

THE JOINT EXAMINATION BOARD

PAPER T3

ADVANCED UNITED KINGDOM TRADE MARK LAW

13 NOVEMBER 1995

10.00 a.m. - 2.00 p.m.

Please read the following instructions carefully. This is a **FOUR HOUR** Paper.

1. You should attempt no more than four questions from Part A and no more than four questions from Part B.
2. The number of marks allotted to each question is placed in brackets at the end of the question.
3. Where a question permits of reasons being given for the conclusions reached such reasons should be given.
4. Start each question (but not necessarily each part of each question) on a fresh sheet of paper. In the appropriate boxes at the top of each sheet please enter the designation of the paper, the question number and your Examination number. Write on one side of the paper only using **BLACK** ink. You must **NOT** staple pages together. You must **NOT** state your name anywhere in the answers.
5. Unless specifically required, answers are **NOT** required in letter form.
6. **NO** printed matter or other written material may be taken into the examination room.
7. Answers **MUST** be legible. If the examiners cannot read a candidate's answer no marks will be awarded.

**PART A**

Candidates are required to answer **FOUR** questions from this part of the paper.

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- (1) Your clients, Gloworm Timekeepers Ltd., have sold a range of wrist watches in the United Kingdom under the Trade Mark GLOWORM for nearly twenty years. All the watches in their range are luminous and have pentagonal faces. Following high levels of sales over a prolonged period and consistently heavy advertising, your clients are now the market leader for watches in the low-mid price range. A recent market research survey revealed that the luminous pentagonal face serves to identify the watches as those of your clients almost as effectively as the GLOWORM Trade Mark. Your clients are the proprietors of one relevant Trade Mark Registration, No. 981,466 GLOWORM in respect of "Watches, clocks, horological instruments; parts and fittings for the aforesaid goods; all included in Class 14".

The advertisement reproduced below was recently noted by your clients in the Evening Standard newspaper.

<b>SO MUCH BETTER THAN A "SLOWORM"</b>			
Pentagon Alpha	£9.99	Gloworm PX1	£14.99
Beta	£12.99	PX2	£24.99
Gamma	£15.99	PX3	£29.99
<p>Pentagon watches last longer, look better and perform more consistently than Gloworm watches.</p> <p><b>PENTAGON WATCHES - THE 5-SIDER THAT NEVER STOPS!</b></p>			

They are very unhappy about this advertisement, especially in view of the implication that their watches do not keep time accurately. Having purchased the three advertised Pentagon watches, they tell you that these appear to be very similar to, respectively, their PX1/2/3 models, and that the most striking feature of each is its pentagonal face. Your clients regard this feature as exclusively their own, and they also tell you that they regard references to their competitor's watches by the word PENTAGON to be unacceptable.

Prepare notes with reasoned conclusions to form the basis of advice to your clients on the possible causes of action open to them and on the strength of their position.

Ignore questions of copyright and design right.

(15 Marks)

- (2) You act in trade mark matters for the Quintex Corporation, who has a successful business in cameras and associated products for about thirty years in the United States and a large number of other countries. Their main trade mark, QUINTEX, is a household name in relation to cameras across North America, Australasia and parts of the Pacific basin. In the United Kingdom their use of the QUINTEX mark has been continuous since 1970, but never on more than a modest scale, and their reputation in the United Kingdom and Europe is not nearly as extensive. However, in line with the extension of their business elsewhere, they have sold video cameras, televisions, facsimile machines, script prompting apparatus and telephones in the United Kingdom since November 1994, albeit on a small scale.

You have just received a letter from your contact at Quintex (UK) Ltd, the U.K. subsidiary of the Quintex Corporation, in the following terms:

"Several members of our sales force have in the last two weeks or so come across video recorders being sold under the trade mark QUANTAX side by side with our television and video products. Furthermore, it appears that the business behind these products, Electrotech Ltd. are giving away cheap disposable cameras branded QUANTAX, with every video recorder purchase, and we think that this may be causing some confusion among the public in view of the similarity of QUANTAX and QUINTEX.

We immediately wrote a letter to Mr. Rolf Larsen, Managing Director of Electrotech Ltd. asking him to stop using the trade mark QUANTAX, but he simply wrote back saying that he had been giving away these cameras since March 1994 and he did not intend to stop now. He did not comment on the video recorders.

I would like to visit you in the next few days to discuss this matter."

[The trade mark QUANTAX is neither registered nor the subject of an application for registration in the United Kingdom]

Make notes on what advice to provide to your client on the basis of the two following scenarios:

- (1) That your clients own the following U.K. trade mark registrations:

NO.	MARK	CLASS	FILING DATE	SPECIFICATION
1110023	QUINTEX	9	9 Sept 1972	Cameras and parts and fittings therefor
2002170	QUINTEX	9	31 Oct 1994	Cameras, video cameras, televisions, facsimile machines, telephones, script prompting apparatus; parts and fittings for the aforesaid goods

- (2) That your clients do not own any relevant trade mark registrations or applications.

