

Scran & sIPs

In this issue of *Scran & sIPs*, we look at machine learning and immersive technology in the food & drink industry, the patent box tax incentive, trade mark use requirements and the trade mark classification system.



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M&C Challenge

SCRAN

/skran/

Noun. Food.

"We canny go out on an empty belly
— any chance of some scran?"

Welcome to Scran & sIPs

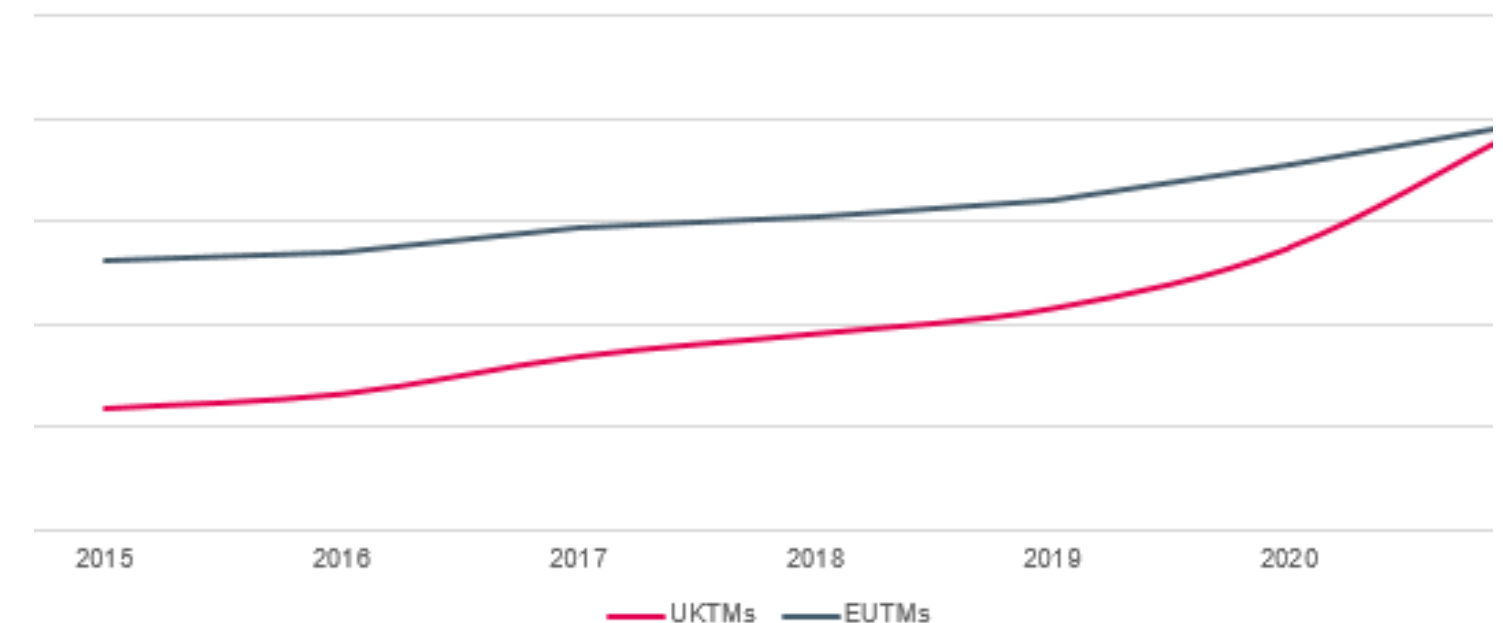
Welcome to the fifth issue of *Scran & sIPs* – the publication by Marks & Clerk that focuses on Intellectual Property and its importance to the Scottish Food and Drink Sector.

A belated Happy New Year! I think that it is safe to say that most of us were glad to see the end of 2021. The New Year brings with it some cautious optimism as we emerge from two years of lockdown restrictions, and businesses and individuals continue to learn to adapt and live with Covid.

The Scotch Whisky Association released some promising figures this month. Although exports are 8% lower than pre-pandemic levels, it is great to see Scotch Whisky on the road to recovery. Global exports of Scotch Whisky grew by 19% to £4.51bn during 2021. The number of 70cl bottles exported grew by 21% to the equivalent of £1.38bn. SWA attributes the growth to an increase in demand in Asia Pacific and Latin America, strong growth in key emerging markets such as India, Brazil and China, as well as an increase in exports to the US and EU.

