

# D YOUNG & CO TRADE MARK NEWSLETTER *no.92*

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## A cautionary tale of consent and targeting *Argos v Argos Systems*



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We look forward to catching up with clients and friends at INTA this month and are busy preparing for another packed conference programme. Diaries are getting full, but do contact us if you would like to get together and look out for our trade mark, litigation and patent team INTA attendees at the conference. See you in Barcelona!

The D Young & Co trade mark group

## Events



03 May 2017

### MarkMonitor Spring Symposium, London UK

Trade Mark Assistant Jennifer Heath will be attending this event, which will take place at the Institute of Engineering & Technology.

03 May 2017

### Expanding your brand in Europe: a primer for Canadian Businesses, Webinar

Partner solicitor Matthew Dick will discuss issues for Canadian businesses doing or planning to do business in Europe. Hosted by Bereskin & Parr LLP, this webinar will run from 5pm-6pm BST (12pm-1pm EST).

20-24 May 2017

### INTA Conference, Barcelona Spain

We will be joining thousands of IP professionals in Barcelona, Spain, for the 139th INTA annual meeting this month. Do contact us at [mail@dyoung.com](mailto:mail@dyoung.com) if you would like to meet during the conference.

28 June - 01 July 2017

### ECTA Conference, Budapest Hungary

Associate Trade Mark Attorney Flora Cook and Trade Mark Attorney Wendy Oliver-Grey will be attending ECTA's 36th annual conference. If you would like to meet with Flora or Wendy during the conference please do get in touch.

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# A cautionary tale of consent and targeting Argos v Argos Systems

The UK retailer Argos Ltd (Argos) has failed in an action for trade mark infringement and passing off against Argos Systems Inc (Argos Systems), a US company which owned the domain name [argos.com](http://argos.com) and displayed Google AdSense advertisements on the website [www.argos.com](http://www.argos.com) (the website).

The action was unsuccessful for the following two key reasons:

1. Argos could not complain about Argos System's use of the sign ARGOS in its domain name and had consented to the display of advertisements featuring Argos on Argos System's website; and
2. the website was not targeting consumers in the UK. This was despite the evidence that 89 per cent of traffic to the Argos Systems website was from the UK.

The deputy judge also went on to say that even if his findings above were incorrect, then Argos System's actions did not amount to trade mark infringement or passing off.

### Background

Argos registered the domain name [argos.co.uk](http://argos.co.uk) in 1996. The domain name [argos.com](http://argos.com) had already been registered by Argos Systems in 1992. Argos Systems had no customers in the EU. At various points in time the website featured Google AdSense advertisements. Google AdSense offers website operators the opportunity to contract with Google to provide space on their websites for advertisements. Google acquires advertisements through the AdWords programme and delivers them to certain websites through the AdSense programme.

Argos accepted that it could not have objected to Argos Systems' use of the domain name [argos.com](http://argos.com) for a website which promoted Argos Systems' software, however its case was that the use of the domain name in conjunction with the advertisements, which were aimed at Argos' customers, gave rise to trade mark infringement and passing off.

In particular Argos alleged that Argos Systems

was generating advertising revenue from customers who were visiting the website in the mistaken belief that it was Argos' website. Argos participated in the Google AdWords programme which meant that some of the advertisements which Google placed on the website were for Argos. This, Argos claimed, amounted to free-riding on, and was liable to damage the distinctive character and reputation of, Argos' trade marks under Article 9(1)(c) CTMR (as was). Argos was particularly aggrieved because part of the money which Argos paid to Google in line with its participation in the AdSense programme was then received by Argos Systems. Argos complained that it was essentially funding Argos Systems to carry out activities which infringed Argos' rights.

### Findings of the court

The deputy judge rejected the claims brought by Argos for two principal reasons.

