

Bird & Bird

# Report of Trade Mark Cases



For the CIPA Journal

*July-August 2022*



# Trade mark decisions

Decisions of the General Court (GC) and Court of Justice (CJ)

Ref No.	Application (and where applicable, earlier mark)	Comment
<p>GC <b>T-870/19</b></p> <p><i>Worldwide Spirits Supply, Inc v EUIPO; Melfinco S.A</i></p> <p>21 December 2021 Reg 2017/1001</p> <p><b>Reported by:</b> <i>Dan Breen</i></p>	 <ul style="list-style-type: none"> <li>– cigarettes; cigars; tobacco; smokers' articles; matches (34)</li> </ul> <p><b>CLEOPATRA MELFINCO</b></p> <ul style="list-style-type: none"> <li>– cigarettes (34)</li> </ul> <p><b>(earlier Greek registration)</b></p>	<p>In invalidity proceedings under article 60(1)(a), the GC upheld the BoA's decision that there was a likelihood of confusion under article 8(1)(b).</p> <p>Worldwide Spirits' only argument as regards the likelihood of confusion was that the marks had peacefully co-existed on the market, which diminished the risk of confusion, and that the BoA had erred in rejecting its arguments to that effect. The GC upheld the BoA's decision, holding that that Worldwide Spirits had provided no evidence of the way in which the public would have encountered the marks on the EU market as a whole or in Greece. There was no evidence that the alleged co-existence was based on the absence of a likelihood of confusion, nor evidence regarding the duration of the alleged co-existence or its peaceful nature.</p>
Ref No.	Application (and where applicable, earlier mark)	Comment
<p>GC <b>T-498/20</b></p> <p><i>Diego kereskedelmi és Szolgáltató Kft. v EUIPO; Forbo Financial Services AG</i></p> <p>26 January 2022 Reg 2017/1001</p>	 <ul style="list-style-type: none"> <li>– carpets, rugs, mats and matting, linoleum and other materials for covering existing floors; wall hangings [non-textile] (27)</li> <li>– repair; installation services (37)</li> </ul> <p><b>STEP</b></p> <ul style="list-style-type: none"> <li>– coverings for floors and hard floors, mats, carpets and rugs, linoleum; non-textile tapestry and wall coverings (27)</li> </ul>	<p>The GC upheld the BoA's decision that there was a likelihood of confusion under article 8(1)(b) and dismissed the applicant's appeal in its entirety.</p> <p>The GC agreed with the BoA that the figurative elements of the mark applied for were banal minor features. The words WOOD and STEP were the most prominent elements given their size, though it was STEP that was the most distinctive of the two.</p> <p>The GC also agreed with the BoA that the marks were visually similar to an average degree, that LAMINATE FLOORING would not</p>

