

Formal Notice of Annual General Meeting of the Association 2002

In accordance with the rules of the Association, all Ordinary (full voting) Members are hereby formally advised that the Annual General Meeting of **MARQUES** will be held on Friday, 13th September, 2002 in the Hotel Inter*Continental, Budapest, Hungary starting at 0930 hrs.

The Meeting will receive the audited accounts for the year ended 31st March, 2002, the Report of the Chairman and the Council, appoint auditors for the year to 31st March, 2003, receive confirmation of the results of the annual electoral processes to fill vacancies on the Council and consider any other business details of which have been submitted in advance by Members in accordance with the procedures described below.

The AGM provides all Members with the opportunity to express views on the way in which the Association is developing, on the range and nature of services offered and on the performance of the Council and Secretariat.

All Members are free to contribute to the Agenda – whether they are present or not. In addition, any Member has the opportunity to raise any matter of concern by writing to the Secretariat by not later than **Friday, 16th August, 2002**. Full notice of all business to be discussed at the AGM is then sent to every Member at least 21 days in advance of the meeting to give time for due consideration of all of the issues involved.

All Members are entitled to put themselves forward as candidates to fill vacancies on the Council.

Under current rules, one half of the Special Members and one third of the Ordinary Members currently serving on Council are required to retire each year but may offer themselves for re-election. Those required to retire this year are as follows:

Ordinary Members: Danielle le Carval (France) plus two vacancies created by the resignations of Elaine Munding (UK) and Margaretha Ståhlberg (Denmark).

Special Members: David Goldring (UK), Kay-Uwe Jonas (Germany), Marius Knijff (Netherlands), Jette Sandel (Denmark), Shane Smyth (Ireland) and Paul Steinhauser (Netherlands).

Council may be composed of up to 40 members with not more than six from any individual European country, not more than six drawn from countries outside of Europe and not more than 14 Special Members. All those due to retire have confirmed their intention to offer themselves for re-election. Although there are still vacancies for Ordinary Members

within the existing complement (*subject only to the limitations on national representation*), the nomination of additional Special Members will require **MARQUES** to organise a postal ballot of all Ordinary Members to select candidates to fill the available places. Should such need arise, the process will be conducted under the direction of the Secretary General who will announce the results at the AGM.

Nominations are therefore invited from and on behalf of Ordinary Members to fill these vacancies on Council. Nomination Forms, which are available on request from the Secretariat, should be completed and returned to the Secretary General **by not later than 1700 hrs (BST) on Friday, 16th August, 2002**.

Every candidate for election, other than a retiring member, must be nominated by not less than three Ordinary Members. Further details, if required, are available from the Secretariat.

By Order of the Council
Colin Grimes
Secretary General
19th July, 2002

Arsenal v Reed:

Advocate General gives pro-brand opinion

Paul Walsh

On 13 June Advocate General Colomer gave his opinion on this reference to the European Court of Justice. It is a sophisticated and economically literate opinion which sets out a clear understanding of the importance and function of trade marks and goes a long way to refute narrow “badge of origin” theories of the purpose of trade marks.

Members will recall the case in the English High Court. Arsenal own several trade mark registrations for clothing and sports footwear – ARSENAL, ARSENAL GUNNERS, the club crest and the famous cannon device. Mr Reed sold memorabilia outside the Arsenal stadium featuring those marks. Arsenal sued for trade mark infringement (and passing-off which failed in the High Court). On the question of infringement Reed argued that he did not infringe because he did not use the marks **as trade marks** (i.e. denoting the origin of the goods) but merely as badges of allegiance/support for Arsenal fans. His stall also featured a disclaimer to that effect.

The High Court referred two questions to the ECJ. The first was whether a third party using the registered trade mark has a defence if the use complained of does not indicate trade origin (i.e. a trade connection between the goods and trade mark proprietor). The second supplemental question was whether use perceived as a badge of allegiance amounted to such a trade connection.

The Advocate General’s opinion is that for there to be infringement of a trade mark

the use complained of must be use of the sign for the purpose of distinguishing a product or service from those of others, but he went on to consider in detail what is meant by the concept “use as a trade mark” and what amounts to “use in the course of trade”.

The Advocate General described arguments that the purpose of a trade mark was limited to the function of an indication of origin as “simplistic reductionism”.

He observed that trade marks can acquire a life of their own, making a statement about quality, reputation and even, in certain cases, a way of seeing life. Accordingly he observed that trade mark proprietors are entitled to object to third party use of identical signs on identical goods where the use is capable of giving a misleading indication as to their origin, provenance, quality or reputation.

Importantly, he went on to observe that, in cases where third party use is of an identical sign on identical goods, use as a trade mark is to be presumed.

He also considered what is meant by the legal concept “use in the course of trade” and gave this a very broad meaning of use for commercial purposes, typically the distribution of goods and services in the market.

Noting the importance of merchandising to the football industry, he was dismissive of the badge of allegiance defence argument raised in the second of the referred questions. The feelings of the consumer acquiring the goods are irrelevant. The key factor is that the consumer has decided to buy the product because the article is identified with the trade mark.

This opinion is to be welcomed by brand

owners, not only for its recognition of the importance of merchandising rights but also for its appreciation that trade marks are far more than a “narrow badge of origin”.

This opinion precedes the full judgment which is due later this year.

This summary was written by Paul Walsh of Bristows (www.bristows.com) for British Brands Group (www.britishbrandsgroup.com) both whom have very kindly granted permission for it to be reprinted.

