

Well-Known & Reputed Trade Marks

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PART I

Well-Known v. Reputed TM Comparison



Transition from LoC to Detriment

Article 8(2)(c) CTMR:
Well-known marks (6^{bis} PC)

TM Directive: Mandatory

Article 8(5) CTMR: Marks with Reputation

TM Directive: Optional

Some of the new MS + Spain have transposed into their National Laws 16(3) TRIPS instead of, or together with, 8(5) CTMR ...



Well-known Marks

Art. 8(2)(c) CTMR:

For the purposes of paragraph 1 [of Article 8] "earlier trade marks" means marks which, on the date of application of the CTM application are well-known in a Member State, in the sense in which the words "well-known" are used in Article 6bis of the Paris Convention.



8(2)(c) CTMR: General Remarks

"... the trade mark must be well-known in a Member State of the EU ..."

- → Extra-EU rights not covered
 - Cannot include TMs only known in third territories (2(2)(d) WIPO not followed)
- → NO "Community-wide" right
- → European Law notion, not to be interpreted according to national standards



8(2)(c) CTMR - Analysis

Art. 8(2)(c): Double reference

- "for the purposes of 8(1) CTMR"
 - conditions of protection
 - scope of protection
- "well-known in the sense of Art 6bis PC"
 - → kind of right protected
 - → definition of well-known





Article 6bis PC

"The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trade mark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith."



Article 6bis PC includes no definition!

No ECJ case-law so far ...

- 16(2) (3) TRIPS: No full definition either. EJC in C-300/98 Parfums Christian Dior SA v. Tuc: TRIPS not applicable directly, although same level of protection must be granted
- WIPO Recommendations 1999: Not binding
- AG Jacobs in "General Motors": Higher than reputation? Not binding, prior to WIPO - Court not dealt with well-known question, even though reputation translated as well-known!





Article 16 (2) TRIPS

"Article 6 bis PC shall apply, mutatis mutandis, to services.

In determining whether a trademark is well known, account shall be taken of the knowledge of the trademark in the relevant sector of the public, including knowledge in that Member obtained as a result of the promotion of the trademark."

Protection of Well-known & Reputed Trademarks in EU law

Recommendations WIPO

- 1999: WIPO Recommendations on Protection of Well-Known TMs
 - ➤ Leaves answers to many questions up to Member States (shall/may)
 - Not directly applicable
 - Only minimum requirements = PC=TRIPS



Recommendations WIPO

Article 2(2): Threshold/Relevant Sector:

- Includes, without being limited thereto:
 - > Actual and/or potential consumers
 - > Persons involved in channels of distribution
 - Business circles



Recommendations WIPO

Factors determining "well-known" status:

- > All relevant circumstances to be taken into account
 - Case by case approach
- Relevant factors:
 - Degree of knowledge or recognition of the mark
 - Duration, extent and geographical area of use
 - Duration, extent and geographical area of promotion
 - No of Registrations to the extent that they reflect use
 - Record of successful enforcement of rights
 - Value associated with TM
 - Very similar to those established by ECJ for reputation



Well-known: Definition

OHIM: Follows WIPO Recommendations

- Mark must be known to the relevant sector of the public (Art. 2(2) JR)
- No need for prior registration, use, or notoriety in a third territory of "origin" (Art. 2(3) JR)

→ ONLY REQUIREMENT:

Appropriate degree of knowledge reached in the territory of any of the Member States



Well-known: Conclusion

Protection of well-known marks in the EU:

- If well known in any Member State
- Even if not registered

Art. 6bis Paris Convention

- Against identical or similar goods
- If there is likelihood of confusion

Art. 8(1) CTM Regulation

- They enjoy enhanced protection:
 - The higher the degree of recognition, the higher the risk of confusion

ECJ in "Sabel"



Article 16 (3) TRIPS

"Article 6 bis PC shall apply, mutatis mutandis, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use."



Reputed Marks

Article 8(5) CTMR:

"... The trade mark applied for shall not be registered, where it is identical with or similar to the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where in the case of an earlier Community trade mark the trade mark has a reputation in the Community and, in the case of an earlier national mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark ..."



