

THE CASE

– *Score Draw Limited v Alan James*

Patrick Finch

– 9 March 2007

– High Court



Football club emblems...

⚽ *a badge of affiliation or origin?*



Virginia Simkins of Addleshaw Goddard, reviews a recent decision of the High Court which considered whether the use of the former Brazilian football team’s logo on replica football shirts amounted to a representation of trade origin

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On 23 October 2002, Alan Finch, an English individual, obtained registration as a UK trademark of the official emblem of the CBD (the former governing body for sport in Brazil) (“the Emblem”) for use in connection with sports and leisure wear. The Emblem had also been used by the Brazilian football team between 1914 and 1971 and had therefore been displayed on football strips for high-profile matches which included players such as Pele and Jairzinho. Mr Finch licensed the mark to The Old Fashioned Football Shirt Company Ltd (“TOFFS”) for use in connection with replica football shirts from the 1950s to the 1990s. Score Draw, also a producer of replica football shirts, claimed to have used the Emblem on replica shirts since 1994 and brought a claim for invalidity of Mr Finch’s trademark under sections 3(1)(b), 3(1)(c) and 3(1)(d) of the Trade Marks Act 1994 (“TMA 1994”).

Officer dismissed the objections raised by Score Draw and found that, although Mr Finch’s use of the Emblem had not caused it to acquire distinctiveness over time, the Emblem was made up of a number of elements which together formed a distinctive whole and which were therefore capable of identifying Mr Finch as the origin of the goods to the consumer. The Hearing Officer also rejected Score Draw’s claim that the Emblem served to designate a characteristic of the goods for which the mark was registered (section 3(1)(c) TMA 1994) and held that the evidence failed to establish that, at the date of Mr Finch’s application for registration of the Emblem, the Emblem was customarily used in relation to trade in sports clothing, therefore also rejecting Score Draw’s claim under section 3(1)(d) TMA 1994.

Appeal

Score Draw appealed. The appeal was heard by Mr Justice Mann. His conclusions were less favourable to Mr Finch. In summary, the

Hearing Officer’s Decision

In the Trade Marks Registry the Hearing

Judge concluded that, on an assessment of whether the mark could be said to be distinctive the Emblem failed the essential test of whether the mark denoted trade origin, and he therefore allowed Score Draw's appeal. Mann J found that the Hearing Officer had down-played the evidence of Score Draw's managing director as to the use of the mark and the effect of that use with the result that the limited weight given to Score Draw's evidence permeated the Hearing Officer's decision and culminated in an incorrect finding of validity of the trademark by the Hearing Officer. Given the Hearing Officer's incorrect analysis of the evidence, Mann J felt able to conduct a further review of the evidence and the application of those facts to the law.

Distinctive character

Mann J first considered whether the Emblem could be said to possess distinctive character under section 3(1)(b) TMA 1994. He referred to the conclusion reached by Laddie J in *Arsenal Football Club Plc v Reed* [2001] RPC 46 that the insignia or name of a football club is in principle capable of being distinctive and the mere fact that an insignia or name of a club can be used in other non-trademark ways (e.g. by demonstrating allegiance to a club) does not automatically render it non-distinctive and incapable of registration as a trademark. However, Mann J stressed that for an emblem or name of a club to operate as a trademark it must fulfil the essential function of a trademark and therefore denote trade origin. Following *Linde AG v Deutsches Patent und Markenamt* [2003] RPC 45 this meant that the "mark must be capable of identifying the product as originating from a particular undertaking, and thus distinguishing it from those of other undertakings". By analogy to the present facts, Mann J referred to what he termed "famous name cases" where the name of the person concerned is so inherently famous that it would be difficult for the name alone to connote a particular trade origin. He questioned whether the inherently famous nature of the Emblem and the significance of its connection with former Brazilian football teams meant that the Emblem could no longer be capable of being distinctive of those using the Emblem on replica shirts or other items of sportswear.

