

D YOUNG & CO TRADE MARK NEWSLETTER *no.79*

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We look forward to meeting with clients and colleagues at PTMG and INTA this Spring. We will also be sharing IP know-how with start-ups and SMEs at the London Business Show in May (see below for further information). If you would like to schedule a meeting at any of these conferences then please do get in touch with us.

We are also pleased to announce that the team has been given a gold ranking in the World Trademark Review 1000 - we are grateful to those whose positive feedback contributed to this very good news.

Editors:

Jackie Johnson & Matthew Dick



Events



18-20 March 2015

ITMA Spring Conference, London, UK
Matthew Dick will be speaking about the Yourview v Youview case at this conference.

23-24 March 2015

PTMG Spring Conference, Venice, Italy
Tamsin Holman of D Young & Co's Dispute Resolution & Legal Group will be attending the spring Pharmaceuticals Trade Mark Group (PTMG) conference in March 2015.

02-06 May 2015

INTA, San Diego, US
Jeremy Pennant, Ian Starr, Jackie Johnson, Helen Cawley, Tamsin Holman and Matthew Dick will be attending the 137th Annual INTA meeting in May.

13-14 May 2015

The Business Show, London, UK
Matthew Dick and Nicholas Malden will share IP essentials for start-ups and SMEs during this show and we will be on hand to answer IP questions on stand 257.

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Opposition grounds

General Court puts the fizz back into font fight Coca-Cola v Mitico

Coca-Cola's opposition against Mitico's mark has shown that an opponent may be able to rely on evidence of how the applicant is using the opposed mark in practice, to support the allegation that unfair advantage is being taken.

Mitico's opposed application

Mitico (Modern Industrial and Trading Investment Co. Ltd) had applied to register the mark shown below, consisting of 'Master' in combination with an Arabic word, in relation to goods in classes 29, 30 and 32.



Coca-Cola opposed the application on the basis of four earlier Coca-Cola marks as well as a mark consisting of the initial stylized 'C' of the Coca-Cola logo (depicted above right - page 03). Together, the earlier marks cover classes 30, 32, 33 and 43.

The opposition was based upon confusing similarity; and the fact that the earlier marks enjoyed a reputation such that the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier marks (Articles 8(1)(b) and (5) respectively).

Board of Appeal level

Coca-Cola appealed against the rejection of the opposition, but the appeal was refused. The Board of Appeal's points included:

- The respective signs were not similar because the word elements were different and those word elements were more distinctive than the figurative parts of the marks.
- There was no similarity between the signs with the exception of the 'tail' coming from the 'M' of Mitico's mark

and the 'C' of Coca-Cola's mark.

- The script of the Coca-Cola marks, called the Spenserian script, is not owned by Coca-Cola and is freely available for any party to use.
- The Spenserian script is not particularly fanciful and therefore the consumer would not necessarily connect another sign in that script as coming from Coca-Cola.
- The way in which Mitico might be using the mark applied for (shown in evidence filed by Coca-Cola) was irrelevant for consideration of Article 8(5).
- Because the marks were not similar, Article 8(5) could not succeed.

General Court

Coca-Cola filed a further appeal. The General Court (GC) confirmed that the criteria for Article 8(5) cannot be considered if the respective signs are different; there has to be some similarity, however faint that might be.

Coca-Cola contended that the Board of Appeal was incorrect to decide that there was no similarity between the signs, particularly as it had admitted that the 'tail' was a common element in both marks, and both were in the Spenserian script.

Coca-Cola's issue was over the visual similarity. In this regard, the GC confirmed that the Arabic element of Mitico's mark was of secondary importance because the relevant consumer would not understand it.

Although the GC appreciated that there were visual differences between the signs, it also noted similarities. Of assistance for cases concerning food products, the court confirmed that visual similarity is more significant because the consumer pays attention to the packaging and labels of

> Case details at a glance

Jurisdiction: European Union

Court: General Court

Parties: The Coca-Cola Company v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM); intervener Modern Industrial & Trading Investment Co. Ltd (Mitico)

Citation: T-480/12

Date: 11 December 2014

Full decision: <http://dycip.com/cocacolavmitico>



Trade mark
no. 8 792 475



Trade mark
no. 3 021 086



Trade mark
no. 2 117 828



Trade mark
no. 2 107 118



Trade mark
no. 2 107 118

foods so that the figurative elements are just as important as the word elements.

