

FC5 Trade Mark Law
FINAL Mark Scheme 2023

- Half marks are available for answers insufficiently precise to attract a full mark.
- Section / article numbers are not required.

Part A

Question 1 – Madrid Protocol

State an example of an objection that might be received from:

- a) the Office of Origin
- b) the International Bureau, and
- c) a designated Contracting Party

when making a Madrid Protocol application.

3 marks

Answer:

Any suitable answer is acceptable such as:

- a) The base application being inadequate to cover the goods and services in the application. / inadequate fees to cover the application as originally presented.
- b) A classification error / additional fees required due to reclassification. (The IB can also raise objections were an issue that should have been picked up by the OoO has been overlooked.)
- c) An objection on absolute or relative grounds.

1 mark each

Total: 3 marks

Question 2 – EU

Set out the conditions an earlier non-registered mark must meet in order that it may be used for opposition purposes before the EUIPO.

4 marks

Answer:

Article 8(4) provides:

- It must be a sign used in the course of trade [**1 mark**]
- of more than mere local significance [**1 mark**]
- pursuant to Union legislation or the law of the Member State governing that sign [**1 mark**] the sign must confer on its proprietor the right to prohibit the use of a subsequent trade mark [**1 mark**]

Total: 4 marks

Question 3 – Strategy

Lisa-Marie is an up-and-coming Irish rock star, temporarily living in the UK. She believes that she will soon be extremely famous, and does not want any trader using her name in any area of industry whatsoever once she is. She therefore wishes to file a trade mark for every individual item listed in the Nice Classification, in each of the 45 classes. (This is called a 'defensive filing').

She is particularly keen on protecting her name in the Republic of Ireland.

Outline any issues that might arise from engaging in such a 'defensive filing':

- a) if filing directly at the Irish Intellectual Property Office. **1 mark**
- b) if filing for an EU Trade Mark. **2 marks**
- c) if applying for a Madrid Protocol application and designating Ireland. **2 marks**

[Do not discuss distinctiveness, relative grounds or costs]

Total: 5 marks

Answer:

- a) A declaration of use is required. It is unlikely that the application can be lawfully filed in good faith. **[1 mark]** **1 mark**
- b) No declaration of use needs to be filed. **[1 mark]** The trade mark, once registered, will be open to invalidation on bad faith grounds, or revocation after five years for lack of use. **[1 mark for either]** **2 marks**
- c) A declaration of use is needed for Ireland, and so the designation is unlikely to be able to be lawfully made **[1 mark]**. In addition, she will need a base registration: at best only a EUTM will be available which likely defeats the necessity of an Irish designation **[1 mark]** **2 marks**

Total: 5 marks

Question 4 – Application Process

You have received an e-mail from your client's marketing director. **Write brief answers to her questions:**

"Hi. We have noticed that there are two different trade mark symbols: TM and ®

- a) What is the difference between the two symbols? **1 mark**
- b) Can we use them on our products? **1 mark**
- c) Do we have to use them on our products? **1 mark**
- d) What are the benefits of using these symbols on our products?" **2 marks**

Total: 5 marks

Answer

- a) The TM symbol is used to indicate a trade mark whether registered or unregistered. The ® symbol indicates a registered trade mark. **[1 mark]**
- b) The client is free to use the TM symbol. It is a criminal offence to use the ® symbol if the trade mark is not registered for that product **[1 mark]**
- c) There is no requirement to use the symbols **[1 mark]**
- d) **Two suitable answers** such as:
 - Both symbols alert others that a name is being used as a trade mark in order to deter others adopting it. **[1 mark]**
 - The ® symbol has particular deterrent effect, as it alerts others that civil proceedings are easier to bring (or that that criminal proceedings are potentially available) **[1 mark or either]**
 - The use of the TM symbol can help in the acquisition of acquired distinctiveness by informing consumers that the sign is acting as an indication of origin **[1 mark]**
 - The use of the TM symbol can help in a passing off action by educating the public that a sign is an indication of origin and unique to the client. **[1 mark]**

Total: 5 marks

Question 5 – Observations

Margaret has spotted a recent trade mark application on the IPO database. It is currently under examination at the IPO, but has not yet been advertised. Margaret says:

- 1) the mark in the application is identical to her well-known registered trade mark, and the application protects identical products, and that:
- 2) the applicant is “*clearly likely to deceive the public*” into thinking that the applicant’s goods are hers.

