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In dit nummer

Trademarks

BREXIT – EU trademarks & designs

If England leaves the European Union, there won´t be consequences just for English companies. In general, every company owning a European Union Trademark or European Union design will lose protection in the United Kingdom.
A solution should be found in the coming years. There are three possible options. The owner of the EU trademark or design loses all his rights (highly unlikely), a one to one transformation of rights, or the EU rights will be converted into national rights.
The last option is already being used in certain procedures and therefore is the most probable option.
How does conversion work? Owners of EU trademarks or designs will be granted a term (for example 6 months) to specifically convert their rights into national rights in the UK. The procedure will be the same as a normal national application in the UK. Meaning the same costs, but also the examination of the authorities (on absolute grounds) and opposition possibilities for third parties.

Do not close your eyes for these matters. Anticipate if the UK market is relevant. In case of filing for a European Union trademark or European design, also request protection through a National registration in the UK (for more info: apply for the Abcor Brexit folder).

Trademarks

Dinosaur logo's insignificant differences

Cartoon figures are regularly used to market child products. Ehrman (a big German dairy products company) launches Monster Backe, a friendly smiling dinosaur, in 2006. The character is being used for packaging's, advertisements and online computer games. To protect the rights, the cartoon figure is registered as a European Union trademark, distinguishing milk and dairy products. When a third party applies for a European Union Trademark for a similar dinosaur, for among others milk, dairy products, pie, candy and coffee products, Ehrman files an opposition.

Nonsense, according to the Latvian applicant of the latter trademark: a dinosaur cannot be monopolized. The EUIPO and the court state that there is trademark infringement. The trademarks are visually and conceptually highly similar. In both cases there is a happy dinosaur, drawn in the same style and in the same perspective. There are differences, but those are small. The prior dinosaur is walking on shoes in the opposite direction with a glass of milk in the hand and licking it´s lips. The customer usually does not make a direct comparison between the products and has to base his decision on a vague memory, forgetting certain details. As a consequence the application is rejected. Conclusion: if cartoon figures are being used to promote or market certain products, make sure to protect the characters in due time.

Trademarks

BEYONCÉ vs FEYONCÉ

Using a trademark in a joke about the latest news is mostly allowed as a parody. However, where is the crossing line between making a parody and commercially profiting? We see this question arise repeatedly when companies use well-known trademarks or persons in a humoristic way in their marketing.

It goes without saying that Beyoncé is one of the most popular and leading artists in the world. To avoid abuse of her name, BEYONCE is registered as a trademark for as wide scale of products. Not only for audio recording and life performances, but also for cosmetics, clothing and merchandising products. When the firm Feyoncé enters the market with a drinking cup 'FEYONCÉ' with the caption "he put a ring on it" she demands a prohibition. Feyoncé defends the phrases on the cup, claiming it is a parody. The case is before the Texan Court at the moment. In the European Union such a defence would have a low chance of success. This is a clear case of taking unfair advantage of the reputation of a well-known trademark. Parody and marketing are incompatible.

The value of trademarks

This year, Google has been proclaimed (in the Brandtz top 100) as the most valuable trademark in the world (an estimated 229 billion US dollars). In the top 100 there are also Dutch companies: Heineken (10,5 billion) and Shell (almost 15 billion). The most expensive trademarks belong normally to the technological companies, like Apple, Microsoft, Facebook and Amazon. However on what scale the value of a trademark diminishes in case of a bankruptcy?

The bankruptcy of the well-known Dutch warehouse V&D is a good example. The trademark rights on V&D's *pearl* 'La Place' were bought by the company JUMBO, for a mere 30 million Euros. The trademark V&D also remains alive. This summer Cool Cat founder Roland Kahn, Jacco Shefers and former Hema CEO Ronald van Zetten, bought the trademark rights for half a million. The trademark V&D will become the leading standard for a web shop. The positive aspect is that the trademark V&D does not end up on the graveyard, as did many others, like PIET KERKHOF, VAN GEND & LOOS or the SRV (see also disappeared trademarks: 1970-2015).

iPhone in China

Well-known trademarks have a broad protection. The holders of these trademarks can act against unfair use of their trademarks, even if used for other products. However, the titleholder has to prove that the trademark was well-known at the moment that a third party applied for an identical or similar trademark. Apple experienced this first hand in China. In 2002, Apple applies for the trademark iPhone in China. At the launch of the trademark in 2007, the trademark iPhone was also applied for by a Chinese company for leather handbags and phone boxes.

