D YOUNG[&]CO TRADE MARK NEWSLETTER^{no.121}

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3D trade marks in Europe Just how safe are

your registrations?



Editorial

This edition of our newsletter publishes at a time of plans and projects, with arrangements for INTA's 2022 Annual Meeting Live+ occupying many readers. The D Young & Co team is preparing to attend and we look forward to meeting up with and collaborating with our trade mark colleagues very soon - do get in touch if you would like to meet during the conference.

In other news, hot off the press, in addition to our recent WTR 1000 top tier ranking (see page 8 for more on that), we are very pleased to learn that we are once again recommended as a top tier UK trade mark practice by IPSTARS (Managing IP). We appreciate and are hugely grateful for the positive feedback received from our clients and peers via the directory's research.

Matthew Dick Partner, Solicitor

Webinars

UK and EU design protection - to Hague or not to Hague, that is the question! On demand

Design specialist William Burrell compares design protection in the UK and EU via the UKIPO and EUIPO or via the Hague. Four key considerations are 1) design scope differences 2) publication issues 3) examination issues, and 4) costs.

www.dyoung.com/webinars

Events

INTA Annual Meeting Live+

Washington DC, US, 30 April - 04 May 2022 Members of our UK and German trade mark and legal teams will be attending the INTA conference in Washington DC.

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3D trade marks in Europe Just how safe are your 3D registrations?

couple of recent cases have again highlighted the possible inconsistencies and lack of guarantees that would give brand owners with threedimensional marks the comfort they need concerning the protection and enforcement of their rights in the European Union.

The first case we are going to look at was where Volkswagen, which has been selling its well-known VW camper vans since they were originally conceived in the 1950s, wanted to rely on its earlier trade mark rights to prevent the registration of this mark:



Figure 1

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Volkswagen own a number of trademark registrations for their Camper Van the most relevant being:

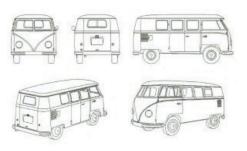


Figure 2

These were registered as a 3D trade mark at the EUIPO.

Another German company, by the name of European flipper/pinball factory, sought registration of the Cultcamper logo mark (figure 1, above) in respect of a range of goods and services including vehicles in class 12.

Unsurprisingly, Volkswagen opposed; however, the EUIPO Opposition Division held that the marks only had a low degree of similarity and thus rejected the opposition. Undeterred, VW appealed arguing that the design element of the mark applied for was the dominant element and, perhaps with greater conviction, that the design element was virtually identical to the front on image in their 3D mark (the image shown to the top left of figure 2).

The Board of Appeal agreed and issued its decision overturning the first instance outcome.

A 3D trade mark should be deemed to lack distinctive character only:

"if it does not depart significantly from the norms and customs of the sector concerned"...

"faced with the image of the mark applied for, the relevant English-speaking public in the EU will perceive that mark as another version of the earlier marks, rather than as a separate trade mark with a different commercial origin"

It is noteworthy that the applicant neither contested the appeal nor sought to counter with a challenge regarding the validity of VW's marks.

Keeping that point in mind let us look at another case decided just a couple of weeks ago regarding another well known 3D mark.



Figure 3

Related guide



Read our guide to registered designs at www.dyoung.com /guide-designs

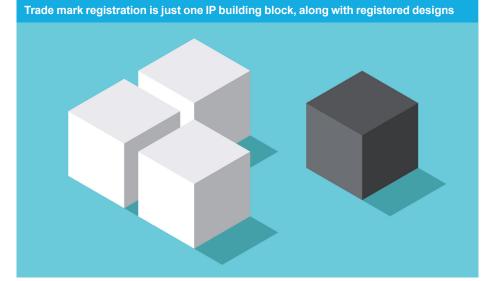
The background to this case was that Tecnica, an Italian manufacturer of ski wear and kit, had taken action against Zeiteneu, a German business, alleging that their footwear infringed its famous and iconic moon boot, shown on page 02, for which an EUTM registration had been obtained in 2011. Not succeeding in obtaining a declaration of non-infringement during the proceedings before the courts in Venice, Zeiteneu then applied to revoke the registration at the EUIPO.

