

Trademark Bulletin – July 2006

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Community Trademark success continues

The great success of the Community Trademark (CTM) seems to be unbroken. To date more than 57,000 Applications have been filed with the Office for Harmonization in the Internal Market.

The practice of the Office can also be complemented as quite liberal when discussing new forms of marks, such as sound marks, position-marks and – of course – three dimensional marks. However the European Court of Justice has restricted possibilities for “inventive” applicants in a couple of decisions during the last years.

The new practice on "cooling off period" in opposition procedures before the Community Trademark Office

The so called “cooling off period” that is a pre-procedure before the opposition procedure was introduced by the CTM implementing regulation in 1996. Since then almost 75% of all oppositions are settled in a friendly manner between the parties during this phase.

Usually this period could be extended as long as the parties agreed, however the previous “unlimited” possibility for extension will be limited to a total of 24 months starting from date of the notification of opposition to the applicant.

This new practice was introduced from 1 March 2006. All oppositions going into cooling off after 1 March 2006 will be treated as described.

New QM-standards at OHIM

In 2003, an ambitious programme was launched by the Office for Harmonization in the Internal Market in Alicante which aimed at removing backlogs in Community Trademark Application procedures.

This program checked all operative departments and resulted in a redesign of working procedures, a redistribution of competences and thoroughly retraining of the examiners. This was a first but inevitable step towards providing efficient and reliable customer-oriented services. The current progress of this program can be seen on the internet via the following link:

<http://oami.eu.int/en/office/pdf/timestandard-3rdquarter.pdf>

Fees for Community Trademarks decreased

Basic Fee for Application (class 1-3)	900 €
Application Fee (class 4 and each following)	150 €
Basic Fee via e-Filing	750 €
Basic Fee for Registration (class 1-3)	850 €
Registration Fee (class 4 and each following)	150 €
Basic Extension Fee (for class 1-3)	1500 €
Extension Fee (class 4 and each following)	150 €
Basic Extension Fee via e-filing	1350 €

New '.eu' domains now available

As a result of a long process, finally Europe gets its own Top Level Domain '.eu'. This new domain has been available (for owners of certain intellectual property rights) during a recent a 'sunrise period' that came to an end on April 6 2006. The domains are now available to the general public. The .eu domain will be provided by Eurid, the non-profit registry agency, on the basis of "first come first served" and will be reserved for EU-citizens and EU-companies only.

Did you know ...what the most important global trademarks are?

It is well known that trademarks are typically a corporation's most valuable assets and it frequently explains the premium paid for acquiring those assets. In its annual publication '*Global Top Brands By Value*', Interbrand, a leading international authority on valuing and managing trademarks, lists the worlds 100 most precious trademarks. Interbrand has now valued 3500 brands in more than 40 countries around the world.

The top players and their estimated value are as follows:

Rank	Brand	Brand Value (\$ millions)
1	Coca-Cola	67 394
2	Microsoft	61 372
3	IBM	53 791
4	GE	44 111
5	Intel	33 499
6	Disney	27 113
7	McDonald's	25 001
8	Nokia	24 041
9	Toyota	22 673

10	Marlboro	22 128
11	Mercedes	21 331
12	Hewlett-Packard	20 978
13	Citibank	19 971
14	American Express	17 683
15	Gillette	16 723
16	Cisco	15 948
17	BMW	15 886
18	Honda	14 874
19	Ford	14 475
20	Sony	12 759

Starbucks “TroubleShot” – a European view on a US-decision

“Bring on the day” ...this slogan is Starbucks marketing tool to advertise its coffee creation called “Double Shot”. But, for a coffee shop owner in Astoria, USA, Starbucks’ trademark enforcement became a real “troubleshoot”.

In 2000, businesswoman Sam Buck opened a hole-in-the-wall coffee shop in her town and named it after herself. The name of her store was based on her first- and last name and even though she had opened in Astoria before Starbucks established an outlet there, a federal judge said the name “Sambuck’s” was too similar to Starbucks corporate name and must be changed.

Starbucks, — the leading retailer, roaster and brand of specialty coffee in the world — with more than 10,000 retail locations in North America, Latin America, Europe, the Middle East and the Pacific Rim, offered Buck \$500 to drop the name. She refused, and Starbucks sued.

From a European point of view the question might be brought up, if this case would have been decided the same way by a European Court.

The European provisions defining trade mark infringement are found in Article 5 of Directive 89/104, which harmonises the trade mark laws of the Member States of the European Union. Parallel provisions defining infringement of Community trade marks can be found in Article 8 of Regulation 40/94.

For this article, the relevant parts of Article 5 read as follows: Like Article 5(1)(b), Article 5(2) requires that, for a finding of infringement, similarity must be shown between the defendant’s sign and the claimant’s mark. Under Article 5(1)(b), this presentation of similarity is directed towards proving that, because of the similarity between the two signs (as well as the similarity of the goods), there is “a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark”.

One of the questions before the European Court of Justice (ECJ) in the famous case *Adidas v Fitnessworld* was whether the same test of similarity had to be employed under Article 5(2)- but, according to the ECJ it is unnecessary, for Article 5(2) to apply, that there be a degree of similarity between the mark and the sign that leads to a likelihood of confusion.

Confusion is not the main factor in Article 5(2). Instead, it is aimed at situations that take unfair advantage of or are detrimental to the distinctive character or reputation of trade

marks. Such factors occur when, because of the similarity between the claimant's mark and the defendant's sign, "*..the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them*".

The existence of this link can be determined by conducting a "global appreciation", taking into account all the factors relevant to the circumstances of the case, in particular the existence of visual, aural or conceptual similarity between the two signs.

But the whole situation is not predictable. Recently a federal judge ruled that a New Hampshire micro roastery that sells a dark coffee blend called "Charbucks" has not harmed coffee giant Starbucks. Starbucks failed to prove its image was tarnished by the "Charbucks" brand. U.S. District Court Judge Laura Taylor Swain ruled that in adopting the name, the Tuftonboro-based Black Bear Micro Roastery intended to take advantage of the similarity to the Starbucks' name. But the evidence presented by Starbucks did not support an inference that "Charbucks" was created to mislead consumers about a connection between the two.

For further information or assistance about any item in this newsletter, visit the Contact Us section of the BrandVue web site: www.brandvue.net or contact:

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