

Bird & Bird & Reports of Trade Mark Cases for CIPA Journal


December 2021



Trade mark decisions

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

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-15/20 <i>Skyliners GmbH v EUIPO; Sky Ltd</i> 30 June 2021 Reg 2017/1001 Reported by: <i>Milena Velikova</i>	<p>SKYLINERS</p> <ul style="list-style-type: none"> – printed matter solely relating to basketball sport clubs/basketball sports teams (16) – clothing, including sportswear; footwear; headgear; all of the aforesaid solely relating to a basketball team (25) – distribution of goods for advertising purposes, advertising, marketing, merchandising (sales promotion), all of the aforesaid services solely relating to a basketball team; Production of promotional films; Rental of advertising films, presentation of advertising films, all of the aforesaid services solely relating to promoting a basketball team (35) – organising basketball competitions; publication of books, newspapers and periodicals, public entertainment; all of the aforesaid solely relating to a basketball team; sporting and cultural activities, entertainment, education, teaching; all the aforesaid services solely relating to a basketball team (41) <p>SKY</p> <ul style="list-style-type: none"> – various goods and services in classes 16, 25, 35 and 41. 	<p>The GC held that Sky Ltd had not complied with article 46(1)(a) of Regulation 2017/1001, read in conjunction with Rule 19(2) and Rule 15(2)(h)(iii) of Regulation No 2868/95, because it had not proved its entitlement to file the opposition.</p> <p>The opposition was based on three registrations: two EUTM registrations owned by Sky International AG, and one UK registration owned by Sky Ltd. As Sky Ltd had filed the opposition, it was required to prove its entitlement to file the opposition to the extent it had relied on the EUTMs owned by the other entity.</p> <p>Sky Ltd argued that since an exclusive licence between Sky Ltd and Sky International had been recorded on the EUIPO register in February 2016, that was enough to demonstrate its entitlement. However, the licence agreement itself had not been annexed to that recordal. The GC held that the recordal on its own did not satisfy the obligation on Sky Ltd to present material to prove (i) its capacity as licensee and (ii) that it was authorised by the proprietor of the earlier marks to file the notice of opposition – the recordal alone was not specific enough as to the scope of the licence.</p> <p>In addition, the GC confirmed that the licence agreement submitted by Sky Ltd much later, in the proceedings before the BoA in 2019, could not to be taken into consideration since it was submitted after the EUIPO's deadline of 8 July 2016.</p> <p>In light of this, Sky had failed to prove its entitlement to file the opposition, and the case was referred back to the BoA for consideration.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-297/20		<p>In the context of revocation proceedings, the GC upheld the BoA's decision to revoke the registration on the grounds of non-use under article 58(1)(a) and dismissed the appeal in its entirety.</p>
<p><i>Fashioneast Sàrl, and AM.VI. Srl. v EUIPO; Moschillo Srl</i></p> <p>14 July 2021 Reg 2017/1001</p> <p>Reported by: <i>Alexander Grigg</i></p>	<ul style="list-style-type: none"> – goods in classes 3, 9, 14, 18 and 25 	<p>The GC held that the BoA was correct in finding that the applicants' evidence showed use of marks that differed in elements which altered the distinctive character from the mark as registered. The evidence showed use of some of the words of the mark, but never all three words together; for example, 'rich' and 'richmond' were placed apart, such that they were not used as part of a single mark, and the distinctive element 'john' was missing. The GC agreed with the BoA that each of the three words had at least a certain degree of distinctiveness, and the omission of any one of them altered the distinctive character of the mark, thereby making any evidence of that nature irrelevant.</p> <p>Further, the GC found that the agreements and invoices relied upon by the applicant as evidence did not mention the contested mark as registered. The appeal was therefore dismissed in its entirety.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-493/20	<p>SFORA WEAR</p> <ul style="list-style-type: none"> – wallets, purses, briefbags, handbags, casual bags, shopping bags, net bags for shopping, beach bags, holdalls, wheeled bags (18) – clothing (25) 	<p>The GC upheld the BoA's decision that there was no likelihood of confusion under article 8(1)(b).</p> <p>The applicant argued that the BoA had erred by failing to take into account some its evidence in the assessment of genuine use of the SFERA KIDS mark. The GC dismissed this, noting the evidence in question did not contain any information that could be linked to the relevant period, and as such no inference could be drawn from it regarding genuine use. Nor did the evidence contain any specific information about the goods or the way in which they were marketed. Consequently, Sfera had not proved genuine use for that registration, and could not rely on it for the purposes of the opposition.</p>
<p>8 September 2021 Reg 2017/1001</p> <p>Reported by: <i>Chloe Birkett</i></p>	<ul style="list-style-type: none"> – leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery (18) 	<p>In relation to the second mark, the GC upheld the BoA's decision that there was no likelihood of confusion. In comparing the goods applied for in classes 18 and 25 with the earlier goods in class 24, although they could be made from the same materials, they did not have the</p>

