

D YOUNG & CO TRADE MARK NEWSLETTER^{no.67}

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In this issue:

MIP Global Survey 03

D Young & Co Top Tier for Trade Marks

Pedal Power 04

SQUADRA Proves a Little (Evidence) Can go a Long Way

Bye Bye Best Buy? 05

US Electronics Multinational Fails to Prove Distinctiveness Acquired Through Use in UK

Likelihood of Confusion is Lost in Translation 06

Tesa v OHIM - Superquímica (tesa TACK)

Invalidity Proceedings Against a Registered Design 07

Gardecó Limited v La Hacienda Limited

Also featured: 'CTM Shake Up?' and 'Reader Survey'

Feathers Fly in the General Court Chianti Fails to Stop French Rugby's Rooster Mascot



Full story [Page 02](#)



Time flies when you are having fun and, unbelievably, this edition is the 100th D Young & Co IP newsletter! We have been landing on your desks (or in-boxes!) for 12 years now and thought it would be good to check on your views - so we are running a mini survey in the hope of getting your feedback on different aspects of this publication. It would be great if you could give us a few minutes so that future issues can bring even more of what you would like to read. Details and a link to the survey are on page 8 - and there may also be some champagne coming your way as a small thank you.

Just as we go to press, we are delighted to announce another reason to celebrate. MIP have again ranked D Young & Co as a top tier UK trade mark firm in their global IP survey. Our thanks to those of you who were contacted by MIP requesting feedback about our trade mark practice.

Editor:
Vivienne Coleman



Events



20-22 March 2013

ITMA Spring Conference

Richard Burton will be presenting "Genuine Use of a Trade Mark and How to Prove it" during the afternoon sessions on Thursday 21 March at the ITMA Conference in London, UK.

04-08 May 2013

INTA Conference

Join us at INTA in Dallas, US this May. Jeremy Pennant, Ian Starr, Tamsin Holman, Helen Cawley and Gemma Kirkland of the D Young & Co Trade Mark and Dispute Resolution & Legal Groups will be at the conference this spring.

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Article 01

Feathers Fly in the General Court Chianti Fails to Stop French Rugby's Rooster Mascot

Consorzio vino Chianti Classico (Chianti), the body responsible for promoting and protecting the Chianti Classico denomination, with their long established black rooster logo, has failed to stop Fédération Française de Rugby (FFR) from registering a Community trade mark (CTM) which predominantly consists of a rooster design.

The rooster marks

FFR's CTM application is a figurative mark which consists of a shield device bearing a rooster and the letters 'F.F.R.'. It covers 'alcoholic beverages, except beer' in class 33:



Chianti filed opposition to the application based on their well-known status in France and Germany, along with their earlier existing UK and Italian Collective marks covering class 33 for 'wines of the area of Chianti':



Findings of the Opposition Division

The Opposition Division upheld the action, finding that FFR's mark was confusingly similar to Chianti's earlier UK mark and so, in accordance with

Article 8(1)(b), it should be cancelled.

Findings of the Board of Appeal

FFR took the case to the Board of Appeal who overturned the decision, finding that despite the enhanced distinctiveness of the earlier marks, and the identity of the goods, the marks were 'sufficiently distant'.

In the overall assessment the Board of Appeal found that:

- visually the marks had only a limited degree of similarity;
- phonetically the marks were clearly dissimilar; and
- conceptually the marks were neutral, based on the different rooster styles and the overall shape, where the earlier marks took on a 'official seal/ stamp' style whereas the later CTM was more akin to a 'shield' shape.

Findings of the General Court

Following the decision, Chianti filed an appeal to the General Court claiming a misapplication of Article 8(1)(b) as well as Article 8(2)(a)(ii) and Article 8(2)(c). They argued that consideration was not given to their well-known status in France and Germany.

In support of their arguments Chianti stressed that the earlier marks had an enhanced distinctiveness. They argued that the recognition of the rooster design by the public was now so intrinsically linked with the Chianti wine that it led to a phonetic similarity. Chianti suggested that consumers would request their drinks by describing the marks by their common defining element, ie, the rooster.

