

D YOUNG & CO TRADE MARK NEWSLETTER *no.133*

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We are in a celebratory mood this month having received exceptional feedback from the legal directories. We are grateful to readers who kindly contributed to the surveys now publishing their results. In WTR 1000 2024 we are ranked “gold” for UK trade mark prosecution and strategy, “silver” for UK trade mark enforcement and litigation, “silver” in a new category for 2024 for our work at the EUIPO, and “bronze” for our German trade mark work. Our Munich office is thriving (we are delighted to welcome Rechtsanwältin Jacqueline Feigl who recently joined the team) and the directories have reflected this with rankings for the team in both Chambers Global and The Legal 500. We are also very happy to report that our trade mark team has been ranked as outstanding (top tier) in the WIPR Insights UK Trademarks 2024 survey.

We are also very pleased to report that D Young & Co has been shortlisted for five awards in the Managing IP EMEA Awards, including UK Trademark Disputes, UK Trademark Prosecution, and UK IPEC Firm of the Year. Congratulations in particular to Gemma Kirkland, shortlisted for UK Trademark Attorney of the Year, and Senior Associate Peter Byrd, shortlisted for UK Rising Star of the Year.

Finally, we’re excited to announce our move to our fantastic new London (and registered) office at 3 Noble Street, further details about which can be found on page 03.

Matthew Dick, Editor

Events



CITMA Spring Conference London, UK, 20-21 March 2024

Sarah Brooks, Kamila Geremek, Jennifer Heath, Abigail Macklin and Agnieszka Stephenson will be attending this conference.

INTA 2024 Annual Meeting Atlanta, USA, 18-22 May 2024

Trade mark partners Jana Bogatz, Matthew Dick, Tamsin Holman, Gemma Kirkland and Anna Reid will be attending this meeting.

GRUR meets AIPLA Munich, Germany, 03 June 2024

Partner Jana Bogatz will be attending this event.

www.dyoung.com/events

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Cider house wars Court gives Thatchers lemons

Thatchers’ infringement claim against Aldi in relation to a lookalike cloudy lemon cider has failed. Thatchers is the owner of UK trade mark no. 3489711 in relation to the image shown below left (the mark), which reflects the label of its cloudy lemon cider that was launched in early 2020.



In May 2022 Aldi launched its own brand lemon cider under its established Taurus range (the Aldi product). This was sold in packs of four cans, was called cloudy cider lemon, and its packaging consisted of lemons and leaves against a pale yellow background, as shown above right.

The claim

Thatchers brought a claim against Aldi in the Intellectual Property Enterprise Court (IPEC) on the basis of sections 10(2)(b) and 10(3) of the Trade Marks Act 1994, as well as passing off.

Aldi denied the claim, although it admitted to having used Thatchers’ product as a benchmark when developing its own. In turn, Thatchers said Aldi’s activities went beyond the norms of market benchmarking, relying on evidence including:

- Aldi’s outside design consultants, the Black Eye Project, considering only Thatchers’ product in their market review;
- Aldi departing from their usual Taurus design, and including additional features including lemons and leaves, with Aldi’s team requesting “a hybrid of Thatchers and Taurus”; and
- concerns expressed by Aston Manor, producer of the Aldi product, that the design was “incredibly close” to the Thatchers’ product.

Thatchers also initially sought to argue that

Aldi’s practice of using predominantly oral communication in product development was a deliberate means to avoid any paper trail that would have to be disclosed in the event of litigation.

This argument appears to have been abandoned by the end of trial, and the judge accepted the evidence of Aldi’s witnesses that this practice was part of Aldi’s lean and efficient business model.

The sign complained of

A key point of discussion at both the case management conference and trial was precisely what sign it was that Thatchers was complaining about.

At trial, Thatchers’ attempts to explain this took up six pages of transcript. At various points the sign was described as being:

- both the four pack and the individual can of Aldi product as a whole;
- a flat sign placed on the front and rear of an individual can of Aldi product;
- a flat sign on the front of the cardboard packaging of the four pack of Aldi product; and
- the overall appearance of the Aldi product which is the individual can, and that seen on the front face of the individual can of Aldi product.

