trade mark registrations, which will speed up and reduce the costs of this process. The renewal of a trade mark used to be subject to two requirements: a written request for renewal and the payment of the related fees.



Isabelle Dupuis and
Guillaume de Villegas de Clercamp,
Brussels

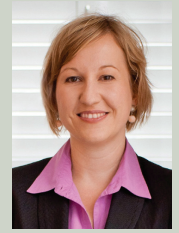
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- The BOIP also re-examined the list of goods and services at the time of renewal. Payment of the official fees through an online payment tool available on the BOIP's website will now suffice to renew the registration, without any re-examination of the classification by the BOIP.
- English is adopted as the third working language of the BOIP, in addition to French and Dutch. Any business with the BOIP can now be conducted in English. This will expedite the communication process for foreign companies, reduce related translation costs and limit the risk of mistakes through translations.

Further changes are under discussion, such as the extension of the grounds for opposition against a trade mark application and the centralisation of the appeal procedure of the BOIP's decisions before the Benelux Court of Justice. Currently, appeals are dealt with by the national courts, resulting in disparate case law between the countries, legal uncertainty and forum shopping. All in all, a work in progress, but progress has already been made!



Fishbone vs. Fishbone (Beachwear): Court of Justice of the European Union (CJEU) decides on admissibility of further documents to prove genuine use in opposition proceedings



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The CJEU dismissed an appeal brought by New Yorker SHK Jeans GmbH & Co. KG against OHIM on basis of the alleged late filing of documents to prove the genuine use of a trade mark in opposition proceedings. The CJEU decided that OHIM was entitled to take into account additional documents if they serve to complete the documents provided originally (Case C-621/11).

The CTM application of New Yorker Jeans for the word mark Fishbone for classes 18 (leather goods) and 25 (clothing, footwear, headgear) was opposed on basis of an earlier Greek figurative mark FISHBONE Beachwear registered for t-shirts and beachwear in class 25. During the proceedings New Yorker Jeans requested proof of use of the earlier Greek mark. The opponent submitted a first set of documents which included affidavits, receipts and several photographs. After New Yorker Jeans claimed these documents would not demonstrate genuine use of the opposition trade mark the opponent handed over catalogues as further documents.

OHIM considered both sets of documents and rejected New Yorker Jeans' application. New Yorker Jeans then appealed against the decision and claimed that the second set of documents should not have been considered as OHIM is required to reject an opposition where no or only irrelevant proof of use is filed. The appeal was denied by the Board of Appeal and also by the General Court. Both took the view OHIM had the right to take into account the further documents.

On appeal, the CJEU held that OHIM could take account of the further documents submitted by the opponent. OHIM was only precluded from taking into account further documents where no proof of use had been filed within the original deadline or where the proof delivered within the deadline appeared irrelevant to demonstrate genuine use. In those cases, OHIM would be bound to reject the application. In cases where no sufficient proof was delivered within the original deadline, OHIM may take into account further documents as long as those further documents serve as an addition to the evidence already provided.

The Fishbone decision follows recent decisions dealing with late submissions but more importantly clarifies findings of the CJEU in OHIM v KAUL (Case C-29/05) that (1) it was within OHIM's discretion to take into account evidence filed late and (2) it will be likely that OHIM considers such evidence if the further materials are relevant for the outcome of the case and the stage of the proceedings as well as the surrounding circumstances do not militate against it.

Industry news



Tesco's twitter feed: #nojoke

Tesco Mobile recently launched their '#nojoke' twitter campaign to revamp their brand image and prove that they are a serious contender in the market.

Their satirical responses to somewhat negative tweets from the general public and engaging in a rap battle resulted in the account going viral with one of their comments being re-tweeted over 11,000 times!

In general, the response to Tesco Mobile's clever tactic has been favourable, and Tesco appear to be on the right path to showing that their brand is in fact '#nojoke'.

<http://www.adweek.com/adfreak/why-tesco-mobiles-hilarious-twitter-feed-actually-no-joke-153496>

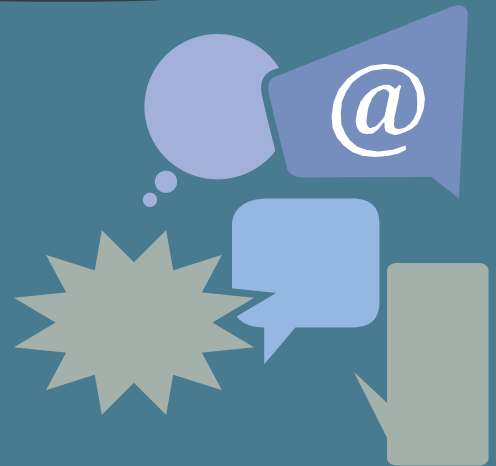
Facebook delights brands with new promotion policy

Traditionally brands have had to run promotions within apps on Facebook, meaning some thought the take up from their targets wasn't always as effective as it could be.

Facebook have established a new and improved promotion policy, allowing brand owners to host these promotional activities directly on their Timelines. This means users would no longer be diverted from the brand page. The change is likely to boost the number of promotions launched on Facebook and could lead to a broader range of contests being held.

Find the new policy at:

<https://www.facebook.com/facebookforbusiness/news/page-promotions-terms>



Upcoming industry events



12th Anti-Counterfeiting & Brand Protection - West Coast

27 - 29 January 2014
San Francisco, USA

At this annual cross-industry event, you'll learn from Brand Protection leaders, Trademark Counsel, IP Counsel, Investigators, and many others.

<http://www.anticounterfeitingsummitwest.com/default.aspx>

Social Media Marketing Conference: #SMWF Europe

31 March - 1 April 2014
London, United Kingdom

The sixth annual #SMWF Europe will be gathering around 500 industry professionals; delivering experience and practical hands-on guidance

<http://www.socialmedia-forum.com/europe/>

International Franchising Association (IFA) Annual Convention

22 - 25 February 2014
New Orleans, USA

World-class speakers, franchise experts, development and networking opportunities

<http://www.fdsfranchise.com/franchise-exhibition-calendar>

Sustainable Brands Rio 2014

24 - 25 April 2014
Rio de Janeiro, Brazil

Two days of extraordinary conversation and insight as the global sustainable brand movement continues to grow in South America.

<http://sbrio2014.com.br/>



The Food & Drink Innovation Network's Provision of Food Information to Consumers (FICR) Briefing Day

27 November 2013

Northampton, United Kingdom

Briefing Day on the new Provision of Food Information to Consumers rules and regulations.

<http://www.fdin.org.uk/seminars/forthcoming-seminars/labelling-briefing-day/>

IP Leadership Forum 2014

7 - 9 January 2014

New Delhi, India

Bird & Bird is sponsoring this conference, with renowned trade mark lawyer Allan Poulter also leading a session, the theme being "IP Challenges in Today's Turbulent Environment".

<http://www.eventipr.com/#&panel1-1>

CIM's Social media, the gateway to customers, business intelligence and brand awareness seminar

2 December 2013

Northampton, United Kingdom

The Chartered Institute of Marketing's seminar on how to use social media to enhance your brand.

<http://www.cim.co.uk/events/EventDetails.aspx?crid=59571>

Festival of Media

16 - 18 March 2014

Singapore

The premier festival in the Asian region where media leaders gather to exchange, experience and shape their industry.

<http://www.festivalofmedia.com/asia-pacific>

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If you would like advice on how best to protect or enhance the value of your brand, get in touch for a complimentary initial consultation: brands@twobirds.com

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