The Court immediately dismissed these notions on the basis that the general public do not form an association where figurative elements in marks are depicted in very different colours. Also, consumers

MIP Global Survey D Young & Co Top Tier for Trade Marks

A cockfight in Court over rooster mark application



would not describe the figurative item of the brand but would instead request the drink by orally referencing the word element that served to identify the brand, eg, from a wine list or similar.

Therefore, the fact that the roosters in each case were different colours (FFR's being a 'striking' orange and Chianti's being solid black), and that that the brand name of each company was in no way similar (regardless of which language the consumer had knowledge of) the Court could not conceive consumers would be confused.

The Court also ran through a detailed dissection of the Board of Appeal's assessment of the visual, phonetic and conceptual similarity between the marks and found their conclusions were essentially correct.

Therefore, despite the identity of the goods, the Court agreed there was only a low degree of similarity and no likelihood of confusion existed and the Board of Appeal's decision in FFR's favour relating to Article 8(1)(b) was upheld.

However, in the judgment, the Court annulled the Board of Appeal's decision as far as their rejection of the Article 8(5) grounds of opposition. The Court held that the Board of Appeal did not 'examine all conditions applicable to that provision'.

Article 8(5)

"Upon opposition by the proprietor of an earlier trade mark...the trade mark applied for shall not be registered where it is identical with, or similar to, the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where, in the case of an earlier Community trade mark, the trade mark has a reputation in the Community and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where 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 trade mark."

At the Hearing OHIM said they had confined their examination in this way for 'reasons of procedural economy'.

The Court pointed out that despite OHIM's omission, the Board of Appeal was wrong not to open up their assessment to include reputation in France and Germany.

Author:

Wendy Oliver

The Managing Intellectual Property (MIP) World IP Survey has once again ranked D Young & Co as one of only two top tier UK trade mark prosecution practices. This year's results mark the sixth consecutive year that we have been placed in the top tier category for trade mark services.

Managing
Intellectual
Property

WORLD IP SURVEY
TOP TIER FIRM 2013

We are also delighted to have been shortlisted to receive the Trade Mark Prosecution IP Firm of the Year Award in the Managing IP Global Awards 2013, an award that we were proud to receive in 2012.

Now in its eighth year, the 'MIP Global Awards' recognises the firms behind the most innovative and challenging IP work of the past year. The winners will be announced at an award ceremony which will take place in London on 17 April 2013.

It has been a fantastic year for the team, with top tier rankings from Chambers, Legal 500 and the World Trademark Review (WTMR 1000). To be included in the rankings and achieve top tier results, a firm must have received a large number of recommendations from peers and clients. We are extremely grateful to our clients and professional associates around the world for their continued support and positive comments.

Author:

Rachel Daniels



Useful links:

www.dyoung.com/news

www.dyoung.com/recommendations

<http://dycip.com/mipsurvey2013>

<http://dycip.com/miptmawards2013>

Pedal Power SQUADRA Proves a Little (Evidence) Can go a Long way

This case concerns the extent to which a low level of evidence can be challenged as not being sufficient to establish genuine use, following an application for revocation of a registration on the grounds of non-use.

In 2002, Mr Kevin Dakin, who was a former amateur racing champion, registered the trade mark SQUADRA and design (see below) in respect of bicycles in Class 12:



In 2010, Condor Cycles Ltd filed an application seeking revocation of this mark on the grounds of non-use. They alleged that extensive enquiries had been undertaken and no evidence of use of

the registered mark could be found.

In Mr Dakin's evidence, he claimed to have produced and sold high quality bicycles on a continuous basis since 1992. He claimed that the mark in question was used in the form as registered on the frame of the bicycles and was also represented on invoices and part of the general promotion of the SQUADRA business. Mr Dakin's bicycles currently retail for between £4,000 and £12,000 and he provided sales figures for every year between 1992 and 2011. Twenty invoices from around the UK were exhibited dating from 2002 to 2009, with prices from £700 upwards for the bicycle frames.