In the end, the judge reached the conclusion that the sign complained of was a single can of Aldi product (the sign), shown below.



Section 10(2)(b): likelihood of confusion

When comparing the mark and the sign, the judge essentially considered the dominant elements of these to be “THATCHERS” and “TAURUS” respectively, and concluded that these were dissimilar. While there was some

🔍 Case details at a glance

Jurisdiction: England & Wales

Decision level: High Court

Parties: Thatchers Cider Company Limited v Aldi Stores Limited

Citation: [2024] EWHC 88 (IPEC)

Date: 24 January 2024

Decision: dycip.com/aldi-thatchers-lemon-cider

D Young & Co news

Important notification Change of D Young & Co London and registered office address

similarity in the lemon and leaves elements, overall the sign was only similar to the mark to a low degree. Indeed, the judge considered that use of the colour yellow on both cider products and lemon products was ubiquitous, and the use of lemons and leaves on lemon-flavoured beverages was very common. There was no evidence of any confusion.

In reaching an assessment, the judge gave significant weight to the context of use and the fact that the Aldi product incorporating the sign was placed within a four-pack cardboard sleeve, which may only be perceived from the top down by consumers as seen in the image below.



In light of all of the above the judge concluded that there was no likelihood of confusion between the sign and the mark.

Section 10(3): unfair advantage and/or detriment

The judge was happy the mark enjoyed a reputation in the UK when the Aldi product was launched. Furthermore, evidence of consumer comments about the Aldi product being a “rip-off” and “knock-off” of Thatchers’ product led the judge to conclude that the average consumer would make a link between the sign and the mark.

Unfair advantage

The judge accepted that Aldi had used the Thatchers’ product for the purposes of benchmarking (including for the design of the packaging), however, they considered that the inclusion of the TAURUS mark and the bulls head in the sign sufficiently distinguished the Aldi product. Furthermore, as sales of the Aldi product did not look disproportionate, in relation to sales of other ciders in the TAURUS range sold by Aldi, the judge was not persuaded on unfair advantage.

Detriment

Having carried out a blind taste test the judge

accepted that, while similar, Thatchers’ and Aldi’s products possessed different tastes. Thatchers submitted that, given the link made between the mark and the sign, this meant that consumers who buy the Aldi product, and do not like it, will perceive the Thatchers’ product as being affected.

Factoring in the relatively small differences in taste and minor link likely to be made between the sign and mark by consumers the judge was unconvinced by this argument, and did not think the Aldi product would cast Thatchers’ product in a negative light. Thatchers also claimed that the sign was deceptive to customers, as it stated that the Aldi product was “made from premium fruit” despite containing no real lemon. While agreeing that consumers may distrust Aldi as a result of this the judge found such distrust didn’t spread to Thatchers. As a result, Thatchers’ 10(3) claim failed.

Passing off

While Thatchers had established goodwill in the mark there was no evidence that any consumers actually considered the Aldi product to be that of Thatchers, for example, manufactured or licensed or approved by Thatchers. As such there was no misrepresentation, and the passing-off claim failed on this ground.

Authors:

Laurie Ford & Anna Reid



In short

This case is the latest in a line of decisions involving lookalike products which highlight the difficulties faced by brand holders in taking action against such products in the UK (where there is no law of unfair competition). Ultimately, the key to success in such cases is likely to be filing for the best and strongest trade marks (or designs) as possible in the first place.



From Tuesday 19 March 2024 our London team should be contacted at the following address:

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D Young & Co Chair David Meldrum commented: “This exciting move reflects our commitment to growth and innovation. We look forward to welcoming clients to our new London home, in the heart of the City, where we will continue to thrive and create value together.”

Our Munich and Southampton offices remain unchanged. If you usually correspond with our Munich or Southampton offices (and Southampton accounts) please continue to do so:

- D Young & Co LLP, Rosental 4, 80331, Munich.
- D Young & Co LLP, Briton House, Briton Street, Southampton, SO14 3EB.

