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Boulton Wade Tennant trade mark partners named IP Stars by Managing Intellectual Property, 2014

The hugely awaited IP Stars list has been published by the leading directory: Managing Intellectual Property. We're delighted that so many of our trade mark partners have been named stars. In fact the practice group has been described as a "market leader."

The widely respected publication also includes client comments such as: "The firm is absolutely first rate," or "The practitioners there have a real teamwork ethic, combining with clients and lawyers to provide a seamless service."

Read more about how peers and clients have rated Boulton Wade Tennant's Trade Mark Practice Group in [MIP's IP Stars, 2014](#).

> Give trade marks a sporting chance

The summer is upon us and as well as (hopefully) warmer and drier weather we have a feast of sporting events to look forward to. 2014 sees the football World Cup in Brazil and the Glasgow Commonwealth Games along with the usual summer sporting fixtures including the Wimbledon Championships, and horse racing at Royal Ascot.

As well as providing brilliant spectacles, such sporting events provide the opportunity to review trade mark protection. Any brand holders involved in sporting events should audit their protection as soon as possible to ensure that it is adequate. For example, any new goods or services offered in light of these sporting events should be protected. A regular review of your portfolio, to ensure it is healthy, is a good idea anyway. If you would like more information on this please speak to your usual advisor.

Sporting events also bring their own challenges, particularly in the form of ambush marketing campaigns. Brand holders involved with sporting events need to be vigilant to ensure that their own efforts are not hijacked. Any parties considering attempting to associate with sporting events, when they are not authorised to do so, must tread with caution. We recommend our readers review the recent [article about ambush marketing](#) from our previous addition of BoultonBites.TM.

Here's to a sporting summer!

Author: Charlotte Duly, Partner

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Emma Pitcher, Partner and
Charlotte Duly, Partner, Editors

Signed up to our trade mark seminar programme yet? If not email your details to teaandtrademarks@boulton.com

> Stute vs. Red bull – seeing red

Stute Nahrungsmittelwerke GmbH & Co. KG ('Stute') appealed the decision, in consolidated opposition and invalidity proceedings, to invalidate their UK registration no. 2368961 in Class 32 for a series of two marks:



The appeal also covered Red Bull's successful opposition against Stute's UK application no. 2528948 in Class 32 for the series mark:



History

Red Bull relied on a number of marks as the basis of their opposition and invalidation actions, including a CTM registration for RED and UK registrations for RED-X, RED BULL and RED E (figurative series mark) covering Class 32.

During these proceedings Stute put Red Bull to proof of use in relation to several of the earlier rights relied upon. The parties agreed that Red Bull's RED-X mark was the best case for comparison with Stute's marks.

Grounds of appeal

Stute raised two grounds of appeal against the Hearing Officer's decision:

1. The failure of the Hearing Officer to give any or adequate weight to the absence of evidence of confusion, in particular given the evidence relating to concurrent use of some of the marks, in making his assessment of the likelihood of confusion; and/or
2. The error by the Hearing Officer in his assessment of the dominant element of Stute's marks.

The Appointed Person assessed these grounds in detail and held that the Hearing Officer had not erred in their assessment of the combined opposition/invalidation action. Accordingly, the appeal was dismissed. Stute was ordered to pay costs to Red Bull within 14 days of the appeal decision.

Point of interest

During the assessment of the second ground of appeal the Appointed Person noted that:

"Whilst it is submitted that the Hearing Officer was wrong when he decided that RED was the dominant and distinctive element of the RED-X mark, it is not said that he was clearly wrong and that finding is not the subject of appeal."

This reinforces that any points that are being appealed must be clearly emphasised as such in the Notice of Appeal in order for them to be considered.

If you would like any further information regarding this matter, then please contact your usual trade mark advisor.