(15 Marks)

- (3) You receive the following letter from your clients Multilicensing Ltd., a newly formed company which offers commercial assistance in the exploitation of fictional characters, in return for an equity stake in its clients' businesses:

"As I explained to you in our recent telephone conversation, our specific expertise is in the commercial advice and contacts we can offer to our clients. I would, however, be grateful for some advice from you in relation to the issues arising out of character merchandising, as I am not at all clear about these.

One of the projects we are currently working on involves a new fictional character called BARRY THE BADGER. Although my questions below are framed in terms of this specific character, I would be grateful if you could draw out the relevant general principles in your reply, as I expect these issues to arise regularly in the future. Specifically, BARRY THE BADGER is a fictional character who has only appeared in a number of illustrated children's books and as a soft toy. We have plans to create a television cartoon, and to sell BARRY THE BADGER stories in CD-ROM form, as well as to publish songs from the television programme and sell them in sheet music and audio tape form. In the future, we aim to market and sell a very broad range of merchandise associated with the character through unconnected licensees, but at present we cannot predict the extent of the variety of this merchandise. In the short term, however, we plan to merchandise BARRY THE BADGER T-shirts and other clothing, and enamel badges.

How should we proceed to protect our rights in BARRY THE BADGER? I recall that you sent me some information some years ago about trade marks: has anything significant changed since then which may be relevant to our business? If an unauthorised third party at some point in the future trades in BARRY THE BADGER merchandise which is different from anything we have at that point done, would we be able to stop them?"

Write a letter in reply. (Ignore copyright and design issues).

(15 Marks)

- (4) Your client EYETEST GLOBAL PLC is a world-wide business and has for 20 years been engaged in the testing of aeroplane food at airports around the world. It operates in any airport large enough to supply in-flight catering via subsidiaries in each country. For historical reasons EYETEST INC own various US trade mark registrations; EYETEST PTY owned trade mark registrations in Far East and Australia, EYETEST SA owned trade mark registrations in France, and EYETEST GMBH owned a bundle of International Registrations including France. EYETEST GLOBAL PLC owns trade mark registrations in the UK. In each case the mark is registered as a combination of the word EYETEST and device of a human eye.

You carry out investigations and find the UK registration is subject to a disclaimer to the exclusive use of the word "EYETEST". EYETEST SA while retaining use of the trade mark EYETEST, is no longer part of EYETEST GLOBAL PLC. (The client operates in France under the trade name BON APPETEST). EYETEST GMBH was put in the hands of Receivers under German law.

Your client now finds that a former director of EYETEST GLOBAL PLC has incorporated a new English company, EYETEST 1995 LIMITED, and is trading out of Orly Airport, France, and Gatwick, UK, offering the same services as EYETEST GLOBAL PLC. As far as your clients are aware, EYETEST 1995 LTD is using its full company name where applicable. Advise your client who wants this stopped now. (Do not consider the criminal aspects of this matter).

(15 marks)

- (5) Your client is an entrepreneur involved in many businesses but with no legal background. He has recently been to the USA, where he took a large number of photographs of a "fastfood" and takeaway service restaurant called DENVER DUCK which is known throughout the USA by its distinctive restaurant interior, incorporating fancy colours, its range of food, its duck-shaped plates and its duck-patterned canopy. Your client now wants to open a similar but not identical restaurant in the UK under the name DALLAS GOOSE, and in due course franchise the idea. It will have a similar distinctive restaurant interior, similar range of food, goose-shaped plates, and a goose patterned canopy.

He is talking with a firm of architects to build the restaurant, and wants to ensure that they do not disclose his ideas. He tells you that he has carried out a public search at the Trade Marks Registry, which reveals a UK trade mark application for the word mark DENVER DUCK in respect of "restaurant services" dating from 10 November 1995, but as far as he knows, trading has not yet commenced in the UK

Your client is particularly concerned about questions of ownership of copyright, any rights enjoyed by the proprietors of DENVER DUCK, and what steps he should take to protect against anyone copying him.

Write notes on which to base an appropriate letter to your client outlining all areas he should consider, any searches you recommend, and any contractual or other documents he needs, as well as advising him generally. Give reasons for your advice.

(15 marks)

**PART B**

Candidates are required to answer **FOUR** questions from this part of the paper.

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- (6) Your clients have been selling a range of women's clothing and women's shoes under the trade mark IVANA POPOV since August 1988. Earlier this year they started using the trade mark IVANOV in respect of a range of men's training shoes. They have not to date filed any trade mark applications. They recently wrote to you asking whether they should seek to register their trade marks. You conduct a search of the register and reveal the following existing registrations.

