

**THE JOINT EXAMINATION BOARD**

**PAPER T3**

**ADVANCED UNITED KINGDOM TRADE MARK LAW**

**13TH NOVEMBER 1997**

**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.

**THE JOINT EXAMINATION BOARD****PAPER T3****ADVANCED UNITED KINGDOM TRADE MARK LAW****13TH NOVEMBER 1997****10.00 a.m. - 2.00 p.m.****Part A**

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

1. Your client is The Federation of Insurance Advisers ("FIA"), which is a representative body run by and on behalf of professional people working in the insurance industry. The FIA was founded in 1905, and since then has represented its members in matters such as lobbying parliament and promoting good practice in the insurance industry. Since 1990, the FIA has also run training courses in insurance. Anyone, whether or not a member of the FIA, can pay for such training courses. The FIA's membership last year was around 80,000 people, with around 3,000 following its training courses, out of around 200,000 people in the insurance industry in total in the UK.

Your client uses the trade mark "FIA" both in its representative role, and in the provision of training courses, and has always done so. In 1992, it obtained the following UK trade mark registrations through your firm:

- (1) 1 777 998
  - (2) FIA (word mark)
  - (3) 2 August 1992
  - (4) Class 41 Educational and training services and provision of distance learning.
  - (5) The Chairman of the Court of Directors  
The Federation of Insurance Advisers  
London E1
- 
- (1) 1 777 999
  - (2) FIA (word mark)
  - (3) 2 August 1992
  - (4) Class 42 Professional representative services for insurance
  - (5) The Chairman of the Court of Directors  
The Federation of Insurance Advisers  
London E1

In April 1994, your client became aware of a company advertising in the *Insurance Gazette* called First In Ability Limited ("First In"), promoting "THE FIA CONFERENCE". This was targeted for "insurance professionals to learn of exciting new developments in their industry". Participants were asked to write for details to FIA FREEPOST, LONDON E1.

Without consulting you, your client immediately wrote a stern letter to First In, complaining of misuse of the trade mark FIA. A response was received, of which the relevant part reads:

"We have been organising and marketing conferences for 10 years and have never had objections. We do not therefore propose to cease using the name."

Your client now contacts you in great concern, and shows you another advert from First In which states that:

"Following out successful conferences in 1994 and 1996, the third biennial FIA conference for insurance professionals has been scheduled for April 1998."

The advert appeared in the October 1997 issue of *Insurance Gazette* and the conference will be in April 1998. Again, participants should write for details to FIA FREEPOST, LONDON E1. Your client wants to take legal action to prevent what it sees as continuing unauthorised use of the trade mark FIA. Draft a memorandum outlining all the points on which you will be seeking Counsel's opinion, any further information you will need from them and any further investigations which you recommend.

(15 marks)

2. You are approached by a small company manufacturing shoes called Andrew Bro Limited ("ABL") of Liverpool. Historically, ABL has sold its shoes through independent retail outlets in the Liverpool and Manchester areas. ABL are part of the Shoe Manufacturers Association ("SMA"). The SMA is a group of 15-20 small companies manufacturing shoes. Like ABL, most members of the SMA are regionally based. The member in Peterborough, for example, sells the shoes it produces mainly in the East Midlands. The number of members is not constant; every year one or two member firms are likely to leave for various reasons (perhaps liquidation) and new member firms invited to join.

The SMA is run by a committee which is made up of a Director from each of the member firms, who meet as often as necessary, but generally only every six months. The actual work of the SMA is carried out by two secretaries who have an office in the corner of the ABL site, and are in fact employed by ABL who receive contributions to salaries and running costs of the SMA from the other members. The SMA exists primarily as a buying group, to purchase leather etc in bulk from the producers, then arrange for its distribution to the member companies, thus resulting in cost savings for the members. The SMA has no written constitution or code of practice.

Earlier this year, some members of the SMA, including ABL, decided that it would be a good idea to have a mark, which could be used by any of the member firms (if they wished to do so) to indicate the quality of certain types of shoe produced by the members. ABL suggested the name FOOTPRINT at the last committee meeting and the word FOOTPRINT has been cleared for use as a trade mark in connection with shoes. The name FOOTPRINT would appear on the shoes as would the name of the manufacturer, and the phrase "member of the SMA". Not all the members wanted to use the name initially, but could do later, if they wanted. There would be no obligation to do so. ABL tell you that the benefits of this would be twofold. Firstly, the members of the SMA would be able to save money on advertising, since sales under the FOOTPRINT mark would hopefully soon be countrywide. Secondly, the members hope to persuade large retail chains to stock FOOTPRINT shoes by emphasising that these are "quality" products.

Prepare notes setting out the advantages and disadvantages of the various types of protection available to ABL and/or the SMA, advising on any other aspects that ABL and/or the SMA might need to consider in setting up and maintaining appropriate protection, and making recommendations accordingly. (Consider only trade mark issues).