The evidence from the applicant for revocation merely challenged the veracity of Mr Dakin's evidence, both in terms of the dates that appeared on some documents and an allegation that the invoices may have been fabricated for the purpose of these proceedings due to an incorrect value added tax (VAT) reference.

Mr Dakin filed two witness statements in reply. In these, he stated that there had not been a continuous period of five years during which the mark had not been used. However, he also explained that he was a small business and many of the documents relating to the relevant five year period were no longer available to him, or were no longer in existence, including, for example, business cards that were used from 2000 until 2008. He also supplied copies of Facebook pages with photographs of individuals to whom he had sold his bicycles, where the mark in question could be clearly seen.

The hearing officer considered all of the leading authorities in seeking to reach a conclusion as to whether or not Mr Dakin had effectively established genuine use. She noted in the case of HIPOVITON that *"the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party ... to produce additional evidence to dispel possible doubts as to its genuineness"*.

However, in reaching a decision

that Mr Dakin had shown the mark to be used within the relevant period, she expressly referred to the comments of Mr Richard Arnold QC sitting as the Appointed Person in the case of EXTREME where he considered evidence and a witness statement which was not "obviously incredible". In this case, he indicated that it was up to the opposing party to either give the witness advanced notice that his evidence would be challenged, or challenge the evidence in cross-examination or produce evidence to contradict the witness statement in question. Without doing so, he confirmed that it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.

The Hearing Officer concluded that, whilst Mr Dakin's evidence was not complete or comprehensive, she did not find it "obviously incredible". Indeed Mr Dakin had provided an explanation for the paucity of evidence. In the circumstances she had to determine the matter on the balance of probabilities.

Failure of the applicant for revocation to file greater evidence, or to cross-examine Mr Dakin (they did not attend the Hearing, nor file written submissions in advance of the Hearing), may have contributed to the decision to reject the application for revocation.

The case confirms that it is not uncommon to find parties in proceedings before the Registrar making submissions about unchallenged evidence which, in effect, amounts to cross-examination of a witness in his absence and then invite the Hearing Officer to disbelieve or discount the evidence. Mr Richard Arnold QC stated in EXTREME that hearing officers should guard themselves against being beguiled by such submissions.

Although the registration was saved, it is interesting to note that Condor Cycles still appear to be offering for sale bicycles under the SQUADRA trade mark. Either the parties have resolved their differences and reached some kind of agreement, or the dispute is rumbling on and we may see the next instalment before the Courts.

Author:
Jeremy Pennant



Bye Bye Best Buy?

US Electronics Multinational Fails to Prove Distinctiveness Acquired Through Use in UK

Best Buy applied to register its trade marks BEST BUY and BEST BUY (Device, as shown below) in the UK. The applications were made for various services but this case specifically involves their interest in retail services (class 35).



Their applications (filed on 4 May 2010) were initially refused on the grounds that the word mark BEST BUY was inherently descriptive and devoid of distinctive character. Their BEST BUY device was also refused as being inherently descriptive and devoid of distinctive character and the Hearing Officer also considered that the yellow swing tag device was unlikely to alter the public's perception of the trade mark.

In the Appointed Person's decision, Best Buy did not challenge these initial findings. Instead, the Appeal focuses on the Hearing Officer's findings in relation to the evidence of use filed to support the claim that the trade mark had acquired distinctiveness through use.

Best Buy's evidence fell into three types and included:

1. Press articles - these related to the joint venture between Best Buy and Carphone Warehouse;
2. Publicity - consisted of Best Buy's media campaign surrounding the launch of their first retail store; and
3. Their social media presence.

Best Buy argued that the Hearing Officer had erred in the conclusions reached on the basis of the evidence filed.

