

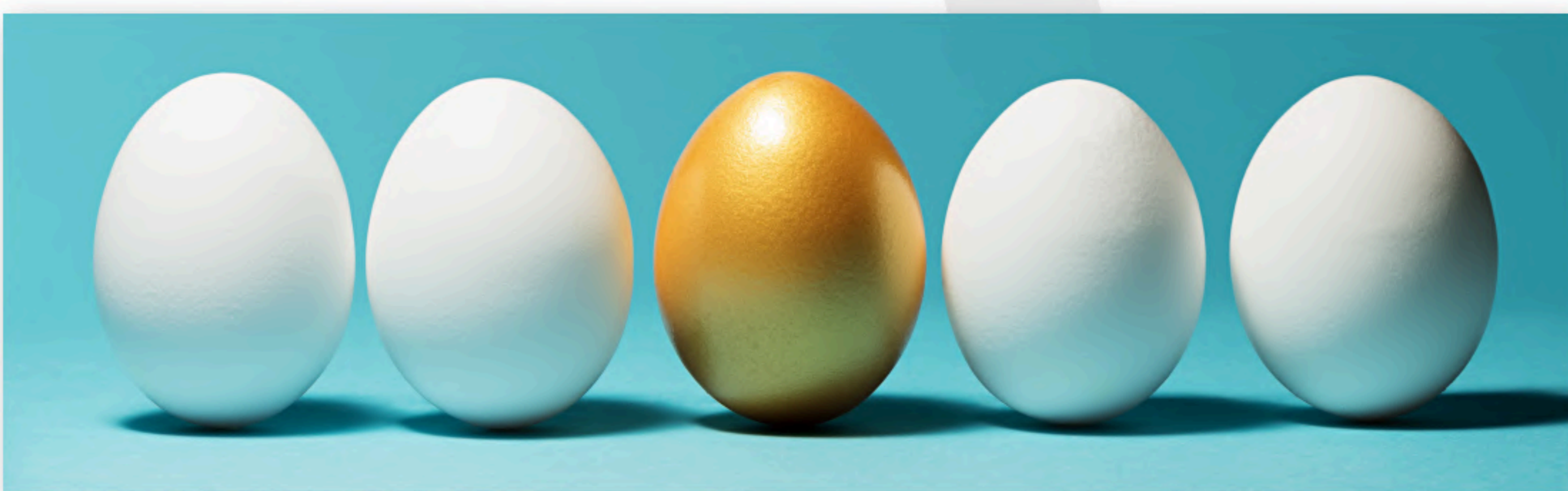
Introduction to Trade Marks



Trademark Tonic

What is a Trade Mark?

Trade Marks are signs which identify and distinguish the goods and services provided by one business/trader from those of another. While the core function of a trade mark is to indicate the origin of the goods and services, trade marks also act as a quality indicator, as advertising and marketing tools and as a vehicle for investment in brand image and reputation. A trade mark may consist of a plain word, stylised word, logo, front of packaging or label artwork, or any combination of these (and also possibly even a shape, colour, sound, smell, hologram or motion).



How can I protect my Trade Mark?

The best way to protect your trade mark is through registration with the relevant Intellectual Property Office ("IPO"), in the country/territory where you intend to use your mark. Trade Marks are territorial rights and a UK registered trade mark has effect in the UK, while an EU registered trade mark has effect throughout the territory of member states of the EU. To apply to register a trade mark in the UK, an application is made with the UKIPO and in the EU an application is made with the EUIPO. Most other countries in the world have their own National IPOs.

There is also an International Madrid system, which facilitates the registration of trade marks in a number of countries around the world (those countries that have signed up to the Madrid system). Thus, a single trade mark application can be made designating multiple countries. Registration creates a bundle of separate national rights administered centrally.

What rights does trade mark registration provide?

Trade mark registration in the UK and EU creates an official record of your rights and ownership in a trade mark.