MYBACON

A deceptive trade mark for meat substitutes

Case details at a glance

Jurisdiction: European Union

Decision level: General Court

Parties: Myforest Foods Co v EUIPO

Citation: T 107/23

Date: 29 November 2023

Decision: dycip.com/myforestfoods-euipo

The applicant, Myforest Foods, applied to register MYBACON as a European Union trade mark (EUTM) for goods including meat substitutes and fungi based meat substitutes in class 29. The application received an absolute grounds refusal, on the basis that the mark was liable to deceive the relevant public as to the nature of the goods in question (Article 7(1)(g) European Union Trade Mark Regulations (EUTMR)).

The refusal (upheld by the Board of Appeal) was appealed to the General Court. In its decision to dismiss the appeal, the General Court set out some useful reminders and guidance on deceptive trade marks, including the following points.

When is a trade mark deceptive?

A trade mark application should be refused where the mark is of such a nature that it deceives the public as to the nature, quality or geographical origin of the goods. Such a refusal requires the existence of actual deceit or a "sufficiently serious risk of deception".

The rationale behind deceptiveness refusals is that a mark cannot fulfil its function of guaranteeing origin if it contains information that deceives the public.

When considering whether a mark is deceptive, the European Union Intellectual Property Office (EUIPO) must consider the mark in

question, the goods in question, and the perception of the mark by the relevant public. The relevant public will be deceived when they are led to believe that goods possess certain characteristics which they in fact do not.

On the facts, it was found that there was a serious risk that a significant part of the English-speaking general public, when encountering the sign MYBACON on meat substitutes, would erroneously be deceived into purchasing those goods, thinking that they contained pork.

Who is the relevant public?

The relevant public must be assessed in light of the relevant goods. The General Court found the relevant public could not be limited to vegetarians, since anyone was likely to acquire meat substitutes. It followed that meat substitutes were intended for general consumption and the average consumer was the general public, who purchase food products quickly and without a great deal of attention.

In any event, in response to Myforest Foods' (erroneous) claim that the average consumer was limited to consumers of meat substitutes who are particularly interested in the composition of food, the General Court highlighted that offering consumers an opportunity to check ingredients does not preclude a trade mark relating to food from being misleading.

What if a non-deceptive use of the mark is possible?

A mark must be refused as deceptive even if a non-deceptive use of the mark is possible. The fact that the mark might also be perceived in a way that is not misleading is irrelevant.

It followed that even if "bacon" was also used to designate bacon from vegetarian sources this was irrelevant, as the word also continued to refer to pork meat products. In any event, the General Court found that evidence demonstrating use of "vegan bacon" did not establish that "bacon" had become a generic term in isolation.

Can the addition of other elements alter the deceptive nature of a mark?

In some circumstances, the addition of other elements can result in a mark being registrable. Indeed, Myforest Foods cited various other registrations for meat substitutes, including BEYOND BACON, IMPOSSIBLE MEAT and FUTURE BURGER. However, the General Court noted that these signs contained additional words the meaning of which indicated that the goods covered were in fact not meat or burgers, but different goods, and as such these marks were not deceptive.

Myforest Foods argued that the addition of "MY" altered the deceptive nature of MYBACON. It was argued that "MY" would either be regarded as an abbreviation of "mycelium", meaning fungi, or it would be perceived in the possessive pronoun sense, and as meaning that the bacon was specifically developed for "me" and "my" particular dietary requirements.

However, the General Court reiterated that where there is one perception that leads to deception, a mark is to be regarded as deceptive. One perception of MYBACON was pork bacon made for "me" and so the existence of other alleged perceptions, including fungi bacon, was deemed insufficient. Consequently, the appeal was dismissed.

Myforest Food applied to register MYBACON as a EUTM for meat substitutes



Author:
Sophie Rann



SKINIDENT is not (SKIN-)IDENTICAL ...or the limits of “Thomson Life”

Case details at a glance

Jurisdiction: European Union

Decision level: General Court

Parties: SkinIdent AG v EUIPO

Citation: T 665/22

Date: 08 November 2023

Decision (German language):

dycip.com/skinident-euiipo

The General Court has once more found that a modified version of an earlier mark could have an independent distinctive role in a later mark. However, the Court of Justice of the European Union's (CJEU) decision C-120/04 Medion AG v Thomson Multimedia Sales (Thomson Life) does not mandate such a finding.