We have generally seen more activity from clients in respect of patent and trade mark matters, which is always a promising sign of economic recovery. The volume of UK Trade Mark Applications filed in 2021 broke previous records. A total of 196,577 UK Trade Mark Applications were filed in 2021, compared to the 137,038 applications filed in 2020 and 107,527 filed in 2019. The volume of UKTM Applications filed in 2021 almost exceeded the total number of EUTMs filed in the same period. A total of 197,901 EUTM Applications were filed in 2021, compared to the 177,224 applications filed in 2020 and the 160,559 filed in 2019.

No. of UKTMs and EUTMs filed between 2015-2021



The significant increase in the volume of UKTM Applications filed is largely driven by the UK leaving the EU, and illustrates the importance of the UK market to domestic and foreign businesses.

COP26 seems like it was a long time ago now. Sustainability continues to be one of the most important topics on the agenda as we move into 2022 as Scottish food and drink stakeholders and businesses work towards achieving the net zero target of 2045, set by the Scottish Government. The SWA has set an even more ambitious target of net zero by 2040, which it outlines in “*The Scotch Whisky Industry Sustainability Strategy*” that was released in January 2021.

This edition looks at machine learning and immersive technology, as well as patent law, trade mark use requirements and the trade mark classification system. Our country in focus is Canada and Loch Duart answer a Q&A. We also meet Jiwon Park and Callum Cook who recently joined the firm as trainee patent attorneys.

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Trade Marks: Use it or Lose it!

Most forms of IP have a finite lifespan.

In the UK, patents generally last for twenty years, a registered design can confer protection for up to twenty-five years and an unregistered design lasts up to fifteen years. The duration of copyright protection depends on, amongst other things, the nature of the work in question. For example, copyright in a typographical arrangement of published editions lasts for twenty-five years from the end of the calendar year in which the edition was first published, whereas copyright in literary, dramatic, musical or artistic works generally expires seventy years from the end of the calendar year in which the author dies. Trade marks, on the other hand, can potentially last forever.

The Bass & Co Pale Ale logo was the first UK Trade Mark Application to be filed when the application was lodged on 1 January 1876. One hundred and forty-six years later, the mark is still in force and is due for its next renewal on 1 January 2032.



The potentially perpetual nature of trade marks creates a compelling need for trade mark legislation to contain mechanisms that can be used to cancel trade mark registrations in the event that they are never used commercially or where use has stopped for a prolonged period of time. The purpose of such mechanisms is to prevent trade mark registers from becoming cluttered with marks that have never been used or are no-longer being used commercially, which could be used to block or deter the use and attempts to register the same or similar mark by a third party with a legitimate interest to use the mark commercially.

Trade mark systems typically allow a “grace period” in which the trade mark registration is not vulnerable to cancellation on the grounds of non-use. A period of five years is given in the UK and EU, calculated from the date of registration. A UK and EU Trade Mark Registration cannot be cancelled on the grounds of non-use during this five-year grace period. After the expiration of the five-year grace period, third parties can seek to cancel the mark on the grounds of non-use by filing a revocation action. A revocation action can be filed independently of any other proceedings or it can be brought as a counterclaim to infringement or opposition proceedings.

Revocation actions against UK and EU Trade Marks are typically filed at the respective Intellectual Property Offices – the UKIPO and EUIPO. Revocation actions can be a lot more expensive in some other jurisdictions where the action must be filed before the relevant Court.

A revocation action will cancel the contested mark in respect of any of the goods and/or services with which use cannot be demonstrated through evidence, unless there are proper reasons for non-use.

It is also important to bear in mind that Applicants can request proof-of-use in UK and EU opposition proceedings where the mark(s) relied on has been registered for more than five years. Failure to provide evidence of genuine use in opposition proceedings will result in any non-used goods and/or services from being discounted from the opposition proceedings. This could weaken the opposition and encourage the Applicant to file a separate revocation action as a leverage tactic or to simply remove the earlier mark from the register.

It is therefore good practice for trade mark owners to document trade mark use and to build a repository of evidence that can be drawn upon to demonstrate use in opposition proceedings or in defence of a revocation action when the mark has been registered for more than five years.

Here are a few FAQs that can help businesses prepare.

What constitutes use?

There are various principles that are taken into account when assessing whether use is genuine. In essence, genuine commercial use is typically demonstrated where the use is warranted in the economic sector concerned to maintain or create a share in the market for the goods and/or services covered by the mark. The use does not necessarily have to be quantitatively significant to be deemed genuine. The sale of five t-shirts may not be warranted in the clothing sector to maintain or create a market share but the sale of five houses could constitute genuine commercial use for an estate agency.

There are numerous factors that are taken into account when assessing evidence of use. These factors include the nature of use, the place of use, the time of use and the extent of use. It is important that evidence of use aligns with or demonstrates these factors.