In 2012 Apple initiated a procedure against this trademark application before the Chines Trademark Authorities. Their request was denied and this decision has been confirmed by the Chines Court and subsequently the Chinese Higher Court. Xintong Tjandi Technology may use their brand, because Apple was not able to prove that the trademark iPhone was a well-known trademark in 2007 (Apple initiated sales in China in 2009).

McDonald's vs MacCoffee

Some companies work with a series of brands. Almost all products are offered through trademarks that have something in common. One of the most famous examples is McDonald's. Next to the name of the chain, nearly all products contain the element Mc (e.g. McCHICKEN, McDRIVE and McNUGGET). Both by using these names and registering them as trademark, the company is trying to monopolize the element Mc for food products. And this proves to be successful.

Recently, the company successfully obstructed the European Union Trademark registration of MacCoffee (applied for by Future Enterprises for food products, coffee and drinks). The Court judges that the relevant public will associate this trademark with the well-known Mc-trademarks in the name of Mcdonald's. Therefore, the trademark is refused.

Design rights

Lamzac vs Kaisr the original inflatable lounge seat

In 2014, Marijn Oomen launches the inflatable life size lounge seat, the LAMZAC Hangout. One simply swings the lightweight bag and it fills itself with air and creates a life size lounge seat. The air remains in the seat by folding and rolling the opening. A lounge seat that can be placed in a minute. Ideally for relaxing, without having to worry about a hard or rocky ground. In order to be able to stand up against future products with the same overall impression, a European Union design is registered in 2015.
The LAMZAC Hangout does not remain unnoticed for long and both in the Netherlands and abroad different similar products appear, among them the KAISR Original. Fatboy (who purchased the rights on the LAMZAC) claims that Massive Air (the producer of KAISR) is infringing its rights. The latter contests this claim. The shape of the inflatable life size lounge seat is mainly required to obtain a technical result and therefore excluded from protection as a design.

Above: The Lamzac – below the Kaisr Massive Air

The judge does not completely agree with this reasoning. It is right that an inflatable sofa must have certain minimal measurements in order to function. However, the designer still has a variation of shapes which he can choose to fulfil this. De KAISR has the same altitude, the same double pipe form and the same deep slit in the length. The two corners at the head are different, but insufficiently to create a distinct overall impression. Outcome: infringement and a prohibition. Massive AIR then introduces a modified design, the KAISR3 . The main objective is to provide for the customers that originally ordered the KAISR V1 or V2.

The judge also forbids this, because a profit may be made as a consequence of the earlier infringement. The customers should be returned their money and after that they can decide whether they want to purchase the KAISRV3 or the LAMZAC Hangout.

Advertising

Battle of slogans between Merci and Leonidas

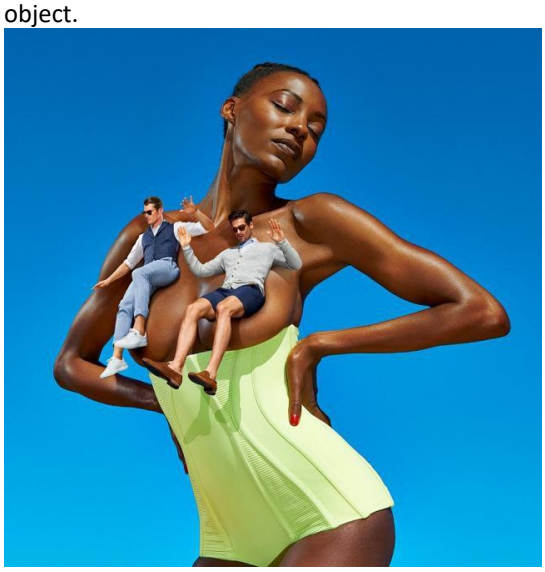
In 1965 Storck (the German manufacturer of Merci) introduces the brilliant idea to market chocolate specifically as a gift. Chocolate for friends to show your gratitude. Therefore all commercials end with the pay-off "Merci, for being you" (or similar slogans in other languages). By using a slogan consequently for a prolonged time, it becomes distinctive, and therefore, the phrase can be registered as trademark.