Background

SkinIdent AG is owner of the mark SKINIDENT in class 3. Beiersdorf AG filed an application for NIVEA SKIN-IDENTICAL Q10 in class 3. SkinIdent opposed the application.

The European Union Intellectual Property Office (EUIPO) rejected the opposition and the Board of Appeal dismissed the subsequent appeal by SkinIdent. As part of these proceedings it remained uncontested that NIVEA was a renowned mark. SkinIdent appealed to the General Court arguing *inter alia* infringement of Article 8(1)(b) of the European Union Trade Mark Regulations (EUTMR).

Preliminary thought

At first glance, this could be perceived as a standard Thomson Life case. The element Q10 is descriptive and negligible and the word element SKIN-IDENTICAL has an independent distinctive role in the application. Consequently, the relevant signs for assessing a likelihood of confusion are SKINIDENT v SKIN-IDENTICAL.

Neither the EUIPO, Board of Appeal nor General Court took that view.

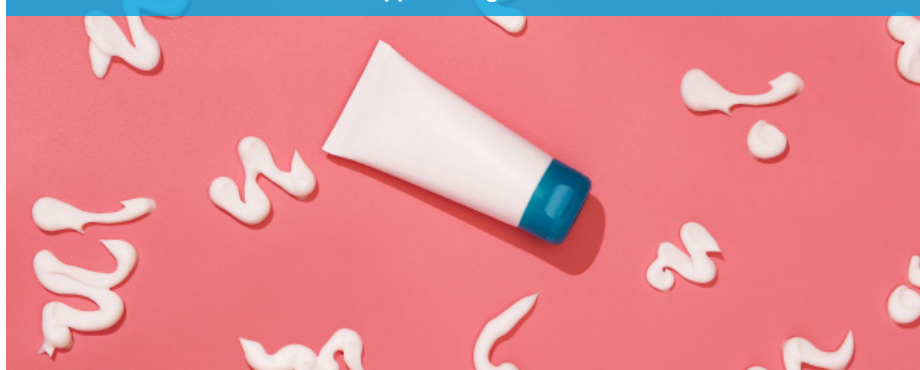
Decision

In relation to the infringement of Article 8 (1)(b) EUTMR, the General Court found the following:

SKIN-IDENTICAL does not hold an independent distinctive role in the application NIVEA SKIN-IDENTICAL Q10.

The signs have to be compared as a whole, unless all other elements are negligible. Neither the element Q10 nor NIVEA would be negligible, though the General Court confirmed that the element Q10 is descriptive.

The owner of the mark SKINIDENT opposed registration of NIVEA SKIN-IDENTICAL Q10



The decision in Thomson Life did not warrant a different finding. The decision did not relate to an earlier mark incorporated into a later mark in a modified form. Rather, Thomson Life concerned the identical incorporation of an earlier mark in a later mark. As a result, the decision could not be relied upon to find SKIN-IDENTICAL to have retained an independent distinctive role in the composite mark NIVEA SKIN-IDENTICAL Q10.

Negating an independent distinctive role in relation to SKIN-IDENTICAL would also not differ from the approach taken in T-569/10 Bimbo SA v OHIM (Bimbo Doughnuts). The Bimbo Doughnuts decision confirmed that there could be a likelihood of confusion, even if the earlier mark was not reproduced identically in the later mark. However, this required an assessment of all relevant factors.

In light of that, the General Court confirmed that the Bimbo Doughnuts decision allowed the Board of Appeal to come to a different conclusion in this case. Notably, the fact that NIVEA was a renowned mark could not support the finding of an independent distinctive role.

Perceived as a whole, the signs SKINIDENT and NIVEA SKIN-IDENTICAL Q10 only have a low visual and aural similarity.

