

THE JOINT EXAMINATION BOARD

PAPER T3

ADVANCED UNITED KINGDOM TRADE MARK LAW

9th NOVEMBER 1992

10.00 a.m. - 2.00 p.m.

Please read the following instructions carefully. This is a FOUR HOUR Paper.

1. You should attempt no more than four questions from Part A and no more than four questions from Part B.
2. The number of marks allotted to each question is placed in brackets at the end of the question.
3. Where a question permits of reasons being given for the conclusions reached, such reasons should be given.
4. Start each question (but not necessarily each part of each question) on a fresh sheet of paper and number it clearly in the margin. Write on one side of the paper only using BLACK ink. You must write your examination number and the designation of the Paper in the top right hand corner of each sheet. You must NOT state your name anywhere in the answers. You must NOT staple papers together.
5. Unless specifically requested answers are NOT required in letter form.
6. NO printed matter or other written material may be taken into the examination room.

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PART A

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

1. Garvin May, a former member of the group Ababa Bambata which is based in Jamaica but which has performed in the U.K. many times, left the group 2 years ago to set up a shop in London selling clothing, records and books relating to reggae music. The parting was amicable and the Group attended the launch of the shop. Ababa Bambata have continued to use their name and a device of dreadlocks (which Mr. May designed) on their instruments, posters, record sleeves, and other publicity material. Early in 1990, when he was still with the Group, Garvin May registered in his own name the mark ABABA BAMBATA and the Dreadlock Device separately as trade marks for clothing, both in the U.K. and in Jamaica where the Group was and still is very popular. Mr. May has called his shop ABABA BAMBATA and the Dreadlock Device is used on some of the T-shirts which he sells.

Ababa Bambata are due to perform at a concert at Wembley Stadium in six weeks' time and they have authorised one Aswan Harley, brother of group member Rob Harley, to use the Dreadlock Device on T-shirts, sweatshirts and posters to be sold at Wembley on the day of the concert. Aswan Harley is licensed by Mr. May to use the trade marks ABABA BAMBATA and the Dreadlock Device for clothes in Jamaica and he is recorded as a Registered User of the trade mark registrations in Jamaica.

Some of the T-shirts Aswan Harley intends to sell at Wembley have been made in Jamaica and bear the name ABABA BAMBATA and the Dreadlocks Device. He is arranging to have the Dreadlocks Device (only) printed on other T-shirts and some sweatshirts which he has purchased from a third party in the U.K.

Garvin May's shop is not doing too well and he is hoping that the Wembley concert will boost his sales of his T-shirts and other memorabilia. He wants to stop Aswan Harley selling the T-shirts, sweatshirts and posters at Wembley.

What points would you need to consider to advise M...
(Ignore seizure provisions in Copyright, Designs & P...
Act, 1988)

(15

2. Three weeks ago, Thomas Ltd., builders merchants, acquired by assignment a number of trade marks registered for doors, windows and wall panelling in Class 19 from a Norwegian company, Dorsink AB. Thomas Ltd. have also acquired Dorsink AB's business and other assets of the company, although Thomas Ltd. have no intention of carrying on the business in Norway. Dorsink AB's U.K. subsidiary, Dorsink Ltd., uses, and is recorded as a registered user of, one of the trade marks acquired by Thomas Ltd., that is No. 1202542 DORSINK for "doors" in Class 19.

Thomas wish to appoint Star Building Co. Ltd. as sole users of the trade marks acquired from Dorsink, including No. 1202542 DORSINK. Thomas also wish to stop Dorsink Ltd. making any further use of the trade mark DORSINK.

No.1202542 is a 29(1)(b) registration. There is a registered user agreement between Dorsink AB and Dorsink Ltd. which permits Dorsink Ltd. to use the mark only if they manufacture the goods in accordance with "the registered proprietor's" specifications and if Dorsink Ltd. submit samples of the goods to "the registered proprietor" at regular intervals.

