

## MARQUES members meet Spanish judges

MARQUES recently organised the first in a series of meetings with judges of CTM courts. Cristina Duch reports on the discussions.

As part of its activities to promote the debate on and knowledge of the socio-economic function of trade marks and their legal aspects in society, **MARQUES** has launched a programme of conferences, with the aim of developing study and collaboration between trade mark holders and the judges of the Community trade mark (CTM) courts in various EU countries.

The first of these meetings was organised together with OHIM and took place in Alicante on 11th June. The session was opened by Guido Baumgartner (**MARQUES** Vice-chair) and Joao Miranda de Sousa (Director of the General Affairs and External Relations Department at OHIM).

The seminar focused on the Spanish CTM courts and included presentations from four judges: one of the Court of First Instance (Mr Rafael Fuentes Devesa) and three from the Court of Appeal (Mr Francisco José Soriano Guzmán, Mr Luis Antonio Soler Pascual and Mr Enrique García-Chamón Cervera).

There were four main topics for the presentations: (1) jurisdiction and competence of the CTM courts – objective and territorial competence; (2) unfair

competition – passing off actions and their links to CTM infringement; (3) CTM infringement part I – risk of confusion, association and impact of well-known marks; and (4) CTM infringement part II – the outcome of infringement, with special reference to recovering damages.

These presentations were followed by open discussions between the judges and seminar participants. The discussion were chaired by Guido Baumgartner, Jennifer Powers (**MARQUES** Council and member of the Unfair Competition Team), Joao Miranda de Sousa and Cristina Duch (**MARQUES** External Relations Officer).

More than 50 people attended and the debates were lively. **MARQUES** has sent a CD to participants containing the presentations and some other documentation of the event.

**MARQUES** wishes to thank the Spanish judges for having participated with such enthusiasm in this project. Thank you also to the OHIM for hosting the event and helping to organise it. And finally many thanks to all the attendees who made possible the success of the event.



*Cristina Duch*

**MARQUES** is now working on the organisation of the next meeting with CTM Judges from another jurisdiction, which is planned to be in Winter 2009.

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# MARQUES sponsors guide for new gTLDs

At its meeting in Paris in June, ICANN – the body that regulates domain names on the internet – approved plans to open up the generic top-level domain (gTLD) of the internet. The plans would allow anyone to apply to run a gTLD, provided they meet basic criteria.

ICANN is now preparing rules detailing how the process will work, with the first new domains set to be launched in 2009. It is expected that anywhere from 100 to 500 new gTLDs could be added to the existing 20 (such as .com and .org) available today.

In anticipation of the launch of new gTLDs, the ICANN IP Constituency (IPC), which represents IP owners, has drawn up a guide to pre-launch rights protection mechanisms for gTLDs and ccTLDs.

Although ICANN's approval process is likely to include a process whereby rights owners can challenge gTLD applications that infringe their rights, it is not expected to mandate that gTLD operators put in place any particular procedures for protecting IP rights under their domains.

The guide is sponsored by MARQUES, and is available on the MARQUES homepage. It was presented at the IPC's meeting in Paris, which was attended by representatives of some of the organizations expected to apply for new gTLDs (such as .berlin, .nyc and .fam).

It is designed for operators of new gTLDs who may not be familiar with IP rights. It covers why rights protection mechanisms (RPM) are important and some ingredients of a programme to protect rights.

It also provides details of the RPM used in five gTLDs: .aero, .asia, .biz, .mobi and .museum

Recent TLD launches have provided sunrise periods for rights owners, allowing them to protect rights such as trade marks before the registry opens to the public. These often include validation of the rights, and are operated on a first-come, first-served basis or (in the case of .asia) with an auction.

Nick Wood, of Com Laude, edited the guide and is a MARQUES Council member. He said: "We have strived to encourage good practice rather than to mandate any particular measures."

He added that RPM are the best means of preventing cybersquatting in the new gTLDs: "It is too late to stop ICANN from introducing new gTLDs but this effort may help in creating a better environment for rights owners."

The guide also asks 10 brand owners what they think of pre-launch RPM.

J Scott Evans of Yahoo! said: "I don't mind competing against others under a first come first served system or in an auction. As long as it's fair with the validation of rights and a fast challenge mechanism."

He added: "What I'd really like to see though is some better pricing, especially discounts for registering more than 10 domain names in a Sunrise."

James Elliott of PartyGaming said: "I am not a fan of the introduction of hundreds of new



Nick Wood

gTLDs. However, if we must have them, it is vital that the RPMs they operate are affordable and well-managed."