Art. 8(5) CTMR: Scope of application

- Applies directly (EU Council Regulation) to EU, National and international registrations applications
- → Registration or application formal requirement unlike in the case of well-known marks
- → National registered marks with reputation are protected against later CTM applications irrespective of whether the national law affords them the same level of protection (has implemented Article 4(4)(a) TMD or not).



Art. 8(5): Nature of Reputation

ECJ: C-375/97 General Motors v. Yplon SA

Nature: Reputation implies a knowledge threshold

Quantitative character ≈ well-known



GC: Protection against dissimilar g&s

Protection against dissimilar goods GC: T-150/04 (TOSCA BLU/TOSCA) p. 55-60

- A "well-known mark" (Art 6bis PC) is protected against later marks covering dissimilar goods only under Article 8 (5), that is, only if registered (see also Article 16 (3) TRIPs).
- Interesting point: Assimilation of 'well-known' marks to 'marks with reputation' as regards the extent of awareness/reputation.
- See also ECJ in 'Fincas': KINDRED concepts.



Well-known TMs: Limits

Also against dissimilar goods?

- Art. 8(5) refers to Art. 8(2)
- WIPO Recommendations permissive

OHIM: In principle NO

- Art. 8(2)(c) only refers to 8(1) lex specialis
- Art. 8(5) requires registration
- Art 16(3) TRIPS requires registration

EXCEPT:

- If the mark also fulfils the requirements of reputation and is registered
- Via Art. 8(4) if national law so permits



CTMR: Protection of Goodwill

"Famous trademarks"



UNREGISTERED

WELL-KNOWN

8(2)(c)

Enhanced protection against similar goods in case of likelihood of confusion

via Article 8(1)(b)



REGISTERED

REPUTATION

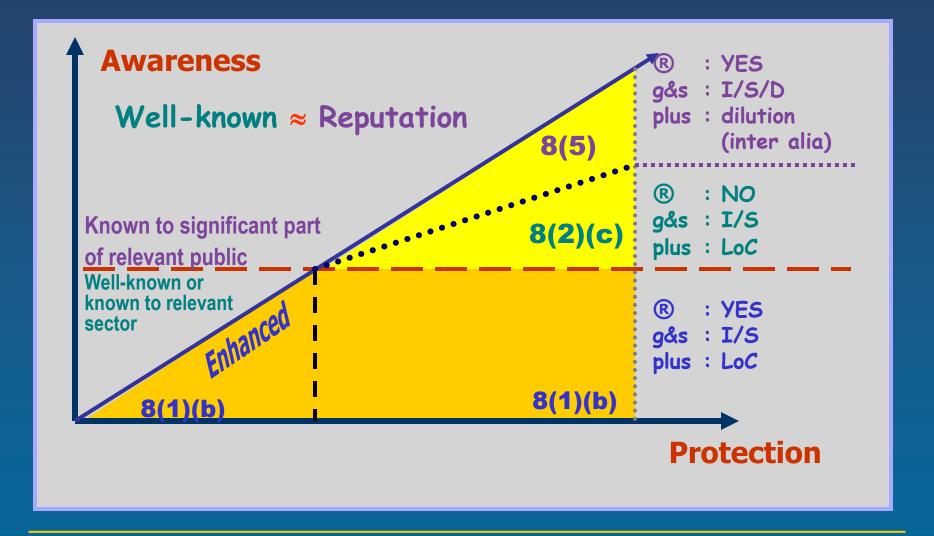
8(1)(b) + 8(5)

Enhanced protection against similar goods in case of likelihood of confusion

Protection for detriment or unfair advantage also against dissimilar goods

Protection of Well-known & Reputed Trademarks in EU law

Well-known v. Reputation





Protection of Reputed Trade Marks

Art 8(5) CTMR

Scope



Art. 8(5): Applicability to similar g&s

C-292/00 Davidoff & Cie SA v. Gofkid Ltd:

Do Articles 4(4)(a) and 5(2) TMD also entitle MS to provide more extensive protection where the goods & services are identical or similar?

