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qLegal Toolkits

Trademarks in the UK

What are trademarks and why are they so important in starting up a new business?

The production of goods and the provision of services, as the result of a commercial idea is the aim of any new business. Distinguishing these new goods and services is essential, in order to identify their source. Trademarks are used to achieve this purpose: they are any word, name, symbols, logos, device or combination of these, used to differentiate products or services from the goods produced or sold by others.

Trademarks are protected by law as they are essential to economic innovation and they are useful both to manufacturers and consumers. By using trademarks, producers can gain reputation and trust on the market, whilst enabling customers to identify their favourite brands and easily enable them to distinguish their preferred products. Therefore, any new business will have to deal with trademarks from its inception, as the risk of infringing another's business trademark must be taken seriously.

What are the advantages of registering a trademark? What can identify a trademark in order to obtain registration? Are there limits to registration of trademarks? What can be done and what type of protection is offered in case of trademark infringement?

This short toolkit provides simple and quick answers to these and many other questions by explaining the principal legal meaning, implication and use of trademarks in UK.

1. Registered Trademarks

Even though there is some form of protection for unregistered trademarks, trademark rights are normally established through registration with the UK Intellectual Property Office (UKIPO). The IPO receives and processes trade mark applications and where an application is successful, will

register the trademark. Registration gives the exclusive right to use the mark for all goods and/or services covered within the United Kingdom, and it offers an easier degree of protection in case of abusive use or counterfeiting of the protected brand name. Registration provides an undoubted record of its existence from a given date.

Registered trademarks are normally identified through the famous ® symbol (a circled capital R), which provides clear notice that the preceding word or symbol is protected and registered with one or more national trademark offices. It is important to remember that it is against the law to use this symbol without previous registration, as there is a specific procedure for registering the brand name.

Trademarks can also be protected outside the UK. To obtain protection in the European Union, a good option is to register the trademark with the Office for Harmonization in the Internal Market (OHIM); this will ensure protection in all 28 countries of the EU, providing the CTM (Community Trade Mark) status. Otherwise, if the expansion of the business will mean that protection will reasonably be required outside the European Union, it could be useful to register the trademark under the provisions of the Madrid Protocol; this will provide the status of registered trademark in up to 92 countries, at the discretion of the applicant.

2. Types of Trademarks

- *Words and phrases*

Words, phrases and other groupings of letters and numerals are the most popular types of trademarks. Words and phrases are in scope of trademark protection as long as they are not generic for the type of goods and services provided. Commonly used words can be registered as trademarks as well, if they are used in arbitrary fashion. For example, Apple is used arbitrarily with connection to computer systems; therefore it can be easily protected. The outcome would be different if the word was connected to selling fruit. Generally, the less likely the association of the mark with the goods and services provided, the more likely the mark will be successfully registered.

- *Logos*

Logos are the second most popular kind of trademark. They give companies instant recognition with buyers and represent an organisation's individuality. Logos can be recognized at a glance (e.g. Nike's swoosh, MGM's lion) and have tremendous marketing power. They can be described as a design, which becomes a mark in association with marketed goods or services, indicating their origin. It does not have to be elaborate, or of a certain level of quality as long as it differentiates products of one undertaking from those of others.

- *Shapes*

Products or containers can also identify the course of goods, and therefore can be registered as a trademark. As with other types of marks, shapes must fulfil the criteria of distinctiveness. Therefore, it must not be descriptive; it must stand out from the crowd. However, the shape must not be one which results exclusively from the nature of the goods, or be necessary to obtain a technical result; and it must not give substantial value to the goods – it should serve as a designation of origin. Consumer's dependence on a shape of product as an indicator of origin of course differs from product to product; therefore the distinctiveness test can be applied individually for different areas of market.

- *Colours*

A colour, or a combination of colours, can also serve as a trademark, if it has obtained secondary meaning. There are numerous ways available to applicants how to graphically represent the colour for which they have applied, These include a description of the colour (e.g. light green) , with a colour code from a recognized colour recognition system such as Focoltone or RAL; an RGB profile and an electronic image of the colour; or written description and a sample, as long as the colour is defined in an unambiguous manner. If the trademark has obtained its distinctiveness as a result of being used in a particular manner (e.g. characteristic packaging for certain goods), it is advisable to specify the colour that way in any trademark application.