Registration grants exclusive rights in the trade mark, which allows trade mark owners to prevent competitors and others (without consent) from using and/or registering their trade mark for the goods and services covered in the country/territory where registered (and also similar marks and goods and services where there exists a likelihood of confusion on the part of the public).

Further details on the benefits of trade mark registration are set out in the "why register your trade mark" section on page 2.



Why register my trade mark?

Trade Marks play a significant role in the growth and value of a business and registration is key to protecting and maximising the potential of your mark.

There are a number of benefits to registration:

- Provides exclusive rights in the trade mark enabling you to prevent the unauthorised use of your trade mark
- Helps you to control and protect your brand identity, business reputation and the value of your trade mark
- Allows you to obtain remedies for acts of trade mark infringement e.g. recovering lost profits and costs
- Can help act as a deterrent to competitors and other traders from using the same or a similar trade mark
- Provides you with opportunities to maximise the commercial potential of your trade mark e.g. through licensing, franchising and sale agreements
- Can help attract investors when they are looking at whether to invest in your business
- Useful for Customs Recordal applications to help prevent the import and/or export of counterfeit goods

Can I protect an unregistered trade mark?

If you have acquired goodwill and reputation through use of your unregistered trade mark (usually use over time), then it may be possible to prevent someone else using the same or a similar trade mark to yours on their goods and services, through the UK common law tort of 'passing off.' In order to establish passing off and successfully enforce your unregistered trade mark right, you will need to prove:

- (1) That you have built up the required goodwill in your goods or services associated with the trade mark;
- (2) that there has been a misrepresentation by a business/trader to the public into believing their goods or services are yours or connected with your goods or services;
- (3) that there is damage to the goodwill e.g. loss of custom, actual or potential, arising from the misrepresentation.

Passing off can be more difficult to prove than registered trade mark infringement, and registration is always recommended as best practice.



What should I consider when selecting a trade mark?

Selecting the right trade mark is an important and key process, as it is likely to have a significant impact on the growth and success of your business. Ideally, you will want your mark to differentiate your business and its goods and/or services from those of other traders, to stand out, and be memorable to consumers.

Tips to consider when selecting a trade mark:

- Make your trade mark distinctive for your goods/services of interest. The more distinctive your mark (e.g. inventive, unique, unusual), the easier it should be to register
- Avoid descriptive terms for the goods/services you are offering. For example, the word NUTTY for hazelnut butter could not be registered because it describes a characteristic of the product
- Avoid common terms in use in general language and in your trade
- Avoid laudatory terms such as BEST, PREMIUM, QUALITY (these types of words are not registrable/protectable)
- Avoid using a mark that could create confusion as to the nature, quality or geographical origin of your goods or services
- Choose a mark that is suitable for all of your markets of interest i.e. it doesn't have an adverse/undesirable meaning in foreign languages
- Think about long term strategy and whether your trade mark name and/or logo will be suitable if your business expands into other product or service areas
- Don't choose a name or logo that is identical or similar to another trader's name/logo (searches should ideally be made prior to use and filing of a trade mark)

What is required for a trade mark to be registrable?

In order for a trade mark to be registrable, it must be:

- (1) capable of distinguishing your goods and/or services from those of others
- (2) capable of being represented in an acceptable manner on the relevant trade mark register
- (3) considered distinctive in relation to the goods/services applied for.



How long does registered protection last?

UK and EU trade mark registrations last for 10 years from the date of application (filing date) and can be renewed for further 10 year periods, upon payment of the appropriate renewal fees. This is also the same for most other countries, although there are a few anomalies. Trade mark registrations can therefore exist indefinitely, in theory, if renewal fees are paid to the relevant IP Office and the trade mark is kept in use and used appropriately (to avoid cancellation actions).

What is not registrable as a trade mark?

There are some types of signs/names that are excluded from trade mark registration in the UK and EU:

- Non-distinctive, descriptive and generic (customary) signs/names, unless it can be shown that they have acquired distinctiveness through use over a number of years
- Signs consisting exclusively of a shape which is necessary to obtain a technical effect, a shape which results from the nature of the goods themselves, or a shape which adds substantial value to the goods
- Signs/names that are deceptive, for example, as to the nature, quality or geographical origin of goods or services
- Protected emblems, national flags and armorial bearings are excluded from registration

Should searches be made before I start using my brand name/logo?