*Links: the RPM guide [www.marques.org](http://www.marques.org). More information on new gTLDs at [www.icann.org](http://www.icann.org)*

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## Write for the MARQUES Newsletter

All MARQUES members are welcome to submit articles for publication in the Newsletter. Articles should be submitted by email, and should be about 500 words in length. Relevant photographs and illustrations should also be submitted. MARQUES considers publishing articles on any topic that is of interest to members, in particular case reports, details of new legislation, government initiatives, deals, IP strategy and other trade mark-related developments.

If you would like to submit an article, please contact the editor ([editor@marques.org](mailto:editor@marques.org)) well in advance of the deadline, with details of the subject you propose to cover. You can also contact any of the country correspondents listed on the MARQUES website.

Everyone is welcome to contribute to the Newsletter, whether or not you are listed as a correspondent. The deadline for the next issue is 30th September 2008.

# Landmark decisions on auction websites in Germany and France

Below, Kay-Uwe Jonas and Katja Grabienski describe a recent German decision that imposes tougher requirements on online auction sites, and examine which issues need further clarification. Overleaf, Nathalie Dreyfus examines a recent case between Hermès and eBay in France.

In a decision on 30th April 2008 (Docket-No I ZR 73/05 – Internet-Versteigerung III), the German Federal Court of Justice (FCJ) confirmed that providers of online auction websites have duties going beyond the blocking of individual account names upon notice of trade mark infringements. The FCJ also more precisely defined the requirements when use in the course of trade can be assumed. This decision expressly leaves room to clarify further factual questions (for example, which filters and controls may have to be implemented) in possible subsequent proceedings, such as if the plaintiff claims violation of the decision by the defendant when further similar cases of trade mark infringement appear as offers on the specific online auction site.

The same case was already the subject of the FCJ's decision "Internet-Versteigerung I" (Docket-No I ZR 304/01 in 2004). The plaintiff produces watches under the famous trade mark ROLEX. The defendant operates the internet platform Ricardo. Ricardo is an online auctioneer comparable to eBay. Third parties had offered imitated ROLEX watches for sale via the Ricardo platform. The plaintiff sued the defendant for tolerating online auctions of obviously counterfeited ROLEX watches. In its first decision, the FCJ decided that providers of online auction websites might be held liable if goods infringing trade mark rights were sold via their platforms. The FCJ had remanded the case to the Appeal Court, since it found it was not sufficiently clarified whether the relevant offers on the internet platform had been

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**“The internet auctioneer platform also has to take precautionary measures that, to the extent possible, no further similar trade mark infringements can take place.”**

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made in the course of trade. After a further decision of the Appeal Court, the parties again took the case to the FCJ, which now clarified the requirements for use of a trade mark in the course of trade when offering products via an internet auction platform.

## Use in the course of trade

The FCJ held with regard to use in the course of trade that:

a designation is used in the course of trade if the use is in connection with a commercial activity aiming for a commercial advantage and not in the private sector. Considering the interests of trade mark protection, the requirements to fulfil this presupposition are not high. An activity in the course of trade stands to reason in those cases where the offerer deals with similar goods on a continuing basis, in particular also with new products. Also, if an offerer has only recently purchased the goods now offered, this indicates dealing in the course of trade. The fact that the offerer usually acts on a commercial basis also indicates a use in the course of trade.

As further indications – which were relevant in this case – the FCJ mentioned the frequent sale of possibly infringing goods, indicated by so-called feedbacks provided by former purchasers. The burden of substantial argumentation and proof initially lies with the plaintiff. However, the FCJ held that if the infractions described above are brought forward by the plaintiff, the defendant would have to substantially argue against the assumption of use in the course of trade. In this regard, the defendant apparently stated that he could not substantiate his argument due to data protection reasons. It is not clear how data protection reasons might hinder the defendant's argument. The FCJ merely stated that due to lack of further explanation, this argument is irrelevant for the case. Since the indications argued by the plaintiff that use in the course of trade had taken place were not substantially questioned by the defendant, the unsubstantiated argument that due to data protection reasons no



Kay-Uwe Jonas

further argument against use in trade could be provided by the defendant was not sufficient.

The FCJ again confirmed that the internet auction platform is obliged to block any specific offer including trade mark-infringing products once this is brought to its knowledge. Furthermore, the FCJ held that the internet auctioneer platform also has to take precautionary measures that, to the extent possible, no further similar trade mark infringements can take place. These further measures in detail are subject to the requirement that the necessary effort is reasonable (filter procedures and possibly subsequent manual controls). Since in this case the defendant did not state that any verifications or controls were conducted, the FCJ did not have to decide which measures would be reasonable. However, the FCJ clearly stated that in possible subsequent proceedings the internet auction platform could argue that in the specific case of a new trade mark infringement, this could not have been prevented with reasonable effort.

Summarising, one will have to await possible subsequent proceedings following this decision to get clarity on the question of which measures have to be implemented by internet auction platforms to avoid trade mark infringement.