- *Sounds*

Sounds and jingles are also capable of being a trademark so long as their use makes it possible to distinguish the goods and services of one undertaking from those of others. However, they must be capable of graphic representation. This requirement can be satisfied, for instance, if the sound is depicted by a musical stave containing a clef, notes and other musical symbols, or by distinct methods such as a sonogram or sound recording. Sound trademarks are an increasingly popular tool of branding, and are widely used by businesses to enhance customer experience and capitalize on their own uniqueness. Famous examples include McDonald's' "I'm lovin' it" jingle, and Intel's "Intel inside" jingle.

- *Smell*

Scents are very unconventional type of trademark. They are capable, in principle, of being registered. However there is no clear guidance as to how to depict a smell. It cannot be done by providing a sample or by written description, making it a not very feasible way to build or protect a brand. To obtain registration of a smell mark applicants must be able to visually represent the product's scent, and must show that it is distinctive from the product itself.

3. Reasons for Registration

Trademarks are important assets. It is vital to register, that is - take ownership of - anything that is unique to your business. In the UK, there is no legal obligation to register a trademark, but continued use of the mark might be blocked by a later user who does secure a valid registration. There are number of reasons why it would be beneficial to you to register the trademark:

- 1) It deters others from using your trademark without your permission.
- 2) It more easily facilitates legal action against anyone who uses your trademark without your permission.
- 3) It allows the relevant authorities to bring criminal charges against plagiarists if they use your trademark.
- 4) It is your property; you can sell, franchise, or licence your trade mark.

4. Registration Procedure & Requirements

Applications for registration are filed at the UK Trademarks Registry at the [UK Intellectual Property Office](#), an executive division of the Department of Trade and Industry. The IPO will consider whether the words, logos, pictures or other signs constituting the trademark are likely to be seen as a trademark by the general public.

Below are the main steps and requirements for registration.

Firstly, you need to decide what sort of trademark you want to register. You need to keep in mind that:

- the mark must not simply describe your product or service;
- the mark must not be customary in the course of a trade, it should be distinctive;
- about the mark must not be misleading regarding the nature of your goods or services;
- it should not conflict with an earlier registered mark. If it does, you may be liable to legal action.

The proposed trademark must meet the legal definition of the 1994 Trademarks Act, described as so:

"A Trade Mark is any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings."

Secondly, you need to choose in which classes of goods or services you wish to register your trademark. There are 45 in all: classes 1-34 covering goods and 35-45 covering services. An overview of each class can be found on the UKIPO website (<http://www.ipo.gov.uk/t-class-guide.htm/>). It is important to consider classes of your business carefully together with future plans for expansion into other areas where the trademark may be used. However, one must be realistic regarding the future use of a mark. Registered trademarks can be revoked for non-use after a period of five years, should the proprietor be unable to satisfy the UKIPO that sufficient use has been made.

The next important step is to search the UK and European Community Trade Mark Registers in order to:

- 1) Determine whether somebody else has already registered or applied to register the same or similar trademark for the goods and services of interest to you;
- 2) Determine that no one else has used the same or similar trademark for your goods and services of interest. A used but unregistered trademark could be used to prevent you from using and registering your own trademark.

A search of registered trademarks can be carried out at the Intellectual Property Office in Newport, or at the British Library's Business and Intellectual Property Centre in London. However, in most instances, it will be more convenient to use the search function on the UKIPO website.

Then there comes a stage of sending an application to register the mark at the UK or Community trademark Registry. The UK or CTM Registrar will examine trademark to determine whether or not it is registrable.

An application can be made either in hard copy using form TM3, which can be downloaded from the IPO website, or online using form eTM3 on that website. The application will ask for an illustration of the mark to be attached and whether the trademark is part of a series. A series may include a maximum of six marks.

In October 2009, the IPO introduced the online Right Start application procedure. This procedure provides additional assistance for non-professional applicants. Telephone assistance is available to assist with the completion of form TM3. Half of the standard fee must be paid upfront. The examination report is then emailed, usually within ten business days, whereupon the balance of the application fee becomes payable if the application is to proceed, although the applicant is free to abandon the application at this point. The online filing discount is not available for Right Start applications.

Information required for application:

- Full name and address of applicant;

- Country and state, if appropriate, of incorporation of the applicant;
- The trademark itself;
- A good representation of the logo or design;
- Indication of Goods and Services sold or to be sold under the trademark, separated into the 45 classes.