<p><b>Reported by:</b> <i>Alexander Grigg</i></p>		<p>have been pronounced in the mark applied for, and that the marks were conceptually similar to at least an average degree.</p> <p>Although the weak distinctive character of the earlier mark was a factor in the global assessment, due to the similarities in the marks and goods, the GC upheld the BoA's decision that there was a likelihood of confusion.</p>
<b>Ref No.</b>	<b>Application (and where applicable, earlier mark)</b>	<b>Comment</b>
<p>GC <b>T-300/21;</b> <b>T-301/21</b></p> <p><i>CNH Industrial NV v EUIPO</i></p> <p>26 January 2022 Reg 2017/1001</p> <p><b>Reported by:</b> <i>Maisie Briggs</i></p>	<p><b>T-300/21</b> <b>SOILXPLORER</b></p> <ul style="list-style-type: none"> <li>– agricultural implements for soil mapping and for sensing, monitoring, and analysing soil; and parts therefor (7)</li> <li>– electronic soil sensors (9)</li> </ul> <p><b>T-301/21</b> <b>CROXPLOERER</b></p> <ul style="list-style-type: none"> <li>– agricultural implements for monitoring and analysing plants; and parts therefor (7)</li> <li>– computer software for analysing plants and providing measurements and calculations for the application of fertiliser, growth regulators, and other agricultural chemicals (9)</li> </ul>	<p>The GC upheld the BoA's decisions that both marks were descriptive under article 7(1)(c).</p> <p>The BoA had been correct to find that the term XPLOERER would have been perceived as an alternative spelling of the term 'explorer'. The BoA had considered correct definitions of the word 'explorer', which referred to a specialist or a tool who or which explores and investigates. Consequently, the GC dismissed the applicant's argument that 'explorer' referred only to a person, which it had argued meant the marks were fanciful and unusual by reason of the personification.</p> <p>Whilst the BoA had erred in considering the term XPLORE rather than XPLOERER in one paragraph of its decision, that was not sufficient to vitiate the BoA's decision since the rest of the decision had considered the correct element.</p> <p>Particularly in view of the fact that the relevant public consisted of professionals with a high level of awareness and attention, the BoA had been correct to find that the public would have understood the marks as indicating the intended purpose of the goods without making any particular mental effort.</p>
<p>GC <b>T-715/20</b></p>	<p><b>SKINOVEA</b></p> <ul style="list-style-type: none"> <li>– soaps, cosmetics, toileteries (3)</li> </ul>	<p>The GC upheld the BoA's decision that there was a</p>

<p><i>Degode-Dermago Development GmbH v EUIPO; Leo Pharma A/S</i></p> <p>2 March 2022</p> <p>Reg 2017/1001</p> <p><b>Reported by:</b> <i>Adeena Hussain</i></p>	<ul style="list-style-type: none"> <li>– pharmaceutical preparations, medicated skin creams, skin care preparations for medical use (5)</li> <li>– retail services for pharmaceutical preparations, medicated skin creams (35)</li> <li>– advisory services relating to health (44)</li> </ul> <p><b>SKINOREN</b></p> <ul style="list-style-type: none"> <li>– pharmaceutical products, including products for topical treatment for acne (5)</li> </ul> <p><b>(earlier Bulgarian registration)</b></p>	<p>likelihood of confusion between the marks under article 8(1)(b).</p> <p>The GC agreed with the BoA's findings that the relevant public was the general public and professionals in the medical, cosmetic and pharmaceutical sectors. Their level of attention varied from average in relation to the class 3 goods, too high for the rest of the goods and services.</p> <p>The SKIN element of the respective marks was held to have an average degree of distinctiveness because the relevant Bulgarian public would not have understood the English meaning of the word, and it did not bear any similarity to the Bulgarian translation using the Cyrillic alphabet, <i>кожа</i>. Degode-Dermago also did not support its claim with sufficient corroborating evidence that the relevant public would have understood the English meaning of the word SKIN.</p> <p>The marks were found to be highly visually similar since that they shared six out of eight letters and the position and length of the identical element SKIN, and aurally similar to an average degree because of the same two syllables SKIN and O. A conceptual comparison was not possible because the relevant public would not have understood the meaning of the marks.</p> <p>As the goods and services were also found to be identical or similar, there was a likelihood of confusion, despite the high level of attention of the relevant public.</p>
<p>GC</p> <p><b>T-140/21</b></p> <p><i>Apologistics GmbH v EUIPO; Markus Kerckhoff</i></p> <p>2 March 2022</p>	 <ul style="list-style-type: none"> <li>– retail services in relation to chemicals, pharmacy products, cosmetics and household goods, goods for the health sector (35)</li> </ul>	<p>The GC upheld the BoA's decision to partially revoke the registration for lack of genuine use pursuant to article 58(1)(a).</p> <p>The evidence submitted by the applicant demonstrated genuine use of the mark in connection with 'retail services in relation to cosmetics', as well as 'retail services in relation to pharmaceutical preparations',</p>

