


CITMA REVIEW

ISSUE 441 MAY 2018

QUALIFICATION QUANDARY

*Is SRA Equivalent Means
your route into the
solicitor profession?*





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WELCOME & CONTENTS



Tania Clark
CITMA President



The Spring Conference was extremely well received – welcoming more than 180 delegates

As your new President, I am delighted to introduce this edition. I have always considered our publication to be of great importance in showcasing our professional expertise to attorneys across the EU and beyond, and updating us on case law and procedural changes.

I always flick to the last page first to update my diary with the various events: CPD hours can be gained while you network and keep in contact with ex-colleagues. Our webinars are also becoming ever more popular.

So far this year, we have had two quizzes, in London and Edinburgh – and I defy you to answer some of the tricky questions on page 6. For the first time, we preceded the Spring Conference with an intensive seminar on IP contracts, hosted by Bird & Bird (see page 11).

The Spring Conference was extremely well received – welcoming more than 180 delegates from 34 countries, and with speakers including the Presidents of IPIC (Canada) and APTMA (Ireland) (see page 12).

Finally, I like to catch up on industry gossip and member moves in Insider (page 4). Enjoy, and I very much look forward to seeing you at the Summer Reception on 4th July.

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CITMA welcomes new President

Tania Clark FCITMA has been elected President of CITMA. Tania, an attorney in the Trade Mark Group at Withers & Rogers in London, qualified as a Trade Mark Attorney in 2003 and is also a qualified Barrister. She joined Withers & Rogers in 2006 and is recognised in the *World Trademark Review 1000* for 2018 for her knowledge of “international brand protection”. Tania has been a CITMA member for more than 20 years, and a member of the CITMA Council since 2007. She was elected a Fellow in November 2011.



PAN-EUROPEAN BREXIT STATEMENT PUBLISHED

A number of European IP organisations, including CITMA, have issued a joint statement on Brexit to the European Commission following the publication of its recent draft withdrawal agreement and the ongoing negotiations between the EU and the UK. The statement sets out proposed solutions to some of the issues posed by IP post-Brexit. It follows a meeting at the European Commission with IP head François Arbault last year.

Download the full paper at marques.org

2017 IN REVIEW

CITMA's *Annual Report 2017* has now launched, giving an informative glimpse into the activity that CITMA has been undertaking on behalf of its

members and the Trade Mark Attorney profession over recent months.

View the full report at citma.org.uk

ORDER YOUR COPY OF CITMA'S UNIQUE GUIDE

Now available from the CITMA website (go to citma.org.uk/shop), *Contentious Trade Mark Registry Proceedings* is the only guide devoted to practice and procedure relating to contentious matters before the UK Trade Marks Registry.

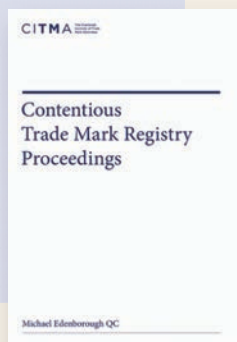
The work covers contested *ex parte* applications, *inter partes* oppositions, revocation and invalidity proceedings, rectification applications, and subsequent appeals to the Appointed Person (AP) or the High Court of England and Wales.

Designed primarily as a guide for new practitioners starting out in their careers before the Registry, it also includes guidance on more advanced issues, and so will act as a reference work for the profession as a whole. The guide covers:

- drafting of statements of case in opposition, revocation, invalidity and rectification proceedings;
- preparation and presentation of evidence;
- handling of interim applications;
- conduct and practice in relation to hearings;

- appeals to the AP and High Court;
- costs; and
- settlement of proceedings and alternative dispute resolution.

Author Michael Edenborough QC has appeared in over 275 matters before the UK Registry, and over 60 appeals before the AP.



UK TO JOIN INTERNATIONAL DESIGNS SYSTEM IN JUNE

The UK will join the system for international registration of industrial designs on 13th June 2018, becoming the 54th member of the Hague Agreement and the 68th member of the Hague Union. The Hague system is run by WIPO, part of the UN based in Geneva.

Being a member of the Hague system allows individuals and businesses to protect designs in countries including the US and Japan with a single application. It will now enable users to choose design protection in the UK for international applications.

The EU has been a member of the Hague Agreement since 2008, which has given UK businesses access, but the UK's accession allows for the UK to be designated individually.

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The decision to join the Hague system in a national capacity is about flexibility

On its website, the UK IPO said: “The UK's decision to join the Hague system in a national capacity is about flexibility. It is part of a wider designs modernisation programme to streamline the designs legal framework. Businesses will have a greater choice in how they register their designs internationally.”

The official ratification documents were deposited by Julian Braithwaite, Ambassador and Permanent Representative of the UK to the United Nations Office. Mr Braithwaite handed over the documents to WIPO Director General Francis Gurry (pictured below, left and right, respectively). UK IPO CEO Tim Moss said: “Design-intensive UK businesses generate in excess of 11 per cent of our GDP with a total investment in intangible assets protected by design rights estimated at more than £14bn.

“The UK's decision to join the Hague system in our national capacity will give businesses a greater choice in how to protect, manage and register their designs internationally, and save them money.”



MEMBER MOVES



Alice Findlay

The partners of Reddie & Grose are pleased to announce that, on 1st April 2018, Alice Findlay became Partnership Chairman. Alice has over 30 years' experience as a Patent, Trade Mark and Design Attorney for a wide range of domestic and international clients.



Jennifer Good

HGF is pleased to announce that Senior Trade Mark Attorney Jennifer Good joined the firm in March. Jennifer can be contacted at jgood@hgf.com or on 0113 233 0100.



John Coldham

In March, Gowling WLG announced the appointment of John Coldham to the partnership team.

20TH QUIZ PUTS CITMA TO THE TEST

Once again, a night of knowledge brought out members in support of charity



A new venue provided a Latin backdrop in London



SCOTLAND

The Scottish quiz night saw 57 members meet at Dirty Martini in Edinburgh for 25 rounds of brainteasers. A close finish saw the “Clever Marks” from Marks & Clerk win by just a few crucial points. Many teams stayed on for drinks and networking.

LONDON BECK GREENER PROVES THE BEST

With 22 teams in the running, it was the Beck Greener team “Periodically Unstable” (pictured below) who emerged triumphant at CITMA’s 2018 charity quiz in London. This year, the event moved to a new venue, Salsa! Temple, which offered ample networking opportunities. The evening raised just over £2,370, which the winning team chose to split into equal donations to Great Ormond Street Hospital and the CITMA Benevolent Fund.

Quizmaster Steve James oversaw his 20th CITMA quiz, and CITMA presented him with a special “Oscar” trophy to mark the occasion.

Special thanks must also go to our markers (John Coldham, Kelly Clarke, Mike Lynd, Sylvie Lynd and Richard Hayward), as well as the CITMA staff (Keven Bader, Jane Attreed, Gillian Rogers, Marzia Sguazzin and Luke O’Neil) who ensured the success of the event.



10 testing questions

COULDN'T ATTEND EITHER OF THESE EVENTS? TRY YOUR HAND AT A FEW OF THE QUESTIONS OUR COMPETITORS FACED

- 1 According to Noel Coward, it “has been handed down to us” and “is a flower that’s free” – but what was he referring to? It is also the name of an alcoholic drink.
- 2 What is the main ingredient of Welsh laverbread?
- 3 What is the nickname of

the Trump White House Communications Director who lasted just six days in the job?

- 4 Which film eventually won the Oscar for Best Picture in 2017?
- 5 Which Premiership rugby union team is nicknamed Saints?
- 6 In 1588, to celebrate

a great naval victory, Elizabeth I ordered her citizens to eat goose for Christmas Day dinner. True or false?

- 7 Which two-word hashtag spread virally across social media in October 2017 to denounce sexual assault and harassment?
- 8 Which logo, closely

associated with a well-known British-brewed beer, appears in Édouard Manet’s *A Bar at the Folies-Bergère*?

- 9 Vanilla is a flavouring derived from which flowering plant?
- 10 In a French kitchen, a *marmite* is what type of culinary aid?



IP

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MAKING IP HAPPEN

IPReg CEO Fran Gillon sits down with the *CITMA Review* to discuss what the future holds for the regulation of legal services

Could you give us a brief summary of your background and how you came to take up this post?

I've worked mainly in the public sector, starting my career at an inner London local authority housing department, providing front-line advice services to the public. Then I worked for a few years at the Local Government Ombudsman, investigating complaints. My first job in regulation was at Ofgem. I held various roles there, including responsibility for licensing and leading a team of analysts and economists monitoring the development of the competitive retail market.

After Ofgem, I moved to Postcomm, which regulated Royal Mail's prices and service quality. Just as Postcomm was being abolished, the Legal Services Board (LSB, the regulator that oversees IPReg's activities) was being set up, and I took up the post of Director of Regulatory Practice there. At the LSB, my role included implementing alternative business structures – allowing non-lawyers to own and run law firms, which was a very controversial issue for some people at the time. I also had many other responsibilities, including writing the enforcement policy and developing the first regulators' performance framework.

After about five years at the LSB, I was offered the role of Special Adviser in the Competition Group at Slaughter and May. After a couple of

years there, I did some consultancy work and then applied for the IPReg CEO role, which I started last August.

Could you outline your role and responsibilities?

As CEO, I'm responsible for leading the IPReg team and working closely with the Board to deliver our work programme in line with its strategic direction. That covers everything from finance and budgets to the operation of the Registers, disciplinary investigations and policy development – and anything else that crops up along the way. Of course, to do that effectively, I must have a good working relationship with CITMA and CIPA – and I meet with the CEOs of both organisations every month to discuss current issues. I've also had meetings with the IPO and the IP Federation to understand what they do and how we can work together. And obviously, it's important to have good channels of communication with the LSB.

What initial impressions have you formed at IPReg?

In terms of IPReg as an organisation – first, that there is a very small team of high-quality, experienced and committed people, who are extremely busy. Second, because it's a small team, I get much more involved with day-to-day issues that would be delegated in a larger organisation. Third, it has a very supportive and engaged Board who have a wealth of experience in the IP industry and

beyond, which is an invaluable sounding board for me as a new CEO.

In terms of the IP sector, it's been interesting to start to get to know the industry and markets better – particularly because of the value of IP to UK plc.

What are the biggest challenges for IPReg in the coming 12 months?

Obviously, for the team, it has had to get used to me doing things differently – and asking lots of questions about why we're doing certain things. That's the benefit of being new; I can look afresh at how and why we approach issues the way we do and suggest positive changes.

Organisationally, we've had some significant changes on the Board, with two new professional members and one new lay member starting in April, and the recruitment process for a new Chair starting later this year.

Most of 2018 will be spent reviewing the way we carry out our core regulatory functions. This means looking, for example, at whether we can improve the effectiveness of how we operate the Registers and how we identify where consumers are most at risk, so that we can target our regulatory activity. I'm keen to identify where we can drive efficiencies in the way we do things. But I'm also interested in whether regulation is unnecessarily restrictive – for example, in our approach to pro bono work, or whether our requirements on



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The benefit of being new is that I can look afresh at how and why we approach issues the way we do and suggest positive changes

continuing professional development (CPD) are too prescriptive.

I'd also like us to give diversity a higher profile than we have done in the past. We have allocated some of our budget for sponsoring diversity initiatives, but I think we can also do more to ensure that diversity is fully integrated into our thinking on policy development and the sort of organisation we want to be.

We've also got a significant amount of work still to do to implement the recommendations of the Competition and Markets Authority's (CMA's) legal services market study.

Will the CMA study lead to changes in legal regulation?

I hope it will lead to more focus by legal services providers on how they communicate with their actual and potential clients. We've had our first consultation on what measures are appropriate in an IP context to improve transparency. The next step will be to consult on any guidance that we consider needs to be issued. Good communication and clear information for consumers can give firms a real commercial advantage, so it's interesting (and a bit depressing) to see that there is still so much resistance to the concept of increased transparency and the other issues that the CMA identified.