The GC concluded that the Board of Appeal wrongly assessed the likelihood of confusion as it had divorced the 'tail' from the words. It therefore failed to conduct a global assessment, which would have taken into account the fact that the words were in the same script.

Accepting that consumers might make a link between the marks because they use the same script did not award Coca-Cola a monopoly in use of the script; but it was relevant in terms of visual comparison.

Having found a low degree of visual similarity between the mark applied for and the earlier Coca-Cola signs (not the earlier 'C' mark), the GC went on to conduct a global assessment, noting that aural similarity between the marks was of less importance, as the goods at issue were generally sold in self-service stores where the visual appearance of the product is predominant.

The GC confirmed that the Board of Appeal should therefore review the case, and take into account other relevant criteria to decide whether or not a link could be established between the marks.

Evidence of market use

Part of Coca-Cola's appeal related to the fact that the Board of Appeal had not taken into consideration evidence filed

by Coca-Cola regarding how Mitico had marketed its goods bearing the mark. This evidence included these screen shots:



Coca-Cola submitted that the evidence was relevant for consideration as to whether or not Mitico had taken unfair advantage.

The GC referred to the SPA FINDERS case in its confirmation that *"unfair advantage has been taken of the distinctive character or the repute of the earlier mark where there is an attempt at clear exploitation and freeriding on the coat-tails of a famous mark"*.

Spa Monopole, compagnie fermière de Spa SA/NV v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Spa-Finders Travel Arrangements Ltd T-67/04: to read the full decision online please see <http://dycip.com/spafinders>

The GC also referred to the L'Oréal case in which the Court of Justice of the European Union (CJ) confirmed that it was necessary to bear in mind how the objectionable mark being considered was used on packaging and bottles.

L'Oréal S, Lancôme parfums et beauté & Cie, Laboratoire Garnier & Cie v Bellure NV, Malaika Investments Ltd and Starion International Ltd C-487/07: for the full decision see <http://dycip.com/lorealc48707>

The Board of Appeal had erred by not taking into account the evidence filed by Coca-Cola; for Article 8(5) the GC can make logical deductions from the facts of the case as well as taking into account the usual practices in the relevant sector, but must also consider other circumstances which would include how the third party was using the mark applied for. Evidence such as this can be taken into account if it facilitates that analysis.

The GC could not give a ruling as to whether or not unfair advantage had been taken because the point had not been properly examined by the Board of Appeal.

This case is therefore returning to the Board of Appeal for it to re-examine the Article 8(5) grounds, taking into consideration the evidence filed by Coca-Cola.

Author:

Jackie Johnson



In short

This case is particularly helpful for Article 8(5) claims, providing confirmation that filing evidence of how a party is using the mark applied for may be taken into account.

The case confirms that, for food product cases, overall visual appearance is as important as individual word elements when comparing marks.

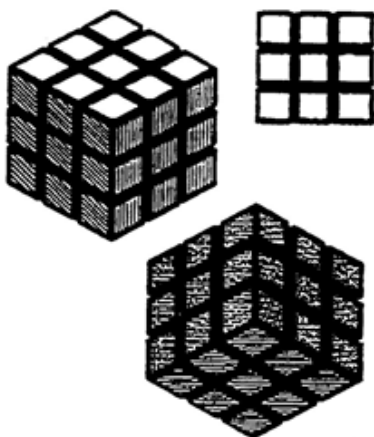
Solving the puzzle

Court confirms that Rubik's Cube is a valid shape trade mark

The General Court (GC) has recently rejected an application for a declaration of invalidity brought by Simba Toys GmbH & Co KG (Simba) against a 3D trade mark registration for the shape of a Rubik's Cube.

Background

Seven Towns has owned the following Community trade mark registration (CTM) for three-dimensional puzzles since 1999:



In 2006 Simba applied for a declaration of invalidity in respect of the CTM based on Article 7(1)(a) to (c) and (e) of the CTM Regulation.