Call for articles

MARQUES is recognised by the Office for the Harmonisation of the Internal Market (OHIM) as an accredited Non-Governmental Organisation (NGO) and enjoys observer status within the World Intellectual Property Organisation (WIPO) structure. The views and opinions of **MARQUES** are regularly sought by and offered to these and other organisations. **Make sure that those offerings reflect your views and opinions.**

The **MARQUES** Newsletter is an ideal vehicle for communicating your ideas, your opinions or your vision of where trade mark law is or should be heading. It will be seen and read by in-house counsel, trade mark practitioners, IP lawyers, academics government officials and other NGOs.

Please send any contribution to robin_tyler@bat.com or

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Opposition to be introduced to Benelux

*NautaDutilh*¹

Thirteen years after the introduction of the First Trademark Directive, the three Benelux governments have agreed to further amend the Benelux Trademark Act, aligning it even more closely with European trademark legislation. The most striking amendment is the introduction of an opposition procedure.

The proposed procedure is a slightly simplified version of the European system. The main differences include a shorter filing period (oppositions must be filed within two months of publication of the trademark instead of three) and the absence of a standard cooling-off period.

Other proposals include the establishment of a register of trademark consultants, and the supplementation and improvement of a small number of provisions.

A seemingly important amendment is the alteration of the wording of Article 3, pursuant to which the exclusive right to a mark will no longer be acquired by the first filing made within the Benelux territory, but by the registration of the trademark. However, the consequences of this alteration are actually insignificant, as a registered trademark is, and will continue to be, protected from the date of first filing.

Compared to legislation in other countries,

the current Benelux Trademarks Act is very user-friendly for applicants as far as registration is concerned. The procedure is fairly simple and relatively quick, which is why many foreign trademark owners use Benelux registrations to gain a foothold in Europe or as a basis for international registrations. Unfortunately, the proposed introduction of an opposition procedure is likely to lengthen and complicate the process. However, owners of older marks can only benefit from the improved protection of their rights.

The protocol amending the Benelux Trademark Act will enter into force upon ratification by all three member states. At this stage, 1 January 2004 is seen as the most likely date for this.

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Consular legalisation no longer necessary in Ecuador

The Ecuadorian Intellectual Property Institute recently ruled that the legalisation by an Ecuadorian Consulate of documents issued abroad is no longer necessary with regards to administrative proceedings such as registrations, renewals, changes of ownership, oppositions, etc. of any IP right. The certification by a foreign intellectual property office (national or supranational) or notarisation, depending on the document, would be sufficient.

Documents used or filed in front of other authorities or courts (i.e. infringement actions, injunction orders, etc.) will still require legalisation by an Ecuadorian Consul.

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CORPORATE INTELLECTUAL PROPERTY ENFORCEMENT PRACTICES: IDENTIFYING WEAKNESSES AND SOLUTIONS

8th November 2002 – Hilton Brussels Hotel Belgium

Conference Fee (exclusive of VAT): Euro €375.

Accommodation: Euro €195 per room/night

MARQUES (Association of European Trade Mark Owners) and IACC (International AntiCounterfeiting Coalition) announce a jointly sponsored one-day conference. The programme will seek to identify common issues facing a range of industries arising from counterfeiting activities within today's global economy and will examine different approaches to the enforcement of intellectual property rights.

For more details of the programme, or to register please visit the **MARQUES** web-site (<http://www.marques.org/>) or contact Colin at info@marques.org

The MARQUES Case Note Database

Robin Tyler

Have you visited the MARQUES web-site recently?

Although much of the site is still embryonic¹, one part is already a good example of Knowledge Management and sharing.

The Case Note database consists, as its name might suggest, of short digests of recent trade mark and IP-related case law from around Europe. The idea of the **MARQUES** database originated some years ago at the beginning of the CTM with the aim of furthering the harmonisation of (court) decisions in the EU. It was thought that if members were updated about decisions in other countries, in the end, all courts would fall in to line.

The database already contains nearly 500 of the most recent landmark cases from a number of jurisdictions and new cases are added every month. **MARQUES** is actively encouraging members to submit notable cases from their own jurisdiction for inclusion in the database².

A simple, but flexible search facility allows one to find cases by searching for key words either within a particular section of the Note (eg, to select by case name, mark or jurisdiction) or a "free-text" search across the entire text. Usefully, the search page includes a list of the most recent additions.

Search results are displayed (very quickly) with lists of up to ten cases per page. The option to be able to sort

those results in a number of ways, eg, ascending or descending Date of case is very useful. My only suggestion might be to add the ability to sort or group results by jurisdiction (but only if the jurisdiction could be displayed in the table of results).

If your initial search yields too many cases, you can narrow the choice by searching within the search results for some second (or third...) criterion.

Once you have identified and displayed the full note of a case the true "added value" of the database is immediately apparent. The background facts of the case as well as the decision are clearly and succinctly abbreviated, by a leading specialist (Prof Jeremy Phillips). But, more, much more than that (as Frank Sinatra used to sing), the Comments section highlights the practical significance of the decision to European trade mark owners. The comment effectively gives members free access to the advice of an expert and may provide early warning of problems to come or point the way to solutions of old problems.

An extra service is provided by regular e-mail bulletins alerting members to newly added case notes.

Members can attach their own comments to existing case notes. These may expand upon its potential significance, warn of conflicting or supporting decisions in other cases/jurisdictions or cite cases in which the judgement has been upheld or over-ruled.

