

Protecting your business brand

Until recently, the simplest way for a business to protect its brand was to apply for a European Union trade mark (EUTM), formerly known as a Community Trademark. With one application and a single filing fee, it was possible to register a trade mark that covered all 28 EU Member States. The decision of the High Court in the case of [The Sofa Workshop v Sofaworks](#) last year however brings that approach into question.

If a business registers a EUTM then it has a protected brand throughout the EU. If an identical or similar mark is used by a competing business anywhere in the EU then the EUTM owner may enforce its rights and potentially prevent use of that later mark. The EUTM legislation however allows a third party to make an application to have a EUTM revoked on the basis that the trade mark has not been put to genuine use in the community (i.e. the EU) for a continuous period of five years. What then amounts to genuine use in the community?

In the Sofa Workshop case, the High Court considered this question and reached a conclusion that has implications for businesses looking to protect their brand in the UK and/or Europe.

Background to the Sofa Workshop case

The Sofa Workshop had two registered EUTM's in relation to furniture and furniture retail; one registered in August 1996 and the other in February 2005. Sofaworks changed its name from CSL to Sofaworks in December 2013. Not long after, The Sofa Workshop brought infringement proceedings based on its two EUTM's and also a claim for passing off. The Sofa Workshop succeeded with its passing off claim but Sofaworks counterclaimed for revocation of the two EUTM's for non-use and were successful in having the EUTM's declared as being invalidly registered.

The Court's decision

The Court decided that Sofa Workshop was not being put to genuine use in the community. While the Court stated there could be exceptions, the general rule was that genuine use in the community would require a EUTM to be used in more than one territory.

The question that naturally follows on from this is what would be considered *use* in a single member state. The Sofa Workshop pointed to a single sale in Denmark and advertising in publications that were distributed in 25 Member States. The Court however was not convinced that the Sofa Workshop targeted customers outside of the UK and that any sales made outside of the UK were more by accident than by design.

When a EUTM is revoked

If a business has its EUTM revoked then it has the option of converting it into a national mark or a series of national marks in those territories where the EUTM has in fact been put to genuine use. While this will result in brand protection in those territories where the business genuinely has a share of the market, the process can be costly and time consuming. In addition, the business is then faced with having to keep track of a portfolio of marks which again may be more of a burden than monitoring one single EUTM.

Conclusion

When it comes to protecting a brand through trade mark registrations, a business will have to give serious consideration as to whether it markets or intends to market its goods and services to customers in more than one EU territory. If it cannot be sure of its plans over the next five years then a safer option may be to apply for national marks in those territories where it will certainly be trading instead of or alongside the EUTM application.

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