

Summer is now a distant memory, and with the new season come new challenges and exciting opportunities. The European Commission's Taskforce on Article 50 negotiations with the United Kingdom published its position paper on IP rights earlier this month, which encouragingly, revealed that the position of the Commission and the UK profession appear largely aligned, and recognise the need to diminish the uncertainty that IP owners could face in a post Brexit environment. Click [here](#) to read about the key principles mentioned in the position paper.

Another development worth mentioning is that from 1 October new *threats* provisions will come into force in the UK which, it is hoped, will make writing to infringers a much more straightforward process. Read our analysis of the proposed changes [here](#).

In this issue of boult.bites we cover: Thailand becoming the 99th member of the Madrid Protocol, Brewdog Plc's failed attempt to register the phrase ELVIS JUICE; a breakthrough for China and the EU in coming to an agreement on the protection of GI's; and, finally, BMW's appeal against the decision taken concerning the use of their marks by TLL.

John Wallace, Managing Partner and Head of Trade Mark and Domain Names practice group



HEADLINE ARTICLES

The Madrid system expands again – Thailand to join from 7 November 2017

In August the Thai Government deposited its instrument of accession to the Madrid Protocol, making Thailand the 99th member of the Madrid system. From 7 November 2017, local brand owners in Thailand can protect their trade marks elsewhere using the Madrid system. This also means that foreign applicants based outside of Thailand can, from the same date, protect their trade marks in Thailand through the Madrid system when they either file a new international application or a subsequent designation to extend an existing registration.

Thailand has confirmed that its period for refusal of Thai designations will be 18 months, with the possibility of oppositions being filed outside of this period. This means that the Thai registry will be obliged to accept or reject a Thai designation within the 18 month period, but that third party objections may be accepted later, outside of this timeframe.

This is an exciting and potentially cost effective solution for any trade mark owners that would like to protect their mark in Thailand using the benefits of the Madrid system.

If you would like to discuss the possibility of designating Thailand in a new application or a subsequent designation via the Madrid system please speak to your usual advisor.

Author: Charlotte Duly, Partner

NEWS FROM THE TEAM

- > The rankings for EUIPO's top 25 e-users for **Q1** and **Q2** show Boult Wade Tennant listed as one of only four from the UK. To be listed, the use of the online applications for EUTMs, designs and oppositions had to be 99% or higher compared to the total volume of filings. In addition to this, users must have been proactive with eCommunications.
- > Trade Mark Assistant, **Emily Scott**, recently featured in the CITMA review, discussing why a priority claim did not succeed in a recent case in her article entitled "Getting Messe". Click [here](#) to read the full article.
- > Partner **Emma Pitcher** has been invited as a panellist to the **91st Intellectual Property Institute of Canada (IPIC) annual meeting** in Ottawa, 11-13 October 2017. Emma will be on the panel discussing "Sounds, Scents, Flavours - An Update on Non-Traditional Marks in Canada, the US and the EU".
- > **Emma Pitcher** will also be attending **INTA's Annual Leadership meeting** as Chair of the Non-traditional Trade Marks Committee. This year's meeting will be taking place in Washington in November 2017.
- > Partner **Charlotte Duly** and Trade Mark attorney **Daniela Paull** have recently returned from the Marques 31st Annual Conference in Prague. This year, the conference looked at how brands are shaped by cultural, political and social influences.
- > Finally, we would like to welcome Alice Gatignol to the Trade Mark team. Alice has recently joined as a Trade Mark Assistant after taking part in the 2016 Voluntary Vacation scheme. To find out more about the scheme please click [here](#).

V for victory, or not.

Long Arm Brewing Co Ltd v Robot Energy Limited, UKIPO, Opposition No. 600000616, O-394-17

Robot Energy Limited opposed a UK application filed by Long Arm Brewing Co Ltd. The earlier mark and the applied for mark consisted solely of an image of a hand forming a peace, or “v for victory”, gesture:

Earlier mark	Applied for mark
	

Both marks were filed in respect of goods in Class 32, namely beer and other beverages. The opposition was based on identity of the marks under Section 5(1) of the Trade Marks Act 1994 and on similarity of the marks under Section 5(2)(b). Interestingly, the opponent made some references to ‘bad faith’ in their opposition. However, as this was a fast-track opposition the only opposition grounds available were Sections 5(1) and 5(2). Therefore, the claim for bad faith under Section 3(6) was not allowed.