#### 1. Consent

The deputy judge considered that Argos had consented to the activities carried out by Argos Systems, since it had chosen to participate in the Google AdWords programme for many years. In particular, the terms of the AdWords programme meant that Argos had consented to the display of advertisements on all Google network properties (including the website). It had been open to Argos to exclude any website featuring the sign ARGOS within the domain name from the terms of this consent but it did not choose to do so until July 2013. The evidence also suggested that Argos knew that its advertisements were being displayed on the website.

The deputy judge was keen to stress that this did not mean that wherever an advertiser agreed the AdWords terms with Google the advertiser would be taken to have consented to any use of the advertiser's trade mark that might be made by a third party in connection with a website which was selected by Google to display the advertiser's advertisements. Instead the key issue in this case was that Argos was unable to complain about the continuing use by Argos Systems of the sign ARGOS in the domain name simply by seeking to rely on the display of Argos' advertisements

➤ *Case details at a glance*

*Jurisdiction: England & Wales*

*Decision level: High Court (Chancery Division)*

*Parties: Argos Limited v Argos Systems Inc*

*Citation: [2017] EWHC 231 (Ch)*

*Date: 15 February 2017*

*Decision: <http://dycip.com/ewhc231>*

**[2017] EWHC 231 (Ch) reminds businesses of the importance of owning key domain names**



did not look at the advertisements at all and would not therefore regard Argos Systems' website as directed at them; and

- in relation to the Argos advertisements, the visitors perception of these was unusual – a lost internet user simply viewed the advertisement as a convenient way to get to the Argos website.

Argos also argued that advertisements for its competitors would no doubt have been displayed on the website with the result that sales and revenue were diverted from Argos to its competitors. However, there was uncertainty as to the extent to which this actually occurred and the deputy judge considered that Argos needed better evidence to support this argument.

**Author:**

**Anna Reid**



on the website, when Argos itself had consented to the display of the advertisements.

## 2. Targeting

The deputy judge considered that Argos Systems had not committed an act of infringement in an EU member state and therefore EU trade mark infringement had not been established.

In determining the above, the deputy judge had to consider whether the website (in particular the advertisements) targeted customers in the UK. The deputy judge confirmed that the subjective intentions of the trader in question were less important than the objective effect of the trader's activities and whether there was in fact an offer of goods or services or an advertisement targeted at consumers in the UK.

A key issue in this case was how ads were perceived by the average internet user and it was acknowledged that such ads are affected by the browsing history of the individual. In particular, the deputy judge considered whether the average internet user would regard advertisements displayed on a trader's website for products or services provided by a third party as being directed at the user by (i) the trader itself or (ii) a third party via Google and the consent of the trader.

In this instance the deputy judge concluded that UK consumers would not consider

that the website or the advertisements were targeted at them for a number of reasons including the fact that:

- most UK internet users visited the website by mistake, probably because they assumed that [www.argos.com](http://www.argos.com) was the website of Argos, and stayed on the site for less than one second. This was simply a result of Argos Systems having lawfully registered the domain name, not because Argos Systems was trying to attract UK users to the website;
- those UK users who went past the home or landing page of the website would not regard the site as being directed to them as it was US centric;
- the Argos advertisements featured on the website were disregarded following the ruling on consent;
- certain advertisements included in the evidence had been generated because of the browsing history of the individual concerned. The deputy judge concluded that internet users would consider such advertisements themselves as being targeted at the user, but not the page of the website;
- in view of the short period of time during which most UK visitors stayed on the site, it was likely that most UK visitors

### In short

This unusual case considers the impact of consent under the Google AdWords programme in the context of alleged trade mark infringement. It also contains a helpful overview and some interesting comments on the issue of targeting and how an internet user's browsing history affect the advertisements which are displayed.

Ultimately, however, this case contains an important reminder about the importance of owning key domain names, as there was evidence that Argos had made various offers to Argos Systems to buy the domain name [argos.com](http://www.argos.com) which had all been rejected.