Dorsink Ltd. wish to continue to use the trade mark DORSINK and are prepared to sign a new registered user agreement with Thomas Ltd., identical to the agreement with Dorsink AB.

Investigations reveal that, when the DORSINK trade mark application was filed, the proposed registered user was Dorsink Doors Ltd. Dorsink Doors Ltd. went into liquidation before the DORSINK application was advertised and Dorsink Ltd. was substituted on the application forms as the proposed registered user.

Write a letter to Thomas Ltd. advising them as to whether they will be able to secure exclusive rights to the name and trade mark DORSINK.

(15 marks)

3. In 1919 two Italian brothers Nino and Pietro Pinelli started to trade in cement in Italy. They formed a company called GREEN CIRCLE CEMENT ITALIA S.p.A. (GCC ITALY) which traded throughout Europe. The company registered its trade mark GREEN CIRCLE in Italy and in all the then member territories of the Madrid Arrangement including Germany.

In 1935 in the uncertain political climate in Italy Nino decided to move to England with his family and to extend the business to the U.K. and Ireland. The brothers agreed that Nino should form an English company GREEN CIRCLE CEMENT U.K. LIMITED (GCC U.K.) which he would own while Pietro would retain ownership of the Italian company. The two companies

continued to trade with each other and in the same territories although they kept to their individual c

During the Second World War Pietro refused to cooperate the Nazis and sales by GCC ITALY were therefore seriously reduced. During the War GCC U.K. lost much of its continental European business but prospered in the U.K. In 1943 Pietro sold GCC ITALY to an Italian speculator in order to raise money to escape to England where he arrived penniless and rejoined his brother's company.

In years after the war GCC U.K. continued to do well under Nino's sons but there was little interest in expanding outside the U.K. and Ireland. Now, in a declining U.K. market GCC U.K. is looking to make up sales by moving back into Europe.

You receive a letter from Nino Jr. outlining the above history and finishing: 'In the course of negotiating contracts for supply of cement to a company in Frankfurt, Germany we have been asked to explain the connection between GCC U.K. and GCC ITALY (which is apparently already active in Germany). Can you please advise whether we have a problem?'.
(15 marks)

Discuss the legal issues under the Treaty of Rome which face GCC U.K. with reference to any relevant decided cases. No advice on specific courses of action is required.

4. DUFFY LIMITED is an old established English confectionery manufacturer. Its main business is in sweet selections and gift packs.

In 1959 DUFFY's introduced a gift pack containing heart-shaped peppermint creams each individually wrapped in cellophane and contained in a cylindrical tin decorated with green hearts and red ribbons on a black background. On the top and round the side of the tin appeared the Trade Mark PEPPERMINT HEARTS which DUFFY's registered in respect of 'non-medicated sugar confectionery' in 1959 in Class 30 under No.B801012. The product was originally very successful and although sales gradually declined manufacture was continued until 1984.

In early 1992 DUFFY's decided to relaunch PEPPERMINT HEARTS heart shaped peppermint creams in the original tin having detected a nostalgic mood amongst consumers. Research showed that many older customers (now the fastest growing market sector) remembered the product with affection. News of plans for PEPPERMINT HEARTS was well received by supermarket chains and production commenced at the beginning of October.

On 25th October 1992 DUFFY's were informed by GATE BROTHERS a major supermarket chain that GATE BROTHERS will not be placing their projected order for 2000 tins of PEPPERMINT HEARTS because the same product is already being supplied by another manufacturer more cheaply. The rival product is being sold by a small company in Birmingham called GOODPACK

LIMITED which is unknown to DUFFY's and has filed accounts at Companies House since it was formed in J

GOODPACK LIMITED is apparently buying heart shaped peppermint creams in bulk from a Danish manufacturer and is packing them in a cardboard cylindrical container like the DUFFY product and in very similar colours using the name GOODPACK PEPPERMINT HEARTS. The GOODPACK product is of a significantly lower quality and because the sweets are not individually wrapped they tend to crumble or break before they reach the customer. So far as is known the first sales of the GOODPACK product were made in April 1992 but only to small confectioners/newsagents in Birmingham. The first delivery to GATE BROTHERS at their main depot in Coventry was on 10th October, 1992.

