

New trade mark rules simplify counterfeit challenges

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A branding challenge toppled the golden arches when a small Irish fast food company managed to block the international McDonald's food chain from trademarking the terms Big Mac and Mc throughout Europe.

The EU Intellectual Property Office ruled that McDonald's had not been able to prove genuine use of the name Big Mac as either a burger or restaurant name, and that the trademark they registered back in 1996 should be cancelled. This ruling opens the door to expansion for Galway-based Supermac as it will be able to register its brand as a trademark in the UK and Europe. McDonald's had used the brand name's similarity to Big Mac as a reason to block previous expansion outside Ireland, even though the Supermac company name had been based on the founder's nickname when the food chain was established in 1978.

Commercial lawyer, [Veronica Hartley](#) said:

"This was a real David and Goliath case and demonstrates how important it is to protect your brand whatever your company size. It is also a good example of why you need to look ahead and anticipate where your company may go in future. If Supermac had registered their trade mark in other jurisdictions when they started out, they would have been in a stronger position when McDonald's came along."

The ruling in the case coincided with changes to UK trade mark law which came into force recently (14 January 2019) which saw amendments introduced to the [Trade Mark Act 1994](#) as a result of the new [EU Trade Marks Directive 2015/2436/EU](#). The Directive is focused on harmonising the law at national level across member states and offers brand owners new ways to fight counterfeiting and misuse of trade marks within company

names, as well as introducing new procedures for registration, renewal and restoration. Some of the key changes are:

- marks can be represented in forms other than graphically, allowing online filing in electronic formats, so that sounds, multimedia, animation or holograms may all be registered. A graphical representation will still be required for registration under the international Madrid system;
- technical function restrictions have been extended, so these apply not only to shape, but also to any other characteristic which performs a purely technical function;
- the Intellectual Property Office will no longer notify applicants if any conflicting trade mark has expired at the date of filing, meaning applicants need to conduct searches themselves for any trade mark that has expired less than a year before their application, as these could be restored or renewed;
- proof of use, which may be used in any opposition proceedings, will no longer be effective from the date of publication but will instead be counted from the date of filing, which will need to be borne in mind when counting down for the challenge on the five-year period for non-use;
- when owners believe counterfeit goods are being exported bearing their trade mark, they will no longer have to prove they are the right holder to detain the goods; instead, the burden of proof will be with the exporter to show that the holder does not own the right;

- owners will have extended rights to act against those producing packaging, labels or other materials to be used on counterfeits, even where the producer is unaware that they are acting without authority;
- dictionary usage that identifies a trade mark as a generic term will be open to correction, including the option of a court order for amendment of a publication;
- easier rules for restoration of a lapsed trade mark will require applicants to demonstrate only that the failure to renew was unintentional, where previously a decision had to be made as to whether it was just to allow the renewal; and
- the 'own name' defence for use of an existing company's name has been removed for company names, so in future this will be an infringing act and will be allowed only for personal names.

Veronica added:

"The amendments to UK law are mainly straightforward and many people will have come across them as they have already been implemented into EU Trade Mark Law.

The one that may cause some controversy is the change to the own name defence as this is not being applied retrospectively, so we will have situations where long-standing companies continue to use a name that would fail under the new infringement provisions. We will have to see how the courts tackle this."

For more information contact [Veronica Hartley](#) today or [click here to make an appointment](#).

Veronica Hartley
020 7299 6922
veronica.hartley@riaabg.com
www.riaabarkergillette.com



Note: This is not legal advice; it is intended to provide information of general interest about current legal issues.