(15 marks)

3. A market research company has asked you to visit their offices and give a talk to their staff on survey evidence in trade mark infringement and passing off cases. Make notes on the points to be covered in your presentation to ensure that the company's surveys will be admissible in Court. (Ignore any issues which arise under the Data Protection Act).

(15 Marks)

4. Your client is a clothing manufacturer which specialises in budget sports and leisure wear. They are usually careful not to overtly copy the designs of others but occasionally 'stand close to the wind'. Several months ago you searched a new device mark for them and advised against its adoption because, in your view, it was too close to the famous 'V' logo used by Reedas, the market leader in sportswear. It now appears that the client has disregarded your advice and has commenced manufacture and sale of T-shirts, sweatshirts, and jogging bottoms all with the new logo stitched onto them.

Your client sends you a copy of a letter before action received from Reedas's lawyers (extract below) and informs you that they have already lost sales because Reedas has been in touch with various shops selling the offending articles, requesting that they be withdrawn from sale.

"In view of the substantial reputation enjoyed by our client in goods sold under their distinctive 'V' logo, your company's use of a similar mark will inevitably lead to confusion and is actionable by way of proceedings for passing-off. Furthermore, we have advised our clients that your use of a sign confusingly similar to our client's registered mark in relation to goods covered by the registrations constitutes infringement of their statutory rights under ss 10(2) and/or 10(3) of the Trade Marks Act 1994. Accordingly we request that within 14 days of receipt of this letter you provide written undertakings that you will (a) withdraw from sale all goods bearing the 'V' logo, (b) deliver up all stocks of unsold goods to this office (c) provide detailed accounts of all goods sold under the mark along with details of all those to whom the goods have been supplied and (d) desist from any further use of the mark. Failing receipt of these undertakings our clients will commence legal action.

Your client maintains that the marks are not confusingly similar, that there is no danger of confusion. Your client requests your advice as to what could happen to them if they decided to ignore Reedas's letter.

Make notes on the advice you would offer. (Confine your answer to trade mark/passing-off issues).

(15 Marks)

5. Your client is Birdie (UK) Ltd, which sells golfing jerseys, golfing bags and golf clubs by mail order in the UK under the mark BIRDIE. Your client started trading in November 1983, and has built up a small but profitable business, in competition with many other people selling the same and similar products. You are told that your client's turnover figures for the last 5 years are as follows:

1992	£205,000
1993	£215,000
1994	£195,000
1995	£240,000
1996	£260,000

The Managing Director of your client tells you that he obtained a registration of the trade mark BIRDIE in 1987 with the following details:

- (1) 1 300 999
- (2) BIRDIE (word mark)
- (3) 3 June 1987
- (4) Class 28  
Games, toys and playthings, but not including articles for playing golf
- (5) Birdie (UK) Ltd

On 30 November 1996, your client received a letter from a company called Trackers Ltd. The relevant part said:

"We would be interested in selling golf balls under the trade mark BIRDIE, or TRACKERS BIRDIE, and would like to come to an arrangement with you to do so for both our benefits"

You advised your client to protect their position in any negotiations concerning the trade mark BIRDIE by filing a fresh application for the mark, which you did. It has the following details:

- (1) 2 450 000
- (2) BIRDIE (word mark)
- (3) 3 December 1996
- (4) Class 18  
Bags for sporting equipment; golf bags  
Class 25  
Outdoor clothing and headgear; clothing and headgear for sports  
Class 28  
Sporting articles and equipment
- (5) Birdie (UK) Ltd

Your client instructed you to save money by not carrying out any searches prior to filing. You are told that your client has carried out trade investigations and is sure that Trackers Ltd is not using the trade mark BIRDIE. There has been no confusion in the marketplace. Your

client did however instruct you to write to Trackers Ltd, which you did on 15 December 1996, suggesting that some form of amicable commercial arrangement might be possible. Trackers Ltd wrote back on 3 February 1997 suggesting a meeting with your client, but this has not yet happened. Your client intended to meet Trackers Ltd, but it was not a high priority, and Trackers Ltd did not push for such a meeting to take place.

Application No. 2 450 000 was examined on 6 June 1997, with the following application cited against it:

- (1) 2 422 222
- (2) TRACKERS BIRDIE & stylised design of golfer
- (3) 25 November 1996
- (4) Class 28  
Golf balls
- (5) Trackers Ltd

You inform your client that the above application was advertised in Trade Marks Journal No 7777 on 30 September 1997.

The Managing Director of your client now requests an urgent meeting with you to discuss the whole situation. Make notes of the points you will raise when you meet.

(15 marks)



**Part B**

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

6. You act for a company called PharmRepack Limited ("PRL"). As the name suggests, PRL buys branded pharmaceutical (medicinal) products which have been placed on the market in various Member States of the European Community by the trade marks owners, repackages these products and sells them again in other Member States bearing the trade marks of the original trade mark owners. PRL amends the packaging as necessary to comply with national laws, reapplying the trade mark where required, but does not alter the condition of the original product.

