

Intellectual Property: Community Trade Mark Opposition - Use of Own Name Defence in Trade Mark Infringement

In this article, Dr Rosanna Cooper explores the use of an own name defence in respect of an opposition against a Community Trade Mark application (“CTM”) and as a defence to alleged trade mark infringement. For the purposes of illustration, the own name will be **OSJOHROS MERITTO** and the company that has filed the trade mark application **Osjohros Limited** from here onwards. The company challenging the CTM and alleging trade mark infringement is **Merrutti Limited** with a well-known brand **MERRUTTI**”.

The brand OSJOHROS MERITTO is a luxury brand (high-end products) and the company is looking to launch its range of products under this brand. It filed a CTM and a well-known brand is threatening opposition and trade mark infringement.

Own Name Defence

The own name defence is contained in Article 6 of the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (the “Directive”). See also, section 11 2 (a) of the Trade Marks Act 1994 (the “Act”).

Article 6

Limitation of the effects of a trade mark

1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade,

(a) his own name or address;

...

provided he uses them in accordance with honest practices in industrial or commercial matters

This defence prevents a proprietor of a registered trade mark from stopping a person from using his or her own name or address in the course of trade. There are a number of cases around Article 6 of the Directive. The facts of such cases indicate that for the defence to be of relevance, **the sign used in the course of trade should be identical to a registered trade mark**, as well as being the name of the trader.

Let’s assume **Osjohros Limited** has applied to register a CTM for its name **OSJOHROS MERITTO**. **Osjohros Limited** has not used the previously registered mark, **MERRUTTI**, as the name (or part of the name) of its company or as a shop sign in the course of trade.

Therefore, the own name defence does not have a bearing in this instance. The more pertinent question that has to be addressed is whether the proprietor of the

registered trade mark, **MERRUTTI**, can stop **Osjohros Limited** from registering the name, **OSJOHROS MERITTO**, as a registered trade mark.

Registration of own name as a trade mark

There is no specific legislation which gives a person an automatic right to register his or her name as a trade mark.

However, we know that a person's name can indeed be registered as a trade mark, and the law states this (Article 2 of the Directive).

Article 2

Signs of which a trade mark may consist

*A trade mark may consist of any sign capable of being represented graphically, particularly words, including **personal names**, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.*

For a mark to be registered as a trade mark, the application should relate to a “**trade mark**” as per Article 2 of the Directive, as well as not fall foul of any “**absolute grounds**” on which a mark's registration can be refused. One of the absolute grounds is that the mark is devoid of **distinctive character**.

The law has recently changed with regards to the assessment of registering a name of a person as a trade mark, in particular, in relation to whether a name satisfies the ‘**distinctiveness**’ criteria.

This change was brought about by the case of *Nichols plc v. The Registrar of Trade Marks* (Case C-404/02).

- Prior to this case, there was a general argument that a name may be too common to be ‘**distinctive**’.
- Past practice was to assess how common a name was, for example, by reference to a London phone book. This is now not the case.
- Given the change in the law, it is very uncommon for the registrar to bar registration of a name of a person due to a lack of distinctiveness. However, third parties are still entitled to file oppositions upon this ground.
- It was stated in the case of *Nichols plc v. The Registrar of Trade Marks*, that even a common surname can serve the trade mark function of indicating origin and therefore distinguish the products or services of the undertakings concerned.
- The law now makes it clear that where a name of a person is submitted for registration as a trade mark, **the usual assessment for distinctiveness will apply**. As mentioned, the main case we have found is that of *Nichols plc v*

The Registrar of Trade Marks. One can rely on the points relating to distinctiveness.

- It cannot be assumed that a mark is devoid of distinctive character purely because it may be more difficult to establish distinctive character in one category over another.

Grounds for Opposition

- Let's assume that **Merrutti** Limited has one CTM registration covering relevant classes 18 and 25 and another covering 14. **Merrutti** Limited is challenging the CTM application made by **Osjohros Limited** to stop its trade mark from being registered.

Under section 1 (1) of the Act, a trade mark is defined as

In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings... A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.

Under sections 3, 4 and 5 of the Act, a trade mark application may be objected to on the following grounds:

3. - (1) The following shall not be registered -
... (b) trade marks which are **devoid of any distinctive character**,
Provided that, a trade mark shall not be refused registration by virtue of paragraph (b)... above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.
(4) A trade mark shall not be registered if or to the extent that **its use is prohibited in the United Kingdom by any enactment or rule of law** or by any provision of Community law.
5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.
... (b) it is **similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected**,
there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.
(3) A trade mark which -
(a) is identical with or **similar to an earlier trade mark**,
*shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) **and the***

use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

*(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented- (a) by virtue of any rule of law (in particular, the **law of passing off**) protecting an unregistered trade mark or other sign used in the course of trade, or*

(5) Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.

Merrutti Limited is claiming that its mark is well known, that is, it is known everywhere in the world.

Merrutti's Grounds

Merrutti Limited is alleging the following:

- That the name **OSJOHROS** is not distinctive (see section 3(1)(b) of the Act);
- That there is an “almost identity” between the marks “Meritto” and “Merrutti” and that consumers in the EU are likely to associate the marks and assume that products bearing “**OSJOHROS MERITTO**” originate from Merrutti; and
- Merrutti is a well-known mark.

Arguments against Grounds

In relation to the first allegation above, even a common name can serve the purpose of being a trade mark. We could therefore refute the allegation. In addition, one argument is that that the mark **OSJOHROS MERITTO** will always be used as a whole, i.e. “**OSJOHROS MERITTO**”, and this is how consumers will view the mark also.

Another argument is that the overall mark **OSJOHROS MERITTO** was not a simple description of the goods to be provided under the mark and would therefore be taken by the average consumer as a brand, and therefore it is not descriptive.

