

# MACFARLANES

## LOGOS AND NO-GOS



### CJEU SEES CLEARLY THROUGH GREEN-TINTED SPECTACLES

Last Thursday, the Court of Justice of the European Union (CJEU) delivered its ruling on a number of questions referred by the English Court of Appeal in *Specsavers v Asda*<sup>1</sup>. In summary, the CJEU has clarified that:

- ♦ the condition of genuine use of a device trade mark is fulfilled where a device mark is used in conjunction with a word mark (which is superimposed over the device mark), provided the differences between the form in which that device mark is used and that in which it was registered do not change the distinctive character of that trade mark as registered;
- ♦ accordingly, where a blank logo, even when used in conjunction with a word mark, is recognised by consumers as a trade mark in its own right, the addition of the word mark is not deemed to be a significant alteration of its distinctive character – and the trade mark registration for the logo can therefore be maintained; and
- ♦ where a trade mark is not registered in colour, but the proprietor has used it extensively in a particular colour, the colour which a third party uses in order to represent a sign alleged to infringe that trade mark is relevant in the global assessment of the likelihood of confusion or unfair advantage.

### BACKGROUND

The case arises out of an advertising campaign for optical products by Asda employing the slogans “Be a real spec saver at Asda” and “Spec savings at ASDA”, together with the following logos:



The Specsavers group brought an action before the English Courts, alleging infringement of, amongst others, a Community word mark consisting of the word “Specsavers”, and the following device marks:



“the shaded logo mark”



“the wordless logo mark”

In considering the validity of the wordless logo mark (which was revoked for non-use by the lower court) and whether it was infringed by Asda’s logos under Article 9(1)(b) and (c) of the Regulations<sup>2</sup>, the Court of Appeal referred questions to the CJEU on the following points.

First, the Court of Appeal raised the question of whether use of the shaded logo mark can constitute use of the wordless logo mark.

Second, the Court of Appeal questioned whether the enhanced reputation of the device in the colour green, which the Specsavers group has always used to represent its wordless logo mark, can be taken into account in the context of Article 9(1)(b) and (c), despite the fact that that trade mark was registered in black and white.

### GENUINE USE

On the question of genuine use, as widely expected, the CJEU confirmed that the use of a Community device mark in conjunction with another word mark, which is superimposed over it, can amount to genuine use, to the extent that the device mark retains an independent distinctive role in the overall design. The independent distinctiveness of the wordless logo mark was not affected by the fact that (a) the word mark “Specsavers” (which was superimposed) and (b) the combination of the wordless logo with the superimposed word mark “Specsavers”, were also both registered as Community trade marks.

This is consistent with the CJEU’s decision in *Colloseum Holding* (C-12/12), which confirmed that use of a trade mark only in conjunction/combination with another mark could nonetheless constitute genuine use of the mark; and its (older) decision in *Nestlé C 353/03*, where it was held (albeit in the context of registrability) that the mark “Have a break” could develop its own acquired distinctiveness, where the words were used as part of a longer slogan.

### SPECSAVERS’ USE OF THE COLOUR GREEN

The CJEU was asked whether, where a Community trade mark is not registered in colour, but the proprietor has used it extensively in a particular colour, or combination of colours, so that it has become associated in the mind of a significant portion of the public with that colour, or combination of colours, the colour or colours which a third party uses in order to represent a sign alleged to infringe that trade mark are relevant in the global assessment of the likelihood of confusion or unfair advantage.

<sup>1</sup> [2012] EWCA Civ 24

<sup>2</sup> EC Regulation 207/2009

The CJEU concluded that, as an assessment of likelihood of confusion and unfair advantage both involve conducting a global assessment, in both cases the colour, or colours, used by the third party would be relevant to this assessment. The focus of the courts, when considering unfair advantage and likelihood of confusion, should therefore be on how the senior mark is actually used in the marketplace.

As regards likelihood of confusion, the colour or combination of colours in which the trade mark is used affects how the average consumer of the goods at issue perceives that trade mark, and it is, in the CJEU's view, therefore liable to increase the likelihood of confusion or association between the earlier trade mark and the sign alleged to infringe it.

In relation to unfair advantage under Article 9(1)(c), the CJEU's ruling focuses on the fact (evident from the order for reference) that Asda had used a similar mark (in a similar colour) with the intention of taking unfair advantage. Accordingly, it merely confirmed its decision in *L'Oréal v Bellure* that intention of the alleged infringer is relevant to an assessment of unfair advantage. However, the ruling gives little guidance as to the scope of protection of the mark with respect to third party marks in different colours. Presumably, if the wordless logo mark only has a reputation when used in green, Specsavers can only rely on the registered mark as used in green under Article 9(1)(c)?

#### **ASDA'S USE OF THE COLOUR GREEN**

However, perhaps more surprisingly, the CJEU confirmed that it was also relevant to consider if the alleged infringer is itself associated with the colour in question.

For example, the fact that Asda itself was associated with the colour green could, in the CJEU's view, influence the public's perception of the signs at issue and could result in a reduction of the likelihood of confusion or association between those signs and the trade marks of the Specsavers group, to the extent that the relevant public could perceive that the colour green of those signs is that of Asda. The CJEU also considered the fact that Asda was itself associated with green and that this could be relevant for determining whether the use of that sign has a "due cause" within the meaning of Article 9(1)(c).

It is therefore possible that the same sign used by, say, J Sainsburys would infringe, but when used by Asda it would not infringe.

This ruling will mean that Specsavers' wordless logo mark will be saved from revocation, however, it remains to be seen how the Court of Appeal applies this CJEU guidance with respect to infringement of the wordless logo mark.

#### **PRACTICAL EFFECT**

What is clear is that brand owners should conduct regular audits of their trade mark portfolios. To the extent that the logos they actually use have evolved over time, since the original registration of blank or colourless devices, the portfolio should be updated to include more detailed and/or coloured devices, to ensure that there can be no argument about non-use of the mark as registered, and to put the proprietor in the best possible position for pursuing potential look-alike marks. Likewise, if a particular element of a registered trade mark is distinctive in its own right, then it should be registered as a separate trade mark (genuine use of which will be made by the continued use of the composite mark) so as to be in the best position to prevent a third party from adopting such distinctive element of the existing composite mark.

#### **CONTACT DETAILS**

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