Bird&Bird

Retail Therapy:

Safeguarding Your IP Brand in Multi-Channel Retail

2024

Transcript of Retail Therapy Episode 12

Nicola	Hello and welcome to Bird & Bird's Retail Therapy podcast – I'm Nicola Conway and I'm a Senior Associate in Bird & Bird's R&C team. And today we're going to talk about the importance of protecting your trademarks and some tips and tricks for doing just that. We're joined on this episode by our colleague, Sharon Mutizira, who's a trademark attorney in our IP brands team. Sharon, would you like to kindly introduce yourself and a little bit about your practice?
Sharon	Absolutely, thanks Nicola. Hi everyone! I am a junior Associate in Bird & Bird's Brands team. I specialise in brand management and product design. A bit of background, I started my legal career in-house as an intern at the Walt Disney Company where I gained exposure to the commercial aspects of IP, I've always loved IP. I worked as a paralegal in different practise areas for a number of years, before qualifying as a trademark attorney.
Nicola	We love Disney! What would you say a typical day looks like for you at Bird & Bird?
Sharon	I work closely with clients at all stages helping them to protect their valuable IP assets e.g. trademarks, designs etc and I advise them on their freedom to use their chosen brands so that involves kind of doing some searches seeing if anyone has registered that mark, if anyone is using it online and then reporting it back to them I also help clients with filing those trademarks so drafting the specifications because with trademarks you sort of need to say what goods and services you intended to use the mark you are applying for, so I'll help the clients draft that and then dealing with any issues that arise during the registration process so if at third party objects or the registry objects. Also day-to-day portfolio management and also the contentious side of that so if someone challenges an application was filed or if we are doing invalidity

	actions or infringement claims before the UK IPO and the IPO then we would be assisting with that as well.
Nicola	That sounds like a really broad practise. I'm just conscious that some of our listeners won't be IP specialists (that includes me by the way) so I wonder if you could just briefly explain what the key differences are between trademarks, copyrights and design rights?
Sharon	Yes absolutely!
	So in terms of copyright : that protects original works such as your brand name or any logos that you design for your business and it can also protect any sound and music recordings that you come up with and unlike trademarks and designs, copyright in a work arises automatically. So that essentially means there's no registration procedure, so you get that automatically when you create a work and then trademarks are the unique identifiers or symbols that you use for your business if you think about it there are many players in a given market and you sort of want a symbol or a sign that differentiates your business from a competitor for example and that unique sign or symbol is what enables consumers to know that the goods and services they are buying from you are really from you and it also assures them on the quality of the products they buy from you so that make him repeat purchases.
	Trademarks: can be anything really you can have made-up word combinations for example one of my recent favourites is Beyonce's 'Cecred' brand so it's a new hair care line that she's come up with and the name 'Cecred' is basically a combination of her name and the word sacred which I thought was quite clever. So you can have made-up names, and you can also have personal names so I'm thinking like your Marc Jacobs, Karen Millen's just to name a few and you can also protect logos and other unconventional marks like shapes colours and any combination of these so trademarks are quite broad.
	Then finally in the UK you can have Design Protection : and there are two types of design protection that you can have. You can have registered designs and unregistered designs. Registered designs protect the appearance, the look and feel of a product such as the shape or contour lines, things like that, and then unregistered UK rights just prevents the unauthorised copying of a design in the UK.
	So although I've mentioned quite a few different rights here, they can all exist concurrently which is something that's not often talked about but in a way I think of the rights that I've spoken of today trademarks and designs complemented each other in a way because some trademarks not always distinctive but then you can use registered design for the more unconventional trademarks as in alternatives where you have a trademark that needs to acquire distinctiveness overtime so having both in my opinion is a good thing but you tend to see more trademarks than designs in portfolios.
Nicola	That's a super helpful summary, honestly, I've learned a lot from that as well! I think it's good to just run through them and sort of understand differences between them.
	I'd love to talk first about something I'm fascinated by, and actually it's something we've spoken about before, which is <i>quiet luxury</i> – in particular quiet luxury in the fashion space – so if anyone hasn't heard of this yet, it's basically moving trend away from wearing heavily branded garments > towards this consumer preference towards clothing which isn't necessarily immediately recognisable as any brand in particular or at least doesn't explicitly show what brand it is from in terms of a big name or a big logo. I'd