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# Auction websites given greater responsibility

A judgment by the French Court of First Instance on 4th June 2008 (Commentaire Dailymotion Lafesse TGI du 15 avril 2008) has brought some answers to the question of the responsibility of internet auction websites. The online auction website eBay allows users to buy and sell goods and services. It was recently sued by the luxury goods company, Hermès, for permitting its users to sell counterfeit Hermès bags on its website.

Although eBay receives commission on bids made, it was until now considered a third party in transactions because its involvement was limited solely to the hosting of announcements. However, this decision clarified the question of accountability. First, the Court had to decide whether eBay was a website host or a website editor. The Court found that it was both.

As a host, eBay acts as a neutral technical intermediary that makes available to the public services in online communication, storage signals, writing, images, sound or messages of all kinds supplied by the recipients of these services.

The Court first rejected the qualification of the website editor's contents. Usually, the website editor determines the content but, in this case, it is the internet users who establish the content. Likewise, the construction of the website is not the result of editorial choice but of the technical restraints that enable it to gain legibility and clarity. Lastly, the condition of profit on the operation of the ads hosted is irrelevant because its acceptance would add a condition to the application of the law.

However, eBay is a website editor of online

services because it receives a commission in return for the technical services it provides to users who put their goods up for sale on the website. These procedural means of participation are the architecture of the bidding service and the creation of rules that allow the website to function.

Consequently, the Court found that eBay is a website host in content and a website editor in terms of online services. As an editor, eBay must ensure that its website is not used for reprehensible means, because of its two obligations as an intermediary:

- to implement technical measures to prevent, as well as search for, illicit content (that is, counterfeiting) on its website; and
- to provide "complete and full" information regarding the use of the service in addition to the General Terms of Use.

If eBay had already put in place these technical means, they are proving ineffective against the ingenuity of certain users to by-pass them. All the same, informing users about the products offered for sale is not adequate.

Consequently, the Court found that eBay had not fulfilled its obligation to guard against the reprehensible use of its service by certain users. In the result, eBay was

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“eBay must protect the IP rights of trade mark owners against the counterfeiting of products.”

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Nathalie Dreyfus

found liable and forced to pay Hermès €20,000 in damages. The solution brought out by this judgement has the advantage of specifying the website editor's responsibility.

Thus, the editor's responsibility regarding the service will be engaged if it has not fulfilled its obligation of vigilance and information. eBay must protect the IP rights of trade mark owners against the counterfeiting of products. However, the editor may escape potential criticism by demonstrating that it has carried out its obligations to prevent the dissemination of illicit content.

The judgment follows the recommendations issued by a French report (Commentaire Dailymotion Lafesse TGI, 15th April 2008) on the application of the Loi pour la confiance en l'économie numérique dite (LCEN) of 21st June 2004, which states that "between the host that is responsible for nothing and the editor that is responsible for everything, there must be an administrator status on auction websites where the administrator agrees to be responsible not for crimes, notably counterfeiting, which can express themselves on the website, but for fighting against these kinds of problems and preventing them".

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## New IP law in Iran

The Iranian parliament has approved a new IP law.

The Iran IP Office has one year from 20th April 2008 to implement and prepare the necessary regulations related to this law. The civil and criminal aspects of the law take effect from 5th May 2008.

Important effects of the new law include:

Industrial designs will be protected.

Trade marks can be cancelled on the grounds of non-use.

Trade names will be protected.

A late payment fee for renewal of trade marks will be introduced.

There is a new opposition procedure.

There is no time limit for filing a cancellation action against a registered trade mark.

Protection for IP owners to fight infringers and counterfeiters is improved.

The licensor must supervise its licensees's product for quality and standards in order for their agreement to be valid.

There is a new patent law.

The time limit for filing a petition before the court against an IIPPO decision is increased to two months.

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# Companies names dispute resolution launched in UK

A new procedure comes into effect later this year to enable trade mark owners to challenge company names in the UK. Below, David Stone and Nick Bolter examine the changes and, overleaf, we compare the position in three other European jurisdictions.

In the United Kingdom, companies can be registered quickly and inexpensively. Companies House, the registrar of companies, assesses each new company name to ensure it is not identical to any existing company names but no assessment is made of existing trade mark rights. This has led to the naïve and the dishonest registering United Kingdom companies with names that incorporate third party trade marks.

## Does a company name provide a ground for challenging a trade mark application?

No. A company name does not establish common law trade mark rights. There would need to be substantial use of the company name with respect to relevant goods and/or services to establish sufficient reputation to enable a later trade mark application to be blocked.