Simba's request was rejected by both the OHIM Cancellation Division and the Board of Appeal. Simba appealed to the GC.

The key issues in the case were whether the graphical representation of the cube in the CTM involved a technical solution which would prevent the CTM from being registered under Article 7(1)(e)(ii) of the CTM Regulation, and whether the CTM was devoid of distinctive character under Article 7(1)(b).

The grounds of appeal and the decision of the GC

Simba's arguments were based on infringements of certain provisions of the CTM Regulation. The GC considered the various grounds of appeal and rejected each of them in turn, as follows:

1. Infringement of Article 76(1): OHIM should examine the facts of its own motion in proceedings involving absolute grounds.

Simba argued that the Board of Appeal had failed to identify fully the features of the CTM and, in particular, had failed to take into account the fact that the black lines on the CTM reflected the movable features of the Rubik's Cube.

The GC considered that the Board of Appeal had conducted a detailed examination of all of the arguments and evidence before it and had fully identified and considered all the features of the CTM.

2. Infringement of Article 7(1)(e)(ii): signs which consist exclusively of the shape of goods which is necessary to obtain a technical result shall not be registered.

Simba argued that the black lines present on the CTM perform the technical function of allowing the individual elements of the Rubik's Cube to rotate.

This argument was rejected by the GC which emphasized that the black lines, which form a grid structure on the CTM, did not suggest that the elements of the cube depicted were capable of being moved in a particular way.

The GC highlighted that Simba's arguments were based on prior knowledge of the fact that the Rubik's Cube in reality has horizontal and vertical rotating capabilities. However, the GC found that these properties were internal to the Rubik's Cube itself and were not apparent

from the graphical representation of the CTM.

3. Infringement Article 7(1)(e)(i): signs which consist exclusively of the shape which results from the nature of the goods themselves shall not be registered.

Simba argued that the Board of Appeal had failed to take account of the fact that the individual features of the CTM were dictated by the function of the product.

The GC rejected this argument and pointed out that 3D rotating puzzles did not need to be in the shape of a cube with surfaces that have a grid structure and in fact could take many shapes.

4. Infringement of Article 7(1)(e)(iii): signs which consist exclusively of a shape which gives substantial value to the goods shall not be registered.

Simba argued that the individual features of the shape depicted in the CTM are necessary for a 3D puzzle which encompasses the ability to rotate, along with a degree of difficulty and ergonomic functions, and therefore that the shape gives substantial value to the goods concerned.

The GC considered that Simba's argument was flawed as it focused on the functional, and not the aesthetic, aspects of the CTM.

5. Infringement of Article 7(1)(b): trade marks which are devoid of distinctive character should not be registered.

Simba argued that the CTM was devoid of distinctive character.

The GC rejected this argument and confirmed that Simba had not produced evidence demonstrating that the CTM lacked



Case details at a glance

Jurisdiction: European Union

Court: General Court

Parties: Simba Toys GmbH & Co. KG v
Office for Harmonisation in the Internal
Market (Trade Marks and Designs) (OHIM),
intervener Seven Towns Ltd

Citation: T-450/09

Date: 25 November 2014

Full decision: <http://dycip.com/rubikvohim>

The GC held that the public would not discern a direct link between the mark and 3D puzzles



8. Infringement of Article 75: OHIM should state the reasons upon which its decisions are based.

The GC held that the Board of Appeal did not need to set out its reasons exhaustively and its reasoning was sufficient in this instance.

Conclusion

The GC's decision confirms that in order for objections to succeed under Article 7(1)(e)(ii) any technical function which a shape trade mark possesses (for instance, the rotating capability of the Rubik's Cube) must be readily apparent from the graphical representation of the mark at issue, or it must be possible for the relevant public to clearly infer such functions from the representations of the mark. It will not be possible to read functionality, gained from experience with the actual products themselves, 'back' into the representation of the mark.

Author:

Anna Reid



In short

The shape of the Rubik's Cube remains a validly registered CTM.

The black lines on the CTM did not result from the alleged rotating capability of the goods, as this rotating mechanism was internal and invisible.

The CTM displayed sufficient characteristics to be considered inherently distinctive.

