

IP Federation Trade Mark Committee - Back in the Saddle

Whereas 2022 was a year of revival and settling down, 2023 was more a year of just getting down to it. The legacy of remote working brought about by the Covid-19 pandemic meant that meetings of the IP Federation Trade Mark Committee were still being held remotely for most of the year. The committee is now back in the saddle again, having finally come together in November 2023 in person. With continuing opportunities and challenges, both at home and abroad, the opportunity to share views and discuss trade mark issues with fellow brand owners facing similar questions and decisions is invaluable. This chance to meet for open discussion and share practical tips is one of several benefits that members of the IP Federation enjoy.

A further highlight of the latest in-person Trade Mark Committee meeting was that we welcomed CIMTA's CEO, Keven Bader, to our meeting. Keven provided an update on CITMA's activity on rights of representation and address for service.

International issues

USPTO requirements for evidence of use

One of our members had promoted at an exhibition in the US. This was a genuine attempt at commercial trade, but it was not accepted by the USPTO as for evidence of trademark use, seeing as no sales were made.

Other members have experienced similar issues. We believe an offering for sale and an ability to make purchases at a trade show should constitute genuine trade mark use.

INTA 2023 Singapore

We reviewed the meeting from 16 to 20 May 2023, which was very hot! Three things came up, not specific to INTA, the International Trademark Association:

- AI: (although there was a marketing element to this: there are new search features coming up)
- NFTs (non-fungible tokens): whether these should be registered
- Russia: the tail-end of what people are doing around the world

Intellectual property (IP) owners seem to be adopting a wait-and-see approach to NFTs and the metaverse, with AI becoming an increasingly hotter topic, potentially having very far reaching consequences.

It was noted that there were fewer US attendees in Singapore, but attendance may increase in 2024, in spite of a sudden jump in price for next year's INTA conference, to be held in Atlanta, Georgia, on 18-22 May 2024.

Russia sanctions

There have been discussions on the impact of the latest rounds of sanctions on UK rights holders. Navigating sanctions had become a focus for our members in terms of policy and practice, including legal service provision and payments to agents and Rospatent.

If a company has a 'know your partner' process, it is making it difficult to appoint legal representatives. Portfolio management across the IP spectrum is under greater scrutiny owing to geopolitics. Several law firms based in Russia have also relocated to other countries.

On 30 June 2023, The Russia (Sanctions) (EU Exit) (Amendment) (No. 3) Regulations 2023, UK Statutory Instrument 2023 No. 713, came into force. This precludes UK lawyers from providing 'legal advisory services' in non-contentious matters to Russians.

The definition of 'legal advisory services' is set out on the <u>IPReg website</u>, but attorneys and firms are urged to read the Regulations for themselves and seek independent legal advice if they have any specific questions about what the regulations might mean for their practice.

The EU and Switzerland have adopted a twelfth sanctions package (set out in Council Regulation (EU) 2023/2878). Prior to that, the eleventh package of sanctions on Russia for its continued illegal war against Ukraine, Council Decision (CFSP) 2023/1217, specifically affected the sale, licence or transfer of IP. As reported in the press, there have been issues with several major brands' Russian subsidiary operations, including Danone® and Carlsberg®, that have been purportedly affected by Russian authority actions.

Geopolitics continues to throw up challenges in other locations, with the appointment and use of local agents and law firms taking on potential PR consequences in light of the Middle Eastern conflict.

Kenya ACCA recordal update

The Kenyan Anti-Counterfeit Authority (ACA) announced a deadline for the recordal on the ACA Integrated Management System (AIMS) for all goods bearing intellectual property rights being imported into Kenya. All rights holders were required to record their IP rights through the AIMS system by the extended deadline of 1 January 2023.

The initial implementation was not as successful as planned, and proposals are currently on hold. Thus, it has been less onerous for our members than initially anticipated.

Tunisia

New laws of importation of goods into Tunisia mean there may now be similar provisions to those in Kenya, though not to the same level of detail. We are keeping an eye on this.

Myanmar

During the 'soft opening period" of the new trademark registration system in Myanmar, trademarks that had been registered via declarations of ownership and/or trademarks that have enjoyed use in Myanmar (for instance, evidenced by the publication of a cautionary notice in a newspaper) could be filed through the electronic trademark registration system prior to the trademark law coming into effect. Trademarks filed during the soft opening period, which closed on 31 March 2023, enjoyed a priority 'common filing date'.

Changes to the Chinese trade mark system

As reported by <u>CITMA</u>, CNIPA (China National Intellectual Property Administration) released a draft revision of Chinese trade mark law, the fifth revision since 1983.