However, Margaret says that she is temporarily short of funds, but has read that the IPO permits ‘observations’ to be submitted for free.

Explain:

- a) **when (i.e. at what point in the lifecycle of a trade mark) observations can be made.** **1 mark**
- b) **how observations differ from oppositions.** **2 marks**
- c) **the observations (if any) that can be made in this case.** **1 mark**

Total: 4 marks

Answer

- a) Observations can be made at any time between the publication and the registration of the mark **[1 mark]** (a slightly longer period than the opposition window, and including any period during which the mark is under opposition). **1 mark**
- b) **Any suitable answer such as:**
 - Observations must relate to grounds on which the registrar can *ex officio* refuse the mark. Hence, they are limited to absolute grounds. **[1 mark]**
 - The client will not become party to proceedings, and therefore the applicant’s arguments / evidence are not forwarded to the applicant for scrutiny, but there is no risk of a costs action: **[1 mark for any answer including an explanation]** **2 marks**

- c) The client's complaint – although framed in terms of deceit - is one of relative grounds, for which observations are not available [**1 mark**]

1 mark

Total: 4 marks

Question 6 – Priority

A search of the trade mark register shows your client has filed the following trade mark applications, all for 'cardboard boxes' (class 16).

Mark	Jurisdiction	Filing Date	Status
BEST	Germany	1 February 2023	Withdrawn voluntarily – 1 April 2023
BEST	Germany	2 May 2023	Refused - 2 September 2023
BEST	Spain	3 June 2023	Under examination
BEST	UK	4 September 2023	Withdrawn voluntarily – 4 October 2023

Your client now wishes to file a trade mark in the EUIPO, again for 'cardboard boxes'.

What priority (if any) can the application claim? Give reasons for your answer.

2 marks

Answer

None. The first priority was claimed more than 6 months ago. [**1 mark**]. Although withdrawn, it has been laid open to public inspection (as details of applications are published on databases on filing) and therefore the withdrawal does not extinguish the priority right. [**1 mark**]

2 marks

Question 7 – Duration

Abraham owns a UK trade mark. It was filed on 2 July 2013 and was registered on 1 September 2013.

On 1 August 2013 Abraham filed a Madrid Protocol application, which was registered on 1 September 2013. It was based on (and claimed priority from) its UK trade mark. It successfully designated the following jurisdictions:

- France – accepted by the French IPO - 1 October 2013
- Germany – accepted by the German IPO - 2 October 2013

On 1 July 2020, Abraham filed subsequent designations using the Madrid Protocol. The statuses of the designations are as follows:

- EUIPO –accepted by the EUIPO on 3 July 2023 with all available seniorities being claimed.
- Japan – accepted by the Japanese IPO on 2 July 2022
- USA – still under examination.

Explain what renewal fees need to be paid, and the dates by which they can be paid. (Precise amounts are unnecessary).

3 marks

Answer:

Renewal fees are required for the UK (2 July 2023) and WO (1 August 2023) (JP, US, EM designations) **[1 mark]**

FR and DE designations do not need to be renewed given seniority has been claimed for the EUIPO. **[1 mark]**

In both instances, a six-month deadline for late payment is available with a fee extending the dates to 2 January 2024 and 1 February 2024 **[1 mark]**

3 marks

Question 8 – Transactions

a) Explain what actions are required to fulfil a contractual obligation between two sole traders promising to assign a registered trade mark, including any associated unregistered rights. Do not discuss assigning copyright or design rights.

4 marks

b) Explain what additional actions (if any) are required if the trade mark has a licence recorded against it on the register.

