

**The Joint Examination Board**  
**Paper P7**  
**November 2013**  
**Examiner's Comments**

**General Comments:**

There were few “problem” questions in this paper so marks could be gained relatively easily. Most candidates should congratulate themselves on learning the subject well and the pass rate was high. Criticisms in these comments are for the most part minor and are intended to help future students to maximise their scores.

It seems that few candidates read the entire paper/questions in detail in advance and there was little evidence that answers were planned. It really pays to do both, otherwise candidates are likely to waste time in unnecessary repetition and/or to miss points. Candidates can also pick up marks by reading through their papers at the end and eliminating inadvertent slips.

Candidates need to keep reminding themselves whether the question they are answering concerns UK or Community legislation as some provisions have slight but important differences.

**Q1. List five examples of signs or trade marks which can be refused registration under UK Trade Marks Act 1994, s.3 (Absolute grounds for refusal of registration). 5 marks.**

**Answer:** S.3 UK TMA lists many more than five examples of signs or trade marks which can be refused registration and candidates gained one mark for each example from the statute up to a maximum of five. Answers which scored marks were:

- any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings;
- trade marks which are devoid of any distinctive character; trade marks which consist exclusively of signs or indications which may serve, in trade, to designate characteristics of goods or services;
- trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;
- signs which consist exclusively of the shape of goods which results from the nature of the goods themselves;
- signs which consist exclusively of the shape of goods which is necessary to obtain a technical result; signs which consist exclusively of the shape which gives substantial value to the goods;
- trade marks which are contrary to public policy;
- trade marks which are contrary to accepted principles of morality;
- trade marks which are of such a nature as to deceive the public;
- trade marks whose use is prohibited in the United Kingdom by any enactment or rule of law;
- trade marks whose use is prohibited in the United Kingdom by any provision of Community law;
- trade marks which are the subject of an application made in bad faith.

**Comments:** All candidates answered this question and most scored four or more out of the five available marks. Some candidates summarised the provisions, which was fine unless abbreviation

was insufficient to provide meaning (eg "incapable of distinguishing" on its own does not provide sufficient explanation of the provisions of s.3(1)(a)).

**Q2. What is meant by the term "Exhaustion of Rights" as defined in Article 13 of the Community Trade Mark Regulation (CTMR). 5 marks.**

**Answer:**

- A Community trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the Community under that trade mark by the proprietor or with his consent.
- There is an exception where there exist legitimate reasons for the proprietor to oppose further commercialisation of the goods
- especially where the condition of the goods is changed or impaired after they have been put on the market.
- The right to prohibit use of a trade mark extends only to the first sale after which the owner's rights are said to be exhausted.
- Subsequent sales eg by wholesalers or retailers are not infringing sales.
- The EU is a single market for this purpose and rights throughout the EU are "exhausted" by the first sale anywhere in the EU.
- This provision reflects the EU doctrine of free movement of goods.

**Comments:** Candidates could score more than half the available marks by reciting the provisions of Article 13, but Article 13 does not explicitly mention "exhaustion" of rights" and candidates needed additionally to explain the meaning of the term to obtain full marks. Most candidates correctly reproduced the provisions of Article 13 but relatively few discussed the meaning.

**Q3. (a) What are the exclusive rights provided by a UK registered trade mark according to UK Trade Marks Act 1994 s.9 (Rights conferred by registered trade mark)? 2 marks**

**(b) When do those rights take effect? 1 mark**

**(c) What is the earliest date on which infringement proceedings may be started? Is there any difference between the provisions of UK Trade Marks Act 1994 and CTMR in this respect? 2 marks**

**Answer:**

(a) The exclusive rights provided by a UK registered trade mark are to prevent infringing use of the trade mark by others in the course of trade in the United Kingdom without the proprietor's consent.

(b) The rights take effect from the date of registration which, when registration is complete, is deemed to run from the date of filing.