## Can a company name be challenged and if so, how?

Brand owners have to date needed to rely on trade mark infringement proceedings or passing off (or the threat thereof) to respond to third parties who register United Kingdom companies with company names incorporating the brand owners' trade marks. In addition to the significant costs that can be involved, difficulties in establishing "use" of a trade mark incorporated into the company name have led to frustration among some brand owners.

On 1st October 2008, sections 69 to 74 of the Companies Act 2006 (the Act) will come into force creating the office of the Companies Names Adjudicator. The functions of the Companies Names Adjudicator will be governed by The Company Names Adjudicator Rules 2008 (the Rules).

The office of the Companies Names Adjudicator will assist brand owners in dealing with abuse of their trade marks, by introducing a dispute resolution procedure,

similar to that offered by Nominet for domain names. The procedure starts by filing a simple complaint and, if successful, the offending Company will be required to adopt an alternative name.

The grounds on which a person may object to a company's registered name are:

- (a) the name is the same as the trade mark associated with the applicant in which the applicant has goodwill; or
- (b) the name is sufficiently similar to the trade mark that its use in the United Kingdom would be likely to mislead by suggesting a connection between the company and the applicant.

Defences to such an objection include:

- (a) the company name was adopted prior to the existence of goodwill;
- (b) the company was incorporated in the course of business as a company formation business;
- (d) the company name was adopted in good faith; or
- (e) the interests of the brand owner are not adversely affected by the company name.

In each case, the objection will nonetheless be upheld if the main purpose of adopting the company names was to obtain money from the trade mark owner or to prevent it registering the company name itself.

Company Names Adjudicators will probably be appointed from trade mark examiners and the Office of the Adjudicator will be located at the UK Intellectual Property Office.

The procedure takes a similar form to trade mark opposition proceedings. First the applicant files a statement of grounds of complaint (with a £400 fee). The respondent must then file a counterstatement within a period set by the Adjudicator. Evidence rounds follow. An oral hearing can be



David Stone

requested or the Adjudicator can make his/her decision without a hearing based on the documents filed.

If an application is successful the Adjudicator will make an order for the respondent to change its name to a non-offending name, and should the respondent ignore that order, the Adjudicator can determine a new name for the respondent.

It is as yet unclear how Adjudicators will interpret these new statutory provisions. However, as Adjudicators are to be drawn from current trade mark examiners, it is likely that existing trade mark doctrines will be applied.

The new procedure is likely to prove popular for brand owners providing a relatively inexpensive and quick (and hopefully) effective procedure for dealing with those who adopt company names that include third party trade marks.

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*Link: The Companies Names Adjudicator Rules 2008: <http://www.berr.gov.uk/files/file45894.doc>*

# France: Court case needed to take action



Under French practice, trade mark rights arise with the filing before the Trade Marks Office (INPI) whereas the rights on a company name start with the incorporation before the Registry of Commerce and Companies (RCS). When it comes to challenging trade marks and company names, different and specific rules also apply.

To challenge a trade mark (based on a company name) or a company name (based on a trade mark) you need to bring a case before the French courts. An opposition proceeding before the INPI against French or international marks covering France is only open to earlier registered or well-known trade marks and not to company names. No administrative proceeding is available to contest company names before the RCS by raising a trade mark.

Article L 711-4 of the French Intellectual Property Code provides that "signs may not be adopted as marks where they infringe earlier rights, particularly [...] b) The name or

style of a company, where there is a risk of confusion in the public mind". Challenging a later mark by obtaining its cancellation on the basis of a company name consequently requires a risk of confusion.

The application of a speciality principle to earlier company names is still being discussed in French case law. A few courts consider that this principle must not be taken into account and protect company names whatever the activities involved are. When the speciality principle is applied, the French courts adopt two approaches. The first approach is to strictly consider and compare the activities contained in the statutes of the company with the products or services of the contested trade mark. Some other courts take into account both the statutes' content and the activities rendered in practice by the company on the market to compare them with the products or services covered by the trade mark.

Challenging a later company name on the basis of a trade mark leads to fewer difficulties. Provisions of trade mark infringement apply without real difficulties. Products or services are compared with the activities listed in the statutes or with the activities rendered in practice (if the statutes are too broad or unclear) and the signs are compared exactly as when comparing two trade marks.

There is one exception however to the trade mark monopoly against company names. Article L 713-6 of the Intellectual Property Code provides: "Registration of a mark shall

not prevent use of the same sign or a similar sign as: a) A company name, trade name or signboard, where such use is either earlier than the registration or made by another person using his own surname in good faith [...] However, where such use infringes his rights, the owner of the registration may require that it be limited or prohibited."

The good faith requires that the person enjoying the surname has effective management functions inside of the company. The trade mark monopoly is then enforceable if the surname is fictively integrated in the company name through a mandated convention. Even if these circumstances are not met, a court order can limit the use (by requesting the addition of the first name or additional elements to the company name) or prohibit it if confusion is still caused.