2 marks

Total: 6 marks

Answer:

a) **Up to 4 marks for any of the following:**

- A written assignment document needs to be drafted **[0.5 marks]** and signed by the assignor. **[0.5 marks]** in order to complete the contractual obligation.
- The assignment should be registered **[0.5 marks]** not later than six months from the date of assignment **[0.5 marks]**
- Goodwill can be assigned **[0.5 marks]** with no particular formality, but most sensibly is included in the written assignment **[0.5 marks]**
- However, to be effective, goodwill can only be assigned alongside the relevant assets of the business. **[1 mark]**
- Priority, if it still exists **[1 mark]** and the right of action with regard to past infringements **[1 mark]** can be included in the written assignment.

4 marks

b) No additional action is required **[1 mark]** as a registered licensee's rights follow the property automatically **[1 mark]**.

2 marks

Total: 6 marks

Question 9 – Infringement

Charlesmont PLC generates and supplies electricity to customers in the UK. It owns the following trade mark:

Mark	Goods / services
CHARLESMONT	Cl. 16 - Printed matter Cl. 40 – Electricity generation

A pressure group, CleanEarth, objects to Charlesmont's business. It has printed leaflets that it is handing out to people in the street outside Charlesmont's corporate headquarters. The leaflets say:

CHARLESMONT
Pollutes water courses!
Has poor safety standards!
Treats its employees unfairly!
Boycott them now!

Explain whether CleanEarth is infringing Charlesmont's trade mark rights.

2 marks

Answer:

CleanEarth is using the trade mark, but not in the course of trade. **[1 mark]** There is therefore no infringement. **[1 mark]** **[Accept an alternative explanation based on *Arsenal* - detriment to the essential function of a trade mark]**

2 marks

Question 10 – Case law

Lenny makes nuts and bolts, which he sells in sealed plastic jars. The jars are filled with a vapour comprising the chemical that gives common garden mint its characteristic smell.

Lenny proposes to apply to register one or more of the following as a 'non-traditional trade mark':

- a) 'The smell of mint'.
- b) 'The smell of mint, a reference sample of which has been impregnated into the 'scratch and sniff' paper sheet attached to this application'.
- c) 'The smell of 5-methyl-2-(propan-2-yl)cyclohexan-1-ol at a concentration of 0.01mol dm⁻³ in air'.

Which (if any) of these marks would meet the requirements of *Sieckmann*? Give reasons for your answer.

2 marks for each proposal

Total: 6 marks

Answer:

[1 mark for each ground and 1 mark for each explanation, up to a total of two marks for each proposal. Alternative answers are acceptable]

None of the proposals are acceptable:

- a) Not precise, as a range of different mints (garden mint, spearmint etc) can be covered. Not self-contained, as it requires access to mint plants to compare the smell.
- b) Not easily-accessible, as it cannot be viewed on the register. Not durable, as the smell will wear out over time.
- c) (This case is analogous to the situation in *Sieckmann*). It is not self-contained, as it requires access to the chemical to smell the smell. Not easily accessible, for the same reason.

Total: 6 marks

Part B

Question 11 – Absolute grounds

Seymour is an entrepreneur. Fed up with the soles of walking boots wearing out too quickly, he has been inspired to set up a scheme called the '1407 Kilometre Challenge', in which the boots of participating manufacturers are laboratory tested (for a fee) to ensure they can endure the equivalent of a 1407-kilometre hike on an abrasive surface.

Seymour plans that manufacturers whose boots pass the test will be permitted to:

- use the words '1407 KM CHALLENGE – PASSED' on their promotional material, and
- fabricate the boots' soles out of a polymer material to which a red dye has been added. This will ensure boots that have passed the Challenge will be readily identifiable from other boots when displayed in shops. However, the shape of the sole, configuration of the tread, and polymer from which the sole is made, will remain entirely for the manufacturer to choose.

Seymour explains that he chose '1407' kilometres because it is the distance between John O'Groats (the UK's most north-eastly point) and Land's End (the UK's most south-westerly point). Walking between these two points is a well-known test of endurance for dedicated hikers.

Furthermore, extensive research has shown that no manufacturer has ever made walking boots with red soles - with soles typically being brown or black.

In order to prevent manufacturers using these signs without having passed the test or paid the fee, Seymour recently filed two UK trade mark applications:

Mark		Goods/Services	Filing date
1407 KM CHALLENGE – PASSED	Word only	Cl. 25 – Walking boots Cl. 42 – Laboratory testing services for walking boots	1 September 2023
The colour red applied to the totality of the sole of a walking boot.	Non-traditional mark	Cl. 25 - Walking boots	1 September 2023

Seymour did not use an attorney to file these applications, but, on reflection, fears that they might meet objection, and so now seeks your advice.

