Proving Reputation

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Proving Reputation? (**Slide I**)

Substantiation vs. Proof

Submissions, copies of documents etc.

Only procedurally allowed means of evidence (parties, witnesses, experts,

legal inspection, documentary evidence)

Proving Reputation? (**Slide II**)

Proof vs. Showing overwhelming likelihood

Main civil action

Only evidence (≠ substantiation)
is admissible, but only when necessary
(ie when substantiated submissions are
no sufficient basis for decision)

Interim injunctive proceedings

Facts need not be “proven”; an overwhelming likelihood of one’s own submissions must be shown – affidavits are admissible – witnesses can only be heard, when the party that bears the burden of proof brings such witness along to the hearing; the court does not summon witnesses to a hearing in interim injunction proceedings

Comparable procedural situations

Genuine use, (enhanced) distinctiveness, reputation

Relevance in cases before European Union TM Courts?

Recital 7 EUTMR; Article 9 (1) (b) and (c), 12 (b), 51 pp. EUTMR; Articles 96, 99 (3), 100 EUTMR

Applicable civil procedure law?

Recital 11 of the Trade Marks Directive:

"The ways in which likelihood of confusion may be established, and in particular the **onus of proof**, should be a matter for national procedural rules which should **not be prejudiced by this Directive**."

EUTMR

MS' national laws of civil procedure apply (Articles 14 (3), 101 (3), 103 EUTMR) – But: Jurisprudence of CJEU to be observed by EU Trade Mark Courts.

Substantiation = „proof" within the meaning of Recital 11 TMD?

Reputation pp.: Question of law vs. Findings of fact? (**Slide I**)

Situation in Germany I

§ 291 of the German Code of Civil Procedure:

Facts that are common knowledge with the court need not be substantiated by evidence.

Reputation pp.: Question of law vs. Findings of fact? (**Slide II**)

Situation in Germany II

German Federal Court of Justice (*Bundesgerichtshof*), GRUR 2011, 1043:

Such common knowledge with the court can be the fact of the appearance of a sign in the market during the course of a longer period of time to a wide extent.

Thus: If judges accept such “appearance”, which suffices to be subsumed under the legal term of reputation or an enhanced distinctiveness, no evidence / showing of an overwhelming likelihood of reputation or of an enhanced distinctiveness is necessary.

How else can the court be convinced of reputation?

- case-by-case decision;
- often, the basis of a finding of an enhanced distinctiveness or reputation is a mixture of all sorts of circumstantial evidence/submissions;
- consumer surveys / opinion polls?

Surveys /Opinion polls? (**Slide I**)

Last resort <u>and</u> only one piece in the puzzle!

Their value is highly dependant on their respective methodology, power and individual quality.

Surveys /Opinion polls? (**Slide II**)

Lord Justice Lewison in *Marks and Spencer PLC v Interflora Inc. et al.*, Judgment of 20/11/2012, Neutral Citation Number: **[2012] EWCA civ 1501** (emphases added):

"Suppose that a valid survey shows that in an election 49 per cent of the electorate support candidate A and 51 per cent support candidate B. It would be possible to say on the strength of such a survey that B will win the election. It would also be possible to say that a substantial proportion of the electorate will vote for candidate A. But what a survey does not, I think, tell you is: for whom will the *average* voter vote? In cases where acquired distinctiveness of a mark is in issue a survey may accurately identify that proportion of the relevant public which recognises the mark as a badge of trade origin. It will then be for the fact finding tribunal, **with the aid of such a survey**, to decide whether a significant proportion of the relevant public identify goods as originating from a particular undertaking because of the mark."

Surveys /Opinion polls? (**Slide III**)

Jurisprudence?

Only gives an idea as to what thresholds/territorial scope may suffice; recent examples:

- Judgment of the CJEU of 03/09/2015 (*Iron & Smith kft v Unilever NV*), Case No. C-125/14;
- Judgment of the GC of 18/11/2015 (*Mustang - Bekleidungswerke GmbH & Co. KG v OHIM*), Case No. T-606/13;
- "*Langenscheidt-Gelb*"-Judgment of the German Federal Court of Justice (*BGH* GRUR 2015, 581).

Judgment of the GC of 18/11/2015 (Mustang - Bekleidungswerke GmbH & Co. KG v OHIM), Case T-606/13

- Goods in question: articles of clothing;

- 80 % recognition among German public + 27 % of said public owning articles of clothing bearing the TM may not be sufficient absent market share data

“Langenscheidt-Gelb”-Judgment of the German Federal Court of Justice (*BGH* GRUR 2015, 581)

In the case of a colour sign, acquiring distinctiveness or reputation does not require a degree of acceptance of significantly more than 50 %; also, an older market study of reputation can be accepted where the products in question do not change rapidly, the market development can be reliably judged over long periods of time and the facts which show reputation/distinctiveness are clear and unequivocal.

Preclusion?

- In a German civil court of first instance, the prerequisites of preclusion are rarely fulfilled;
- Preclusion (+): Close of final oral hearing with no further deadlines given;
- All else: simply missing a deadline does not suffice to preclude such belated submissions – there must not be an “over-acceleration” of the proceedings due to a ruling in favour of a preclusion – precluding submissions is otherwise considered unconstitutional;
- Interim injunctive proceedings: Preclusion is almost impossible! Submissions – especially affidavits – can be produced and must be considered as a means for showing an overwhelming likelihood until the close of the hearing – thus any party has the legal possibility to immediately react to the other party’s new submissions of fact in the hearing, which can in that case neither be considered belated nor precluded.

Thank you very much for your attention!

(Alicante 05/2016)