In respect of footwear in class 25 the Cancellation Division agreed that the mark should be declared invalid, a decision which was upheld by the First Board of Appeal. As a result, a further appeal was filed by Tecnica up to the General Court which issued its judgment on 19 January 2022.

The General Court came back to the same central point raised in both the Guerlain lipstick (see figure 4, below, and our article on this 3D mark case reported in the September 2021 issue of our newsletter *http://dycip.com/guerlain-lipstick*), and the Cultcamper cases, namely, that:

"only a three-dimensional mark, consisting of the appearance of the product itself, which departs significantly from the norm or customs of the sector" (para 88) can possess sufficient distinctive character and thus be registrable.





Whilst this now seems to be the accepted test, we wonder whether there is an inconsistency here.

What is the sector here? Is it footwear in general, or is it the very specific and narrow range of "after-ski boots"? The court decided the latter. That is probably right. We have seen a range of fashions on display at INTA and other trade mark conferences over the years; however, the moon boot has yet to make an appearance. What is concerning then is that the court then went on to hold that the relevant consumers were not just skiers (who might have a higher level of attention when buying skiwear, but instead they deemed them to be the general public in all the EU member states. As such, they concluded, relevant consumers would have an average level of attention.

One wonders if they had actually applied a more likely commercial test, that is to say with skiers likely to be the only purchasers of "after-ski boots", whether they would then have reached the same conclusion. Accordingly, the General Court upheld the decision that the mark lacked distinctiveness for class 25 goods with..."the shape of the contested mark corresponds to the common shape of after-ski boots, which generally consist of a high shaft, often in a light synthetic material, with soles and laces" (para 98). It is notable that Tecnica had been successful in pursuing copyright claims based on its boot design against third parties in the Italian courts.

So what is the take home point?

In short

These cases serve to remind us, following a long list of other high profile failures including, for example, the Voss water bottle, about the perils of relying on 3D trade mark rights alone and that clients with such marks should consider what other forms of IP protection might also be available to strengthen their rights as fully as possible. We are finding that for such marks trade mark registration is just one of the building blocks to be used, increasingly, along with registered designs.

Author:

Jeremy Pennant

Non-use revocation

Non-use revocation of "TRUE NORTH" Victory for the small fish in a big pond

> Case details

Jurisdiction: United Kingdom Decision level: UKIPO (first instance) Parties: Scottish Seafood Investments (proprietor) and Cooke Aquaculture Scotland (applicant for revocation) Date: 21 December 2021 Link to decision (pdf): https://dycip.com/ tm-truenorth

rural Scottish salmon company facing non-use revocation, retained its registration for salmon and related goods, representing at least a partial win for small rural businesses with only local and seasonal sales. Whilst no singular piece of evidence was decisive, genuine use was inferred by piecing together various pieces of evidence to form a complete "evidential picture".

The UKIPO confirmed in its decision of 21 December 2021 that a relatively small amount of use of TRUE NORTH in a local deli and restaurant is sufficient for genuine use.

This decision reiterates the fact that there is no *de minimis* rule and that a global assessment should look at the evidential picture as a whole, rather than assessing whether each individual pieces of evidence showed use by itself.

Background

In 2015, Scottish Seafood Investments Limited (the proprietor) registered the word mark TRUE NORTH for various salmon and fish related products in class 29. A non-use revocation action was filed by Cooke Aquaculture Scotland Limited (applicant for revocation) in 2020.

Half of the proprietor's publically disclosed evidence related to sales of TRUE NORTH branded salmon in its subsidiaries deli-style shop and the other half related to sales of branded meals in the subsidiary's oyster bar restaurant, both located in rural North West Scotland.