There's no doubt that legal regulation will change. IPReg's preference is for any changes to take the form of guidance and not hard-and-fast rules, but other regulators will take a different approach. In the end, though, I believe that real change will be driven by "disruptive innovators" and that the role of regulators is to reduce the barriers to those types of providers entering the market.

What impact do you think Brexit will have on the IP sector? Will it have any impact on legal regulation?

Obviously, there is huge uncertainty at the moment across the legal sector about the impact of Brexit. It's therefore very important that the representative organisations like CITMA keep up the pressure on the Government to recognise the importance of IP issues in the context



I hope that any changes the LSB makes about separation of regulation and representation will lead to more clarity about how IPReg, CITMA and CIPA should interact

of withdrawal from the EU. The impact on legal regulation is unlikely to be significant compared to other Brexit-related issues – but it will be even more important to ensure that regulation doesn't unnecessarily restrict commercial activities in what are likely to be very difficult trading conditions for attorney firms.

What will the legal regulation sector look like in five years' time?

I hope that any changes the LSB makes to the *Internal Governance Rules* about how regulation and representation should be kept as separate as possible will lead to more clarity about how IPReg, CITMA and CIPA should interact. At the moment, it's not at all clear, which has led to some friction in the past. However, I don't think that the overall structure of legal regulation will look very different in five years' time. The Government's priority is Brexit and, if you look at how long the Legal Services Act 2007 took to go through the legislative process, significant change looks a long way off.

If implemented, how would a change in regulations to allow for the power to suspend individual registrants from the Register impact registered practitioners and consumers?

One of the things that has really surprised me is that so many attorneys don't complete their annual re-registration process early enough. We've spent too much time

chasing people who haven't done their annual returns, paid their practising fee, provided up-to-date information about their professional indemnity insurance (PII) or completed their CPD returns.

I'm therefore very pleased that the LSB agreed the proposed changes, which will bring the rules on individuals into line with those already in place for firms. In terms of practitioners, if they pay their practising certificate fee on time, have compliant PII in place and have done the required CPD, it shouldn't make any real difference. For those (hopefully few) who don't comply, suspension will be public knowledge so that could have an impact on their business, particularly if the matter proceeds through the disciplinary process. For consumers, it means that IPReg can take appropriate action against those who don't comply.

The overall message to attorneys and firms is to provide all the information required and pay the practising fee as soon as it's due; putting it off could result in your suspension from the Register. We'll be looking at how to further tighten up on this process for 2019 and get better levels of early compliance.

Is increasing regulation of professional bodies to be encouraged or discouraged?

I think membership organisations need to be able to market their own benefits and make membership an attractive commercial opportunity that offers good value for money. In recent decisions that have gone against the Law Society (such as the Competition Appeal Tribunal decision on abuse of dominance, and the Advertising Standards Agency decision on how the benefits of being accredited under its conveyancing quality scheme were advertised), we've seen that wider consumer protection law does have the teeth to bring a representative body to task. So, in the context of legal services, if there were complete separation of the regulatory (IPReg) and representative (ie CITMA) roles, I think it would be hard to justify very detailed sector-specific regulation of such a representative body. ●

IP GETS INTENSE

Practical advice was the primary focus of an inaugural intensive training event on IP contracts, as Patricia Collis explains

On 21st March, Bird & Bird hosted the first ever CITMA intensive training seminar for Trade Mark Attorneys. The topic was IP contracts, and the event was aimed at those without a background in contractual matters, but who find IP contracts are an increasing part of their practice.

For my first experience as a CITMA Chair, I was joined by a panel of colleagues who specialise in contractual IP matters.

First, Sally Shorthose presented practical licensing techniques, highlighting the importance of defining territory and warning against joint ownership, particularly because the treatment of jointly owned IP varies by type of IP and by territory. Given the rapid pace of change in various industries, as well as the evolving geopolitical environment, Sally offered pragmatic commercial advice to help future-proof such agreements, including:

- a reminder that a precedent is a guide, not a rule book: practitioners are encouraged to tailor their agreements to the matter in hand to avoid problems down the line;
- a warning to resist assertions (from clients or others) that the inclusion of a term is “standard practice”; don’t be afraid to push back if a term isn’t right for a particular agreement;
- a recommendation to prepare for the present and future; this comment was primarily made in the context of Brexit, but, of course, applies more broadly.

Before setting attendees a practical challenge of spotting intentional errors in draft agreements, James Pearson provided specific assignment drafting guidance to help attendees avoid common pitfalls, and gave the following top tips:

- Think about whether your agreement should be drafted as a

assignment or licence). If so, include a further assurance clause.

Nick Boydell closed the afternoon with a session on what can go wrong with IP contracts, with a focus on the context of coexistence agreements. Drawing on well-known case law examples, including *Apple Corps v Apple*

Computer, and the recent case of *Merck KGaA v Merck Sharp & Ors*, Nick demonstrated the importance of future-proofing such agreements as industries and territories increasingly converge.

He recommended that practitioners think about the future direction of their clients’ businesses, carefully consider geographical scope, and think about building mediation or arbitration clauses into contracts to try to avoid potentially expensive litigation. Although Nick encouraged early dispute resolution, he warned that arbitration clauses should be carefully drafted and defined, because, unlike litigation, the parties decide how an arbitration is carried out.

Following questions and concluding remarks, the attendees were all invited to join the Spring Conference attendees for networking at nearby Balls Brothers.

“
Always consider whether you will need the other party’s help after signing”

deed, rather than an agreement – a deed does not require consideration, but the formalities for execution as a deed should be complied with.

- Consider the language of an assignment clause carefully – does the language suggest that any further document or action is required to give effect to the assignment?
- Take care with warranties and try to include wording such as: “to the best of the assignor’s knowledge”.
- Always consider whether you will need the other party’s help after signing (eg in relation to a future assignment or recording an



Patricia Collis

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Patricia was assisted in the preparation of this article by Bird & Bird trainee Ash Shah.



SPRING CONFERENCE GOES GLOBAL

An unprecedented array of international speakers brought the world of IP to our annual flagship event

CITMA welcomed 179 delegates representing 34 countries to a feast of global IP debate and discussion on the banks of the River Thames in March. Our most international line-up of speakers ever shared insights into IP in their markets and areas of expertise



UK IPO IN FOCUS

Automobile airbags, illegal streaming devices and handbags are just some of the counterfeit items that the UK IPO has successfully dealt with recently. Matt Cope, Deputy Director of IP Enforcement (pictured above), told delegates: “The team takes intelligence about counterfeiting and piracy and develops that to the point where it can be used by the Police, Border Force, Trading Standards and Revenue and Customs officers to intervene and disrupt criminal IP infringement. The IPO also benefits from a number of fruitful partnerships with industry.”



PHOTOGRAPHY: SIMON O'CONNOR



DROP TACKLED

Mark Bearfoot, Brand Protection Manager at Harley-Davidson (pictured left), discussed the phenomenon of drop shipping – a practice that allows designers to apply a design to products without owning or ever coming into contact with the actual products. The drop shipping company will hold an uploaded design, and only when a product is sold will it be produced on demand and the designer given a cut.

“The problem with these campaigns is that they are limited,” Mark told delegates. Products are often promoted via short Facebook advertising campaigns that finish quickly, leaving little time to take action against infringement. The websites rarely use the brand names in the description of a product or design title, Mark explained, which makes them hard to find by search. Instead of Harley-Davidson, for example, they might use “American Rider”. The drop shipping company itself may not know who the designer is and cannot search their own systems. This means it is very hard to trace the designer involved.



Left (inset):
Chris Schulte
addressed
headaches for
US enforcement

Bottom left
and below:
Delegates enjoyed
a networking
drinks reception
at Balls Brothers



REGIONAL ROUND-UPS

We enlisted the help of three experts to provide us with the latest updates to law and practice in their regions in a day-one panel session.

Selma Ünlü (NSN Law Firm) spoke about Turkey, where the Industrial Property Law was enacted in January 2017 to bring Turkish trade mark law more in line with EU practice. As part of the change, the Turkish Patent Institute became the Turkish Patent and Trademark Office, and a number of further changes have had a positive impact on practice.

Andrew Bellingall (ABO IP, pictured below right) addressed the environment in Brazil, the world's ninth biggest economy. Although Brazil is not currently part of the Madrid System, it could be ratified "at any moment", he said. With 16 million companies in Brazil, mostly in the "grey market", IP infringement is commonplace, he remarked. His tips for overcoming the IP challenges of Brazil: search the trade mark registry for prior trade marks, and the company registry for prior trade names before launch; and file a trade mark in at least one class, as Brazil is a first-to-file country – this will mean you will not leave yourself vulnerable to registrations of your mark by another party after six months.

Yana Tsygankova (Rouse, pictured right) covered Russia, and opened by discussing how Russia cannot be considered a standalone country, with several unified systems in Eurasia coming in. The new Eurasian system for trade marks, similar to the EU trade mark, will include Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia, while Tajikistan is currently considering joining, along with others in the region. She also addressed Rospatent, the super-authority for IP rights – which will include copyright in the future – changes to design law and difficulties with damages enforcement.



“

Tips for overcoming IP challenges in Brazil include filing a trade mark in at least one class, as Brazil is a first-to-file country

CITMA Spring Conference



Left: Yana Tsygankova delivered her update on Russia as part of our international panel

Below: Among those in attendance were representatives of event sponsor Corsearch



TIME TO BE SOCIAL

Delegates had time to relax, meet new colleagues and renew acquaintances at our networking drinks reception at Balls Brothers in the heart of the City, at our Gala Dinner and during plentiful breaks in the packed speaker schedule.

Bottom left (inset): Kate O'Rourke welcomed guests and highlighted new CITMA publications

Right: Aaron Wood helped close day one with a case law update



EVENT REACTION ON TWITTER

George Sevier

[@GeorgeSevier](https://twitter.com/GeorgeSevier)

Great talk by Kate Swaine on exhaustion of #trademark rights at #springCITMA @CITMAuk

Jade MacIntyre

[@JadeMacTM](https://twitter.com/JadeMacTM)

Insightful and entertaining summary of the pitfalls of enforcing foreign based US trade mark registrations from Chris Schulte at #springCITMA <https://lnkd.in/gQyeUPr>

Carrie Bradley

[@tmarkattorney](https://twitter.com/tmarkattorney)

A huge thank you to @CITMAuk for yet another fantastic #springCITMA conference. Well organised, informative and entertaining talks on IP hot topics, great food and even better company seeing old friends and new. Hope to see you all again next year! #iplaw #anticounterfeiting

Rachael Ward

[@RachaelWardTM](https://twitter.com/RachaelWardTM)

Thanks to @CITMAuk for an outstanding #springCITMA, meeting friends old and new. Safe trip home everyone.

Ben Wodecki

[@benwodecki96](https://twitter.com/benwodecki96)

Thank you to @CITMAuk for a wonderful conference on Friday #IPPro #springCITMA

DOUBLE VISION

Jane Jarman suggests there may be unexploited opportunities for trade mark professionals to achieve dual qualification





ver recent years, once clear lines of demarcation between the work of the various branches of the legal profession

have become blurred. Barristers may apply to extend their practising certificates to undertake the conduct of litigation, solicitors may seek the right to appear as an advocate before the High Court, and, of course, Patent and Trade Mark Attorneys have various litigation conduct and appearance rights.¹

The Legal Services Act 2007 encourages this type of competition as a regulatory objective in its stated aims of “promoting competition in the provision of services” and “encouraging an independent, strong, diverse and effective legal profession”.

A solicitor may seek dual qualification as a registered Trade Mark Attorney by way of specialisation. But what is the position of a senior Trade Mark Attorney or, perhaps, an attorney who has passed the Solicitors Regulation Authority’s (SRA’s) Legal Practice Course (LPC), but has not completed the mandatory two-year training contract to meet the qualification requirement?