(c) Under CTMR and UKTMA, the earliest date on which infringement proceedings may be started is the date of publication of the registration. The difference is that under the CTMR (Art.9(3)) reasonable compensation may be claimed in respect of acts occurring after the date of publication of a Community trade mark application, which acts would, after publication of the registration of the trade mark, be prohibited by virtue of that publication whereas under the UKTMA (s.9(3)) the rights of the proprietor take effect from the date of application (provided registration is complete)

**Comments:**

(a) To obtain the full two marks, candidates were required to provide all four points underlined above in their answer. It was worrying that a number of candidates stated wrongly that the exclusive right provided by registration is to use the mark; whereas the exclusive right is in fact the right to prevent others from using the mark.

(b) Most candidates knew that it is the date of registration which, when registration is complete, is deemed to run from the date of filing although a few candidates stated wrongly that the deemed date was the date of priority.

(c) Most candidates correctly identified the date of registration (publication of registration) as the relevant date but few explained that there is a difference in the date from which damages may be claimed. All but four candidates attempted this question and part (c) in particular exposed gaps in knowledge.

**Q4. In accordance with Article 9 CTMR (Rights conferred by a Community trade mark), what are the signs which the proprietor of a CTM is entitled to prevent third parties from using? 5 marks.**

**Answer:** A CTM registration is infringed by use in the course of trade of a sign which consists of:

- identical sign and identical goods/services;
- identical/similar sign and similar goods/services where there exists a likelihood of confusion on the part of the public (which includes the likelihood of association with the earlier trade mark);
- identical/similar sign and identical/similar/dissimilar goods/services where the registered mark has a reputation in the EU and the use without cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the registered mark.

**Comments:** A straightforward question, attempted by almost all candidates and well answered by the majority.

**Q5. List five examples of “earlier trade marks” as defined in UK Trade Marks Act 1994, s. 6 (Meaning of “earlier trade mark”). 5 marks.**

**Answer:** Any of the following scored a mark each (up to a maximum of five):

- registered UK trade mark with an earlier date of application or priority date;
- UK trade mark application (subject to its eventual registration) with an earlier date of application or priority date;
- registered International (UK) trade mark with earlier date of application or priority date;
- International (UK) trade mark application (subject to its eventual registration) with an earlier date of application or priority date; registered International (EU) trade mark with earlier date of application or priority date;
- International (EU) trade mark application (subject to its eventual registration) with an earlier date of application or priority date;
- registered Community trade mark with an earlier date of application or priority date;
- Community trade mark application (subject to its eventual registration) with an earlier date of application or priority date;

- registered Community trade mark which has a valid claim to seniority from a UK trade mark with an earlier date of application or priority date;
- Community trade mark application (subject to its eventual registration) which has a valid claim to seniority from a UK trade mark with an earlier date of application or priority date;
- registered Community trade mark which has a valid claim to seniority from an International (UK) trade mark with an earlier date of application or priority date;
- Community trade mark application (subject to its eventual registration) which has a valid claim to seniority from an International (UK) trade mark with an earlier date of application or priority date;
- registered International (EC) trade mark which has a valid claim to seniority from a UK trade mark with an earlier date of application or priority date;
- International (EC) trade mark application (subject to its eventual registration) which has a valid claim to seniority from a UK trade mark with an earlier date of application or priority date;
- registered International (EC) trade mark which has a valid claim to seniority from an International (UK) trade mark with an earlier date of application or priority date;
- International (EC) trade mark application (subject to its eventual registration) which has a valid claim to seniority from an International (UK) trade mark with an earlier date of application or priority date;
- registered UK trade mark which has been converted from a Community trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- UK trade mark application (subject to its eventual registration) which has been converted from a Community trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- registered UK trade mark which has been converted from an International (EC) trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- UK trade mark application (subject to its eventual registration) which has been converted from an International (EC) trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- registered International (UK) trade mark which has been converted from a Community trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- International (UK) trade mark application (subject to its eventual registration) which has been converted from a Community trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- registered International (UK) trade mark which has been converted from an International (EC) trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- International (UK) trade mark application (subject to its eventual registration) which has been converted from an International (EC) trade mark which itself had a valid claim to seniority as above from a trade mark with an earlier date of application or priority date and accordingly has the same claim to seniority;
- trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark;

- expired UK registrations with an earlier date of application or priority date which continue to be taken into account in determining the registrability of a later mark for one year after expiry unless the registrar is satisfied that there was no bona fide use of the mark during the two years immediately preceding the expiry.