Specifically, the hyphen in SKIN-IDENTICAL would result in visual separation, irrespective of whether the hyphen was grammatically necessary. Even if it was assumed that SKINIDENT and SKIN-IDENTICAL were sufficiently similar, the additional

elements NIVEA and Q10 would result in a low visual and phonetic similarity.

There was no error in a finding of low conceptual similarity.

While SKINIDENT does not have any meaning SKIN-IDENTICAL would be understood by the majority of the relevant public to have a clear and unambiguous meaning.

Even if the relevant public, for example in Greece or Cyprus, did not understand the term, IDENTICAL, would be irrelevant. The fact that NIVEA is not included in the earlier mark would support this finding.

The same would apply in case part of the relevant public understood the element SKIN to be descriptive in relation to the relevant class 3 goods, in particular since the relevant public would not understand the term IDENT.

Author:

Yvonne Stone



In short

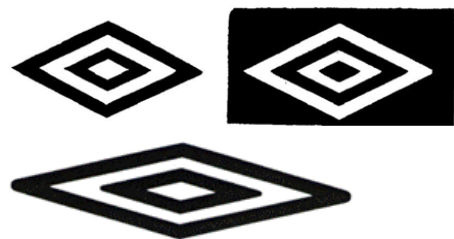
This decision explains the applicability of Thomson Life. When a later mark does not identically incorporate an earlier mark, this modified part will not automatically hold an independent distinctive role in the later mark. Rather, this has to be assessed on a case-by-case basis.

It is all in the angles Umbro wins its double diamond logo trade mark infringement appeal

The Court of Appeal found that the Dream Pairs' sign was similar to Umbro's double diamond logo, overturning the High Court's decision that there was no likelihood of confusion.

Background

The appellant, Iconix Luxembourg Holdings SARL (owner of the Umbro brand), owns the trade mark registrations shown below for its double diamond logo covering clothing and footwear goods in class 25 (the Umbro Marks):



The respondent, Dream Pairs Europe Inc and Ors, started to sell its footwear online in the UK bearing the logo shown below (the sign):



Iconix sued Dream Pairs for trade mark infringement pursuant to section 10(2) Trade Marks Act 1994 (likelihood of confusion), and section 10(3) Trade Marks Act 1994 (unfair advantage of a mark with a reputation).

First instance

To summarise, the first instance judge concluded that Dream Pairs had not infringed the Umbro marks. The judge found that overall there was a low degree of similarity between the Umbro marks and the Dream Pairs sign, noting that the average consumer would view the sign as a tilted "P", which is distinctive to the Umbro marks which are elongated sideways diamonds. When considering the context of the use, the judge noted that Dream Pairs sold its footwear on Amazon and the webpages made reference to Dream Pairs and not Umbro.

As a result of the low degree of similarity between the Umbro Marks

and the Dream Pairs' sign Iconix's claim based on reputation also failed.

Related article

We provided our detailed analysis of the first instance decision in our article "Umbr-no: UK High Court finds Dream Pairs logo does not infringe Umbro trade marks", published in May 2023: dycip.com/umbro-dreampairs-ukhighcourt

The appeal

The appeal was limited to the likelihood of confusion claim in relation to only the first of the two marks initially relied on at first instance. Iconix argued that the first instance judge did not correctly assess the similarity between the Umbro marks and the Dream Pairs sign and as result failed to correctly assess the likelihood of confusion, particularly in relation to post-sale confusion.

Iconix argued that the judge was wrong to say that the "P" like form in the middle of the Dream Pairs sign was the distinctive and dominant element of the sign. Arnold LJ agreed that the judge had made an error of principle by treating the sign as a composite sign, as opposed to considering the sign as a whole. As a result, this led to a material error in the assessment, whereby the judge had focused too much on the differences between the sign and the Umbro marks. Arnold LJ agreed with the judge's similarity assessment in relation to the side-by-side comparison of the graphic images of the Dream Pairs sign and the Umbro marks. However, Arnold LJ did not think that the same similarity assessment was rationally supported when comparing the sign and the Umbro marks when affixed to footwear and viewed from different angles.