Even prior to the arrival of the Solicitors Qualifying Examination

(SQE) in 2020, routes to qualification as a solicitor are much more varied than is often supposed. There are routes for members of the Chartered Institute of Legal Executives, foreign lawyers, graduates of the Bar Professional Training Course and non-law graduates.

So, is it possible for a Trade Mark Attorney, whether an LPC graduate or not, to seek admission as a solicitor based (at least in part) on work-based experience gained as a registered Trade Mark Attorney? The short answer to this question is: possibly – if the little-used, and little-known, SRA Equivalent Means route to qualification is used.

There are no precise figures available to confirm the exact number of LPC graduates who are also qualified as Trade Mark Attorneys, but there are limited indications from a review of law firm websites and informal conversations that the number may be significant.

The good news is that the LPC no longer becomes “stale”. Given that some Trade Mark Attorneys working in SRA-regulated law firms may supervise trainee solicitors undertaking trade mark work, it is fair to assume that they have acquired the requisite level of competence for qualification as a solicitor, albeit possibly in a more

limited scope of activity. The question is: how best to unlock the final qualification?

SRA EQUIVALENT MEANS

The SRA Equivalent Means route is based on an earlier initiative, the SRA's Work-based Learning Pilot, which allowed those engaged in "solicitor-like" work (such as paralegals) to complete their training and gain admission.² The Equivalent Means route provides a benchmark under the SRA Training Regulations 2014 by which the SRA may recognise that the knowledge, skills and attributes required for admission as a solicitor have been achieved by "other assessed learning or work-based learning". Regulation 2.2 provides: "We may admit you as a solicitor if you have completed all or any part of 2.1(a)(i) [the vocational and or academic stage of training] by equivalent means." Further, regulation 2.3 states: "Where 2.2 applies you must apply to us in writing in the prescribed form and support your application with such evidence as we consider necessary."

It is a bypass to the traditional training regulations and requires each applicant to demonstrate competence in "three distinct areas" of legal practice, supervised by a solicitor, barrister or "other individual" and in an SRA-authorised entity. The key element is that "all or any" part of the academic or vocational stage can be completed via equivalent means.

It is clear that this route applies to the paralegal market, but the application to Trade Mark Attorneys can seem a little opaque and difficult to evidence. There are certainly a number of obstacles to navigate. For Trade Mark Attorney LPC graduates, for instance, the main issue is to what extent their day-to-day work fulfils at least some of the requirements of a training contract. Moreover, if there is a gap, how might they satisfy the missing requirements?

APPLICATION PROCESS AND OBSTACLES

Equivalent Means is not a well-worn path; there is little evidence available as to the number of successful



applications, or significant guidance as to the content of such applications, save for the Guidance Notes attached to the application form, and FAQs and case studies compiled by the Law Society's Junior Lawyers Division.

There are two elements to the application. The first is an assessment table that sets out the outcomes to be demonstrated (application of technical legal knowledge, client relations, business awareness, workload management, working with others, self-awareness and development, professional conduct, negotiation skills, and dispute resolution). The applicant must fill in a form and provide an in-depth commentary on the areas in which the knowledge and skills claimed for were achieved. The second element is a binder of evidence, contained in a folder or a file adduced in support of

the application and cross-referenced to each outcome, containing appraisal documents or, perhaps, suitably redacted examples of work. The SRA Guidance Notes (page 4) recommend two or three examples of each overall outcome to demonstrate "the breadth of [your] experience".

SUPERVISION REQUIREMENT

Certainly, some of the supervision needed must be undertaken by a solicitor. However, does a solicitor need to do all the supervision? The regulations refer to supervision by a solicitor or "other individual". Could the "other individual" be a registered Trade Mark Attorney, meaning that work done as an attorney and for an attorney could "count" for the purpose of equivalent means – whether in an SRA-regulated entity or an IPReg-regulated one? After all,



“

Given that attorneys may supervise trainee solicitors undertaking trade mark work, it is fair to assume that they have acquired the requisite level of competence for qualification as a solicitor

many trainee solicitors undertake a secondment, some of which may be with a client, rather than another lawyer. Further, for a senior attorney, the solicitor may be more of a witness than a supervisor.

In addition, there is an element of professional reciprocity in most of the legal training regulations. The Patent Attorney and Trade Mark Attorney Qualification and Registration Regulations 2009 refer to supervision by a “barrister,

solicitor or advocate” as being acceptable.³ Furthermore, attorneys are “other lawyers” for the purposes of Part 8 of the Legal Services Act 2007 and have rights to undertake reserved activity, such as litigation and advocacy; and their clients have a right to claim legal professional privilege. Finally, the work-based learning pilot outcomes, a major component of the equivalent means assessment table, are similar to the *IPReg Competency Framework*.⁴

Therefore, there is a case to suggest that at least some of the work supervised by a Trade Mark Attorney is appropriate for inclusion in the application, even if it is undertaken in an IPReg-regulated entity. If secondment to a client is appropriate, why not work as a Trade Mark Attorney? At least some of the experience should count.

AREAS OF LAW

Quite reasonably, one may assume that the three distinct areas must be radically different. The qualification as a solicitor confers a generalist “access most areas” activity or status, so the new solicitor will be expected to learn to apply the solicitors’ rules of conduct, and there is an element of induction into the identity and practices of that profession.

The practical reality is, however, more nuanced. Some trainees will move between different “seats”, while others do a mix of work as it lands on their desks. Many law firms are specialised and work in relatively narrow fields. If the field is too narrow, there is the option of secondment to complete training. Even the SRA’s own, albeit non-exhaustive, list for training providers refers to work types as generic as “chancery”, or as specific as military justice.

IP does not appear on the list at all, and is probably nestled somewhere in the generic definition of commercial law. It would be wrong to assume, without further enquiry, that all the work of an attorney would automatically be treated as a single field: IP. The question is one of the substance of the work done, rather than its ostensible label. An audit of work done during a secondment to a client, for instance, could reveal work in which the context may have been corporate, regulatory or international, and a distinct area of law may well be hiding in plain sight.

SRA PRACTICE STANDARDS AND PRINCIPLES

Compliance with the relevant code of conduct and professional principles is a prerequisite for qualification in any branch of the legal profession. It is necessary to demonstrate some engagement with the *SRA Handbook* ►



OPPORTUNITY TO INNOVATE

These hurdles are significant, bureaucratic and time consuming. Yet the argument that some supervision by a Trade Mark Attorney in an IPReg-regulated firm should count is compelling. In addition, the need to demonstrate “three distinct areas of law” is more nuanced than it appears on first reading. Moreover, the SRA Practice Skills Standards are relatively close to the *IPReg Competency Framework*, and the culture of secondment within the solicitors’ profession may allow the “solicitor supervision gap” to be addressed in some applications.

Finally, and perhaps most importantly, the SRA has the power to waive any of its training regulations under regulation 18.1. As a result, other forms of work-related evidence, such as simulated trials or experiential learning, could also fill any gap.⁵ Equivalent means may have been developed for paralegals and LPC graduates, who may have a more straightforward trajectory through the process, but it could also be “flexed” sufficiently to enable some very experienced attorneys to dual qualify. It would require a sense of innovation on the part of all concerned. Such flexibility would be at once consistent with the regulatory objectives of the Legal Services Act in promoting competition and diversity, as well as the SRA’s own aims for the new SQE. ●

and procedures. However, the attainment of the SRA Practice Skills Standards in areas such as interviewing, client care and advocacy is much more generic, and maps to the *IPReg Competency Framework* in any event.

REGULAR REVIEW AND APPRAISAL

Appraisal records will provide useful evidence of the attainment of the practice standard, as will training records. However, there is also a requirement for “sign off” by both the applicant and the supervisor or training principal. This could prove to be an administrative hurdle, as an applicant may well seek to rely on experience gathered some years ago, perhaps while working as a paralegal. The time needed to obtain consent from clients and former employers cannot be underestimated.

“
There is a requirement for ‘sign off’ by both the applicant and the supervisor or training principal. This could prove to be an administrative hurdle”

1 *Rights to Conduct Litigation and Rights of Audience and Other Reserved Activities Certification Rules 2012*.
 2 See bit.ly/2LJ53R0 (accessed 9th March 2018); BMG Research, *Final Evaluation of the Work-Based Learning (WBL) Pilot* (Solicitors Regulation Authority 2012), bit.ly/2FYgO9v (accessed 9th March 2018).
 3 See regulation 4.3(c) (ii) (in respect of Trade Mark Attorneys).
 4 See bit.ly/2HZdp5W (accessed 9th March 2018).
 5 It is well known that some of the larger City firms have been permitted to satisfy the requirement for contentious work through a combination of a course and pro bono work. See, for example, University of Law, Trainee Litigation Programme (University of Law, 2018), bit.ly/2pyAEgg (accessed 7th March 2018).



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WINDS OF CHANGE IN ARGENTINA

Santiago O’Conor reviews the recent revisions to how trade marks will be prosecuted in this Latin American jurisdiction

On 10th January, Argentina’s Decree 27/2018 was passed. When implemented, it will amend the current Law of Trade Marks and Designations (Law No 22362), with speed of resolution in its sights.

KEY CHANGES

- Oppositions to the registration of a mark will be electronically filed at the National Institute of Industrial Property (INPI).
- Previously, Article 16 required that, one year after a notification of an opposition, an application was abandoned if: (a) the applicant and the opponent did not reach an agreement and the applicant did not bring legal action within the period allowed; (b) legal action was brought by the applicant, but the period of limitation expired. The new Article 16 establishes that, if the applicant does not obtain its removal within three months of notification of an opposition, the National Trade Mark Office will consider the facts and issue a decision.
- The procedure for withdrawing oppositions will be modified so that direct appeal can be made only before the Federal Civil and Commercial Chamber of Appeals within 30 business days of notification. The appeal must be submitted to the INPI, which will

notify the National Chamber and then send it to the courts.

- The INPI will nullify trade marks. In a significant change, a decision can be appealed within 30 business days after notification only by direct appeal before the Federal Civil and Commercial Chamber of Appeals.
- The INPI can revoke a trade mark, even partially, in relation to products or services for which it has not been used within five years. The exception is a registered trade mark used in the commercialisation of a product or the provision of a related or similar service. Appeals are available within 30 business days of notification before the National Court of Appeals in Civil and Commercial matters, filed with the INPI. In addition, after a mark has been registered for five years – and before six years have passed – the owner must submit a Declaration of Use.
- The Decree grants greater powers to the INPI, which will “dictate the

complementary regulations of this law, regarding the procedure of trade mark registrations, in everything that facilitates this procedure, [and] eliminate requirements if they become obsolete in order to accelerate and simplify the registration process. For this purpose, it may, among others, modify the procedure described in the second section of this law; limit the examination of applications to absolute prohibitions or those related to public order, subordinating those relating to its approach by third parties; establish the publication for oppositions of third parties subsequent to the granting of the trade mark, subordinating the validity of the title to what the INPI resolves in case of oppositions that may be received, as well as the expiration of the priority period of the Paris Convention in the event of the existence of any priorities unknown at the time of the granting.”



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The author is due to speak on this subject at a CITMA event in the autumn. See citma.org.uk for details.

In the busy world of IP, confidential information and trade secrets are far too commonly overlooked, by both practitioners and clients. As a result, too few businesses are aware of the issues, and fewer still proactively take measures to protect confidential information and trade secrets.

To define terms, confidential information concerns information that: (1) has the necessary quality of confidence; (2) is surrounded by a duty of confidence; and (3) if used in breach of confidence, would cause detriment to its owner.

Closely associated are trade secrets (“know-how”), a term that refers to confidential information that provides a business with a competitive edge or significant advantage over its peers in any given market. For this reason, trade secrets are of significant value to businesses that have them.

Trade secrets can take many forms. For some businesses, they may be customer lists or business methods; for others, they may be processes or formulas for manufacturing.

