

EIP

Post-sale confusion is relevant and potentially damaging

A recent UK court decision has concluded that, in appropriate circumstances, post-sale confusion could be used to demonstrate a likelihood of confusion when potential trademark infringement was being assessed.

Datacard Corporation brought trademark infringement claims against Eagle Technologies Limited concerning the sale by Eagle of printer consumable products through its website. Although Eagle sold Datacard's printer consumables, they also sold third party consumables on which Datacard's DATACARD trademark was used to indicate that those consumables were compatible with Datacard's products.

In particular, Datacard complained of the following uses of the DATACARD trademark:

- i) on Eagle's website in relation to the third party consumables (including in emails generated by its website);
- ii) on labels applied to the packaging of third party consumables; and
- iii) on websites which Eagle managed for its resellers.

It was alleged by Datacard that these uses of the DATACARD trademark made it difficult to distinguish whether Datacard or a third party had produced the consumables.

Datacard's trademark registrations, however, covered goods relating to printers, but not consumables for printers, which meant that the infringement analysis had to take into account similar, rather than identical, goods and that, therefore, likelihood of confusion had to be considered.

An interesting aspect of the trademark infringement analysis centred around the use of the DATACARD trademark on the packaging of the third party consumables. Particularly,

Mr Justice Arnold had to consider whether confusion on the part of consumers as to the origin of those products that arose after purchase of the products, i.e. post-sale confusion, could be relied upon as demonstrating the existence of a likelihood of confusion. He commented in his analysis that the issue of post-sale confusion has been considered by the European Court of Justice (ECJ) in only three previous decisions, all of which confirmed the view that post-sale confusion could support a finding of a likelihood of confusion. Mr Justice Arnold himself followed this, commenting in particular: "I find it difficult to see why it should matter if confusion only arises after the goods have been sold. Suppose that a consumer orders goods from a third party's website and, at the time of ordering, is not confused as [to] the trade origin of the goods; but when the goods arrive some days later, the goods are labelled in a manner which wrongly leads the consumer to believe that the goods emanate from the trademark proprietor. Why should such confusion not be actionable? ...It is surely capable of being damaging to the trademark proprietor."

The ultimate result, therefore, was that Datacard's trademark infringement claim succeeded. As such, this case highlights another area trademark owners can look to when seeking to establish confusion and enforce their rights.