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**“To challenge a trade mark (based on a company name) or a company name (based on a trade mark) you need to bring a case before the French courts.”**

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## Benelux: several options for challenging company names

### Does a company name provide a ground for challenging a trade mark application?

In the Benelux a company name does not provide a ground for opposing a trade mark application. The opposition procedure in the Benelux is restricted to three grounds. The holder of an earlier trade mark can lodge an opposition against: (a) an identical trade mark application filed for the same goods or services; or (b) an identical or similar trade mark filed for the same or similar goods or services, where there exists a likelihood of confusion on the part of the public; or (c) in the case of a well-known trade mark within the meaning of Article 6b of the Paris Convention: if the younger trade mark can cause confusion with this trade mark. Contrary to the OHIM opposition rules, companies cannot invoke their company names in the opposition procedure before the Benelux Office of Intellectual Property.

### Can company names be challenged and if so how?

There exist several actions for the holder of an earlier trade mark who wishes to oppose the use of a younger identical or similar company name. First of all, on the basis of article 2.20(1)(d) of the Benelux Treaty on Intellectual Property (BTIP), the owner of a trade mark can invoke its trade mark rights against a third party that uses an identical or similar sign *not* in relation to goods or services. The article requires that the company name is being used without due cause and the use takes unfair advantage of and is detrimental to the distinctive character or the repute of the trade mark. The provision is an implementation of article 5(5) of the European Trade mark Directive.

Additionally, article 5a Company Name Act stipulates that a company name may not cause confusion with an earlier trade

# Spain: civil actions against company names



## Does a company name provide a ground for challenging a trade mark application?

The Spanish Trade Mark Act (Law 17/2001 of 7th December 2001) establishes in its article 9.1 d) that the corporate name of a legal person which, before the filing or priority date of the trade mark application, identified in trade a person other than the applicant will not be registered as a trade mark, where there is a likelihood of confusion on the part of the public because it is identical or similar thereto and the scope of coverage is also identical or similar. To this end, the owner of such a sign must prove the use or well-known nature of the sign in the territory of Spain as a whole.

It also declares that where these requirements are fulfilled, foreigners who are entitled to invoke Article 8 of the Paris

Convention or the principle of reciprocity shall enjoy equal protection, provided that they are able to prove the use or well-known nature of their unregistered trade name in Spain.

These legal arguments can be invoked in opposition proceedings with the Spanish Patent and Trade Mark Office and also constitute relative grounds for invalidity to be invoked with the civil jurisdiction, as provided in article 52.1 of the Trade Mark Act.

## Can a company name be challenged and if so, how?

Yes, it can. Article 34.1 of the Trade Mark Act provides that a trade mark registration shall confer on the owner the exclusive right to use its trade mark registration in trade and 34.2 establishes that the owner of a trade mark registration shall be entitled to prevent third parties not having his consent from using in the course of trade any sign identical to the mark used on similar or identical goods or services, or which gives rise to a likelihood of confusion (because of identity and/or similarity of signs and goods/services) on the part of the public, or any sign the use of which could indicate a connection between the said goods or services and the trade mark owner or take unfair advantage of, or be detrimental to, the distinctive character or the well-known nature or repute of the

registered trade mark (even on goods or services which are not similar, where the registered sign is well known or reputed in Spain).

The Fourteenth Additional Provision of the Act provides for the refusal of registration of the names of legal persons that may give rise to confusion with a well-known or reputed trade mark or trade name. It also provides that the Registries competent to grant or validate the names of legal persons shall refuse the name or corporate name applied for where it is the same as or might give rise to confusion with a well-known or reputed trade mark or trade name within the meaning of the Act, barring consent by the trade mark or trade name owner.

Company names can be challenged by means of civil actions with the civil courts.

## Does it make a difference if the company name includes a trade mark?

It does not, as the same legal criteria would apply. Nevertheless, it can make a difference in practice, as it might affect the likelihood of confusion or the other standards and criteria to be applied and so affect the decision.

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mark. As this provision has a more limited scope and provides a more limited protection than article 2.20 (1)(d) BTIP, the latter is normally used in these situations. For example, article 5a Company Name Act is not the appropriate provision to invoke in the case of a device mark.

## Does it make a difference if the company name includes a trade mark?

No, the trade mark owner has the same rights to call upon. But since the decision of the ECJ in the *Céline* case (C-17/06, 11th September 2007), if the company name is used in relation to goods within the meaning of article 5(1) of the European trade mark directive, the ground for opposing such use should be the corresponding article 2.20(1)(a) or (b) BTIP.