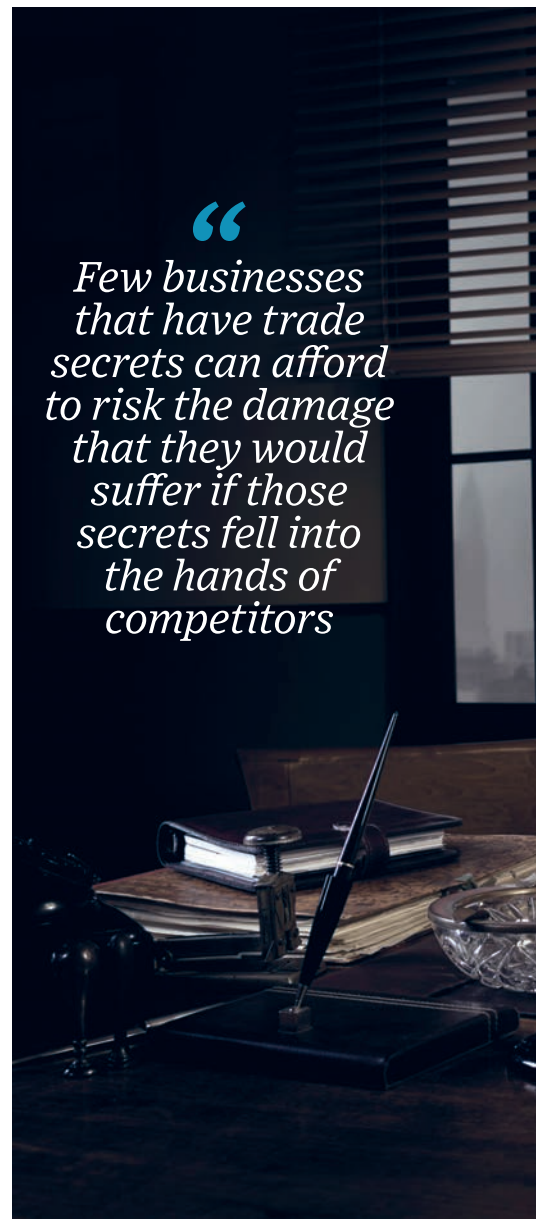
Some of the most famous trade secrets include the recipes for Coca-Cola and McDonald’s’ Big Mac Special Sauce; Colonel Sanders’ secret herb-and-spice mix for KFC; the Google search algorithm; and the formula of WD-40.

Few businesses that have trade secrets can afford to risk the damage that they would suffer if those secrets fell into the hands of competitors. As such, access to trade secrets is often limited within a business, and the subject matter is generally known only by a handful of highly trusted employees. Vigilant guarding against unauthorised disclosure maintains the advantages that those trade secrets provide to the business.

CONDITIONS OF CONFIDENTIALITY

Critically, to qualify as confidential, information must have the “necessary quality of confidence”. In the simplest cases, information will have been communicated and/or stored in such a way that it is clear that it is confidential. However, there can be grey areas – for example, if the confidential information is an aggregation of information, some of which is in the public domain, or where information has been imparted in circumstances in which it was not made clear that the information was confidential. In either case, avoiding uncertainty as to whether the information is confidential is critical to ensuring that the information has the “quality of confidence”. Non-disclosure agreements or clear marking of information as confidential make for good practice in this regard.

Chris Hawkes uncovers the world of trade secrets and what they are worth, and offers some best practice for practitioners in advising client businesses



SECRET SERVICE



Further, such information must give rise to an obligation or duty of confidence. In certain circumstances, this duty may be obvious – for example, where there is a contract in place dealing with confidentiality; where there is a relationship involving sensitive information (for example, personal medical data); or where there is a relationship, such as between an employer and an employee, where confidentiality is provided for in a contract (or otherwise implied).

In other circumstances, the duty may be less obvious. Examples of such cases include *Matalia v Warwickshire County Council*, which concerned exam papers, and *BBC v HarperCollins*, which concerned the true identity of “the Stig” from popular TV show *Top Gear*.

PROTECT AND ENFORCE

Given trade secrets’ economic value, competitors are using increasingly sophisticated methods to misappropriate them.

Depending on the nature of the duty, breaches of confidence in relation to trade secrets can be based either on the court’s equitable jurisdiction to injunct against, and restrain misuse of, the trade secret, or on contract, whether the relevant provision is said to be express or implied.

Despite not formally coming under the umbrella of IP rights, trade secrets are closely aligned to IP. For example, where a trade secret is deemed to have been revealed in ▶

SECRETS TO SUCCESS

Audit and identify. A root-and-branch audit should be conducted in order to identify all existing business information, know-how or methodology that is unique to a client's business.

Register and review. Businesses should keep thorough records of their trade secrets by creating a register that is regularly reviewed and maintained.

Limit access. The smaller the number of people who know a secret, the lower the risk that it will be disclosed to the public, so clients should develop clear internal policies that limit access on a need-to-know basis. Businesses should also keep records of who has been entrusted with which secrets, and how and where this information is stored.

Contracts are key. If a third party is engaged that may come into contact with confidential information or trade secrets – for example, a contractor or consultant – clients should ensure the party signs an appropriate non-disclosure/confidentiality agreement. Similarly, clients should ensure that all employment contracts contain strict provisions around confidentiality both during and post employment.

Educate employees. Businesses should put in place thorough training for employees on the importance of maintaining secrecy around trade secrets. Likewise, businesses must ensure all employees are fully aware of, and adhere to, internal policies around identifying and managing trade secrets.

Trap with a tell. A useful trick is for businesses to deliberately include false information or errors in their confidential information as a way of tracking breaches of confidence (since this error will act as a “tell” that will be unknowingly transmitted by the thief).

Action plan. In the event of a breach, businesses should know what their protocol is. Seeking immediate legal advice is recommended, as is limiting access to anyone suspected of being involved. Advisors may wish to engage the services of forensic investigators to identify evidence of breaches.

breach of confidence, the remedies for such breach are essentially the same as in an IP infringement. This is most likely due to the fact that similar scenarios bring about the infringement of such rights, and the impact on owners is largely the same. Remedies available include:

- injunctions (including interim, which will most often be the preferred remedy);
- damages or an account of profits;
- search/seizure orders;
- delivery up/destruction of goods; and
- springboard injunctions (a special type of injunction designed to remove or limit the advantage or head start that a party has gained through unlawful activities).

PROS AND CONS

The rights that surround trade secrets can be useful weapons, alongside other IP rights, in the arsenal of the owner fighting infringements or breaches of confidence. They benefit from

matter of a trade secret is leaked, the quality of confidence will naturally fall away, and so will the value and rights associated with it. The cost of enforcing a trade secret may also be significant, and of arguably little value if the confidential information subsequently enters the public domain.

Other disadvantages include the fact that, if a party is accused of stealing a trade secret, but can claim that it acquired or discovered the trade secret by legal, proper means, that party may be legally entitled to make use of it. For this reason, parties often attempt to legally reverse-engineer a product covered by a trade secret, and in doing so legitimately bypass confidential information in order to gain a head start in the marketplace.

Further, as intangible assets similar to goodwill, trade secrets can be very difficult to value. It follows that if trade secrets are the only asset that a business has, this difficulty in accurately valuing them could impact

“ *There is protection written into the EU Directive for whistle-blowers, for whom there is currently no clear protection under UK common law* ”

the fact that there is no formal registration process for trade secrets, and so, in common with copyright, there are no official fees or set-up costs involved in their protection. In addition, trade secrets can often provide a top-up protection where, for example, the subject matter would not be patentable or obviously covered by copyright.

Significantly, the duration of their protection is not limited in time, meaning that the life and validity of a trade secret will continue indefinitely so long as it is not disclosed to the public. While this potential to hold a perpetual monopoly (in contrast with other IP rights that are typically time-limited) is often criticised by some as being anti-competitive, it is clearly of huge value to the owner.

On the other hand, there are obvious vulnerabilities inherent in trade secrets. For one, if the subject

negatively on the overall value of the business when it is looking for investment or hoping to sell.

EU ENFORCEMENT

While many trade secrets, such as the KFC spice mix, have been closely guarded for many decades, businesses are increasingly falling victim to the misappropriation of such sensitive information. The UK has a good existing legal framework to allow for enforcement in the case of breaches of confidentiality. However, some EU Member States do not provide protection for trade secrets, and those that do largely offer remedies that are inconsistent and often ineffective.

As a result, the European Commission has sought to harmonise the very different national laws protecting trade secrets so that companies can more easily monetise



their valuable information, thereby facilitating growth in the EU market.

The Trade Secrets Directive (Directive (EU) 2016/943), which Member States must implement into national law by June 2018, sets out to create a clear and balanced legal framework to discourage misappropriation of information, while at the same time facilitating innovation through collaboration. (Interestingly, the new EU Directive came only a few weeks after the US signed into law its only trade secrets legislation, the Defend Trade Secrets Act 2016.)

Given the UK's existing framework, the Directive does not change the current UK common-law position much, save for in respect of procedural matters, and essentially serves to provide clarity on the current position, as well as transparency and uniformity across

the UK and EU. The Directive generally provides for harmonisation in three key areas:

1. the definition of “trade secret”;
2. the remedies available to owners of trade secrets where there are breaches; and
3. the measures courts can use to prevent the disclosure of trade secrets during litigation.

Article 2 of the Directive harmonises the definition of trade secrets, specifying that the term “trade

secret” means information that meets all of the following requirements:

- It is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question.
- It has commercial value because it is secret.
- It has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret.

Article 6 of the Directive requires Member States to have in place measures, procedures and remedies that are crucial to facilitate action against breaches of confidence and disclosure of trade secrets. Remedies available for misappropriation include:

- injunctive relief to deal with unlawful use and further disclosure;
- injunctive relief to allow for removal from the market of goods that have been manufactured based on misappropriated trade secrets;
- power for the court to provide compensation for damage caused by the unlawful use or disclosure of misappropriated trade secrets.

Interestingly, there is also protection written into the Directive for whistle-blowers, for whom there is currently no clear protection under UK common law.

Given that the provisions of the Directive will cause new laws to come into place in Member States that previously did not afford any protection to trade secrets, we eagerly await future cases of parties utilising the new powers following national implementation. ●



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Polo opponents clash again

Emily Gittins describes why one set of marks proved its greater prowess

In this decision, the High Court found that the Claimants' figurative trade marks containing the text "BEVERLY HILLS POLO CLUB", registered in relation to clothing, were infringed by the Defendants' use of a number of figurative signs containing the text "SANTA MONICA POLO CLUB" in relation to identical goods.

The Claimants were the owner and exclusive licensee of EU trade mark No 005482484 (the EU Mark) and UK trade mark No 1259226 (the UK Mark) – together, the Lifestyle Marks. The Lifestyle Marks were each registered for the device shown top right containing the words "BEVERLY HILLS POLO CLUB".

The EU Mark was registered, *inter alia*, for "clothing, footwear and headgear" in class 24, and the UK Mark was registered for "articles of clothing; but not including footwear" in class 25.

The Defendants were the companies and their directors who used the alleged infringing signs, along with third-party retailers. Another group of Defendants settled with the Claimants prior to the hearing of the action.

The Claimants alleged infringement of the Lifestyle Marks pursuant to the Defendants' use of a number of signs, each of which contained the words "SANTA MONICA POLO CLUB", along with a representation of at least one polo player with a raised mallet, seated on a running horse and shown side-on (the SMPC Signs). The SMPC Signs can be split into three categories: Single-Horse Signs, a Two-Horse Sign and a Three-Horse Sign.

The Single-Horse Signs were created in around May 2008, with subsequent variations being created up until 2015. The Two-Horse Sign was created for spring/summer 2012, with a few subsequent variants. The Three-Horse Sign was created in June 2016 in response to the issue of these proceedings.

The Claimants alleged infringement of the EU and UK Marks pursuant to s10(2) of the Trade Marks Act 1994/Article 5(1)(b) of the Trade Mark Directive/Article 9(2)(b) of the Trade Mark Regulation; and s10(3) of the Trade

Marks Act 1994/Article 5(2) of the Trade Mark Directive/Article 9(2)(c) of the Trade Mark Regulation. In addition, passing off was alleged. One Defendant counterclaimed for unjustified threats.