AG Jacobs: NO / ECJ: YES

- 25. Article 5(2) cannot be given an interpretation which would lead to well-known marks having less protection where used for identical or similar goods.
- 28. Previous case-law of the Court points against a broad interpretation of likelihood of confusion.
- 29. Consequently where there is no LoC article 5(1)(b) cannot be relied upon against impairment of the distinctive character or repute of the earlier mark.



Art. 8(5): Davidoff II Revisited

C-408/01 Adidas Salomon v. Fitnessworld Trading

1st Question: Does Article 5(2) TMD also apply to similar goods & services?

UK Government: The judgment in Davidoff is not clear. It is merely permissive to the extent it ruled that Member States "may lawfully extend protection" to similar goods.

AG Jacobs: The judgment in Davidoff is sufficiently clear. It explicitly stated that Article 5(2) cannot give well-known marks less protection against similar goods, than against dissimilar goods. Article 5(2) is <u>not correctly implemented</u> unless it also grants protection against similar goods.





Art. 8(5): Davidoff II – The Case



LoC?

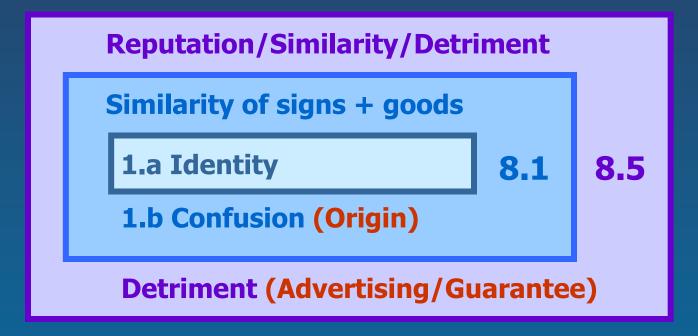
Style imitation may be detrimental/unfair even if there is no actual risk of confusion ...





Art. 8(5): Borders with Art. 8(1) CTMR

Line between 8(1)(b) - 8(5) after Davidoff



Davidoff II: Functional Division / Can be handier since notion of degree often renders similarity of goods unclear



Davidoff II - Conceivable cases?

X - Inside / Y - Inside

Slogan misappropriation?

X / Y better than X
 Tarnishing by reference ?

Red Animal / Red Other Animal
 Unfair Advantage/Dilution ?



Protection of Reputed Trade Marks

Art 8(5) CTMR

Substantive Requirements



Art. 8(5): Requirements

Conditions of application:

- (1) Mark with reputation in the relevant territory
- (2) Signs identical or similar
- (3) Use of CTMA likely to take unfair advantage of, or cause detriment to, the distinctiveness or repute of the earlier mark
- (4) Absence of due cause by the CTM applicant
 - **→** Independent, cumulative requirements
 - → Goods & services dissimilar?



Art. 8(5): Definition of Reputation

- Reputation not defined in the CTMR
 C-375/97 General Motors v. Yplon SA
- Nature: <u>knowledge</u> threshold requirement i.e. it basically relates to market awareness
- Extent: It is reached when a mark is known by a <u>significant part</u> of the <u>relevant</u> public



Relevant goods and services

it must be carefully analysed to which goods and services the evidence refers

➤ Only the goods and services (a) which are listed in the registration and (b) for which a reputation has been proved are relevant when applying Art. 8 (5)



Relevant time

Reputation threshold must have been reached before the filing of the CTMA

- > the closer the means of evidence refers to a period before this date, the more value it has
- ➤ Evidence referring to a period after this relevant date might have some indicative value as to the reputation already acquired beforehand

(ECJ LA MER: C-259/02 But on PoU)



- The General Motors test:
 - On the basis of a global assessment of <u>all</u> <u>factors relevant</u> to the case.
 - The earlier mark <u>need not be known by a</u> given percentage of the public
 - Not possible to set a priori criteria
 - Evaluation on a case by case basis
 - Percentages not always conclusive
 - → In concreto, realistic assessment



Reputation test simplified?

- In principle there is no more need to prove other aspects like quality image, uniqueness, inherent distinctiveness etc. but only appropriate levels of knowledge.
- But such additional aspects of reputation may be significant later on, in order to prove that it has suffered detriment.