I sincerely commend this database to all members. It has the potential, if we all use and add to it, of becoming a leading international resource of trade mark jurisprudence as well as an aid to consistency and harmonisation. Case notes are brief enough to be able to read and assimilate during even the very shortest of train journeys home. No more does one need to wait three months for (or read) that 30 page judgement in one of the existing series of law reports, assuming it is ever reported. So please send your own share of cases to Prof Phillips.

The table on the next page is an example entry from MARQUES case note database

¹ Starting with the Spring 2002 edition, the **MARQUES** Newsletter is now published in full on the web site.

² Send full decision to Jeremy Phillips (c/o **MARQUES**), he arranges translation if necessary and writes the digest.

Topic:	Revocation and nullification
Trade Mark:	Rose emblem
Jurisdiction:	European Union
Court:	High Court (Chancery Division), England and Wales
Case Date:	26/03/2002
Parties:	Rugby Football Union and Nike European Operations Netherlands BV v. Cotton Traders Ltd
Representatives:	For the Rugby Football Union: Michael Bloch Q.C. and Andrew Norris (instructed by Hammond Suddards Edge, solicitors)
For Cotton Traders:	Richard Arnold Q.C. and Giles Fernando (instructed by Pannone & Partners, solicitors)
Facts:	<p>From 1871 England Rugby team players wore a red rose emblem on their rugby jerseys. A standard rose design, introduced around 1920, was worn by team members until 1998, when the current rose was designed. Before 1992 the players wore, for home games, a jersey with the rose emblem on the left breast but no other frontal marking ('the classic jersey'). In 1991 Cotton Traders, who made and sold a version of the classic jersey with the word 'England' beneath the rose, became the official licensee of the Rugby Football Union (RFU: the governing body for rugby union in England, which ran the national rugby team). While this licence was in force, the official England rugby team strip was redesigned. Cotton Traders produced the redesigned team jerseys and also made versions for sale to the public, but did not sell the classic English rugby jersey.</p> <p>In 1996 the RFU registered a non-colour version of the English rose emblem as a Community trade mark (CTM). In 1997 the RFU and Cotton Traders agreed to terminate the licence on terms that restricted Cotton Traders' right to make and sell England rugby jerseys. Subsequently the RFU licensed Nike both to make the official strip and to sell versions of it to the public. Nike made and sold jerseys to the 1998 design, while Cotton Traders went back to making and selling the classic English rugby jersey.</p> <p>The RFU sued Cotton Traders for breach of contract, infringement of its CTM and passing off. Cotton Traders denied infringement. They argued that any use made of the trade mark was an honest use in accordance with honest business practices and counterclaimed for a declaration that the CTM was invalid, since the public viewed the rose as a national emblem or symbol which was associated with the English rugby team, not an indication of trade origin.</p>
Decision:	<p>The Court dismissed all the RFU's claims and declared the CTM invalid.</p> <ol style="list-style-type: none"> 1. The relevant public associated the rose primarily with England in general or with the England rugby team. Taking account of the use made of the rose emblem before 1996, it was no longer capable of being distinctive. 2. Even if the rose emblem was distinctive of the RFU's goods, it was primarily a descriptive or generic sign and was thus excluded from registrability under one or both of the absolute bars to registrability under the CTM Regulation, Articles 7(1)(c) and (d). 3. Even if the trade mark were valid, Cotton Traders' use of it would not have infringed the trade mark since it would have been in accordance with honest business or commercial practices. 4. The RFU had not shown that it enjoyed any goodwill in the emblem. Accordingly Cotton Traders' use of it could not amount to an act of passing off their goods as being those of, or as being associated with, the RFU.
Comment:	So far as is known, this is the first occasion on which a domestic court has ruled that a Community trade mark is invalid. Once such a ruling is made, it appears that OHIM is obliged to accept it and record the decision accordingly.

Moldovan Dniester Republic

Robin Tyler

The Moldovan Dniester Republic (Pridniestrovskaya Moldovskaya Respublika – PMR) was founded on the left bank of the river Dniester in 1992. Up to now, it has not been officially recognised in the world, but *de facto* it exists with all attributes of statehood and its own currency – Dniester Rubels.

The PMR also has a Republican Agency for the Protection of Intellectual Property (RAIS), which accepts applications and carries out examination of objects of intellectual property and issues protective documents.

Moldovan contacts of Euromarkpat have met with the director and staff of RAIS and learned that protective documents on objects of industrial property issued in Moldova are not recognised within the territory of the PMR, and consequently, the owners of such documents cannot exercise their rights in the PMR. In order to protect their industrial property in the PMR, owners must obtain a protective document of the PMR issued by RAIS.

The current situation with regard to the protection of industrial property (IP) is as follows. Questions concerning non-trade mark IP protection are regulated by a Provisional Statute passed in 1994. Various IP bills are currently under consideration in Parliament and it is expected that they will be passed in the near future. A new Trademark Law, replacing the Provisional Statute has however entered into force in the Moldovan Dniester Republic. Sources indicate that the law is similar to the Russian Trademark Law, except that there are specific provisions regarding the protection of company names, which may not be registered if they are confusingly similar to trademarks registered in the Republic. The Parliament of the PMR is also preparing a document on the unilateral recognition of the Paris Convention and the application of the rules foreseen therein.

As of today, RAIS has issued about 130 protective documents. About 10 of them are trademark certificates, the others patents on inventions. It is interesting to know that four trademark certificates have been issued in the name of a foreign applicant – British Petroleum.