CONFUSION

The judge considered the well-established case law and, in particular, referred to the requirement set out in *Maier v ASOS* [2015] ETMR 26 for the court, when considering likelihood of confusion, to make its own assessment of what impression is conveyed by a sign, taking into account all of the

“None of the differences were found to be either dominant or distinctive

relevant circumstances, rather than there being any requirement for evidence from actual consumers.

The Judge found a number of visual similarities between the Single-Horse Signs and the Lifestyle Marks, and also found some differences, such as the use of mallets around the logo, shield elements and split-colour aspects. However, none of the differences were found to be either dominant or distinctive.

The Two-Horse Sign was found to have the same visual similarities as the Single-Horse Signs (save that there were two horses that were the mirror image of each other, rather than one horse). In addition, it found that the words "SANTA MONICA" followed a curve above the horses (as the "BEVERLY HILLS" wording did above the single horse in the Lifestyle Marks), and the words "POLO CLUB" appeared in capitals below the horses (as they did below the horse in the Lifestyle Marks). Again, there were non-distinctive and non-descriptive additional elements, such as numbers and a laurel wreath.

The Three-Horse Sign was found to be visually different from the Lifestyle Marks.



KEY POINTS

- + The Defendants' use of the SMPC Signs led to the dilution of the distinctive character of the Lifestyle Marks
- + The economic behaviour of the average consumer would have been changed
- + The Claimants established infringement in respect of all of the SMPC Signs

The judge also found conceptual similarities between the SMPC Signs and the Lifestyle Marks, since they contained the names of well-known districts in Los Angeles that are the sort of neighbourhoods that would host a polo club. The relevant goods were identical, since the Defendants used the SMPC Signs on a number of clothing articles.

In finding that there was a likelihood of confusion in relation to the Single-Horse Signs and the Two-Horse Sign, the judge considered the visual, aural and conceptual similarities, the overall impression conveyed by the signs, the possibility of imperfect recollection by consumers, and the identity/close similarity of the respective goods. Although the position in relation to the Two-Horse Sign was close to the borderline, the judge considered that the fact that the galloping horses mirrored each other went some way to neutralising the fact that there were two horses instead of one. The differences between the Three-Horse Sign and the Lifestyle Marks meant that there was no likelihood of confusion.

Accordingly, the Claimants had established infringement under s10(2)/Article 5(1)(b)/Article 9(2)(b) in respect of the One-Horse Signs and the Two-Horse Sign.

INFRINGEMENT

The judge referred to the relevant law set out by the Court of Appeal in *Comic Enterprises v Twentieth Century Fox Film Corp* [2016] FSR 30, and said that the issues in this case were: whether the Lifestyle Marks each had a reputation in the territory; and whether the Defendants' use gave rise to a link between the SMPC Signs and the Lifestyle Marks, gave rise to one of the three relevant types of injury, and was without due cause. The judge found that, by 2010, the Claimants had a substantial reputation in both the UK and the EU.

The required link between the SMPC Signs and the Lifestyle Marks was found for all of the SMPC Signs. In relation to the Three-Horse Sign, although no likelihood of confusion was found, because of the extensive reputation of the Lifestyle Marks in 2016, the nature of the Defendants' use (on clothing and footwear) and the similarities described above, the link was established.

The Judge found that the Defendants' use of the SMPC Signs led to the dilution of the distinctive character of the Lifestyle Marks by dispersing their identity and hold on the public mind. The ability of the average consumer to immediately identify the

Claimant's goods under the mark was diminished, which in turn would have changed the economic behaviour of the average consumer of the goods and services for which the Lifestyle Marks were registered.

In finding that the Defendants had gained an unfair advantage from their use of the Three-Horse Sign, the judge took into consideration that the Defendants wanted to maintain continuity with their other logos, which had been found to infringe the Lifestyle Marks.

There was found to be no due cause for the Defendants' use of the SMPC Signs, and therefore the Claimants had established infringement under s10(3)/Article 5(2)/Article 9(2)(c) in respect of all of the SMPC Signs.

The claim for passing off was found to succeed to the same extent as the claim on s10(2) (ie not for the Three-Horse Signs, but for the other SMPC Signs). An email sent by the Claimant to the counterclaiming Defendant was found to be a "threat" pursuant to s21 of the Trade Marks Act 1994. However, there was a clear defence of justification under s21(2).

THE LIFESTYLE MARKS



SINGLE-HORSE SIGN



TWO-HORSE SIGN



THREE-HORSE SIGN



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Getting off easy

Adrian Dykes looks into how easyGroup found its wings clipped

In this case, Arnold J handed down his judgment relating to the “easy” formative brands owned by well-known entrepreneur Sir Stelios Haji-Ioannou, founder of the Defendant company. The dispute boiled down to whether W3 infringed any valid “easy” EU trade mark (EUTM) owned by easyGroup by its use of the sign EasyRoommate (and variants thereof, see far right) in relation to online services for shared accommodation in the UK and eight other EU Member States.

The case dealt with evidence going back to the founding of easyJet in 1995, and it charted the development of the brands as Sir Stelios embarked on a licensing programme that sought to provide a range of value-based services to consumers – for example, easyInternetcafé, easyCar and easyCruise. Of particular relevance was easyHotel, launched in September 2004.

The dispute has a long history. The alleged infringing acts began in August 2000, when W3’s EasyRoommate business expanded from the US and France into the UK. In response, easyGroup sent its first cease-and-desist letter to W3 in 2003, and the parties then exchanged rounds of correspondence intermittently for about 12 years, apparently in vain. By May 2015, W3 had issued proceedings against easyGroup for unjustified threats. Relying on Articles 9(2) (b) and 9(2)(c) of the Trade Mark Regulation, easyGroup counterclaimed for infringement and for passing off. W3 counterclaimed for invalidity on absolute and relative grounds, and for revocation on the basis of non-use.

The complex factual matrix was dissected over eight days in the High Court.

EASY EUTMs

The Defendant relied on a number of its easy-formative EUTMs, including easyJet, EASY, easyHotel, easyDorm and EASYGROUP, which included class 42 and 43 services for temporary accommodation. It also relied on “family of marks” arguments as a result of its use of the “easy-” prefix.

In the case of the EASY registration, W3 alleged that this mark was descriptive of advertising and temporary accommodation

services, relying on dictionary definitions and unchallenged expert evidence that EASY is the 31st most common adjective and 475th most common word in the English language. Conversely, easyGroup argued that EASY was merely laudatory “at worst”.

Arnold J agreed with W3, holding that the word denoted a quality or characteristic of the services. He went on to consider distinctiveness acquired through use, both of the mark on its own and as part of the easy[Services] marks, the relevant date being October 2017, when W3 amended its counterclaim. The Court considered a body of evidence submitted by Sir Stelios, including examples of use, evidence of confusion and press articles expounding his brand. W3’s evidence of use of “easy” on its own was also relied on by easyGroup.

The Court concluded that, while there was extensive use of the marks, it did not amount to acquired distinctive character for the relevant services, and the EASY mark was invalidated for these services.

“ W3 admitted, sensibly, the reputation of easyJet for passenger airline services at all relevant dates

The infringement case therefore fell to be determined in relation to the remaining “easy” trade marks as of August 2000, and again in 2009, when the EasyRoommate branding changed.

FAILURE TO CONFUSE

In relation to likelihood of confusion, in spite of the inherent distinctiveness of the remaining easyGroup marks, the identity of services and evidence of confusion, Arnold J concluded that there was no likelihood of confusion in relation to the marks used from 2000, largely because the easyGroup marks did not enjoy an enhanced distinctive character at that time, and a moderate level of consumer attention





mitigated this. He concluded that the only common feature between the marks was the prefix “easy-”, which was descriptive and combined with another word to form a new word – this single similarity pointed towards an absence of a likelihood of confusion. Even when the later period was considered, with a more enhanced distinctive character, more evidence of confusion and the enhanced protection associated with “family marks”, the infringement case failed under Article 9(2)(b).

AIRLINE IMPACT

The Defendant did not rely on its easyJet registration under Article 9(2)(b) – this was saved for Article 9(2)(c). W3 admitted, sensibly, the reputation of easyJet for passenger airline services at all relevant dates. Arnold J concluded that, for two of the other marks relied upon on this ground, namely EASYGROUP and EASY.COM, easyGroup had not proved a reputation at the relevant times, and that the easyJet reputation did not extend to temporary accommodation by 2009.

Arnold J was “narrowly persuaded” that “a significant proportion” of consumers, on seeing EasyRoommate in August 2000, would make a link to the easyJet trade mark “in the sense that the signs would have called the trade mark to mind”. However, this was not sufficient to make out infringement, as easyGroup failed to establish the damage requirement:

- dilution of the easyJet mark failed, as “easy” was held to be “far from unique” and there was no evidence of a change in the economic behaviour of the relevant consumers;
- there was no evidence of tarnishment; and
- although unfair advantage represented easyGroup’s strongest case, there was no reason to suppose that W3 benefited from the image transfer from easyJet or gained otherwise from the easyJet reputation.

By 2009, easyGroup’s position had improved: the easyJet reputation was greater; the easyHotel mark also had a reputation in the UK; the public had been educated about the “easy family of brands”; and W3’s use had changed slightly to emphasise the “easy-” prefix. As with the 2000 use, a link was found. In relation to damage, the advertisement of EasyRoommate on a website that also included unrelated adult services, which easyGroup argued were incompatible with the image of the easyGroup, lent a different slant to the situation. Nevertheless, there was no apparent connection between the advertising website and EasyRoommate, and therefore no connection to easyGroup.

CLIPPED WINGS

There can be no doubt that, overall, W3 has clipped easyGroup’s wings. The case shows the dangers of picking a non-distinctive and/or descriptive trade mark, and of filing widely where there is no distinctiveness acquired through use. No matter how famous such a mark becomes for particular goods or services, this does not remedy a lack of distinctiveness for all of them.

KEY POINTS

- + EasyGroup’s EASY trade mark has been declared invalid, being descriptive of advertising and temporary accommodation services
- + This case is a useful reminder that acquiring distinctiveness for some services does not sustain a broad specification

W3’s UK MARK



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Infringement arguments put to bed

The Claimant's view of sales via Amazon listings were found to be sound, says Donna Trysburg

This trade mark infringement claim appeared straightforward at first blush: use of an identical trade mark in the course of trade in relation to identical goods without the consent of the trade mark owner; infringement found.

Delve deeper and there are some interesting points to be explored, including the criteria for a defendant to be held liable for an infringing act as a joint tortfeasor, and whether a party who has unknowingly displayed a sign as part of an existing product listing adopted on the online retail platform amazon.co.uk (Amazon) can be said to have “used” the sign in the course of trade for the purposes of infringement. The case also serves as a cautionary tale on the perils of failing to maintain a consistent or credible narrative throughout proceedings.

THE DISPUTE

The Claimant, Birlea Furniture Ltd, is the owner of EU trade mark (EUTM) registration No 011644416 BIRLEA covering, *inter alia*, beds in class 20. Birlea is an importer and wholesaler of furniture, including beds, and Amazon is one of its customers.

The First Defendant, Platinum Enterprise (UK) Ltd also imports and sells furniture and

beds online, including on Amazon, under a variety of trading names, including “Bodyease” and “bedzonline”.

Birlea alleged that Platinum had infringed the BIRLEA mark within the meaning of Article 9(2)(a) of the Trade Mark Regulation by advertising and selling beds making use of two specific listings on Amazon for a particular model of bed in which the BIRLEA mark appeared multiple times (the Listings). In particular, Birlea took issue with the fact that Platinum had accepted orders under the Listings which had then been fulfilled with beds that were not genuine Birlea beds, proven by a test purchase. The Listings had been created by Birlea and each had a unique Amazon identification number (ASIN number). Only Birlea, as the creator of the Listings, was able to make changes to Listing details.