# Not so fast General Court objects to Puma's "Forever Faster" slogan mark

➤ **Case details at a glance**  
**Jurisdiction:** European Union  
**Decision level:** General Court  
**Parties:** Puma SE v EUIPO  
**Date:** 09 March 2017  
**Citation:** T-104/16  
**Decision:** <http://dycip.com/t-10416>

**T**he well-known sportswear company, Puma, has failed in an attempt to register its tagline FOREVER FASTER as a trade mark before the European Union Intellectual Property Office (EUIPO). This article looks at whether this decision from the General Court in Europe is fair and well-reasoned in light of the EUIPO's continued objection to slogan marks which consist of ordinary every day words.

Puma's initial application to register FOREVER FASTER was filed in Germany for a range of goods including clothing, footwear and a range of sports equipment. The application proceeded to registration and Puma, using the Madrid system, then sought protection in another 30 territories including the EU.

The EUIPO examiner held that the mark was both descriptive and also lacked the necessary distinctive character for the mark to be registrable in the EU. This decision was upheld by the First Board of Appeal stating:

- the relevant public would immediately construe, without any analytical effort, the message conveyed by the expression "forever faster", as referring to 'speed with a long duration'
- the mark FOREVER FASTER would be perceived as a simple laudatory formula or information on the desired qualities and purpose of the goods in question, namely to help their users become "constantly faster". (Keep in mind here that the specification includes hats, cricket bats and tennis racket bags and that the office is required to consider the distinctiveness of a mark in relation to each of the goods claimed.)
- the mark contained no element enabling the relevant public to perceive it as an indication of the commercial origin of the goods in question and was not unusual in the sporting sector.

Puma appealed the case to the General Court which has now handed down its judgment.

Early on in paragraph 16 the court confirms that the distinctive character of a mark must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, secondly, by reference to the perception which the relevant public has of it. This was decided in Audi's earlier application for VORSPRUNG DURCH TECHNIK deemed registrable in 2010 by the Court of Justice, the highest court in the EU. The General Court also noted earlier decisions confirming that use of a mark as a promotional formula has no bearing on its distinctive character. Notwithstanding this the court agreed with the Board of Appeal that the mark applied for was likely to be perceived "only" as a promotional formula (paragraph 35).

Much of the judgment discusses the meaning attributed to the words FOREVER and FASTER. The General Court concluded however that the mark applied for, taken as a whole, describes the desired quality or characteristics of the goods in question. Focussing on footwear, the General Court stated (paragraph 32) better results in terms of speed may be achieved thanks to the specific characteristics of a pair of shoes, such as the use of lightweight materials, a flexible structure, or the fact that they are comfortable to wear. Apparently, the applicant failed to show that the Board of Appeal made an error of assessment in finding that the words "forever" and "faster" would be perceived by the relevant public as referring to a permanent or continuous increase in speed.

Applicants for slogan marks at the EUIPO have been well aware in recent years, following the Audi decision, that to try and gain acceptance for such a mark there is a requirement to show there exists a presence of a play on words or an imaginative, surprising and unexpected expression to establish that an advertising slogan has distinctive character. Unfortunately for Puma, the General Court concluded that FOREVER FASTER has no particular originality or resonance, nor does it possess an ambiguity likely to trigger in the mind of the relevant public a cognitive process requiring any particular effort (paragraph

39). To make its point the General Court added, the mark is a simple laudatory statement which is descriptive of the qualities of the goods in question and devoid of any characteristics allowing it to be regarded as intrinsically distinctive.

Puma also tried another well-trodden path in seeking to gain acceptance of mark by providing examples of both similar and identical marks previously registered before the EUIPO and elsewhere. Puma argued that the Board of Appeal did not provide any specific comment explaining why the earlier registrations did not constitute valid precedents and, likewise regarding the fact that FOREVER FASTER had been registered and approved in many other countries. Many brand owners will be familiar with the court's response that (i) the EUIPO has to follow the language of the regulation (thereby, for all practical purposes, ignoring acceptance of the mark anywhere else); and (ii) as the mark was deemed devoid of any distinctive character, the previous acceptance of other similar marks was not relevant.