What evidence will be useful?

Evidence that demonstrates the nature, place,

time and extent of use is important for demonstrating use in respect of UK and EU Trade Marks, and can be a useful starting point for demonstrating use in accordance with local trade mark laws and practices in other jurisdictions.

Evidence of use is generally assessed cumulatively. Here is a non-exclusive list of information and materials that can be useful when compiling evidence of use:

- Annual sales figures relating to the sale of goods and/or services bearing the mark in the relevant jurisdiction, e.g. UK or EU.

- Annual reports on economic results and company profile.

- Sample invoices showing the sale of goods and/or services bearing the mark in the relevant jurisdiction. The invoices should be arranged by country and by year. If the invoices do not contain a direct reference to the specific goods/services bearing the mark, they should be supported with additional materials that can verify the identity of the product or service being charged in the invoice (e.g. an invoice may contain a product code which can be cross-referenced to a catalogue or product list to confirm the identity of the product being sold).

- Annual figures relating to marketing and advertising spend.

- Shipping invoices, customs declarations, etc.

- Advertising and promotional materials.

- Articles in the press or in specialised



publications.

- Third party testimonials and reviews.
- Awards won by the goods or services provided under the trade mark
- Details of sponsorship activities.

Remember, the evidence should contain information to show when, where and how the mark has been used.

I have a trade mark registration for a word mark but have used it in a stylised format. Will using the mark in a different form to the form that is registered cause any issues when seeking to prove genuine use?

It depends on how the mark is used compared to how it is registered. Generally speaking, in the UK and EU, it is permissible to use a trade mark in a different form to that which is registered provided that the way in which the mark is used does not alter the distinctive character of the mark as registered. The assessment is made on a case-by-case basis. It is typically acceptable to use several marks together (e.g. using a composite mark comprising a word and logo will generally constitute genuine use of a word and logo that are registered separately) and it will generally be acceptable to use a registration for a word mark in a stylised format or a registration for a logo in a different colour. You should check with your trade mark attorney should you intend to use the mark in a form that is different to that of the registration.

The mark has been used by my licensees and distributors. Will that constitute use?

In the UK and EU, use by authorised third parties is acceptable evidence of use provided that the consent to use the mark was given prior to the use of the mark by the third party. A licensee agreement can be a good example of consent being given prior to the commencement of use by the third party.

Can I simply file a new trade mark application for the same mark and the same goods and/or services just before the mark becomes vulnerable to revocation?

Filing a new trade mark application with the principle aim of circumventing the use requirements can give rise to the risk of it being invalidated on the grounds of bad faith. This point should be checked with your trade mark attorney to ensure that subsequent applications are not vulnerable to cancellation.

I have not been able to use my trade mark during the last few years. Does this mean my trade mark registration is invalid?

Not necessarily. In certain circumstances, non-use of a trade mark may be due to factors outside of your control. Although applied very narrowly, in certain circumstances where obstacles arise independently of your will to use the mark and would make use of the mark unreasonable, it may be possible to justify non-use. There is no hard and fast rule and the assessment is made on a case-by-case basis. In such circumstances, we would strongly recommend obtaining advice from your trade mark attorney before the grace period for use ends.

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Do Androids Dine On Electric Roast Lamb?

If you get the sci-fi homage in the title to this article it may remind you of the BBC news item a few weeks ago reporting on the French chef Nicolas Maire. He who works for Firmenich, a well-established perfume company which has recently diversified into food ingredients in response to the obvious market opportunities on offer in the ever burgeoning plant based meat industry. To help perfect the flavours of these innovative meat alternatives, Maire has recruited a new AI assistant called Sam. Working with human flavorists, Sam has been blending a wide range of flavours for clients.

Lacking a human sense of taste, Sam's digital palate has been refined using Firmenich's extensive database of ingredients. Machine learning enables him process a huge range of flavour combinations and, although he may lack the discernment and versatility of his human colleagues, he can take their knowledge and create new formulae far more quickly than they can. Sam is also unfettered by cognitive bias or any effect on his palate caused by external factors like fatigue, state of health or what the flavorist has eaten or drunk recently.

Sam's arrival on the food and drink scene highlights a couple of issues. Firstly, as with other applications of AI, one is faced with questions such as, what will the evident advantage of the robot taster in terms of speed, accuracy and capacity mean for the employment prospects of his human counterparts? Will his algorithms be patentable? Who will be liable if he malfunctions? If he does, Firmenich or its clients could lose a lot of money even if the outcome might not be as disastrous as for a robot surgeon or autonomous vehicle.