Birlea also sought to argue that the Second Defendant, Mohammed Raheel Baig (Mr Baig), an employee, shareholder and director of Platinum, was jointly and severally liable for any infringements found to have been committed by Platinum as joint tortfeasor.

DEFINING USE

Platinum accepted at the outset that it had made use of the Listings to sell beds, and that, if the sign BIRLEA had been used in the Listings, this would amount to an infringement of the EUTM.

Platinum's position was that the BIRLEA name had not originally appeared in the Listings, and did not until a much later date – or if it had appeared, Platinum had not been aware of this until receiving Birlea's letter before action. Platinum argued that it could not be liable for any infringement occurring before the date on which it became aware of the presence of the sign BIRLEA in the Listings, because until it was aware of the sign, it cannot have “used” it.

“Platinum argued it could not be liable for infringement occurring before the date on which it became aware of the presence of the sign

Birlea contended that lack of intent or knowledge affords no defence as a matter of law and that, in any case, Platinum did know that BIRLEA appeared in the Listings via a number of alternative means, including automated sales emails and seller account messages sent by Amazon, which had been requested from Platinum during disclosure but not provided.

While it was a novel argument, the judge had no trouble in quickly disposing of it and confirming that there is no requirement for intention or knowledge of use of a sign for infringement to be made out, only actual use in a way that links the mark to the goods. It is settled law that use of a sign in an online marketplace is use in the course of trade, and that such use is made by the seller, rather than the marketplace operator, since the marketplace usually provides a means for sellers to make their own commercial communications – in this case, creation of the Listings. As the sign had been “used”, there was infringement by Platinum.

JOINT TORTFEASOR

In assessing whether Mr Baig was jointly and severally liable with principal tortfeasor Platinum for the infringement, the judge considered Supreme Court jurisprudence in *Fish & Fish Ltd v Sea Shepherd UK* [2015] UKSC 10, [2015] AC 1229 and its interpretation by His Honour Judge Hacon in *Vertical Leisure v Poleplus Ltd* [2015] EWHC 841 (IPEC).

The Fish & Fish requirements are that: (i) the defendant acted in a way that furthered the commission of the tort by the principal tortfeasor; and (ii) that it had done so in pursuance of a common design to do, or to secure the doing of, the acts which constituted the tort.

In *Vertical Leisure*, Hacon J interpreted this to mean that an alleged joint tortfeasor must be shown to have “actively cooperated” to bring about the infringing act of the primary tortfeasor with the intention that its cooperation would help bring the act about, and for the contribution to be more than *de minimis*.

The judge noted that there is no requirement for a joint tortfeasor to be a director of a corporate primary tortfeasor or the “controlling mind and spirit of it”.

On the facts, the judge found Mr Baig jointly liable for the infringing acts of Platinum, given Mr Baig’s

“ A large portion of the judgment was dedicated to untangling a web of misinformation put forward in the Defendants’ evidence

critical role in meeting with suppliers, agreeing to buy stock sold under the infringing Listings, acting as a head of online sales at Platinum, personally placing the beds onto Amazon for sale attached to the Listings, and the earlier finding that Platinum must have been aware that the Listings contained BIRLEA at all material times.

QUALITY OF EVIDENCE

A large portion of the judgment was dedicated to untangling a web of misinformation put forward in the Defendants’ evidence and tracking the various revisions to their version of events, including their understanding of the mechanics of Amazon listings and explanations for failures to provide relevant documents in disclosure.

Particularly damaging was an account of a meeting between the parties where Platinum purported to search for relevant sales records on its Amazon seller account (allegedly using limited date ranges and the letter “o” in place of zeroes) and could return only very limited results. One of Birlea’s solicitors then subsequently managed to locate more than 1,000 relevant sales records using the correct search parameters.

The judge ultimately declined to believe any evidence given by Mr Baig that was not corroborated by an independent source, with the effect that the version of events put forward by the Claimant prevailed on nearly every factual point, including – crucially – that the Listings had contained the BIRLEA trade mark at all material times, on which the case turned.

At the time of writing, it is not known whether the decision has been appealed. A split trial was directed, and so quantum of costs and damages is yet to be decided.

KEY POINTS

- +
- The Defendants infringed the Claimant’s EUTM by selling beds on Amazon using listings bearing the Claimant’s mark
- +
- Clients should take care when listing products for sale on Amazon or other online marketplaces
- +
- It is becoming more common for an employee, shareholder and director of a defendant company to be held jointly and severally liable for the infringement as a tortfeasor; advisers should inform clients of the risk of being joined to proceedings



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Burger bars in battle

Beverley Robinson reviews the main considerations in this confusing clash

The IPEC considered whether a registration for BURGERISTA covering the provision of food and drink was valid, and whether use of the sign BURGISTA for identical services infringed.

The Claimant, Burgerista Operations GmbH (BG), operated a chain of 18 burger restaurants in Austria and Germany under the name BURGERISTA. BG is the proprietor of EU trade mark registration No 013318209 BURGERISTA for, *inter alia*, food and drink services.

BG brought an action for trade mark infringement against six Defendants in relation to the use of BURGISTA for restaurants, seeking an injunction against any further use and related relief. A judgment in default was obtained against four of the Defendants, and the remaining Defendants – UK Prosper Ltd and its sole Director and shareholder (collectively, UPL) – counterclaimed that BURGERISTA was invalid on the grounds that it was descriptive, pursuant to Articles 52(1)(a) and 7(1)(c) of the Trade Mark Regulation.

VALIDITY

In the counterclaim, UPL argued that the mark BURGERISTA as a whole was descriptive because the average consumer would recognise it as meaning “a person who made burgers, served them or was very enthusiastic about them”, in a similar vein to the words “barista” and “fashionista”.

In support of the definition of “burgerista”, UPL provided extracts from Urban Dictionary, a crowd-sourced online dictionary of slang words, and Reverso, an online translation tool. Neither helped UPL, as both websites seemed to be unofficially compiled and could not be considered reliable guides to what the average English-speaking consumer in the EU would understand the term “burgerista” to mean. This should serve as a warning to practitioners to seek out reputable sources if they seek to rely on them.

Additional publications providing definitions of “-ista” as a suffix were also submitted by UPL, and deemed to be more reliable, but failed to evidence the definition of this term at the relevant date, namely the filing date of the application for registration.

In conclusion, His Honour Judge Hacon considered that the average consumer at the date of filing the application would not have immediately perceived, without thought or explanation, that the word “burgerista” designated a characteristic of restaurant services. As such, UPL’s counterclaim that BURGERISTA was descriptive was rejected.

CASE FOR CONFUSION

The allegation of infringement under Article 9(2)(b) was made against UPL’s use of BURGISTA, BURGISTA BROS and the devices shown below. By the time of the trial, the only issue in dispute under Article 9(2)(b) was whether UPL’s use of BURGISTA had given rise to a likelihood of confusion.

While there was no conceptual similarity between the marks as a result of the descriptive word “burger” in BG’s mark, the visual and aural similarities were self-evident. Consequently, the marks were deemed to be similar overall.

UPL argued that, given the descriptiveness of BG’s mark, small differences in their mark would be enough to avoid the likelihood of confusion. Hacon J wasn’t swayed by these arguments, taking the view that the common features between the marks were not descriptive, so UPL’s argument to dismiss confusion as irrelevant because it was caused solely by a descriptive element common to both failed.

BG’s evidence in support of confusion showed “wrong-way-round confusion”, where BG’s business had been mistaken for UPL’s. Following the Court of Appeal ruling in *Comic Enterprises Ltd v Twentieth Century Fox*¹, such evidence is admissible to support an assessment of whether there is a likelihood of “right-way confusion”. In this case, it was considered to be persuasive, as it showed a significant proportion of relevant persons would be likely to confuse the two marks if BG and UPL were to trade in the same locality. Since “BURGISTA” was the dominant and distinctive element of all four signs, the use of all four signs infringed, and BG was entitled to an injunction and related relief.

REPUTATION

Although successful under Article 9(2)(b), BG’s claim for infringement under Article 9(2)(c) failed, as it could not show reputation at the relevant date.





In its submissions, BG referred to *Stitching BDO*² and argued that each act of infringement should be separately assessed to account for the fact that the reputation of the trade mark may vary over a period of time.

Hacon J clarified that the need for a new assessment only arises where the Defendant has embarked on a use of its sign in a “materially different manner”. In this case, use of the same sign in relation to a different restaurant was not use in a “materially different manner”, and the relevant date for assessing reputation was therefore the date UPL first used *BURGISTA*, namely July 2015.

Summarising the CJEU’s guidance in *PAGO*³ and the more recent case of *Iron & Smith*⁴, Hacon J concluded that *BURGERISTA* did not have the required reputation to succeed in a

“ *Hacon J took the view that the common features were not descriptive* ”

claim under Article 9(2)(c), as, at July 2015, *Burgerista* had only six *BURGERISTA* restaurants in Austria and one in Germany. In reaching this decision, he considered that the reputation of a restaurant is typically local, unless it is very famous, and noted that the Chief Executive of BG had stated that the company was aiming for a local feeling in its restaurants.

Though BG lacked the reputation necessary to succeed under Article 9(2)(c), Hacon J went on to consider the potential injury that would be caused if this argument succeeded. On this point, UPL argued that there could be no injury in the form of dilution – if *BURGERISTA* had a reputation, this was confined to Austria, and UPL’s use of the contested sign was in the UK. Contrary to UPL’s arguments, Hacon J said that he did not require evidence anticipating a change in economic behaviour, and that in light of BG’s intention to open restaurants in the UK together with the presence of evidence showing a likelihood of confusion between the marks for the purposes of Article 9(2)(b), dilution would be inevitable. Ultimately, the claim under Article 9(2)(c) would have succeeded if the trade mark had been found to have a reputation.

KEY POINTS

- Online sources such as Urban Dictionary and Reverso are not reliable material for definitions
- The only relevant date for assessing reputation under Article 9(2)(c) is the date the infringing use commenced, unless use in a “materially different manner” occurs
- If there is a genuine intention to trade in a locality in the foreseeable future, this will lead to a serious risk of dilution of the trade mark, and the injury element of Article 9(2)(c) will be satisfied

UPL MARKS



- 1 *Comic Enterprise Ltd v Twentieth Century Fox Corporation* [2016] EWCA Civ 41 and [2016] EWCA Civ 455.
- 2 *Stichting BDO v BDO Unibank, Inc* [2013] EWHC 418 (Ch).
- 3 *Pago International GmbH, Case C-301/07 EU:C:2009:611.*
- 4 *Iron & Smith And Ornu Co-Operative Ltd v Tindale & Stanton Ltd España SL, Case C-93/16 EU:C:2017:571.*



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Same chamber, no problem

George Sevier confirms that a Recorder can hear a case in which a party is represented by a chambers colleague

Azumi Ltd, the Respondent, operates ZUMA restaurant in London's Knightsbridge and has trade marks for ZUMA. Zuma's Choice Pet Products Ltd (ZCPP), the Appellant, offered pet food under the sign "DINE IN WITH ZUMA".

Azumi had brought previous proceedings for trade mark infringement against ZCPP and Zoe Vanderbilt. Ms Vanderbilt counterclaimed for groundless threats, and brought two further claims for the same. Judgment on these proceedings was reported in the July/August 2017 edition of the *CITMA Review*. Ms Vanderbilt – acting throughout as litigant in person for herself and ZCPP – was subsequently refused permission to appeal and to reopen the permission to appeal application.

Ms Vanderbilt was assisted by a McKenzie friend, who, as a solicitor suspended from practice, was not permitted to make oral submissions on her behalf.

CURRENT APPEAL

The current appeal is from an interim order of Mr Recorder Campbell QC, sitting in the IPEC, dated 16th January 2017. The hearing was for Ms Vanderbilt's applications seeking (i) summary judgment, and (ii) rights of audience for her McKenzie friend – her fourth application for summary judgment, and her eighth application in the proceedings.