Claim under Section 5(1)

The claim that the trade marks were identical was swiftly rejected. It was held that the presence of the forearm in the applied for mark in particular was unlikely to go unnoticed by the average consumer and so the marks could not be considered identical.

Claim under Section 5(2)(b)

Similarity of the goods

The goods at issue were found to be identical and similar. For example, the term “non-alcoholic beverages” in the applied for mark was held to be broad enough to encompass goods such as “energy drinks” and “bottled drinking water” in the earlier mark’s specification.

Average consumer

The average consumer was identified as being a member of the general public, although in relation to the alcoholic beverages this person must be considered to be over eighteen years of age. As the goods are sold in supermarkets, off licences, online, and in public houses, it was held that the visual appearance of the marks would take on more significance when assessing the similarity. It was also held that the consumers would have an average level of attention.

Similarity of the marks

When assessing the similarity of the marks, the background in the applied for mark was dismissed as adding very little to the overall impression created. It was held that the overall impression of the applied for mark was of a hand forming a “V” shape.

The visual similarity between the marks was held to be high; although there were minor differences such as the inclusion of the forearm these features were not considered to be remarkable. As the marks were purely figurative there was no comparison to be made on aural similarity.

The marks were also found to be conceptually identical, both being a “V” sign meaning peace or victory. Interestingly, neither party made submissions on this basis. Even if consumers did not know the exact meaning behind the gesture, they could still see that both marks include a hand performing the same gesture.

Distinctiveness of the earlier mark

Even if the average consumer was aware of the meaning behind the mark it was held there was no evidence that the sign is common amongst goods in Class 32, being neither allusive nor descriptive. Therefore, the earlier mark was held to have an average degree of inherent distinctive character. It is perhaps slightly surprising that more consideration was not given to how prevalent the gesture is generally, and whether the fact that it is common in society and widely known by the public would reduce its inherent distinctive character.

Likelihood of confusion

Given the high degree of visual similarity and the conceptual identity, there was a similar overall impression created by the applied for mark. Combined with the closeness of the goods, it was held that the average consumer would imperfectly recollect one mark as being the other, which would result in direct confusion.

In addition, it was also held that, even if the differences between the marks are noticed, there is a likelihood of indirect confusion as consumers are likely to assume that the applied for mark is a variant of the earlier mark and that the goods offered come from the same, or at least economically linked, undertaking.

Therefore, it was held that there would be a likelihood of confusion and the opposition should succeed in its entirety.

Take away points

The increase in trade mark applications relating to beer as the industry for microbreweries and craft beers has expanded has been widely reported. It may be that we begin to see many more oppositions relating to this class as the register becomes increasingly cluttered. Trade mark owners should consider conducting clearance searches before filing applications to help reduce the risk of inadvertently infringing a third party’s rights and the risk of oppositions being filed against their application.

Consideration must also be given to whether the fast-track opposition system is appropriate, based on the circumstances of the case. While it can save time and money in straightforward cases, where more complex issues such as bad faith and passing off need to be addressed a standard opposition should be filed.

Author: Connor Thorogood, Trade Mark Assistant

The hound dog and Brewdog square off over ELVIS JUICE beer

UKIPO case O-291-17

Craft brewing company Brewdog Plc attracted the ire of the estate of the late Elvis Presley when it applied to register the phrases ELVIS JUICE and BREWDOG ELVIS JUICE as trade marks in the UK for beer and other brewery products in Class 32. Elvis' estate said that people might mistakenly believe that Brewdog's beer was endorsed by them.

The two founders of Brewdog, which is known for its headline-grabbing exploits, famously changed their names by deed poll to Elvis in protest last year in a bid to illustrate that the name is not the exclusive property of the singer's estate. While this may have served as great promotion for their beers, in the end it did not help them to come out as top dog in this particular dispute.

