

# HINDLES

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Patent & Trade Mark Attorneys

## INTRODUCTION TO TRADE MARKS

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**Trade Marks are the signs used by businesses to distinguish their goods and services from those of each other. It is important to choose trade marks carefully, check that they are available for use and then protect them by registration.**

This information sheet explains what a trade mark is, and discusses issues which should be taken into account when adopting a new trade mark before discussing registered and unregistered protection for trade marks.

### **What is a trade mark?**

The legal definition of a trade mark varies slightly from one jurisdiction to another. In the United Kingdom and European Union, a trade mark is defined as any sign which is capable of distinguishing the goods and services of one undertaking from those of other undertakings, and which is capable of being represented graphically.

Most trade marks are words, logos, designs, letters, numerals or combinations of these elements. However, the above definition is broad enough to allow for more unusual types of trade marks including sounds (such as advertising jingles), three-dimensional shapes (such as the shape of goods or their packaging), or colours.

### **What is a registered trade mark?**

A registered trade mark is a property right which is obtained by applying to register a trade mark and successfully completing the registration procedure.

Registered trade marks are territorial. Most countries have national trade mark offices which grant trade mark registrations covering their particular country. However, it is also possible to obtain trade mark registrations which give rise to rights in more than one country.

A registered trade mark can have significant commercial value as it gives its owner exclusive rights in relation to the trade mark that has been registered. The exact rights afforded by a registered trade mark can vary from one jurisdiction to another. In general terms, a trade mark registration gives its

owner the right to prevent others from making unauthorised uses of signs (for example, trade names, the names of products or services, logos, domain names) that are identical, or sometimes merely similar, to the registered trade mark, in the territory covered by the registration.

The right to prevent unauthorised uses generally only applies where another's sign has been used in relation to goods and services which are identical, or possibly similar, to those for which the trade mark is registered. However, if the registered trade mark has a sufficiently substantial reputation, it is possible that exclusive rights could extend to entirely different goods.

As with other types of property, it is possible to buy or sell a registered trade mark, grant a licence to others to use a registered trade mark (usually in return for royalties), or to offer a registered trade mark as security.

While other intellectual property rights have a limited duration, registered trade marks can last indefinitely provided that they are renewed periodically and are not invalidated or revoked.

### **What should I do before adopting a trade mark?**

It is advisable to have clearance searches carried out before you commit resources to adopting a new trade mark or extending the use of an existing trade mark to new types of business or new territories. Searching enables you (1) to assess whether it is possible to use a trade mark in a particular territory without infringing the trade mark rights (or possibly related rights) of others and (2) to assess whether you can register your trade mark in that territory.

Searching is important because any trader that adopts a sign which infringes the rights of others can face expensive and embarrassing consequences, regardless of whether or not their infringement is inadvertent. For example, a trader who uses a sign in the UK which infringes a UK trade mark registration might be forced to cancel his marketing campaign, withdraw products, services or promotional material bearing the sign from the UK marketplace and to re-brand. He might also have to pay damages or could face other remedies.

Most trade mark registers are open to public inspection and we can provide trade mark searches for the UK and most territories throughout the world. In our search reports, we provide expert analysis as to whether any earlier trade mark applications or registrations revealed by a search present obstacles to the use and registration of a trade mark in a particular territory. In addition to searches of trade mark registers, we also provide a range of other searches such as UK common law searches, domain name searches, company name searches, in-use searches and pharmaceutical in-use searches.

If you are interested in using your trade mark in a range of countries, or are considering a number of marks, then we can devise an appropriate searching strategy which takes into account relevant factors such as your key markets, your budget and the time available for searching.

If searches indicate that your trade mark is available for use and registration, then it is advisable to apply to register the trade mark in relevant territories in order to prevent others from subsequently using and registering conflicting marks.



Hindles, European Patent & Trade Mark Attorneys, 131 – 135 George Street, Edinburgh EH2 4JS. UK

T: +44 (0)131 2430660 F: +44 (0)131 2430661 mail@hindles.co.uk www.hindles.co.uk

It is also advisable to put in place appropriate trade mark watches. This is to ensure that you are notified of any later conflicting trade mark applications or registrations in relevant territories and to ensure that you have the opportunity to object to any such applications or registrations. In addition, we can put in place watches for conflicting domain names or company names as well as watches specific to particular competitors.

### Why should I register my trade mark?

There are important reasons why you should register your trade marks. Some of these reasons are listed below:

By registering your trade mark in a particular territory, you obtain legal rights that can allow you to prevent others from making unauthorised uses of conflicting signs (such as names, marks, logos, get-up or domain names) in that territory. The precise rights vary between territories depending on the applicable law.

In many countries, you can apply to register your trade mark, and may be able to secure a registration, even if you have not yet started to use your trade mark. This can enable you to take steps to protect your trade mark before you have committed to marketing or development costs.