Prior to the hearing, Ms Vanderbilt wrote to His Honour Judge Hacon and to partners at the firm representing Azumi making various allegations of criminal conduct, including alleging that an Order of Hacon J had been forged. Hacon J disposed of the allegations in a judicial note in which he said he saw "no basis whatever for any wrongdoing".

At the outset of the hearing, Mr Recorder Campbell QC disclosed that he was in the same chambers as Azumi's counsel; knew and had been instructed by Azumi's solicitors, Gowling WLG, in unrelated matters; knew Hacon J's clerk; and was aware of the

allegations that Ms Vanderbilt had made. Ms Vanderbilt made a without-notice application that the Recorder recuse himself, as there was a possibility of bias against her. The Recorder declined to recuse himself and dismissed the applications for summary judgment and rights of audience, but gave permission to appeal. ZCPP and Ms Vanderbilt appealed his order concerning recusal.

NO BASIS FOR BIAS

At the appeal hearing in November 2017, Ms Vanderbilt made a further without-notice application for Floyd LJ to recuse himself on the grounds of bias. Bias was alleged because Floyd LJ had refused permission to appeal the substantive judgment of Her Honour Judge Clarke, and had refused to reopen the permission application. The bias was evidenced, according to Ms Vanderbilt, by the fact that the decision went against her, despite the allegedly overwhelming evidence in her favour. Floyd and Patten LJ did not consider that there could be bias merely because a judge has previously decided matters adversely to a litigant, and refused Ms Vanderbilt's application.

Floyd LJ did not rule out that the relationship between practising barristers and those who serve as part-time judges could give rise to bias. However, he was satisfied that, in this situation, "the fair-minded observer would know and understand that the allegations in question had been the subject of careful judicial scrutiny and rejected". The Recorder was alert to the need not to be influenced, and correct to conclude that there was no real possibility of bias, and not to recuse himself.

KEY POINTS

- ✦ At the outset of the hearing, Mr Recorder Campbell QC disclosed his relationship with all relevant parties
- ✦ Floyd LJ was satisfied that a professional relationship between practising barristers and those who serve as part-time judges did not alone give rise to bias
- ✦ The fact that a judge has previously decided against a litigant is not generally a reason for that judge to recuse himself



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George was the solicitor at Gowling WLG with the conduct of the case for Azumi and the Trade Mark Attorney Defendants.

Playing with fire

The link between two musical marks was too clear for comfort, observes Clare Liang

This case concerned the band Earth, Wind & Fire (EWF) and a trade mark for the same. A dispute arose when the management company of a previous band member (Al McKay) tried to register the mark THE EARTH WIND & FIRE EXPERIENCE FEATURING THE AL MCKAY ALL STARS (the Application). The question was whether EARTH, WIND & FIRE would be all the elements needed for successful opposition under ss5(2)(b) and 5(3) of the Trade Marks Act 1994 (the Act).

BACK STORY

On 19th October 2015, Georg Leitner Productions GmbH (the Applicant) filed the Application, covering entertainment-related services in class 41. Al McKay was a member of EWF from 1973 until 1980.

The Estate of Maurice White opposed the Application based on ss5(2)(b), 5(3), 5(4)(a) and 3(6) of the Act and two earlier EU marks: EARTH, WIND & FIRE (EU designation of international registration No 847228) and THE ELEMENTS OF EARTH, WIND & FIRE (EU registration No 13345178). Maurice White founded EWF in 1969 and continued to be involved with it until his death in 2016.

DECISION

The decision referred only to the Opponent's EU designation (the Earlier Mark).

Considering s5(2)(b), the Hearing Officer (HO) found the Earlier Mark had inherent and enhanced distinctive character, acquired through

use. She also considered consumers would split the Application into two parts:

1. "THE EARTH WIND & FIRE EXPERIENCE", in which THE adds little and EXPERIENCE suggests an extravaganza by the group; and
2. "FEATURING THE AL MCKAY ALL STARS".

The HO found that the average consumer would not attach any particular significance to this, despite some evidence of Al McKay's fame. EWF has had 45 members over the years.

As EARTH WIND & FIRE was dominant in both marks, the marks were found to be similar. The services of the Application and the Earlier Mark were also similar, all being concerned with entertainment. A likelihood of confusion was established on the basis that the relevant public would mistake the Application for the Earlier Mark and assume a collaboration between EWF and Al McKay. The HO acknowledged that it is commonplace for bands to use the format "XXX featuring XYZ" to indicate collaboration.

The HO also looked at s5(3), in case she was found to be wrong in relation to s5(2). The Applicant's representative admitted in his witness statement that EWF is world famous so a reputation was found. A link between the marks was also present based on the likelihood of confusion. This link was seen to give a clear "leg up" to the Applicant, and so led to an unfair advantage.

The opposition would therefore succeed based on ss5(2)(b) and 5(3). The HO did not consider the opposition based on ss5(4) or 3(6), and awarded costs to the Opponent.

The case shows that where a later mark uses the same wording as an earlier mark, additional distinctive elements may not avoid confusion. It could, however, be a decision that would differ in the context of infringement, where a descriptive use defence could be available.

KEY POINTS

- A likelihood of confusion was established on the basis that the relevant public would mistake the Application for the Earlier Mark and assume a collaboration
- Where a mark uses the same wording as an earlier mark, the addition of distinctive elements may not avoid a finding of confusion



Earth, Wind & Fire's
Verdine White



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BBC is top finisher

Claire Breheny asks: could a proof-of-use demand have seen the IPO change gear?

In this decision, the UK IPO found that an application for TOPGEAR KARTING – which was applied for in relation to a range of services in class 41, mostly relating to karting and motor racing – should be refused under s5(2)(b) of the Trade Marks Act 1994 (the Act).

FAST FACTS

On 7th July 2016, Battlezone Paintball Ltd (the Applicant) applied to register the words TOPGEAR KARTING. This application was subsequently opposed by the BBC (the Opponent) on the basis of ss5(2)(b), 5(3) and 5(4)(a) of the Act.

The Opponent relied on three registrations for ss5(2)(b) and 5(3), registered in 1996, 2002 and 2006 respectively. While all marks were subject to a use requirement, crucially, the Applicant did not put the Opponent to proof of use as part of the proceedings.

In relation to s5(4), the Opponent claimed unregistered rights in the sign TOPGEAR throughout the UK since 1977.

DEFENCE

In its defence, the Applicant claimed to have been using TOPGEAR KARTING from its current premises since 1993. The Applicant also provided reasoning for selecting the mark TOPGEAR, and commented that TOPGEAR KARTING had coexisted without confusion for over 23 years. In relation to the s5(4)(a) claim, it stated “that the BBC’s use of Top Gear was, at that time, a non-successful TV programme with low viewing figures, which had no relevance to our client’s business activities (karting)”.

FINDINGS

The Opponent’s evidence included data relating to more than 20 series of the programme, showing that it attracted approximately 12 to 29 per cent of audience share, equating to viewing figures of around 3.4 million to 7.2 million people. The evidence

also included information relating to awards for the programme, related newspaper articles and magazines, website traffic, online sales, and live events.

As the Applicant did not put the Opponent to proof of use of its earlier marks, comparison of goods and services was made on the basis of notional and fair use of the entirety of the specification. In light of this, the Hearing Officer (HO) found that the services were identical. He found that the marks were highly visually similar, and similar to a reasonably high degree when considered aurally and conceptually. The evidence filed was found to show an enhanced level of distinctiveness in relation to class 41 with regard to the BBC television programme (including live shows), which may fairly be said to include entertainment, education and events.

Overall, the HO found that there would be a likelihood of confusion on the part of the relevant UK public, and therefore the opposition succeeded in full under s5(2)(b). The HO did not find it necessary to decide on the other grounds.

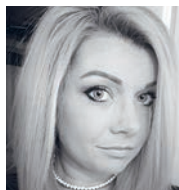
RIGHT CHOICE?

Overall, on an assessment of the facts, it is not surprising that the HO found in favour of the Opponent on the basis of notional and fair use of the earlier registrations. This case is perhaps a reminder of the ability to request proof of use from the earlier right holder. Would this case have been decided differently had the Applicant chosen to do so?

KEY POINTS

- ✦ As the Applicant did not put the Opponent to proof of use of its earlier marks, comparison of goods and services was made on the basis of notional and fair use of the entirety of the specification
- ✦ The HO found that there would be a likelihood of confusion on the part of the relevant UK public, and therefore the opposition succeeded in full under s5(2)(b)
- ✦ Requesting proof of use from the earlier right holder may have changed the outcome of the case

“
Comparison of goods and services was made on the basis of notional and fair use”



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Who lost in Leith?

Stephanie Taylor offers the official verdict

On 25th October 2016, Gleann Mór Spirits Co Ltd (the Applicant) filed an application to register the logo shown below right in class 33, covering alcoholic beverages consisting of or containing gin (the Applicant's Mark).

The application was opposed by Muckle Brig Ltd (the Opponent) on the basis of its earlier UK trade mark registration No 3160675 PORT OF LEITH DISTILLERY (the Opponent's Mark), covering alcoholic beverages, but also relying on passing off rights acquired through use of a logo throughout the UK since March 2016 (the Opponent's Unregistered Mark, also shown below right).

The Applicant noted in its counterstatement that it had adopted the words LEITH GIN because it is a distributor of gin, based in the Leith area of Edinburgh, which is an area long associated with the production of gin, as well as distilling and brewing activities.

Considering the parties' evidence, the Hearing Officer (HO) found that UK consumers of alcoholic beverages would be aware of Leith as a place name in Scotland and would be liable to consider that the word LEITH designates the geographical origin of the goods. As such, the word LEITH itself lacked distinctive character in respect of such goods.

COMPARISONS

On a comparison of the marks, the HO found that the logo element of the Applicant's Mark would be the most distinctive element. Furthermore, it was likely that the goods in question would be selected by visual means – such as through advertisements, self-service shops or drinks lists. Therefore, on a visual and aural comparison, the only element that the Applicant's Mark and the Opponent's Mark had in common was the word LEITH, already held to lack distinctive character



in respect of the goods covered by the respective marks.

The goods covered by the Applicant's Mark were identical to those covered by the Opponent's Mark. Taking these factors into account, the HO found that there was no likelihood of direct visual or aural confusion, as "the marks look and sound too different for that, even after allowing for the relatively higher level of conceptual similarity between the marks and making some allowance for imperfect recollection".

PASSING OFF

Turning to the argument under passing off, the HO noted the Opponent's claim that it had used the logo mark since March 2016 in relation to Scotch whisky and whisky-based beverages. However, the Opponent provided no evidence that it had offered goods for sale prior to the date of application of the Applicant's Mark – the evidence was limited to use of the mark in discussion with investors. On this basis, the Opponent had not demonstrated a reputation in its mark prior to the date of application, and therefore the required goodwill had not been demonstrated. Further, the HO found that, even if reputation had been demonstrated, the case for misrepresentation was weaker than the case for confusion because the Applicant's Mark and the Opponent's Unregistered Mark looked even less alike than the Applicant's Mark and the Opponent's Mark.

The opposition therefore failed, and the Opponent was ordered to pay costs.

KEY POINTS

The HO considered that UK consumers of alcoholic beverages would consider that LEITH designated the geographical origin of the goods, and so this word lacked distinctive character for these goods

The Opponent did not demonstrate the required goodwill to establish a passing off right. Furthermore, the HO did not consider that there was a likelihood of confusion between the parties' marks

THE APPLICANT'S MARK



THE OPPONENT'S UNREGISTERED MARK



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Starbucks success

Amelia Skelding explains details of another coffee shop clash

Here, the General Court (GC) of the EU ruled in favour of Starbucks, which argued that a “COFFEE ROCKS” logo for another coffee shop was too similar to its own.

The trade mark application at issue was filed by Ms Nersesyan in 2013 for a circular, black-and-white design featuring the words “coffee rocks” in relation to “services for providing drinks” in class 43 (shown below right). The application was published in November 2013, and Starbucks filed a notice of opposition in February 2014.

