TRADEMARKS

WHAT IS A TRADEMARK?

Trademarks are badges of origin. They distinguish the goods or services of one trader from another and can take many forms; for example words, slogans, logos, shapes, colours and sounds.

Examples of trademarks are: labels, words, logos, names (including domain names), packaging, smells and sounds. Therefore, a trademark can extend beyond the name of a product or its logo to the colour and shape of the goods. For example: a Marmite jar or a Coca Cola bottle.

Trademarks are registered for specific goods or services within individual subjects, known as <u>classes</u>. It is possible for others to register identical or similar marks as long as it is in a different, unconnected class.

For example; Swan rental cars, Swan matches and Swan electrics. They should not be descriptive and must not include common surnames, geographical names, registered company names or anything implying royal patronage. In Europe, trademarks must be registered in order to have protection.

HOW TO REGISTER FOR A TRADEMARK?

You can register your trademark to protect your brand, for example the name of your product or service.

When you register your trademark, you'll be able to:

- take legal action against anyone who uses your brand without your permission, including counterfeiters
- put the ® symbol next to your brand to show that it's yours and warn others against using it
- sell and license your brand

Applications are made to the <u>Intellectual Property Office (IPO)</u>. The application must be accompanied by payment of a fee. Renewal is required every 10 years. Registering a trademark in the UK only protects your brand in the UK. If you want to protect your brand internationally, you should consider going for a <u>European Trademark or an International trademark</u>.



WHY ARE TRADEMARKS REJECTED?

There are 2 types of grounds on which applications can be rejected. These are absolute grounds and relative grounds.

ABSOLUTE GROUNDS

Absolute grounds apply where the sign is, for example, purely descriptive, not distinctive and should otherwise remain available in the public domain. There are several reasons why a trademark would be refused registration, the absolute grounds include:

- 1. The trademark does not fall within the definition of a trademark.
- 2. The trademark is devoid of any distinctive character.
- 3. The trademark is purely descriptive of the goods or services for which it is being registered.
- 4. The trademark is a term that is generic and commonly used in the relevant trade.
- 5. The trademark is likely to mislead or deceive the public (for instance, as to the nature, quality or geographical origin of the goods or service). For example, an application to register 'Swiss Miss', the name of a chocolate, failed on the ground that it was not made in Switzerland and was not in any way connected with Switzerland.
- 6. The trademark is prohibited under UK or EC law.
- 7. The trademark is a specially protected emblem e.g. the Olympic symbol.
- 8. The application is made in bad faith.

RELATIVE GROUNDS

Relative grounds for refusal occurs when the mark that someone applies for is already in use or is similar to one already in use. An application will be refused if:

- 1. The marks and the goods/services are identical.
- 2. The marks are identical, the goods/services are similar and there is a likelihood of confusion/association.
- 3. The marks are identical/similar, an earlier trademark has a reputation and the applicant's use would be unfair.

Relative grounds for refusal are concerned with protecting the prior conflicting rights and interests of other trademark owners and the interest of the public in not having similar marks used in relation to the same or similar goods or services.



WHERE THE EARLIER TRADEMARK IS REGISTERED

Applications will be refused if there is an pre-existing identical or similar trademark that relates to identical or similar goods and services AND where members of the public are likely to be confused. An application may also be refused on the grounds that, although the goods or services are not similar, the trademark has an established reputation and an application for a similar or identical trademark would be taking unfair advantage of, or causing detriment to, that reputation.

WHERE THE EARLIER TRADEMARK IS NOT REGISTERED

Even where the earlier trademark is not registered, registration may be refused if it benefits from the reputation of that existing trademark.

INFRINGEMENT OF A TRADEMARK

Trademark infringement is a violation of the exclusive rights attached to a trademark without the authorization of the trademark owner or any licensees. An applicant who tries to register such a trademark will not only be refused registration but through its use may be sued for infringement.

Use of a trademark includes:

- Putting it on packaging.
- Offering, marketing or stocking goods or services under the mark.
- Importing or exporting under the mark.
- Putting it on business papers or advertising material.

Infringement can also be non-visual for example 'smell' or 'sound' trademarks.

DEFENCES TO A TRADEMARK INFRINGEMENT CLAIM

There are defences to trademark infringement such as:

- Using another registered trademark.
- Use of your own name or address.
- Used to indicate characteristics of goods or services.
- Used to indicate the intended purpose of goods or services.



- Honest concurrent use.
- The claimant's trademark not being registered at the time of the defendant's infringement.