The case is a useful reminder of the hurdles which shape trade marks must overcome in order to be registered.

distinctive character or which showed that the CTM resembled the shape most likely to be used for a 3D puzzle. Furthermore, the GC held that the CTM displayed certain characteristics (eg, the appearance of the 'black cage' on the surface of the CTM) which made it inherently distinctive.

6. Infringement of Article 7(1)(c): trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or other characteristics of the goods shall not be registered.

Simba argued that the CTM is descriptive of a 3D puzzle in the shape of a 3x3x3 cube and that the public would understand that the black lines featured on the CTM are the result

of the rotating capability of the cube depicted.

The GC concluded that the public would not perceive a direct and specific link between the mark and 3D puzzles. Furthermore, without prior knowledge of how the Rubik's Cube operates, consumers would not perceive the black lines on the CTM as indicating that the cube in question can be rotated.

7. Infringement of Article 7(3): the absolute grounds for refusal set out in Art 7(1)(b) to (d) of the CTM Regulation may be overcome if a trade mark has acquired distinctiveness as a result of the use which has been made of it.

The GC held that the Board of Appeal was correct to have dismissed this ground of appeal as a result of finding the CTM to be inherently distinctive.

UK car rental rival case requires consumer perception from abroad

Enterprise and Europcar fight over use of 'e'

A recent decision from the High Court has provided detailed insight to the relevant public assessment for cases where foreign consumers outside the UK should be given 'cautious' consideration.

Enterprise and Europcar are well known heavy weight rivals in the car rental market worldwide, with both parties respectively sharing a sizeable 30% and 26% share of the UK car rental market. This High Court case brings Enterprise and Europcar to over 98 ongoing trade mark disputes worldwide. The present case saw both parties present a wealth of evidence, including over 30 trial bundles, 10 or more witnesses and survey evidence - a point which did not escape Justice Arnold's firm recommendation that the parties are well advised to finally settle their differences on a global basis.

This case centred around Europcar's adoption in 2012 of an 'e' logo (e-moving logo), which gave concern to Enterprise on the basis of the similarity to their 'e' logo (e logo), which has been used on its own and as part of the main corporate logo since 1994 in the UK.



Enterprise claimed that Europcar's use of the e-moving logo in three forms (on its own, with descriptive terms, or with the Europcar name) would lead to a likelihood of confusion, take advantage of Enterprise's repute and be detrimental to the distinctive character of Enterprise's earlier rights, as well as amounting to passing off.

Justice Arnold set out a thorough and detailed assessment of all factors of the case. Of particular interest were the following points.

Relevant public

As UK vehicle rental services are used by overseas nationals, Justice Arnold felt it was necessary to consider whether the average consumer in this case should take into account the perception of residents in foreign countries.

Despite the fact the vehicles were received, driven and returned within the UK, due to the transnational nature of the car rental market and diverse nationalities living in the UK, Justice Arnold found that it would be *"artificial and wrong"* to exclude the perception of customers of vehicle rental services who are resident abroad. However, he advised that the court should treat this part of the relevant public with caution since it was inevitably harder for the court to put itself in the position of such consumers.

With regard to the average consumer's level of attention, Justice Arnold found it was *"more realistic and preferable"* to recognise that consumers in the field of vehicle rental services have varying levels of attention due to their different genders, age, social group, ethnicity and country of residence.

Likelihood of confusion - context of use

Justice Arnold confirmed that the context of use could reduce the likelihood of confusion and, in such circumstances where two competitors used similar names (in this case both of similar length and beginning with the letter 'e') and the same coloured logo and corporate livery, it was possible for there to be an existing *"undercurrent of confusion"*. However, contrary to Enterprise's assertions, Justice Arnold found this did not mean that Europcar were under any special obligation to avoid exacerbating the risk of confusion.

Unfair advantage – competitive context

Enterprise relied on the recent Jack Wills case, which they felt was parallel to this present matter. However, Justice Arnold disagreed, finding the competitive context to differ between the two cases. As a leading player in the same market sector as Enterprise, Europcar is not a *"retailer trying to boost sales by adopting a feature of branded goods"*. It was therefore found that Europcar's use did not take advantage of the distinctive character or repute of Enterprise's e logo, nor unfair advantage.