It is advisable to carry out trade mark clearance searches, before you commence use of your chosen brand name/logo and proceed with filing trade mark application(s).

Searches are made to determine whether there are any existing trade marks which have been registered and/or used, the rights in which, could be used to prevent the use and/or registration of your chosen brand name or logo. A Chartered Trade Mark Attorney will be able to analyse the search results and assess the potential risks in relation to use and registration. Searches should ideally be made in those countries where you are intending to sell your products or services.



When should a trade mark application be filed?

An application can be filed at any time, before or after you have started to use your trade mark. However, it is usually recommended to file as soon as possible to reduce the chance of another person or competitor adopting and filing the same or a similar trade mark.

Ideally, searches should be made before filing to check your mark is available for use and registration (see searches section above).

It should be noted that shortly after filing a trade mark application in the UK or EU (and in many other countries), the application details will become available to view on the relevant online trade mark databases. There may be certain circumstances where you would prefer to keep the name of your mark confidential until just before launch e.g. where you are entering a new product area and/or market. It is advisable to discuss this with your attorney, so that the relevant factors and risks can be weighed up and a decision can be made on the best time to file an application for your trade mark.

How do I register my trade mark?

A Trade Mark is registered by filing a trade mark application with the relevant Intellectual Property Office ("IPO") in your country or countries of interest, where you will be using your trade mark. To obtain a trade mark registration in the UK, an application is filed with the UKIPO. Once an application is filed, it is examined to determine whether it meets trade mark law requirements. If there are no issues the application will be published in the UKIPO Trade Marks Journal. Third parties can file an opposition to the application during the 2 month period after publication (which can be extended to 3 months). If no oppositions/objections are made during the application process, then the trade mark application will usually register in around 4 months and a certificate of registration will be issued. In order to maintain the registration, it will need to be renewed every 10 years.

Information required for filing includes the Applicant's name and address, details of the trade mark to be filed, a list of the goods and/or services to be covered and details of any earlier trade mark rights (if claiming priority).

If you are also interested in filing trade mark applications in other countries outside of the UK, then most IPOs are nationally based, although there are systems for filing in a number of different countries (EU and International systems) mentioned below. The best route for registration will depend on your mark, goods/services, and markets of interest. It is recommended that you discuss these options with your attorney so that an effective filing strategy can be put in place.

An EU trade mark registration covers the 27 Member States of the EU. The UK is no longer covered by an EU trade mark registration – see the Brexit section on page 7. The Office responsible for EU trade mark registration, is the EUIPO in Alicante in Spain. Once an EU trade mark application is filed it will then be examined. If there are no issues at the examination stage, the application will be published for opposition purposes for a 3 month period. If no oppositions/objections are made then the application will proceed to registration around 6 months from filing and a certificate of registration will be issued.

The Madrid International trade mark system provides a centrally administered system for registering a trade mark in various countries around the world, in those countries that have signed up to the Madrid system (the UK and EU are members). The Madrid system is administered by the International Bureau of the World Intellectual Property Organisation ("WIPO") based in Geneva, Switzerland. Registration creates a bundle of separate national rights which are administered centrally by WIPO. The Madrid system can be useful if your business operates in multiple countries.



Can my trade mark be challenged once registered?

Trade mark registrations can be challenged and removed from a trade mark register under certain circumstances in the UK and EU, either through revocation or invalidity actions.

Revocation is a legal procedure for removing a trade mark registration from the register. Grounds for revocation in the UK and EU include:

- (1) Where a trade mark has not been put to genuine use for the goods/services registered within the 5 years following the date of registration or the mark has not been used continuously for a 5 year period (if no 'proper reasons' for non-use).
- (2) Where a trade mark has become generic (a common name in trade) for the goods or services for which it is registered, due to the acts or inactivity of the trade mark owner.
- (3) Where the use of a trade mark by the owner or with their consent is likely to mislead the public e.g. to the nature, quality or geographical origin of the registered goods or services (although this claim is usually quite rare).