<p>Reg 2017/1001</p> <p><b>Reported by:</b> <i>Ayah Elomrani</i></p>		<p>which was considered an independent subcategory of the broad categories of chemicals, pharmacy products and goods for the health sector mentioned in the specification.</p> <p>The application to revoke the mark in relation to the remaining services succeeded. The GC held that the use of the word 'chemical' on invoices alongside each product was insufficient to establish that the products were chemicals. Further, the sales volume of one product was too low to demonstrate genuine use of the mark as there had only been a single sale in 2016. It was also unclear how that product should have been categorised, e.g., as a chemical, a household product, etc. Finally, the GC clarified that the sale of certain goods in pharmacies did not mean that they were necessarily pharmacy products.</p>
<p>GC <b>T-125/21</b></p> <p><i>Banco de Investimento Global, SA v EUIPO; Banco BIC Português, SA</i></p> <p>2 March 2022 Reg 2017/1001</p> <p><b>Reported by:</b> <i>Maisie Briggs</i></p>	<p><b>EUROBIC</b></p> <ul style="list-style-type: none"> <li>– encoded credit and debit cards, magnetic, and encoded cards, magnetic, for banking operations (9)</li> <li>– insurance; monetary affairs; real estate affairs; financial services including those provided via the internet or other means of telecommunications; banking; information and consultancy relating to financial affairs and banking (36)</li> </ul>  <ul style="list-style-type: none"> <li>– insurance; monetary affairs; real estate affairs; financial services including those provided via the internet or other means of telecommunications; banking; information and consultancy relating to financial affairs and banking (36)</li> </ul> <p><b>(earlier Portuguese registration)</b></p>	<p>The GC upheld the BoA's decision that there was no likelihood of confusion between the marks under article 8(1)(b).</p> <p>The GC agreed with the BoA that the level of attention for services in class 36 was high, because they were liable to have a direct impact on the economic and financial assets of consumers. Further, they were typically expensive, and not purchased regularly. The GC also agreed that most of the services in classes 9 and 36 were technical and specialised in nature, which increased the consumer's level of attention.</p> <p>The GC endorsed the BoA's decision that the weak distinctive character of the word elements BANCO and EURO did not mean they should not be considered when comparing the signs. In light of that, the BoA correctly found the marks had low or a lower than average degree of visual and phonetic similarity, and were not conceptually similar, so there was no likelihood of confusion.</p>

<p>GC T-86/21</p> <p><i>Distintiva Solutions S. Coop. Pequeña v EUIPO; Makeblock Co. Ltd</i></p> <p>2 March 2022 Reg 2017/1001</p> <p><b>Reported by:</b> <i>Aneesah Kabba-Kamara</i></p>	 <ul style="list-style-type: none"> <li>– automatic handling machines, and robots (7)</li> <li>– teaching materials (16)</li> <li>– building blocks and toys (28)</li> </ul>	<p>In invalidity proceedings, the GC dismissed the appeal in its entirety and held that the mark was distinctive, not descriptive, and did not mislead the public under articles 7(1)(b), 7(1)(c), and 7(1)(g) respectively.</p> <p>Although the GC agreed with the BoA that MAKE and BLOCK referred to construction, those words did not fit with the gear device. The gear was suggestive of more sophisticated mechanical construction, and so was more likely to have been used with finer parts than basic blocks. As such, the mark as a whole did not infer any information about the goods, and there was no direct or specific link.</p> <p>The GC rejected as inadmissible Distintiva's plea that the mark was misleading under article 7(1)(g), because Distintiva had not explained how the mark could have deceived the public.</p>
<p>GC T-196/21</p> <p><i>Lea Nature Services v EUIPO; Debonair Trading Internacional Lda</i></p> <p>9 March 2022 Reg 2017/1001</p> <p><b>Reported by:</b> <i>Maisie Briggs</i></p>	 <ul style="list-style-type: none"> <li>– hair care preparations; perfumery; perfumed body spray; eau de toilette; eau de parfum; cosmetics; personal care deodorants; body lotion; shower gel; dry shampoo; hair care shampoo; hair care conditioner; perfumed body mists; body butter (3)</li> </ul>	<p>In invalidity proceedings, the GC upheld the BoA's decision that the mark was not invalid pursuant to articles 7(1)(b) and (c).</p> <p>The BoA had been correct to find that the term SO could have had several meanings depending on the context in which it was used. Therefore, the relevant public would not have automatically interpreted it as a laudatory message relating to the quality of the goods. To be a laudatory phrase, it should have been followed by a word indicating quality, but that was not so in the present case.</p> <p>Further, the BoA had not erred in considering that the punctuation needed to be taken into account because, although it was not distinctive by itself, it added to the sign's overall impression. The addition of the punctuation required the relevant public to interpret the sign, so making it distinctive.</p>