Many companies carry out clearance searches of relevant trade mark registers before adopting a new trade mark. If you apply to register your trade mark in a particular country, then your trade mark should be found in searches covering that country. Accordingly, applying to register a trade mark can reduce the risk of others subsequently adopting conflicting marks. This can reduce the chance of disputes arising in the first place.

Some trade mark offices examine new trade mark applications to see whether they conflict with earlier trade mark applications or registrations belonging to others. If you have applied to register, or have registered, your trade mark, then these offices should refuse later applications filed by others for conflicting marks. Although the UK and European Union trade mark registries no longer refuse later applications in this way, leaving it to the holders of earlier rights to oppose or apply for cancellation, they still conduct searches, of varying extent. If you do not apply to register your trade mark, it will normally be left to you to discover whether there are relevant applications or registrations, and to take appropriate action, such as commencing oppositions or cancellation proceedings, if you have any grounds to do so.

A particularly important reason for registering your trade mark is that in most countries, including the UK, you do not automatically acquire rights in a trade mark just by starting to use it. Therefore, if you adopt a trade mark without registering it, you could be vulnerable to anyone who registers a conflicting trade mark after your use began. Even though you began using your mark first, they might be able to rely on their registration to prevent your continued use (forcing you to incur the costs and inconvenience of re-branding) and to obtain other remedies against you, such as damages.

In many countries, including the UK, it can be possible to acquire some rights in relation to an unregistered trade mark if the trade mark is (very) well-known in the relevant country. However, very few trade marks are sufficiently well-known for this to be applicable.

The UK common law action of passing-off protects goodwill in a business rather than an unregistered trade mark as such. However, in some circumstances, you may be able to rely on passing-off to prevent another party from using a sign which conflicts with your trade mark regardless of whether or not your trade mark is registered. Nevertheless, it is strongly advisable to obtain a trade mark registration covering the UK, where possible, rather than seeking only to rely on passing-off rights. Some of the reasons for this are listed below:

*(i) Passing-off is generally more difficult and expensive to prove than infringement of a registered trade mark.*

*(ii) You cannot rely on passing-off to prevent another party using a sign which is deceptively similar to your trade mark if your trade mark is not distinctive of your goods and services and you do not have goodwill. This may be particularly relevant if your business is new, or you are planning to adopt a new trade mark, or to provide new products or services that are not a natural extension of your current business.*

*(iii) If you currently only have customers in a particular locality, such as Edinburgh or Scotland, you could find that you are unable to rely on passing-off to prevent others using conflicting signs outside this locality, and that you would be blocked from expanding your use outside the locality by the rights of others. In contrast, trade mark registrations generally give broad rights across a whole territory, even if a trade mark has not been used throughout the whole territory.*

If you operate in a market where there is a risk of counterfeiting, then there are further advantages to registering a trade mark. Some misuses of registered UK or EU trade marks are not just civil wrongs but are also criminal offences which may be enforced by Trading Standards or the Police. There are also provisions allowing Customs & Excise to seize goods or packaging bearing signs which infringe registered UK or EU trade marks.

## How do I register my trade mark?

In order to register your trade mark in a particular territory, you first need to make an application for registration to a trade mark office that has the authority to grant a registration covering that territory. Most countries have national trade mark offices which grant trade mark registrations covering their country. However, it is also possible to secure trade mark registrations which give rise to rights in more than one country. For example, a EU trade mark registration is a single right covering all twenty-eight European Union member states, and an international registration can give rise to registered rights in a number of designated countries.

Most trade mark offices will examine an application to determine whether it meets their criteria for registration. The stringency of the examination procedure can vary considerably between different trade mark offices. Many offices also have a formal procedure which enables third parties to raise objections to the registration of a trade mark.

The trade mark system is set up in such a way that if you want to protect your trade mark in a number of territories, it may be possible to file a first application for the mark in one territory (such as the United Kingdom) and to delay deciding whether or not to file in other territories for up to six months after the first application is filed, without risking loss of rights.

We have considerable experience of securing trade mark registrations throughout the world, and can devise and implement a filing strategy that is most appropriate to your business circumstances. If you would like to read more about the procedures for obtaining UK, EU or International (Madrid Protocol) trade mark registrations, please see our separate information sheets on those topics.

For more information:

- ❖ Visit our website
- ❖ Contact one of our attorneys directly
- ❖ Call 0131 243 0660

## Disclaimer

This document is provided as a source of general information only and should not be considered legal advice. No guarantee is provided that the information provided herein is complete or current. Readers should not act or rely on any information provided herein without first obtaining specialist professional advice.



Hindles, European Patent & Trade Mark Attorneys, 131 – 135 George Street, Edinburgh EH2 4JS. UK

T: +44 (0)131 2430660 F: +44 (0)131 2430661 mail@hindles.co.uk www.hindles.co.uk