Explain (with reasoning) which 'absolute grounds' for refusal, as listed in section 3 of the Trade Marks Act 1994, will apply to these applications, and which will not. (Assume the application offends no other rule of law or international agreement, nor contain any specially-protected emblem)

20 marks

Answer:

1 mark for any suitable contribution towards the analysis (including the following), up to a total of 20 marks:

'1407 KILOMETRE CHALLENGE – PASSED'

Section 3(1)(a)

- Capable of representation / *Sieckmann*: No issues as this is a wordmark [1 mark]
- Class 25
 - Capable of distinguishing the goods one undertaking. Vulnerable, as many different manufacturers are using the mark [1 mark] and the trade mark owner is taking responsibility for only one characteristic (durability of the sole) and not the overall product [1 mark]. Strictly the mark is 'capable' of applying to only one undertaking, and so an objection will probably not be raised on examination [1 mark]
 - Class 42
 - Perfectly capable of identifying the services of one laboratory. [1 mark]

Section 3(1)(b)

- Class 25 – The sign would be understood as indicating that the product bearing it has passed a test, and not as an indicator of origin. [1 mark]. An objection would be raised.
- Class 42 – Meets section 3(1)(b) as the words have no obvious relationship to the service being offered and so are likely to be understood as a sign indicating the origin of the testing service [1 mark]

Section 3(1)(c)

- Class 25 - Not descriptive of a characteristic per se. The term '1407 KM Challenge' is arbitrary (specifically, the '1407' element) is arbitrary. [1 mark]
- Class 42 – Not descriptive in any way [1 mark]

Section 3(1)(d)

- No indication that the name has been used to date. [1 mark]

Section 3(2) (Shapes/Characteristics)

- This is not a mark with shape or other characteristic that gives function/value to the product. [1 mark]

Section 3(3) (Policy, morality, deception)

- No objection [0.5 mark]

Section 3(4) (Legality)

- No objection [0.5 mark]

Section 3(6) (Bad faith).

- Where a mark is 'capable' of indicating the goods of one undertaking, but in practice the mark is not being used for this purpose, the mark is vulnerable to a bad faith objection under section 3(6) [1 mark] (in preference to applying section 3(1)(a) directly)

Non-traditional mark

Section 3(1)(a)

- The mark can apply to a multitude of shapes [1 mark]. However, it is colour, not shape, that is claimed and as the boundaries of the use of colour are clear and precise from the description (the totality of the sole, but not any other part of the boot) - the mark meets the test [1 mark]
- 'Red' is insufficiently clear and precise and requires a more specific colour description [1 mark].

- Capable of distinguishing the goods one undertaking. Vulnerable, as many different manufacturers are using the mark **[1 mark]** and the trade mark owner is taking responsibility for only one characteristic (durability of the sole) and not the overall product **[1 mark]**. Strictly the mark is ‘capable’ of applying to only one undertaking, and so an objection will probably not be raised on examination **[1 mark]**

Section 3(1)(b)

- It does not matter that the sign has not be used before: in the absence of acquired distinctiveness (unavailable here) **[1 mark]** ‘red’ would be seen as simply the colour of a sole, and not be perceived as a sign indicating origin. **[1 mark]**.

Section 3(1)(c)

- The description is descriptive of a boot with red soles **(1 mark)**, and thus in the absence of acquired distinctiveness (unavailable here) **[1 mark]** would offend against section 3(1)(c)

Section 3(1)(d)

- No objection as the colour has not been used to date on boots **[1 mark]**

Section 3(2)(a) – There is nothing that about walking boots that, by their nature, requires them to have red soles **[1 mark]**

Section 3(2)(b) – There is no technical benefit to having red soles **[1 mark]**

Section 3(2)(c) – It is conceivable that a coloured sole will give aesthetic value to a product. **[1 mark]** However a precisely-defined shade of red will be unlikely to offend against this subsection in the absence of evidence that that particular colour is attractive **[1 mark]**

Section 3(3) (Policy, morality, deception)

- No objection **[0.5 mark]**

Section 3(4) (Legality)

- No objection **[0.5 mark]**

Section 3(6) (Bad faith).