- clothing, footwear, headgear (25)



- textiles and textile goods, not included in other classes; bed covers; table covers (24)

same intended purpose, method of use or distribution channels. It found therefore that the goods at issue were different, and that no likelihood of confusion existed as regards those marks.

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-584/20 <i>Cara Therapeutics, Inc. v EUIPO; Gebro Holding GmbH</i> 8 September 2021 Reg 2017/1001 Reported by: <i>Ayah Elomrani</i>	<p>KORSUVA</p> <ul style="list-style-type: none"> – pharmaceutical preparations for the treatment of pruritus; pharmaceutical preparations for the treatment of pain (5) <p>AROSUVA</p> <ul style="list-style-type: none"> – pharmaceuticals, medical and veterinary preparations; sanitary preparations for medical purposes; dietetic food and substances adapted for medical or veterinary use; dietary supplements for humans and animals (5) <p>(earlier Austrian registration)</p>	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The GC agreed with the BoA, the marks were visually and phonetically similar to an average degree, since they contained the same number of letters, and the last four were in the same order. The differences in the first letters were not sufficient to offset the similarities.</p> <p>The GC decided that although the relevant public would have displayed a higher level of attention, that was not sufficient to preclude a likelihood of confusion in the circumstances, taking into consideration the similarity of the marks, identity of the goods and average degree of inherent distinctiveness of the marks.</p>

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-852/19 <i>Albéa Services v EUIPO; dm-drogerie markt GmbH & Co. KG</i> 15 September 2021 Reg 2017/1001 Reported by: <i>Robert Milligan</i>	 <ul style="list-style-type: none"> – soaps, perfumery, essential oils and cosmetics (3) – eyelash curlers (8) – brushes, boxes, holders and packaging (16) – covers, containers, packaging and boxes (20) – cosmetic applicators and utensils, boxes, combs, sponges and sprayers (21) <p>Balea</p> <ul style="list-style-type: none"> – soaps, perfumery, essential oils and cosmetics (3) – hand operated tools (8) – household and kitchen utensils and containers, combs, sponges and brushes (21) 	<p>The GC partially upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b). The GC agreed with the BoA that the goods at issue were aimed at average consumers with an average level of attention.</p> <p>In comparing the relevant goods, the GC confirmed that the goods in classes 3, 8 and 21 were identical and highly similar, while the packaging containers in class 20 were similar to the goods covered by the application. The goods covered by the earlier right in class 16 and those remaining in class 20 were found to be dissimilar to those applied for.</p> <p>The marks were held to be visually and aurally similar to a low degree but conceptually dissimilar.</p> <p>The GC agreed with the BoA that there was a likelihood of confusion in relation to the goods that were held to be identical/similar.</p>

However, the GC found that the BoA had erred in its assessment as to the likelihood of confusion in relation to non-cosmetic related goods in class 3, by extrapolating the high distinctive character of the mark for cosmetic goods acquired through use, to those other goods. Whilst those goods could be considered similar, the BoA was incorrect to assume the mark had a high distinctive character in relation to non-cosmetic related goods.

