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Big changes to the Madrid System: Soon to become a one treaty system

'A milestone for the Madrid System and its users' - this was the WIPO's response to the accession of Algeria to the Madrid Protocol. From 31 October 2015 the Madrid system will merge into a one treaty system as Algeria, currently a member of the Madrid Agreement only, becomes a signatory to the Madrid Protocol. The last of 95 countries to do so, Algeria will now gain full access to the territories covered by the Madrid Protocol for international trade mark protection.

The Madrid System is currently made up of two treaties, one being the Madrid Protocol that United Kingdom based Applicants will be most familiar with and the other being the Madrid Agreement. Algeria ended up becoming the sole country that was only a member of the Madrid Agreement; all other countries had over the years also become a member of the Madrid Protocol or were members of the Protocol only. Algeria has now acceded to the Madrid Protocol creating a one treaty system.

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Is Qiaodan Sports a Michael Jordan knockoff?

China is a country with a very long history indeed. However, the People's Republic of China was only founded in 1949, and the first Trade Mark act was only promulgated in 1982. This means that Trade Mark practices in China have often started from a different premise from those in countries with longer-established Trade Mark systems.

The most important different premise was, historically, that if a mark had not been filed in China, then it was open to anyone to file it in China, except in very specific circumstances.

This meant that, for example, Michael Jordan's Chinese-translated name "Qiaodan" has been registered for over a decade in China, not by Mr Jordan nor by Nike, but by a family company in Fujian. The logic was clear, in the 1990s perspective: why should they not file it, since he had not?

As the years have passed, however, China's trade policy has found international difficulties from this Trade Mark practice. A concept shift is in progress. Increasingly, the language used to describe such filings is "bad faith filings" rather than "unexpected third party initiatives". Progress is being made, but it is gradual.

Michael Jordan is appealing the "Qiaodan" registration to the Supreme Court, and perhaps he will succeed. Starbucks have recently succeeded in a parallel case – tellingly, one which was filed very much more recently than "Qiaodan". This shows that a global convergence is coming, in China as elsewhere, with an appreciation that only the "true owner" of a mark should be able to own it.

Until that time has come and is fully enshrined in law, though, it is sensible to remember that China is now a developed country where Trade Mark registrations are respected: and so it is prudent to file your own marks there, just in case someone else does.

Catherine Wolfe
Partner



The Protocol will enter into force in relation to Algeria on 31 October 2015. From this date all members of the

governed by the Madrid Protocol, simplifying both the filing and management of international registrations.

A milestone for the Madrid System and its users

Madrid System are party to the Madrid Protocol. This means that all international registrations will be exclusively

If you have any questions on the Madrid Protocol and how it could be of benefit to you please speak to your usual trade mark advisor.

Author: Charlotte Duly, Partner and Co-Editor

ASSOS v ASOS: Roger Maier and Another v ASOS plc and Another [2015] EWCA Civ 220

Use of the trade mark ASOS was deemed to create a likelihood of confusion with the trade mark ASSOS. Controversially, however, the UK Court of Appeal held that Asos could rely on the defence that it was using its own name.

Asos, founded in 1999 as “As Seen On Screen”, is an online fashion retail business. The acronym ASOS was adopted in 2002 and from approximately 2004 Asos has sold its own clothing under the ASOS trade mark (protected by a UK Trade Mark registration).

ASOS vs. ASSOS – balancing the “own name defence” alongside granting relief to trade mark owners for trade mark infringement.

Assos alleged that Asos’ selling of clothing and other fashion accessories under the trade mark “ASOS” infringed its earlier Community Trade Mark for “ASSOS” and also constituted passing off. Asos counterclaimed for revocation of Assos’ CTM claiming that it had only been used in relation to specialist cycling-related clothing and products.

A large part of Asos’ defence rested on the argument that when Assos filed its CTM application for ASSOS, Asos had

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Assos manufacture and sell specialist cycling products, including clothing, under the Trade Mark ASSOS, for which it holds a number of Community Trade Mark Registrations covering goods including clothing, footwear, and headgear.



already acquired goodwill in its ASOS trade mark, and that there had also been no consumer confusion between the brands. Asos felt it was entitled to rely on the 'own name' defence, given that ASOS was its trading name and that this had been adopted honestly.

At first instance, the court partially revoked Assos' CTM, limiting its specification to "specialist clothing for racing cyclists; jackets, t-shirts, polo shirts, track-suit tops, track-suit bottoms, casual shorts, and caps".

The trial judge then held that whilst ASSOS and ASOS were similar, there was no likelihood of confusion, and the use of ASOS had not damaged the distinctive character or reputation of the ASSOS trade mark. Asos and Assos both appealed.

The Court of Appeal held that the trial judge erred when assessing the likelihood of confusion between the trade marks. Although she had correctly found there to be no evidence of actual confusion, she had erred by focusing only on that, and should have considered "notional and fair use" of the marks as registered.

