



Promoting Intellectual
Property Rights in the
ASEAN Region

Trade marks with reputation (Article 8(5) EUTMR)

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Trade marks with reputation (Article 8(5) EUTMR)

Upon opposition by the proprietor of a **registered earlier trade mark** within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with, or similar to, an earlier trade mark, **irrespective of whether the goods or services** for which it is applied **are identical with, similar to or not similar to those for which the earlier trade mark is registered**, where, in the case of an earlier EU trade mark, the trade mark has a reputation in the Union or, in the case of an earlier national trade mark, the trade mark has a **reputation** in the Member State concerned, and where the **use without due cause** of the trade mark applied for would **take unfair advantage of, or be detrimental to, the distinctive character or the repute** of the earlier trade mark.

Trade marks with reputation (Article 8(5) EUTMR)

Purpose of Article 8(5) EUTMR

The rationale behind the extended protection under Article 8(5) EUTMR is the consideration that a trade mark can also convey messages other than an indication of the origin of the goods and services, such as a **certain image** of, for example, quality, luxury, lifestyle, exclusivity, etc.

Article 8(5) EUTMR aims at protecting the **investment made in creating a certain brand image** by granting protection to reputed trade marks, irrespective of the similarity of the goods or services or of a likelihood of confusion, provided it can be demonstrated that use of the contested application without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier mark. Trade mark owners frequently invest large sums of money and effort in creating a certain brand image associated with their trade mark.

Relationship between marks with reputation (Article 8(5) EUTMR) and well-known marks (Article 8(2)(c) EUTMR and Paris Convention)

Well-known marks that are not registered in the relevant territory cannot be protected under Article 8(5) EUTMR against dissimilar goods. They can only be protected against identical or similar goods if there is a likelihood of confusion pursuant to Article 8(1)(b) EUTMR.

Well-known marks may also be protected under Article 8(4) EUTMR. Therefore, if the relevant national law affords them protection against dissimilar goods and services, such enhanced protection may also be invoked under Article 8(4) EUTMR.

Conditions of Application

- Earlier registered mark has a reputation
- Identity or similarity between the signs
- Capable of taking an unfair advantage of, or being detrimental to the distinctiveness or the repute of the earlier mark
- Such use must be without due cause

Earlier mark with reputation

Nature of reputation

The Court concluded that reputation is a **knowledge threshold requirement**, implying that it must be principally assessed on the basis of **quantitative** criteria. In order to satisfy the requirement of reputation, the earlier mark **must be known by a significant part of the public** concerned by the goods or services covered by that trade mark.

Scope of reputation

Degree of recognition

No fixed criteria

In determining whether the earlier mark is known by a significant part of the public, account must be taken not only of the degree of awareness of the mark, but also of any other factor relevant to the specific case. For more about the relevant factors.

Difference between the notions of reputation and enhanced distinctiveness through use under Article 8(1)(b) EUTMR.

21/04/2010, R 1054/2007-4, MANDARINO (fig.) /MANDARINA DUCK (fig.)

Relevant public

The public concerned by that trade mark depending on the product or service marketed, either the public at large or a more specialised public.

04/08/2011, R 1265/2010-2, MATTONI (fig.) / MATTONI (*mineral water*, the relevant public is the public at large).

16/12/2010, T-345/08 & T-357/08, Botolist / Botocyl; confirmed 10/05/2012, C-100/11 P, Botolist / Botocyl (pharmaceutical preparations for the treatment of wrinkles, both the general public and health-care professionals).

Goods and services covered

The goods and services must first of all be those for which the earlier trade mark is registered and for which reputation is claimed.

The goods and services to which the evidence refers have to be **identical** (not only similar) to the goods and services for which the earlier trade mark is registered.

09/11/2010, R 1033/2009-4, PEPE / bebe (reputation showed for articles of skin and body care and children's cream not identical to the goods covered by the earlier mark, make-up products; nail treatment products; namely nail lacquer and remover.