Invalidation is a legal procedure to cancel a trade mark registration, on the grounds that the trade mark should not have been accepted for registration. Cancellation claims can be made on the basis of earlier existing trade mark applications or registrations (or earlier unregistered trade mark rights) and also on the basis that the trade mark is descriptive for the goods/services for which it is registered or non-distinctive.

To maintain the validity of your trade mark registration and avoid removal or cancellation from the register, it is advisable to use your mark in a commercial sense, to use it continuously if possible and to ensure that your trade mark is used appropriately (see the 'how should I use my trade mark' section on page 5).



How should I use my trade mark?

Appropriate trade mark usage is important for maintaining a mark's distinctiveness and preventing a possible loss of rights (for example through your mark becoming a generic term). Tips on use are as follows:

- (1) Use your trade mark as an adjective, followed by the common descriptive name of the goods or services it is being used in relation to e.g. "DIVINE chocolate."
- (2) Highlight your trade mark e.g. in bold or capitalised, so that it stands out and can be distinguished from surrounding text.
- (3) Avoid using your trade mark in a possessive or plural form.
- (4) Place the TM symbol or ® symbol next to your trade mark as appropriate (note that the ® symbol can only be used in relation to trade mark registrations - see symbol use guidance in the next section).
- (5) Include a trade mark statement on your packaging, label and/or other literature that the trade mark belongs to you/your business e.g. "TRADEMARK TONIC is a trade mark of TRADEMARK TONIC LIMITED."
- (6) Where you have licensed your trade mark, you should ensure that its use by a licensee is controlled and in line with the points above. The licensee should place a trade mark statement on relevant literature/labels etc stating that the trade mark is being used under licence and identifying you/your business as the licensor.
- (7) Any unauthorised and/or incorrect use of your trade mark made by others, should be dealt with as soon as possible.

When can I use the ® symbol and/or TM symbol?

In the UK, the ® symbol is a useful tool which can be used to indicate that your trade mark is registered (helping to act as a deterrent against the unauthorised use of your trade mark). Registration can be anywhere in the world and is not restricted to the UK or EU. The ® symbol can only be used for registered trade marks and it is an offence in the UK to falsely represent that a trade mark is registered. Therefore the ® symbol should not be used for pending applications or those marks not yet filed for registration. Instead, you could use the TM symbol, which means that you are simply claiming that your trade mark has brand significance. The TM symbol can be used in relation to pending applications and unregistered trade marks. While the TM symbol has no legal significance in the UK, it can help act as a deterrent to competitors and third parties from using your mark.

The rules surrounding use of trade mark symbols, can vary slightly from country to country and the position should be checked for any markets of interest, before commencing use of any symbols in relation to your trade mark.



Can a trade mark be licensed or sold?

It is possible to sell or licence a trade mark (or use it as security for a loan). While this applies to both registered and unregistered trade marks in the UK, it is usually easier and safer to assign, license or mortgage registered trade marks.

It is recommended that there is a written formal agreement in place, before transferring ownership or licensing use of your trade mark. The terms and any responsibilities should be carefully considered and drafted (particularly when licensing your trade mark), so that they are clear to both parties. You will want to ensure that the reputation and value of your trade mark is not diminished in any way. It is recommended that you speak with an attorney for advice on commercial trade mark transactions.

The assignment, license or mortgage should be recorded with the relevant IPO (where appropriate), so that the details are recorded on the trade mark register.

Can my trade mark be protected as a design?

Registered trade mark protection is recommended for primary branding elements such as plain and stylised word marks. There are some types of branding identifiers such as logos, graphic images, patterns, labels (and sometimes the shape of packaging and containers), which can be protected through both trade mark and design registration in the UK and EU.

