

Protecting your brand: Focus on the Food & Drink sector

Brand protection is essential, particularly in the highly competitive, fast-paced Food and Drink (F&D) industry. As any F&D producer will know, building a successful brand requires significant investment of time and capital. Whatever stage your F&D business is at, a strong brand will be a significant part of the value of your company - it is therefore vital that your brand is protected.



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Creating a Distinctive Brand

Given that the purpose of a brand is to differentiate one company's products from those of its competitors, there is an obvious commercial benefit to creating a distinctive brand that will stand out in a crowded marketplace and will be readily associated with your products, and yours alone. There are legal benefits, too; the distinctiveness of a trade mark impacts on its registrability, its scope of protection and its enforceability.

Minimising Risk: Clearance Searches

When businesses develop new brands, attention is often focused on the success of the brand from a marketing perspective. However, it is also important not to overlook the legal risk posed by the intellectual property rights of others.

So as to reduce the level of risk involved in launching a new brand or entering a new market, it is almost always advisable to conduct some trade mark searches. There can often be a large number of potentially relevant prior rights in existence, and clearance searches will help to detect those potential risks at the outset. In the event that obvious barriers to use or registration are identified, spotting these problems at an early stage avoids wasting time and money developing a brand that cannot be launched or, in the worst case scenario, having to rebrand at a later date because of conflict with the proprietor of an

existing trade mark. Where potentially relevant third party rights are identified, you need to consider your strategy carefully.

Protecting Your Brand

Ensuring that you are in a position to prevent others from using or registering trade marks that are either the same as, or confusingly similar to, those of your business is crucial to maintaining a strong brand.

+ Unregistered Rights and Passing off

Trade Mark registration is not mandatory and in some countries, including in the UK, enforceable "common law" rights may be obtained without a national registration, simply by using a mark in commerce.

Unregistered trade marks in the UK are protected by the common law tort of passing off. The underlying principles of a successful passing off claim were formulated in a packaging dispute in the F&D industry (the "Jif Lemon" case) and such claims often concern the unregistered 'get up' of a product, i.e. its packaging and/or appearance.

Although passing off rights can be important where a business does not possess relevant trade mark registrations, relying on unregistered rights is far more difficult and more expensive than relying on registered trade mark rights.

+ Registered Rights

Rights in a registered trade mark arise on the basis of first to file (although, in some territories, they can potentially be trumped by earlier user rights). Accordingly, you should seek to register your trade mark as soon as possible; delaying might lead to someone else beating you to it and subsequently preventing you from using or registering your chosen mark.

What Can Be Protected?

Trade marks can be words, logos, slogans and can also include shapes, colours, sounds and even smells.

“Businesses often overlook the value of protecting their brand in block capitals, as well as in their stylised logo form. These should be the first marks for which protection is sought by any business.”

However, colour and shape marks are of particular interest for the F&D industry as the colour and/or shape of a product and/or its packaging can play a significant role in distinguishing products, and both are often key factors that influence consumer behaviour.

Such “non-traditional” types of trade marks may be registered in the UK and Europe provided that they are capable of distinguishing the goods or services of one undertaking from those of others (i.e. the “distinctiveness requirement” discussed above). In an attempt to assist the registration of “non-traditional” trade marks, at EU level, trade marks may now be represented in any

appropriate form using generally available technology. From January 2019, UK law will be amended to match.

In practice, the distinctiveness requirement poses a considerable hurdle for registration of colour and shape marks as the courts have taken the view that consumers are not in the habit of perceiving colours and shapes as indications of trade origin. It is also worth noting that additional considerations are applied to the registration of shape marks in the UK.

Nestlé has spent more than a decade fighting to protect the shape of its four-fingered KitKat bar and Lindt’s chocolate bunnies failed to hop over the distinctiveness hurdle. However, the shape of the Coca Cola bottle and the Toblerone chocolate bar have both been successfully registered. On colour marks, Cadbury failed to secure registered protection for the colour purple and Red Bull also failed to maintain its European registrations for the colour combination blue and silver.

As a final point, it is worth mentioning that a “non-distinctive” trade mark may be registered if can be proven that the mark has acquired distinctiveness as a result of the use made of it; of course the “acquired distinctiveness” provision will not assist if you are about to launch a new product.

Scope of Protection

When filing a trade mark application, it is necessary to provide a statement of the goods or services for which the mark is used or is intended to be used. Drafting

the specification and selecting the appropriate class to properly protect your product(s) is a complex process. If drafted too narrowly, there is little flexibility for your business to evolve. On the other hand, if drafted too broadly, you risk exposing yourself to unnecessary third party challenges. Additionally, if you register your trade mark but do not use it within a certain period of time, it may become vulnerable to cancellation for non-use.

Enforcing Your Brand

Once your brand is secure, it may be advisable to set up a watch service to monitor for new trade mark applications for conflicting trade marks, so that you can take action as appropriate to protect your brand. It is also advisable to keep a watchful eye on the market and take steps to stop any use of a mark that infringes your registered rights.

Conclusion

Consumers now have an unprecedented level of choice and F&D producers must clearly distinguish their products from the competition if they want to succeed.

A distinctive brand that stands out in today’s crowded marketplace will give your business a competitive edge and it may just be your most valuable asset.

Like any valuable asset, a brand should be protected.

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