PRL is well aware that the big pharmaceutical companies, who spend millions of pounds researching, manufacturing and marketing medicinal products, hate such "parallel importing" and would take legal action to prevent it if they could. PRL now asks you for a Memorandum advising what rights the pharmaceutical companies have under EC and national trade mark laws, in the light of recent judicial decisions, to prevent use of their trade marks in this way, and what PRL should do to minimise the risk of their taking legal action. (You should ignore any patent, contractual, copyright or common law issues.)

10 marks

7. Discuss the standard of behaviour, and duty of care, expected of the Registered Trade Mark Agent when acting for and advising his or her client in the light of case law. (Restrict your answer to discussion of cases dealing with Intellectual Property issues.)

(10 marks)

8. You are approached by a new client, Scottiswode plc, a retailer which runs a chain of up-market departmental stores under the name Scottiswode's ( affectionately known as Scotties). They have existing outlets in Edinburgh, London, Leeds, Manchester, Sheffield, Newcastle and a new store to be opened shortly in Watford. You are informed by your clients that they intend to rename the in-house cafe in each store as "the Millennium Bar", the first of which will be in the new Watford shop. These cafes will have the year 2000 as their theme and will have a futuristic decor suggestive of the next millennium. The client's previous trade mark attorneys advised that the name Millennium Bar was unregistrable and that there was no point searching or registering such a name. As a compromise they had filed a UK application to register the trade mark "Scottie's Millennium Bar" in Class 42 to cover "provision of food and drink: catering services". (The clients already have a registration of SCOTTIE'S covering "restaurant and cafeteria services in Class 42). Your client's PR agency has been heavily involved in the promotion of the new Watford store and the Millennium Bar has been mentioned in advertising as a particular attraction.

The trade mark application has now been examined and an existing registration has been cited as an obstacle namely:

- (1) 1,111,233
- (2) MILLENNIUM BAR
- (3) 7 March 1989
- (4) Class 42 Cocktail lounge services; cafeterias, restaurants and bars; all included in Class 42.
- (5) Millennium Services Plc, 3 Mill Street, London E26 4QL
- (6) Registered Users (no details given)
- (7) Date entered onto Register: 1 November 1991

The registration is in force.

At the same time your clients receive a letter before action from a solicitor acting for Millennium (London) Ltd alleging trade mark infringement in respect of Registration No. 1 1,111,233 (of which his clients claim to be the beneficial owners) and passing-off based on his client's reputation in the Millennium Bar, Kings Road, Chelsea.

Preliminary research at Companies House indicates that Millennium Services plc was liquidated in 1994.

Advise your clients on the relative strengths of their case and that of Millennium (London) Ltd and identify any further information you may require.

(10 Marks)

9. You act for the Nethermount Friendly Society (NFS) a mortgage provider owned by its members and borrowers. NFS is proud of its independence and has no intention of becoming a bank or merging with a building society as some of its competitors have done. You have an appointment today with NFS's sales and marketing manager to discuss the trademark implications of his latest media campaign. He has faxed you a sample of the advertisements which he has run.

## A BETTER RATE? DON'T **B**ANK ON IT

The Nethermount is owned by its members - we can afford to set lower mortgage rates because we are not in business to make a profit for third party shareholders and the financial institutions. Change to a Nethermount mortgage now and save £££s.

PROVIDER	STANDARD RATE	FIXED RATE
NETHERMOUNT	8.25%	8.00%
BRANDON BANK	8.50%	8.30%
ADVANTAGE LOANS PLC	8.55%	8.25%
GRIMSDALE BANK	8.75%	8.50%

Before the meeting you make a search of the UK register and learn that BRANDON, ADVANTAGE and GRIMSDALE are all registered in Class 36. Brandon Bank also has a registration of the **B** device in Class 36. He brings with him a letter received from Brandon Bank complaining about the use of its trade marks.

Prepare detailed notes on the advice you will give to NFS .

(10 Marks)

10 Your client's trade mark RANTA MANTRA was entered on the Register last month in accordance with the following details:

- (1) 2 222 222
- (2) RANTA MANTRA (word mark)
- (3) 11 November 1996
- (4) Class 9 Musical Recordings
- (5) Raj Singh, 32 Hampton Road, LONDON W6 3RJ.

Your client is a young independent music producer who has had some success with his RANTA MANTRA record label. He currently has three albums by different artists on sale in both CD and cassette tape format. They are sold from independent record shops rather than the big high street stores but their multi-racial ragga punk style is popular and the recordings are selling well.

Mr Singh comes into your office and shows you a counterfeit music cassette which his sister bought from a market stall. The packaging looks identical to the genuine article and features an accurate reproduction of the RANTA MANTRA logo but, on examination, turns out to be a copy. Mr Singh comments that a number of his fellow producers have suffered from this problem recently and that there is a suspicion that organised crime is involved rather than the usual back street copiers.

Prepare notes on the advice you will give Mr Singh.

(10 Marks)