**Comments:** All candidates attempted this question and many scored more than four marks.

Those who recited s.6, rather than specifying examples singly, gained good marks but tended to provide more than five examples which perhaps wasted time as a maximum of five only could be taken into account.

To gain all the available marks, it was necessary to spell out that registrations or applications must have an earlier date of application or priority date (ie merely to state "earlier" was insufficient).

A well-known mark must have been entitled to protection at the application/priority date of the mark in question ("well-known mark" was not sufficient).

Some candidates correctly identified that lapsed UK registrations qualify as earlier trade marks but it was necessary to add "UK" as lapsed CTM registrations do not qualify.

It was necessary to make it clear whether registrations were being referred to: ie "Community Trade Mark Registration" and not merely "Community Trade Mark". S.6(1)(a) lists "registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) ..." but the word "registered" in that sentence applies to all four". Applications qualify as earlier trade marks but only subject to their eventual registration and that proviso needed to be stated.

NB. A few candidates wrongly listed a passing off right as an "earlier trade mark": it is an "earlier right" (defined in s.5(4)).

**Q6. List four defences to infringement under UK Trade Marks Act 1994, s. 11 (Limits on effect of registered trade mark) and any proviso thereto. 5 marks.**

**Answer:** The s.11 defences are:

- use of another registered trade mark in relation to goods or services for which the latter is registered (but see section 47(6) (effect of declaration of invalidity of registration));
- use by a person of his own name or address (provided the use is in accordance with honest practices in industrial or commercial matters);
- use of indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services, or (provided the use is in accordance with honest practices in industrial or commercial matters);
- use of the trade mark where it is necessary to indicate the intended purpose of a product or service (in particular, as accessories or spare parts) (provided the use is in accordance with honest practices in industrial or commercial matters);
- use in the course of trade in a particular locality of an earlier right which applies only in that locality. For this purpose an "earlier right" means an unregistered trade mark or other sign continuously used in relation to goods or services by a person or a predecessor in title of his from a date prior to whichever is the earlier of (a) use of the first-mentioned trade mark in relation to those goods or services by the proprietor or a predecessor in title of his, or (b)

registration of the first-mentioned trade mark in respect of those goods or services in the name of the proprietor or a predecessor in title of his; and an earlier right shall be regarded as applying in a locality if, or to the extent that, its use in that locality is protected by virtue of any rule of law (in particular, the law of passing off).

**Comments:** S.11 UK TMA lists five defences to infringement. Candidates were required to list four and were awarded one mark for each. The fifth mark was awarded for spelling out that certain of the defences are subject to use being in accordance with honest practices in industrial or commercial matters. All candidates tackled this question and most scored four or more marks.

Candidates who relied on the first defence (defendant owning a registered mark) needed to explain that the defence is subject to possible invalidity of the defendant's mark to gain the full point.

Candidates who cited the defence based on a passing off right needed to explain the defence properly to gain a full mark ie "local passing off right" was not enough.

A few candidates cited comparative advertising, exhaustion of rights, consent or non-use of the registered and still gained credit (if they explained them properly) even though they are not all technically defences and are not s.11 provisions.

**Q7. (a) In addition to assignment, list the ways in which ownership of a registered trade mark may be transferred according to UK Trade Marks Act 1994, s. 24 (Assignment, etc, of registered trade mark). 2 marks**

**(b) List two types of partial assignment provided for in UK Trade Marks Act 1994, s. 24. 1 mark**

**(c) What is required for an assignment or an assent of a UK registered trade mark to be effective according to UK Trade Marks Act 1994, s. 24? 2 marks**

**Answer:**

(a) A registered trade mark is transmissible by assignment, testamentary disposition or operation of law in the same way as other personal or moveable property.