Author: Angharad Rolfe Johnson, Assistant

"I would rate the quality of the work as outstanding. Turnaround on matters of particular importance to us from a business perspective is particularly impressive. We have a very good working relationship... and thanks to that for most work frankly they can take the ball and run with it." Client comment, **MIP's IP Stars, 2014.**



> A letter from Hong Kong

It may have been raining outside Woolloomooloo Steakhouse but those that attended Boulton Wade Tennant's annual INTA drinks reception were treated to rather stunning views. Perched amongst the skyscrapers of Wan Chai, the restaurant occupies the 31st floor of the iconic building: The Hennessy.

Breathtaking views of Happy Valley, Victoria Harbour and the Wanchai metropolitan district were a spectacular backdrop to an incredibly well attended reception. With senior trade mark colleagues from over 50 different countries represented, networking with our four partner strong team was high on the agenda.

This year I took the opportunity to visit the Exhibition Hall to immerse myself thoroughly in the technologies of the future that will shape service delivery. Providing a means for Boulton Wade Tennant's clients to access the right information when and how they want it is vital and, in my view, will become an even more important factor when assessing service levels. The technology I saw reflects an industry-wide shift towards bundling information to provide users unparalleled access to data. This is an area I intend Boulton Wade Tennant to take advantage of so we can continue to deliver the very highest levels of service. The future looks exciting!

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The International Trademark Association's 136th Annual Meeting took place in Hong Kong during May



> Scope of protection for black and white trade marks

The scope of protection afforded to black and white (“B&W”) marks has been the subject of much discussion following the decision of the Court of Justice of the European Union (“CJEU”) last year in *Specsavers International Limited and Others v Asda stores Limited* (“*Specsavers v Asda*”). It is an important issue as B&W marks are often used as staples of trade mark portfolios in order to cover all possible colours of logos and figurative marks (in much the same way that word marks are used to cover all potential stylisations of words).

A recent Common Communication has articulated the new practice that OHIM and the national IP offices (that are participating in the Convergence Program; such as the United Kingdom) will follow in their treatment of B&W marks. Disappointingly, the new practice will result in a narrower scope of protection.

Specsavers v Asda

Back in April 2012, the Court of Appeal referred several questions to the CJEU. Of particular interest was the question concerning whether use of a B&W mark in a specific colour has any relevance for infringement purposes.

The CJEU held that colour will only be a relevant factor in assessing whether there is a likelihood of confusion with, or whether unfair advantage has been taken of, a B&W mark if it has been used extensively by the proprietor in a particular colour (or combinations of colours) with the result that it has become associated in the mind of a significant proportion of the public.

This caveat is key as it means that B&W marks are not interchangeable with colour marks. The wording “associated in the mind of a significant proportion of the public” is important as it mirrors the wording used by the CJEU in *General Motors Corporation v Yplon SA* for the definition of “reputation”. Colour will, therefore, only become a relevant factor in infringement cases once the extent and consistency of use is sufficient to generate the equivalent of a reputation in that colour.

This judgement was generally seen as good news for brand owners as it reinforced the benefit of registering a trade mark in B&W in order to provide broad protection for all uses in colour. The added bonus being that it was also possible to rely on a claim of enhanced distinctiveness in a particular colour acquired through use (without needing to re-file in that colour).

Common Communication of the Common Practice of the Scope of Protection of Black and White Marks

Following the *Specsavers v Asda* decision, the “Common Communication on the Common Practice on the Scope of Protection of Black and White Marks” was issued on 15 April 2014. The change in practice will affect the way

that OHIM, as well as the participating national IP offices (including the United Kingdom), will treat B&W marks.

It is worth remembering that the Common Communication is merely a statement setting out the participating offices’ practice. The scope of protection afforded to B&W marks is a matter of law and ultimately it is for the relevant courts to decide. In the past, several practice statements have fallen foul of court judgements. For example, OHIM’s “class-heading-covers-all” approach was overruled by the CJEU in *IP TRANSLATOR* and the UK IPO’s acceptance of the wording “predominant colour” was found to violate the definition of “a sign” by the Court of Appeal in *NESTLÉ v CADBURY*.