Is the EUIPO right to uphold what appears to be a higher threshold for accepting slogan marks? Possibly, however this inward looking stance may jar with brand owners who are likely to expect a level of consistency when seeking protection for their marks. It is notable that the EUIPO is out of line with the numerous other territories where Puma has sought to protect FOREVER FASTER. The mark has been accepted and registered in Australia, the US and New Zealand, and approved in Canada and South Africa. We also believe that in another English speaking country, the United Kingdom, Puma would be similarly successful. Whilst there may be more momentous negotiations going on elsewhere within the EU, perhaps a meeting between the EUIPO and some of their national counterparts in Europe to discuss levels of consistency and interpretation of the Trade mark Directive wouldn't go amiss?

**Author:**  
**Jeremy Pennant**



# A very British affair

## The Willow Tea Rooms

A recent United Kingdom Intellectual Property Office (UKIPO) opposition decision has underlined the distinction between goodwill and reputation, and examined genuine use of a series mark.

### Background

The opponent, Ms Mulhern, opened The Willow Tea Rooms in December 1983, at 217 Sauchiehall Street in Glasgow. The building was designed by the renowned architect Charles Rennie Mackintosh in 1903 together with Kate Cranston, who was famous for her tea rooms and ran “Miss Cranston’s Tea Rooms” from the building. After Kate Cranston’s retirement, the building changed ownership and was not used as a tea room again until Ms Mulhern opened The Willow Tea Rooms. Ms Mulhern’s tea rooms have enjoyed great success and have become somewhat of a tourist attraction in Glasgow, featuring as the only Scottish tea rooms in the Sunday Times’ “Top 20 Best Stops for Tea in the United Kingdom”.

Ms Mulhern filed to register the below stylised series marks for WILLOW and THE WILLOW TEA ROOMS in 1991 and 2000 respectively (earlier marks):



In 2014, The Willow Tea Rooms Trust (the trust) acquired the building at 217 Sauchiehall Street with the objective of restoring the building to Charles Rennie Mackintosh’s original design. The building was closed for

### O-032-17 underlines the distinction between goodwill and reputation



works and Ms Mulhern moved her business. The trust subsequently applied to register the mark THE WILLOW TEA ROOMS for commercial, educational, cultural, and architectural services, and Ms Mulhern opposed the application on the basis of likelihood of confusion, the reputation of her earlier marks, and passing off. The trust denied these grounds and put Ms Mulhern to proof of use.

### Goodwill

The trust claimed that the Sauchiehall building had been known as THE WILLOW TEA ROOMS since 1903, as Sauchiehall Street was named after the Gaelic for “Alley of the Willows”. It claimed that the goodwill in the name THE WILLOW TEA ROOMS belonged to the building, and therefore, to the owners of the building, being the trust. On this point, the UKIPO found that, although a building can have a **reputation**, this is different to **goodwill**. Referring to established case law, the UKIPO stated that goodwill can only exist if there is commercial activity and cannot exist “in a vacuum”. Further there was no evidence that the building had in fact been referred to as THE WILLOW TEA ROOMS prior to the opening of Ms Mulhern’s tea rooms.

### Use of series of trade marks

Ms Mulhern’s earlier registration for THE WILLOW TEA ROOMS is a series of eight stylised marks and the trust challenged whether there is use of any or all of the stylised forms. The UKIPO considered the mark as used on goods and the extent to

which this altered the distinctive character of the registered mark. It was found that the distinctive character of the registered mark is “overwhelmingly concentrated in the words”, and that even if the mark was not used in its stylised forms, this would not alter its distinctive character. The trust also challenged whether there is use of the earlier series mark WILLOW. The UKIPO accepted that there is no use of the mark WILLOW by itself, but found that because the mark is registered for services which are encompassed by the series mark THE WILLOW TEA ROOMS, it did not need to decide the point.

### Outcome

The opposition was successful in relation to approximately two-thirds of the application and Ms Mulhern was granted an award of costs.