Use in a variant form

The majority of the evidence featured the following logo mark:



The question is whether the figurative logo shown above constituted use in an

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acceptable form to evidence use of the plain word mark TRUE NORTH. The hearing officer addressed this point first; finding that, on balance, the words TRUE NORTH were "clearly present and obvious" in the logo mark and the distinctive character of the word mark was not affected to any significant degree by its use within the variant logo form.

However, the hearing officer remarked that the issue was "finely balanced" but noted that the applicant for revocation had not challenged the use of the logo form. Therefore, this seems to have been taken this into consideration.

Use as a trade mark

The applicant did, nevertheless, criticise the evidence of use of the mark on menus with a meal labelled "True North Lightly Smoked Salmon", arguing that the words "True North" were presented in the same font and size as the other words on the menu and no trade mark identifiers were present.

The hearing officer disagreed, stating that the average consumer is likely to appreciate that "True North" should be perceived as a brand name. The lack of a registered trade mark symbol ® did not detract from this.

Geographical scope

The applicant also argued that the sales appeared to have only been made through one shop in rural North West Scotland. They contextualised this within the entire UK-wide market, arguing that it was geographically insignificant. However, the hearing officer found that the location and rural nature of the establishments did not alter the evidence of genuine use.

Extent of use

The hearing officer accepted the applicant's arguments that the initial sales run appeared to be "fairly small in size". However, they reiterated: "there is no *de minimis* rule and a global assessment should look at the evidential picture as a whole, rather than assessing whether each individual piece of evidence showed use by itself."

This global assessment allowed the proprietor to work around some otherwise valid criticisms of the evidence. For example, the menus were undated and till receipts and summaries referred to "lightly smoked"/ "roasted salmon", instead of "True North". However, the hearing officer cross-referenced the two exhibits to infer use of TRUE NORTH on meals sold during the relevant period.

Whilst the proprietor did not submit traditional annual sales figures or advertising spend; one of the witnesses provided estimates based on monthly sales. Additionally, they filed a "Brand Review" document which set out the promotion, development and launch of TRUE NORTH branded products across the relevant period. From

Fighting IP crime in the UK UKIPO publishes new IP crime counter-infringement strategy

this, the hearing officer inferred that the proprietor intended to promote and raise awareness of the brand from the business proposals, and inferred that activities were ongoing throughout the relevant period.

The hearing officer concluded that the proprietor had shown sales of TRUE NORTH products in the shop in 2015 and 2016. This, combined with the sales of True North meals in its restaurant, proven in evidence during 2016, and claimed to have been offered seasonally between 2016 and 2019, was sufficient to establish genuine use.

Relevant goods

All evidence filed related to salmon products only. The hearing officer considered that this is a market which "will likely be a specific, niche endeavour unlike for example, trawler fishing, by which any manner of fish... may be brought in within a single haul"; concluding that salmon was the only key area of interest of the proprietor.

Consequently, the revocation action was partially successful for the broader terms referring to fish and shellfish but was rejected for salmon and all terms relating to salmon.

In short

This case demonstrates that weaknesses or deficiencies, in individual pieces of evidence, can be remedied when stepping back and looking at the "evidential picture" as a whole. However, where sales or geographical scope are limited, it is vital that the evidence works together to support a narrative, allowing the UKIPO to make the necessary inferences for a finding of genuine use. Office has published its new IP crime counter-infringement strategy for 2022-2027. The strategy's delivery plan will be intelligence-led, harm-focused, and continuously improved through partnership, leadership, and education.

he UK Intellectual Property

The ultimate objective for the strategy is for the UK to be an inhospitable environment for deliberate infringement of IP rights, for UK IP rights to be the best protected in the world, and for infringement to be seen as socially unacceptable by all.