- Again, where a mark is ‘capable’ of indicating the goods of one undertaking, but in practice the mark is not being used for this purpose, the mark is vulnerable to a bad faith objection under section 3(6) **[1 mark]** (in preference to applying section 3(1)(a) directly)

20 marks

Question 12 – Relative Grounds

Marjorie owns the following trade mark:

Mark		Goods	Filing date	Registration Date
GLOVESMITH	Word only	Class 25 - Cycling gloves	1 September 2012	1 February 2013

Marjorie explains that cycling gloves are usually worn by cyclists engaged in sports- or long-distance riding. They are typically fingerless, and characterised by a padded leather panel

designed to protect the palm of the hand both from abrasion (should the rider fall off their bicycle), and from blisters (resulting from prolonged contact with the handlebars).

Marjorie has recently noticed that the following trade mark application has been published:

Mark		Goods	Filing date
GLOWSMITH'S	Device	Class 11 - Bicycle lights	1 September 2023

Advise Marjorie whether she can successfully oppose this application. Do not discuss marks with a reputation or passing-off.

20 marks

Answer

1 mark for any substantial contribution towards the analysis of this scenario (such as those indicated below), up to the total indicated:

Enforceability of the earlier mark

Has it been renewed? If not, only restoration is available and unlikely to be successful without a compelling case. **(0.5 mark)**

The mark has been registered for more than 5 years. Has it been used in the last 5 years? We are not told. **(0.5 mark)**

1 mark

Similarity of Marks

Aural

Although a device mark, the application can easily be pronounced aurally.

The marks comprise identical number of syllables.

The initial GL sound (to which more weight might be given) is identical, the O sound is similar, and the final syllables are identical (save for the possessive s which will be afforded no weight as merely a grammatical particle)

2 marks

Visual

The word GLOWSMITH'S is the overwhelmingly dominant feature of the application. There is little additional visual material of any weight. Conversely GLOVESMITH as a wordmark can be presented in a range of styles.

The marks comprise a very similar identical number of letters, especially if you ignore the possessive 's) all but two are identical and in an identical position.

The W and E are hidden within the word, and the W could easily be misread for a V.

2 marks

Conceptual

The marks comprise a name relevant to the product concerned, plus the word 'smith' indicating manufacturer.

GLOVESMITH is almost descriptive of an artisan manufacturer of gloves, whilst GLOWSMITH is far more abstract with the term 'glow' merely indicating a characteristic of lighting.

'Glow' has no direct meaning connecting to gloves, nor 'Glove' to lights.

2 marks

Overall

The visual aspect is likely to be given more weight in a retail environment. As such, the similarities are such that marks are likely to be mistaken for one-another or misremembered. Overall, they are highly similar.

1 mark

Total SOM – 7 marks

Similarity of Goods

Users? There is clearly an identical user base, namely cyclists.

Nature? (composition, functioning principle, appearance) – The items are very different— fabric vs an electrical item.

Value? The items are likely to sell around the same price point - neither as cheap consumable products nor as items requiring significant financial investment.

Purpose? Both are intended to be used in connection with cycling, and specifically with improving safety.

Method of use? – Wholly different – one is worn, one is not.

Complementary? The items, although used in the same field, are not complementary in the sense that one works with the other.

Competitive? The goods are not substitutable for one another.

Distribution channels? Likely to be the same distribution channels, namely cycle shops.

Manufacturing origin? It is conceivable that a manufacturer will make a range of cycling accessories rather than just one.

6 marks

Overall –The difference in the nature of the goods does not detract from the otherwise closely-shared characteristics of the products. Both could easily come from a single origin. As such there is a moderate similarity between the goods.

1 mark

Total SOG – 7 marks

Average Consumer

The purchasers of cycle gloves are likely to be more specialist and more discerning than the average consumer: however, the customer base could include more generalist cyclists.

As both items relate to safety, consumers are likely to exercise a degree of care over their choices.