The examination procedure for applications is quite simple. In fact, only a formal examination is carried out. Patents on inventions are granted on the applicant's responsibility in a registrational system.

The approach with regard to trademark examination is, in many respects, similar to the Russian position. However, the existence of registrations in other countries is, as a rule, accepted as a basis for protectability in the PMR.

Information on granted patents and registered trademarks was originally published in the Juridical Bulletin of the PMR, but because this Bulletin is available only in the PMR, information on patents and trademarks is now being published in the Bulletin of the University of Tiraspol, which is distributed in several CIS states, including Russia.

As regards the enforcement of IP rights and legal precedents in IP matters, surprisingly, several court actions concerning patent infringements, authors' rights, payment of remunerations etc. have already taken place.

Since there is no Institute of Patent Attorneys in the PMR, Moldovan patent

attorneys are authorised to represent clients at RAIS.

The staff of Euromarkpat are in contact with the director and staff of RAIS and territorial proximity enables their Moldovan colleagues to effectively represent you and obtain the necessary information.

Animated brands

Advertisers routinely use motion to catch consumer attention. More and more businesses use animated logos to distinguish their goods and services. It is crucial that, in our modern multi-media environment, they should be able to protect the goodwill associated with such hi-tech brands.

In a recent development, the New Zealand Intellectual Property Office has granted protection for an animated logo. Specifically, a number of applications for “an animated sequence” were allowed to proceed to registration. When asked for confirmation, the Office said, “Yes, as far as we know, it’s a first”. The Office recognises that movement can act as a badge of origin. It is able to distinguish the goods and services of one trader from those of another. Businesses that use animated logos should take advantage of this development to further protect their brands.

1 This article makes substantial use of material drawn from the web-site of Euromarkp. The author is grateful to Dr. A. v. Fünser for permission to use that material (Von Fünser Ebbinghaus Finck Hano; P.O.Box 95 01 60, 81517 Munich; Tel.: +49-89-45 92 20 - Fax.: +49-89-48 20 58; E-Mail: euromarkpat@compuserve.com).

Wrestlers concede defeat in domain name row

Nadine Courmadias¹

In the final chapter to the saga regarding use of the acronym 'WWF', the World Wrestling Federation has changed its company name to World Wrestling Entertainment Inc and its domain name to 'wwe.com', leaving the domain name 'wwf.com' for the World Wide Fund for Nature (formerly the World Wildlife Fund).

The wrestling company began operating a website at 'wwf.com' in 1997 and, as a result, the nature fund commenced proceedings in the United Kingdom for breach of a 1994 settlement agreement which had severely curtailed the company's use of the initials but did not specifically mention the Internet. The court granted summary judgment for the fund, holding that the wrestling company had no real prospect of successfully defending its claim².

On appeal, in *World Wide Fund for Nature v World Wrestling Federation Entertainment*, [2002] EWCA Civ 196³, the Court of Appeal held that the relevant terms of the 1994 agreement were not an unreasonable restraint of trade, and held that the wrestling company's use of the website www.wwf.com breached the agreement.

Although the company had applied for leave to appeal to the House of Lords⁴ it recently announced that it has changed its company name to World Wrestling Entertainment Inc and its website to www.wwe.com. In keeping with the company's style, it is promoting its re-branding by selling baseball caps online featuring the slogan "Get the 'F' out".

¹ The editor is grateful to World eBusiness Law Report and to Nadine Courmadias of Willoughby & Partners for permission to reproduce this article, which was first published in the 14th June 2002 issue of **World eBusiness Law Report**. For more information, please see www.WorldBusinessLawReport.com or email publisher@worldbusinesslawreport.com

² See RT's article "PheWWF! IP Rights are not a restraint of trade" in **MARQUES** Newsletter, October 2001

³ [2002] ETMR 564

⁴ See RT's article "Wrestlers to fight in the House of Lords" in **MARQUES** Newsletter, April 2002

O.A.P.I. – Bangui accord revised

The Bangui Accord has been revised to comply with the TRIPs Agreement and the new law came into effect on February 28, 2002. The principal changes are listed below.

Proof of use is no longer required to support trademark renewal applications filed on or after February 28, 2002.

This includes renewal applications filed during the six-month grace period.

A trademark registration is now subject to cancellation based on non-use for a period of five consecutive years prior to the date of the filing of the cancellation action, instead of the date of registration.

The patent term is extended to twenty years in respect of all granted patents and an application for an extension of time beyond ten years will no longer be required. This includes

patents that have reached their ten-year term but are still in the extension grace period when the law came into force.

PCT applications are now subject to technical examination from which they were previously excluded.

There is no longer a twelve-month time limit for recording changes relating to a proprietor.

License agreements and deeds of assignment between nationals of OAPI territories and non-nationals are no longer required to receive the approval of the Competent National Authority.

Protection for layout designs of integrated circuits and plant varieties is introduced.

Reprinted with kind permission from Ladas & Parry's May 2002 Information Newsletter (<http://www.ladas.com/BULLETINS/2002/BULLETIN.0502.html>)

Swedish Trademark Council bares its teeth

Dagligvaruleverantörers Förbund [Grocery Manufacturers of Sweden] (DLF), is a non-profit trade organisation for brand manufacturers in the Swedish food retail and foodservice markets. Their mission is to promote the interests of members when representing them before retailers, authorities and politicians in issues of general concern to the industry

The Swedish grocery market is dominated by three major retail chains (ICA-Handlarna; Axfood and the Coop) which together control some 97.6% of Swedish retail outlets. Because of this, brand owners in Sweden face substantial difficulties trying to oppose “Own Brand” products which, sometimes blatantly, try to take advantage of the hard-won goodwill in their products and trade marks. In February the **MARQUES** Newsletter carried a report on the establishment of the DLF¹.

