

Foundation Certificate

Trade Mark Law FC5

Thursday 12 October 2017 15:00 to 18:00

INSTRUCTIONS TO CANDIDATES

1. You should attempt **eight of questions 1 to 9** in Part A and **five of questions 10 to 15** in Part B.
2. The marks awarded to each question are shown at the foot of the question and sub-question as appropriate.
3. If more than the required eight questions are answered in Part A, or more than the required five questions are answered in Part B, only the first eight or five presented in each respective part will be marked.
4. The total number of marks available for this paper is 100.
5. Start each question (but not each part of each question) on a new sheet of paper.
6. Enter the question number in the appropriate box at the top of each sheet of paper.
7. Do not state your name anywhere in the answers.
8. Write clearly, as examiners cannot award marks to answer scripts that cannot be read.
9. The scripts may be photocopied for marking purposes.
 - a) Use only **blackink**.
 - b) Write on one side of the paper only.
 - c) Write within the printed margins.
 - d) Do not use highlighter pens on your answer script.
10. Instructions on what to do at the end of the examination are on the Candidate Cover Sheet.
11. Any candidate script removed from the examination room will not be marked.
12. This question paper consists of ten sheets, including this sheet.

In this paper:

'EUTM Regulation' means *Council regulation (EC) No 207/2009 of 26 February 2009 on the European Union Trade Mark*, as amended; and
'UKIPO' means the UK Intellectual Property Office.

Part A

Question 1

Set out the circumstances in which the High Court of England and Wales, acting as an 'EU Trade Mark Court', has jurisdiction over a defendant who has infringed an EU Trade Mark but who is domiciled in the United States.

5 marks

Question 2 is on the next page

Question 2

(Assume all dates in this question and your answer are ordinary working weekdays – except 19–22 April 2019)

Your client, Charles, gives you an incomplete list of his trade marks that are near their renewal date:

Mark	Jurisdiction	Priority Date	Filing Date	Date of Registration	Next Renewal Date
HYDROGEN	UK	31 July 2009	31 August 2009	30 April 2010	
HELIUM	European Union	20 July 2009	20 August 2009	20 April 2010	
LITHIUM	UK				20 April 2019
BERYLIUM	MADRID PROTOCOL designating:				
	UK				10 July 2017
	France				10 July 2017

a) When is the next renewal date for HYDROGEN?

1 mark

b) When is the next renewal date for HELIUM?

1 mark

c) 19 and 22 April 2019 are Good Friday and Easter Monday. By what date must the renewal request reach the IPO to ensure LITHIUM is renewed on time?

1 mark

The BERYLIUM trade marks have expired. Charles explains he has been seriously ill and could not attend to the renewal before the deadline, but says it is important he does not lose the priority date.

d) What action should you take?

2 marks

Total: 5 marks

Question 3

- a) Explain the benefit of registering, at the UKIPO, an exclusive licence to a trade mark that includes the right to bring infringement proceedings.

3 marks

- b) State any deadline for registering such a licence and a consequence for not meeting it.

2 marks

Total: 5 marks

Question 4

Your client, Hadrian's Well Ltd, sells bottled mineral waters named after Roman emperors, and has applied to register an EU Trade Mark for the wordmark NERO, for '*aerated waters*'.

The application is found not to fulfil the requirements of Article 7(1)(a), (b), (c) and (d) of the *EUTM Regulation*, as 'nero' is modern Greek for 'water'.

- a) Explain whether evidence showing most EU citizens understand the word 'NERO' only as the name of a Roman emperor will assist your client.

1 mark

Your client instructs you to abandon the EU Trade Mark application, and instead apply for separate trade marks at national intellectual property offices.

- b) Explain the advantage of using the EUIPO's 'conversion' mechanism over making new national trade mark applications. Assume the former is the slower and more expensive option.

1 mark

- c) Explain whether the EU Trade Mark application can be converted into applications for every EU jurisdiction.

3 marks

Total: 5 marks

Question 5

Emerald Ltd sells Irish whiskey throughout Europe under the name 'HIBERNIA'. HIBERNIA sells at a high price in France because it is considered a premium product due to frequent advertising on French television. Emerald needs that extra income to pay for the French advertisements.

Harry buys HIBERNIA whiskey cheaply in Germany and sells it in France.

- a) **Assuming Emerald owns an EU Trade Mark for the name HIBERNIA, protecting '*alcoholic spirits*', advise Emerald whether the EU Trade Mark can be used to stop Harry.**

4 marks

- b) **Explain if it makes any difference if, rather than an EU Trade Mark, Emerald held separate German and French trade marks.**

1 mark

Total: 5 marks

Question 6

Bluebottle Ltd manufactures carbonated beverages in transparent glass bottles. Their interior surface is visibly dimpled. These dimples make the beverages more effervescent. Bluebottle wants a trade mark registration to monopolise the concept of dimples.

- a) **Give the two most likely grounds on which the UKIPO would object to a trade mark application seeking to protect '*beverages*', comprising a representation of the dimpled interior surface of a bottle.**

3 marks

Bluebottle patented effervescence-inducing dimples twenty years ago, and has refused to license the invention. Surveys show that nearly the entire UK public links dimples with Bluebottle products.

- b) **Explain whether this assists in overcoming the UKIPO's objections.**

2 marks

Total: 5 marks

Question 7

William has invented a new artificial sweetener. No details have been publicly disclosed.

William wishes to register the generic name of the chemical, expressed in standard chemical nomenclature, as a registered trade mark. No chemical of that name has existed before.

State the three grounds for refusal within Article 7(1) of the *EUTM Regulation*, ‘*Absolute Grounds for Refusal*’, which would be raised by the EUIPO were William to apply for a trade mark, explaining the reasons why these grounds apply.