Secondly, this innovation highlights the increasing involvement of high tech in the food and drink sector. Until relatively recently it was an industry in which recipes were trade secrets but not patented because they didn't qualify or because publication would lead to them being copied with impunity and the bulk of a company's value resided in its brand. Then companies realised that anti-counterfeiting measures were crucial to protect their brands and the measures became increasingly sophisticated, ranging from electronic and biotech tagging to sophisticated anti-tampering devices and the product authentication technology used by the pharmaceutical industry. Suddenly, as well as trade mark portfolios, patents and the attendant licensing structures had arrived on the food and drink scene.

In the beverage sector, entrepreneurial wine and spirit businesses are allowing customers to use proprietary apps to input their taste preferences and other criteria to come up with the ideal bottle. As a result, a business founder who started out with background in a distillery or vineyard may not have dreamed they would end up in software development and licensing but now they are. That software, as with their brand, comprises a valuable piece of intellectual property, particularly if the algorithm qualifies for patent protection, and the company's book value will go up.

Like every other sector, the food and drink industry is coming under pressure to do its bit to save the planet and the consequent solutions are often tech-orientated. Swedish company Klimato has developed a web tool which calculates the climate impact of the food restaurants serve based on ingredients,



method and country of origin. It uses certified climate data to display the carbon footprint of each dish and its calculation facility helps chefs to make the menu more sustainable. Over the border in Norway, Völur has developed AI-based technology which optimises cutting and processing decisions in the meat and poultry industry, leading to a more efficient and environmentally friendly production and supply chain.

Now competing with “Net Zero” for attention on the global stage, however, the latest *mots du jour* on the digital transformation scene are “NFTs” and “the Metaverse”, greeted with extreme scepticism or excitement depending on whom you ask, and now they have invaded the food and drink sector too. Recently, McDonald's filed a series of trademarks for a virtual restaurant intended to deliver food online and in person.

One of the applications is for "virtual food and beverage products," including NFTs, while another encompasses "operating a virtual restaurant online featuring home delivery." So not only might one soon be buying real food with NFTs, one might also have the option of adopting an avatar and buying a virtual Big Mac in one of the Metaverse's XR fast food restaurants.

Quite what the appeal of a digital burger will be remains to be seen but perhaps the first haptic taste buds are only a few years away. We will then be able to eat as much as we like without any fear of the attendant health hazards.

One thing is certain, however. An industry which just used to rely on a trade mark on the label, design protection for its bottle shape and locking the secret sauce recipe in a vault is rapidly becoming as cross-disciplinary and high tech as all the others.

But will we be expected to tip the robot waiter?

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Immersive Technology can help the food & drink Sector see benefits



I read with interest a recent article describing how a manufacturer of food processing equipment was improving its in-the-field repair and service by employing immersive technology.

Immersive technologies such as virtual reality (VR), where the user is in an entirely digital environment, and augmented reality (AR), where the real environment around the user is augmented with digital enhancements, are often unfairly associated with games and big tech giants. However, our Patent filing research shows that a significant proportion of Patent applications for immersive technologies are filed by companies applying immersive technologies to a wide range of applications including education and training, medical applications, process control, materials processing and oil & gas production and processing and food production, amongst others. Essentially, immersive technologies are a mechanism for human-machine interaction and so can potentially enhance applications that benefit from improving that interaction.

In the example of the food processing equipment manufacturer, the company in question provided its service agents with augmented reality glasses equipped with built-in cameras that allowed overlay of digital information over what the service agent saw through the glasses and also over audio. In this way, a senior service agent or other specialist at the manufacturer's base can see exactly what the service agent can see in the field and in return provide appropriate guidance and information via the glasses. This is particularly beneficial as the field agent still has their hands free to carry out the required operation. Highly skilled specialists are often in great demand and this process allows those specialists to apply their skills without the time and cost of travelling to each individual job site, reducing cost and increasing

utilisation and productivity. In addition, since the specialist's expertise can be applied remotely, there is potential to get the customer's machinery up and running faster, which would thereby reduce down-time.

Interestingly, the use of the immersive technology by the company in question was extended to training and on-boarding of new employees. Indeed, it is not difficult to see many potential applications for this technology in the food & drink sector, particularly where working over many sites is required, a specific skill or expertise is needed or that would benefit from a particular view of an item or scene.

With immersive technologies becoming increasingly mainstream, it will be fascinating to see what impact these innovative technologies will have on the food & drink sector in the near future - sooner than we might think.

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Increasing use of the UK's Patent Box to reduce tax, but many companies are missing out!