Turning to the likelihood of confusion assessment, Arnold LJ agreed that the judge had erred in principle when considering the post-sale context. The judge had fallen into the common trap of allowing his eye to be conditioned by the side-by-side comparison of the marks, and in particular the graphic images of the Umbro marks and the Dream Pairs sign. Further, the judge failed to take into account that a consumer would see the sign

Case details at a glance

Jurisdiction: England and Wales
Decision level: Court of Appeal
Parties: Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Ors
Citation: [2023] EWHC 706 (Ch)
Date: 26 January 2024
Decision: dycip.com/iconix-dreampairs

Related article

"Umbr-no: UK High Court finds Dream Pairs logo does not infringe Umbro trade marks", 11 May 2023, Laurie Ford: dycip.com/umbro-dreampairs-ukhighcourt

affixed to footwear looking down from head height at the feet of another person wearing the footwear so they would view the sign at an angle. In particular, Iconix relied on images of Dream Pairs' shoes as worn by consumers, such as the below example, to show how the sign would appear in a post-sale context:



When viewing the sign from an angle (such as in the image shown above) Arnold LJ concluded that the sign would appear more like a double diamond, and so the sign was similar to the Umbro marks. Arnold LJ confirmed that there was nothing artificial or unrealistic about such a comparison.

The Court of Appeal therefore concluded that there was a likelihood of confusion and that Dream Pairs had infringed Iconix's Umbro marks.

Author:

Kamila Geremek



In short

This appeal decision confirms the importance of considering the context of use when assessing the likelihood of confusion. In particular, post-sale confusion must be considered from the point of view of the relevant consumer in real-life scenarios, and take into account that consumers will often not have an opportunity to view two signs in the form of graphic images side-by-side and face on.

Compass Comms v Sanctuary Personnel

Relaxation of cause of action estoppel in UKIPO proceedings?

Case details at a glance

Jurisdiction: United Kingdom

Decision level: UKIPO

Parties: Compass Comms Limited

v Sanctuary Personnel Limited

Citation: BL O/0050/24

Date: 25 January 2024

Decision: dycip.com/compass-sanctuary

The applicant, Sanctuary Personnel Limited, had previously brought a cancellation action against the mark SOCIAL WORK NEWS under sections 3(6) and 5(4) Trade Marks Act 1994, which was dismissed on 23 May 2023. On 12 June 2023 Sanctuary Personnel brought this new cancellation action under sections 3(1)(a)-(c) of the Trade Marks Act 1994. The hearing officer refused to strike out proceedings for cancellation on absolute grounds for abuse of process, and the registered proprietor, Compass Comms Limited, appealed to the appointed person.

The principle underlying the argument in this case is that there should be finality in litigation, and therefore if a party brings one set of proceedings it will be barred from bringing further proceedings pursuing different arguments if it could and should have made the relevant allegations the first time around. This has been referred to in the case law as cause of action estoppel or *Henderson v Henderson* abuse.

The question is whether these new proceedings should be struck out because they “could and should” have been brought as part of the previous cancellation action. Could the point have been raised in the earlier proceedings with reasonable diligence and should it, in all the circumstances, have been raised?

And relax

The appointed person found that proceedings in the registry require a more flexible approach than the position historically taken in the courts for the following special circumstances:

1. Registry proceedings are meant to be low cost, quick and relatively informal.
2. Public interest in now allowing invalid marks to remain on the Register, particularly where absolute grounds are in issue: the appointed person held that the absolute nature of objections under, for example, section 3 of the Trade Marks Act 1994, combined with the relatively informal Registry procedure give the public interest point more weight in trade mark matters.

3. The tribunal needs to be satisfied before relying on the public interest that the objection to validity which is sought to be raised is at least arguable.
4. The tribunal will normally want an explanation from the party bringing the second action as to why it was not brought before.
5. It is relevant to consider the risk of other proceedings. If as an alternative to a further cancellation action there is the possibility of an infringement action being commenced instead, which a further cancellation action might avoid, then there may be no net saving in the public interest.
6. There are other measures which can be taken to alleviate some of the effects of further proceedings in the Registry, such as an award of costs off the scale for the subsequent proceedings.
7. Special circumstances which may be relevant to the desire to work justice between the parties.