(b) Partial assignment can be (i) in relation to some but not all of the goods or services for which the trade mark is registered, or (ii) in relation to use of the trade mark in a particular manner or a particular locality.

(c) An assignment is not effective unless it is in writing signed by or on behalf of the assignor or, as the case may be, a personal representative.

**Comments:**

(a) Many candidates wrongly listed types of registrable transactions listed in s.25 ((assignment), licence, assent, order of a court) rather than ways in which trade marks may be transferred, but they were given partial credit for assent and court order.

(b) In general, this part of the question was correctly answered.

(c) Many candidates scored both of the available marks although a sizeable minority wrongly focused on recordal.

All but one candidate answered this question and most scored between three and four marks.

**Q8. Your client acquired a UK registered trade mark nine months ago and he has appointed a licensee but he tells you that he has not yet entered the assignment or the licence on the Trade Marks Register. Write brief notes on the consequences of failure to record the assignment and licence. 5 marks.**

**Answer:** Until an assignment or licence is recorded, the transaction is ineffective as against a person acquiring a conflicting interest in or under the registered trademark in ignorance of it.

In infringement proceedings, the court may not award costs unless: (i) an application for registration of the prescribed particulars of the registrable transaction (ie recordal of assignment or licence) is made before the end of the period of six months beginning with its date, or (ii) the court is satisfied that it was not practicable for such an application to be made before the end of that period and that an application was made as soon as practicable thereafter.

One consequence of non recordal of a licence is that a person claiming to be a licensee by virtue of the transaction does not have the protection of section 30 or 31 (rights and remedies of licensee in relation to infringement).

**Comments:** This question was attempted by all candidates but few scored more than 3.5 of the available 5 marks.

Most candidates identified that until an assignment or licence is recorded, the transaction is ineffective as against a person acquiring a conflicting interest in or under the registered trademark in ignorance of it. However, a number of candidates gave woolly and/or incomplete answers and/or did not make it plain that the provision applies to both assignment and licence.

Of greater concern, a few suggested that the person acquiring the conflicting right would "take precedence" but the provision merely means that if the assignment/licence is not recorded, the assignee/licensee cannot enforce his right against the person acquiring the conflicting right.

The possible loss of costs in infringement proceedings was identified correctly by many candidates.

Some failed to make it clear that the above apply to both assignment and licence recordal. The omission was probably due to exam pressure but cost marks and illustrates the need for candidates to leave time to review what they have written.

The fact that a person claiming to be a licensee by virtue of the transaction does not have the protection of section 30 or 31 (rights and remedies of licensee in relation to infringement) was identified by fewer than half the candidates.

**Q9. What is the so-called comparative advertising defence in UK Trade Marks Act 1994, s.10(6) (Infringement of registered trade mark)? Describe any limitation to that defence. 5 marks.**

**Answer:** Per s.10(6)(a) UK TMA, the infringement provisions in s.10 shall not be construed as preventing the use of a registered trade mark by any person for the purpose of identifying goods or services as those of the proprietor or a licensee.

s.10(6)(b) provides that any use not in accordance with honest practices in industrial or commercial matters shall be treated as infringing the registered trade mark if the use without due cause take unfair advantage of, or is detrimental to the distinctive character or repute of the trade mark.

**Comments:** This was the least popular question and candidates were perhaps right to avoid it as both the defence and its limitations consist of several elements. Candidates who attempted the question tended to paraphrase in vague terms and thereby omitted one or more of the elements necessary to score well.

**Q10. (a) List the essential requirements for obtaining a valid filing date under UK Trade Marks Act 1994, s. 32 (Application for registration). 2 marks**

**(b) According to UK Trade Marks Act 1994, s.33 (Date of filing), what date is the filing date in the event that some of the above filing requirements are furnished on different days? 1 mark**

**(c) Summarise the examination procedures of UK Intellectual Property Office in relation to a new UK trade mark application. How may the applicant respond? 5 marks**

**(d) How many classes are covered by the basic application fee for a: (i) UK Trade Mark Application? and (ii) CTM Application? 1 mark**

**(e) Summarise the circumstances in which a UK or CTM registration may be liable to revocation for non-use. 3 marks**

**Answer:**

(a) The essential requirements for a valid filing date are:

- a request for registration;
- the name and address of the applicant;
- a statement of the goods or services in relation to which it is sought to register the trade mark;
- a representation of the trade mark.