5 marks

Question 8

Explain, where a trade mark comprises an unauthorised copy of a copyright drawing, the grounds for preventing the registration of:

a) a UK trade mark application; and

2 marks

b) an EU Trade Mark application.

3 marks

Total: 5 marks

Question 9

a) Explain the defence against infringement actions benefiting owners of registered trade marks, provided by section 11(1) of the *Trade Marks Act 1994*.

1 mark

b) Does section 11(1) provide a defence against the infringement of an EU Trade Mark?

1 mark

c) Can holders of EU Trade Marks benefit from a section 11(1) defence?

1 mark

d) Does section 11(1) provide a defence to a passing-off action?

1 mark

e) Is a section 11(1) defence available to the owner of a trade mark that is vulnerable to being found invalid?

1 mark

Total: 5 marks

Part B

Question 10

Camilla files a UK trade mark application for a beer bottle label. The application is accepted for publication.

Shortly before publication, Camilla needs to amend the label because the beer's alcohol content has been reduced by 2%. It is a criminal offence to indicate an incorrect alcohol content figure.

In the representation of the label as filed, the alcohol content is barely legible.

Explain:

- a) the three circumstances in which a representation of a trade mark may be amended, according to section 39(2) of the *Trade Marks Act 1994*.
3 marks
- b) whether the representation of Camilla's label can be amended.
2 marks
- c) the consequences of doing nothing, in respect to the future enforceability of the trade mark against infringers under section 10 of the Act.
4 marks
- d) the consequences of doing nothing, in respect of any counterclaim that a defendant might be able to bring against Camilla, should Camilla seek to enforce her trade mark.
3 marks

Total: 12 marks

Question 11

- a) In the context of EU trade mark law, distinguish '**priority**' (Articles 29–32 of the *EUTM Regulation*) from '**seniority**' (Articles 34–35 of the *EUTM Regulation*).
7 marks
- b) In the context of the Madrid Protocol, distinguish a '**basic application**' (Rule 1 of the *Protocol to the Madrid Agreement*) from a '**priority application**' (Rule 9(4) the *Protocol to the Madrid Agreement*).
5 marks

Total: 12 marks

Question 12

In this question, DO NOT address the law of passing off.

Sake is an alcoholic spirit made from rice. In Japan, the biggest selling brand is KI, made by the Japanese company Midori. Midori has maintained a Japanese trade mark for KI, protecting sake, for over fifty years. Midori has no trade marks outside Japan, and does not export to the UK.

Surveys show very few people in the UK have had sake. Of those who have, most have heard of KI.

Your client, Brown Ltd, recently launched a coffee-flavoured milkshake for the UK mass market, called KI, based on the first and last sounds of the word 'coffee'. You have applied to register a UK trade mark for it, protecting '*beverages*'.

Midori wishes to stop **registration** and **use** of 'KI' by Brown. This is a shock for Brown's marketing staff, none of whom had ever heard of Midori's product.

Advise Brown on the steps it should take (if any), giving reasons for your answer.

12 marks

Question 13

Green Ltd is a Scottish garden hose manufacturer. Green recently applied for a UK trade mark for the wordmark CALEDONIA (Latin for 'Scotland') for '*garden sprinklers*'. The mark has been accepted for publication because 'CALEDONIA' strongly alludes to, but is not descriptive of, Scottish products.

You act for a drinks company, Yellow Ltd. Its lemonade, CALEDONIA, has been the second-most popular carbonated beverage in the UK for over a decade. It has maintained UK trade mark protection for CALEDONIA for '*carbonated beverages*' for over forty years. Surveys show most of the UK population would know CALEDONIA as a famous brand of carbonated drink.

Comment on the strength of Yellow's ability to bring opposition proceedings under Section 5 of the *Trade Marks Act 1994* against Green.

12 marks

Question 14

- a) What restraint is placed by common law on a trader's freedom to assign its goodwill?
1 mark
- b) Explain, in the context of the law of passing off and the *Trade Marks Act 1994*:
- i) whether a registered trade mark can benefit from '*goodwill*', but not be a '*mark that has a reputation in the United Kingdom*' for the purposes of section 5(3) of the Act.
1 mark
 - ii) whether a trade mark can be a '*mark that has a reputation in the United Kingdom*' for the purposes of section 5(3), but not benefit from '*goodwill*'.
1 mark
 - iii) whether a trade mark can be a '*well known trade mark*' for the purposes of section 6(1) of the Act but not benefit from '*goodwill*'.
1 mark
- c) In the context of the law of passing off, explain what is meant by '*secondary meaning*'.
2 marks
- d) Explain why, for the tort of passing off to occur, it is not always necessary for a defendant to have applied a mark to its goods or services.
2 marks
- e) Charlotte can demonstrate strong goodwill for her CAESAR brand fruit juice. George, a manufacturer of household electrical appliances, has just launched a new steam iron, called THE CAESAR. Give **two** reasons why Charlotte is unlikely to be able to succeed in a passing off action against George.
2 marks
- f) Explain whether a claimant can succeed in a passing off action if it cannot demonstrate the defendant has caused it actual damage.
2 marks

Total: 12 marks

Question 15

Kate has been selling EDINBURGH-brand wine for some years. She wants to register the name EDINBURGH as a UK trade mark for 'wine'. The wine originates from New Zealand, and is shipped to Kate in the UK for bottling and sale.

There are no vineyards in Edinburgh because:

- there is no agricultural land within Edinburgh City Council's official boundaries; and
- the city's northerly latitude means grapes can only grow in heated greenhouses, which is not commercially viable.

Applying only the case law of *Windsurfing Chiemsee Produktions- und Vertriebs GmbH v Boots- und Segelzubehör Walter Huber*, advise Kate on her chances of successful registration.

12 marks