

# EIP



## Registering Trademarks To Improve Your Position In Litigation

Two of the numerous factors to be weighed when deciding on UK or European Community (CTM) registration are:

- intent to use: still a prerequisite for a valid UK application, although not a CTM;
- speed of registration: currently as little as three months in the UK whereas a CTM takes at least six months.

In a recent UK decision\*, the Claimant held word and device community trademarks for the sign “32Red” and brought infringement proceedings against the Defendants’ use of the mark 32vegas. Notably, the Claimant sought to strengthen its position by registering “32” as a trademark in the UK after it had issued court proceedings, but before these proceedings were served on the Defendant. The mark was duly registered before the four month period for serving the claim form on the Defendants had expired, and so the claim was amended to also include a complaint of infringement of the “32” registration. The Judge found that this registration of “32” was valid as the Claimant did have the necessary intent to use and, following the ECJ Lindt decision\*\*, he also found that the Claimant’s tactic did not amount to bad faith.

This shows that when considering bringing infringement proceedings it is worth assessing not only the registrations you possess, but also those you could obtain and which might strengthen your position, especially given the short period of time to register a UK mark.

The Judge went on to find that the registrations of 32Red (but, perhaps surprisingly, not the registration of 32) were infringed by the Defendants’ marks “32vegas.com”, “32vegas” and “32v”. In addition to much fascinating insight into the world of online gambling, the

judgement is of interest in relation to two other current trademark topics:

p2

# Change in economic behaviour

Must be shown to prove infringement under Art.9(1)(c) CTMO and the Judge found that it was present in this case in addition to detriment to 32Red's reputation. It's a difficult test to pass and owners of more famous brands have struggled to prove such a change. It probably helped that 32Red was universally praised by customers and industry peers whereas 32vegas was "a brand with an inferior reputation".

## Adwords

Adwords made an appearance because the Claimant used 32Vegas, 32royal and Spin32 in addition to 32Red as part of a Google Adwords campaign. The defendant argued that by promoting a connection between the Adwords and 32red.com, the Claimant had rendered its own trademark registrations deceptive. The judge found that a consumer's reaction to sponsored links is likely to be "one of indifference or irritation but not of confusion". He also noted that the bidding on the Adwords was too insignificant in extent to generate any significant degree of confusion.

\* 32Red Plc v WHG (International) Ltd and others [2011] EWHC 62 (Ch) (21 Jan 2011)

\*\* Case C-529/07 Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH [2010] Bus LR 443