(b) If the documents necessary to provide the essential particulars to obtain a valid filing date are furnished on different days, the date of filing is the last of those days.

(c) Candidates were expected to explain that:

- UK IPO examines for formality requirements and on absolute grounds and relative grounds;
- to respond to objections on absolute grounds, applicant may rectify defect where appropriate and may argue against rejection and/or argue the objections at a hearing;
- if UKIPO maintains the objections, the application is refused;
- to overcome objections on relative grounds, the applicant has one opportunity to comment and to delete overlapping goods and services;
- if UKIPO maintains the objection, the application is not refused but details of the application are notified to owners of cited UK or Int (UK) registrations on publication of the application for opposition purposes.

(d) The basic application fee covers 1 class (UK) and 3 classes (CTM).

(e) Revocation on grounds of non-use provisions are:



- a registration becomes vulnerable to revocation on grounds of non use if no use is made within five years following completion of the registration procedure;
- or that use has been suspended for an uninterrupted period of five years;
- use must be genuine;
- non use may be excused if there are proper reasons for non use;
- under the CTMR, use in only one part of the EU may be sufficient to defeat an application for revocation;
- use may include use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered;
- revocation may be avoided if use is commenced or resumed after the expiry of the five year period and before the application for revocation is made;
- commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application for revocation shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application for revocation might be made.

**Comments:** All candidates attempted this question and scores were generally high.

Parts (a), (b), (d) and (e) were well answered. In relation to part (d), candidates were familiar with UK examination requirements but elements of the procedure were missed by some. In particular, candidates failed to cover how the applicant may respond to objections on absolute grounds. Since the procedure for relative grounds was well explained, it is possible that some candidates simply forgot to discuss the different process for dealing with absolute grounds (remedied by making an answer plan or re-reading answers).

**Q11. Outline the examination procedure by WIPO and designated National Offices when an application is filed under the Madrid Protocol. 12 marks.**

**Answer:** Steps in the procedure include the following:

- the Applicant must be a national of, domiciled in, or have a real and effective commercial establishment in a territory which is a member of the Madrid Protocol;
- the Applicant must also have a "base" application or registration in his home territory;
- the International Application must be in the same name and for the same mark as the "base" application/registration (the goods/services must also be the same or narrower);
- the International application must also designate the Madrid Protocol member states or organisations for which protection is required;
- the Application must be filed at the same Office where the "base" application/ registration was filed (called the Office of Origin);
- fees consist of a handling fee (payable to the Office of Origin), a Basic Fee, a supplementary fee (if more than three classes are claimed), a complementary fee for each of the designations where protection is required (although if any of the member states or organisations designated has nominated Individual fees, the latter must be paid in the place of supplementary/complementary fees);
- the Office of Origin checks the application to ensure the details match the Base Application/Registration claimed;
- the Office of Origin forwards the Application to WIPO;
- if the Office of Origin does not forward the application within two months, the filing date is lost and becomes the date when the application reaches WIPO;
- on receipt of the Application, WIPO conducts a formality (not substantive) examination;

