

WHOSE MARK IS IT ANYWAY? - BAD FAITH REGISTRATIONS

It is common for Opponents to allege that an applicant for a trade mark has made his claim in bad faith. Equally, registered marks can be invalidated on this basis. Neither the UK Trade Marks Act, nor the European Directive for harmonisation of trade mark laws provides a definition of "bad faith". This allows flexible interpretation of the concept; useful guidance has been provided in a number of recent cases.

In particular, in *Growmax v. Don & Lowe* [1999] RPC 367 the Judge indicated that bad faith included dishonesty and "dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined". In a recent decision of the Appointed Person in Registry proceedings concerning the trade mark DEMON ALE, it was held that a finding of bad faith may be fully justified, even where the applicant sees nothing wrong in his own behaviour in filing for the contested trade mark.

Although the concept of bad faith suggests that a conscious attempt to deceive may be required before the case is made out, it seems that the standard is not set so high in the context of trade mark oppositions or invalidity proceedings. Vague assertions that a mark has been filed in bad faith however will not meet with favour in the Registry or the Courts if unsupported by persuasive evidence, such as prior dealings between the parties of the type above.

These issues were considered again by the Trade Mark Registry in a recent case involving Manchester United Merchandising Limited (the trading arm of the football club) and PMAP Limited. The latter had registered "THEATRE OF DREAMS" in class 16, having previously supplied merchandise bearing this trade mark to Manchester United prior to filing the trade mark application. Manchester United were themselves owners of an earlier registration for THEATRE OF DREAMS in respect of clothing in class 25.

The football club applied to invalidate the registration, arguing that it had been filed in bad faith. The Hearing Officer held that the background to the case provided enough evidence to conclude that PMAP had acted in bad faith when applying to register the mark. In particular, he felt that it was incredible that the company was unaware of Manchester United's claim to earlier rights in the name "THEATRE OF DREAMS" since their business centred on supplying merchandise items to sporting bodies, particularly football clubs.

Following this decision, PMAP's registration of the mark was declared invalid, removed from the Register and deemed never to have been made.



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COUNTY COURT JURISDICTION CLAIMED FOR TRADE MARK INFRINGEMENT CASES

The "re-launched" Patents County Court in London has recently indicated that it will entertain cases of trade mark infringement, so long as only an injunction and costs are sought. The PCC's new judge, Michael Fysh QC concluded from his analysis of the relevant statutes that his jurisdiction extended so far, but no further; thus, if a counter-claim for invalidation or revocation of the registered mark is made, the case must be transferred to the Chancery Division of the High Court in the normal way (case ref: *Minsterstone Limited v. Be Modern Limited*).

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TAKING LIBERTIES – BAND NAME CONFLICTS IN THE NEWS

Pop groups come and pop groups go – the rapid turnover in manufactured bands, such as Hear'say or Steps, has been remarkable. Choosing a name for the new band can be just as difficult as deciding on the constituent band members, as evidenced by the recent Court case involving the pop group Liberty, runners-up to Hear'say in TV's Popstars competition. Their rights to the band name "Liberty" were challenged by another band formed in the 1990s under the same name.

Although the established band had not registered LIBERTY as their trade mark, they relied on residual reputation and goodwill in

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the name to support a claim to “passing-off” against the new group. Somewhat surprisingly, Laddie J., held that the original pop group had a sufficient residual goodwill to merit protection (despite the fact that they had not given any concerts recently or issued any new releases). The Judge appears to have been persuaded by evidence from the claimant’s witnesses that the name was still recognised by a significant number of fans.

The case highlights the difficulty involved in choosing a new name in business areas where it is not standard practice to obtain trade mark registration. Although an informal register of band names is administered by the music industry’s regulatory bodies, this is not comprehensive and searches of other common-law sources may not give the full picture.

The instant case is still unusual however; residual reputation is notoriously hard to demonstrate. Perhaps the Judge was unimpressed that the new band had received a warning letter from representatives of the existing pop group, but chose to go ahead notwithstanding.

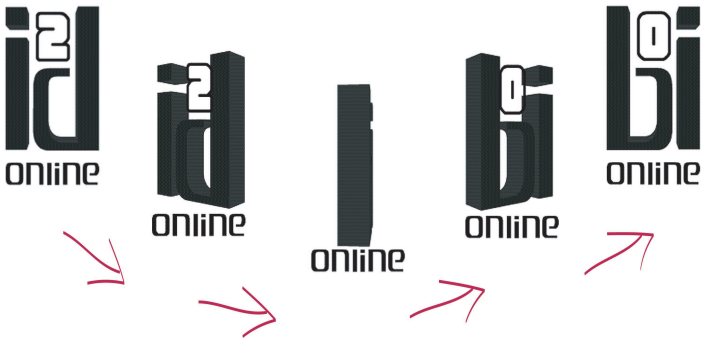
[Case ref: Sutherland & Ors. v. V2 Music Limited & Ors.]

REVOLVING TRADE MARKS - WHAT NEXT?

As technology advances, the trade mark registration system struggles to keep up. Although the category of “unusual” registered trade marks (such as smells, music or gestures) is relatively small compared to the list of word mark registrations, there is plenty of potential for innovation when creating new brands.

An example of an innovatory “sign” is a moving icon of the type which frequently appears on computer screens; recently, a major telecommunications service provider has registered a rotating globe device at the UK Registry. To satisfy the statutory requirement that the sign applied for as a trade mark is “capable of being represented graphically”, the applicant filed for nearly 250 thumbnail images in sequential order, accompanied by a written description indicating that the representations related to an animated sign which revolves and which will, on reaching the final image in the sequence, re-commence its revolution.

Such animated icons may qualify for registered design protection, in addition to that available by way of trade mark registration. It is clear from Trade Mark Registry decisions that the mark has to be “unambiguously describable” before it will be accepted as a proper representation of the right claimed. With e-filing of UK trade mark applications on the horizon, there should be increased opportunities for gaining acceptance of similar animated or moving sequence marks. This firm has recently gained acceptance of a 3D revolving icon at the UK Registry (see above).



STOP PRESS – PRACTICE AFTER BABY-DRY - DESCRIPTIVE MARKS

The UK Trade Mark Registry have just announced that they are considering far-reaching changes to their practice relating to descriptive words (and foreign equivalents) following the European Court of Justice decision in “BABY-DRY”. They have issued a draft Practice Amendment Circular for review by interest groups and the final version is expected to be released shortly. A full review of these changes will be published in the next issue of this Newsletter.

FORTHCOMING EVENTS

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| 17-19 March 2002: | Gillian Deas (Trade Mark Associate) will be attending the Pharmaceutical Trade Marks Group spring conference in London. |
| 18 - 22 May 2002: | Penny Nicholls (Trade Mark Partner), Jeremy Pennant (Trade Mark Partner) and Jill Matchett (Trade Mark Associate) will be attending the 124th annual INTA meeting in Washington DC. |



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Website: www.dyoung.com
Email: mail@dyoung.co.uk

21 New Fetter Lane, London EC4A 1DA Tel: +44 (0) 20 7353 4343 Fax: +44 (0) 20 7353 7777
Briton House, Briton Street, Southampton, SO14 3EB Tel: +44 (0) 23 8071 9500 Fax: +44 (0) 23 8071 9800