A lack of awareness, a perceived complexity of the Patent Box system, or the perception that what they are doing is not inventive may be causing companies to miss out on benefiting from Patent Box tax relief.

Introduction to patents

A patent protects new and inventive technical concepts and can cover: how things work, what they do, how they do it, what they are made of and how they are made. Some examples of inventions that may be patentable could include: innovative products for dispensing or serving food and drink, innovative apparatus or methods in the production line that e.g. improve efficiency or provide a reduced carbon footprint, innovative ways to create by-products from brewing or distilling processes, innovative recipes, innovations in food products resulting in increased shelf life or reduction in calories, innovative packaging, innovative ways to create ingredients and meat substitutes, innovative chemical compositions that provide greater product yields, and many more.

Patents provide a monopoly for a limited period (maximum duration of 20 years in most countries) in exchange for letting the world use your invention after the monopoly has expired. A patent is territorial (a UK patent will only protect in the UK) and it gives the owner the right to prevent others from making, using, importing or selling the claimed invention without permission.

However, there is a lesser known benefit of having a granted patent in the UK: it can be used to **reduce corporation tax on profits**.

Patent Box explained

The Patent Box is designed to encourage companies to keep and commercialise intellectual property in the UK. The UK Patent Box enables companies to apply a lower rate of Corporation Tax to profits earned after 1 April 2013 from qualifying patented inventions and equivalent forms of intellectual property. The relief was phased in from 1 April 2013 and the full benefit of the Patent Box has been available from 1 April 2017. The lower rate of Corporation Tax under the Patent Box is **10%** compared with the main rate of Corporation Tax, which has ranged from 23% in 2013 when the Patent Box was introduced, to 19% in the years since 2017.

A company can use Patent Box if it is liable to Corporation Tax, makes a profit from exploiting patented inventions, owns or has exclusively licenced-in the patents, and has undertaken qualifying development on the patents. The company must have made a significant contribution to either: the creation or development of the patented invention or a product incorporating the patented invention.

To benefit from the Patent Box the company must own or exclusively licence-in patents granted by the UK Intellectual Property Office, the European Patent Office or a number of countries in the European Economic Area.

HMRC statistics

HM Revenue and Customs (HMRC) publishes annual statistics relating to the UK's Patent Box tax

relief scheme. The most recent update covers the tax year from 2018 to 2019 and indicates that 1,405 companies claimed relief under the Patent Box, with the total value of relief claimed being £1,129 million. This shows an ever increasing value of relief claimed - the value of relief claimed has increased year on year from its introduction in tax year 2013 to 2014. However, it appears that the rate of increase has slowed. There is a time lag for reporting the statistics as companies must notify HMRC within two years after the end of the accounting period in which the relevant profits and income arise.

One interesting point to note from the statistics is that, of the companies that claimed in tax year 2018 to 2019, 28% were classified as 'Large', but these companies accounted for most of the relief claimed (92%). Thus, although there may be a large number of SMEs claiming for tax relief, it appears that large companies are claiming for the vast majority of the tax relief by value.

The data is also broken down by industry sector and indicates that just under 20% (270) of the companies that claimed in tax year 2018 to 2019 were in the "G. Wholesale and Retail Trade" sector but that they only account for 4% of the total relief claimed. In addition, only 20 companies (about 1%) were in the A. Agriculture, Forestry and Fishing sector. This highlights that, although some companies have realised the benefits in these sectors, there is also a great opportunity for many more companies to do so.

Also, over half (755) of the companies that claimed in tax year 2018 to 2019 were in the "C. Manufacturing" sector (including Pharmaceuticals), accounting for 32% of the total relief claimed. It was explained that many companies that undertake research and development also manufacture and/or sell their products either wholesale or retail, which explains the contribution of these sectors to the Patent Box.

It is noticeable that there are no companies claiming for tax relief in "I. Accommodation and Food Service Activities" – this may be because companies falling under this category are less likely to develop patentable innovations but there may still be opportunities there to explore.

The number of companies claiming relief varies significantly across UK regions. The area with the fewest number of companies claiming relief was the North East (2% of the total in tax year 2018 to 2019), and the area with the most companies claiming was the South East (16%); although London-based companies claimed the largest amount of relief (48%). In Scotland, there were 65 companies in Scotland claiming relief (5% of the total number of companies), which amounted to 2% of the total relief claimed.

Evaluation of the Patent Box

Last year, HMRC published a report entitled "Evaluation of the Patent Box" which assesses the impact of the Patent Box investment in the UK. The evaluation suggested that the Patent Box has had a positive impact on business investment. There has been around a 10% increase in assets held by companies that use the Patent Box compared to similar companies that do not use the Patent Box since it was introduced.