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC</p> <p>T-274/20</p> <p><i>MHCS v EUIPO; Lidl Stiftung & Co. KG</i></p> <p>15 September 2021 Reg 2017/1001</p> <p>Reported by: <i>Jon Edwards</i></p>	 <p>Colour claimed: protection is claimed for the colour orange for which the scientific definition is as follows: trichromatic co-ordinates / colour characteristics: x 0.520, y 0.428 – diffuse reflectance 42.3% – dominant wavelength 586.5 nm – excitation purity 0.860 – colorimetric purity: 0.894</p> <ul style="list-style-type: none"> – champagne wines (33) 	<p>In invalidity proceedings, the GC annulled the decision of the BoA finding it had erred by considering facts beyond the pleas or arguments made by the parties.</p> <p>Lidl had not raised any dispute concerning the nature of the contested mark which had been registered as a figurative mark as opposed to a colour mark.</p> <p>Despite this, the BoA of its own motion interpreted the trade mark application as a figurative mark (despite the mark having been determined by the Second BoA in the context of the registration procedure as a colour mark, and the mark having been treated by the parties as a colour mark). The GC considered that in doing so, the BoA had exceeded its jurisdiction.</p> <p>The GC held that an examination of facts which led to a finding of absolute grounds for refusal of its own motion was restricted to the examination by the examiners and by the BoA during registration proceedings. As the mark had been granted and enjoyed a presumption of validity, it was for the applicant seeking invalidity to invoke specific facts before the EUIPO which called validity into question.</p>
<p>GC</p> <p>T-128/20 T-129/20</p> <p><i>Collibra v EUIPO; Hans Dietrich</i></p> <p>22 September 2021 Reg 2017/1001</p>	<p>COLLIBRA</p>  <ul style="list-style-type: none"> – data governance software (9) – design and development of computer software; computer software consultancy (42) 	<p>The GC upheld the BoA's decision that there was a likelihood of confusion between the marks under article 8(1)(b).</p> <p>The marks were visually similar to an average degree as the differences in the 'C', 'L' and 'A' in the marks applied for did not outweigh the similarities of the uses of 'OL' and 'IBR', and the image in the figurative mark was merely decorative and ancillary to the word COLLIBRA.</p> <p>The marks were phonetically and conceptually similar to a high degree.</p>

<p>Reported by: <i>Neely Middleton</i></p>	<p>KOLIBRI</p> <ul style="list-style-type: none"> – software for data processing and word processing; programs for data and word processing regarding real estate information systems (9) – rental of data and word processing programs (42) <p>(German mark)</p>	<p>The GC found that a significant proportion of the German public would perceive COLLIBRA as an allusion to a hummingbird, which is the meaning of the earlier KOLIBRI mark in German.</p> <p>The GC further held that the BoA did not err when comparing the goods and services at issue. The goods had average similarity as the nature, public and intended purpose of the goods could coincide.</p>
Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC</p> <p>T-169/20</p> <p><i>Marina Yachting Brand Management Co. Ltd. v EUIPO; Industries Sportswear Co. Srl.</i></p> <p>22 September 2021 Reg 2017/1001</p>	<p>MARINA YACHTING</p> <ul style="list-style-type: none"> – goods and services in classes 18, 25 and 35 	<p>The GC upheld the BoA's decision that the EUIPO had made an 'obvious error' for the purposes of article 103 when two successive transfers of the relevant mark from the intervener leading to the applicant were recorded by the EUIPO despite the fact that the intervener had been declared insolvent before the transfers such that the mark did not belong to them but to the liquidator.</p> <p>After recording the transfer of the relevant mark from the intervener to the applicant, and upon recording the intervener's insolvency in the database, the EUIPO cancelled the transfer records. The applicant appealed this decision firstly to the BoA, who found that because the mark belonged to the liquidator of the intervener at the time of the transfers, the transfers constituted an obvious error, and the EUIPO was right to cancel the requests. The applicant then appealed to the GC.</p> <p>The GC agreed with the BoA that the EUIPO was right to enter the insolvency into the register as the mark was mentioned in an inventory list annexed to the insolvency judgment made by the national court.</p> <p>The GC also agreed with the BoA that article 27(1) was in fact applicable and the BoA was right to find that the alleged transfer of the mark had not been entered into the register before the insolvency judgment, and as a result it could not have any effect with regard to the liquidator, who had to be classified as a 'third party' because he was not a party to the transfer.</p> <p>The appeal was therefore dismissed.</p>
<p>Reported by: <i>Alexander Grigg</i></p>		