Having considered the evidence presented by Score Draw and Mr Finch to the Hearing Officer, which included estimates of Score Draw's sales of shirts bearing the Emblem since 1994 and estimates of similar

sales by Mr Finch/TOFFS since 1998, TOFFS' advertising materials and images of the replica shorts worn by Pele and Jairzinho, Mann J concluded that the evidence demonstrated that since the mid 1990s the Emblem had been used by Mr Finch, TOFFS, Score Draw and others to "denote the historical football team" and therefore to indicate team loyalty and affiliation so as to give authenticity to the replica shirts. TOFFS' 1995/96 catalogue expressly demonstrated that this was the intended purpose of the Emblem and other similar emblems by stating that the shirts were "100% nostalgia guaranteed". Moreover,

“Given the Hearing Officer's incorrect analysis of the evidence, Mann J felt able to conduct a further review of the evidence and the application of those facts to the law.”

TOFFS' philosophy was cited in the catalogue as being "to recreate classic cotton football shirts of a high quality". The evidence clearly indicated that the purpose of TOFFS' use of the Emblem was not to invoke the trade origin of the goods as belonging to Mr Finch or TOFFS but to recreate the past in the minds of the consumer. Consequently the Emblem had acquired "a familiarity which means it will inevitably be associated by the relevant public with the historic football teams" and which had "robbed the badge of its power to be distinctive of trade origin". Mann J therefore found that the mark did not fulfil the essential function of a trademark; it could not be said to be distinctive within the meaning of section 3(1)(b) TMA 1994. He declared Mr Finch's trademark registration invalid.

Descriptive and customary use

Having found that the Emblem lacked distinctive character under section 3(1)(b) TMA 1994, Mann J did not strictly need to consider Score Draw's claims in respect of sections 3(1)(c) and 3(1)(d) TMA 1994. However, he did so and, once again doubting the weight placed on the evidence of Score Draw and Mr Finch's use of the mark by the Hearing Officer, found that the effect of the use of the Emblem on the Brazilian football team's clothing in its early years and, since the mid 1990s, its use "as a necessary and integral part of replica kit" was that the Emblem was widely recognised by the public as denoting the clothing as that of the Brazilian football team. Thus, the Emblem

fell foul of section 3(1)(c) TMA 1994 by being "descriptive of a characteristic of the clothing which bears it in the sense that it connotes that the clothing is, or has an association with, the historic Brazilian team".

Albeit for a different reason, Mann J did reach the same conclusion as the Hearing Officer in respect of the application of section 3(1)(d) TMA 1994 to the mark: he found that TOFFS' use of the mark had been one of commercial necessity in order to complete the perceived link between the clothing and the national team rather than being customarily used in the trade.

Comment

The difference between the facts of *Arsenal* and this case were key in enabling Mann J to distinguish the use of the Emblem by TOFFS and Mr Finch from the use of the Arsenal trademarks: whilst Arsenal's use of the Crest and Cannon devices had indicated an affiliation with the club, their use on swing tickets, packaging and neck labels in a standard and readily-identifiable manner indicated that they had also been used to demonstrate to the consumer that the products were sold by or under licence from Arsenal Football Club. Arsenal's use of the devices was therefore use denoting trade origin. Contrast this with the use of the Emblem, where the CBD and the former Brazilian football team had used the Emblem for a period of 60 or 70 years to denote affiliation with those organisations before anyone had even contemplated using the mark in the course of trade. The purpose of that former use was so strong in the minds of the relevant public that it prevented the Emblem from establishing a connection with any other organisation thereafter and therefore from being used as a trademark.

Furthermore, even if the Emblem could have been said to operate as a trademark after its use by the CBD and the Brazilian football team, Mr Finch had failed to pursue other companies in respect of the use of the Emblem on their products. The net effect for Mr Finch was that in Mann J's view the Emblem did not and never had functioned as a trademark. 