Since then, the DLF has created an independent Trade Mark Council to investigate complaints about possibly unfair marketing practices within Sweden. DLF members can, of course, initiate enquiries, but the Council will accept complaints from non-members and on occasion may even raise a complaint on its own initiative.

Council membership is drawn from representatives of brand owners and independent members drawn from senior legal and academic sectors. These include the Professor of Civil Law from the University of Stockholm (Jan Rosen, who is the Chairman of the Council); **MARQUES** Chairman (Tove Graulund), and the Principal of the Beckman School of Design (Tom Hedqvist). Deliberations of the Council are in private and the DLF do not participate in the discussions although they may be asked to seek further information from the manufacturers involved.

The Council analyses in detail the packaging and presentation of the two (or more) competing products before arriving at a decision. Although the Council is unable to impose any sanction of its own, other, perhaps, than publicity resulting from the release of its decision, they are

already making their presence felt within the Swedish retail trade.

Potentially, the detailed and authoritative analysis which is the end result of their deliberations could form compelling expert evidence should any case eventually proceed to litigation. It is the hope of both complainants and, perhaps, of the DLF that the very presentation of such analysis will be sufficiently persuasive to encourage “Own Brand” producers to modify their marketing practices without litigation.

To date the Council has published two decisions, both of which have supported the complainants’ claims of unfair marketing. The decisions are released to the media and published (in Swedish) on the DLF web site².

The first concerned Gevalia Mellanrost coffee, a brand with trade made marks being diluted by not one but two competitive brands. After noting the distinguishing features of each brand the Council concluded that

“... the design of the packaging for ICA Mellanrost and Signum Bryggmalet would seem to be deliberate imitations of Gevalia packaging. The usage of the Gevalia packaging design over a considerable period of time, and its impact in the market, mean that a considerable reputation should be linked to the design concept for this packaging. The Council notes, therefore, that ICA Mellanrost and Signum Bryggmalet could scarcely have produced their design independently of Gevalia and that the packaging designs of the first two products certainly attempt to establish a close association with the Gevalia packaging, and consequently to exploit the good reputation of the Gevalia

product. To that extent, the imitations would seem improper in accordance with the norms laid down in the Swedish Marketing Practices Act.”

They went on to say:

“The Council thus finds that the substantial element of imitation in ICA Mellanrost and Signum Bryggmalet in relation to Gevalia is not acceptable, given the rules laid down in the Swedish Marketing Practices Act with regard to good marketing practice. That aside, the Council also wishes to state, on the basis of the values that the Council wishes to defend, namely, and primarily, respect for originality, creativity, and the need, not least from the consumer’s perspective, to maintain the distinctive qualities of product packaging and to counter the dilution of both brand name and goodwill values, that such close imitation as that with which this case is concerned must be regarded as unacceptable.”

The Council’s second decision concerned Viennetta ice creams and is novel in that the element most at risk of causing confusion was not the packaging, but the product within the package. his decision concluded:

“Is there any risk of confusion between Viennetta and Glasdröm Vanilj? A direct comparison between the products must yield an affirmative answer to this question. The products are, however, marketed in packaging that only partially reveal the characteristic appearance of the ice cream gateaux in question. The brand names and other distinguishing marks that the companies in question use on the packaging yield no obvious “shot grouping” in the context of an assessment

of the potential for confusion under the provisions of the legislation governing distinguishing marks, albeit the packaging of Glassdröm Vanilj does display colour compositions and formations which, in the opinion of the Council, heighten the association with Viennetta's packaging. The display of the ice cream product's characteristic wave pattern on ICA's packaging and consumers' visual recollections of GB's and ICA's almost identical ice cream products is, however, likely to occasion a significant risk of confusion between GB's original product and ICA's imitation. The Council finds, therefore, that the marketing of Glassdröm Vanilj should be deemed to be in breach of the Swedish Marketing Practices Act in that it constitutes an imitation that is confusable

with GB's well-known and distinctive product, and hence is misleading with regard to its commercial origin."

Only time will show how effective the Council will be in controlling "own-brands" in Sweden. It would only take couple of courts to accept the Council as experts whose opinions are relevant and credible to put real power behind Council conclusions. If that were to happen, one could anticipate similar bodies being created in other jurisdictions. DLF have shown one way forward for brand owners. **Perhaps there may even be a case for MARQUES to create a Europe-wide Council with a similar remit.**

¹ See the article "Fighting for trade Marks" in the February 2002 issue of the **MARQUES** Newsletter (No.69)

² <http://www.dlf.se/varumarkesradet/Uttalanden/Default.htm>

WIPO meeting urges harmonisation of trade mark laws

Member states of the World Intellectual Property Organisation (WIPO) have agreed to push forward with a harmonisation of trade mark laws.

International delegates and organisations met to discuss a comprehensive programme for the protection of trade mark laws at the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications in Geneva from May 27 to May 31. Standing Committee members discussed a simplification and harmonisation of trade mark registration procedures, such as the provisions regarding the electronic filing of applications, which would allow international users of trade mark systems to save time and money.