Ref no.	Application (and where applicable, earlier mark)	Comment
GC T-195/20 <i>Sociedade da Água de Monchique, SA v EUIPO; Pere Ventura Vendrell</i> 22 September 2021 Reg 2017/1001 Reported by: <i>Ayah Elomrani</i>	 <p>– non-alcoholic beverages; bottled drinking water; mineral water (32)</p> <p>CHIC BARCELONA</p> <p>– alcoholic beverages (except beer) (33)</p>	<p>The GC overturned the BoA's decision that there was a likelihood of confusion under article 8(1).</p> <p>The GC disagreed with the BoA's finding that the goods in question shared a low degree of similarity. Due to the absence of alcohol in the specification of the mark applied for, the goods were of a different nature. The Spanish-speaking public and public of the EU as a whole perceive the presence or absence of alcohol in a beverage as a significant difference (even when purchasing on impulse), as many either choose not to or cannot consume alcohol due to its effects.</p> <p>The GC disagreed with the BoA's finding that the goods were complimentary, as the goods were not indispensable or important for the use of the other goods.</p> <p>On the basis of the dissimilar nature of the goods and the error of assessment by the BoA, there was no requirement for the GC to consider the similarity of the signs.</p>

Unfair advantage versus legitimate competition

Oatly AB & Anr v Glebe Farm Foods Ltd (Mr Nicholas Caddick QC sitting as a Deputy High Court Judge; [2021] EWHC 2189 (IPEC); 5 August 2021)

The Claimant was unsuccessful in an action for trade mark infringement and passing off. The Judge considered that the Defendant had been legitimately inspired by a rival's business strategy and had not crossed the line into taking unfair advantage. Louise O'Hara reports.

Facts

Oatly alleged that Glebe Farm Foods had infringed five of its UK marks; three word marks (OATLY, OATLY and OAT-LY!) and two figurative marks:



Oatly's marks



Glebe Farm Foods' packaging

Oatly alleged that Glebe Farm Foods' branding of its oat drink PUREOATY infringed Oatly's trade marks under section 10(2) and 10(3) and amounted to passing off. Oatly's success in the milk alternatives market was, it submitted, in large part down to its approach to branding; it used packaging which spoke directly to and connected with consumers (known as "wackaging"). It alleged that Glebe Farm Foods' chosen branding had intentionally taken unfair advantage of the distinctive character or repute of the Oatly trade marks.

Glebe Farm Foods' approach to branding

The Judge spent some time considering the circumstances leading to Glebe Farm Foods' decision to brand its oat milk PUREOATY. He elucidated a number of different options which were considered and ultimately rejected before settling on PUREOATY (e.g. LuvOats, BarristOats and Wholly Oats), and set out the process by which various different aspects of the branding were developed, such as the colour of the packaging, and the additional of certain "wackaging" elements, such as the use of "Shake Me" on the top of the carton. He noted that Oatly's branding was discussed in passing in the course of developing the brand name; for example one of the reasons for deciding to rebrand the product from Oat Drink to PUREOATY was that the mother brand had not yet built up the sort of presence "the brands like Alpro and Oatly will have built up".