Weight shifted towards detriment?



- The General Motors factors:
 - the degree of awareness*
 - the intensity of use**
 - the duration of use**
 - the geographical extent of use**
 - the size of investment in promotion**
- Further factors (WIPO)
 - Prior acts of successful enforcement**
 - Number of registrations internationally**
 - The value associated with the mark**
 - * Direct factors ** Indirect factors



Art. 8(5): Assessment of Reputation

Reputation in the EU or in a Member State:

General Motors: It is sufficient for the mark to be known in a <u>substantial part</u> of the territory where it is protected. For the Benelux, reputation in a <u>substantial part of Benelux</u> may be enough

- Court did not define "substantial part of EU"
- OHIM practice: One Member State enough
 - Equal treatment between CTMs/National TMs
 - Equal treatment with Art. 8(1)(b) CTMR



Territorial extent of Reputation

Preliminary Ruling: C-301/07 'PAGO'

The questions referred:

- Does a CTM have a reputation in the EU if it is only known in one Member State?
- If not, can that CTM at least benefit from that type of protection in the territory where it is reputed? (e.g. as if it were a national mark)



Territorial extent of Reputation

AG Sharpston Opinion of 30 April 2009 in 'PAGO'

- What constitutes a substantial part of the EU should not be assessed on the basis of national boundaries but in relation to (a) the proportion of the public that knows the mark, and (b) the geographic, demographic and economic importance of that area.
- A CTM with a local reputation cannot be protected as a reputed mark only in the part of the EU where it is known (unitary character = all or nothing)

≠ C-514/06 P 'ARMAFOAM' on 8 (1) (b) CTMR



Territorial extent of Reputation

Court Ruling in Case C-301/07 'PAGO'

- A CTM must be known by a significant part of the relevant public, in a substantial part of the territory of the EU.
- In view of the facts of the main proceedings the territory of the Member State in question may be considered to constitute a substantial part of the territory of the EU.



Proof of Reputation - Burden

- Burden on opponent:
- CTMIR: The opponent must prove that the earlier mark has a reputation
- Art. 76 (1) CTMR: Examination limited to the facts, evidence and arguments provided by parties
 - Not ex-officio knowledge. Facts must be proved. Exception: Universally known facts.
 - → BoA: Reputation not a generally known fact
 R 212/1999-2 NIKE/NIKE





Problem: generally known marks?

> Other BoA opinions:

- R 936/2002-4 (El Corte Ingles) "... The Board principally takes into account its own awareness of the repute of the earlier mark ... the Board, being located in Spain, is well aware of the earlier mark and of its repute ... According to Article 79 CTMR, it follows from the principles recognised in the MS that such awareness may not be ignored ..."
- R 91/2002-3 (Mc Donalds) "... the opponent had a reasonable expectation that its reputation will be automatically accepted by the other party ..."
- R 145/2003-2 (Olympic) "... The evidence is sufficient to establish reputation ... the finding of the OD is also confirmed, in this case, by the very notoriety of the earlier mark, which is common knowledge ..."



Art. 8(5): Evidence

Means of Evidence (Art. 76 CTMR)

- Sworn or affirmed statements;
- Decisions of National Courts/Authorities;
- Decisions of the Office;
- Opinion polls and market surveys;
- Audits and inspections;
- Certifications and awards;
- Articles in the press specialised publications;
- Annual reports company profiles;
- Invoices and other commercial documents;
- Advertising and promotional material.