<p>GC <b>T-766/20</b></p> <p><i>PrenzMarien GmbH, v EUIPO; Molson Coors Brewing Company (UK) Ltd</i></p> <p>9 March 2022 Reg 2017/1001</p> <p><b>Reported by:</b> <i>Milena Velikova</i></p>	<p><b>STONES</b></p> <p>– beer, bitter beer (32)</p>	<p>In proceedings under article 58(1)(a) for the revocation of the mark based on non-use, the GC upheld the decision of the BoA that there was sufficient evidence of genuine use, and consequently dismissed the appeal.</p> <p>PrenzMarien's first plea was that the evidence of use was limited to the UK, and that it was consequently not relevant in view of the UK's withdrawal from the EU. It argued the territory of the EU at the time of the decision should have been taken into account. However, the GC rejected this argument – since the relevant period for genuine use was 21 August 2013 to 20 August 2018, and the UK had been part of the EU during that period, the evidence of use in the UK was relevant, which was not called into question by the Withdrawal Agreement.</p> <p>PrenzMarien's second plea was that the BoA had not considered that the beer market was a mass market, in the context of which the alleged use was merely token. The GC rejected this and held that the evidence demonstrated that a sufficient volume of STONES beer had been sold between 2013 and 2018, including sales to the supermarket chain ASDA.</p>
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## Evidence of actual confusion

*Urbanbubble Ltd & Ots v Urban Evolution Property Management Ltd ("UEPM") & Ots\** (Judge Hacon; [2022] EWHC 134 (IPEC); 20 January 2022)

*Urbanbubble did not succeed in its claim that UEPM infringed its mark URBANBUBBLE through the use of the logo URBAN EVOLUTION under either section 10(2) or 10(3). The claim to passing off also failed. Had it been necessary, UEPM's defence of implied consent would have succeeded but its defence based on promissory estoppel would not have done so. Louise O'Hara reports.*

### Facts

Urbanbubble was appointed to manage residential buildings in a development in Liverpool in February 2016 (the "Artesian"). In March 2018, UEPM was incorporated and started trading using the name "Urban Evolution" and the "Original Logo" shown below.





*The Claimant's logo*



*The Original Logo*



*The New Logo*

Urbanbubble contacted UEPM, complained that their logo was too similar to its own logo and asked that UEPM redesign. UEPM agreed to update its branding to the "New Logo" shown above.

Urbanbubble confirmed via email "the logo has been changed now as per my request and it is time to move on". Later, when UEPM sent a courtesy email to ask whether Urbanbubble would have any objections to them taking over the management of certain commercial units in the Artesian, Urbanbubble responded "we do not deal with commercial lets so that's fine".

Following a successful application to take over management of the Artesian, in February 2020, UEPM replaced Urbanbubble as the management agents for the residential properties. Urbanbubble brought infringement and passing off claims in November 2020.

### Infringement and Passing Off

Urbanbubble relied primarily on trade mark infringement under section 10(2), but also relied on section 10(3) and passing off. It was common ground that the services at issue were identical or similar, so the main issues for Judge Hacon were whether the New Logo was similar to the mark URBANBUBBLE, and whether such similarity gave rise to a likelihood of confusion.