- Details of application on which Convention Priority is to be claimed. Priority can be claimed in order to rely upon a date earlier than that of the date of application. This is usually based around an earlier registration in another territory, subject to the Paris Convention.

After you send an application you will receive an official filing receipt, usually issued within one week. It is important to remember that all rights date back to the day the application was filed and not to when the application is granted.

Once formally submitted, it is almost impossible to amend any information regarding the mark; therefore, it is essential to ensure that the application form is completed correctly first time.

Upon receipt of the application to register, the IPO will carry out its own searches and will send the applicant the official Examination Report within 4 weeks. However, the IPO may raise an objection if it feels the mark does not meet the requirements for a trademark as defined by the UK Trade Marks Act of 1994. The IPO may also raise an objection if your application is deemed unsuitable for registration. You can respond to these objections and they might be waived. If there are no objections, or if any objections are overcome, the trademark will be published in the Trademarks Journal for opposition purposes. This allows any party to oppose the opposition based upon their earlier rights. The application will be open to opposition for two months, with the possibility of a one month extension to the opposition period.

Assuming the opposition period is not extended, and there have been no objections in the opposition period, the application is granted and a Registration Certificate is issued.

You need to be aware that the registration process will last around 6-8 months from the initial filing date to the issue of a Registration Certificate. If there are no objections raised, then the entire application process will usually take around 6 months. A registration lasts 10 years, after which it must be renewed. However, a trade mark can be renewed indefinitely, unlike other forms of intellectual property.

Costs and time-scales for UK applications

The application for registration of trademarks costs:

The UKIPO charges £170 to apply to register a UK trademark if you apply on-line (providing a £30 discount for on-line filings). This includes one class of goods or services. It is a further £50 for additional classes.

For £200, one can file using the UKIPO's Right Start service. This includes one class of goods or services, with a further £50 for additional classes. The main benefit from this service is that only half the total fee is payable at the time of application. Once you have received our examination report you may either abandon the application or proceed by paying the remaining balance.

£200 for all paper filed applications; this includes one class of goods and services. It is a further £50 for each additional class.

Please note that the application fee **cannot be refunded** for any reason and you **cannot alter** your mark after you apply.

In order to optimise your filing strategy, you can use the services of a registered Trade Mark Attorney. These are governed by the Institute of Trade Mark Attorneys (ITMA).

5. Unregistered Trademarks and Passing Off

Common law protects trademarks through the concept of 'passing off', which protects the goodwill or reputation that a mark has in the common market.

It prevents a trader from misrepresenting the origin of the goods or services provided, which is a common law tort.

The tort of passing off is complex, but can be broken down into three simple parts:

- 1) Goodwill in a mark. When alleging passing off by another trader, one must prove that their mark has a certain goodwill and reputation in the market; it must be a mark consumers are aware of.
- 2) Misrepresentation. The other trader must make a certain misrepresentation which causes confusion to the minds of the average consumer. The misrepresentation must cause a likelihood of confusion, such that a consumer mistakes the goods or services of one trader with that of another. Confusion or a likelihood of confusion must be proven, although if the goods and services are totally unrelated, then the likelihood of confusion is dramatically decreased. For example, a consumer buying cooking articles will not likely presume that the goods come from the same undertaking as products in the car parts section, if they shared the same mark.
- 3) Damage to the goodwill – a trader must show actual or possible harm to his reputation. This is generally possible by showing that the other traders products are not of good quality or do not adhere to the same standards that the trader's products do, or that the damage to a reputation has caused financial loss

6. Remedies for Enforcement

Injunction

An injunction is an order from the Court ordering the defendant to stop using or marketing his products in a way which is damaging to the rights of the trademark owner. One may also apply for an injunction, directing the defendant to remove the infringing portions of his product/sign. An injunction is granted when a trader satisfies the Court that there is a violation of his trademark or common law right, and that the violation was harming his business or its reputation.

Damages

A Court may award damages against the defendant, essentially financial compensation for loss. Damages are also awarded to penalise the defendant for his wrongful behaviour.

LINKS

<http://www.ipo.gov.uk/types/tm/t-other/t-infringe.htm>

<http://www.ipo.gov.uk/types/tm/t-about/t-protect.htm>

<https://www.gov.uk/register-a-trademark>

<http://www.ipo.gov.uk/types/tm/t-os/t-find.htm>

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