



Trade Marks

1. Introduction

The words "trade mark" and "brand" are often used interchangeably. Both refer to signs, which are used by traders to differentiate their goods from those of other traders. Of the two expressions, "brand" contains within it a clue to the origin of branding. One common definition of "brand" is a "mark made by a hot iron": in other words, a means for one herdsman to "mark" his animals and so distinguish them from those of his neighbour. More simply stated, branding was, and still is today, a way of saying "this is mine".

A development of this was for early potters to mark their pots with a thumbprint or symbol: a simple way of communicating to others, including customers, the message "I made this".

Today, brands or trademarks may be more sophisticated in design and expression, but they operate in essentially the same way as they did centuries ago. Brands communicate information about the product, or service, to which they are applied and the basic message remains, "I made this".

Many memorable and, as a result, successful brands are simple symbols, but a brand may also be encapsulated in a name, a label, a slogan, a jingle or simply the distinctive packaging or "get-up" of a product. Brands are now not only more sophisticated in form but in the information they communicate. A brand provides the consumer not only with reassurance about the origin of the product but also about other features such as quality, luxury or economy.

The diminishing differences between products in terms of quality and ingenuity have also accentuated the importance of brands and, in particular, brand loyalty, to manufacturers and retailers alike. In a climate of rapidly developing technology and seemingly unlimited means of communication, no product is new for long. Therefore, consumers look to brands to give them reassurance as to their primary concern when deciding whether or not to buy, whether that concern about the quality, the price or the novelty of the product.

Brand loyalty is a highly sought prize and presupposes the existence of a trademark to which such loyalty can attach. Trademark creation, management and protection are, therefore, critical to any business seeking to obtain and maintain brand loyalty and ensure commercial success.

2. Trade Marks

2.1 A trademark is defined as:

"Any sign which is capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings. A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging."

2.2 A trademark can be anything, which distinguishes your business from those of other businesses.

2.3 A trade mark may be:

- a word
- combination of words
- a logo
- the shape of your products or their packaging
- colour you use to promote your goods and services,
- musical composition used in advertising.



- 2.4 As long as your trademark is capable of distinguishing your business from other businesses either inherently or through use over the years then your trade mark acts as 'a badge of origin' and is protectable.

3. Protection

- 3.1 Trade marks can be protected in the United Kingdom via:
- common law rights established under what is called passing off; or
 - a UK trade mark registration which is a statutory right governed by the Trade Marks Act of 1994.

4. Passing off

- 4.1 Passing off rights are established by the use of a brand and the establishment of goodwill. However, it is preferable to register a mark, as opposed to relying on common law passing off rights, as you have to prove that you have established goodwill to succeed in a passing off action. Passing off actions are notoriously time-consuming and expensive. To succeed in such an action, the proprietor must produce evidence of his ownership of goodwill or reputation in the mark, and evidence that the unauthorised use of his mark amounts to a misrepresentation which is causing, or is likely to cause, damage. Protection of a new, unregistered brand name or mark may be impossible since it may not have attracted sufficient goodwill to support an action for passing off. Gathering evidence to demonstrate that there is a misrepresentation, usually in the form of evidence of confusion (or a likelihood of confusion), is labour intensive and costly, particularly where survey evidence is the only means of showing that there is confusion and market research companies and experts are involved.
- 4.2 Also, passing off rights can be limited to a local area, whereas a UK Trade Mark registration automatically covers the whole of the UK.

5. Trade Mark Registration

- 5.1 Under the 1994 Act, a proprietor of a registered trade mark in the UK has an exclusive right to use the registered mark in the UK in relation to the goods and services protected.
- 5.2 A UK trademark registration covers England, Scotland, Wales and Northern Ireland and the Isle of Man.

6. Why register a trademark?

- 6.1 The problem with relying on passing off in the United Kingdom is that you have to first prove that you own goodwill in the business conducted under the trademark and will involve costly court fees. Also, by definition, passing off rights are limited to the particular geographical location within which you trade.
- 6.2 By contrast if you register a trademark, there is a presumption that the trademark registration is valid. Also if you register your trademark as a United Kingdom Trade Mark Registration, your rights will cover the whole of the United Kingdom. If you register your trademark as a Community Trade Mark your rights will extend to the whole of the European Union.



7. When to register

It is not a pre-condition to filing an application that the mark is either actually in use or has been used prior to the application. There is one exception, namely, where the proprietor is required to show that a non-distinctive mark has become distinctive through use. However, if the mark is not in use, the applicant must have a bona fide intention to use it. Therefore, the best time to apply for registration is at the development stage of a new product and certainly prior to its launch. This ensures not only that the application is well on its way to registration by the time the product is on the market, but also pre-empts any third party who applies for the same or a similar mark, since the pending application will be cited against any such subsequent application. Pending applications should also be revealed during any trade mark searches of the Register and therefore will help prevent accidental or coincidental adoption of the mark by another company.

8. Registration requirements

8.1 You need to be sure your trademark can be registered and that it meets the legal definition –

"a trade mark means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings"

Bear in mind the following:

- The trademark must not describe your product or service directly.
- The trademark must not mislead people about the nature of your goods or services.
- The trademark must not conflict with one already registered by someone else.

9. Application

9.1 A trademark is registered by filing a trademark application (Form TM3) at the Trade Mark Office of the country or countries where you wish to trade. Trade Mark applications can take between six months and a couple of years to register. Before submitting a trademark application it is prudent to carry out a search of the existing trademarks registered or applied for at the Trade Mark Registry and also to carry out a general search of the market or sector in which the trademark is to be used.

9.2 Trade Mark Registrations are renewable every 10 years, but in contrast to registered design and patent protection, trademark registrations can be maintained indefinitely.

9.3 You need to decide in which classes of goods or services you wish to register your trade mark - there are 45 in all known collectively as the Nice Classification:

- 1-34 Goods
- 35-45 Services

A description of the classes is included at the end of this guide. The number of classes in which a trademark is applied for will determine the scope of the trademark protection and the application fee payable to the Trade Mark Registry.

10. Community Trade Marks

A system of pan European trademark protection exists through the Community Trade Marks process administered by the Office for the Harmonisation of the Internal Markets (OHIM) based in Alicante. Through a single application filed either with the local trademark registry or directly with OHIM a Community Trade Mark or CTM can be obtained throughout Europe. The criteria for registration and the application process to obtain a CTM is similar (but not identical) to the UK trade mark registration process and takes significantly longer to administer. The fee structure is also different not only in relation to the size of the fees but also the requirement to pay a registration fee (in addition to an application fee) before the trademark is registered.