In 2015, the EUIPO Opposition Division rejected the opposition in its entirety. The appeal was then dismissed in 2016 by the Fourth Board of Appeal, which found that the marks were visually, phonetically and conceptually dissimilar because they only had descriptive or non-distinctive elements in common, namely the word COFFEE, the black circular device with white elements and the font used. As the distinctive features were found to be dissimilar, the Board of Appeal (BoA) did not conduct any assessment into likelihood of confusion between the marks.

GC DETERMINATION

In January 2018, the GC sided with Starbucks, noting that a global assessment of the likelihood of confusion must be carried out if there are some similarities between the marks, because the average consumer normally perceives the mark as a whole and does not engage in an analysis of its various visual, phonetic and conceptual details. For example, it could not be ruled out that the relevant public would associate the marks with the concept of a coffee house. Therefore, even though the dominant components STARBUCKS and COFFEE ROCKS are different, the other elements of the marks are not negligible when considering the overall impression.

The GC stressed that a global assessment with regards to likelihood of confusion involves interdependence of the similarity of the trade marks and the goods or services. Therefore, a low degree of similarity between goods or



services may be offset by a high degree of similarity between the marks, and vice versa.

In this case, the GC stated that there were “three sets of visual similarities between the signs at issue”. Namely, the same general appearance made up of: “circular devices consisting of two parts”; the “use of the same colours”; and the “use of the same font for the word elements”. Consequently, the GC ruled that the signs were partially identical with regard to one or more of their relevant aspects. It found that the BoA had erred in ruling out any similarity – even a low degree – between the marks, and was wrong not to carry out an overall assessment of the likelihood of confusion.

CONFIRMATION

This case highlights the importance of conducting a global assessment when considering likelihood of confusion and confirms that the threshold for similarity is low, because minor adjustments to the figurative elements of a famous trade mark are sufficient to result in a finding of confusion or dilution.

KEY POINTS

- + A global assessment involves weighing up the similarity of the marks and the goods or services
- + The threshold for similarity is low

THE MARK AT ISSUE



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Giant v generic

Chris Morris describes why big pharma can face unique hurdles against generic competition

This case illustrates the particular difficulties applicants face when seeking to protect signs that are complete representations of a product. The decision turned on the specific exclusions laid down in Article 7(1)(e) of the Trade Mark Regulation (EUTMR), and is also an example of the problems pharmaceutical companies face in seeking to use trade mark law to maintain a competitive advantage against manufacturers of generic products.

BACKGROUND

The Applicant, Novartis, applied to register the mark shown below right in class 5 (pharmaceutical preparations for the treatment of dementia of the Alzheimer's type). Registration was obtained in March 2013. The mark is a representation of a product called Exolon, used to treat Alzheimer's and administered by transdermal patch. The product was protected by patent until July 2012.

The Intervener, SK Chemicals GmbH, is a generics manufacturer and produced a transdermal patch to administer the same active substance (rivastigmine) as Exolon. SK applied to invalidate the Novartis registration.

The Cancellation Division and, on appeal by Novartis, the Fifth Board of Appeal (BoA) upheld the invalidity application. EUIPO found that the mark was invalid because it was composed of a sign consisting exclusively of the shape of the product necessary to obtain a technical result (Article 7(1)(e)(ii)).

The BoA defined the essential characteristics of the mark as: (i) the square shape of the patch; (ii) the overlapping protective plastic layer, represented by the white stripe in the background of the mark; (iii) the circular area in the centre; and (iv) the arrangement of knobs around the central circular area. Each of those elements is functional; the beige colour is not an essential characteristic.

CJEU APPEAL

Novartis's appeal to the CJEU was also dismissed. The Court disagreed with the argument that,

because each of the essential characteristics identified served a different technical function, the sign was not objectionable. It sufficed that each served any technical function, provided they all combined to obtain the technical result.

The BoA was also right, the Court found, to find that where each essential characteristic fulfils a technical function, there is no requirement to carry out an overall assessment. The combination cannot render the mark registrable.

Novartis argued that, where other shapes are available, a given shape is no longer "necessary" to obtain a technical result – but this was swiftly dismissed. The Court also did not agree with the claim that an incorrect analysis of the essential

characteristics was applied. The detailed examination was correct. The Office is entitled to look at, for example, product-specific information, not just the representation of the mark.

Finally, the claim by Novartis that the beige colour was an essential characteristic was

dismissed. The presence of a minor, arbitrary element is irrelevant.

CONSIDERATIONS

As well as serving as a reminder of the higher hurdles faced in practice by shape marks, this case reaffirms one of the policy considerations behind the statutory shape exclusions. The term of patent protection afforded to the Exolon product had ended, and generics manufacturers were free to produce rival products. Novartis was not able to extend that protection by obtaining trade mark protection (a potentially open-ended right) for the means of drug delivery.

“

The term of patent protection afforded to the Exolon product had ended

KEY POINTS

- +
- While product shapes remain protectable in principle, Article 7(1)(e) EUTMR continues to present a high hurdle for applicants and a powerful ground for invalidity
- +
- The case applied the law applicable before the recent revisions to the EUTMR. It remains to be seen whether the revised Article 7(1)(e) wording will see these exclusions applied more broadly

THE NOVARTIS APPLICATION



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Intelligence in question

David Kemp reports on a case that highlights discussion around i-prefixed marks

In **Weber-Stephen Products LLC v EUIPO**, the General Court (GC) rejected an EU trade mark (EUTM) application for “iGrill” in class 9 for computer software, hardware and electronic food thermometers. The mark was held descriptive of the goods, as the “i” denoted “intelligent” or “interactive”.

Ironically, the iPhone and iPad devices that underpin the iGrill technology were registered per se around 10 years ago. Weber filed evidence of previously registered “i” marks in the technology sector, but the GC said the EUIPO Board of Appeal had not erred in dismissing these given the factual circumstances of the case.

BACKGROUND

The specification filed was based on a US mark (registration No 4053452) and included the following informative description: “Computer software, computer hardware and electronic food thermometers, all for use in connection with mobile devices to assist individuals with grilling and cooking activities, namely, for use in providing updated information to a person regarding the timing and preparedness of food being prepared, and informing users as to the anticipated time foods will be finished cooking, and providing warnings when food being prepared are [sic] cooking at inadequate heat”.

The Board of Appeal said the specification explained perfectly how software, hardware and food thermometers are used for grilling. However, even disregarding the informative qualification, the inclusion of “computer software, computer hardware and electronic food thermometers” would have been problematic because of the close conceptual link with iGrill.

For a sign to be descriptive under EU law, there must be a sufficiently direct and specific relationship between the sign and the goods for the public to immediately perceive

a description of the goods. In accordance with the routinely cited **DOUBLEMINT**¹ decision, a word must be refused registration if “at least one of its possible meanings” designates a characteristic of the goods. Weber argued that there was no link between grills and the goods. Grills did not have an IT interface and could not be remotely controlled by a computer or software. It also argued a thermometer could not be called “intelligent”. The GC rightly disagreed, saying that the goods have the characteristic of making grills intelligent by enabling them to access IT to assist users.

The increasing use of smart technologies in the home would also have compounded the problem with the specification. Such interaction is now all too familiar, and terms such as “interactive” and “intelligent” are commonly understood in relation to use of technology.

Interestingly, Weber reapplied for iGrill as an EUTM for a slightly revised class 9 specification that still includes “computer software”, “computer hardware” and “electronic thermometers”. This was also rejected on the same grounds and is currently with the GC on another appeal. It is thought the same decision is likely to be reached.

CONCLUSION

While, from an EU perspective, this decision is not particularly surprising, it highlights discussion around the descriptiveness of “i”-prefixed marks, as well as descriptiveness more generally. Absent any EUIPO practice note, it also clarifies the law in relation to such marks, which is helpful given the tech-savvy times in which we live.

¹ OHIM v Wrigley, Case C-191/01 P.

KEY POINTS

- This case is a useful reminder of what makes a mark descriptive
- It also highlights the need to be mindful when advising tech clients on registering “i” marks with common English words (unless, of course, your client is Apple)



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What does corporate culture have to do with IP? Find out at our Glasgow Lecture on 14th June. See citma.org.uk →




Events

More details can be found at citma.org.uk

DATE	EVENT	LOCATION	CPD HOURS
9th May	CITMA Webinar*	Log in online	1
14th June	CITMA Lecture – Glasgow The impact of company values on trade mark issues	Brodies, Glasgow G1	1
20th June	CITMA Webinar* EU case-law update	Log in online	1
4th July	CITMA New President’s Summer Reception	The Refinery Bar, London EC4	
17th July	CITMA Lecture – London* Sport and IP	58VE, London EC4	1
15th August	CITMA Webinar* Comparison between US IPO and UK IPO procedures	Log in online	1
25th September	CITMA Lecture – London* Latin American issues	58VE, London EC4	1
17th October	CITMA Webinar* An update on groundless threats	Log in online	1
1st November	CITMA Seminar for Litigators – London	Carpmaels & Ransford, London WC1	2.5
14th November	CITMA Webinar*	Log in online	1
27th November	CITMA Lecture – London* Update on UK IPO and UK court decisions	58VE, London EC4	1
7th December	CITMA Northern Christmas Lunch	TBC	
14th December	CITMA London Christmas Lunch	London Hilton on Park Lane, London W1	

SUGGESTIONS WELCOME

We have an excellent team of volunteers who organise our programme of events. However, we are always eager to hear from people who are keen to speak at a CITMA event, particularly overseas members, or to host one. We would also like your suggestions on event topics. Please contact Jane at jane@citma.org.uk with your ideas.

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THE TRADE MARK 20

Q&A

Chinwe Ogban



is not one to settle, as she explains

I work as... a Senior Associate at Jackson, Etti & Edu, a full-service law firm in Nigeria, and I specialise in the entire gamut of prosecution, commercialisation, securitisation, enforcement and protection of IP, including opposition, anti-counterfeiting, brand protection and litigation.

Before this role... I was a general attorney at a law firm, where I took the front-seat role in business regulatory and advisory, real estate and infrastructure, and dispute resolution.

My current state of mind is... upbeat. I am very optimistic about the resounding success that a pharma industry client will have this year as a result of the anti-counterfeiting strategies that I just prepared for it.

I became interested in IP when... as a fashion enthusiast, I had first-hand experience in purchasing counterfeit designer brands at upmarket rates. This fuelled my desire to specialise in IP practice, and provide protection against brand counterfeiters and infringers.

The best piece of advice I've been given is... "Never say it's impossible".



The emergence of a global village creates a need for a unified front in handling IP issues

My favourite mug says...
#NO GLASS CEILINGS!

In my role, I most like... advising clients on creative strategies for protecting their brands within Africa.

I am most inspired by... books. I draw great inspiration from the words of authors, the beauty and the perfection they can create in their work. I have a mini library in my room, and recently I seem to be addicted to autobiographies.

I can't live without... my glasses and my family.

My favourite place to visit on business is... Kenya, known for its wildlife safaris and game reserves.

If I were a trade mark or brand, I would be... Mercedes, because I go for the best or nothing.

In my role, I most dislike... when clients choose to settle for a lot less than they deserve due to enforcement challenges in Nigeria.

The biggest challenge for IP is... disappearing state boundaries and the emergence of a global village, which creates a need for a unified front in handling IP issues.

The talent I wish I had is... playing the violin. I feel it would have afforded me nice bonding time with my kids, who have recently taken an interest in the instrument.

On my desk is... a 3D representation of an automobile design for filing, a cup of water and some books I got at the bookstore on my way to the office.

My ideal day would include... waking up for a quick jog, cooking my favourite meal (pasta and chicken soup) and making a visit to an old people's home to help with chores and spend time with the occupants.

In my pocket is... nothing – I'm not a fan of things in my pockets.

When I want to relax, I... watch happily-ever-after movies.

In the next five years, I hope to... still be fit and flourishing.

The best thing about being a member of CITMA is... that I am kept abreast of the latest global and national trends in trade mark issues that affect my practice.

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