In relation to the second ground above, the argument here would be that there is in fact a **difference between the two marks** and more importantly that the mark is in fact an **own name**. As above, we would also make the point that the mark will always be used as a whole.

‘Are there similarities between the marks (including visual, aural and conceptual), and the goods or services they specify, which would combine to create a likelihood of confusion in the mind of the average consumer if they were used simultaneously on the market?’ (Sabel)

Visually and aurally the marks obviously differ by the presence of **OSJOHROS** in the mark. In considering *Sabel* the visual, aural and conceptual similarities of the

marks must be assessed by reference to the **overall impressions created by the marks bearing in mind their distinctive and dominant components**. It is always necessary to look at marks in their entirety. Osjohros could argue that taken as a whole, **OSJOHROS MERITTO** and **MERRUTTI** **differ visually, aurally and conceptually**. Further, there is **a low degree of visual and aural similarity and no relevant conceptual similarity**.

Osjohros could further argue that the **aural emphasis is upon the first part of the word as in use**, consumers seem to focus on the first part of a trade mark and do not proceed to analyse its various details (*Sabel*). It is accepted that the first part of the word would dominate a mark, as in this case and OSJOHROS is more prominent.

'In this connection, the proper comparison is between the proprietor's registered trade mark, on the one hand, and, on the other hand, the allegedly infringing sign in the way in which it is used; in this connection: Premier Brands UK v Typhoon Europe [2000] FSR 779, at 778

It is arguable by Osjohros that the marks **have extremely low visual similarity** taking into consideration the importance of the **first part of the words and in making an assessment of aural and conceptual similarities of the marks**.

It is further arguable by Osjohros that the mark **OSJOHROS MERITTO** has to be compared with the mark **MERRUTTI** "*used in a normal and fair manner in relation to goods for which it is registered*". *Decon Laboratories Ltd v Fred Baker Scientific Ltd and another* [2001] ETMR 46.

The normal and fair use of the mark has to be taken into account.

It is also arguable by Osjohros that by conducting a **global assessment** required under s 5(2)(b) of the Act, confusion is unlikely as there is no part of the mark **OSJOHROS MERITTO** that is subsumed by **Merrutti** and it clearly does not invade the distinctiveness of **Merrutti's** mark, even though they will be selling the similar goods under both marks.

'Article 4(1)(b) of the Directive [equivalent to 5(2)(b) of the Act] does not apply where there is no likelihood of confusion on the part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case. That global appreciation of the visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components'.

A global appreciation involves other factors, but the aural, conceptual and visual similarities between the marks, is a good starting point.

Consideration must be given to the meaning that would be attributed to the name **OSJOHROS MERITTO** by the public and **whether the public is likely to form an association between the two marks which is likely to cause confusion on the part of the public.**

One main argument by Osjohros here would be that **there is not likely to be any association between the marks causing the public to wrongly believe that the respective goods come from the same or economically linked undertakings**, and therefore there is no likelihood of confusion on the part of the public (*Canon*).

At this point, Merrutti could only argue that there is a likelihood of confusion between the marks, however, they will not be able to show evidence of this if the **OSJOHROS MERITTO** mark is not being used.

The way in which the mark **OSJOHROS MERITTO** will be used should be cleared. Although another argument by **Osjohros** would be that **the differences between the marks are sufficient to preclude both direct and indirect confusion.**

During the opposition, **Merrutti** may ask Osjohros to cease using “**OSJOHROS MERITTO**” or any combination thereof in respect of the respective classes. The choices for Osjohros are to stop or to argue the case that the marks are not similar and there is no likelihood of confusion.

Risks

There are risks in continuing to use the mark **OSJOHROS MERITTO** in the same industry sector and market channel.

There is a risk that even if the above arguments are put forward by Osjohros, **Merrutti** might still bring opposition proceedings against Osjohros. The parties can always seek to reach a settlement, wherever possible. There is a further risk that **Merrutti** could bring a **quia timet action** (an injunction) to stop the launch of the **OSJOHROS MERITTO** brand.

One is able to challenge a CTM registration or application on the grounds of the marks being similar in relation to identical and/or similar goods and/or services. Merrutti is claiming that its mark, if used alone or in combination with any other word, would amount to infringement. Here **Osjohros** can argue that **Osjohros** has not used an identical mark. The law relating to trade mark infringement is set out below.

*10. - (1) A person infringes a registered trade mark if he uses in the course of trade a sign which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered.
(2) A person infringes a registered trade mark if he uses in the course of trade a sign where because -*

(a) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered, or

(b) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the trade mark.

(3) A person infringes a registered trade mark if he uses in the course of trade in relation to goods or services a sign which - (a) is identical with or similar to the trade mark, where the trade mark has a reputation in the United Kingdom and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.

In terms of infringement, there is a risk that, even though there may **not be any actual confusion** caused because of the marks, there may still be deemed to be a “**likelihood of confusion**” under Article 9(1)(b) (or the equivalent provision of section 10(2) of the Trade Marks Act 1994). This is made clear by the case of *Compass Publishing BV v. Compass Logistics Ltd* [2004] EWHC 520 (Ch).

*“22. It is frequently said by trade mark lawyers that when the proprietor's mark and the defendant's sign have been used in the market-place but no confusion has been caused, then there cannot exist a likelihood of confusion under Art.9.1(b) or the equivalent provision in the Trade Marks Act 1994 (‘the 1994 Act’), that is to say s.10(2). So, no confusion in the market-place means no infringement of the registered trade mark. This is, however, no more than a rule of thumb. It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, **even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also.** In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. **In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place.**”*

Conclusion

Before launching a new brand ensure all clearance checks have been conducted.

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