You are called to a meeting at DUFFY LIMITED. Write a memorandum briefing your clients before the meeting on the issues to be discussed, providing preliminary recommendations and indicating any additional information which you will need.

(15 marks)

5. Your clients, Sanderling Limited, have applied to register the trade mark SAND for "cameras" and their application has met with objection from the Trade Marks Registry under Sections 9, 10 and 12(1). Sanderling Limited have been using their trade mark SAND in the United Kingdom for cameras for four years and evidence of use of the mark has been filed at the Registry.

The Registry has informed your clients that the evidence will meet the Section 9 and 10 objections but that the Section 12(1) objection has been maintained. The trade mark cited under Section 12(1) is No. 600333 SAND for "cameras" dated 3rd September 1938 and is in the name of Bustard Limited. Investigations have disclosed no use of SAND by Bustard, nor any use of the mark by the previous proprietors of the mark, Cuckoo Limited. Cuckoo Limited were proprietors of the trade mark until 1985.

In March 1992 another company, Eagle Limited, acquired the business and assets of Bustards, including Bustard's trade marks, but has not yet applied to record the assignment. Trade mark No. 600333 SAND is associated with trade mark No. 1025433 SANDPIPER for "photographic and optical apparatus and instruments" and No. 1025433 SANDPIPER is associated with trade mark No. 600334 PIPER for "cameras". The trade marks PIPER and SANDPIPER were used by Bustard for a range of photographic apparatus and cameras, as well as for telescopes and binoculars, and Eagle have continued to use these two marks for these goods. Your clients have recently heard a rumour that Eagle have plans to launch a new camera under the name SAND.

The clients have asked Eagle to cancel or assign to them trade mark registration No. 600333 SAND but Eagle have refused.

Write a letter to your clients advising them of the position and recommending any action to be taken now.

PART B

6. The London Tea Company is the registered proprietor of trade mark No. 684500 FUSCHINA in Class 30 for "All goods in this Class". The trade mark has been used for more than 40 years as the name of the company's special blend of China teas. These teas are sold at the company's shop in Covent Garden and they are also supplied to and sold by a selected range of shops in London and other large cities in the U.K.

The company now wishes to open a tea-room at its premises in Covent Garden. It will be called the FUSCHINA Tea Gardens because FUSCHINA tea is the company's best known product. Only London Tea Company's teas and coffees will be available, as well as a range of other herbal infusions made by the company.

The owner of the company has received a letter from Zip Zap Drinks Ltd. drawing his attention to Zip Zap's trade mark FUSINA which is registered under 1026595 for "non-alcoholic beverages in Class 32". The trade mark FUSINA is used for a drink prepared from "exotic herbs and spices" and the main outlets for the FUSINA product are small clubs and bars, principally in the Midlands but also in London and the South. One such club in London is owned by Zip Zap and called The FUSINA Club. It was opened three months ago. Zip Zap have applied to register their trade mark FUSINA for "restaurant, bar, cafe and catering services in Class 42" and the application is still pending.

Zip Zap have written to London Tea Company that their use of FUSCHINA for teas sold at the FUSCHINA Tea Gardens and their use of FUSCHINA as the name of the Tea Gardens infringe Zip Zap's rights in the trade mark FUSINA.

Write notes on the advice you would give to The London Tea Company.

(10 marks)

7. Ironstone Ltd. are the proprietors of trade mark registration No. B678450 SYLVA for paints in Class 2. Ironstone have used the trade mark SYLVA for paints in the U.K. on an extensive scale since 1950. Ironstone's Managing Director, Mr. Marvel, telephones you in a state of agitation because a rival company, Sandstone Ltd. have referred to the SYLVA product in an advertisement on television. The advertisement depicts two people painting a different section of the same wall from two cans of paint. Only the reverse sides of the cans are visible on the screen. A voice says "Not all paints are silver - some are gold". The words "ten years later" then appear on the screen and the wall painted using paint from the can on the left is cracked and peeling, but the wall painted using paint from the right hand can is still perfect.