First, Judge Hacon had to consider the impact of the parties' agreement that there were two categories of relevant consumer, namely: (i) freeholders of buildings who would require management services; and (ii) investors and owners of one or more units within a building who would rent the property to others for business of residential use. Following *Interflora v Marks & Spencer Plc* [2014] EWCA 1403, Judge Hacon held that a likelihood of confusion on the part of either average consumer would be sufficient.

UEPM submitted that there was no relevant similarity between the sign and the mark on the basis the only shared element, URBAN, was at least highly allusive of the services offered, if not descriptive. Whilst Judge Hacon acknowledged the merit in this submission, he held that it did not necessarily mean there was no likelihood of confusion. In that regard, the evidence of actual confusion relied on by Urbanbubble had to be considered: in October 2018, UEPM had received a number of emails from third parties (including two investors) querying whether UEPM and Urbanbubble were affiliated, or part of the same corporate group. From the wording of those emails, Judge Hacon held that the emails showed the third parties were unsure whether there was indeed an affiliation, but they thought it likely. However, that was not enough. For section 10(2) there needed to be a fully-formed belief that the parties were the same or economically linked; the email evidence only established that the average consumer would have regarded a connection as a likely possibility, and did not prove there would have been a more certain belief. Further, none of the emails demonstrated confusion at the point of an economic transaction.

Judge Hacon dealt quickly with the section 10(3) ground. Although the URBANBUBBLE mark had a reputation, and the public would have made a link between the mark and the sign, there was no unfair advantage or detriment caused. In particular, the email evidence referred to above suggested the third parties were unhappy with Urbanbubble's services, so UEPM would not have benefitted from an association with Urbanbubble.

Further, in view of the evidence which led him to conclude there was of no likelihood of confusion in the context of section 10(2), Judge Hacon also found there had been no misrepresentation by the defendants, and thus Urbanbubble's claim based on passing off was also dismissed.

### Consent and Estoppel

From the evidence, Urbanbubble had unequivocally renounced its intention to enforce its rights in URBANBUBBLE against UEPM's use of the sign, so UEPM could have relied on the defence of consent had Urbanbubble's claims been made out.

However, Judge Hacon held that UEPM could not, as a matter of law, rely on promissory estoppel as regards the trade mark infringement claim. In *Marussia Communications Ireland Ltd v Manor Grand Prix Racing*



*Ltd* [2016] EWHC 809 (Ch), it was established that to allow a common law defence of estoppel to a trade mark infringement claim would have rendered trade mark protection subject to issues outside the EU Trade Marks Regulation and protection would thus vary according to the legal system concerned.

Furthermore, there had to be a legal relationship between the parties to give rise to a promissory estoppel and it was not clear to the Judge what relationship existed between them. Finally, UEPM had stated it did not believe it needed Urbanbubble's consent to use the sign – in light of that, it could not be said that UEPM had relied on Urbanbubble's representation to its detriment.

## No justification for application to amend a defence

*ABP Technology Ltd v Voyetra Turtle Beach, Inc. & Turtle Beach Europe Ltd\** (Birss, Coulson and Davies LLJ; [2022] EWCA Civ 594; 23 March 2022)

*The Court of Appeal (Birss LJ giving judgment) allowed ABP's appeal from the High Court's decision to allow Turtle Beach to amend its defence (see The CIPA Journal dated April 2022 for a summary of the High Court decision). Robert Milligan reports.*

ABP alleged that Turtle Beach had infringed two of its UK trade marks for STEALTH and STEALTH VR, both registered in relation to "audio headsets for playing video games", by use of the sign STEALTH in relation to video game headsets. Turtle Beach did not deny such use but sought to rely on the defence of honest concurrent use. ABP applied for summary judgment.