	love to know your view on this, from a legal perspective, and being a trademark attorney. Is quiet luxury good or bad for brands?
Sharon	Yeah, I remember having this conversation. It's an interesting topic isn't it when you think about your 'Skims' or all these like brands that are coming up now since like 2021/2023 it's like this ongoing trend but from a commercial standpoint I think quite luxuries are good for brands generally because it gives consumers more choice and although the marketing is subtle the products attract clients who understand and appreciate their value so it's very much possible to build brand equity in them over time and generate goodwill which I think is good when you look at it from a trademark POV because with trademarks you need to prove use overtime and so the fact that you can generate goodwill and get people to affiliate your brand with you is definitely a good thing and I think more brands will be responding to this new wave of consumerism but that doesn't mean that people are all of a sudden not going to like labels. It will attract a certain type of consumer which I think is great. I think from a trademark standpoint though protection for quiet luxury for brands is quite a challenging concept because they tend to be either descriptive, generic and will likely be difficult to get or maintain or even enforce against infringers.
	So talking first about how these quiet luxury for brands can lack distinctiveness because they're essentially, I guess what they say on the tin. When you think about the fact that for consumers, trademarks are a badge of origin and they guarantee the product's quality, I think logically speaking unless you someone who's familiar with that type of brand or that type of marketing you wouldn't know what is going on so that makes it a bit more challenging when looked at in the context of quiet luxury because the whole concept of quiet luxury hinges on using muted single colours which arguably not striking and will be harder to remember or to get protection because how do you prove distinctiveness of a colour especially if it's like the colour that is hard to associate with a particular product so I think there's always a question there, but that's not to say colours, for instance, haven't been registered before, they have, and a good example of this is how Tiffany's and Christian Louboutin have been able to register their Louboutin red colour the Tiffany robin egg blue colour and I think what was interesting in those cases is they had to submit a lot of evidence to show that they build brand equity and show that consumers have been educated overtime to associate the colours with their brands and I think one thing maybe for a quiet luxury brand to think about is how much time and effort that will take to like educate consumers to the kind of level but that's it, it is possible.
	Then moving onto maintenance I think one, as I've mentioned before on the use point is that with trademarks if you don't use them- you lose them, so if a brand name label is obscure, it can't be easily detected so you have to think very cleverly about how you putting on your labels on the product in what you're going to submit evidence to prove use once the registration has been granted so I think from that point of view, you kind of need to find creative ways to make sure that even though outwardly maybe the brand isn't showing you've got labels or like online it describes what the brand is in a way that shows that the trademark is being used.
	And then finally from a trademark infringement standpoint similarity between products and other brands, especially in a saturation market like fashion that we are talking about if you're trying to prove infringement you need to show that a link is being made in the minds of the consumers and that link alone is not the only ingredient that you need to get home on like an infringement claim so it's worth also thinking about the real intentions of other brands like- are they really trying to copy or they try to rip off the brand? What sort of things have they done to try and differentiate themselves? And I think all those things

	together are helpful in an infringement claim as well as just thinking about whether, if there's someone who's like ripping off your brands or your designs out there that has led to a change in behaviour for the consumers, because <i>that's</i> the kind of evidence or requirements that you need to show for trademark infringement. And then finally, sorry just going back to fashion, I think even though quiet luxury is great and this whole concept of like 'if you know you know' is here to stay, in my mind fashion is a very saturated market so you're going to get products that almost look alike. I feel like it's hard to get rid of copycats in that kind of environment so I think naturally that creates challenge for quiet luxury brands because they will always be someone out there doing something quite similar but not necessarily using your branding in a way but it's essentially the same product we talked about the Skims where we have so many companies doing shapewear in like the same tones and the only thing that's different is maybe like the company name or the company logo that's on the product but it's essentially the same product so I think that's quite tricky and I'd say the biggest challenge for certain luxury brands is the copycats.
Nicola	That's really interesting I mean fascinating because it's just described so perfectly there is so much opportunity there but there is also just more risk or more challenges to overcome
	I'd love to do a deeper dive into a couple of the bits that you mentioned there. Starting with your point on protecting colours.
	It sounds like if a brand wants to protect a colour and stop another brand from using that same colour, they need to make sure that they have created something memorable, and also that they have enough brand equity and evidence that consumers associate that colour with that brand. Is that just about right?
Sharon	Absolutely, I think one case that comes to mind is the <i>Nestle v Cadbury UK</i> . In that case, Cadbury UK Limited had applied to register two applications for the colour purple (Pantone 2685C) to be applied to i.) the whole visible surface of the packaging of the goods" and to the packaging of goods. Nestle opposed the marks on the grounds that the trademark wasn't distinctive and couldn't be perceived as a sign. The trouble in that case, I think was that in the end, Cadbury were able to show that they had in fact acquired distinctiveness in the colour for certain goods and services so I think it's a combination of educating the consumers so that they can look at that colour and think of it in a trademark sense as like an indicator of origin. You really need to show that it is associated with a brand, so I think that was a good summary
Nicola	I remember, was it last year or was it the year before? - Valentino came out with that really hot pink colour and they had so much hype around it I don't know whether they registered that pink or whether they were just hoping to gain some goodwill over times as people just inevitably begin to associate it with Valentino specifically but it was around that time that I had picked up just a basic T-shirt from a High Street retailer in a bright pink and one of my friends was like - oh Valentino pink! And I was like it's not, but forever you might think of this pink now as Valentino and I found that to be really interesting that so fast hot pink was just Valentino's.
Sharon	Yeah, I don't think they have registered it and yeah it's an interesting one to follow to see if they ultimately try to get that specific shade of pink registered as a trademark or it may be that they may wait overtime for a number of years to make sure that people really do associate that colour with them but it is quite interesting I think you don't think about these things when you're buying