The right hand can is then turned round displaying the mark SANDSTONE GOLD. Mr. Marvel wants you to stop the advertisement immediately.

Write a letter of advice to Mr. Marvel.

(10 marks)

8. JOHN JONES runs a small photographic studio from his home in Newport Wales. He started up in 1981 and has made a living as best he can photographing weddings, taking portraits and passport photographs. He calls his business THE FRIENDLY CAMERA. He is a sole trader and he has never heard of trade mark registration. He advertises his services in the local paper when he can afford it. In 1990/91 for nine months he had to take other casual non-photographic work to tide him over which meant that he could do no photographic work nor advertise.

Since then John Jones has not had to look for other work. He is beginning to think he may at last be sufficiently well known to have a viable business when he receives a very aggressive letter from a firm of solicitors. They insist on behalf of their clients THE FRIENDLY CAMERA LIMITED that he stop using the name THE FRIENDLY CAMERA in connection with his business. The letter informs him that THE FRIENDLY CAMERA LIMITED has registered THE FRIENDLY CAMERA in respect of photography services and that the company will sue him for trade mark infringement if he does not stop using the name THE FRIENDLY CAMERA immediately.

John Jones comes to you for help. You establish that THE FRIENDLY CAMERA is registered in conjunction with a device mark of a cartoon camera with a smile on the front of the lense. The mark was registered on 1st October 1986 in respect of 'photography services all included in Class 42' under No. B1289444. It was entered on the Register on 1st October 1987. The mark is registered in the name of THE FRIENDLY CAMERA INC. of Maryland USA. Enquiries at Companies House show that THE FRIENDLY CAMERA LIMITED is described as a 'dormant' company in its Annual Report and Accounts for 1989/90 and 1990/91. John Jones has spoken to a fellow photographer who has heard of the name but thinks it was an American Franchise Operation which never got off the ground in the U.K.

List the possible defences to an action for infringement of registered Trade Mark commenting briefly in each case on whether it would be likely to be successful in the above situation.

(10 marks)

9. Discuss the requirements and pitfalls for the collection of survey evidence in passing off cases with reference to reported cases.

(10 marks)

10. HOLBORN ASSOCIATES is a recruitment agency specialising in the legal field. They are commissioned usually by major companies wishing to employ in-house solicitors and barristers.

In 1985 HOLBORN ASSOCIATES were commissioned by a major public limited company to recruit a senior Trade Mark Agent. The commission was unsuccessful and the client eventually filled its vacancy through a private advertisement.

In an effort to improve their service HOLBORN ASSOCIATES recruited Hal Brown a former Trade Mark Agent and created a separate division of HOLBORN ASSOCIATES specialising in Trade Mark vacancies called HAL BROWN APPOINTMENTS. Hal Brown soon began to attract clients and built up a thriving practice within HOLBORN ASSOCIATES.

In 1986 when it became possible to register service marks Hal Brown often suggested to his employers that they should register HOLBORN ASSOCIATES and HAL BROWN APPOINTMENTS as service marks but nothing was done.

In 1991/2 HOLBORN ASSOCIATES began to suffer from the recession and had to sack several key recruitment agents. Hal Brown's earnings remained buoyant however and in March 1992 he asked to be made a director of the company. He was refused and at the time the directors observed that somehow they had omitted to give Hal a contract of employment. They decided that something should be done but before they had an opportunity Hal gave the firm his notice saying he was going back to Trade Marks.

For the next few months HOLBORN ASSOCIATES were able to continue as normal by promoting Hal's assistant. However it soon came to their notice that commissions were falling off and further enquiries disclosed that clients were moving their business to a new company called HAL BROWN ASSOCIATES. Even clients who want staff in legal areas other than trade marks are now moving.

Are there any remedies available to HOLBORN ASSOCIATES? They are taking separate advice on employment law.

(10 marks)