- if WIPO identifies a reason why the mark should not be registered, it issues an Irregularity Notice;
- the most common objections are for amendment to classification/description of goods/services and non-payment of fees; the term for responding to the Irregularity Notice is three months;
- the term for responding to the Irregularity Notice cannot be extended; the Irregularity Notice is sent to the Applicant and to the Applicant's Office of Origin;
- the Applicant must reply to the Office of Origin; the Office of Origin passes the reply back to WIPO;
- provided any objections have been overcome, WIPO registers the mark as an International Registration;
- WIPO issues a Certificate of Registration;
- registration is advertised in the bulletin *Les Marques Internationales*;
- at this stage, despite being a "registration", the mark is not yet the subject of registered rights;
- WIPO sends details of the Registration to the National Trade Mark Office of each country designated in the Application;
- each National Office examines the Registration applying law/practice as if it were examining a regular National Application;
- National Offices whose local law permit registration only in relation to a single class or to a limited number of goods/services cannot object to an International Registration on either of these grounds;
- each National Office has twelve or eighteen months to raise objections to the International Registration;
- the default term is twelve months but each National Office has the option to notify WIPO that it requires eighteen months to complete examination of International Registrations;
- if a National Office fails to examine an International Registration within twelve (or eighteen) months, it loses the opportunity for refusal and the mark becomes registered in that territory;
- in countries whose national laws provide for Opposition, the International Registration must be advertised in the relevant national trade marks bulletin and laid open to Opposition;
- those countries may notify WIPO that their final decision on a registration may exceed 12/18 months;
- if a National Office raises objection to an International Registration, it notifies WIPO of the grounds for objection;
- the National Office sets a term for reply;
- the term (and the availability/length of extensions of time) are governed by the law of the relevant National Office;
- WIPO forwards the National Office's report of the objection to the Applicant;
- to respond to the objection, the Applicant must be qualified to appear before the National Office which raised the objection;
- alternatively, he must appoint a qualified local attorney;
- the response must be made to the National Office, not to WIPO;
- further communication regarding objections, EOT's or refusal is between the National Office and the Applicant (or his local attorney);
- in the absence of a (satisfactory) response the International Registration is refused, or part-refused in that territory;
- provided any objections/oppositions are overcome, the mark becomes registered in the territory concerned;
- the outcome may be different in each designated territory;

- WIPO maintains a central register;
- it provides all the details of the registration, including goods/services, national designations and statuses;
- acceptances and full or partial refusals are reported by each National Office to WIPO and the International Register is amended accordingly.

**Comments:** Few candidates answered this question but several of those who did scored high marks. Even candidates who wrote only a few notes (perhaps because they were short of time) gained good marks.

The above steps in the procedure each scored half a mark each up to a maximum of 12 marks.

Discussion of post registration issues, such as "central attack", renewal or subsequent designations did not attract marks as they are not part of the examination procedure.

**Q12. (a) Your client wishes to oppose a UK Trade Mark application and a CTM application, which were both published on 12th September 2013. Advise your client of the deadline for filing opposition against: (i) the UK application (1 mark); and (ii) the CTM application. 1 mark.**

**(b) Can the deadline be extended in either case and, if so, for how long? 1 mark.**

**(c) Your client wishes to oppose on both absolute and relative grounds. Advise whether that is possible and explain any differences between UK and CTM systems in relation to grounds of opposition. 2 marks.**

**(d) Your client also asks about the procedure for filing Observations rather than opposition. Outline the procedure and any difference between the UK and CTM systems in relation to Observations. 7 marks.**

**Answer:** (a) (a) The UK deadline for opposition is 12th Nov 2013 (two months after publication) and the CTM deadline is 12th December 2013 (three months).

(b) The UK deadline can be extended for one month but the CTM deadline cannot be extended.

(c) A UK opposition can be filed on absolute and/or relative grounds (although the latter can only be filed by the owner or licensee of an earlier trade mark). A CTM opposition can only be filed on relative grounds (by the owner or licensee of an earlier trade mark).

(d)

- Any person or company or body may file Observations.
- There is no fee.
- Observations are made by letter to UKIPO/OHIM. UKIPO/OHIM copies the Observations to the applicant.
- The applicant is given an opportunity to respond.
- The applicant's response is copied to the person to who filed the Observations.
- If it is decided (by UKIPO/OHIM) that the Observations are well-founded, the examination procedure is restarted\*.
- Observations can be filed at any time between publication and registration\*.