Survey evidence criticism

Various criticisms were raised to survey evidence submitted by Enterprise and eventually the survey results did not provide much weight to the proceedings. Justice Arnold stated that without the survey

evidence he would still have concluded that Enterprise's e logo had enhanced distinctive character. However, if we look to Justice Arnold's assessment of Europcar's criticisms, the following points are of interest:

- Surveys which involve stopping people in the street and asking questions in response to a stimulus should be treated with caution. This does not mean surveys conducted in this manner cannot be relied upon.
- Surveys conducted after the relevant date (ie, when the third party starts use of the conflicting sign) were found to be almost inevitable. That in itself does not mean surveys cannot shed light on the position at the relevant date, assuming there has been no material change in circumstances during that time. Further, a timespan between each survey being conducted should not give reason to think the results of separate surveys would be materially different.
- It is reasonable for surveys not to centre solely on the relevant class of person. It is preferable to design surveys such that they include both those who are knowledgeable of the relevant market and those who are not. This would favour the other party's position (in this case Europcar).
- It is not necessary to include a control sample as these do not necessarily assist the court. There is also no requirement for an opinion of the survey results to be provided, as the court will undertake this.
- The surveys did not show that consumers relied on Enterprise's e logo as a badge of origin, but they did show that a significant percentage of the relevant class of persons recognised the logo and associated it with Enterprise. Given in this case it was a logo (rather than a shape or other characteristic of a product or service) and that it had clearly been used as a trade mark, there was no reason to think that the surveys did not amount to evidence of distinctiveness.

Justice Arnold concluded that the marks only had a low degree of similarity which pointed away from a likelihood of confusion. The three separate types of use made by

➤ Case details at a glance

Jurisdiction: England and Wales

Court: High Court of England and Wales

Parties: Enterprise Holdings Inc v Europcar Group UK Limited and Europcar International SASU

Citation: [2015] EWHC 17 (Ch)

Dates: 8-12, 18 December 2014

Full decision: dycip.com/2015ewhc17

Europcar was another factor that could have reduced the likelihood of confusion to varying degrees. However on the basis of the evidence submitted of actual confusion, it was found that there was a likelihood of confusion for each of the three types of use complained of. The judge commented that he would have hesitated to reach the same conclusion regarding use of the e-moving logo with descriptive terms or the EUROPCAR name, if no evidence of actual confusion had been shown. Based on the findings of reputation, enhanced distinctiveness and likelihood of confusion, the claim for passing off was also successful.

Author:

Wendy Oliver



In short

Despite services being provided in the UK, consideration should still be given to the relevant public who use the services and are resident outside of the UK.

In assessment of a likelihood of confusion it is necessary to consider the context of use made.

If two parties are both market leaders in the same market sector this would lessen the perception that unfair advantage was gained.

It is reasonable for survey evidence to be conducted after the relevant date and desirable that it includes both respondents who are knowledgeable of the relevant market and those who are not.

trade mark and registered design infringement

Whitby v Yorkshire Ice cream van infringes trade mark and designs

The High Court of England and Wales has found there to be infringement of certain ice cream van designs and a related trade mark in an interesting case

which serves to illustrate the High Court's approach in assessing individual character, particularly with regard to the validity of registered designs of specialist vehicles.

Whitby's Mondial van designs v Yorkshire's Millennium van designs

Whitby Specialist Vehicles (the claimant) is the largest manufacturer of ice cream vans (which are adaptations of existing vehicles) in the UK.

Whitby sought to enforce a number of UK design rights relating to various aspects of their "Mondial" ice cream van (concerning its external appearance) along with a UK registered trade mark, against Yorkshire Specialist Vehicles (the defendant). Yorkshire had made up to 30 vans which were considered to be infringing.

