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Legitimate to improve your position in litigation by obtaining a new trademark registration – confirmation by UK Court of Appeal

The Court of Appeal has confirmed that it can be acceptable to improve your position in litigation by obtaining a new trademark registration in the period between the start of infringing acts and service of the claim.

As reported in an earlier Newsflash <u>here</u>, the Claimant 32Red (provider of online gaming services) is proprietor of two registered Community trademarks (CTMs): "32Red" in plain letters and in logo format. It sued William Hill Online for infringing its trademarks when the defendant started using 32Vegas, 32vegas.com and 32v on a gambling website. During the few months between issue and service of its claim form 32Red registered the number "32" on its own as a UK trademark.

In the first instance proceedings, the Judge held that 32Red's CTMs were both valid and infringed. However, he held that the UK registration for 32 on its own, although valid, was not infringed.

In the appeal, William Hill Online attacked the decision from many angles but was unsuccessful on every count.

More interestingly, 32Red cross-appealed the finding that the mark 32 was not infringed. At first instance, the judge had held that the registration was too recent for the mark to have acquired sufficient reputation through use and that without sufficient use, there

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could be no confusion. That was of course incorrect and the Court of Appeal reversed the decision, finding that after the judge had found that 32 was the dominant feature of the CTMs and that there was inherent confusion and infringement of those marks "he had no proper basis for saying there was no infringement of the 32 number mark."

It is hard to tell, whether registration of the 32 number mark strengthened the claimant's position, because the "32Red" marks were found to be infringed. However, an opportunity to register a different version of the mark could strengthen the position in litigation and its approval in principle by the Court of Appeal, is good news for claimants. For a UK registration, it is necessary to have a legitimate "intent to use" the mark and in this case the registration survived a challenge by the defendant on that ground. "Intent to use" is not required for a CTM but it usually takes several months longer for the CTM registration process to be completed.

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