Members also discussed substantive trade mark laws, focusing on definitions of a mark, non-traditional marks, and grounds for refusal of trade mark rights and registered rights. WIPO's 1994 Trade Mark Law Treaty governs the formal requirements involved in the registration of trade mark laws and other related procedures. The Committee will meet again on 11th November 2002.

Based on the responses received from our members, **MARQUES** has expressed its support to these current initiatives of WIPO. Members are still urged to report to the **MARQUES** WIPO Group if any problems of a general nature are encountered that need to be addressed at an international level.

Peru – Use of ® on non-registered mark applied to foreign goods

Plaintiff, owner of a Peruvian registration on the trademark **MAC CHICKEN** for chicken and fish sandwiches in Class 29, brought an action against McDonalds Corporation, their Peruvian subsidiary and local distributors for trademark infringement by reason of McDonalds' use of the trademark **McCHICKEN** which showed an ® on the outer packaging adjacent to the **McCHICKEN** mark. In fact, McDonalds had not registered **McCHICKEN** in Peru which therefore rendered them liable for trademark infringement and subject to the seizure and destruction of all such goods bearing the ®. The Court held that, where a defendant in an infringement proceeding imports goods into Peru manufactured abroad utilising packaging with a ® where the mark has not been registered in Peru, it will be subject to the risk of infringement proceedings and appropriate sanctions, including fines, seizure and destruction of the offending goods.

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MARQUES External Relations Committee

Jane Collins

The **MARQUES** External Relations Committee, as its name suggests, is responsible for all dealings with official outside bodies and kindred organisations. We are a busy and active group because of the many organisations with whom we interact and we are always looking for new member volunteers to put owners' views to these bodies.

OHIM

MARQUES is itself a recognised NGO and is on the permanent list of invitees to meetings of NGO's with OHIM and presents its views on a wide range of proposed reforms in OHIM as well as making its own proposals for improvements. These are now regularly reported in the Newsletter and on the **MARQUES** website.

WIPO

MARQUES enjoys observer status at official WIPO meetings. Representatives regularly attend the somewhat lengthy meetings of WIPO on a range of issues including Madrid Agreement and Protocol, internet, geographical indications and much more.

European Commission

Meetings are held from time to time with European Commission representatives to express trademark owners' views with regard to the European Trademark Directive and other trademark related matters on which the European Commission has influence. There are also strong links with AIM, the Association des Industries de **MARQUES**, a European brandowners association which undertakes lobbying activities with various official European institutions. This link is of particular benefit to our small and medium sized industry members that are not members of AIM.

Anti-Counterfeiting

In response to increasing problems of our members with counterfeiting, we already have good links with ACG – the Anti-Counterfeiting Group. We are strengthening our links with IACC – the International Anti-Counterfeiting Coalition and are organising a joint conference with them in the autumn on this topic. We have also

established links with the Coalition for Intellectual Property Rights. This is an organisation dedicated to IP protection and reform in the former Soviet Union.

Dispute Resolution

Support and encouragement is given to the Center for Dispute Resolution and the Center for Public Resources Institute for Dispute Resolution. **MARQUES** representatives have attended seminars organised by these bodies and can advise members about the services on offer.

The Internet

The Cyberspace Team is involved with all developments and issues concerning the internet and particularly seeks to influence the activities of ICANN and WIPO in this regard.

INTA

Naturally, **MARQUES** has friendly relations with the International Trademark Association and has, in the past, organised a joint seminar with INTA. We seek to ensure that INTA is aware of the views of European industry and that it constantly supports the views of owners on external bodies.

Other

Individual External Relations Committee members work hard to influence and effect improvements in national trademark office practice and procedures. Many of our members regularly attend meetings at national trademark offices for this purpose and we welcome the views and suggestions of **MARQUES** members in this respect.

Finally, **MARQUES** seeks to keep abreast of developments in the many associations primarily representing trademark practitioners and other non-industry interests to ensure as much as possible that

their work represents owners' interests. We are also constantly monitoring the evolution of other groups which we feel may be able to represent our members' interests.

In short, by joining **MARQUES**, members have effective access to many organisations involved with trademarks for the price of a single membership of **MARQUES**. If you feel you would like to take a more active part in influencing one or more external organisations, please contact Jane Collins, Chairman of the External Relations Committee, or any of the individual committee members whose names are listed on the **MARQUES** website.

Vice Chairman of **MARQUES** and Chairman of the External Relations Committee. Email: jane.collins@syngenta.com

Powerful producer with few IP rights

Although one of the world's largest drug producers, the China pharmaceutical industry still lacks independent IP rights. In the year 2000, the country's output of chemical crude drugs totalled 240,000 tons, with a production capacity ranked second in the world only after the United States. However, so far China only holds the patents to two innovative drugs, arteannuin and sodium dimercaptosuccinate that are approved internationally. 97% of the chemical drugs produced are imitations. (Source: Xinhua).

China Intellectual Property Law News 06.10.2002
Lehman, Lee & Xu
ipnewsletter@lehmanlaw.com

ICANN Committee refines governance reform proposals

A special Committee appointed by the Board of the Internet Corporation for Assigned Names and Numbers (ICANN) has issued its recommendations for governance reform. The Committee adopted some of the recommendations made by President Stuart Lynn in February, but rejected his proposal that governments be given seats on the board in lieu of voting by internet users worldwide. Lynn was criticised for proposing to eliminate the at-large positions which were intended to give the world's 500 million users a direct voice in ICANN.