Under the draft revision, a statement of trade mark use will be required, and repeat trade mark registration will be forbidden, except for certain circumstances. Meanwhile, stronger protection will be given to well-known trade marks, either registered or unregistered in China. Bad faith trade mark filings are strictly forbidden, and compulsory transfer to the legitimate trade mark holder will be possible. In addition, the draft revision aims to improve the trade mark examination efficiency, by shortening the opposition procedure.

These are quite substantial changes and represent a potential major uphaul of the Chinese system. CNIPA were seeking public feedback by 27 February 2023, with further consultations coming up. IP Federation representatives were involved in the CITMA response.

There are three major pillars to the current draft:

- emphasis on the use requirement
- curbing of bad faith
- limitations on repetitive trade mark applications and registrations

IP Federation members welcome the new provisions, as long as they come together as a package.

Outside the new provisions, a process to facilitate suspension of trade mark proceedings has recently been introduced, which is helpful to brand owners, especially from a cost perspective.

Specifications for suspension of trademark review cases are now in force. The specifications address one of the main issues brand owners have encountered in China, i.e. difficulties in requesting CNIPA to suspend review cases (such as review on refusal, review on opposition and invalidation proceedings) pending for the actions against the relative cited marks. The specifications list seven situations in which CNIPA should suspend the review cases and three in which CNIPA may suspend the review cases. They also provide guidance regarding how and when the brand owners can apply for the suspension.

The specifications are generally welcomed by the public, and their implementation should substantially reduce the difficulties and uncertainty brand owners encounter in applying for the suspension. Correspondingly, refiling strategies which are currently adopted by brand owners may also need to be adjusted.

China – Hague Convention membership, 7 November 2023

China has been a member of the HCCH since 1987. The 1961 Apostille Convention entered into force for China on 7 November 2023. The possible impact of this legalisation was discussed.

On-line fraud

There appears to have been an increase in fraudulent on-line activities such as domain squatting and phishing, though this could be partly attributable to companies IT and security departments being more diligent. There has been fraudulent activity in the human resources arena, where potential candidates are phished for payment to support employment applications, and instances where candidates are invited to send CVs to false email addresses.

Companies ideally have a brand enforcement group to deal with such issues, but the budget to support enforcement is not always necessarily available. It was agreed a centralised online brand enforcement function is becoming an essential internal resource.

There was broad agreement among our members that prioritisation is key with cases where personal data, reputational impact and financial irregularity should receive greatest focus and action.

UK issues

Address for service

Our sister organisation CITMA have been pressing for change, and are seeking a requirement for a representative to be a regulated person. They have been campaigning to ensure that representatives before the UK IPO have an address for service in the UK.

CITMA made a strategic case regarding unregulated representation in the UK. Viscount Camrose has tasked the UK IPO with reviewing the CITMA proposal on the regulation of IPO representation. See the notice on their website: Minister responds to CITMA unregulated representatives report.

Potential legislative changes for IPO digital transformation

IP Federation policy paper No. <u>1/23</u> was submitted on 6 January 2023 in response to the <u>consultation</u>. We focused on Part A (legal barriers to digital transformation) in our response. Other organisations made submissions on Part B (improving the IPO tribunal function).

The IP Federation response (policy paper No. $\underline{4/23}$) was submitted on 30 October 2023 to the <u>second consultation</u> on proposed law changes for the IPO's digital transformation programme.

IP Federation members have been involved in the UK Intellectual Property Office (IPO) working groups. The IPO continues to encourage more people from industry to be involved.

Case law update

Finally, cases reviewed by the committee include the following:

- The MARCO POLO decision: <u>Trade Mark Appeals Decision O/681/22</u>. It relates to valid service of proceedings in relation to a UK designation of an international registration.
- The 'bad faith' footballer decision: <u>Trade Mark Appeals Decision O/264/22</u>. It relates to *ex officio* objections issued against several applications for crests featuring famous footballers' names and club insignia.
- Prysmian Cables & Systems Ltd v M/S Apple International & Ors [2023] EWHC 2176 (IPEC) (7 September 2023)
- Match Group, LLC & Ors v Muzmatch Ltd & Anor [2023] EWCA Civ 454 (27 April 2023)
- Lifestyle Equities CV & Anor v Royal County of Berkshire Polo Club Ltd & Ors (Rev1) [2023]
 EWHC 1839 (Ch) (19 July 2023)

David England, IP Federation Secretary 8 February 2024