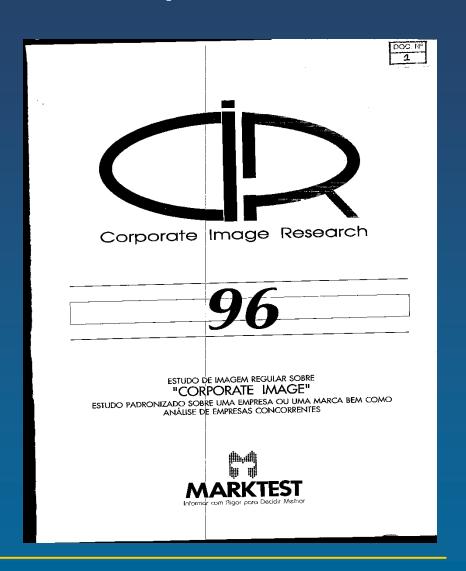


Art. 8(5): Evidence - OD 531/2000 GALP

Document 1: Market survey conducted by an independent entity

Status of Institute/Company
Methodology
Kind-Order of questions
Geographical extent
Number of interviewees
Relation between the mark
GALP and G&S

RESULT: 85% of the public know the mark GALP in Portugal

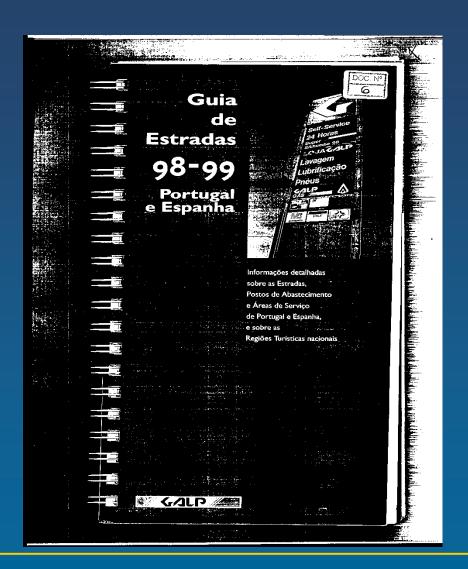






Art. 8(5): Evidence - OD 531/2000 GALP

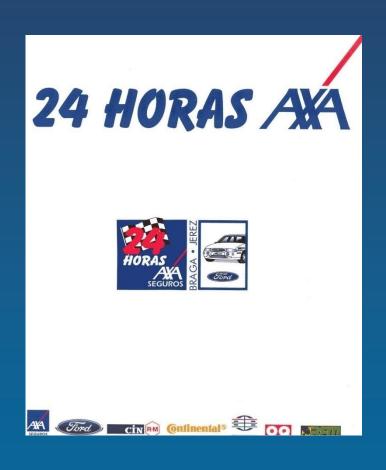
Document 2:
Road map with list of local distributors & network of gas stations