The strategy's key commitments include:

- 1. The creation of a national centre of excellence, building on the responsibilities of the UKIPO Intelligence Hub, to focus on the analysis of enforcement intelligence and assume a coordination role in combatting IP crime;
- 2. Collaborating with enforcement authorities such as Trading Standards, Border Force and the police to embed UKIPO-funded leadership positions and share intelligence;
- Working together with enforcement agencies to review how IP crime is recorded;
- 4. Developing the structures of the IP Crime Group to create a new Strategic Operational Leadership Group; and
- Developing campaigns to increase awareness of IP crime (including its links to serious organised crime) to reduce infringement.

Significant strides have already been

taken to this end. By way of example, since 2013, the Police Intellectual Property Crime Unit has disrupted over 115,000 infringing websites selling counterfeit goods as part of Operation Ashiko (in collaboration with Nominet, the .uk domain name registry). PIPCU also targets infringing websites via joint payment disruption operations with credit and debit card providers.

In another multi-agency exercise involving the Midlands Regional Investigation Team, Illegal Money Lending Team and Trading Standards, £5 million worth of counterfeit products were seized from a counterfeit clothing factory in Leicester in 2020; the seizure included 500,000 loose labels waiting to be attached to otherwise non-branded products.

The UKIPO has also invested heavily in research, educational resources and pilot schemes with private stakeholders and the general public, including:

- a longitudinal survey on consumer attitudes towards copyright infringement (which has been running since 2012);
- an awareness campaign targeting counterfeit beauty and hygiene products; and
- an e-commerce pilot scheme which will create a cross- platform enforcement mechanism in the future.

EU anti-counterfeiting initiative

Meanwhile, the European Commission has also been keenly reviewing its approach towards counterfeiting, and has published a call for evidence on an initiative to create an EU toolbox against counterfeiting.

The initiative includes revising the guiding principles for member states, creating a working document of good practices already implemented by public and private sector actors, as well as expanding its awareness-raising material, to enable forceful responses to IP crime.

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Abigail Macklin

Author:

05

Certification marks / non-distinctiveness

Certification marks Manuka not sweet enough for registration

Case details at a glance

O-899-21 certification trade mark application no. 31502620 by Manuka Honey Appellation Society incorporated and opposition thereto under No. 413837 by Australian Manuka Honey Association LTD.

he Manuka Honey Appellation Society (applicant) was the owner of a pending certification mark for MANUKA HONEY in respect of goods in class 30, claiming priority from a New Zealand certification mark.

The Australian Manuka Honey Association (opponent) opposed, arguing the sign was descriptive, devoid of distinctive character and generic. It claimed the mark described the type of honey being offered, for example, honey from the Manuka tree, and could not differentiate between goods that are certified by the applicant and goods that are not certified but that still may lawfully be labelled MANUKA HONEY and produced outside of New Zealand. It was further suggested that the sign was customarily used in the honey trade to describe honey made from the Manuka tree, irrespective of where it was produced and could not therefore guarantee that the products certified only originated from New Zealand.

The applicant argued the term was not common in the UK and the mark was able to distinguish goods certified from those which were not. It argued that because the sign was a certification mark, it did not need to remain available for use throughout the honey industry generally. Further, the applicant alleged the sign had acquired distinctive character in the UK.

Decision

The hearing officer upheld the opposition and rejected the application, holding that the assessment of a certification mark must be whether the sign can distinguish goods which are certified from those which are not - rather than whether it can guarantee trade origin (the usual test for ordinary trade marks). The question is whether MANUKA HONEY designated a characteristic of the goods, and if so, whether the relevant public been educated to perceive the sign as designating goods which are certified, from those which are not. A certification mark must contain "certification-ness", that is, an indication (inherently or otherwise) that the sign indicates that the goods are certified. The hearing officer found that whilst MANUKA was a Maori word it was readily understood by UK consumers as describing a type of

Does the sign distinguish certified goods from non-certified goods?



honey. Therefore, they would recognise the descriptive meaning of the word.

Further, and contrary to the applicant's arguments, the evidence showed the Manuka tree was present in places outside of New Zealand, such as in Australia, and even here in England - even the Foods Standards Agency believed that Manuka honey could derive from Australia or New Zealand and not New Zealand exclusively.