2 marks

Likelihood of confusion

Enhanced distinctiveness - No evidence is presented.

With a strong similarity of the marks, coupled with a moderate similarity of the goods, and taking into account the attentiveness of the average consumer, it is perfectly conceivable that a likelihood of both straightforward confusion and association will arise in this case (i.e. that GLOWSMITH will be misread as GLOVESMITH even when used on lighting).

2 marks

Conclusion

The mark can be opposed, subject to checks with regard to renewal and use.

1 mark

Total: 20 marks

Question 13 – Infringement

You act for United Breweries, who produce McDUFF beer. McDUFF is the second most consumed beer in Scotland, and in the top 6 of beers consumed in the United Kingdom as a whole. The brand is protected by a trade mark, that is still in force:

Mark	Goods	Registration Date
McDUFF	Class 32 – Beers	10 June 1918

United Breweries has recently informed you that they have seen a product called McDUFF SAUCE. It is a spicy tomato ketchup, manufactured by Patty McDuff, a sole trader living in Newcastle. Patty has only recently started selling the sauce, which she explains in her promotional material is made to her grandmother's recipe. There is nothing in the list of ingredients that hints that beer is an ingredient.

After reviewing UKIPO and EU case law, you decide there is no prospect of United Breweries bringing a successful action based on confusion, as the goods are just too dissimilar. Nevertheless, United Breweries wants Patty's use of the McDUFF name stopped.

Advise what other actions (if any) can be taken by United Breweries under:

- a) the Trade Marks Act, and
- b) common law

13 marks

7 marks

Total: 20 Marks

Answer

1 mark for any substantial contribution towards the analysis of this scenario (such as those indicated below), up to the total indicated:

Trade Marks Act

The trade mark is undoubtedly similar (if not identical) to the earlier mark. **[1 mark]** Even if the word 'sauce' is regarded as an integral part of Patty's mark, the word 'sauce' is descriptive of the product itself and so does not contribute to the distinctive character of the trade mark. **[1 mark]**

The mark has a reputation in the United Kingdom **[1 mark]** – a large market share of a large market indicates that the mark enjoys considerable recognition in the UK within its field. **[1 mark]**

Absence of due cause might prove a stumbling block. **[1 mark]** McDuff is the surname of the manufacturer, and it is not unreasonable for a sole trader to trade under their surname **[1 mark]**, in the absence of evidence that Patty is taking advantage of the confidence of the names. **[1 mark]**

It is also necessary to demonstrate one of the following **[1 mark]**, namely that Patty:

- Takes unfair advantage of the distinctive character of the trade mark **[1 mark]**- This requires evidence that the name McDuff has the ability to be recognised in spheres other than beers, and that consumers are linking (or likely to link) the sauce with the beer. **[1 mark]**
- Takes unfair advantage of the repute of the trade mark. **[1 mark]** This must be proved. On the face of it there is little if any evidence that McDuff sauce sales will be influenced by the name. **[1 mark]**

- Is detrimental to, the distinctive character of the trade mark. **[1 mark]** This is the strongest ground, namely that market opportunities are lost to the brewery. However, beer manufacturers' brands tend not to extend beyond their core market.
- Is detrimental to the repute of the trade mark. **[1 mark]** There is nothing inherently detrimental about sauces. If the sauce is of poor quality or contaminated this could be damaging, but there is no evidence that this is so.

A statutory defence of use of one's own name (s11(2)(a) is available to Patty **[1 mark]** as she is a natural person **[1 mark]**. The burden falls to Patty to demonstrate her use is in accordance with honest practices in industrial or commercial matters. **[1 mark]** Here, there is no hint of dishonesty **[1 mark]** although wider industry practice needs to be considered.

An injunction (interim and final) is available as a remedy **[1 mark]**

Nevertheless, it is unlikely that a case is made out here in the absence of evidence **[1 mark]**

13 marks

Passing Off.