The Committee's recommendations, like Lynn's, assign seven seats on the ICANN Board to the heads of organisations representing domain name sellers, security experts, government delegates, and other established technical and commercial groups. Another five to seven seats would be chosen by a nominating committee to represent the internet community as a whole. (The recommendations do elaborate on the composition of the nominating committee.)

The Committee consists of four members of the ICANN Board, but its recommendations

state that it does not represent the official views of the Board (although the recommendations were released just five days after the Board met to coordinate its approach on the issue). The Committee has expressed hope that a governance reform plan will be approved at ICANN's meeting in Bucharest this week.

While the ICANN Committee's recommendations represent a new direction, Lynn's suggestion that government re-enter the picture may not go away easily. Many legislators have been displeased with the governance of ICANN

and others are baffled by how the organisation makes decisions. One thing is clear – if ICANN fails to reorganise its governance soon, the likelihood increases that those who want government intervention will prevail.

*Douglas Wood and Linda Goldstein,
Hall Dickler Kent Goldstein & Wood LLP,
New York*

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Report of the Marketing Committee

The Marketing Committee of **MARQUES** is now chaired by Hanne Weywardt, Head of the trade mark department of Skandinavisk Tobakskompagni, an internationally focused tobacco company based in Denmark. Initially trained in general law, Hanne has focussed on IP law for the past six years. She has been a member of **MARQUES** Council for two years.

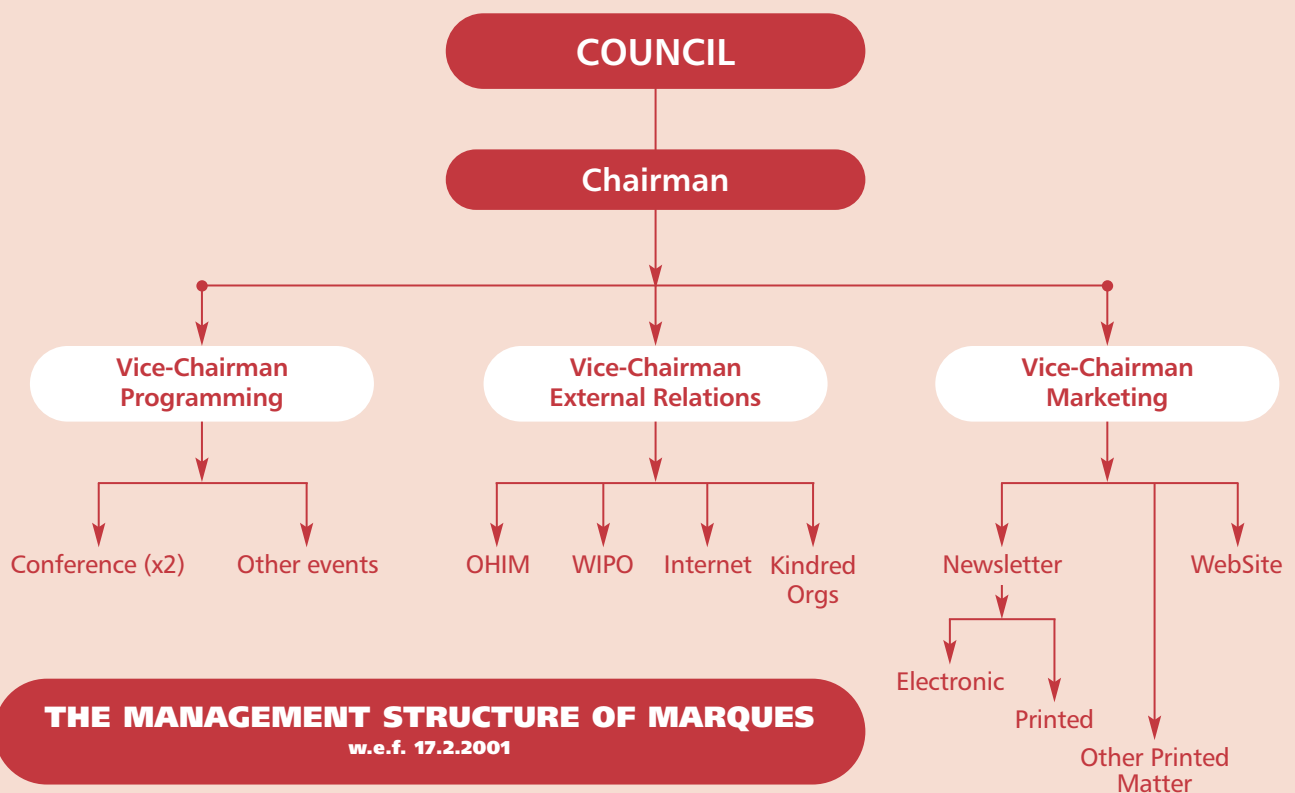
The new and fully-updated Membership Application brochure is now available. All Members are urged to make full use of this to recruit new Members.

On the web site, member-to-member networking communications have been significantly increased by the launch of a Discussion Group Section and "Poll" system supported by email alerts. Through the "Members Only" area, each member can now view and update his/her own membership record. A simple instruction manual for this part of the website is currently being drafted. In the meantime, please don't hesitate to contact the **MARQUES** Secretariat (Robert Harrison or Paul Smith) if you have any difficulty.

Starting with No 70 – Spring 2002 edition, the Newsletter has been published on the web site in .pdf format. It is planned to do the same for all future editions.