An assessment of the most appropriate form of protection should be made on a case by case basis depending on the type of trade mark/design and your business objectives and budget. A good overall strategy is to build a portfolio including both trade mark and design registrations, to broaden the scope of your rights and to put you in a stronger position when negotiating with competitors and third parties in relation to any disputes or in licensing, sale or merger agreement discussions.

For more information on trade mark and design protection strategy and options, please contact us.

Can my trade mark be protected by copyright?

In the UK and EU, some types of signs such as logos, artistic creations and cartoon/comic characters could possibly be protected through trade mark registration and also as copyright works.

Where you are using a logo or other element as a brand identifier and selling goods and/or services under that logo, trade mark registration is usually recommended. Copyright can, however, serve as a useful additional form of protection (being an automatic right in the UK and EU, if certain conditions are met). There are a few countries, such as the USA and China, which have copyright registration systems in place. Obtaining copyright registrations in countries where registration is possible (and relevant), can help broaden the scope of your rights and put you in a stronger position in relation to potential disputes and/or negotiations with competitors or others.

There may be certain artistic creations and works, where copyright protection is more suitable (e.g. paintings and photographs). An assessment on the most appropriate form of protection should be made on a case by case basis depending on the type of creations/works in question.

For further information on copyright, see our Trademark Tonic copyright guide.



Will a domain name or company name registration protect my brand name?

If you register a domain name via a Registrar and/or a company name with UK Companies House which includes your brand name, this will only prevent others from being able to later register that exact domain/company name. It does not give you exclusive rights to use of that name as a trade mark. Also, using a brand name without checking it is available for use (and registration), runs the risk of potentially infringing existing trade mark rights of other parties and you maybe prevented from using your brand name.

Trade mark registration gives you exclusive rights in the brand name and allows you to prevent others from using your brand name or a confusingly similar mark, in relation to identical or similar goods and services applied for (in the country/territory where registered). In light of these proprietary rights and the possible consequences of not registering your brand name, trade mark registration is strongly recommended.



