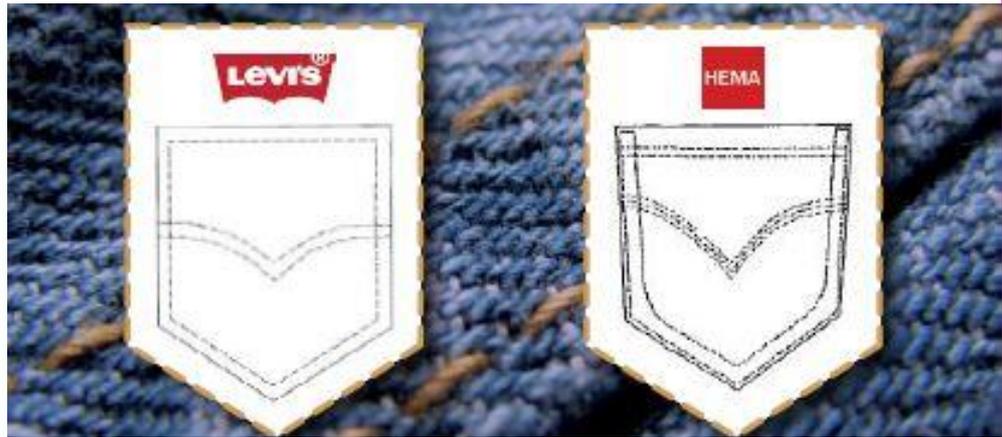


## HEMA fined € 4.5 million



Levi Strauss puts a lot of effort in securing the reputation of its fashion brands. The company has registered many marks and signs as trademarks. Not only the name LEVI'S is protected, but also type numbers (501 etc.), names, logos, the characteristic red pocket-label and it's typical stitching. That makes sense, because for example the V-shaped stitching on the back pocket (Levi's arcuate) is a very distinctive sign. Consumers recognize the jeans as real Levi's. When Dutch retail chain HEMA starts to sell jeans with a similar stitching sign in 2015, a lawsuit

soon follows.

Levi claims infringement and demands compensation of € 50 per jeans sold. The Brussels Court partly agrees. The stitching on the HEMA jeans looks so similar to those from Levi's that the consumer can easily mistake the jeans for a pair of Levi's. Consequence: infringement. A total of 221,603 units were sold. However, court deems the demanded compensation too high and fixes it to an amount € 20 per unit sold. HEMA is therefore sentenced to pay damages in the amount of nearly €4.5 million to Levi Strauss.

### In dit nummer

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Goudaankoop.nl: manipulatie of online reviews

### Advertising law

## Freeriding on World Cup Football

Can you free-ride on the wave of publicity surrounding the World Cup as a company? In principle you can, as long as this is not in conflict with any statutory regulations and no third party's rights are infringed upon. But, taking into account the large financial interests, FIFA is doing everything possible to keep the goodwill of the World Cup exclusively for its sponsors. That is why FIFA has again registered a huge number of new trademarks (including RUSSIA 2018) and designs. Better not use these (nor variations on them) and do not offer tickets. In addition to all this, once again special temporary laws have been passed in Russia to kill all forms of slipstream

advertising in Russia. Merely suggesting being an associate of the event is considered an infringement. If your ad or campaign is also visible in Russia, check with a local lawyer if this is allowed. If the campaign is only visible in your home country, use neutral elements. For example, the color orange cannot be claimed by anyone, nor can words like 'football' or images of people playing football. But do keep in mind that FIFA defends their rights ever more aggressively, especially on social media. What used to be no problem, is often not allowed anymore.



Twee: M&M's after inauguration of the Dutch team (see section on events)



## Trademarks

### Ban on Pepsi copycat

Pepsi has been using the Pepsi Globe logo since 1991, consisting of a round sphere with wave shaped surfaces in the colors red, white and blue. Since then, the logo has been restyled a number of times, but the colored wavy surfaces were always continued. According to Forbes Pepsi holds position 29 of the world's most valuable brands. Given the reputation of the brand, it is not surprising that others would like to take advantage of it.



In 2016, Teng Yun International files its logo for soft drinks in England. The logo consists of a blue wave against a red background with a surfer on top of the wave. Pepsi successfully files a cancellation request against this trademark. Although the trademarks are only slightly similar, because of the surfer. Given the reputation and market share of Pepsi however, the consumer will easily assume a link between the marks. Because both logos are used against a blue background and the fact that soft drinks are often purchased without much attention, the products are easily mistaken. The new brand consciously seeks to take advantage of the familiarity of the Pepsi trademarked logo. The infringing trademark is therefore canceled.