The design of the current general membership advert is under review. We are trying to devise a version with more visual impact and with more industry directed and simplified text, which will lend itself to easy translation into a range of languages. Plans are in hand to advertise **MARQUES** in many countries in the year ahead. If you know of any magazine or journal in your country which carries – or is likely to carry – features on trade marks, brands or directly related topics of interest to brand owners, please provide the **MARQUES** Secretariat with the title and full contact details.

MARQUES Governance



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NOTE: Council may be composed of up to 40 members with not more than 6 from any individual European country, not more than 6 drawn from countries outside Europe and not more than 14 Special Members.

Newsletter extra

Report from UNICE Meeting held on 26 June 2002

For those who may be unaware, UNICE describes itself as the official voice of European Business and Industry vis-à-vis the EU institutions and deals with a broad range of business issues including intellectual property. It is composed of 33 central industry and employers' federations from 26 European countries. **MARQUES** regularly attends their Working Group on Trademarks and Designs. The Group is chaired by José Monteiro and meets four times a year to discuss a variety of topics. Amongst others the following topics of particular interest were discussed at the last meeting:

Recent Developments at OHIM

The changes proposed by OHIM for the reform and improvement of the CTM system were aired in some detail. (See report in **MARQUES** Spring Newsletter). There was considerable discussion over the proposal to abolish the mandatory presentation of authorisations before the Office.

MARQUES is strongly in favour of this as being of financial and administrative benefit to trademark owners and it seemed that UNICE was keen to align with **MARQUES** in this respect.

There was also discussion on the proposal to allow inspection of all OHIM files both before and after publication. Again, we reached broad agreement that this was a good thing provided sensitive or confidential documents could be excluded at the request of the applicant.

Latest ECJ Cases (See **MARQUES** Cases Database for details)

The cases of Philips v. Remington, Arsenal Football and Holterhoff v. Friesleben were tabled. Some delegates considered these cases marked a black day for trademark owners, in particular the stance that trademarks' only function is to serve as an indication of origin. There was discussion as to whether trademark owners' organisations should invite prominent professors to comment on the correctness of this in leading legal journals or for organisations to intervene as amicus curiae before the ECJ on important cases. It was agreed that this should be investigated further.

Company Domain Name Strategies

After the formal agenda there was a very interesting panel presentation about how different companies have

approached their domain name strategy with inputs from Nestlé, Unilever, LVMH Fashion, Procter & Gamble and Philips. It showed widely differing approaches depending upon whether a company relied heavily on a strong housemark, such as Philips, and whether or not they regularly launched new brands or relied mainly on established famous brands. There was common agreement that it is impossible to protect everything and there seems to be a general move away from large banks of defensive registrations. UDRP and the courts were equally popular for combating cybersquatting. **MARQUES** members may be interested in contacting our Cyberspace Team, headed by Nick Wood and leading company domain name legal specialists for further information and advice. *Please see the **MARQUES** website for further details.*

Trademarks and copyright

In the Benelux, manufacturers are repeatedly at odds with each other regarding the packaging of their products. Apparently, it is very lucrative to copycat the design, colours and/or layout of the packaging of the market leader. Naturally, court cases resulting from such disputes find the owner of the earlier packaging brandishing his trademark rights to the packaging. These rights may relate not only to the overall packaging, but also to specific details thereof.

A number of recent court cases, however, show that owners of trademark rights in the Benelux increasingly base their claims on another right as well: apart from protection of trademark right they also claim protection of copyright, and it would seem that the Dutch courts are increasingly willing to award this copyright claim.

Let me give just a few recent examples from Dutch case law in which copyright claims, brought forward together with claims based on trademark rights, have been successful.

On 11 July 2001 the District Court in The Hague pronounced judgment in a dispute between the producers of the chewing gum brands Sportlife and Stimorol. For years, Sportlife has brought its product on the market in the Benelux in a packaging on which its brand name is represented slant-wise. When, in 2001, Stimorol suddenly changed its packaging and printed its brand name on its packaging in more or less the same fashion, Sportlife instituted summary proceedings. It based its claim both on trademark rights to its packaging and on copyright to the same packaging. The President of the District Court awarded the claims on both grounds and Stimorol was ordered to change its packaging.

A second example relates to a dispute between the car rental companies Budget and Sixt. Budget alleged that Sixt's logo was too similar to its own logo. Again, it based its claim both on its trademark rights and its copyright. The Court of Appeal in Amsterdam decided that with respect to its

logo, both Budgets' trademark rights and copyright had been infringed.

When taken note of these decisions, one wonders whether trademark law is still relevant. In my opinion it is, as basing a claim on copyright only is still a risky and uncertain approach, whereas trademark law naturally results in a much more clearly defined and more or less guaranteed right.

At the upcoming **MARQUES** Budapest Conference, on Thursday afternoon, I will give a workshop on Trade Marks and Copyright. It would be interesting to hear the different approaches in various European countries and I hope you can provide me with some answers to the following questions: Do you defend the right to packaging both on the basis of trademark law and copyright? Is the



threshold for copyright as low in other countries as it apparently is in the Netherlands? Are there fixed rules, or are judgments based on case law, allowing, or on the contrary prohibiting, cumulating both rights? Would you be prepared to base a defence of the layout of a packaging solely on the basis of copyright?

If you intend to participate in this workshop, it would be very welcome if you could bring some examples of disputes that were brought to court in your own country. Alternatively, you may mail these examples to me, at kist@shieldmark.nl, so that we may discuss them in Budapest.

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