In the meantime, Turtle Beach first took an exclusive licence of and then purchased an earlier registered UK trade mark for STEALTH covering "Hi-fi apparatus, instruments and loudspeakers; parts and fittings for all the aforesaid goods" (the "Earlier Registration") from Name Creations Ltd ("NCL") which, acting on behalf of Turtle Beach, had in turn acquired the Earlier Registration from the previous owner.

Turtle Beach sought to amend its defence to rely on the Earlier Registration as a defence to infringement under section 11(1B), to counterclaim that ABP's rights were invalid and that ABP had infringed the Earlier Registration. ABP objected to the application to amend primarily on the grounds that it was made late and therefore, should the Court allow the amendment, ABP would suffer irremediable prejudice as they were deprived of the chance to revoke the Earlier Registration on the grounds of non-use under section 46(3).

At first instance, Miles J found that Turtle Beach's amendment had not been made late as the proceedings were at a very early stage and pleadings were not yet closed. Although ABP would be prejudiced by allowing the application, the prejudice had not arisen from any unjustified delay by Turtle Beach.

The Court of Appeal held that the defence under section 11(1B) was available to Turtle Beach from the date on which NCL acquired the Earlier Registration since NCL was at all times acting on VTB's behalf. Given that Turtle Beach only provided notice of intention to amend its defence some five months later, the Court of Appeal held, in contrast to the decision of Miles J at first instance, that the application to amend the defence to plead section 11(1B) was made late. The lateness of the application to amend deprived ABP of being able to apply under section 46(3) to revoke the Earlier Registration, which they would have been able to do if the point had been raised when it could have been. Furthermore, no explanation justifying the lateness had been provided by Turtle Beach. The Court of Appeal also found that ABP had no duty to search the register to find earlier rights that were identical and/or similar and revoke such rights.

## Amazon.com listings targeted UK and EU

*Lifestyle Equities CV & Anr v Amazon UK Services Ltd & Ors\** (Arnold and Snowden LJJ and Sir Geoffrey Vos MR; [2022] EWCA Civ 552 and [2022] EWCA Civ 634; 4 May 2022 and 12 May 2022)

*After considering the law on 'targeting', the Court of Appeal (Arnold LJ giving the lead judgment), found that each of Amazon's business models at issue incorporated advertisements, offers for sale and sales which amounted to use of Lifestyle Equities' marks in the UK and the EU. As a result, Amazon had infringed Lifestyle*

*Equities' UK and EU trade mark registrations for the BEVERLY HILLS POLO CLUB word and logo marks, to a much greater extent than that previously admitted by Amazon. Ciara Hughes reports.*

## Background

Lifestyle were the owner and exclusive licensee of UK and EU trade mark registrations for the BEVERLY HILLS POLO CLUB word and logo marks (the "Trade Marks"). The US trade mark registrations for the same marks were owned by a commercially unrelated party, which marketed identical goods in the US to those covered by the Trade Marks (the "US Branded Goods"). Lifestyle had not consented to the US Branded Goods being placed on the market in the UK or the EU.

Lifestyle claimed that Amazon infringed the Trade Marks by advertising, offering for sale and selling the US Branded Goods to consumers in the UK and EU (via Amazon's websites at amazon.com, amazon.co.uk and amazon.de), and that Amazon were jointly liable for importing the US Branded Goods into the UK and EU. Four of Amazon's business models were in issue:

- Amazon Exports-Retail – under this model, customers shopped on amazon.com and bought products from Amazon (with Amazon handling all aspects of the transaction); and the goods could then be shipped to other countries e.g. the UK.
- Fulfilled by Amazon ("FBA") Export – under this model, third party sellers placed products on amazon.com and international customers bought goods from third party sellers; Amazon handled all aspects of these transactions.
- Merchant Fulfilled Network ("MFN") Export – under this model, third party sellers placed products on amazon.com and sold to international customers; but unlike the FBA Export model, Amazon only handled the payment processing aspect of the transaction.
- Amazon Global Store – this was a service offered by Amazon whereby consumers on amazon.co.uk and amazon.de were able to access listings for certain products on amazon.com and purchase those goods, with Amazon handling all aspects of the transaction.