Trade Marks and Brexit

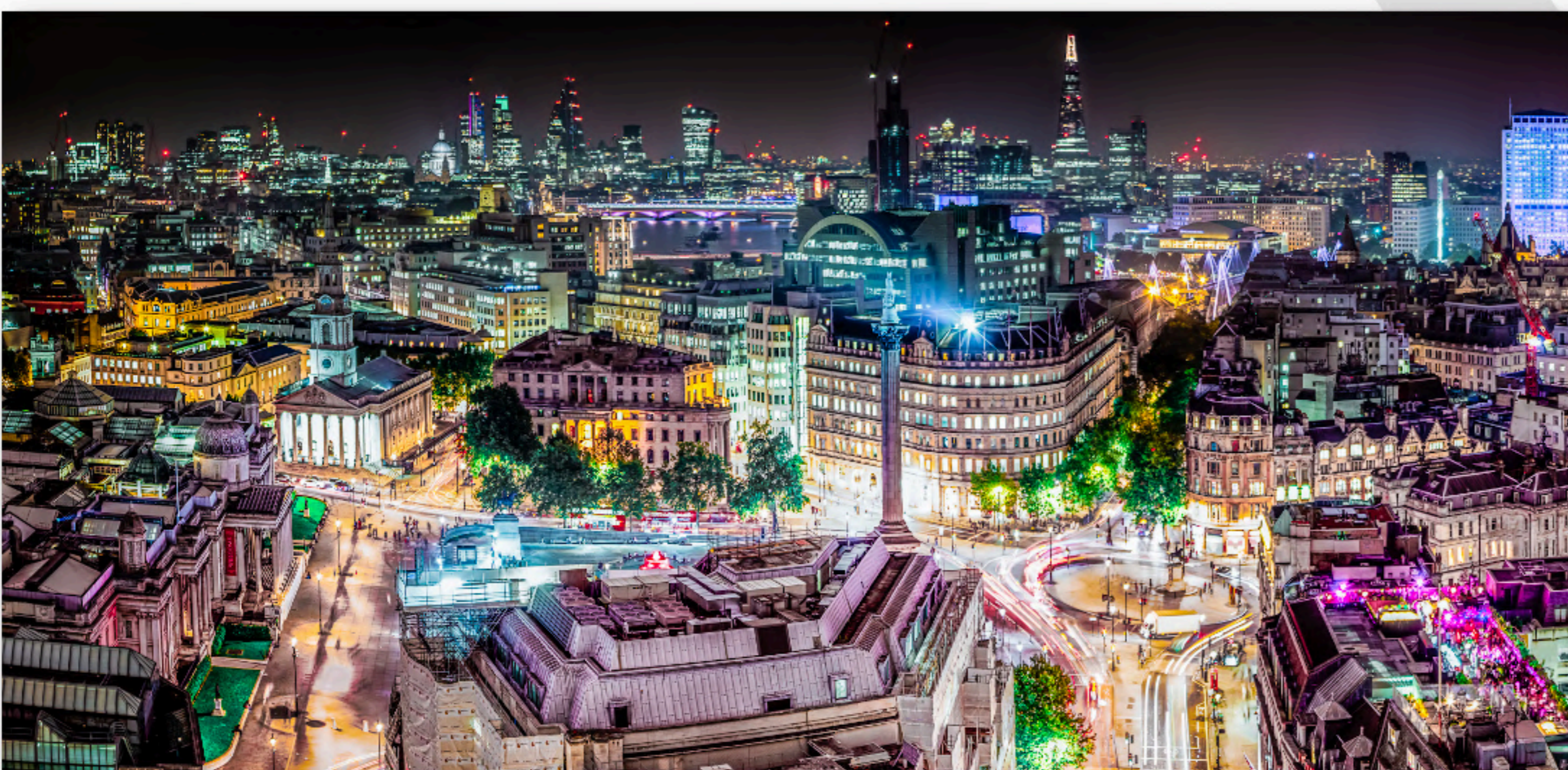
The UK withdrew from the EU on 31st January 2020 and the transition period ended on the 31st December 2020.

UK national trade mark registrations and applications are not affected by Brexit and the UK national trade mark system will continue to function as normal. From 1st January 2021, EU Trade Mark Registrations/Applications and International Trade Mark Registrations designating the EU are no longer be valid in the UK and will provide protection in the other 27 EU member states only.

The UK legislation [The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019] and [The Designs and International Trade Marks (Amendment etc.) (EU Exit) Regulations 2019] have been approved by the UK government. These Regulations include amendments and provisions to ensure any UK trade mark rights (which were previously part of the EU Trade Mark system or International Trade Mark system where the EU has been designated), continue to be protected and preserved under UK law.

From the 1st January 2021, the UKIPO will automatically create comparable UK Trade Mark Registrations which mirror EU counterpart Trade Mark Registrations. For pending EU TM Applications, it will be possible to apply to register a comparable UK Trade Mark Application in the 9 month period after the 1st January 2021. The filing date of the counterpart pending EU trade mark application will be maintained, and apply to the UK application.

If you have any queries relating to Brexit and/or would like to discuss strategy with us in relation to your current trade mark portfolio, please get in touch.



What should I do if I think someone is infringing my brand name or logo?

If you believe someone is infringing your brand name or logo, Trademark Tonic can help you with the identification of your trade mark rights and whether there is an infringement of these rights. We always recommend seeking the advice of an attorney in infringement matters.

How can Trademark Tonic help you?

Trademark Tonic advises on the establishment, protection and enforcement of trade mark and design rights in the UK, Europe and across the world. We help a range of businesses and individuals, including entrepreneurial start-ups, SMEs, creatives/independents, spin-outs and emerging growth companies. Our strategic approach, commercial mindset and our experience of managing global trade mark and design portfolios, means that we are well placed to help guide and advise you on optimising your trade marks and designs.

For more information on how Trademark Tonic can help you, please see our website trademarktonic.com or contact us at email@trademarktonic.com

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