### New cancellation procedures to attack Benelux trademarks

A registered trademark has to be used within five years. If not, the expiration of this trademark can be invoked. Until recently, this could only be done through an (expensive) court procedure. Since June 1<sup>st</sup> 2018 there is an alternative way to achieve this. From that day onward, any interested party can initiate administrative proceedings with the Benelux trademark authorities to invoke the lapse of a Benelux trademark that is not used (or to request the nullity of a descriptive trademark). The costs for this are fairly small.



On the one hand this new arrangement is a blessing for companies that want to launch a new brand. If an old trademark is not used, it can

be removed quickly and easily, making way room for the new trademark. However, there is also a downside. Companies that used to be active in domain name hijacking now use these procedures to make a quick buck. They start proceedings against old trademarks and only if its trademark owner pays them a large sum of money, the company withdraws the procedure. Up till now this is permitted. Trademark holders should take precautions in order to prevent this from happening, allowing these companies to make money. Check the trademark portfolio regularly. If there are trademarks that have remained unused in the past five years, that are important to the holder to maintain, re-file the trademark. This is allowed in the Benelux! This way the holder keeps the exclusivity of the trademark and it is in fact cheaper than messing with this kind of 'rogue' companies.

### Beverages and hospitality services deemed similar

Companies can object to a new trademark if the signs are similar. The new trademark must also be filed for identical, similar or complementary products. If it concerns completely different products, then there is often no ground for objecting. For example, there are various companies that use the sign AJAX as a brand. Besides the Amsterdam football club, it is used as a brand for cleaning products as well as fire extinguishers. So how far does this similarity stretch?

HOTEL  
CIPRIANI

In 1996, the wordmark HOTEL CIPRIANI is registered as a trademark in the European Union. The trademark is not only filed for hotel services, but also for hospitality services, such as bar services, catering and offering drinks and food for direct use. When the Cipriani family applies for its name CIPRIANI to be registered as a EU trademark for beers in 2013, Hotel Cipriani objects. The EU Court agrees. The trademarks are very similar (the word HOTEL is weakly distinctive). In a hotel, guests can often order drinks, including beer. Beers and hospitality services are therefore deemed similar. The mark was rightly refused, according to the Court of First Instance.

## EU trademarks and Brexit

This spring, a little more became clear about on the effects of Brexit on companies with an EU trademark / EU registered design. The European Commission has published a draft agreement on this subject. The key being that after the exit companies in England should automatically keep similar rights. Although this is only a draft, the expectation is that the final result will not be much different from this. The committee proposes that these rights automatically come into existence. So without extra actions from the holder, not having to undergo a new assessment and without new costs. However, whether this will ultimately be the case is still uncertain).



Because holders' rights will automatically continue, it does not seem necessary to separately file national UK trademarks in addition to EU trademark registrations already in existence. However, it is wise to anticipate on Brexit. Check which trademarks are vital for your business in the UK (in case any kind of fee has to be paid) and check whether agreements / licenses in force before Brexit still remain valid in England afterwards. March 30<sup>th</sup>, 2019 is less than a year away.

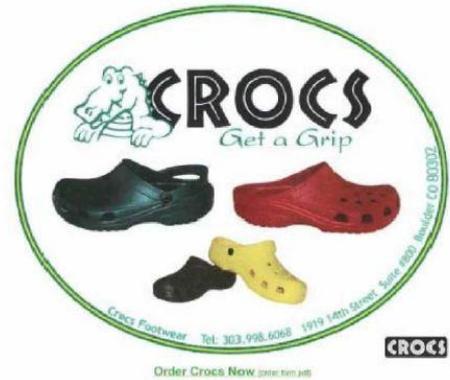
### Design law

## End of Crocs model protection

The outer appearance of a product can be claimed with a registered design. There are two requirements for this. The design must be novel and have an individual character. The requirement of novelty often forms a problem. At the product launch, it is not immediately clear whether the product will become a success. That is why in the EU one can still apply for a registered design for up to 12 months after the first publication, but this is a very tough deadline.

Crocs filed for a design registration in the EU for its plastic shoe in 2004.