Amazon did not admit liability but did put in place successive restrictions in 2018 and 2019 in response to Lifestyle's complaint. However, these restrictions were insufficient to address Lifestyle's concerns.

In the first trial on liability ([2021] EWHC 118 (Ch), reported in The CIPA Journal November – December 2021), Green J dismissed Lifestyle's claims, save to the limited extent that past infringement had been admitted by Amazon shortly before trial. In essence, the Judge held that the Trade Marks had not been used in the UK or EU as part of any of Amazon's business models, and therefore Lifestyle's registrations had not been infringed by Amazon. Lifestyle appealed the decision.

## Targeting

Following a review of the relevant case law on 'targeting', the Court of Appeal made clear that the issue was whether there was use of the mark in the relevant jurisdiction and that the label of 'targeting' should not distract from the former issue. The Court of Appeal further noted that the approach to the assessment on whether a mark was used in the relevant territory was the same, regardless of whether the context was an enquiry into genuine use or infringing use. Whether there was use of a mark in the relevant territory had to be assessed objectively from the perspective of the average consumer of the relevant goods and services. Further, the Court of Appeal confirmed that there had to be a specific assessment in relation to each type of use complained of, including distinguishing between general advertisements and specific offers for sale to particular consumers.

## Decision under appeal

In the first instance decision, the Judge held that amazon.com and the listings for the US Branded Goods were not targeted at UK or EU consumers. The Judge accepted that amazon.com and the relevant listings were primarily directed at US customers. In addition, the Judge placed importance on the fact that UK and EU customers shopping on amazon.com faced disadvantages in terms of delivery times and shipping costs, so those customers who did purchase the US Branded Goods from amazon.com had to have a specific reason for doing so. The Judge also noted the lower volume of traffic from UK/EU visitors to amazon.com (compared to the website traffic from US visitors).

## The appeal

On appeal, Lifestyle contended *inter alia* that the Judge wrongly imposed requirements that the website should uniquely target the territory in question and that the operator should subjectively intend to target the territory in question, or at least treated the absence of these factors as highly significant; and that the Judge failed to correctly assess the context of each use of which complaint was made.

The Court of Appeal assessed each use in turn and concluded that the "Review your order" page, the product details pages and the search results pages for the US Branded Goods on amazon.com all targeted the UK. Relevant factors included the facts that the price and shipping costs were in GBP when the customer reviewed the order, that the products were listed as being available to ship to the UK, and that it was clear that Amazon would arrange shipping, importation and delivery to the UK. The Court of Appeal held that this applied to all of Amazon's business models. With reference to the CJEU decision in *Blomqvist v Rolex SA* (Case C-98/13), the Court of Appeal determined that under the Trade Mark Regulation 2017/1001 (being the applicable law in the case, as the claim was brought when the UK was still a Member State of the EU), Amazon's sales of the US Branded Goods to UK and EU consumers constituted use of the Trade Marks in the relevant jurisdiction, regardless of whether there was prior targeting of these consumers.

Having determined that Amazon's uses of the Trade Marks targeted the relevant territory and therefore constituted infringing uses, it was unnecessary to decide the issue of whether Amazon was jointly liable with its carriers for importing the US Branded Goods into the EU and UK.

## Consequential issues

Following the main judgment on the appeal, the Court of Appeal was asked to determine a number of consequential issues. Lifestyle sought declarations that its Trade Marks had been infringed by the listings on amazon.com and the Amazon Global Store via amazon.co.uk and amazon.de. The Court of Appeal refused this request on the basis that the declarations would not serve a useful purpose and could be misinterpreted by third parties as meaning that any listings of the US Branded Goods on amazon.com would infringe the Trade Marks, when this was not necessarily true.