Author:  
Natasha O’Shea



### In short

The decision is a useful reminder that goodwill is inseparable from the business to which it adds value. While reputation can exist without a supporting business, goodwill can generally only exist via business or trade.

# “Come To The Dark Side” ABT Merchandising v Brand Protection

➤ Case details at a glance

**Jurisdiction:** United Kingdom

**Decision level:** UKIPO

**Parties:** ABT Merchandising Limited v Brand Protection Limited

**Date:** 08 March 2017

**Citation:** O-106-17

**Decision:** <http://dycip.com/O-106-17>

The applicant, Brand Protection, applied for “Come To The Dark Side” in classes 14, 21 and 25. ABT Merchandising opposed class 25.

Not too long ago in October 2015, in a galaxy not very far away, Brand Protection Limited (the applicant) applied for the UK trade mark “Come To The Dark Side” in classes 14, 21 and class 25. Class 25 was opposed by ABT Merchandising Limited (the opponent) on the basis of:

- Section 3(1)(a) Trade Marks Act (TMA) – that the mark is a well-recognised slogan, commonly used on merchandise, and is incapable of distinguishing the goods of one undertaking from those of other undertakings.
- Section 3(1)(b) TMA – that the mark consists exclusively of a well-recognised slogan from Star Wars, commonly used as a “tongue-in-cheek fun way” to encourage misbehaviour, and is incapable of distinguishing the goods of one undertaking from those of other undertakings.
- Section 3(6) TMA – that the mark has been applied for in bad faith, as the applicant intends to unlawfully prevent other clothing companies from using a well-known slogan by virtue of a registration, for example by alleging trade mark infringement using straightforward de-listing mechanisms on eBay and Amazon, which the applicant had previously done in relation to other marks.

## The applicant strikes back

Brand Protection’s counterstatement noted that whilst “Come To The Dark Side” was inspired by Star Wars, Brand Protection was the one that created, popularised and built a reputation in a series of parody designs, the first of which was “Come To The Dark Side We Have Cookies”. The design on clothes had received positive feedback on sales platforms, equating to over 6,000 sales, and the concept had been extended to other specific interests such as cycling and guitars. The applicant submitted that the brand proved so popular that others started copying them and claimed that ABT Merchandising was simply adopting

a malicious approach after Brand Protection removed one of the opponent’s eBay listings.

## Looking at the evidence

ABT Merchandising filed evidence that their t-shirts sold on eBay, which constituted “mash-ups” of current trends, contained artwork which aligned with trade marks filed by the applicant. The evidence showed that their use on eBay predated the applicant’s trade marks and ABT Merchandising noted that a number of their clothing items had been delisted on eBay. ABT Merchandising claimed that the evidence proved Brand Protection was deliberately taking the opponent’s artwork; however none of the evidence filed related to the trade mark in question.

Copying was denied by Brand Protection along with filing trade marks to deliberately cause damage to the ABT Merchandising’s business. Brand Protection filed evidence that they license and design numerous t-shirt designs and that ABT Merchandising was copying Brand Protection’s work, however the latter evidence contained text that was too small to read. The applicant noted they intended to include woven damask labels sewn into the neck and hem/sleeve to assist in distinguishing their products from copies.

## Lack of [bad] faith disturbing?

The Hearing Officer considered that the first ground under section 3(1)(a) TMA failed as the mark was not incapable of distinguishing **any** goods.

Regarding section 3(1)(b), the UKIPO looked at whether use of the mark as a longer set of words across the front of t-shirts was notional and fair use and noted that there was no evidence of use on neck labels to have educated the relevant public that the mark is a trade mark. The Hearing Officer held that Brand Protection’s intended use of words was not as applied for and, absent use as a trade mark, the iconic Star Wars phrase alone would unlikely be

viewed as indicating the origin of garments apt to carry phrases, statements or slogans. Thus the mark was refused in relation to goods such as t-shirts and women’s clothing but also for goods like bath sandals and sweat-absorbent underclothing. The mark was however deemed distinctive in relation to the remaining goods which included shower caps (yet bathing caps was refused) and slips (undergarments), despite underwear being refused.