The report went on to mention that this is not a complete measure of the relief's effectiveness, however, as there may be benefits of companies commercialising intellectual property in the UK that do not show up as increased investment.

It appears that, although there is an ever increasing uptake of Patent Box, and it is providing a positive impact on business investment, there are lots of companies that could be benefiting from this tax relief and are not doing so. This may be due to a lack of awareness, a perceived complexity of the Patent Box system, or that they consider that what they are doing is not inventive.

However, when a closer look is taken at a company's product development, there is often patentable technologies and processes that they have not yet protected. The bar to obtaining a granted patent is often lower than may be considered by a company who are just carrying out "business as usual". For example, a small new tweak in a long standing product or process may be patentable, e.g. if it solves a problem or has some advantage and is non-obvious.

The number of companies claiming Patent Box relief has grown every year up until 2018 to 2019, though, based on partial data, HMRC expects the number of companies claiming relief to drop slightly in 2019 to 2020.

There are a large number of businesses where there is plenty of scope for more to be done to recognise and protect IP. This is particularly true of mid-sized and smaller businesses and also those operating in the Food and Drink industry. In addition, a patent can have a very narrow scope of coverage and still qualify for Patent Box relief.

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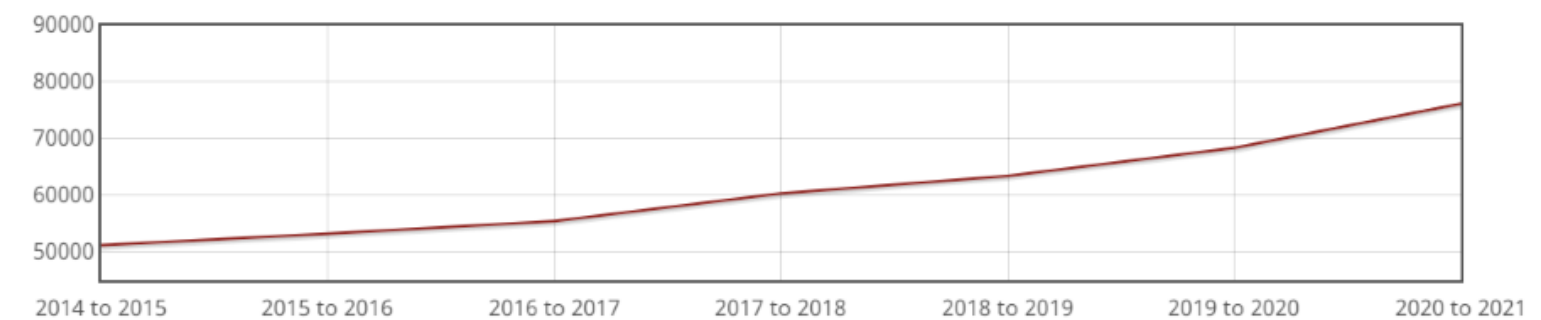


Country in Focus: Canada

Canada is an important jurisdiction for trade marks and partly owing to its recent accession to the Madrid Protocol, it has become more accessible and more popular with applicants seeking to protect their brands and expand their business activities to one of the biggest countries in the world.

In what was a landmark year 2019, Canada acceded to the Madrid Protocol, the Nice Agreement, and the Singapore Treaty. Joining these treaties has enabled Canadian-based owners to have access to more efficient means of protecting their trade marks in various jurisdictions around the world. Likewise, the aligning of Canada's trade mark regime with other jurisdictions has also made the Canadian market more familiar, more accessible, and more cost effective for overseas businesses to enter.

Statistics from the last seven years provided by the Canadian Intellectual Property Office (CIPO) show steady growth in the number of applications filed in Canada, which has also accelerated since Canada joined the international agreements:



So what has changed and what still makes the Canadian trade mark system unique? This edition's country in focus article will have a closer look at the maple-leaf jurisdiction.

Unregistered trade marks

The Canadian trade mark system, as most Anglo-American jurisdictions, has its roots in and is closely tied to common law. Like in the UK, Canadian law recognises the common law tort of passing off, which can provide some protection for unregistered rights. Although relying on unregistered rights is an option, it can significantly increase the duration and cost of the legal action.

It must be noted though that except for certain circumstances, unregistered trade marks will be limited in scope and only enforceable in those geographical areas in which the trade mark is used or known by consumers.

Registered trade marks

Registered trade marks provide a significant advantage over unregistered rights in Canada.