When Leonidas launches a similar campaign, using the slogan ´because its you´, Merci is not amused and things escalate. De court judges that this slogan is an infringement of the rights on the famous slogan"Merci, for being you". The slogans are similar to the extend that the public will associate them. The additive ´Leonidas´ does not compensate this.
Recently we saw a similar conflict between beer manufacturer Bavaria and Your Hosting. Bavaria claimed Intellectual property rights on its slogan 'Zo. Nu eerst', or ´So. Now first´. In First Instance Bavaria´s claim was granted, but fortunately the court rejected it, stating that the slogan was too commonplace to obtain protection based on Intellectual property rights. Therefore, if a slogan (even if it is commonplace) is of great importance, protect it as a trademark.

Sexist commercial of Suit Supply?

Suit Supply is a company that manufactures and sells reasonably priced quality suits for men. It has also built itself a reputation, in the Netherlands, for its controversial commercials. Also this year, many complaints were filed before the Advisertising Code Committee (RCC), after Suit Supply launched their *Toy Boys* campaign.
It was claimed that the commercial is contrary to good taste and decency. On the picture, you can see a dark skinned woman, wearing a topless corset and two miniscule men (in suits) sliding of her breasts.

Complainants call this image “simply disgusting”, “racist” and “sexist”, claiming that it teaches children that the woman is an inferior sexual object.



Well, the Netherlands is not a very strict country, so Suit Supply defends its campaign, on the grounds that the picture has a clear humoristic and absurd character. The Code of Conduct Commission agrees. Using a (scantily dressed) woman in commercials is not impermissible per se. It is obvious that this is a staged image. Furthermore, it is not clear how the men ended up her breasts, what they are doing and how they experience it. The pose of the woman is independent of the men on her body. The absurd character of the image excludes a realistic situation of abuse of the female body. Therefore, the complaints are being rejected.

Internet – online branding

The rights to protest online

Since 1996, NEINVER has opened a variety of outlet stores in (mainly South) Europe, under the name THE STYLE OUTLETS (registered as a European Union trademark). The company wants to open an outlet in the Netherlands as well, in the town Halfweg near Amsterdam. Local entrepreneurs are not pleased and register the domain name *thestyleoutlets.nl.* The site´s aim is to protest (mentioning pro´s and cons) against the Style outlets, using the title “Action committee NO to The Style Outlets”.
NEINVER initiates a procedure to claim the domain name, because it is planned to open the outlet in 2017. Leading to the question, is this possible? What about freedom of speech?

The question is judged in a procedure before the WIPO. There is a right to protest indeed. This may also include the use of another´s trademark. However, this right is not unlimited. The mere registration of a domain name that is identical to the other party´s trademark is one bridge to far. If the action committee had chosen for a domain name like *saynotothestyleoutlets.nl* , then NEINVER would have little possibilities to act. Because the domain name is identical to the trademark, it has to be transferred to NEINVER.

Publications

Free eBook IE-inbedrijf part 3

In the summer part 3 of the eBook series IE- in bedrijf, which Theo-Willem coauthors, was launched. The series follows the life cycle of a company (from start to sale).

The protection of design is the central theme of part 3. What is the importance of design? How to claim design rights and what are the advantages of a designrights (in comparison to copyrights and trademarks)? The working guide is made for mid-sized companies that are active in the field of design. The book, which is (unfortunately only) in Dutch, may be downloaded for free at: www.ie-inbedriif.nl.

European Trademark Agency Abcor

Abcor is an IP Law firm, located in Europe (the Netherlands). Our specialty is consultation with regards to intellectual property matter, trademarks, designs, copy right and domain names in particular. Our services include the registration of trademarks and designs, searches, infringements and oppositions.

Suggestions for ABCOR’s ABCHRONICLE may be sent to info@abcor.eu

Sources:
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