In relation to bad faith, the opponent’s argument focused on the fact that Brand Protection would have a statutory monopoly in a commonly used statement or slogan and thus could remove online listings of third-parties bearing the words. The UKIPO held this was not a sufficient basis for bad faith as otherwise the ground could be used whenever an applicant seeks to register (and thus gain a monopoly over) a non-distinctive mark.

The mark was therefore allowed to proceed to registration for classes 14 and 21, which were not opposed, and for some goods in class 25.

## Author:

Jennifer Heath



## In short

This case sets out goods in class 25 likely to be considered apt to carry slogans in the UK and serves as a reminder to file trade marks in the form in which they will be used, particularly where the phrase may be considered non-distinctive in relation to such goods. Perhaps unsurprisingly, the ground of bad faith cannot be used simply to oppose non-distinctive marks.

# A dog's dinner? Azumi v Zuma's Choice Pet Products

➤ **Case details at a glance**  
**Jurisdiction:** England & Wales  
**Decision level:** IPEC  
**Parties:** Azumi Ltd v Zuma's Choice Pet Products Ltd  
**Date:** 24 March 2017  
**Citation:** 2017] EWHC 609 IPEC  
**Full decision:** <http://dycip.com/azumivzuma>

In *Azumi Ltd v Zuma's Choice Pet Products & Others*, the UK Intellectual Property Enterprise Court (IPEC) has addressed allegations of trade mark infringement based on the tarnishing and dilution of trade marks. For those brand owners with prestige marks the judgment provides a useful guide to enforcing their rights.

## Background

The claimant is the owner of, among others, a contemporary Japanese restaurant in London, which trades as Zuma. It has UK and EU trade marks for the word "ZUMA" registered in classes 42 and 43 covering the provision of food and drink. The restaurant enjoys a venerated reputation, with the trial judge, Her Honour Judge Melissa Clarke, commenting that "it has garnered extensive attention in the press and in restaurant guides which praise the spectacular décor, buzzing atmosphere and well-executed dishes."

In 2014, the defendant incorporated as Zuma's Choice Pet Products Ltd for the purpose of manufacturing and selling high quality pet food for dogs and cats. The company was named after the defendant's director and shareholder's dog, Zuma, a Japanese Akita/GSD cross. It registered the domain name "dineinwithzuma.com", applied for a UK trade mark for DINE IN WITH ZUMA and used the following sign on its website (the device):



## Dispute

Following the defendant's application for the UK trade mark, the claimant wrote to it alleging trade mark infringement. The correspondence did not elicit settlement, and subsequently the claimant commenced a claim for trade mark infringement before the IPEC and an opposition before the UK Intellectual Property Office (UKIPO). The defendant also commenced two further actions alleging unjustified threats (for more information on this cause of action see 'useful links' below). These actions ultimately went to trial in February 2017.

## Dilution of trade marks: human v dog food



## The law

The claim of trade mark infringement was confined to Art. 9(2)(c) of the EU Trade Mark Regulation (and its equivalent s. 10(3) of the Trade Marks Act 1994), which provides: "... the proprietor of that EU trade mark shall be entitled to prevent all third parties ... from using in the course of trade, in relation to goods or services, any sign where: ... (c) the sign is identical with, or similar to, the EU trade mark ... where the latter has a reputation in the Union and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the EU trade mark."

The allegation was made in relation to the use of the company name, domain name, the sign 'Zuma', the sign 'Dine in with Zuma' and the device. In its defence, the defendant pleaded that it was using its own name. As to the allegation of unjustified threats, the claimant admitted that the threats were actionable, but pleaded that they were justified.

## The issues

The following issues fell to be determined:

- Whether the trade marks had a reputation in the UK and EU (as applicable);
- Whether the defendant was using the signs complained of in the course of trade;

- Whether the use of the signs would bring to the mind of the average consumer the trade marks;
- Whether there was dilution or tarnishment of the trade marks;
- Whether the defendant had an own name defence; and
- Whether the threats were unjustified.
- The judgment helpfully summarises the applicable case law to each issue, and applies it to the facts. That of particular note is set out below.