According to the judgment, there is use "in relation to goods" when the sign constituting his company name is affixed to the goods which he markets or where a link is established between the sign which constitutes the company name and these goods. Unless the use made by the third party is in accordance with

"honest practice", and if one of the functions of the trade mark, in particular its essential function of guaranteeing to consumers the origin of the goods or services, is affected, the trade mark owner may prevent such use.

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“Company Name Act stipulates that a company name may not cause confusion with an earlier trade mark.”



# How trade dress is treated in Argentina

**Mercedes Bullrich provides a guide to the law and recent cases on trade dress protection in Argentina and other Latin American countries.**

Argentina does not have a specific regulation for trade dress. The relevant legislation is the Argentine Trade Mark Law No 22.362 of 2nd January 1981 (ATL). Articles 1 to 3 of this Law determine which signs can, and which cannot, be registered as trade marks.

Article I of the ATL states:

The following may be registered as trade marks to distinguish products and services: one or more words with or without conceptual meaning; drawings; emblems; monograms; engravings; stampings; seals; images; stripes; combinations of colours applied at a specific location on the product or on the packages; wrappings; packages; the combination of letters and of numbers; letters and numbers on account of their special design; advertising slogans; contours having the capacity to distinguish and any other sign with such capacity.

The basic rule is set forth by the final sentence as it admits the registration of every sign with distinctive character. As a matter of fact, under the ATL there are no limits to the class of signs that can be chosen as trade marks.

Hence, although Article 1 expressly recognizes certain signs that either individually or taken as a whole may constitute what is known as trade dress – the appearance of the products or of the packages itself (that is, the combinations of colours applied in a certain place of the products or of the packages); the appearance of the façade of a building, etc – the fact that it does not expressly recognize trade dress as a trade mark does not constitute an obstacle to its protection under the Argentine regulation. Broadly speaking, in Argentina trade dress is recognized to be the distinctive packaging or design of a product (or place of business) that promotes and distinguishes it from other products in the marketplace.

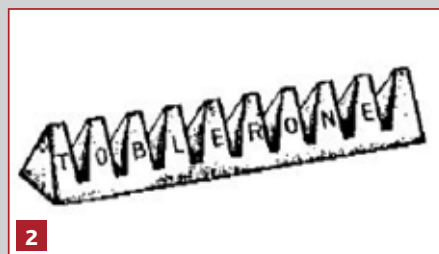
Articles 2 and 3 of the ATL, on the other hand, set forth the causes that prevent registration of certain signs either because they are not distinctive at all or because its registration is prohibited by law despite their distinctiveness. Items (c) and (d) of

Article 2 have particular importance here since they respectively state that neither the necessary form given to the products nor the natural or intrinsic colour of the products nor the single colour applied on them can be considered as trade marks nor be registered as such. Many opinions have been given by different authors in regards to the recognition of a single colour applied to a product as a trade mark. However, despite all arguments in its favour, it must be noted that the ATL does not protect a single colour as a trade mark.

## Case law

Trade dress is a subject that in Argentina has not received the treatment and attention it has received in other jurisdictions such as the United States.

One interesting case just to quote one example is *Jacob Suchard SA v Alberto Fehrmann SA*. Suchard brought a lawsuit against Fehrmann to cease in the sale and use of the products that were covered by their trade mark registration for TOBLERONE (see figure 1).



TOBLERONE is a very well-known trade mark for chocolates around the world. And the shape of the chocolate is very distinctive. Suchard owned a trade mark registration in Argentina (see figure 2).

Fehrmann was commercialising a chocolate under the name ULIRRON with a shape clearly close to the TOBLERONE chocolate's shape.



Mercedes Bullrich



The judge ruled in favour of Suchard largely because 1) the plaintiff owned a trade mark registration that protects not only the word TOBLERONE, but also the characteristic shape of the chocolate; 2) the trade mark TOBLERONE and the characteristic shape of the chocolates are clearly well-known trade marks and do not correspond to the necessary shape of the product; 3) the shape of the chocolates which were being sold by the defendant had exactly the same shape as the plaintiff's product.

## Latin-American perspective

As in Argentina, many Latin American countries such as Uruguay, Costa Rica and Venezuela do not have specific regulations concerning trade dress. Trade dress in fact does not exist as such under many Latin American laws and there is no case law regarding the subject. Nevertheless, it must be noted that trade mark laws usually refer to trade dress in the trade mark regulation. Hence, trade mark laws are usually considered to be the relevant regulations governing trade dress in most Latin American countries.

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# New GI rules in Indonesia

## Gladys Mirandah outlines the protection for geographical indications available under a new law in Indonesia.

On 4th September 2007, the Indonesian Government endorsed the Government Regulation No 51 of 2007 (GR 51) as the implementing regulation for the provision on geographical indications (GI) provided under Chapter VII Law No 15 of 2001 concerning marks.