WHAT TO DO IF SOMEONE REGISTERS A DOMAIN NAME INFRINGING ON YOUR TRADEMARK?

Majority of disputes relating to domain names are brought under the Dispute Resolution Policy (DRP). The DRP is used widely to deal with deliberate, bad faith, abusive registration of domain names in violation of others' rights - particularly trademarks.

NominetUK is the Registry for .uk internet domain names, and provides dispute resolution services for .uk domain names.

Normally the complainant must prove the following to succeed in a complaint:

- The domain name that is identical or confusingly similar to a trademark in which the complainant has rights
- The respondent holder has no rights or legitimate interests in respect of the domain name
- The domain name has been registered and is being used in bad faith.

Complaints are examined by independent panels, if the complaint satisfies the requirements specified in the policy of infringement, it directs that the domain name should be cancelled or transferred to the complainant. If not, the complaint is rejected.

REMEDIES

There are various ways available to the owner of the trademark to rectify the infringement. Sometimes, commercial advantage can be gained by the owner by selling or licensing the trademark to the infringer. However where such agreements aren't possible, the following are typically available:

- Injunction (a cease and desist order can be issued to stop the infringing act).
- Compensation (a monetary claim for damages through financial compensation).
- Account of profits (this allows the injured party to claim the profits made by the party who
 is in breach).
- Delivery up and destruction (the right to both seize goods and have handed over the infringing material or goods).
- A declaration that the trademark is valid and has been infringed.



• Criminal charges (enforcement being carried out by the Trading Standards Authorities with the maximum penalties being 10 years imprisonment and/or an unlimited fine).

EXPLOITATION OF TRADEMARKS

There are various ways in which a trademark can be exploited:

- A business may sell its trademark to withdraw from a specific product market.
- A business may also wish to spread the financial return through licensing. Competition law may apply to trademark licensing to control the extent to which a licence holder can be protected from competition from the licensor or its other licence holders.

THE TRADEMARKS REGULATIONS 2018

The Trademarks Regulations 2018 came into effect on January 14th 2019 and created numerous changes to the approach of registration and enforcement of trademarks.

The main changes include:

- Narrowing of the "own name" defence to individual names only, thereby excluding corporations, partnerships and other business entities
- Expanding the definition of trademarks to include signs, personal names, designs, letters, numerals, colours, sounds or the shape of goods or their packaging.

TRADEMARK CHANGES - JANUARY 1ST 2021

UK trademark registration will protect the trademarks in the UK only.

Trademarks registered outside the UK will not be protected by that registration in the UK, in the absence of any international agreements to the contrary.

From January 1st 2021, protected international trademark registrations designating the EU are no longer valid in the UK. They were instead automatically replaced by UK rights.

If you owned an existing right, you didn't need to do anything at that stage.

INTERNATIONAL TRADEMARK CHANGES



International trademark registrations protected in the EU under the Madrid Protocol are no longer protected in the UK after the 1st of January 2021.

A comparable trademark is created in relation to each international (EU) trademark designation which has protected status immediately before 1st January 2021.

Each new UK right will be treated as if applied for and registered under UK law, and may be challenged, assigned, licensed or renewed separately from the original international registration.

If the EU was designated in your international application, the filing and registration date of your comparable trademark will correspond to the date of your international registration. This date will also apply for the purposes of future UK renewal.

Comparable trademarks will be created at no cost to the holder of the international trademark.

EUROPEAN TRADEMARK CHANGES

From January 1st 2021, European Union Trademarks are no longer protected trademarks in the UK.

Under the Withdrawal Agreement Act, as of January 1st 2021, the IPO created comparable UK trademarks for all right holders with an existing EU trademark. Each of these UK rights will:

- Be recorded on the UK trademark register
- Have the same legal status as UK trademarks
- Keep the original EUTM filing date
- Keep the original priority or UK seniority dates
- Be a fully independent UK trademark that can be challenged, assigned, licensed or renewed

You will not:

- Need to pay for your equivalent or comparable UK trademark and there is little administration involved
- Receive a UK registration certificate, but you will have access to details about the trademark on GOV.UK

Existing EUTMs still protect trademarks in EU member states, and UK businesses can still apply to the EU Intellectual Property Office for an EUTM.

There are no changes to UK-registered trademarks as a result of the UK leaving the EU.



USEFUL LINKS

- Trademarks Act 1994
- Intellectual Property Office (IPO)
- European Trademark

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