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	things but actually they're setting indicators that make you think- oh this must be associated with this particular brand but I think you need a lot more evidence to stop others from using that type of colour or getting it registered as a trade and also it's a case of looking into where would you register it- would, for example, if they were trying to register it in other countries like the US and countries in Europe for example or Asia, it's worth speaking to lawyers in those jurisdictions to see a colour can be protected because certain trademarks will not be registrable depending on where you are trying to register in the world so it's always worth speaking to an attorney to see whether you have enough evidence to essentially get this colour registered as a trademark or not but it's an interesting concept to think that so quickly people were associating that kind of colour with Valentino.
Nicola	Maybe I had subconsciously made those associations as well I don't know but it's a nice pink!
Sharon	Yeah absolutely, it's nice, I remember last summer was all about, you know, pink themes, parties and everything.
Nicola	Yeah, absolutely and then also to your point on lacking distinctiveness. if a brand creates a plain white t-shirt – if there is no specific colour protection, or logo or design right or trademark on that garment – how could a brand even start to challenge other brands that bring out the same or a very similar garment?
Sharon	I think in the case of a plain white T-shirt because it's so generic how do you even begin to show that it's acquired distinctiveness. I think in my, just looking at this from a trademark point of view, I think it's unlikely that that: (a): you'd be able to get that registered because it's so generic (b) and also the colour white isn't new to attract design protection So, I don't think you'd be able to stop others from using something that is just generic or purely functional as a white T-shirt. So I think that explains why we got so many different variations of the white T-shirts out there, but I think if the white T-shirt had add other distinctive features or some kind of design embroidery on it and then I think the first thing for brands think of is, you know, don't panic assume that because it's a plain white T-shirts and then you have put stuff on it that it is not protectible. It may be that some of the additional features allow it to go above that threshold of like distinctiveness, so I think the first port of call for a person who has designed this to come up with this type of T-shirt is to speak to an IPO figure out what protection is available is any and the best way to enforce it against infringers.
Nicola	And I guess in terms of fabrics; if a brand creates a new fabric or material, like something really innovative, then presumably they would add a layer of protection for them?
Sharon	Absolutely. I think a new fabric would be looking at register design to show assuming that the design is definitely new and it's different from anything that's already on the market which is also known as it needs to have individual character and I think if you were able to get that registered as a design and you get a certificate, a certificate is always a useful thing to prove to infringers or all potential infringers that they have right asserted over the fabric so I think definitely having any kind of when it's a trademark registration certificate or design registration certificate is a good way to deter infringes.