However, Lifestyle's request for an injunction to restrain infringement of the Trade Marks by Amazon was granted, and an inquiry as to damages was ordered at Lifestyle's risk as to costs. Amazon's request for permission to appeal to the Supreme Court was refused.

## CJ clarifies the principle of acquiescence

*HEITEC AG ("Heitec") v HEITECH Promotion GmbH ("Heitech") and RW\** (CJ; Fourth Chamber; C-466/20; 19 May 2022)

*Agreeing with the Opinion of AG Pitruzzella (C-466/20; 13 January 2022), the CJ answered four questions referred by the Federal Court of Justice of Germany relating to the interpretation of acquiescence pursuant to article 9 of Directive 2008/95 and articles 54 and 111 of Regulation 2007/2009. The referrals were made against the backdrop of a delay by Heitec in bringing a claim for trade mark infringement resulting in it being time-barred. Jon Edwards reports.*

## Background

Heitec was the proprietor of an earlier EUTM registration for the word mark HEITEC. Heitech was the proprietor of later German and EU registrations for figurative marks containing variations of HEITECH. Further, the company name Heitech Promotion GmbH had been on the German commercial register since 16 April 2003. RW was Heitech's managing director.

On 22 April 2009, Heitec sent a warning letter to Heitech regarding the use and registration of its HEITECH signs. No settlement was reached, so Heitec initiated proceedings at the Nuremberg-Fürth Regional Court in December 2012. However, due to various procedural shortcomings, including late payment of court fees, original documents not being lodged with the court, and inconsistencies between filings, Heitech was not served with the proceedings until 23 May 2014, more than five years after the warning letter had been sent.

The Nuremberg-Fürth Regional Court rejected Heitec's claim at first instance. Heitec appealed to the Higher Regional Court of Nuremberg. That court held that Heitec's infringement action was time-barred because it had

acquiesced in Heitec's use of its later signs for an uninterrupted period of at least five years. Heitec applied to the Federal Court of Justice for judicial review of that decision. The Federal Court of Justice sought clarification on the conditions of acquiescence from the Court of Justice of the European Union.

### Warning letters

The Court first had to consider whether Heitec's warning letter interrupted the five-year period of limitation for acquiescence. Case law had already established that only an event which unequivocally demonstrated a clear and serious intention to assert rights and oppose the use of the later mark, and to remedy the alleged infringement, such as initiating judicial action or administrative proceedings, was sufficient to terminate acquiescence (see *Budějovický Budvar*, C-482/09). In light of that, the Court held that an act short of starting judicial proceedings, such as sending a warning letter, without taking any steps to obtain a legally binding solution, was not enough. The Court stated that trade mark proprietors could otherwise circumvent the acquiescence limitation period by sending warning letters every five years, each time restarting the clock.

### Lack of diligence when bringing proceedings

The Court held that initiating court proceedings was not necessarily enough to prevent being time barred by acquiescence. The conduct of the party bringing legal proceedings could cast doubt on its unequivocal intention to prevent the use of a later mark. This included, as in the present case, a lack of diligence in meeting procedural requirements to satisfy the requirement for service, even where the claim was filed within the limitation period. Where the shortcomings were attributable to the applicant, it could still be time barred where the rectification was made after the end of the acquiescence limitation period – it was for the referring court to determine whether the applicant's conduct could have been characterised as such.

### Ancillary/consequential claims

The Court confirmed that, where a proprietor was time-barred by acquiescence, as well as being time-barred from bringing an application for an injunction, it was also time-barred from bringing ancillary or related claims, such as claims for damages or for the destruction of goods. If it were otherwise, it would undermine the legal certainty for proprietors of later marks which the provisions on acquiescence in the Directive and the Regulation gave them.

The CJ and GC decisions can be found at [https://curia.europa.eu/jcms/jcms/j\\_6/en/](https://curia.europa.eu/jcms/jcms/j_6/en/). Cases marked with a \* can be found at <http://www.bailii.org/>.



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