

UK - Trademarks

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The purpose of trade marks is to identify the goods or services offered by a party and to differentiate those goods or services from those of others. A trade mark assists not only the parties in the trade but also prospective customers by enabling them to identify what goods or services are offered by a particular party. This makes it reasonable to assume that only one party can use a particular trade mark for a particular purpose. To allow otherwise would counteract the very purpose for which a trade mark is employed.

If only one party can use a particular mark, how should that use be defined, and how broadly should the rights of a trade mark extend? For example, a company decided to use the term Polo for mints. Should its rights in the word POLO be restricted to those particular goods, or should that company be able to prevent another company from using POLO for clothing, or for cars? This shows that it is sensible to allow a particular individual, company or party to secure rights to a trade mark, but that it is also sensible to limit the goods or services that a trade mark can cover.

Limiting the goods or services that a trade mark can cover requires definitions for both the trade mark itself and the goods or services that it covers. This benefits those that provide the goods or services and their customers, because those in a trade will be able to find out whether a trade mark is free and they will be able to prevent others from using it.

The Nice Classification system, an international standard for trade mark goods and services, is now in its 10th edition (the 10th edition became effective within the EU on January 1, 2012). It has 45 classes (34 for goods and 11 for services) within which a trade mark can be registered and is used in many countries such as the UK, the US and China, as well as in the EU. Each class has a heading and a list of goods or services that the class covers. For administrative purposes, to facilitate registration and to enable searching for existing rights, which may affect the choice of trade mark, a system such as the Nice Classification is sensible.

IP Translator

In the UK, it is still unclear as to what rights a party actually gets when it registers a trade mark. To test this, the Chartered Institute of Patent Agents (CIPA) brought a test case to the UK Intellectual Property Office (UKIPO) in 2009. It applied to register IP Translator as a trade mark in class 41, which covers "education; providing of training; entertainment; sporting and cultural activities", according to its heading, and it includes translation in its list of services.

In its trade mark application, CIPA included the entire class heading as the specification of services that the trade mark should cover. The fact that the class heading was used as a specification meant that the UKIPO had to decide whether it should follow its normal practice, which was to register a trade mark for only the goods or services that are listed in a specification and for which there is no doubt that rights are sought, or whether it should follow the guidance of the president of the Office of Harmonization for the Internal Market (OHIM), who had just issued communication No. 4/03, which stated that use of a class heading as a specification is a claim to all the goods or services within that class.

This put the UKIPO in a difficult position. On the basis of the president of OHIM's guidance, it found that IP Translator was descriptive of translation services within the scope of class 41 and it rejected the application on absolute grounds.

As mentioned above, the class 41 heading covers “education services, training services, entertainment services and sporting or cultural activities”. It is not entirely obvious whether any of those cover translation services. The problem is that, according to the Nice Classification, translation services do fall within class 41. If OHIM’s guidance is correct, translation services are covered by an application filed in respect of the class 41 heading and it will be registered as such.

However, if the UK’s normal practice is followed, CIPA’s application would be accepted, because translation services are not covered by the class 41 heading and not a specified service that should be covered by the trade mark. Whether or not IP Translator is descriptive of translation services would be irrelevant, as CIPA does not include translation services in the specification of its application.

EU-wide importance

CIPA appealed the UKIPO’s decision and three questions were referred to the Court of Justice for the EU (CJEU) for a preliminary ruling. These questions were:

“In the context of the Directive:

- (1) Is it necessary for the various goods or services covered by a trade mark application to be identified with any, and if so what particular, degree of clarity and precision?
- (2) Is it permissible to use the general words of the class headings of the Nice Classification for the purpose of identifying the various goods or services covered by a trade mark application?
- (3) Is it necessary or permissible for such use of the general words of the Class Headings of the Nice Classification to be interpreted in accordance with Communication No 4/03 ...?”

Advocate general Yves Bot delivered his opinion on the case at the end of 2011. In response to the first question, he said that the actual specification of goods and services in which a trade mark applicant seeks to protect its mark has to meet the requirements of sufficient clarity to allow a trade mark office to recognise the actual scope of the protection that is being sought. He added that those in the trade must also be able recognise the actual scope of protection that is being sought so that they can “determine the essential characteristics and objective properties of the goods and services concerned”.

Essentially, Bot said that a trade mark specification has to be sufficiently clear for a trade mark office, and those in the trade, to be able to find out whether any similar or identical trade marks that cover similar or identical goods or services exist.

In response to the second question, Bot agreed that a class heading can be used to identify the various goods or services that are covered by a trade mark application, but only if there is sufficient clarity. For goods in particular classes, such as soap in class 3 and cutlery in class 8, using a class heading is acceptable, as there would be no confusion. However, certain services are different. Building construction and installation services, which fall within class 37, are not very clear, and it is unreasonable to expect trade mark offices and those in the trade to understand what a trade mark would cover exactly if that class heading was specified in an application. As a result Bot decided that in certain circumstances class headings can be used, but only when they are sufficiently clear and will make parties aware of what is covered by the granted rights.

In response to the third question, and most importantly, Bot said that a class heading can be used, but the nature of the Nice Classification system requires goods and services specifications to be more clear and precise. Bot raised the points that were made by the UK, German, Irish and French governments, all of which filed observations in the case, and said:

“The Nice Classification is an evolving instrument. The 10th edition of that classification ... includes, under unchanged class headings, new goods and services. Now, we cannot limit the substantive scope of the trade mark to a text which may be amended at the whim of an evolving market ... Consequently, and in the light of all these considerations, I consider that Communication No 4/03, by which the president of OHIM indicates that OHIM does not object to the use of any of the general indications and class headings as being too vague or indefinite and that the use of those indications constitutes a claim to all the goods or services falling within the class concerned, does not guarantee the clarity and precision required for the purposes of the registration of a trade mark, whether a national or a Community trade mark.”

Ultimately, Bot said that, the Nice classification system is a good one but it is amended over the passage of time. Goods or services under one class heading may move to a different class heading later, as is the case in the 10th edition of the Nice Classification. This means that if OHIM's guidance is followed, and a class heading covers all goods within that class, it is possible that once the Nice Classification is amended as it has in 2012, trade mark registrations may become out of date. Consequently, and to support the whole reason behind trade mark registration, to ensure that trade mark applicants obtain appropriate protection for their trade marks, it is imperative that they should spell out clearly what they want their trade marks to cover from the outset.

The CJEU decision in the *IP Translator* case is expected in the summer of 2012.

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