The validity of the registered designs

The earliest prior art was considered to be an earlier Whitby design for another ice

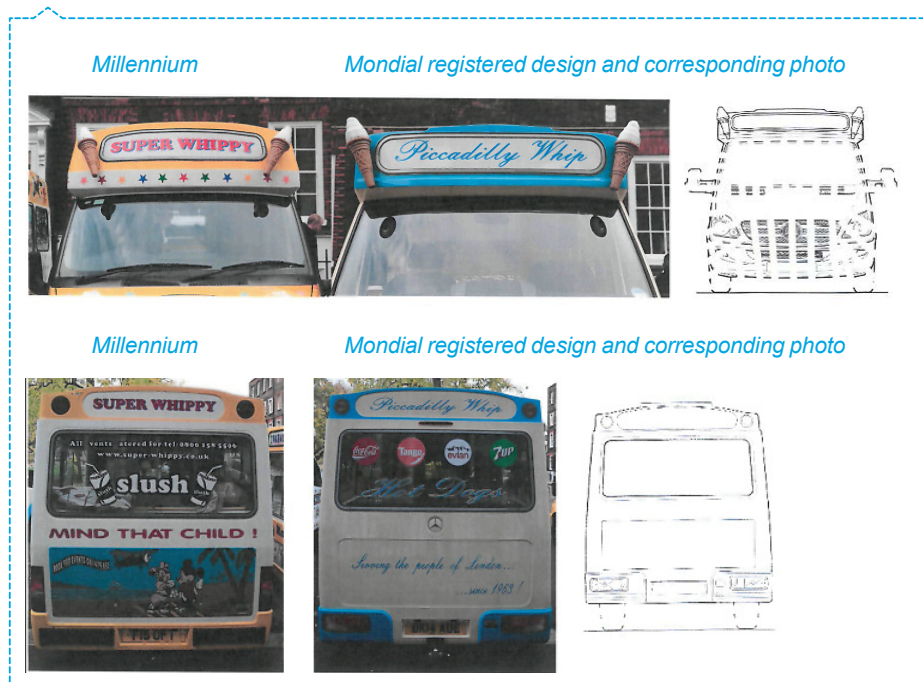
cream van named the "Millennium". The designs of the Mondial van are shown below alongside the Millennium van designs. Whitby had accepted that the design of the Mondial was not revolutionary but rather an evolution of the Millennium model and that the registered designs had a relatively narrow scope of protection as a result of the fact that it was not a significant departure from the design corpus.

Whitby argued however that the Mondial design was still novel and had individual character. The judge agreed. He said that the Mondial design produced a different overall impression on the informed user, from whose viewpoint the designs must be compared, who is particularly observant, either because of personal experience or extensive knowledge of the sector in question.

Infringement of the registered designs

Mr Justice Arnold concluded that despite there being "minor differences" between the design of Yorkshire's van and the registered design, the designs were obviously similar and therefore infringement was found.

Continued on page 08...



D YOUNG & CO INTELLECTUAL PROPERTY

And finally...

Continued from page 07...

Whitby v Yorkshire Ice cream van infringes trade mark and designs

Infringement of the registered trade marks

To add salt to the defendants' wounds, the judge also found that Yorkshire infringed Whitby's registered trade mark by using the wording WHITBY MORRISON on one of the copied panels of the vans. This identical mark was registered as a word only trade mark in 2000 by Whitby for ice cream vans and their parts and fittings.

Liability of the fourth defendant

The father of the two individuals against whom the action was brought was also sued. The judge found that he had both primary and joint liability for all of the design infringements by virtue of the fact that he had the requisite reason to believe that the copying of Whitby's

Mondial model was indeed an infringement.

Author:

Richard Burton



In short

The case provides a useful reminder that when assessing the validity of a registered design, it must produce a different overall impression on the informed user when compared with earlier designs in order for the design to be valid and enforceable.

Even where the scope of a registered design is relatively narrow in certain circumstances, infringement will be found where two designs are sufficiently similar.

Case details at a glance

Jurisdiction: *United Kingdom*

Court: *High Court of England and Wales*

Parties: *Whitby Specialist Vehicles Ltd v Yorkshire Specialist Vehicles Ltd & Amer*

Rubani, Omar Rubani and Ghulam Rubani

Citation: *[2014] EWHC 4242 (Pat)*

Date: *17 December 2014*

Full decision: <http://dycip.com/whitbyvryorkshire>

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