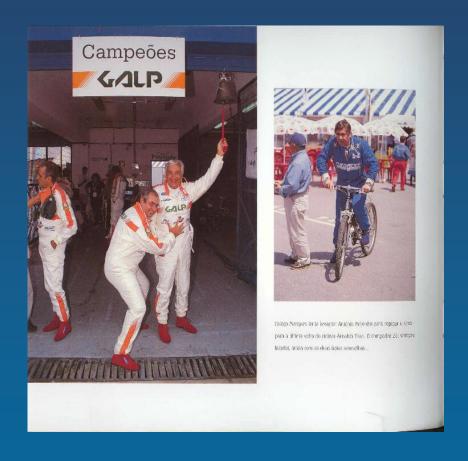




Art. 8(5): Evidence - OD 531/2000 GALP

Document 3: sponsorship activities



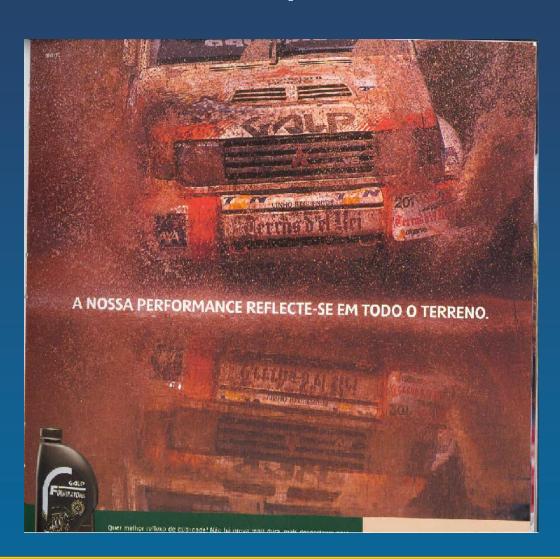






Art. 8(5): Evidence - OD 531/2000 GALP

Document 4: sponsorship and advertising

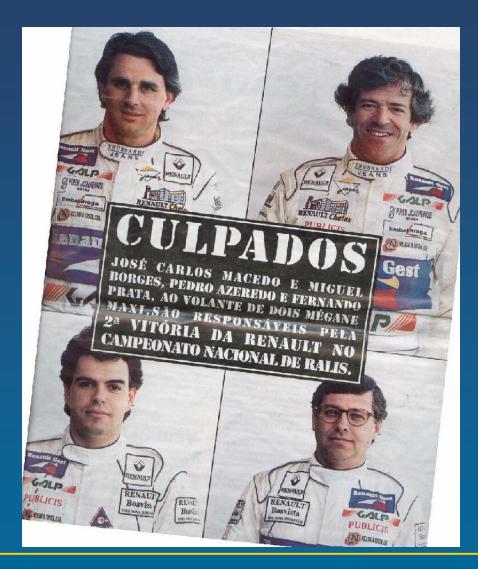






Art. 8(5): Evidence - OD 531/2000 GALP

Document 5: sponsorship and advertising





Art. 8(5): Evidence - OD 531/2000 GALP

Document 6: newsletter addressed to clients

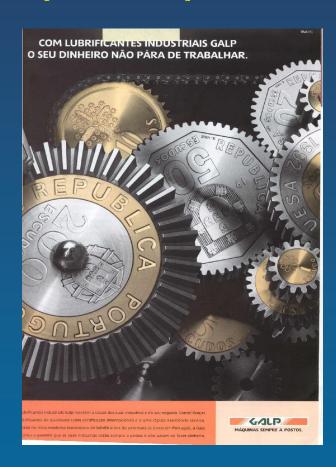




Art. 8(5): Evidence - OD 531/2000 GALP

Document 7: Advertising in specialised press

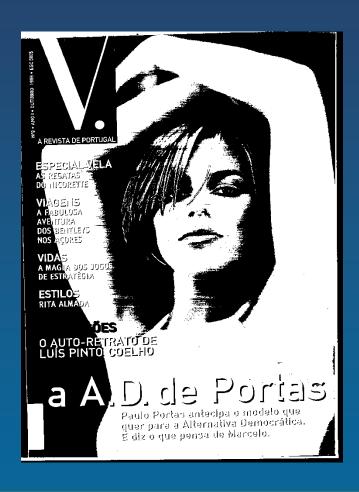


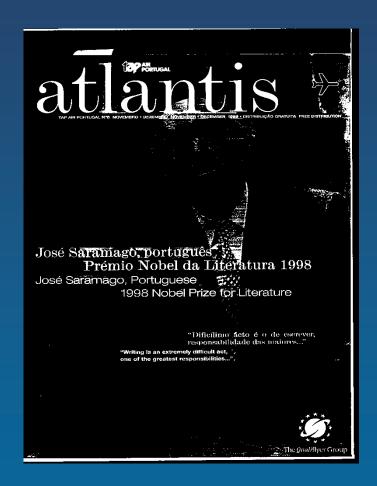




Art. 8(5): Evidence - OD 531/2000 GALP

Document 8: Advertising in the general press







Market Surveys – Opinion Polls

Not to be confused with:

- Internet surveys
- Spontaneous opinions
- Favorite product votes etc.

Must be:

- Complete (show all questions/conclusions)
- Correct Order of questions
- Identify public concerned

R 01/2005-4 "Hilti" / 11.01.2006 (on 7(3) CTMR)



Overall Assessment of the Evidence

Advisable:

- Use various means, combine factors, paint the whole picture
 - Quantity, quality, special attributes if any ...
- Encourage clients to keep updated files and establish a strategy even if there isn't any dispute yet!
- Specifically link evidence to arguments
 - Otherwise, key points risk to escape attention/risk of rejection on formal grounds – 74 CTMR



Art. 8(5): Similarity of signs

C-408/01 Adidas Salomon v. Fitnessworld Trading

Question: On the basis of which criterion should similarity be assessed if not on that of confusion?