To bring a passing-off action, Breweries needs to demonstrate;

Goodwill – this undoubtedly exists through vast repeat sales of the beer to a wide customer base in the UK over a long period of time. **[1 mark]**

Misrepresentation. The relevant misrepresentation here is that McDuff has manufactured **[1 mark]** or endorsed **[1 mark]** the sauce. This is an entirely factual matter, although the court is potentially willing to infer a misrepresentation even if there is no evidence of anyone being misled. **[1 mark]** There are limits to which case law is prepared to infer a misrepresentation even for well-known trade marks (Harrods v Harrodian School) **[1 mark]** but passing off is wide enough to embrace the use of marks on 'dissimilar' goods if a sufficiently strong link can still be made **[1 mark]**.

Damage – Damage could take the form of damage to the sales of beer **[1 mark]**, or additional income for Patty. **[1 mark]**

An injunction (interim and final) is available as a remedy **[1 mark]**

There would appear to insufficient evidence for a misrepresentation, and so a passing off action is likely to fail **[1 mark]**

7 marks

Total: 20 Marks

Question 14 - Defences

Sanjay manufactures and sells parts for mechanical equipment, trading under the name KWIKPART. He supplies customers throughout south east England.

Sanjay has recently received a letter from Agnes, explaining that Agnes has recently registered the name KWIKPART as a trade mark for identical goods, and demands Sanjay cease and desist from trading under the KWIKPART name.

Advise Sanjay.

20 Marks

Answer

1 mark for any substantial contribution towards the analysis of this scenario (such as those indicated below), up to the total of 20 marks.

Section 11(3) provides that a registered trade mark is not infringed by the use in the course of trade in a particular locality of an earlier right which applies only in that locality.

Sanjay is using his mark in the course of trade **[1 mark]**, in a particular locality (i.e. SE England) **[1 mark]** and therefore would appear to have a defence subject to the existence of an earlier right in the name KWIKPART.

Sanjay would need to demonstrate that the sign has been continuously used **[1 mark]** in relation to his services **[1 mark]** by himself or a predecessor in title **[1 mark]** from a date prior to whichever is the earlier of **[1 mark]** —

(a) the use of the first-mentioned trade mark in relation to those goods or services by the proprietor or a predecessor in title of his **[1 mark]** which will require some enquiry on the part of Sanjay **[1 mark]**, or

(b) the 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) **[1 mark]** which can be established from the register, but appears to be 'recent' and so postdate Sanjay's use **[1 mark]**.

Section 11(3) provides that the 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). **[1 mark]** For Sanjay to demonstrate passing off, he will need to show he enjoys goodwill in his business. As the business has been trading, sufficient to attract business across SE England, goodwill undoubtedly exists. **[1 mark]**. Sanjay must also demonstrate a misrepresentation. If anyone using of the same name for identical services in the same geographic area, a misrepresentation can very easily be implied. **[1 mark]**. Finally, damage in the form of diversion of trade can be inferred from the goodwill and the misrepresentation. **[1 mark]**.

Consequently, it appears that Sanjay has a defence, subject to research into who used the name first **[1 mark]**.

However, Sanjay cannot use this defence to expand his business outside SE England, as the defence applies only to business conducted within 'a particular locality'. **[1 mark]**. Likewise, if there is any discontinuity in the business going forward, the defence will be lost **[1 mark]**

No own-name defence is available under s11(2)(a) as the mark is not that of a natural person **[1 mark]**

However, Sanjay also has the option of seeking to invalidate the trade mark, again on the grounds of a passing off **[1 mark]**. The same analysis will apply as above, namely that Sanjay has a good case provided that he can demonstrate he was trading earlier to Agnes

[1 mark]. The advantage of this route is that the trade mark will cease to have effect anywhere in the UK allowing Sanjay to expand or cease trading for up to 5 years.

Sanjay, if he meets the relevant criteria, can also potentially bring a passing off action in order to injunct Agnes from trading under his name. **[1 mark]**. The injunction could potentially extend to the whole of England and Wales. **[1 mark]**

Finally, if there is evidence to suggest that acted in bad faith when she applied to register her trade mark **[1 mark]** (e.g. she knew of Sanjay's rights to the name when filing her trade mark, and is using the trade mark system otherwise than to protect her business **[1 mark]**) a counterclaim for revocation on grounds of bad faith may be available **[1 mark]**.

Total: 20 Marks