The Court of Appeal rejected Asos' argument that ASOS is recognised as an acronym of "As Seen On Screen", held that ASOS and ASSOS are aurally and visually very similar, and as such there was a likelihood of confusion (at least insofar as causal wear and retail services of casual wear are concerned) and therefore infringement.

The Court also agreed with Assos' claim that Asos' use of ASOS was detrimental to the distinctive character of the ASSOS trade mark – the ASSOS mark enjoyed a reputation, use of ASOS would be seen as "linked" to ASSOS by the average consumer, and as such this would weaken the ability of the ASSOS trade mark to identify the relevant goods as originating from Assos.

At this point the decision becomes very interesting. Although one judge dissented, the Court of Appeal held that Asos could rely on its defence to the infringement, in that it was "using its own name".

It was held that Asos' adoption of the ASOS trade mark, and creation of the ASOS brand, had all been in accordance with honest practices. This was despite Asos having not conducted any extensive pre-filing trade mark searches. The court looked in detail at how the ASOS brand had been developed, and paid particular attention to the fact that since inception of the ASOS mark, Asos had not competed unfairly with Assos.

At the time of writing neither party has filed a further appeal to the Court of Appeal's ruling.

The dissenting judgement, however, highlights the difficulty judges face when trying to strike a balance between: protecting trade mark owners, granting them relief for trade mark infringement, and enabling defendants to rely upon the "own name" defence.

Author: Luke Portnow, Attorney

FRIENDS (for) LIFE

UK trade mark applications for FRIENDSLIFE by Friends Life Management Services Limited and Oppositions by Medion AG.

In this case the UK Registry (IPO) were able to provide some useful guidance on the application of the Thomson Life case (Medion AG v Thomson Multimedia Sales Germany & Austria GmbH). It may be recalled that in Thomson Life owners of the earlier mark LIFE were successfully able to argue that the mark THOMSON LIFE was confusingly similar as their LIFE mark retained an independent distinctive character in the later mark.

This has become somewhat of a standard argument in Trade Mark disputes, perhaps to a point where the original meaning of the Thomson Life case has been lost. Commonly parties will argue that where a mark is included in a later mark in its entirety Thomson Life must apply and therefore that confusing similarity must be found.

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Unfortunately the Registries have also sometimes taken this approach, especially at OHIM.

In the Friends Life case the proprietor of the LIFE mark sought to prevent registration of FRIENDS LIFE. They did so on the basis that LIFE retained an independent distinctive character and there was a likelihood of confusion on the grounds of Thomson Life.

The Registry undertook a thorough examination of the case law and commentary surrounding the Thomson Life case. In this case they determined that LIFE does not retain an independent character as FRIENDS LIFE was a semi-descriptive term and had a meaning. The element "FRIENDS" qualified the LIFE element and therefore LIFE was not acting independently. On this basis they refused the opposition.

It was also noted that Medion had been attempting to argue contrary points, arguing firstly that LIFE retained an independent distinctive character whilst arguing secondly that FRIENDS was a descriptor for LIFE and therefore the corollary of which that LIFE could not be simply independent.

This is a welcome decision which provides clarity as to the applicability and extent of the Thomson Life doctrine. It shows that identical inclusion of an earlier mark may not be sufficient for a finding of confusion but that a global assessment must be carried out. This is not a surprising decision but is nonetheless a welcome decision which clarifies the limits of the Thomson doctrine and emphasises that it cannot be a shortcut to a full analysis of the likelihood of confusion.

Author: Peter Vaughan, Assistant

Important UKIPO warning: unsolicited marketing offers

Some trade mark owners have received unsolicited marketing offers, a number of which look like official invoices, offering to register their trade mark(s) in private unofficial registers.

The United Kingdom Intellectual Property Office (UKIPO) recently succeeded in a claim before the Intellectual Property Enterprise Court against two companies passing themselves off as the UKIPO.

The Court held that such action is a contempt of court rendering the offenders liable to imprisonment. Further proceedings are pending against another organisation that is engaged in similar practices.

To date, the UKIPO has named the following companies as sending these unsolicited offers, but there exist many more:

- INTERNATIONAL TRADEMARK AND PATENT SERVICE (ITPS)
- INTERNATIONAL PATENT AND TRADEMARK SERVICE (IPTS)
- IPT TRADEMARKS
- IPT-REGISTER
- EUROPEAN TRADEMARK PUBLICATION REGISTER (TPR)
- ODM PATENT AND TRADEMARK REGISTER (ODM)
- GAIA ALMANACH LTD

Paying for "registration" in these private unofficial registers leaves trade mark owners with no legal rights.

The companies named above are NOT linked to any Government or Community institution - you are NOT obliged to pay their fees, which are substantial.

Where we are your authorised representatives, we will pay UKIPO and Community Trade Mark Office fees on your behalf under your instruction and invoices for these are sent to you on our headed paper.

If you receive an unsolicited offer from those companies listed above (or anyone else), do not sign or pay it until you have checked with your usual Boulton Wade Tennant advisor.

Author: Luke Portnow, Attorney