Most of the law relating to trade marks has been outlined in statute under the (Canadian) Trademarks Act. Under the Trademarks Act, a trademark can mean:

a sign or combination of signs that is used or proposed to be used by a person for the purpose of distinguishing or so as to distinguish their goods or services from those of others, or a certification mark.

Under Canadian trade mark law, trademarks may be one or a combination of words, sounds, designs, tastes, colours, textures, scents, moving images, three-dimensional shapes, modes of packaging or holograms, used to distinguish the goods or services of one person or organization from those of others.

Although no taste, scent, or texture marks have yet been registered, the Canadian register currently has 82 pending applications for taste marks, 19 pending applications for scent marks, and 98 pending applications for texture marks.

On a practical level, there are multiple advantages of registered trade marks over unregistered rights.

Firstly, CIPO undertakes a relative grounds examination, and an earlier trade mark application or registration can be cited as a barrier by the CIPO examiner when assessing the registrability of a new application. A registered trade mark will therefore significantly reduce potential enforcement costs for the owner of a registered trade mark.

The registration of a trade mark functions as evidence of the trade mark as a form of property. The owner of a trade mark can sell, bequeath or transfer its rights to someone else through an assignment.

Multi-class applications are possible in Canada.

Examination process

The CIPO has a 5-step process from the filing of the trade mark application to the grant of a registration:

1. Formalities – the application is first examined to ensure that it meets the filing requirements, including the payment of the application fee which is calculated on a per class basis. If filing requirements are met, a filing date and an application number will be assigned to the application. In case of national applications a formal filing acknowledgement will normally be issued within 7 business days if the mark has been filed online.





2. Examination – once the application has been formalised, an Examiner will review the application to ensure that the application complies with the *Trademarks Act* and *Regulations*. The Examiner will also review the results of a search conducted of earlier pending applications and registered trade marks. If the Examiner has any objections, an examination report will be issued. The applicant will have 6 months to respond to the Examiner to overcome any of the objections raised. An extension of time of up to 6 months can only be requested in exceptional circumstances, such as an objection on the basis of a prior application/registration or on distinctiveness grounds.

If all issues raised by the Examiner are overcome, a second “pre-publication” search will be conducted to make sure that no one has recently registered or applied for a trade mark which would conflict with the one that the applicant wishes to register.

3. Publication – If the pre-publication search does not show any new confusing trade marks, the application will be advertised in the Canadian *Trademarks Journal*.

4. Opposition – Any person can oppose a trade mark application advertised in the *Trademarks Journal*. The person must file either a statement of opposition or a request asking for more time to oppose within two months of the advertisement. Opposition proceedings are adversarial in nature and similar to court proceedings. Both parties may file evidence and written representations, cross-examine the evidence of the other party, and appear at an oral hearing. After a final decision is made, it may be appealed to the Federal Court of Canada.

5. Registration – If there is no opposition, or if an opposition has been decided in the applicant’s favour, the Registrar will register the application and will not look at any further challenges. The Registrar will send the applicant a certificate of registration and enter the trademark in the Register of Trademarks.

The CIPO generally raises objections regarding the registrability of the following types of marks: names and surnames, clearly descriptive marks, deceptively misdescriptive marks, places of origin, words (relating to the goods) in other languages, marks confusingly similar with registered or pending trade marks, trade marks that are identical to or likely to be mistaken for prohibited marks and trade marks that are not inherently distinctive.

CIPO has traditionally relied on its own classification manual for “goods” and “services” but has since 2019 adopted the Nice Classification. This in turn provides applicants with greater clarity over the classification of goods and services and the wording of their terms

In case of smooth registration procedure, i.e. if no objections are raised or oppositions filed, the average processing time of a trade mark in Canada in 2020 from filing to first examination was approximately 26 months and longer to registration. CIPO is taking steps to reduce the time to first examination in a number of ways including staffing increases and expedited examination in certain cases.

Expungement

A trade mark registration can be expunged under section 18 of the *Trademarks Act* for the following reasons:

- The trade mark was not registrable at the date of registration;
- The trademark is not distinctive at the time proceedings bringing the validity of the registration into question are commenced;

- The trade mark has been abandoned;
- The applicant for registration was not the person entitled to secure the registration; or
- The application for registration was filed in bad faith.

In addition, if a registered trademark is not used in Canada, the registration may be expunged under section 45 of the *Trademarks Act*. Any party may start expungement proceedings after three years beginning on the day on which a trade mark was registered. In such a case, the owner must file evidence showing the use of the mark in Canada with the registered goods and services during the preceding three-year period, or justification for the absence of use.