In relation to the press articles, Best Buy had included articles from the Guardian and Financial Times online which reported on the joint venture with Carphone Warehouse and their plans to open stores in the UK. There

BEST BUY failed to prove that the average UK consumer would find their mark distinctive



was also Best Buy's own press release on this which appeared on their UK website. Evidence also included staff recruitment drives in Thurrock and Southampton. The Hearing Officer considered that these articles may have been read by the general public but were more likely to be directed to other retailers with similar goods in the UK, especially given the main focus was on the joint venture.

In terms of the extent of the articles, none were for a sustained widespread advertising campaign aimed at the general public. The Hearing Officer concluded that the level of national exposure was very low and would not provide a re-education of the average consumer as to the provenance of the mark such that they would exclusively associate it with Best Buy. On considering this point, the Appointed Person viewed this evidence as, at best, background material and the Hearing Officer had not erred in her conclusion by affording them insufficient weight.

With regard to the evidence provided showing the publicity surrounding the store opening, this consisted of a significant distribution of leaflets to local people in Thurrock, poster and billboard campaigns, adverts on local radio stations and a full page advert in the Metro (London's free paper) on the day the first store opened. The Hearing Officer viewed this evidence as having a very limited geographical reach and the evidence provided was insufficient to demonstrate acquisition

of distinctive character on a national scale. The Appointed Person again agreed with the Hearing Officer's assessment of the evidence.

Evidence on Best Buy's social media presence included print outs from Best Buy's website and its activities on Facebook, Twitter, Flickr and YouTube, all of which showed their trade marks. The Hearing Officer was criticised for not taking into account this evidence. However, the Appointed Person confirmed that *"the duty to give reasons cannot be turned into an intolerable burden and not every factor needs to be identified and explained"*.

Best Buy also provided a statement from InterbrandDesignForum stating that of the most valuable US retail brands in the US in 2009, BEST BUY was number two. The Hearing Officer said that this evidence related to the US and was not relevant for the UK.

Despite the arguments and evidence put forward by Best Buy's attorney, the appeal was unsuccessful.

This case reinforces the importance of good and relevant evidence in cases of distinctiveness acquired through use. In particular, the significance of use throughout the UK to support a claim.

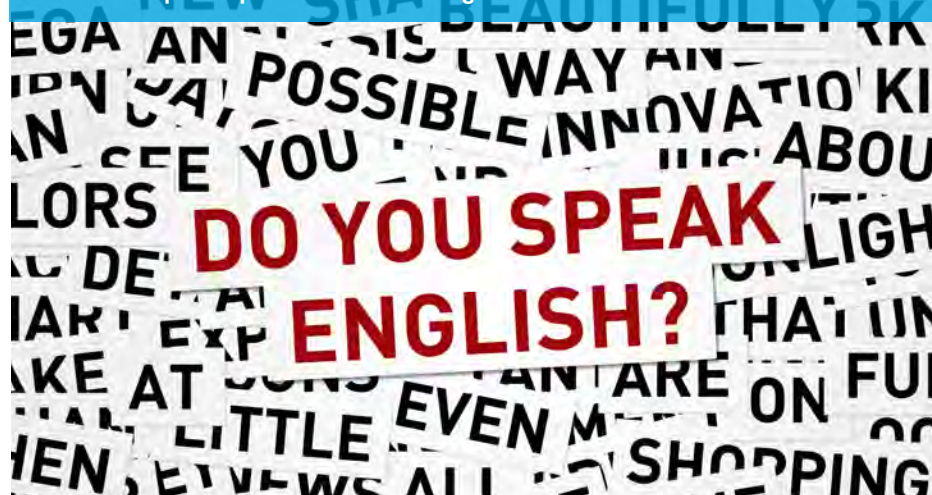
Author:
Helen Cawley



Likelihood of Confusion is Lost in Translation

Tesa v OHIM - Superquímica (tesa TACK)

The relevant Spanish public would not recognise “TACK” as a familiar word



The Background

The contested mark was a Community trade mark (CTM) application in the name of Tesa SE for ‘tesa TACK’ & Device (see below). The mark was applied for in relation to “self-adhesive products for office and household purposes” in Class 16.