## Link in the mind of the average consumer

Having concluded that the trade marks had a reputation, that (with the exception of the company name) the signs were used on goods and services in the course of trade, and that the trade marks and signs were either identical or similar, it fell to be determined whether there was a link between the two in the mind of the average consumer.

Applying *Specsavers International Healthcare Ltd v Asda Stores Ltd* and *Intel Corporation Inc v CPM United Kingdom Ltd*, the court adopted a two stage test: (i) whether there was any opportunity for the average consumer to make a link; and (ii) whether the average consumer would make such a link.

As to the former, the court held that there was the opportunity as a proportion of the clientele at the claimant would own dogs and be in the market for dog food. On the issue of link, the court relied on the defendant's "humanising" of the dog food, offering it to "dine in", with options such as "cottage pie with cheesy mash" and "beef stew with liver and dumplings". While the defendant denied this, its defence was not assisted by the fact that the dog depicted was smartly dressed in a bow tie.

## Tarnishment and dilution of the trade marks

As to tarnishment and dilution, the court relied on *Red Bull GmbH v Sun Mark Ltd* and *L'Oréal v Bellure*.

[Continued overleaf]

# D YOUNG & CO INTELLECTUAL PROPERTY

Continued...

## Azumi v Zuma's Choice Pet Products

...On this issue, the court heard only one witness, the co-owner of the claimant.

He explained that there was an inherent tension between dog food and human food. This was analogous to the situation in R-318/2016-5 Dulces Conservas HELIOS SA v Guangzhou Petshine Pet Products Co Ltd where the Board of Appeal held that an application for DOG HELIOS for animal foodstuffs was likely to tarnish an earlier mark for jams and marmalade. The court held that the subsequent reduction in the connotations of prestige of the trade marks would also be likely to lead to a change in the economic behaviour of the claimant's clientele, resulting in dilution.

### Own name defence

The defendant's own name defence did not succeed. It initially relied on the fact that the defendant's director's dog was called Zuma. This failed because the dog was not a natural person or company, nor party to the proceedings. The defendant subsequently modified its defence to rely on its company name. However, for the EU trade marks, under the new EU Trade Mark Regulation, this defence is no longer available for companies. As to the UK trade mark, the defence was not applicable as the defendant's name was not ZUMA (but rather Zuma's Choice Pet Products Ltd).

### Conclusion

The court concluded that there was trade mark infringement in relation to all the signs, except for the company name. As a result, the defendant lost on its claim of unjustified threats, except in relation to the company

name (as to which, no damages flowed).

### Costs

Typically, before the IPEC costs recovery for the successful party is limited to £50,000, with the amount usually awarded being £36,000. However, because separate proceedings had been started (one by the claimant and two by the defendant) and, at the defendant's request, they had not been consolidated, in this instance the claimant was awarded £66,000.

### Author:

Antony Craggs



### Related cases

Specsavers International Healthcare Ltd v Asda Stores Ltd, [2012] EWCA Civ 24:  
<http://dycip.com/specsaversvasda>

Intel Corporation Inc v CPM United Kingdom Ltd, [2008] EUECJ C-252/07:  
<http://dycip.com/intelvcpm>

Red Bull GmbH v Sun Mark Ltd & Anor 2012], EWHC 1929 (Ch):  
<http://dycip.com/redbullvsunmark>

L'Oréal SA v Bellure NV, C-487/07:  
<http://dycip.com/lorealvbellure>

### Related D Young & Co articles

"Groundless threat provisions – what are they for?": [www.dyoung.com/article-groundlessthreatprovisions](http://www.dyoung.com/article-groundlessthreatprovisions).

"New threats on the horizon – unjustified threats on IP rights to be overhauled":  
<http://www.dyoung.com/article-unjustifiedthreats16>

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