The ELVIS JUICE and BREWDOG ELVIS JUICE trade mark applications were opposed by Authentic Brands Group (ABG), the rights management company which controls the use of the name and image of the late singer Elvis Presley. ABG owns EU trade mark registrations for "ELVIS" and "ELVIS PRESLEY" covering Class 32 among others, and claimed that there was a likelihood of confusion between its marks and the marks applied for by Brewdog.

The UK Intellectual Property Office recently issued a decision on the dispute. The Hearing Officer found a reasonable level of visual and phonetic similarity between the marks ELVIS JUICE and ELVIS, and a high level of conceptual similarity, noting that JUICE was mildly allusive to a liquid drink and that Elvis Presley was and still is such an iconic figure that the vast majority of the public would have heard of him and would immediately make a conceptual connection to the late singer when faced with the ELVIS JUICE mark. Given that the goods at issue, beer, were identical, and the ELVIS element of the later mark was deemed more memorable than the JUICE element, the Hearing Officer found that there was a likelihood of confusion, and that consumers would either misrecall the marks for each other or would assume that ELVIS JUICE beer had some economic connection to the owner of the ELVIS brand.

The Hearing Officer also found there to be a moderate level of similarity between the marks BREWDOG ELVIS JUICE and ELVIS, despite the extra point of difference due to the addition of the house mark BREWDOG to the beginning of the sign.

The Hearing Officer then carried out a detailed consideration of recent case law concerning the impact on the likelihood of confusion of a sign which forms part of a composite mark, but which retains an independent distinctive role in the mark overall, as in the present case, where BREWDOG can be considered one independent element of the mark, and ELVIS JUICE, which hangs together as a phrase, can be considered the second element of the composite mark.

Even though the Hearing Officer accepted that the evidence filed by Brewdog showed that the company may enjoy something of a reputation in the BREWDOG element of the mark, this was not enough to outweigh the potential for indirect confusion among beer drinkers who would still note the ELVIS element of the ELVIS JUICE sub-brand and assume that beer sold under the BREWDOG ELVIS JUICE composite mark originated from the same or an economically connected trader to the owner of the ELVIS brand.

ABG succeeded in its opposition and both the ELVIS JUICE and BREWDOG ELVIS JUICE trade mark applications were refused registration. It was not clear at the time of writing whether any appeal had been filed.

This case should serve to caution brand owners that adding a house mark, even a house mark which enjoys its own significant reputation, to another word, phrase or image which has already been protected as a trade mark by a third party may not be sufficient to outweigh the potential for confusion among consumers, depending of course on the words, phrases or images concerned.

This is especially so in an opposition context, where the assessment of confusion is a notional one and where considerations relating to the circumstances of actual use, which could perhaps provide a counterweight to a finding of confusion in an infringement context, are irrelevant.

There was also an interesting but brief discussion on memorabilia, referencing a 1999 case which held that ELVIS was a mark of low distinctive character for items such as posters, pennants, mugs and soap, since people purchase such items not because they expect them to come from a particular trade source but simply because they carry the name or image of Elvis Presley.

The Hearing Officer appeared to accept that "something of a distinction" could be drawn between such memorabilia items and the goods in the present case, beer, in terms of the goods' capacity for the mark to be used on them in a commemorative way. That is, if a party wished to claim that it is common practice for celebrity name marks to appear on beer, and that this lessens the distinctive character of the celebrity name mark because the beer will be seen as a mere piece of memorabilia or collectable, that party would need to put evidence before the Tribunal to show this. Consequently, the type of goods faced could be critical when defending a mark which is also the name of a famous personality.

This was not explored fully in the decision but the business of merchandising and licensing has come a long way since 1999 and is now a multi-billion pound industry. Consumers are savvier than ever before and most are aware that both brand owners and famous personalities look to commercialise names to maximum extent possible and seek new revenue streams wherever available. We expect courts and tribunals to continue the move towards recognition of this commercial reality as a relevant factor in the assessment of the potential for confusion between any two trade marks.