The opposition filed by Superquímica SA was based on Article 8(1)(b) CTMR and an alleged likelihood of confusion with their earlier Spanish national application for ‘TACK Ceys’ & Device (see below), which was registered for “Bands, strips, sheets and adhesive matters for stationery or the household; plastic sheets for packaging” in Class 16.



Board of Appeal decision

The OHIM Opposition Division found that there was a likelihood of confusion between the marks. Tesa SE appealed to the Board of Appeal, which upheld the OHIM decision. The Board found that the relevant public included, on the one hand, the average, reasonably well-informed and reasonably observant and circumspect Spanish consumer and, on the other, Spanish professionals with a

high level of attention. Further, it considered the goods in question to be identical. With regard to the marks, the Board found that there was a certain degree of visual and aural similarity, in particular owing to the presence of the common word “TACK” in both marks. The Board found that the two marks could not be compared conceptually since the signs had no recognised meaning in Spanish but concluded that there was, in any case, a likelihood of confusion for the purposes of Article 8(1)(b) CTMR. Tesa SE appealed the decision to the General Court.

Appeal to the General Court

The General Court first acknowledged the finding by the Board that the goods were identical. Comparing the marks, the Court found that visually the relevant consumer would, in its perception of the earlier mark, consider the word “TACK” to be particularly important because of its size, its red colour, its typeface and its position at the beginning of the sign. By contrast, the word “ceys” was smaller and positioned within a black rectangular arrow which points towards the word “TACK”. The Court found that the applicant’s argument that the two marks were dominated, from a visual point of view, by the distinctive elements ‘tesa’ and ‘ceys’ was unfounded. Further, the fact that the relative positioning of the word “TACK” in each of the marks was reversed was not important enough to affect the finding of a certain degree

of visual similarity. Additionally, as the Board observed initially, in both signs, the word “TACK” was written in bold, coloured upper-case letters and, in addition to the common word element “TACK”, the marks at issue also shared other similar visual elements (such as the structure of the marks and the elements “tesa” and “ceys” each containing four letters).

In assessing the relevant public, the Court upheld the finding of the Board that a large proportion of the relevant Spanish public did not understand English and, even for those that did, Tesa SE had failed to show that the common element “TACK” was a familiar word. In fact, according to an EU Commission survey relied on in the opposition, only 27% of the Spanish population had sufficient skills in English to have a conversation in English. Moreover, the Court recognised that the word “TACK” had several meanings in English, while it had no meaning in Spanish. Tesa SE’s argument that the word was considered by the relevant public to be descriptive of the goods at issue, was therefore rejected.

The Court upheld the finding of the Board of Appeal that there was no conceptual similarity, despite the prominence of the word “TACK” in both marks and its position at the beginning of the earlier mark, which contributed to a certain visual similarity of the marks. It therefore concluded that in relation to identical goods, there was a likelihood of confusion between the marks under Article 8(1)(b) CTMR.

Comment

This case highlights the fact that whilst word elements are common (and generic) in some languages of the EU (such as English), they are not always known by the relevant public. In this case, the meaning of the common element “TACK” was not known to the majority of the relevant Spanish public. Therefore, the importance of the comparison shifted to the visual and aural impressions. On this basis, the marks contained a degree of similarity which, in relation to identical goods, was sufficient to reach a finding of a likelihood of confusion.

Author:
Richard Burton



Invalidity Proceedings Against a Registered Design Gardeco Limited v La Hacienda Limited

Gardeco Limited obtained a Registered Design in the UK for “a conical steel chimenea with stainless steel rim around the mouth” as shown in the illustration shown in figure 1 (right).

La Hacienda Limited sought to invalidate this Registered Design under section 1B(1) of the Registered Designs Act 1949, which relates to the requirement that designs must be new and have individual character, in comparison to others that have been made available to the public. The invalidation action was based on its earlier Registered Design, shown in figure 2 (right).