Therefore, the hearing officer found that the sign MANUKA HONEY was not inherently capable of differentiating between honey that was certified and honey that was not based on:

- there being previous use of the term MANUKA HONEY in connection with other honeys
- there being nothing in the sign itself to indicate "certification-ness"
- use of the term having led to the term being perceived as descriptive
- there being nothing on the packaging to show that MANUKA HONEY only derives from New Zealand, and
- evidence which showed consumer expectation that MANUKA HONEY would derive from New Zealand or Australia (at the least).

In light of the above, the grounds of opposition based on descriptiveness and non-distinctiveness were upheld.

The hearing officer then rejected the applicant's claim the mark had acquired distinctive character. Whilst there had been substantial use of MANUKA HONEY in the UK, the hearing officer felt that the evidence demonstrated a mixed level of understanding in the UK of what MANUKA HONEY was and it would

be unfair to allow New Zealand producers to monopolise the sign by granting registration. Therefore, at the relevant date, the sign did not benefit from acquired distinctive character and could not be accepted on this ground.

As for the ground of opposition based on whether a sign is customary in trade, the hearing officer held that this depends on the expectations of the average consumer who is reasonably well informed and observant as well as use in trade. The evidence showed that in the honey industry, content on packaging was usually presented as [brand] [type] [honey] and MANUKA was generally shown as the type of product. Therefore, the sign MANUKA HONEY had become customary in trade and this ground of opposition was also successful.

In short

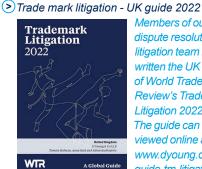
This case serves as a useful reminder of how the registrability of a certification mark differs to ordinary trade marks. Whilst the test for acceptance of an ordinary trade mark is whether the sign denotes trade origin for the product or services it seeks to protect, the test for a certification mark is whether the sign can distinguish certified goods from non-certified goods. If it cannot, and there is nothing within the sign itself to indicate "certification-ness", it should not be registered.

Author: Gemma Kirkland

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Likelihood of confusion

The (urban) bubble bursts No likelihood of confusion despite evidence of confusion



Members of our dispute resolution & litigation team have written the UK chapter of World Trademark Review's Trademark Litigation 2022 guide. The guide can be viewed online at www.dyoung.com/ guide-tm-litigation

n a recent IPEC decision, Judge Hacon found that the sign URBAN EVOLUTION is not sufficiently similar to the URBANBUBBLE mark to give rise to trade mark infringement or passing off in respect of identical property and real estate management services. The evidence of confusion relied on was not caused by the similarity between the marks as such, but by particular factual circumstances, that is, the defendants' takeover from the claimants as managers of the same properties.

Background

The claimants, Urbanbubble Ltd and its affiliates provide property management services and registered UK trade mark no. 3116646 URBANBUBBLE in 2015 for property and real estate management services. The defendants. Urban Evolution Property Management Ltd, operate in the same industry and trade as Urban Evolution.

In February 2016, The Elliot Group International Ltd hired the claimants to manage their residential buildings in Liverpool. In July 2016, the claimants were asked to use the defendants as letting agents for some of the buildings, and 25% of the Liverpool properties managed by the claimants were taken over by an affiliate of the defendants. In February 2020, the defendants took over full management of the Elliot Group's properties in Liverpool. The defendants received a handful of emails and 25-30 phone calls from investors and property managers, asking whether Urbanbubble and Urban Evolution were connected.

In proceedings issued in November 2020, the claimants alleged trade mark infringement under sections 10(2) and 10(3) of the Trade Marks Act 1994 (TMA) stating, respectively, that the defendants' use of URBAN EVOLUTION was likely to cause confusion with the URBANBUBBLE trade mark, and use of the sign took unfair advantage of, and was detrimental to, the distinctive character and reputation of URBANBUBBLE. The claimants also made an allegation of deliberate passing off, which was not pursued in closing.