Section 10(2)

Under section 10(2), the only dispute between the parties at trial was whether (i) Glebe Farm Foods had used a sign that was identical or similar to one or more of Oatly's registered marks; and (ii) whether that use gave rise to a likelihood of confusion. On Oatly's pleaded case, the Judge considered:

- a) The PUREOATY sign as against the two OATLY marks;
- b) The PUREOATY carton as against the two OATLY marks;
- c) The PUREOATY sign as against the OAT-LY! mark;
- d) The PUREOATY carton as against the OAT-LY! mark; and
- e) The PUREOATY sign and carton as against the two OAT-LY! carton marks.

The Judge considered that the first alleged infringement was likely to be Oatly's strongest case, however he was not convinced that the marks were particularly similar. There was a very modest level of visual similarity (given the difference in length of the marks), a limited level of aural similarity (the extent of which would depend in part on whether the average consumer would see the sign as one word with the emphasis on PURE or two words with the emphasis on OATY), and a low to moderate degree of conceptual similarity at best (with the conceptual similarity deriving from the presence in both the mark and the sign of the descriptive word OAT).

Oatly had not produced any evidence of actual confusion to support its case; the evidence that they relied upon showed that customers associated the brands, but there was no confusion as to origin. For example, one review of the PUREOATY brand entitled "Nice enough but it's no Oatly" went onto say "I really wanted to love this. A British version of Oatly would have been brilliant".

The Judge accepted Glebe Farm Foods' submission that the primary similarity between the marks was the presence of the letters OAT, which the average consumer would see as being descriptive, and if, as in the case of the marks, it was the addition of the letters LY or L which give them distinctiveness, then it was the presence of those letters in the OATLY marks (and their absence from Glebe Farm Foods' sign) which would be of significance to the average consumer. He agreed that imperfect recollection of a trade mark would not extend to forgetting the one and only thing that made it distinctive. He also accepted that Glebe Farm Foods' use of the word PURE could not be ignored as being descriptive when trade mark significance was being attached to the word OAT or OATY (which were equally descriptive).

The Judge also considered the context in which the marks and the sign were used. He noted that Glebe Farm Foods asserted their own identity as the trade mark origin of the PUREOATY brand in numerous places on the packaging, including using the PUREOATY sign (below) directly below the mother brand's main logo, and thus concluded that no relevant confusion was likely to arise.



On the basis that this alleged infringement was Oatly's strongest case, the judge quickly dispensed with the next four comparisons, all of which failed for lack of likelihood of confusion.

Section 10(3)

Whilst the Judge accepted that Oatly had a significant and extensive reputation in the UK, and that there was a link in the mind of the average consumer between the PUREOATY sign and the OATLY mark, he did not agree that any injury to the distinctive character of Oatly's marks had occurred.

On Oatly's primary case, that PUREOATY had taken unfair advantage of the OATLY brand, he considered whether Glebe Farm Goods had merely learnt lessons from its competitor, or whether it had crossed the line into taking unfair advantage. Ultimately, whilst Glebe Farm Foods had learnt from Oatly's "wackaging" marketing strategy, and were targeting the same market, that in itself did not take advantage of the distinctive character of a rival's mark. Indeed, some of the similarities between the brand elements that Oatly were relying on were completely unconnected to the mark (e.g. the use of "Shake Me" on the carton). The Judge noted that had Glebe Farm Foods intended to take advantage of the Oatly marks, it would be clear from the documents. As it was, the documents showed a clear and reasonable brand development process, and the decision to choose the PUREOATY brand was entirely consistent with other options suggested in the process (e.g. the PUREOATY mark was intended to be a play on the word PURITY, much like the WHOLLY OATS suggestion was intended to be a pun on HOLY OATS).

Raising a glass to indirect confusion

Sazerac Brands LLC & Ors v Liverpool Gin Distillery Ltd & Ors (Arnold, Laing and Birss LJ; [2021] EWCA Civ 1207; 5 August 2021)

The Court of Appeal (Arnold LJ giving judgment) upheld the High Court's decision finding that there would be a likelihood of indirect confusion between Sazerac Brands' registered trade marks, and Liverpool Gin Distillery's sign. Jon Edwards reports.