- The person making the Observations is not a party to the proceedings ie cannot make further submissions\*.
- UKIPO/OHIM does not give a view on the Observations until after the end of the term for filing opposition\*
- so if the Observations were unsuccessful, it would be too late to file opposition
- although Observations are generally cheaper than Opposition and may therefore be the only option for some\*.
- At OHIM, Opposition can only be filed on relative grounds by the owner (or licensee) of the earlier trade mark but it is possible to file “Observations” on absolute grounds as well.
- At UKIPO, both Opposition and Observations can be filed on absolute or relative grounds (although the latter can only be filed by the owner or licensee of the earlier trade mark).

\*The points marked with an asterisk attracted a full mark each; all the others were worth half a mark each.

**Comments:** All but two candidates answered this question and parts (a), (b) and (c) were well answered.

The answers to part (d) were patchy but that probably means only that some candidates elected not to revise this topic.

**Q13. (a) In relation to a trade mark, what is a Convention Application? 2 marks**

**(b) What is a right to priority? 2 marks**

**(c) Are there any circumstances in which the applicant can re-start the Convention Priority term for the same mark and goods? 2 marks**

**(d) When can priority be claimed under UK Trade Marks Act 1994 and what basic information is required? 2 marks**

**(e) When can priority be claimed under CTMR and what basic information is required? 2 marks**

**(f) According to Article 4 of the Paris Convention what supporting document(s) may UK IPO/OHIM require? 2 marks**

**Answer:** (a) A Convention application is the first filing of a trade mark application in a country which is a member of the Paris Convention or WTO by a person/company who is a national/domiciled in/has a real or effective place of business in a Convention country.

(b) A right of priority is the right to claim the date of the Convention application in relation to the same mark by the same proprietor for some or all of the same goods/services within six months of the filing of the Convention Application.

(c) The circumstances in which the applicant can re-start the Convention Priority term are when the first application has been withdrawn, abandoned or refused, without having been laid open to public inspection and without leaving any rights outstanding, and it has not yet served (and does not thereafter serve) as a basis for claiming a right of priority.

(d) In the UK, priority must be claimed at the time of filing. UKIPO requires that the UK application specify (i) the number accorded to the overseas application by the registering or other competent authority of the relevant country; (ii) the country in which the overseas application was filed; and (iii) the date of filing.

(e) At OHIM, priority must be claimed within two months of filing. The applicant must make a declaration of priority indicating the number, country and date of filing of the convention application.

(f) According to Article 4 of the Paris Convention (although not according to the practice of UK IPO/OHIM) the applicant may be required to file a certified copy of the convention application showing the date of filing, and a translation if the Convention application is not in English (UK IPO) or the language of the CTM application (OHIM).

**Comments:** Most candidates attempted this question and in general marks were good. Candidates clearly have a good grasp of both concept and practice in relation to convention priority but Article 4 of the Paris Convention is a lengthy provision, some of which seemed unfamiliar.

(a) Few candidates identified that a Convention application must be the first filing and that the applicant must be a person/company who is a national/is domiciled in/has a real or effective place of business in a Convention country.

(b) Few candidates explained that the mark, proprietor and goods/services must be the same.

(c) Most candidates identified some but not all of the four criteria necessary for the Convention Priority term to be re-started.

Parts (d) and (e) of the question were asked to test whether candidates appreciated that the official requirements at UK IPO and OHIM differ slightly from each other and are not exactly in accordance with the provisions of the Paris Convention. Few candidates gave full answers.

(f) Most candidates knew that a certified copy may be required but not that it must show the date of filing.

**Q14. Outline the main differences between the Community Trade Mark and Madrid Protocol systems of registration. 12 marks.**

**Answer:** The following are examples of differences which scored marks in answer to this question (candidates were not required to list all of them and marks were given for other differences correctly identified):

- CTM is a unitary system which means that the registration must always cover the entire EU (a successful opposition based on 1 national registration causes the entire application to be refused); IR (International Registration under the Madrid Protocol) is a bundle of national registrations so refusal in one territory does not affect protection in the others;
- CTM protection will always be the same in each EU member state; an IR may be refused/opposed/cancelled in relation to certain goods/services in some territories but not others so that the extent of protection may differ in each designation;