The need for a convergence of practice was based on a division in way that B&W marks were treated by national IP offices. Some, including the United Kingdom, followed a “B&W covers all” approach (under which a B&W mark is deemed to cover all colours) whereas others follow a “what you see is what you get” approach (meaning that a B&W mark only covers black and white). Unfortunately, the common practice is a halfway house compromise that is unsatisfactory.

The common practice will affect 1) the definition of identity for relative grounds oppositions and cancellations, 2) what constitutes genuine use, and 3) priority claims. Each will be dealt with in turn. It does not, however, encompass infringement, acquired distinctiveness, the similarity between colours, or colour marks per se.

Identity

The common practice states that a B&W mark is not identical to the same mark in colour unless the differences in colour are insignificant. An insignificant difference is what would not be perceived by the reasonably observant consumer upon a side by side examination of the marks.

This flies in the face of the current approach in the United Kingdom where, as explained by Lord Justice Kitchin in the Court of Appeal decision in *Specsavers*, “A mark registered in black and white is... registered in respect of all colours”. The new practice renders this statement inaccurate and, disappointingly, B&W marks now have a much narrower scope of protection.

Of course, this change does not mean that B&W marks can’t be used to successfully oppose an application to register a colour variant of the mark. The difference is that a trade mark proprietor will now have to prove that there exists a likelihood of confusion (rather than relying on the absolute protection afforded to identical marks / identical goods or services), which is a more difficult and cumbersome task.

Continued

Non-Use

Use of a mark in a form differing from the one registered will constitute genuine use if it does not alter the distinctive character of the trade mark.

The new common practice states that a change in colour will not alter the distinctive character of the mark as long as the following requirements are met:

- the word/figurative elements coincide and are the main distinctive elements;
- the contrast of shades is respected;
- the colour or combinations of colours does not possess a distinctive character in itself; and
- colour is not one of the main contributors to the overall distinctiveness of the mark.

This is another disappointing change as it increases the risk that B&W marks that have been on the register for over 5 years may be liable to revocation. This is particularly pertinent if the mark is only ever used in colour and colour plays an important role in the mark.

Priority

Lastly, the Common Communication states that for the purpose of claiming Priority under the Paris Convention

a B&W mark is not identical to the same mark in colour unless the differences in colour are insignificant.

Where does this leave us?

Whilst, following *Specsavers v Asda*, it was clear that B&W marks are not entirely interchangeable with colour marks, the new common practice means that the scope of protection afforded to B&W marks is narrower than previously thought. Furthermore, the new common practice has greatly increased the risk that B&W marks that have been on the register for five years may be vulnerable to cancellation based on non-use.

In light of these changes, and in order to gain maximum protection, we advise brand-owners to review their portfolios and, where necessary, re-file B&W marks in colour. This is particularly relevant for proprietors of B&W registration that are used in colour, where the colour is a distinctive element.

For new filings, we recommend filing both B&W and colour versions of the mark in order to ensure that you are in the strongest position.

Author: Peter Dawson, Assistant

> Updates to use requirements in Uruguay

Since 1 January 2014 legislative changes have meant use of a registered trade mark in Uruguay is now mandatory.

What does this mean?

Non-use of a registered trade mark does not mean that the mark will automatically become invalid. Instead, a registration may become vulnerable to non-use cancellation by third parties who have 'a direct interest', which is considered individual and legitimate.

Use of a registered trade mark in Uruguay is now mandatory.

Under the new law a registration can be cancelled within five consecutive years of the date of registration if it has not been used by its owner, a licensee or any other person authorised to use the mark. Cancellation is also possible if the mark has not been used for more than five consecutive years at any point in the life of the registration. However, if the owner is able to prove that the lack of use was due to reasons outside their control, cancellation may be avoided.

Fortunately, use of the mark for one or more products or services will prevent cancellation of the other goods and services covered by the registration, even if they are not similar to the terms where use has been shown. This means the requirements to defend a Uruguayan registration are much less onerous than for a UK or CTM registration. There is further good news as proof of use is not required when renewing the mark. To prove use, the evidence must correspond to the proprietor of the registration and show that the mark has been used publicly during an established period.