Likelihood of confusion The defendants argued that the marks URBANBUBBLE and URBAN EVOLUTION were only similar in the allusive URBAN element, which hints at the services provided by both parties. Judge Hacon did not make a specific comparison between the marks or state to what degree they were similar, but commented that the possibility of confusion was not entirely "preposterous".

Both sides agreed that the services in question were identical or similar and that the relevant consumer was the notional investor or notional property developer. Judge Hacon noted that professional businesspersons usually take further steps and exercise caution when faced with initial confusion; they might intervene before a sale, hiring solicitors or consultants to investigate further.

The court then considered whether the evidence of confusion should be ascribed to a failure to realise there had been a transition from the claimants to the defendants in managing the Elliot Group buildings, rather than any partial similarity between the marks. The judge found that the evidence did not point to "fully formed beliefs" that Urbanbubble and Urban Evolution were the same undertaking. At best, the emails were considered as indicative of the possibility that there could be a perceived economic link between the two parties. However, whilst the email senders fell within the investor category, they were not the notional investor per se. At most, there was a risk that the average consumer would regard an affiliation between the claimants and defendants as a likely possibility.

Overall, Judge Hacon found that the circumstances whereby Urban Revolution replaced Urbanbubble for the same role in the same building greatly increased the likelihood of confusion; the similarity between the signs was only a partial source of confusion but not its root cause. Had it not been for the particular factual circumstances, there would be no confusion at all, and, therefore, there was no infringement under section 10(2) of the TMA.

Reputation, passing off and consent

The claimants' allegations of trade mark infringement under section 10(3) and passing off also failed. Whilst the claimants had

a reputation in the North West and West Yorkshire, no evidence was put forward regarding a potential unfair advantage, change in economic behaviour or detriment to the earlier mark's distinctive character. There was also held to be no actionable misrepresentation, as the average consumer would not have a fully formed belief regarding the interconnection of the two parties.

The court also found that the defendants would have a defence of consent, based on emails sent by the claimants in 2018 (when a previous version of Urban Evolution's logo was replaced after an exchange between both parties). The claimants had told the defendants, "The old logo has changed and it is now time to move on".

In short

This judgment is a useful reminder that evidence of confusion does not necessarily make or break a case for trade mark infringement or passing off. A contrasting example is the Mont Blanc Simplo GmbH v Sepia Products case ([1999] 12 WLUK 29), where infringement was established despite there being no evidence of actual confusion. Whilst confusion evidence can be highly relevant and persuasive, an evaluation of all the surrounding circumstances is always necessary.

Author: Agnieszka Stephenson

Case details at a glance Jurisdiction: United Kingdom Decision level: High Court (IPEC) Parties: Urbanbubble Ltd, Urban Evolution Property Management Ltd Date: 25 January 2022 Citation: [2022] EWHC 134 (IPEC)

Information

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And finally...

D Young & Co news

WTR 1000 2022 "One of the most versatile practices in the top tier"

"One of the most versatile practices in the top tier of the UK trademark market... All-<u>star practitioners</u>"



Young & Co celebrates eight partners featured in the World Trademark Review 1000 this year, which ranks the firm as "gold" for UK trade mark prosecution and strategy and "silver" for UK trade mark enforcement and litigation.

WTR writes that "home to trademark attorneys and solicitors who work together like clockwork, D Young & Co is one of the most versatile practices in the top tier of the UK trademark market".

WTR also comments that our Munich office

Ranked in: UK: England

is "highlighted by German practitioners as one of the most successful examples of a UK outfit setting up shop on the continent."

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PROPERTY

INTELLECTUAL

In addition to the trade mark team's toptier rankings, all individual partners in the team also feature as "recommended experts" in the 2022 survey.

We are delighted to receive such positive feedback from our clients and colleagues and are grateful to those who participated in the directory research process.

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