- CTM can only ever cover EU; IR can designate more than 90 territories of current MP (Madrid Protocol) members including EU (can designate CTM or individual territories in EU);
- CTM automatically expands to cover new members of EU; as new members join MP it is necessary to file a subsequent designation to obtain protection;
- Languages: CTM = English, French, German, Italian, Spanish; MP = English, French, Spanish;
- CTM allows one attorney to be the applicant's representative for the complete procedure; MP may require the appointment of National attorneys in many designations in the event of official objections in those designations;
- CTM can be a first filing (or not) and is not dependent on any other filings; whereas to file an IR, the applicant must first file a base registration or application in his home territory and in the first five years of the IR, a successful attack on the basic registration of an MP results in refusal of the entire IR;
- CTMR allows use in only one part of EU to validate the entire CTM; under the MP, each designation can become separately invalid through non use;
- CTM allows Conversion to national applications in the event of a refusal of the CTM arising from a problem in only one member state (conversion is only allowed in the states to which the refusal does not apply); MP allows Transformation into national registrations in the event of refusal of the IR;
- CTM provides that Seniority can be claimed from earlier registration date of national rights for the same mark in the same ownership covering the same goods/services and the national rights can then be allowed to lapse; MP provides that if an IR is for the same mark in the same ownership covering the same goods/services as a national registration it "replaces" the national registration;
- OHIM runs a legal and administrative system; MP is an administrative facilitating access to national rights;
- CTM official fee does not vary except in relation to the number of classes; MP official fees depend on territories designated and Individual fees have substantial differences per territory and per class.

**Comments:** A straightforward question, well answered by many candidates. However some candidates merely listed provisions of the CTM followed by provisions of the Madrid Protocol and did not score well because the question required that they identify differences.

**Q15. Write notes explaining the three fundamental ingredients for a successful passing off action. 12 marks.**

**Answer:** The three fundamental ingredients for a successful passing off action are goodwill, misrepresentation and damage.

Goodwill

- the claimant's goods or services must have acquired a goodwill or reputation in the market by reference to a name, logo, get-up or some other distinguishing feature;
- the right arises from goodwill in the goods/services, not in the mark;
- goodwill is "the attractive force that brings in custom";
- the public does not need to know the identity of the manufacturer, so long as they are aware that the goods have a particular source;
- goodwill can exist in a class or group of producers (as in the Champagne cases);
- an enforceable goodwill can exist in a very descriptive mark or be limited geographically;
- residual goodwill can continue to exist even if trading has ceased;

- it is not necessary to show that the products/services are similar but where the products are not similar, a more substantial goodwill is likely to be needed to prove a misrepresentation (see the LEGO and subsequent cases).

#### Misrepresentation

- there is a misrepresentation by the defendant who adopts a trade name, mark, logo or other sign that is the same or similar to the claimant's and leads or is likely to lead the public to believe that goods or services offered by the defendant are the goods or services of the claimant;
- a misrepresentation may, or may not be, intentional;
- a misrepresentation is analogous to but not the same as confusion or deception;
- a misrepresentation may even be true but nonetheless give rise to passing off;
- it is necessary that a substantial number of members of the public be confused but there is no fixed percentage;
- the relevant date for assessing whether there is a misrepresentation is the date the conduct complained of began;
- in the case of a trade mark opposition where the applicant may not have started to use his mark, the relevant date is the date of application;
- selling rejects as premium quality products can give rise to a misrepresentation;
- use of one's own name can be a misrepresentation if confusion arises;
- setting up a company or registering a domain name using someone else's name can in some circumstances be actionable even if trading has not started.

#### Damage

- damage can take many forms:
  - loss of sales;
  - loss of reputation;
  - damage through public perception;
  - blurring or erosion of uniqueness;
  - loss of future commercial opportunities;
- it is not essential to show actual damage; likelihood of damage may be sufficient;
- where the court finds goodwill and misrepresentation, a likelihood of damage may be presumed.

**Comments:** The above are examples of points that earned marks but marks were awarded for all coherent explanations. Candidates were not expected to know or discuss reported cases but credit was given to those who did.

Most candidates knew the three ingredients and were familiar with the basic principles so scores were generally good.