Further updates

The regulating decree which will underpin this new legislation has not yet been passed. This document will contain details of the conditions and methods of acceptable use and the procedures for this new type of cancellation action. We will update you again once this information is available. In the meantime if you have any concerns or would like any further information then please do not hesitate to contact your usual trade mark advisor.

Author: Angharad Rolfe Johnson, Assistant



Myanmar's new trade mark system

The South East Asian nation of Myanmar, also referred to as Burma, is one of the world's most populous countries.

Brand owners with current or foreseeable commercial interests in Myanmar should act swiftly to register their rights before trade mark pirates pre-empt them.

It has a rich cultural heritage, though it has seen its fair share of political, economic and religious turmoil. However, recent economic liberalisation and an abundance of natural resources has tipped Myanmar as a region ripe for economic growth.

There is already very significant inward investment and rapid economic change afoot.

Currently, there is no specialised trade mark law in Myanmar. According to WIPO, instead a strong traditional practice has developed which relies on the evidentiary assertion of rights in a trade mark.

A trade mark may be registered by a declaration of ownership under the Registration Act No. 16 of 1908. Under the provisions of this statute, a trade mark is registered by means of a declaration of ownership, which is a solemn statement of facts by the declarant. However, registration by declaration is not considered to be conclusive proof of ownership of a trade mark, rather it is likely to be taken as prima facie evidence of this. The proposed new trade mark law will be the first formal trade mark statute ever enacted in Myanmar and it is currently in its eleventh draft. It is believed the new law will come into effect during 2015.

The enactment of Myanmar's first trade mark statute will be challenging to local officials, as it will require the establishment of a Trade Mark Office. In addition to this, the trade mark system also necessitates the formation of the appropriate law enforcement mechanisms via the courts, customs agencies and police. In a country where

rapid change will become the norm it will be interesting to watch the development of this fledging system.

What does this mean for brand holders?

When the new trade mark law comes into force, proprietors of existing trade mark registrations will be expected to be able to transition to protection under this new system. Transitioned registrations are thought to retain their priority dates under the present system.

Relatively little else is known at this stage about Myanmar's new Trade Mark Law, but one of the few things we have heard is that the new legislation will operate as a "first to file" system. This means that registered trade mark protection will usually be granted to the first applicant, regardless of whether any other party has a better claim to rights in the trade mark. Brand owners with current or foreseeable commercial interests in Myanmar should act swiftly to register their rights before trade mark pirates pre-empt them.

In addition to the potential threats posed by trade mark pirates preventing legitimate brand owners protecting their trade marks, brand owners should also consider the potential delays in the implementation and enforcement of the new trade mark law.

Despite the initial challenges that the implementation of this new statute will bring, the enactment of a purpose designed trade mark law in Myanmar is a significant step forward in the overall economic development of this nation.

Myanmar is a strategically important nation with great economic significance. Given this, for anyone with a global business, we recommend carefully considering your requirements so that you are ready to file once the new system is operational. For those who already have protection there, they should assess whether the covered and the goods and services are up-to-date so that any new filings can be put in place once this is possible. Please speak to your usual advisor for further information.

Author: Anusha Arunasalam, Attorney

> New requirements of the Chinese Trade Mark Office

The New Trademark Law, announced on 1 May 2014, in China heralds significant changes to the formalities

for trade mark applications, records and renewals. However, there is some ambiguity regarding the changes which should be clarified

Active in the Chinese market? Then this article is a must read

after a formal notification from the Chinese Trade Mark Office (CTMO) in the middle of June, but until then the advice is as follows:

The CTMO requires the following original documents for filing new applications, as well as for other matters including applications to record changes of name/address and renewals:

1. The original application form executed by the applicant;
2. The original Power of Attorney executed by the applicant (no notarisation or legalisation is required);

3. A photocopy of the Certificate of Incorporation of the applicant, with the applicant's original signature on the bottom of the first page.