Cf. Preambles to the TMD and the CTMR

"... An interpretation should be given to the concept of similarity in relation to the likelihood of confusion ..."



Art. 8(5): Similarity of signs

- Same test as under 8(1)(b):
 - Visual, phonetic and conceptual comparison of the signs to determine their degree of similarity
- Outer limits of similarity:
 - enough similarity to give rise to a possible association between the signs.





Case T- 140/08 Ferrero SpA / OHIM

CTMA

Earlier Mark



KINDER (word) e.a.

Signs dissimilar overall despite the total reproduction of the earler mark in the application. Reputation does not affect the similarity of the signs

Alternative view: A degree of similarity should have been accepted and reputation should have been taken into account when making the overall assessment as to the existence of a link.

Pending at the Court of Justice



Detriment - Unfair Advantage

General Motors:

30. Once the condition as to the existence of reputation is fulfilled, the examination has to proceed with the condition that the earlier mark must be detrimentally affected without due cause.

AG Jacobs in General Motors:

Reputation and similarity alone do not suffice. Detriment or unfair advantage must be properly substantiated, otherwise reputed marks would enjoy blanket protection against all similar marks.

Detriment or unfair advantage: Conditio sine qua non



Detriment - Unfair Advantage

- Forms of Detriment Unfair advantage:
 Alternatively:
 - Detriment to distinctiveness (Dilution)
 - Detriment to repute (Tarnishing)
 - Advantage of distinctiveness (Attractive Power)
 - Advantage of repute (Quality image)



Detriment - Unfair Advantage

Assessment - ECJ Principles:

- Confusion not relevant: Article 8(5) does not require evidence of likelihood of confusion (Sabel 20)
- A possible association of the two signs, enhanced by the reputation of the earlier mark, may suffice for it to be detrimentally affected (General Motors 23)
- The stronger the earlier mark's distinctive character and reputation, the easier it will be to accept that detriment has been caused to it (General Motors 30)



Art. 8 (5): Application by OHIM & CFI

Art 8(5) CTMR OHIM Case-law



EXAMPLES: Opposition Division

OD 531/2000 (EN)

Earlier Mark



GALP

Petrol products and gas station services

CTM application



Clothing, footwear, headgear and leather goods

- Evidence of very high recognition in Portugal
- Exclusive character: National petrol company
- Image of high quality and reliability

DILUTION/UNFAIR ADVANTAGE?



EXAMPLES: Opposition Division

OD 725/2001 (EN)

Earlier Mark

VISA

Credit cards financial services

CTM application



- High reputation: 12 million users 660.000 traders in FR
- Opponent: Use of VISA cards for paying for cosmetics will trigger an association between the signs
- No particular quality image, no reasons for tarnishing
- Market sectors too different, repute not "transferable"

ADVANTAGE / DETRIMENT?

REJECTED

EXAMPLES: Boards of Appeal

R 303/2000-2 (ES)

Earlier Mark



Goods in classes 8, 21

CTM application



Classes 8, 21, 39 and 40

- Apart from reputation, the earlier mark also enjoys a high degree of inherent distinctiveness (acronym of the opponent's company name - "Manufacturas Generales de Ferreteria S.A.")
- Slavish imitation strongly suggests bad faith

DILUTION - UNFAIR ADVANTAGE?



EXAMPLES: Boards of Appeal

R 1007/2000-1 (EN)

Earlier Mark

CTM application

LIPOSTAT

LIPOSTATIN

Anti-cholesterol tablets

Goods in classes 3, 5 and 30

- Use of the application for cosmetics may make the public think that such goods have medicinal qualities
- Use of the application for abrasive and scouring preparations may damage quality image of earlier mark
- Natural link between goods facilitates association

DETRIMENT / UNFAIR ADVANTAGE ?



EXAMPLES: Boards of Appeal

R 283/1999-3 (FR)

Earlier Mark

CTM application

HOLLYWOOD

HOLLYWOOD

Chewing gum

Tobacco and smoking articles

- **Evidence of high reputation in France**
- Special image of youth, freshness, dynamism created by long and widespread advertising
- **Detrimental effects of tobacco given**

TARNISHMENT?