The French company Gifi Diffusion initiated a nullity procedure against this, because the product had already been on the market for two years in the USA by then.



The product was promoted through a website in 2002, was a big success at a major international boat show in Florida in 2002 and had been for sale in almost all of the United States. Consequence: it is plausible that shoe manufacturers from the EU have seen this plastic shoe before. The design rights are therefore canceled. Crocs can no longer invoke these.

### Advertising law

## Picnic parody: compensation Max

Picnic, a chain of grocery stores, has put himself in the spotlight in one strike with parody of a competitor's commercial starring popular formula 1 driver Max Verstappen. As hoped and desired, the campaign went viral. The fact that this infringes upon Max's portrait rights only increased the effect. For a normal ad campaign to achieve similar impact the costs would be ten-fold. Because Max has a convertible popularity, a lawsuit followed in which he demanded 450,000 euros compensation. In the lawsuit, reports were submitted to substantiate which compensation Max would normally receive for appearing in a commercial.



It is unclear whether a calculation was made how much this campaign has saved Picnic. The court ultimately determines the compensation at € 150,000. In my opinion a pittance, given the purpose of Picnic to put their brand on the map in one go.

The argument that the Picnic cannot be blamed for the campaign going viral does not hold much water. In fact, that is precisely what it was intended to do. Hopefully parties will appeal, allowing this factor to be included. It cannot not be that intentionally infringing behavior is rewarded in the Netherlands.

#### Advertising law

#### **Suitsupply -contrary to good taste?**

In the new billboard campaign of Suitsupply we see a male in suit putting his hand on the chest of another male, while another one depicts two kissing males. The reactions provoked by this campaign bring to mind the world-famous advertising campaigns of Benetton with Oliviero Toscani. Suitsupply puts a statement on its website underlining this. *"The Suitsupply spring ad campaign celebrates individuality and love. At Suitsupply, everyone can find their perfect fit, in clothing and in life, and we mean everyone. This is true to our brand and our culture. We are proud of who and what we stand for."*



It would not surprise me if this campaign wins some prizes worldwide. But of course not everyone is equally pleased with this new campaign. Not only bus stops containing posters of this campaign are vandalized, the campaign is also directly faced with a complaint at the Dutch Advertising Code Committee. It is said to be conflicting with Christian values and common decency. The campaign is said to suggest that men are likely to be kissed by another man when buying a suit. The chairman of the committee wastes no words

on this. Depicting homosexuality is not a social issue anymore. Discrimination against sexual preference is not allowed. There is no question of an inadmissible combination of exposure and eroticism. The complaint is rejected.

#### Online - internet

#### **Goudaankoop.nl (goldpurchase.nl) manipulating on-line reviews**

Positive ratings on one's website can be very important. For that reason, it seems attractive to bend the truth a little bit as a company / website manager. For example, can you make selections in the reviews being showed?



This question was answered by the Dutch Advertising Code Committee in a recent case. On the website "goudaankoop.nl" only positive reviews and ratings are found about the company (249 different items). Sometimes using totally exaggerated wording, such as for instance: *"I am still a bit shaky from the high amount I received, against my expectations."* Not a single one of the reviews is even a bit critical and that is strange. The complainant herself had filed a negative review, which disappeared off the site within a week's time. The complainant claims that the company manipulates these ratings and reviews. The comments are all written in the same style and there is not a single spelling mistake to be found anywhere. The advertiser claims its website was hacked in 2016, as a result of which the reference page no longer works and he cannot access it anymore. The chairman of the RCC considers this entire story unacceptable and assumes that the advertiser has compiled the ratings himself. This gives a distorted picture and that is in conflict with the Dutch Advertising Code.

#### **European Trademark Agency Abcor**

Abcor is an IP Law firm, located in Europe (the Netherlands). Our specialty is consultation with regards to intellectual property matter, trademarks, designs, copy right and domain names in particular. Our services include the registration of trademarks and designs, searches, infringements and oppositions.

Suggestions for ABCOR's ABCHRONICLE may be sent to [info@abcor.eu](mailto:info@abcor.eu)

#### Sources:

Adformatie, BIE, BMM, Boek9.nl, Class46.eu, Domjur.nl, Elsevier, GPD, IER, IE-Forum.nl, INTA bulletin, Nu.nl, OHIM.eu, PCM-newspapers, Quote, SIDN, Trademark Reporter and WIPO

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