A geographical indication is a sign that indicates the place of origin of goods that have a specific characteristic and quality due to geographical environmental factors – such as nature, people or the combination of the two.

According to Article 4, the term of protection for GIs in Indonesia is unlimited and lasts as long as the specific characteristics and quality continue to exist.

Foreign applicants can file applications for the protection of GIs in Indonesia. However, only foreign GIs that have been registered in their country of origin can be registered in Indonesia and the application can only be filed through an Indonesian IPR consultant or diplomatic representative in Indonesia.

Along with the GI application, a book of requirements must be produced containing the defining characteristics and information on the typical quality and characteristics of the product that distinguish it from other products in the same category.

Once the application is filed it will go through an administrative examination as well as a substantive examination. After approval, the application will be published in the Official Gazette of Geographical Indications for a period of three months.

Amendments to the applications can only be made before the applications are published in the Official Gazette; and withdrawals of GI applications have to be made before the applications are approved for registration.

After registration, amendments can only be made in the Book of Requirements (*Buku Persyaratan*). These amendments can only cover changes to the development of science and technology or changes in the geographical border.

Up to now, the Directorate General of Intellectual Property Rights (DGIP) has received six GI applications and these are all from local applicants. It is believed that only application numbers IG.002007.000001 for Kintamani Bali Coffee and IG.002007.000005 for Jepara Carved Furniture have fulfilled the administrative requirements and so may proceed to registration. The remaining cases are still in the examination process; these are:

- Kaligesing Goat (Kambing Kaligesing) Application No IG.002007.000002;
- Jepara Oven Peanut (Kacang Open Jepara) Application No IG.002007.000003;



Gladys Mirandah

- Blenyek Ngemplak (traditional food from Jepara, made of anchovy) Application No IG.002007.000004; and
- Jepara Spanish Mackerel Chips (Kerupuk Tengiri Jepara) Application No IG.002007.000006.

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Links: Unofficial translation of the law: [http://www.ecap-project.org/fileadmin/ecap11/pdf/en/information/indonesia/gi/id\\_regulation\\_gi\\_2007\\_eng.pdf](http://www.ecap-project.org/fileadmin/ecap11/pdf/en/information/indonesia/gi/id_regulation_gi_2007_eng.pdf)



# VERSACE wins cancellation action in Israel

In a recent decision dated 29th June 2008, the Israeli Intellectual Property Adjudicator ordered the removal from the register of five registrations in respect of the trade mark VERSACE in various forms including Hebrew versions of the mark. The registrations were almost 20 years old. The Israeli owner of the removed registrations, Versace 83 Ltd owned by the Zadik Fur Bros, obtained the registrations at the time after the well-known Italian fashion house Gianni Versace SpA withdrew its oppositions.

Since 2000, following the expansion of the Israeli VERSACE chain and the opening of many branches in prime locations, Gianni Versace SpA has taken various actions in order to stop the commercial use of the mark and cancel the registrations obtained by the Israeli company.

The decision establishes an important legal precedent and is also expected to have a dramatic impact on the business of the Zadik Fur Bros, who will have to immediately cease using the famous trade mark VERSACE.

The Adjudicator applied the provisions of Section 39(a)(1) of the Israeli Trade Marks Ordinance (New Version) 1972 as amended in 1999, according to which "application for removal of a trade mark on the grounds that the application for registration of the mark

was filed in bad faith may be filed at any time" and held that it is also applicable in respect of registrations obtained more than five years before the amendment was introduced and thus rejected the owner's argument that the application should be rejected on grounds of limitation.

It has been further held that even if such an argument had been accepted, the registrations would have been removed on grounds of fraud according to existing precedents. The owner's *res judicata* argument in view of the withdrawal of the oppositions at the time was also rejected and so was its waiver argument.

The Adjudicator concluded that the owner of the removed registrations chose the marks in bad faith and out of the desire to look like

the Italian company, that it used the marks in a manner that misled the public of customers, was unfair competition to the Italian company and via over-stepping the public interest in trade marks, in such a way that its clients would erroneously think that the goods they bought originated from the Italian company.

Accordingly, it was held that the owner's bad faith prevented it from finding shelter under limitation arguments and that in any event the Italian company is entitled to prevent others from using its name as well as its founder's name.

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# Formal Notice of Annual General Meeting of the Association 2008

In accordance with the rules of the Association, all Corporate (full voting) Members are hereby formally advised that the Annual General Meeting of **MARQUES** will be held on Friday, 19th September, 2008 in The Grand Hotel Huis ter Duin, Noordwijk aan Zee, The Netherlands, starting at 0930 hrs.

The Meeting will receive the audited accounts for the year ended 31st March, 2008, the Report of the Chairman and the Council for the same period, appoint auditors for the year to 31st March, 2009, 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, 15th August, 2008**. 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 but each candidate, other than a retiring member of Council, must be nominated by three Ordinary Members. Further details and advice, if required, are available from the Secretariat.

