Suggested Answers to the Questions in Chapter 12

1. **How do likelihood of confusion and likelihood of association, featuring in s. 5(2) differ?**

    The good answer will:

    *   Explain that s. 5(2) demands that there must be a likelihood of confusion 'which includes a likelihood of association'. There is a likelihood of confusion if the association between the marks creates a risk that consumers will wrongly believe that the goods or services come from the same or from economically linked undertakings. Mere association, in that the later mark brings the earlier mark to mind, does not suffice (*Realistic Games Ltd v Goal.com (Holdco) SA* (O/528/17) [2018] ETMR 6).

    *   Note that case law has identified three types of confusion. First, there may be direct confusion, where the consumer confuses one product with another. Second, there may be indirect confusion, where the consumer thinks that the goods come from an economically linked undertaking or that the trade mark owner has expanded their business. Last, there may be 'mere' association. The consumer 'calls the trade mark to mind' but is not misled about the origin of the goods. This is sometimes referred to as 'non-origin confusion'.

    *   Indicate that the origin of the phrase 'likelihood of association' in the Directive is said to be the Uniform Benelux Trade Marks Act 1971. An example of a case under that legislation is *MONOPOLY v ANTI-MONOPOLY* [1978] BIE 39 and 43. Here it was held that to call a board game 'Anti-Monopoly' would not confuse customers. However, it would make them think of 'Monopoly' and would therefore injure (by dilution) the reputation of the senior mark.

    *   Explain that association is not totally irrelevant. It is involved in the way in which direct confusion is assessed, and helps to show indirect confusion. This is attributable to two things, namely Recital 11 to the Directive (as numbered in the consolidated version) and the ECJ's 'global appreciation' test used to determine the likelihood of confusion. Further, 'association' is crucial in the protection for marks with a reputation under s. 5(3).

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2. **What is the meaning of reputation under s. 5(3) TMA and how is it established?**

   The good answer will:

   - Demonstrate a broader understanding of the function of s. 5(3) TMA.

   - Indicate that 'reputation' was explained by the ECJ in Case C-375/97 *General Motors Corporation v Yplon SA* [1999] ECR I-5421 as requiring the senior mark to be 'known' by a significant number of the relevant public (i.e. the consumers of the product concerned), although it added that it is not necessary to show that a given percentage recognise the mark.

   - Explain that 'known' involves a lower burden of proof than showing that the mark is 'famous' or even 'well-known'. The ECJ in *General Motors* went on to state the factors to be considered when determining reputation. The statement appears to be almost the same as the matters listed in *Windsurfing Chiemsee* when proving factual distinctiveness. These are: the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

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