It is suggested that the signatory for the application form, the Power of Attorney and the Certificate of Incorporation, should be the same individual.

The above mentioned documents are required at the point of submission of the new application, otherwise the applications will not be accepted. Therefore, it is important to incorporate sufficient time for gathering and executing these documents into your filing plan.

As an alternative to submitting an original application form executed by the applicant, our clients may authorise the Chinese attorneys to sign the application form on their behalf.

These represent significant changes to the formalities requirements in China. We will keep you up-to-speed on further developments but should you have any concerns please contact your usual advisor.

Author: Rachel Conroy, Attorney

> Domain Name Update - .uk are now available

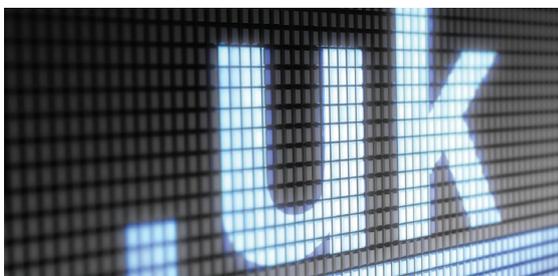
On 10 June 2014 the domain name extension .uk was launched. The UK was one of only a few European countries that does not have a simple two letter country code such as .fr but in June this has all changed. The new UK extension means that domain names can be shorter instead of using the existing extensions such as .co.uk.

In order to allay concerns of current UK domain name holders, most will have the corresponding .uk domain name reserved for them for five years until June 2019. In order to qualify for the reserved domain name registrants must maintain their existing .co.uk, .org.uk, .me.uk, .net.uk, .plc.uk or .ltd.uk domain name until they register the new .uk domain name.

Those wanting to register a brand new .uk domain name will be able to do so from 10 June 2014 assuming that domain name has not been reserved due to the provisions discussed above.

In cases where a number of websites share the same name but had different domain name extensions, for example boulton.co.uk and boulton.org.uk, Nominet offers a

simple rights look-up tool found at www.dotuklaunch.org.uk to enable you to check who has the right to the new .uk extension for that website.



The new .uk extension offers the opportunity for shorter, snappier domain names. It remains to be seen how popular this new extension will be however, we consider it important and have already registered boulton.uk. If you require any further information please speak to your usual advisor.

Author: Charlotte Duly, Partner



> Amazon aren't feeling so Lush

Following up on our [earlier newsletter](#) Lush, the well-known cosmetics and toiletries retailer, won the first round in the battle against Amazon and their use of Lush as Adwords or in other search functions.

To recap, Amazon was being pursued in the UK for trade mark infringement and passing-off by Lush, who objected to the use of terms like "Lush" and "Lush Bath Products" to generate results for Amazon through Adwords, as well as on their website's search tool.

Lush complained of three types of use by Amazon. The first and second claim concerned internet advertising as a result of Amazon having bid on certain keywords containing "Lush".

The first class of advertisements show the Lush mark in several places, for example:

Lush Soap at Amazon.co.uk

- [amazon.co.uk/lush+soap](https://www.amazon.co.uk/lush+soap)
- amazon.co.uk is **rated *******
- Low prices on Lush Soap
- Free UK Delivery on Amazon Orders

The second class did not show the Lush mark, for example:

Bomb Bath at Amazon.co.uk

- [amazon.co.uk/bomb+bath](https://www.amazon.co.uk/bomb+bath)
- amazon.co.uk is **rated *******
- Low prices on Bomb Bath
- Free UK Delivery on Amazon Orders

The third claim of infringement related to the operation of Amazon's own website. Amazon's drop-down menu generated suggestions of

similar non-Lush products when a consumer typed in the first two letters of "Lush". The search suggestions included Lush as a descriptor and there was no overt message stating that Lush soap and bath bombs were not available for purchase from Amazon.

