

Arguments for

*Marco and Salvatore srl*

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# Resumé



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Neville specialises in Intellectual Property litigation and advisory work. He has wide experience of acting for clients in patent, trade mark, passing off, domain name, copyright, design and confidential information disputes.

Neville is highly technically qualified having graduated with a B.Eng (first class honours) in Aerospace Systems Engineering and an MSc (with distinction) in Structural Molecular Biology. He was awarded a distinction in his post graduate law degree, coming top in his year. He is also a Master of Law (LLM) with distinction in Intellectual Property Law.

Neville is ranked as a leading individual for IP litigation by Chambers; as one of the world's top patent litigators by IAM Patent Litigation 250; and as one of the world's leading trade mark lawyers by the forthcoming edition of WTR 1000.

Neville is representing eBay in the *L'Oreal –v- eBay* trade mark litigation.

# Invalid Trade Mark

## **Article 3(1)(b) of Directive 2008/95 and Article 7(1)(b) of Regulation 40/94**

- TMs that are devoid of any distinctive character may not be registered

## **Article 3(1)(c) of Directive 2008/95 and Article 7(1)(c) of Regulation 40/94**

- TMs that consist exclusively of signs or indications that may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or time of production of the goods or rendering of the services, or other characteristics of the goods or services, are also ineligible for protection

# Caselaw

## **CJEU Case C-383/99 *Procter & Gamble v. OHIM***

- BABYDRY was not a familiar expression in the English language

## **CJEU Case C-191/01 *OHIM v. Wrigley***

- In applying Article 7(1)(c) it was sufficient that a mark could theoretically be used in a descriptive fashion, even if no such use could actually be found
- A sign must be refused registration if at least one of its possible meanings designates a characteristic of the goods or services concerned

# Laudatory Mark

- FASTAPIZZAPASTA is merely a laudatory claim that the Claimant's pizza and pasta takeaway service is faster than others
- Even if held to be valid, FASTAPIZZAPASTA trade mark should only be given very narrow protection in view of its descriptive nature
- It is a 'limping' trade mark

# 1. No ‘double identity’ infringement

- Article 5(1)(a) of Directive 2008/95 and Article 9(1)(a) of Regulation No 40/94
- **An owner of a registered trade mark can prevent third parties from using, in the course of trade an identical sign in respect of goods or services which are identical to those for which the mark is registered**

## Sponsored link

- Sponsored link text is not identical (fastER v fastA)

## Bidding for keywords

- Bidding for keywords involves no ‘use in the course of trade’ for the purposes of Article 5(1)(a) of Directive

## Use of keywords

- May be ‘use’ but “the proprietor of the trade mark is entitled to prevent that use only if it is liable to have an **adverse effect on one of the functions of the mark**” (*Google France*, paragraph 79)

# No adverse effect on the TM

## *Google France*

- CJEU held that the relevant functions of the TM for double identity infringement in keywords scenario are:

**1. Advertising function; and**

**2. Origin function**

# 1.1 No interference with advertising function

## Use of keyword

CJEU in *Google France*:

- Use as a keyword of a sign identical to another person's trade mark does not have an adverse effect on the advertising function

## 1.2 No damage to origin function

### CJEU in *Google France*:

- A TM's function in indicating origin is impaired only if sponsored link does not enable “normally informed and reasonably attentive” internet user, or enables him only with difficulty, to ascertain whether the goods or services referred to in the advertisement originate from the trade mark owner, or an undertaking economically connected to it, or, on the other hand, from a third party

## The Sponsored Link

- *Marco and Salvatore Pizza & Pasta*
- *www.marcosalvatore.com*
- *Faster pizza pasta by Marco & Salvatore Srl*
- User is clearly informed that sponsored link is from Marco & Salvatore srl
- No use of “FASTA” hence no reference to franchise
- Pure descriptive use of “faster pizza pasta”

## 2. No confusion-based infringement

Article 5(1)(b) of Directive 2008/95 and Article 9(1)(b) of Regulation No 40/94

- An owner of a registered trade mark can prevent third parties from using, in the course of trade, a sign which is identical or similar to the owner's mark in respect of goods which are identical or similar to those for which the mark is registered, where there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the mark
- Necessary to prove a likelihood of **confusion** on behalf of the public
- *Die Bergspechte*, Case C-278/08
- *Portakabin Ltd v Primakabin BV*, Case C-558/08

### 3. No reputation-based infringement

Article 5(2) of the Trade Marks Directive and Article 9(1)(c) Community Trade Mark (CTM) Regulation (40/94/EEC)

- a person infringes a registered trade mark if he uses in the course of trade a sign which is identical with or similar to the trade mark, and
- is used in relation to goods or services which are not similar to those for which the trade mark is registered
- Three types of injury are identified as giving rise to an action for reputation-based infringement under Article 5(2):
  - Detriment to the distinctive character of the trade mark (**dilution**)
  - Detriment to the reputation of the mark (**tarnishment**)
  - Taking unfair advantage of the distinctive character or repute of the mark (**free riding**)

## 3.1 No dilution

CJEU in *Interflora*:

- Use as a keyword does not “necessarily” contribute to dilution
- When the use of the sign as a keyword triggers the display of an advertisement that enables the “reasonably well-informed and reasonably observant” internet user to establish that the goods or services offered originate not from the trade mark owner, but from one of its competitors, the conclusion will have to be that the trade mark’s distinctiveness has not been reduced by that use
- In those circumstances, the mark is merely drawing attention to the existence of the goods and services

## 3.2 No free riding

- Free-riding occurs when a third party makes use of a sign, without due cause, so as to take unfair advantage of the distinctive character or repute of a trade mark

## 3.3 No tarnishment

- In *L'Oréal v Bellure*, the ECJ said that tarnishment was use that reduced the power of attraction of the trade mark

## CJEU in *Interflora*

- Provided that the third-party advertiser was merely putting forward alternative goods or services, was not offering a mere imitation of the proprietors' goods or services, and was not causing tarnishment or dilution, nor adversely affecting the functions of the mark, then he was operating within the ambit of fair competition, and his use would not be "without due cause"
- The use of the keyword by Marco & Salvatore merely alerts the Internet user that there was an alternative service to that of Fastapizzapasta Corp

## Article 6(1) defence

- Article 6(1)(b) of Directive 2008/95 and Article 12(b) of Regulation 40/94 provides a defence to infringement where the defendant was merely using indications concerning the kind, quality, quantity, purpose, value or other characteristics of goods or services
- Here, words being used in a descriptive way, rather than to refer to the trademarks
  - In **sponsored link**, faster, not fasta
    - Clearly just descriptive of the service
  - In **key words**, use of ‘fasta’ is again merely describing the service in a colloquial way

# Summary

- Mark should not attract protection
  - Or protection should be very narrow
- In any event, no infringement under
  - Article 5(1)(a): Double identity
  - Article 5(1)(b): Confusion
  - Article 5(2): Reputation
- And defence under Article 6(1) applies