Under current rules, one half of the Expert Members and one third of the Corporate Members currently serving on Council are required to retire each year by rotation but may offer themselves for re-election. In accordance with this rule, the following vacancies are created this year:

**Corporate Members:** Jean-Pierre Maeder (Switzerland) and Jennifer Powers (Austria).

**Expert Members:** Carles Prat (Spain), David Goldring (UK), Kay-Uwe Jonas (Germany), Paul Steinhäuser (The Netherlands), Shane Smyth (Ireland) and Panos Malamis (Greece). In addition the following Expert Member was appointed by the Council subsequent to the 2007 Annual General Meeting and requires their appointment to be formally confirmed by the AGM: David Stone (UK).

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 of Europe and not more than 14 Expert Members. The nomination of candidates in excess of the declared number of vacancies in either category would require **MARQUES** to organise a postal ballot of all Corporate Members to select candidates to fill the available places. Should such need arise; the process will be conducted under the direction of the Company Secretary who will announce the results at the AGM.

**Nominations are therefore invited from Corporate Members to fill these vacancies on Council.**

Nomination Forms, which are available on request from the Secretariat, should be completed and returned to the Company Secretary **by not later than 1700 hrs (BST) on Friday, 15th August, 2008**.

By Order of the Council  
Robert Seager  
Company Secretary  
15th July 2008



# Interview: Guido Baumgartner

Director Global Brand Protection, Coty Prestige Lancaster Group and MARQUES vice-chair

## How did you first become interested in trade marks?

That's where my business career started. I trained in a bank but decided that wasn't where I wanted to be. I joined Reckitt Benckiser as a lawyer and came into contact with consumer goods and trade marks. I changed to the cosmetics sector because Benckiser joined the Lancaster business in 1993, which is today Coty Prestige: we later acquired the Coty business, which became the dominant brand.

Lancaster is one of our brands and it is a licensee of other brands such as Davidoff, Calvin Klein, Sarah Jessica Parker and Jennifer Lopez. We have the licence worldwide for class 3 – the cosmetics business – for all these brands.

I do the enforcement, and the trade marks are looked after by the team in New York. My occupation covers the good, the bad and the ugly. The good is I have to make sure the right products are in the right channels. The bad is the counterfeits, which you find in both wanted and unwanted channels. The ugly is the look-alikes who try to profit from the brands.

## Which is the biggest problem?

Counterfeiting at the moment, especially the good ones, I consider the most dangerous as it really deceives consumers. The distribution is international. A lot comes from China but Turkey is catching up.

## What can you do?

Many things. We train Customs, which is a very good filter. We have a unique marking on the products, a track-and-trace system;

we have dedicated people, and also by joining associations like MARQUES.

## How did you first become involved with MARQUES?

I was invited to speak at the Rome conference and found it fascinating and wanted to get involved. I became an active member.

## What are the benefits?

You get a wide range of different areas that are covered, with information from all sides. The website is getting better and better. MARQUES is about having an exchange of information and you can share information and action with other people.

## What are your main activities with MARQUES?

First I joined the anti-counterfeiting team and now I have joined the cyberspace team which covers a lot of fast-growing big issues. Being in the MARQUES Council you liaise with people to get things better like the website, which is constantly improving.

## What will be the big challenges for trade mark owners in the future?

The global fight against fakes is an issue we're discussing at the moment, in particular the Anti-Counterfeiting Trade Agreement which more countries should join, as well as the role of Customs. Then there are new grounds to cover, which the IP Outer Borders team are examining, and Second Life is an issue.

## Are trade mark owners well equipped to deal with the problems?

That varies from company to company. People in MARQUES have a chance to be ahead of the game because they can learn things from each other.



Guido Baumgartner

## What else do you enjoy doing?

I have four kids: two boys and two girls. Because I have global responsibility I travel a lot. I was recently in Dubai and we were talking to Customs about seizing goods in transit – they have a container going in and out every three seconds. They plan to move from 900 to 6000 Customs officers by 2015. It's a key point: a lot of stuff from China and Singapore is trans-shipped in Dubai and spread out to America or Europe.

Our production sites are regularly inspected. With counterfeits the ingredients are not tested and can cause harm. The quality standards are not met and there is no recall possibility if there are problems.

## What are the best and worst things about your job?

I really love the job. The products are nice and so you want to protect them. You feel insulted to see the products copied or distributed in the wrong channels.

The biggest challenge is that the world is big. The internet is the biggest challenge. The consumer doesn't know or can't find where the product came from. Auction sites are also very bad at releasing information.

# MARQUES

THE ASSOCIATION OF EUROPEAN TRADE MARK OWNERS

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