For the first claim, Lush was able to establish infringement as the average consumer would expect to find Lush soap available on the Amazon website having seen the advertisement.

For the second claim, Lush did not establish infringement as the average consumer should appreciate that the advert was just a supplier offering similar products to

those requested by the internet user.

This decision confirms that options are available to rights holders whose brands are used as descriptive words in online marketplaces and/or are used in an infringing manner. For those who run such websites, or offer goods for sale via such means, the wording of any advertisement or description should be carefully selected to ensure third party trade marks are not used in a descriptive manner and to make certain that any advertisements are clear and unambiguous.

For the third claim, Lush established infringement since in this case both the search engine operator and the advertiser were one and the same and Amazon's use of the Lush mark would induce consumers to purchase non-Lush products. It was established that Amazon's use treated trade marks such as Lush as no more than a generic indication of a class of goods in which the consumer might have interest, thereby affecting the origin function of the mark. The fact that Amazon's drop-down menu generated suggestions of similar non-Lush

products when a consumer typed in the first two letters of "Lush" was deemed as trade mark infringement, mainly because there was no clear indication that original Lush products were in fact not available for purchase.

[Continued](#)

The UK High Court noted that: “the consumer is likely to think that Amazon is a reliable supplier of a very wide range of goods and he would not expect Amazon to be advertising Lush soap products for purchase if it were not in fact available for purchase.”.

Issuing the judgment, deputy judge John Baldwin went on to add that: “The right of the public to access technological developments does not allow a trader such as Amazon to ride rough shod over IP rights, to treat trademarks such as Lush as no more than a generic indication of a class of goods in which the consumer might have an interest.”.

To reach its findings, the UK High Court confirmed an understanding previously outlined in the dispute between Interflora and Marks & Spencer that the use of Adwords alone does not necessary infringe trade mark rights. For infringement purposes, the advert must suggest there

is an economic link between the parties and/or have an adverse effect on the essential function of the mark: indication of origin or reputation.

Regarding the origin function of the mark, this was understood to be affected where a reasonably well informed and reasonably well observant user cannot tell if the goods originate from the mark proprietor or a third party. To top this, the decision admitted that most internet users do not know how Adwords or search tools work.

This is surely a big win for Lush but the case is also being applauded by other companies that, like Lush, feel “bullied” by Amazon. However, this is certainly not the last we will hear from the dispute, and, as always, we wait with bated breath.

Author: Robert Daniel-Shores, Attorney

> Do you know your Trunki from your Kiddie Case?

The recently case of Magmatic Ltd v PMS International Ltd demonstrates the development in protection of products through design law. The case concerns the well known “TRUNKI”, a sit on suitcase for children, which came to fame after an appearance on Dragons’ Den. The other side produced a sit on suitcase called the “Kiddie Case”.

The Trunki design was protected by a registered design; the question was whether the Kiddie Case infringed this. At first instance the judge concluded that yes, there was an infringement as there was no different overall impression created by the two on the informed user. This was, however, overturned by the Court of Appeal. The Court of Appeal held that the Trunki registered design created an overall impression of a horned animal. They also found that, as the registered design was filed using CAD drawings which featured shading, this shading had

to be taken into account in considering the scope of the registered design.

By contrast they found that the Kiddie Case created the overall impression of a number of non-horned animals (a butterfly and a tiger) due to the stripes and spots on the product. The Court of Appeal overturned the first decision finding there was a different overall impression and therefore no infringement. Permission to appeal has also been refused.

This case reinforces an important consideration when filing for registered designs. The Claimant believed that their use of the CAD drawings provided them with protection for the shape of the product. However their use of shading on the drawings meant that the court took into account the addition of surface decoration on the Kiddie Case. They concluded that this created a different overall impression despite similarities in the overall shape.

When filing a design application it is important to consider both the extent of the protection required and what it is you are seeking to protect. Where possible the filing of simple line drawings which make no comment as to contrasting areas or shading is the right approach to take. If CAD drawings are used it is advisable to avoid artistic shading and presentation where possible.

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