Examiner's Report 2021
FC5 – Trade Mark Law

Patent Examination Board

Introduction

As with recent FC5 examinations, Part A questions are straightforward tests of knowledge and understanding, typically with one question (or part question) drawn from each area of the syllabus. Part B questions tested core attorney competence on absolute and relative grounds, plus two other areas suited to more in-depth analysis.

The pass-rate for this year's FC5 was lower than in recent sessions at 67%. However, there was a relatively low number of candidate entries and an unusually high proportion of candidates scoring in the lower mark ranges. It would appear that these candidates had applied to sit the examination too early and were not sufficiently familiar with the syllabus content.

Nonetheless, marks were a little lower than in previous years, with some quite disappointing answers seen in regularly-examined areas such as exhaustion (Question 11) and absolute grounds (Question 14).

Questions

Part A

Question number	Comments on questions
Question 1	This was a "statutory recitation" question about the Paris Convention, and was answered well by most candidates.
Question 2	This was a simple question about technical terms used in the Madrid Protocol, and was answered well by virtually all candidates.
Question 3	This question asked for basic details about two comparative legal systems (France and the US). Most candidates had learnt these.
Question 4	This question was about conversion. It presented few problems. The better-prepared candidates realised that conversion is unnecessary if one is still within the priority period.
Question 5	This question required an understanding of the fundamental definition of "goodwill". Most candidates answered this well, and explained that goodwill is the reputation of the product/service, not the sign.
Question 6	This question was about Brexit, and specifically how it applies in connection to absolute grounds. Most candidates answered correctly.

Question 7	This was a more challenging question relating to the enforceability of earlier marks. The better-prepared candidates were able to answer this question successfully.
Question 8	This was a "statutory recitation" question about changes to trade mark applications, and was answered well by most candidates.
Question 9	This was a basic question about infringement, which was answered poorly by many candidates. It appeared that candidates did not know the relevant statutory provision.
Question 10	This was a "statutory recitation" question about transactions, which was answered reasonably well by most candidates.
	Most candidates demonstrated that they understood the meaning of the words they were reciting by giving the requested explanation.
Question 11	This was a very pared-down question about exhaustion. However, it appeared many candidates had either misread the question (specifically **who** had put the products onto the market) or more generally did not understand the concept of exhaustion in sufficient depth, and so gave incorrect answers.
Question 12	This was a challenging question about cancellation, requiring candidates to think about the two options (opposition and invalidity). Many candidates struggled, identifying that there might be advantages/disadvantages with "timing" but not explaining what those advantages/disadvantages might be.
Question 13	This was a disappointingly-answered question. It required the application of the syllabus case law (*Adam Opel v Autec*). The scenario was almost identical to the facts in that case, but only the stronger candidates attempted to apply the case law.
	Candidates should remember that the syllabus lists only the most important instances of judge-made trade mark law, where they have laid down rules that are not readily discernible from the statute. It is therefore important to know this case law.

Part B

Question number	Comments on question
Question 14	This first question in Part B was on absolute grounds, and involved a discussion on: the capability to serve as a trade mark, representations, distinctiveness, acquired distinctiveness and statutory non-registrability. Question 14 was answered by the majority of candidates.
	Whilst most candidates followed this pattern, this year's question was generally answered less well than in previous years. The principal omissions were in addressing:
	- inherent distinctiveness – commonly a problem with any shape mark, with consumers not appreciating that a shape has trade mark significance; and - acquired distinctiveness, where only a subset of the potential customer base for the product has been exposed to the mark.
	Some important facts about the design (in particular, about technical function and aesthetic choice) were in the Director of Engineering's letter. Only the more-successful candidates picked up on this and applied these facts to the statutory provisions. It is wise to appreciate that almost every sentence in a scenario question has some significance to the answer.
Question 15	This second question in Part B was on relative grounds, with answers following a set formula (used by the IPO and courts) of discussing the enforceability of the senior mark, comparing the marks and goods, identifying the average consumer, and considering likelihood of confusion.
	Almost every candidate answered this question, with most candidates demonstrating they had learnt the set formula and so were able to pick up a large number of marks.
	This year, the "enforceability" mark was available to those candidates who were alert to the Brexit transition provisions: unfortunately, such candidates were in a minority.
	"Likelihood of confusion" was generally not handled well. It primarily requires candidates to discuss the propensity of the average consumer (they have previously identified) to be confused when purchasing the particular goods at issue, together with some

	attempt to apply (rather than merely recite) the "see-saw" test (balancing similarity of marks with similarity of goods).
Question 16	This was a passing-off scenario, a common Part B question. It was tackled by a majority of candidates, but was generally answered poorly.
	Most candidates applied the general formula for answering passing-off questions: discussing goodwill, misrepresentation, damage and remedies, and the better-prepared candidates confined discussion about the reputation of the sign(s) to the "misrepresentation" discussion and not the "goodwill" discussion. The main areas where available marks were not gained related to:
	- goodwill: whether the goodwill was extant, and if so in what product areas; - misrepresentation: whether the sign(s) might still be in the public consciousness; and - misrepresentation: whether the reproduction of the sign(s) might actually cause confusion.
	Many candidates did not follow the hint to discuss (1) the name and (2) the 3D designs separately, and only addressed one or the other, thus not accessing available marks.
Question 17	This was a question about the Madrid Protocol and filing strategies. These areas are examined most years (either in Part A or Part B). This year's question was poorly answered – perhaps because it was often chosen by overall-weaker candidates.
	Many candidates did not know the rules about which jurisdictions can serve as a basic registration.
	In Part (a), candidates were expected to identify four jurisdictions and give (on average) three advantages/disadvantages for each, applying the facts in the scenario (that is, problems with absolute grounds/ relative grounds/ lack of use, all risking "central attack"). However, few did so systematically or successfully.
	Part (c) was more challenging. Many candidates believed (wrongly) that a domicile of a non-member state simply could not hold a Madrid Protocol mark. Candidates also misapplied "central attack" rule, incorrectly believing that a Protocol registration could not be assigned during the 5 year dependency period separate to the basic registration.