Relevant territory

The earlier mark must have a reputation in the territory where it is registered.

It is sufficient if reputation exists in a substantial part of that territory.

The Court has clarified that, for an earlier European Union trade mark, reputation throughout the territory of a single Member State may suffice.

06/10/2009, C-301/07, PAGO, EU:C:2009:611 (the territory of the Member State in question (Austria) was considered to constitute a substantial part of the territory of the EU).

The evidence submitted must specifically concern the relevant territory.

Relevant point in time

The opponent must show that the earlier mark had acquired a reputation by the filing date of the contested EUTM application.

15/03/2010, R 55/2009-2, BRAVIA / BRAVIA (non of the documents submitted were dated. Hence evidence insufficient to prove reputation).

09/11/2010, R 1033/2009-4, PEPE / bebe (evidence dated back more than ten years before the reputation date).

Evidence that post-dates the filing date must be evaluated in conjunction with the rest of the evidence.

Assessment of reputation — relevant factors

All the relevant facts must be considered when assessing the reputation of the earlier mark, in particular:

- Market share
- Intensity
- Geographical extent
- Duration of its use
- Size of investment made in promoting the earlier mark.

Evidence

- Company profiles, annual reports, affidavits
- Market surveys
- Ranking, recognitions, awards
- Press articles
- Statements from third parties
- Sales turnover, market share
- Advertising expenditure and promotional material
- Sponsorship of cultural, sports events, merchandising
- Previous national court/EUIPO/CJ decisions, successful enforcement track record

→Common Communication, presentation of evidence

Market share

The market share enjoyed by the goods offered or sold under the mark and the position it occupies in the market are valuable indications for assessing reputation, as they both serve to indicate the **percentage of the relevant public** that **actually buys the goods** and to measure the success of the mark against competing goods.

Market share is defined as the percentage of total sales.

Other indications may be relevant such as the investments in advertising and promoting the mark.

Intensity of use

May be demonstrated by **volume of sales and turnover**.

Account should be taken of how large the relevant market is in terms of population and the kind of product concerned.

Useful as indirect indications to be assessed in conjunction with the rest of the evidence.

Promotional activities and articles in the press

The impact of the opponent's promotional activities may be shown either directly, by reference to the amount of promotional expenditure, or indirectly, by way of inference from the nature of the promotional strategy adopted by the opponent and the kind of medium used for advertising the mark.

For example, advertising and/or press releases on a nationwide TV channel or in a prestigious periodical should be given more weight than campaigns of a regional or local scope, especially if coupled with high audience or circulation figures.

Furthermore, the contents of the advertising strategy chosen by the opponent can be useful for revealing the **kind of image** the opponent is trying to create for its brand.

Opinion polls and market surveys

They are the most suitable means of evidence for providing information about the degree of knowledge of the mark, the market share it has, or the position it occupies in the market in relation to competitors' goods.

In evaluating the **credibility** of an opinion poll or market survey, the Office needs to know the following:

- Whether or not it has been conducted by an **independent and recognised research institute or company**;
- The **method** under which the survey was carried out and the complete **list of questions** included in the questionnaire. It is also important to know how and in what order the questions were formulated, in order to ascertain whether the respondents were confronted with leading questions (spontaneous recognition).
- The number and profile (sex, age, occupation and background) of the interviewees.

The link between the signs

Relevant factors include (27/11/2008, C-252/07, Intel, § 41-58):

- Similarity of signs
 - Degree of reputation
 - Overlap of public
 - Proximity of the market sectors
 - Inherent distinctiveness of the earlier mark
-
- The factors for the assessment of similarity under Articles 8(1)(b) and Article 8(5) are identical
 - The standard of similarity is not the same - lesser degree of similarity

Link between the signs

Similarity of the signs

Case: 16/01/2018, T 398/16



versus



Case: 29/11/2018, T 372/17



versus



Case: 07/01/2019, R 992/2018-5



versus



Case: 03/07/2018, R 2506/2017-2



versus



Link between the signs

Signs not sufficiently similar to establish a link owing to the weak distinctiveness of the earlier marks

Case: 31/05/2017, T 637/15

VIÑA SOL

versus



SOTTO/SOLE

Case: 26/06/2018, T 537/15

ePOST

versus

 InPost

Link between the signs

Absence of clear market proximity

T-644/19 VertiLight/VERTI Lighting and lighting reflectors, vehicle headlamps/insurance services. They do not belong either to the same market or to related markets.