Nicola	I do think as the fashion industry as a whole tries to become more sustainable we should see some interesting fabric innovations in the next few years so that'll be interesting to keep an eye on what people are asserting rights over.
	Ok so pivoting a little bit I'd love to dig into the point you raised on counterfeits, copies and "dupes". These are all actually a prolific issue for the retail industry generally and so many of our clients, not just in the fashion space. Can we explore – what's actually the difference between a dupe and a copy or a counterfeit?
Sharon	Yeah absolutely. So a counterfeit would be a product that us designed to look like an authentic original product and it uses the branding of like the original owner so that in my head is already raising all kinds of red flags. Whereas a dupe or a knock off is a product which tends to be similar to an original product. It's similar in terms of its packaging, appearance and functionality but it will not have identical trademarks or logos of the original product so it's essentially inspired by type of product as opposed to like copying everything that's the original product if you like is made of and I think one important distinction is that dupes are not illegal in a way because they're not copying everything, they're not, you know, posing as like the original product whereas with counterfeits I think there's some forethought there to deceive a consumer to thinking that you're buying an original products thereby getting the value the quality of the products from illegitimate business for this fake if you like. Obviously this has serious implications to a trade mark whose products are being copied in that way because you know there will always be this issue to the brands reputation ways like someone has purchased something thinking that is from, I don't know your Louis Vuitton or your Gucci and then it's not, it's a completely different quality and they don't know that and I think that can be really damaging to a business.
Nicola	We see tonnes of duping as well in cosmetics and fragrance as well, don't we? Where you might have, for example, a fragrance that that has a really similar bottle to a really high end one and has similar notes, but it's not meant to look exactly like the original. I don't think consumers are being confused or misled but it's kind of a way for them to have something similar that performs in a comparable way when perhaps they just don't have sufficient resources to buy the original or maybe just don't want to buy the original.
	Since dupes aren't actually illegal do you think they can be stopped or maybe the best question is do you think they should be stopped?
Sharon	So that's a really good question. Speaking of perfumes, one brand that is really coming to mind is The Essence Vault and they basically their whole business model is creating perfumes that are inspired b, if you like, high end brands and they do really well on the market apparently so I suppose it's exactly what you say that consumers know they're not buying the you know, the really expensive £280 perfume, they are buying something maybe like it but not really and I guess they are okay with it and I think - can they be stopped? I think it's fair to say that the luxury industry is highly competitive and so perhaps there is a fine line between taking inspiration and maybe creating a dupe that comes really close to a brand but I think if you get to that point where it is certainly infringing- its copying the important elements not just the commonplace features, then I think it should be stopped. If it's a case that is causing detriment, if it's affecting the distinctive character of the original products then absolutely it needs to be stopped.
Nicola	Okay, I think that's helpful to know that the key considerations in this discussion are really similar across sectors. So whether we're talking about fashion or cosmetics or food and beverage.

	Let's finish up with a forward-looking question. I wonder, are you able to predict any themes or trends in 2024 or even 2025 based on trademark registrations that you've been seeing recently?
Sharon	It has definitely been a busy year for businesses across all the sectors that you've mentioned, and I think it will continue to be that way for the rest of the year or in 2025.
	I think quiet luxury in particular, which is all about prioritising high quality and durable products is here to stay and trademarks will be useful tools for brands to sort of communicate that commitment to where they stand on environmental issues or social inequity practises and I think what that might look like is we're going to see a lot more brands registering, what I like to call green trademarks to showcase that they're environmentally conscious and basically those green trademarks would be subject to the same you know distinctiveness issues that might crop up so it will be interesting to see how sort of brands navigate that.
	I think we will also keep seeing brands using specifications that include terms like ESG because I think there's a big movement in that especially for luxury brands at the moment and I think they will use that to try and clarify that the services they are offering relates more to like this environmental social governance in ethos and, you know, describing their products as being sustainable or that the technology that is being used to make this product is green technology.
	In terms of the core classes that we're going to keep seeing - I think Class 35 (retail and business services) definitely which is all about retail in business and as I said, probably using that language I just mentioned - Green Tech, sustainable goods. And then Class 25 for clothing and fashion. I think we're going to see a lot more applications for that as brands move to this use of AI and tech and design and sort of putting the customer's journey as the focus of the brands. I think we're going to see a lot more technology goods, education services and technical services which are broadly Class 9 (technology goods), Class 41 (education services), and Class 42 (technical services).
	And also, I think we are going to see an increase in applications for your unconventional trademarks. So your shapes, your colours. We talked about Valentino so maybe a year from now will see the application from them so that will be interesting and possibly even registered design protection is a way to sort of get protection for shapes and features and also one other important type of trademark that you know might go hand in hand with this theme of ESG certification marks which would be used to protect descriptive terms to vouch for quality and compliance of products because certification marks are all about you know making sure that consumers know that products and services that are being offered have complied with certain requirements so I think we're going to keep seeing all those certification type marks on the register.
	Just pivoting slightly, I know you attended the Luxury Law Summit awards last month where the firm won an award. What would you say were the key trends or takeaways from that in this theme of like luxury and, you know, protection that we're talking about today?
Nicola	Yeah, we were absolutely thrilled! Humble brag but that's the third time that we've won the award of International Luxury Law Firm of the Year in the past four years so honestly it was a real honour. But to your question – I attended most of the sessions and they were as always fascinating, and everyone was sharing such brilliant insights and foresights. But relevant to our conversation today.