Sazerac Brands owned UK and EU registrations for EAGLE RARE registered in class 33, respectively, for "whisky" (with a disclaimer in relation to the word RARE) and for "bourbon whiskey". Since 2011, they had marketed and sold a Kentucky straight bourbon under that name. In February 2019 Liverpool Gin Distillery released a Tennessee straight bourbon under the sign AMERICAN EAGLE. Examples of two of these products are reproduced below:



At first instance, Fancourt J held that Liverpool Gin Distillery's sign infringed Sazerac Brands' registrations. He concluded that while there was no likelihood of direct confusion, there was a likelihood of indirect confusion under section 10(2)/article 9(2)(b). It was likely that a significant proportion of the relevant public would confuse and associate EAGLE RARE and AMERICAN EAGLE as related brands ([2020] EWHC 2424). Liverpool Gin Distillery appealed.

The Court of Appeal dismissed the appeal, finding that Fancourt J was entitled to take the view that some bourbon consumers when faced AMERICAN EAGLE would likely believe that it was a related brand to EAGLE RARE. In particular, he was right to infer that there was a likelihood of some consumers thinking that EAGLE RARE was a special version of AMERICAN EAGLE. It was correct to assume that consumers would not necessarily scrutinise the labels to check whether or not there was a link. Arnold LJ, noted that "Trade mark law is all about consumers' unwitting assumptions, not what they can find out if they think to check."

Liverpool Gin Distillery argued that Fancourt J had erred in principle. Having concluded there was no likelihood of direct confusion, they contended that Fancourt J should have come to the same conclusion with respect to indirect confusion. The Court of Appeal held that this simply did not follow: direct confusion and indirect confusion were different species. Just because it was found that the average consumer would not mistake AMERICAN EAGLE for EAGLE RARE did not preclude the possibility of the average consumer believing that they were related brands.

Liverpool Gin Distillery criticised Fancourt J for placing weight on evidence provided during the cross examination of Sazerac Brands' expert, Robert Allanson, the editor of 'Whisky Magazine'. Fancourt J had made note of Mr Allanson's opinion evidence that a consumer would likely assume that 'Yellow Rose' whisky came from the 'Four Roses' bourbon brand; and that 'Heaven's Door' whisky was connected with the 'Heaven Hill' distilleries. Liverpool Gin Distillery asserted that Mr Allanson's evidence on this topic should be inadmissible as he was not an expert in the likelihood of confusion and that he is not a proxy for the average consumer.

The Court of Appeal dismissed this line of reasoning, holding that Fancourt J was not wrong to take Mr Allanson's evidence. The evidence was elicited by Liverpool Gin Distillery's counsel during cross examination, and the Judge had considered it in the context of assessing the degree of attention which would be paid by the average consumer. Furthermore, Mr Allanson gave his reaction as a consumer rather than as an expert in the sense that he was not aware of either Yellow Rose or Heaven's Door whisky. Fancourt J simply referred to Mr Allanson's evidence as an illustration of how an average consumer might react to similar brand names. He was not mistaken in saying that, because Mr Allanson had expressed an opinion that consumers would think that Yellow Rose and Heaven's Door were connected with Four Roses and Heaven Hill, consumers would therefore think that AMERICAN EAGLE was connected with EAGLE RARE.

Katharine Stephens, Aaron Hetherington and Bryony Gold

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

Editorial team

Katharine Stephens

Partner

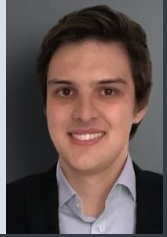
Tel: +442074156104
katharine.stephens@twobirds.com



Aaron Hetherington

Trademark
Attorney

Tel: +442074156183
aaron.hetherington@twobirds.com



Bryony Gold

Associate

Tel: +442030176892
bryony.gold@twobirds.com



Reporters

Milena Velikova; Chloe Birkett ; Ayah Elomrani; Robert Milligan ; Jon Edwards ; Neely Middleton ; Alexander Grigg; Louise O'Hara

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