B 3 150 082 BOSS/BiBoss Perfumery/collars for animals; harness for animals; clothing for pets in Class 18 and various toys, playthings and specific gymnastic and sporting equipment in Class 28. The sectors in which the goods pertain are far-removed and there is no market reality that would indicate otherwise.

Proximity between the services

R 1549/2021-2 ABACA/ABANCA - Financial services/real estate services.

R 1002/2021-1 pay free (fig.) / Free et al. - Telecommunication services/electronic payment services

Luxury goods Successful designers nowadays also sell perfumes, cosmetics and fashion articles such as sunglasses

Risk of injury

Apart from indicating origin, a trade mark may also fulfil other functions worthy of protection. In particular, a trade mark can offer a guarantee that all the goods coming from a single undertaking have the same quality (guarantee function) and it can serve as an advertising instrument by reflecting back the goodwill and prestige it has acquired in the market (advertising function).

A very strong reputation is both easier to harm and more tempting to take advantage of, owing to its great value, the Court underlined that ‘the stronger the earlier mark’s distinctive character and reputation the easier it will be to accept that detriment has been caused to it’.

Types of injury

Unfair advantage or free riding

- **The nature of the injury**
- Covers cases where the applicant **benefits from the attractiveness of the earlier right** by affixing on its goods/services a sign that is similar (or identical) to one widely known in the market and, thus, **misappropriating its attractive powers and advertising value** or **exploiting its reputation, image and prestige** (where there is a transfer of the image of the mark).
- **Relevant public**
 - Average consumers of the goods or services of the contested mark.
- **The assessment**
 - Association between the respective marks, which makes possible the transfer of attractiveness or prestige

Types of injury

Detriment to distinctiveness-Dilution

- **The nature of the injury**
 - The object of protection is the distinctiveness of the earlier reputed mark, dispersion of the identity or uniqueness, attenuation of the value of the reputed mark resulting from use of another
- **Relevant public**
 - Average consumers of the goods or services of the earlier reputed mark
- **The assessment**
 - The use of the later mark would be detrimental to the distinctive character of the earlier mark ... 'change in the economic behaviour' or a serious likelihood that such a change will occur in the future. The use of the contested sign would **diminish the attractiveness of the earlier mark**, the ability of the mark to identify the goods/services for which it is registered and used as coming from its owner, the consumer will be less inclined **to associate it immediately with the owner that has built up trademark reputation**

Risk of injury

Detriment to repute (Tarnishment)

- **The nature of the injury**
 - An association which is **degrading, worsening** to the image, prestige of the earlier mark
- **Relevant public**
 - Average consumers of the goods or services of the earlier reputed mark
- **The assessment**
 - Use of the contested mark would prompt **inappropriate or negative mental associations** with the earlier trade mark, or associations conflicting with the image it has acquired in the market

Case: 17/03/2020, R 630/2019-2, Favon / Avon 'Natural or synthetic chemical substances to confuse insects, plant strengthening preparations, wetting preparation' in class 1 and 'herbicides' in class 5 versus reputed cosmetics and perfumery' in class 3

Case: 09/02/2021, C 44 031 1664/Kronenbourg 1664 tobacco products versus reputed Alcoholic beverages (except beers)

Risk of injury

- Put forward a cogent line of reasoning, showing what the detriment or unfair advantage would consist of and how it would occur
 - In the absence of a cogent line of reasoning, the claim under Article 8(5) EUTMR has to be rejected
- The factors are much the same as seen in the ‘link’ section



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