	There was a conversation surrounding how luxury brands are held by consumers to a higher standard of accountability than other brands. And that's based on the sentiment that luxury brands shouldn't be able to charge luxury prices, and set the industry trends and spearhead new technologies without having their house in order – meaning – without being exemplary when it comes to legal compliance, sustainability, customer service, transparency, and everything really. Basically - the customer who pays more has the right to demand more from that brand – and I think that principle goes to the core of the luxury brands in some ways because they have to invest so much resource and money into having their house in order and being reputationally as close to perfect as possible – and yet - smaller or non-luxury brands can and always do come along and copy the products of the luxury brands and sell them for so much cheaper so basically they divert some potential customers away from the luxury brands – whilst not being themselves held by consumers to that higher standard that the luxury brands are. Soquite a bit to digest there but ultimately, I think it's always going to be just quite a different existence for luxury versus non-luxury brands but its always quote good to hear from both sides of the fence, I think.
Sharon	That's really interesting actually. I sort of agree with the point of holding the luxury brands to a higher standard. It is a pay me what I am worth kind of situation. Would you say you expect more from electric branch than a fast fashion brand for example?
Nicola	Yeah, I think I do. I think it's part of the it's part of the money proposition as you say like if I'm paying more for something I expect you to be doing better behind the scenes as well as that product to be better generally
Sharon	Yeah absolutely and I think it also comes down to this whole idea that consumers now want to know a bit more about you know how their products are being made so if you're buying something that's luxury you want to know that the chain from you know manufacturer all the way to retailer aligns with your values so I think naturally, you know, luxury brands are going to have to spend more.
Nicola	I completely agree with and one of my favourite takeaways, I can't remember who I heard this from or when - someone once said consumers always vote with their wallets and I think that's something that's just really good to keep in mind because we're not only voting on what's the cutest dress anymore, but people also really care more about everything else that that brand stands for.
	I think we could talk for probably another hour but it's about that time to close the episode so let's do a fun, light little question – Sharon what's something that you purchased or were gifted recently and loved?
Sharon	Sticking to the theme of "silent luxury", I recently bought a stunning locket from Monica Vinader, which I am obsessed with. I haven't personalised it yet but I just love the way it looks, other than that I love it.
	And then on the cosmetic side, I'm really into Korean skin care and some of my favourite brands are Numbzin and Dr Jart and they do like this really nice products, cosmetic products that I have now incorporated into my routine and yeah, they're like my go to brands. I think that all came about when I visited Korea last year and I really found it interesting learning and experiencing the different brands from the lens of a consumer so I think you know just learning about the different brands that you get in a particular region that you wouldn't get here was really fascinating and so yeah, I love them.

	And then for hair products and experiences I think we've talked about Chrissybales in London as like one to watch, it's all about your hair extensions, your wigs in high quality hair and the experience too. So yeah, those are like my little pieces of heaven at the moment, what about you?
Nicola	We're so similar because whenever I travel somewhere new, I'm just dying to go into like a pharmacy or beauty store and just see what's different so I've definitely got South Korea pretty high up on my to go list. I'm going to stick with you on the cosmetics theme – I recently went to a Makeup by Mario Masterclass, and it was one of the coolest things I've ever seen but then of course immediately afterwards I went on a shopping spree to buy more or less everything that he recommended. One item being his lipliner in the shade pink peony – it's a sharpenable pencil rather than a twist up so you can get a really good point if you need to, but also it has a little brush on the other end if you want to kind of feather it out. So it's kind of perfect for however you prefer to do your liner.
Sharon	I think that's so good because it's you know it's the experience that you get, you're seeing how it's being used and then you're also thinking about how you can use it in your own routine and I think that that's a game changer by the way just, you know, being able to experience these products live and direct before making a decision to buy them, I think that's so cool.
Nicola	I'm very easily sold as well, I'm like yes all of it! It was fascinating as well to watch how he does make up though I mean he uses just the most light gentle hand I think I'm a bit guilty of sort of just smacking makeup on to my face especially when I'm in a rush but he's so intentional with his placement he's so gentle it's great to see I mean I just love watching people do make up anyway but watching an icon like him do it really was one of the best things I've seen.
Sharon	It sounds like it, yeah, I mean I I'm with you there I just slap my makeup on.
Nicola	I think we're all guilty of it but it's funny how different people do it. Alright that's the end of our episode – thanks for joining us! If you'd like to join us for more Retail & Consumer discussions, don't forget to subscribe or follow wherever you listen to your podcasts so that you're notified when the next episode goes live. Bye for now!

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