In its statement of case Hacienda submitted that:

1. there was not “clear-blue water” between the designs;
2. that the difference in the mouths of the two designs was not sufficient to provide individual character;
3. that none of the features of the designs are dictated by function (so there is no limitation on design freedom); and
4. that both products are chimeneas and thus the similarity is greater.

Gardeco denied the claims and highlighted the differences between the opening mouth shape, the difference in the top piece, the different arrangement of the feet and the sleek, modern look of its design compared to the gothic, traditional look of Hacienda’s prior right.

In assessing novelty, the Registrar agreed that it was necessary to consider the similarities and differences between the two designs but stressed that the crux of the matter still amounted to one of overall impression. He acknowledged that the outline shape of each design was very similar but cautioned that many chimeneas have a similar structure, and consequently similar outline, because they have common features borne of function including having feet, a wide bottom section in which the fire



Figure 1:
Gardeco Limited
UK Registered
Design



Figure 2:
La Hacienda
Limited earlier
Registered Design

burns and a narrower top section to draw the smoke away. Despite this he accepted that it was possible to make chimeneas in a wide variety of shapes. He felt that there was a strong similarity between the feet of the respective designs but that the shape of the mouth was significantly different, as were the design characteristics of the lids. He considered that the four aspects of the design which the informed user would appreciate as contributing to the overall impression of the designs were the outline shape, feet, mouth and lid and on those aspects there were clearly some similarities and some differences.

However, despite the similarities identified, the Registrar came to the conclusion that the differences were sufficient to create a different overall impression between them and, consequently, Gardeco’s design was novel. The request for invalidation therefore failed.

Author:
Vivienne Coleman



Useful links:

Consolidated edition of the 1949 Registered Designs Act (pdf):

<http://dycip.com/ukiporegdesignact>

CTM Shake Up? Latest Rumours of Change Following Max Planck Study

In March 2011 the Max Planck Institute for Intellectual Property and Competition Law released its much anticipated study on the overall functioning of the European trade mark system. The study contained many recommendations for changes to the current system and has subsequently been considered by the European Commission. Although the European Commission is yet to publish its proposals, rumours are circulating that the Commission will soon propose the following key changes:

- Community trade marks (CTMs) to be renamed European trade marks (ETMs);
- CTM application costs in once class to be reduced, however applicants will no longer be able to get protection in up to three classes for a standard price;
- OHIM to become the European Union Trade Marks and Designs Agency (presumably EU TMDA or TMDA);
- Graphical representation requirement removed for CTMs;
- National offices to abandon examination on relative grounds (for any that still have this).

With no official document published by the European Commission, uncertainty remains as to what will be formally proposed for consultation. It should be noted that any proposed changes will have to be approved by European Union member states before they can come into effect. Once officially published proposals have been fully detailed by the Commission itself we will be in a position to advise further. We await that time with interest.

Author:
Richard Burton



Useful links:

<http://dycip.com/max0512>

<http://dycip.com/eucommission>

D YOUNG & CO INTELLECTUAL PROPERTY

And finally...

Reader Survey

Win a Bottle of Champagne
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We are proud to note that this edition of the trade mark newsletter is our 100th D Young & Co IP newsletter. Our trade mark newsletter was launched during 2001 and our first patent newsletter was published in 2007. We are sure that our original editors Penny Nicholls (trade mark partner), Ian Harris (patent partner) and our many contributors over the years, will be pleased to see us reach this editorial milestone.

We hope that our regular readers, and those who have picked up this publication more recently, have found our articles of interest. At D Young & Co we consider the sharing of IP knowledge to be a vital aspect of our client care. For this reason, we are keen to hear

your thoughts about the content, style and format of our newsletters, as well as more practical issues such as how you receive them and prefer to read them (online or paper copy for example). Based upon your feedback, we will act upon your suggestions and implement improvements over the coming year.

If you are able to spare us a few minutes of your time to complete a short online survey we would be very grateful. By way of thanks we will enter you into our draw to receive a bottle of champagne. Good or bad, we welcome your comments!

To complete the survey please visit
www.dyoung.com/tmnewslettersurvey

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