TRADEMARK CASE COMMENT: SHANGHAI WARRIOR SHOES CO., LTD VS PUMA SE

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TRADEMARK CASE COMMENT: IN THE MATTER OF TRADE MARK APPLICATION NO. 3325698 BY SHANGHAI WARRIOR SHOES CO., LTD TO REGISTER: AS A TRADE MARK IN CLASS 25 AND IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 414246 BY **PUMA SE**

O/721/19, PUMA (Opposition), UK IPO, 27th November 2019. On 19th July 2018, Shanghai Warrior Shoes Co. Ltd (the Applicant) applied to register a mark covering a variety of goods in class 25. On 31st October 2019, PUMA SE (Puma) opposed all the goods, based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994, relying upon its earlier EU trademark (also shown below) registered in classes 18, 25 and 28.

As it is in various jurisdictions, during the registration of trademarks Applicants need to be extra careful to counter any possible oppositions. To realize this, Applicants are advised to conduct a trademark search to see if whether the trademark they intend to register is similar to another registered or unregistered trademark.

In the opposition above cited, the Opponent's prominent argument was that the Applicant's mark was identical to his and that, the Applicant's goods fell into Puma's broader terms. The Opponent's second argument was that the Puma trademark had received a sufficient amount of goodwill and registering a similar mark will encroach to the exclusive benefits that the Opponent already owns. The Opponent's third argument was, due to the similarity, reputation that the Puma trademark has built over the years in different parts of the world would be damaged.

In deciding the claims by the Opponent, the first issue to be resolved was one surrounding the similarity of the Applicant's and Opponent's trademarks.

Even though both trademarks have a curved main stripe following a diagonal direction, the Applicant's stripe travels concavely upwards, and Puma's concavely downwards. The additional vertical stripes in the Applicant's mark create a noticeable difference, and overall there was no visual similarity between the marks.

Relying on these findings all other subsequent arguments by the Opponent were denied as one cannot claim infringement of goodwill or reputation if the marks in dispute themselves are not identical. Also, while Puma's mark had acquired a significant reputation from its association with famous athletes and celebrities, and offered high sales and marketing figures, there was no similarity when the marks were compared overall. Accordingly, the Hearing Officer followed the approach in Pear Technologies v EUIPO (T-251/17): that a



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visual comparison should not take into account the earlier mark's reputation. As the marks were not similar, the public would not perceive any link and, therefore, this final ground also failed.

This is relevant in Tanzania in that, as it is in the Trade Mark Act, 1994, in the Trade and Service Marks Act, 1986 also, the resemblance of the marks is crucial in establishing marks that are likely to cause confusion to a reasonable consumer or which may be detrimental to an Opponent's business.

This is the same interpretation approach that is considered by Hearing Officers/ Courts in Tanzania. Even if it would be established that the goods/services by an Applicant and an Opponent are similar but there are obvious differences in the marks, confusion to a reasonable consumer is ruled out.

The major difference in the letters of the Trade Mark Act, 1994 and the Tanzanian Trade and Service Marks Act, 1986 is; the 1994 Act states clearly the rights of a registered mark (protected mark) has and the rights an unregistered (earlier mark) has against other traders/service providers. The 1986 Act on the hand, does not expressly provide such distinction but it can generally be concluded that the 1986 Act prohibits the registration of marks which may cause confusion to a reasonable consumer or which may be detrimental to the Opponent's business.

This means, a hearing officer in Europe when deciding on trademark complaints relating to identical marks will move first to rule out whether the opposition by an Opponent holds water or not, but in Tanzania, the first issue to be resolved will be whether the marks have been registered and who holds the exclusive rights in the sense that who registered the mark first and if the mark is not registered, the reputation/fame that the mark has earned amongst its consumers.

When this becomes the first step of reasoning, in a case of an Opponent who has not registered their mark in Tanzania the only reliable argument will be 'the likelihood of an identical mark to confuse a reasonable consumer'.

Further, on identical trademarks, section 30 of the Trade and Service Marks Act, 1986 prohibits the institution of proceedings by a holder of an unregistered mark. But, before discussing this section; readers should understand that there is a difference between opposition proceedings and court proceedings relying on infringement of a trademark as the cause of action. In opposition proceedings, an owner of an unregistered trademark is not prohibited from instituting an opposition against an Applicant of an identical mark, only that the Hearing Officer will assess whether the unregistered mark has earned the required reputation that may confuse consumer If a similar mark were to be registered. In court proceedings, however, an owner of an unregistered mark can only institute trademark infringement proceedings under the umbrella of passing-off. Passing-off is a common law tort which is used to enforce the rights of an unregistered trademark. The owner of the unregistered trademark will need to prove the following elements;



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- a) Misrepresentation;
- b) Made by a person in the course of trade;
- c) To a prospective customer of his or ultimate consumer of goods or services supplied by him:
- d) Which is calculated to injure the business or goodwill of another trader;
- e) Which cause actual damage to business or goodwill of the trader by whom the action is brought.

The decision in the earlier cited opposition is a reminder in all situations that the overall similarity between marks is a prerequisite for the existence of a 'likelihood of confusion to reasonable consumers'. Where there is no similarity, there should be no further assessment.