Author: Donna Trysburg, Trade Mark Attorney

100 European geographical indications set to be protected in China

China and the EU have been discussing a mutual legal framework for GIs for almost 7 years. On 2 June 2017 they agreed to open the process for protecting a list of 100 European and 100 Chinese GIs through the agreement. The published list includes products such as Bayerisches Bier, Feta, Queso Manchego, Champagne, Gorgonzola and Polska Wódka. This will effectively result in enhanced protection, reciprocal trade benefits, increased consumer awareness and demand for high-quality products on both sides.

The publication of these lists is intended as a way to speed up the finalisation of the negotiations. However, China has to reconcile the EU's quality schemes with trade marks already used and registered in China, such as the cheeses Asiago, Cheddar, Feta, Gorgonzola and Parmesan. To defend the quality labels, the 8 EU countries with the largest number of GI products in Europe (Italy, Greece, France, Spain, Portugal, Germany, Hungary and Romania) are willing to support a large-scale legal action of European consortiums in China, seeking the elimination of these trade marks.

The aim of this agreement is protecting the quality and the origin, which is also the purpose of every trade mark. In the EU, not a single consumer of parmesan expects finding on their table cheese called parmesan which originates from Beijing. The EU Commission counted over 3,300 EU names plus a further 1,250 non-EU names registered in the EU GI system. The Commission estimated the market for EU GIs to be approximately EUR 54.3 billion, accounting for 15% of total EU food and drinks exports [January 2017 data].

The Chinese market is of course one of the largest and their demand for EU products is growing exponentially. On the other hand, China has a number of local GIs, mostly unknown to EU consumers, that China hopes can expand in the EU market. It is known that bilateral agreements are the main tool to extend EU GIs' protection in other territories, and the new agreement is welcomed. Particular attention shall however be given to enforcing mechanisms which is perceived as the main problem in China, and this is still an open topic to resolve. Let's see what happens next.

Author: Alessio Brotto, Trade Mark Assistant

'They were not to be SPARED... by BMW'

Bayerische Motoren Werke Aktiengesellschaft and Technosport London Limited; George Agyeton [2017] EWCA Civ 779

Bayerische Motoren Werke Aktiengesellschaft ("BMW") ("the Appellant") appealed against a decision by Lord Justice Hacon concerning the use of their marks by Technosport London Limited ("TLL") and Mr George Agyeton ("the Respondents"), who deal in repair and maintenance of cars, mostly BMWs and Minis.

In the original proceedings, BMW argued that TLL were using the BMW marks (the marks in question being the BMW word mark, Roundel and M Logo) without consent and should be prevented from using the BMW marks for identical services to those covered by BMW's registration, such use constituting a likelihood of confusion and likelihood of association. Hacon accepted infringement on the issue of TLL's use of the BMW Roundel and M Logo. However, Hacon dismissed the claim to a likelihood of confusion of the public and damage to the reputation of the BMW word mark.

During the appeal, Lord Justice Floyd focused on the disputed point of law in this case, the likelihood of confusion. When considering the issue of spare parts, the BMW v Deenik (1999) case was considered. In this case the defendant was sued for advertising that he would service BMW cars,

although he was not an authorised dealer. The decision of Deenik held that Articles 5 to 7 of EU Directive 89/104 do not entitle a proprietor of a trade mark to prohibit a third party from using a EU trade mark to inform the public they carry out repair and maintenance of goods, unless the mark is used in the way to create an impression of a commercial connection.

From this emerges a grey area, as a company advertising their services as specialists in repairing BMW cars and/ or using genuine BMW spare parts not only projects the message the company specialises in the maintenance and repair of BMW cars, but this message could also be interpreted as there is a commercial connection to BMW.

Floyd separated these issues by making the distinction between what he terms '*informative use*' and '*misleading use*'. Informative use is '*my business provides a service which repairs BMWs and or uses genuine BMW spare parts*' and misleading use is '*my repairing services is commercially connected with BMW*'. As a further interesting point, Floyd believed the judgement of the original case to be wrong on an error of principle; he opined that the fact the decision was based on whether the dealer's name conveyed the impression the dealer was authorised was wrong. Thus, concluded that BMW are right on the likelihood of confusion.

Floyd concluded, in a cliff-hanger style, that this case opens the floor up for questions as to whether use which has been found on the hypothesis of '*informative use*' can take undue advantage of a well-known mark.

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