NO.	MARK	OWNER	CLASS	SPECIFICATION	FILING DATE
1444000	IVANOV	Ivanov (U.K.) Ltd.	25	Rugby and football boots.	15 August 1990
1444001	IVANA	Ivanov (U.K.) Ltd.	25	Women's footwear.	15 August 1990

Investigations reveal that neither of these registrations has been used, and that they were entered on the Register on 1st December 1992.

Write a suitable letter to your clients giving reasons for your advice

(10 Marks)

- (7) You are responsible for the worldwide Trade Marks of a major multi-national manufacturer of land vehicle parts and fittings, United Components, Inc. One of your clients' leading trade marks is NEPTUNE, and this is registered in respect of "windscreen wipers, carburettors and exhaust systems" in the U.K. in the name of Neptune Products Ltd, in Italy in the name of Neptune Products SpA (until 1993), and in Australia, in the name of Neptune Products Pty Ltd. All three of these companies are wholly owned subsidiaries of United Components, Inc. In 1993, Neptune Products S.p.A. voluntarily assigned the Italian registration, in respect of windscreen wipers only, to Argentum SRL, an independent third party. Argentum SRL soon began producing their own windscreen wipers in Italy under the trade mark NEPTUNE. Your clients have just discovered that several months ago Argentum SRL began exporting their NEPTUNE windscreen wipers to Argentum U.K. Ltd, their U.K. subsidiary who are now selling these products to wholesale and retail outlets in the U.K., and to Argentum Australia Pty Ltd., their Australian subsidiary, who are making similar sales in Australia.

Your clients wish to initiate proceedings in both the U.K. and Australia. They feel aggrieved that NEPTUNE windscreen wipers have appeared on sale alongside their own products under the same mark. This is despite the fact that, in the case of the U.K., they use NEPTUNE only in respect of exhaust systems, and have made no use of the mark on windscreen wipers since late 1990. They perceive Argentum's products to be of inferior quality to their own and they wish to prevent such use from continuing if they can.

Advise your clients on their position giving your reasons.

(10 Marks)



- (8) You act for the National Association of Double Glazing Installers (NADGI), a trade association who seek to monitor and regulate double glazing fitters and manufacturers in the United Kingdom. Your firm assisted them in obtaining certification trade mark registrations under the Trade Marks Act 1938 for a "Double Triangle" device mark in Classes 6 and 19, covering respectively metallic and non-metallic windows and their parts and fittings. The marks bear the numbers 1222456/7 and were filed on 10th March 1977. The certification mark is applied to window products which meet certain construction standards laid down in NADGI's regulations, as approved by the Registry.

NADGI recently incorporated NADGI Window Cleaners Ltd, a company through which they have begun offering a comprehensive window cleaning and window maintenance service. They tell you that they offer this service under the NADGI trade mark, and that they intend to allow any member of their trade association to use the trade mark NADGI on this service as well. You have just received a letter from your clients which includes the following questions:

- (1) "Can you please take the appropriate steps to register NADGI on our behalf in respect of window cleaning services. Would an application for a certification trade mark again be appropriate?"
- (2) "We have come across an unauthorised user of our certification trade mark, Dunstable Windows Ltd., who are applying the mark to the windows they manufacture, even though we know that they do not come up to our required standards. We wrote to this company asking them to stop, and they replied by saying that they have been applying the mark to window and door products for over eighteen months and to certain other similar building materials for about four months. They have offered to adjust their product specifications if necessary, but have said that they will not stop using the mark. We do not want this company to use our logo even if they do meet our standards. Can we stop them?"

Write brief notes giving reasons to form the basis of advice to your clients of the position under the Trade Marks Act 1994 in relation to (1) and (2) above. Disregard questions of passing-off and copyright infringement.

(10 Marks)

- (9) Your clients manufacture and retail herbicides and pesticides for agricultural use. They operate in the United Kingdom, but intend to export their products to Holland and Germany. They have registered the mark INFANTRY in Class 5 in the UK under no. 1222222 for:

*"Preparations for killing weeds and destroying vermin; anti-bacterial preparations".*

In 1984, the clients obtained Ministry of Agriculture, Fisheries and Foodstuffs approval for the product, and the trade mark registration and first use of the mark both date from 1985. Sales average some £7.5 million per year, and the mark is therefore an important one to your clients.

They have recently been approached by a Swiss pharmaceutical company who have INFANTRY registered in a number of EU countries for "medicated footsprays" and wish to extend their protection to the UK. Since your clients' registration has been cited by the UK Trade Marks Registry against the Swiss company's application, the Swiss company have approached your clients requesting their consent to registration and use in the UK of INFANTRY for "medicated footsprays".

Write to your clients making them aware of both the legal context and any broader commercial implications of granting consent, and advise them on how they should proceed.

(10 marks)

- (10) "The Trade Marks Act 1994 has significantly downgraded trade mark rights arising from use". Discuss.

(10 marks)