EXAMPLES: Opposition Division

OD 002/2000 (ES)

Earlier Mark

PLANETA

Publications

CTM application



Films, Film Production, CDs

- High reputation, amongst bigger EU publishers
- Known to the public at large in ES
- Letter X customary indication of adult material
- Kind of goods of the CTMA support this assumption

TARNISHMENT?





EXAMPLES: Boards of Appeal

R 802/1999-1 (EN)

Earlier Mark



Chocolate goods

CTM application

Duplo

Goods in classes 2, 7, 9 & 16 all related to paper and printing

- Earlier mark inherently weak as it alludes to "something double"
- Opponent failed to put forward arguments
- Distance between goods renders association improbable

DETRIMENT - UNFAIR ADVANTAGE ?

REJECTED



EXAMPLES: Opposition Division

OD 621/2001 (EN)

Earlier Mark





Organisation and conduct of car races

CTM application



Clothing, sportswear, headgear and fashion articles

- Evidence of high repute and economic value.
- Widespread exploitation through merchandising schemes in the applicant's field
- Evidence of actual use, together with authorised goods

UNFAIR ADVANTAGE / DETRIMENT?

EXAMPLES: Opposition Division

OD 3668/2002 (EN)

Earlier Mark

CTM application

OLYMPIC

T -- Card - Olympics -

Organisation and conduct of sporting events

Electronic goods, telecommunications

- Evidence of very high reputation internationally
- Evidence of positive image
- Evidence of very high value and exploitation through sponsoring schemes in similar fields

UNFAIR ADVANTAGE & DETRIMENT?

EXAMPLES: Opposition Division

OD 622/2000 (EN)

Earlier Mark

CTM application

COSMOPOLITAN

COSMOPOLITAN COSMETICS

Magazines

Cosmetics

- Circulation 240.000 copies in France
- Natural link between the goods (goods of the application often advertised in magazines and target the same public)
- Prior National decisions accepting detriment

UNFAIR ADVANTAGE?

EXAMPLES: Boards of Appeal

R 782 / 2002-1 (EN)

Earlier Mark



CTM application



Computer Processors

Advertising, Organisation of fairs

- Evidence of high reputation
- Known beyond IT market, public at large
- Whatever weakness has been healed by reputation
- Nexus between the markets

UNFAIR ADVANTAGE / DETRIMENT?

EXAMPLES: Boards of Appeal

R 1204 / 2004-1 (EN)

Earlier Mark

CTM application

ABSOLUT

ABBSOLUTE

Alcoholic Drinks

Glasses

- Evidence of very high reputation
- Evidence of trendy image
- Extensive publicity focusing on design aspects
- Spectacles also fashion articles

UNFAIR ADVANTAGE / DETRIMENT?

EXAMPLES: Boards of Appeal

R 155/2002-4 (IT)

Earlier Mark



CTM application



Ceramic coverings and industrial machinery

- High reputation proved
- Image transfer possible between goods?
- The fact that the FERRARI-component in TECNOFERRARI refers to the surname of the founder & president of the company constitutes a 'due cause'?

UNFAIR ADVANTAGE / DETRIMENT?



EXAMPLES: Opposition Division

OD 432/2004 (EN)

Earlier Mark



CTM application



Providing advice for chemical industry as to safeguarding safety, health, environment

Mineral oils for various purposes (paints, cosmetics, medical)

- Opponent known as organisation which endeavours continuous improvement of safety, health, environment
- Certain connection between the goods and services involved (chemical companies buy respective goods)
- Transfer of image possible

DETRIMENT / UNFAIR ADVANTAGE ?



EXAMPLES: Opposition Division

OD 1838/2004 (DE)

Earlier Mark

CTM application

FOCUS

FOCUS PROGRESSIVES

Newspapers

Contact lenses

- Reputation only proved for "newspapers"
- "FOCUS" by nature not very strong for goods in question
- Market sectors too different, repute not "transferable"
- Neither dilution of reputation possible, since no special uniqueness or exclusivity proved

ADVANTAGE/DETRIMENT?

REJECTED



The End!

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