Decision

Based on the reasons detailed above, while the appointed person was of the view that the doctrine of abuse of process does apply to Registry proceedings, there are countervailing factors specific to this tribunal which need to be taken into account as part of the overall determination of whether they should have been brought the first time around. If it is clear that the repeated proceedings amount to unjust harassment of a party then they should be prevented, but later proceedings are not necessarily abusive. “The crucial question is whether, in all the circumstances, a party is misusing or abusing the process of the court by seeking to raise before it the issue which could have been raised before”.

Subsequent to the bringing of the original cancellation action, Sanctuary Personnel sought to register its own SOCIAL WORK NEWS mark. This application was met with an objection from the Registry on absolute grounds. This prompted Sanctuary Personnel to decide to bring its own objection to Compass Comms’ mark under the same grounds.

When the Registry examined Compass Comms’ mark in 2020 it did not raise any of the absolute grounds for objection which it later raised against Sanctuary Personnel’s mark. This apparently inconsistent approach on the part of the Registry is a decisive factor in this case, which tips the circumstances in favour of Sanctuary Personnel.

Given that the registry did not raise the section 3(1) objections to Compass Comms’ application, it is difficult to see how Compass Comms’ can criticise Sanctuary Personnel’s behaviour as abusive for not originally doing so.

There is public interest in not allowing either Sanctuary Personnel or Compass Comms to monopolise a mark which is otherwise objectionable under absolute grounds. Having taken a preliminary objection to Sanctuary Personnel’s attempt to do so, parity of treatment of the parties also suggests that the Registry should look at the same issue. While the appointed person was satisfied that the point could have been raised in the earlier Registry cancellation action with reasonable diligence, in all the circumstances they were not satisfied that it should have been raised such that to do so now would amount to an abuse. The appeal was dismissed.

Author:

Kate Cheney



In short

While this case indicates a more relaxed approach to cause of action estoppel at the UKIPO, when it comes to invalidity actions, we would advise relying on all necessary grounds at the outset as the safest option.

D YOUNG & CO INTELLECTUAL PROPERTY

And finally...

Infringement / intermediary liability

Swatch v Samsung Intermediary liability for trade mark infringement

We reported on the first instance decision in our article *Swatch v Samsung*: time for more content review? This case has now been appealed. The Court of Appeal has determined that the first instance judge in *Swatch v Samsung* was entirely correct:

1. Samsung was actually **using** the various trade marks: its actions went well beyond merely creating the technical conditions for the app developers to use the marks.
2. Use of the marks was **in relation to smart watches**: post-sale context was important as consumers may think the watches with the infringing app faces were produced by Samsung in collaboration with the brands.
3. The "hosting defence" (Art 14. e-Commerce Directive, implemented in the UK by the Electronic Commerce Regulations 2002) did not apply to Samsung, as its use of the marks was not merely technical, automatic and passive.

This outcome is not particularly surprising, and is likely to be welcome news for brand owners in the ongoing struggle against infringement via online market places. This decision is likely to embolden brands in pursuing such claims and

confirms that app stores do not automatically benefit from the hosting defence. Intermediaries have always been faced with a balancing act in terms of how involved they can or should get with the activities of third parties using their services. This decision could actually be seen as encouragement for platforms to reduce the extent of their content review procedures in order to increase the chances of being able to rely on the hosting defence, which could be more harmful to brands in the long run. This judgment makes it clear that service providers are not obliged to carry out these kinds of review and, if they do, they risk losing their ability to rely on the hosting defence. Time will tell how the industry responds.

Author:
Peter Byrd



Case details at a glance
Jurisdiction: England and Wales
Decision level: Court of Appeal
Parties: Swatch v Samsung Electronics
Citation: [2023] EWCA Civ 1478
Date: 15 December 2023
Decision: [dycip.com/samsung-swatch](https://www.dycip.com/samsung-swatch)

Related article
"Swatch v Samsung: time for more content review?", published 13 September 2022: [dycip.com/swatch-samsung-firstinstance](https://www.dycip.com/swatch-samsung-firstinstance)

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