The parties to a non-use cancellation proceeding are entitled to file written arguments and appear at an oral hearing although no cross-examination of the owner's evidence is permitted and the requesting party is not entitled to file any evidence of its own as these proceedings are intended to be expeditious and streamlined.

Maintaining registrations in force

As in the UK, Canadian trade mark registrations are renewable every ten years upon the payment of a renewal fee.

Trade marks may be renewed within six months before the expiry of the 10-year term. Renewal is still possible within six months after the expiry of the initial term or within a late period of two months from receipt of the official renewal notice.

As registrations in Canada previously did not follow the Nice classification system, it is now a requirement for the goods and services covered by the registration to be reclassified at or around the time of renewal. As the cost of renewal is based on the number of classes of goods and/or services covered by the registration, this will be an opportunity for the owner to reduce costs by excluding unnecessary classes.

Marking requirements

There is no legal requirement to mark a trade mark with any particular symbol. The following symbols may be used to identify a trade mark:

R (registered)

TM (trademark – typically used for unregistered marks)

MD (marque déposée – the French equivalent of R)

MC (marque de commerce – the French equivalent of TM)

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Q&A with Loch Duart

Tell us a little bit about Loch Duart. Why was your business founded and how have you grown over the years?

Our business was founded in 1999, with a simple philosophy of doing things the right way for our fish and environment. Our small-scale approach to salmon farming lends itself well to innovation and Loch Duart has been pivotal in the development of good practice and the regulation of salmon farming in the UK. Loch Duart was the first salmon farm in the world to be recognised as RSPCA assured and it continues to pioneer innovative project in fish welfare and good environmental stewardship.

Your salmon is well-known for its distinctive, wild-like flavour and texture. How is this achieved?

The salmon from our brood stock programme can be traced back to the wild fish that swam the rivers of Scotland over 40 years ago, the salmon isn't just farmed in Scotland it is Scottish and remains one of the world's last remaining farmed Scottish brood stocks. The salmon are specially selected for their wild like attributes, silvery skin bright eyes and strong torpedo shape. They are fed a diet high in marine content from traceable sustainable sources which is designed to replicate the salmon's diet in the wild. The salmon are slow grown up to 3 months longer than average and are stocked at very low stocking densities allowing lots of space for the fish to swim against the currents and grow fit and healthy. We believe all of these factors contribute to a unique taste and texture which is sought after by leading chefs throughout the world.

You're the only salmon farm in the world to become Ikejime Quality Certified. What does this mean?

Ikejime is a humane set of Japanese techniques used at harvest to preserve and maximise the natural eating qualities of the fish. In 2020 our harvesting techniques went through a stringent approval process and were awarded the Ikejime Quality certification. We find that Sushi chefs are amongst some of the most discerning when it comes to quality of ingredients and serving salmon in its rawest form, like sashimi is the ultimate test of quality. We're delighted to have this accreditation and it has helped strengthen our reputation as the farmed salmon of choice of sushi chefs throughout the world.

With Gordon Ramsay, Raymond Blanc and Rick Stein all established as loyal customers there must have been many proud moments in your history. Are there any standouts?

It's always great to see our salmon being served by name by the best chefs. Loch Duart was served at the Royal Wedding of Prince William and the Duchess of Cambridge and most recently featured on the menu for delegates at COP26 Glasgow. What really excites us now is the new generation of talented chefs making a name for themselves on the big stage. We're working on some exciting new projects with some up-and-coming chefs of the future. Watch this space...





Images courtesy of Loch Duart

Given the number of awards you've won, you're bound to be the target of copy cats – what steps are you taking to protect your brand? And what of the product itself? You've been targeted by so-called "food fraudsters". Tell us more about the problem and the steps you've taken to protect consumers.

Loch Duart is a luxury brand, and like other luxury brands, unfortunately, there are people out there looking to deceive. We protect our salmon in the marketplace using forensic science. By measuring the unique minerals our fish absorb at our sites, we can test salmon anywhere in the world and confirm whether it is indeed Loch Duart. The forensic testing not only acts as a deterrent in the marketplace but is a highly effective testing tool.

Your salmon made its way onto the menu at COP26. That must have been a real honour. Tell us about the experience.

Yes. The UN has recognised the role and potential of aquaculture in their sustainability goal 14: Life Below Water. Salmon farming has enormous potential to provide the world's growing population with a healthy repeatable protein source. To represent aquaculture at this event was a tremendous honour for the company.

Moving to the future, what's next? What does the future hold for Loch Duart?

We've recently acquired our own processing facility in Dingwall which now allows us to oversee the process every step of the way from egg to plate. We're investing in sustainable power on land and sea by adding electrical vehicles to our fleet and a hybrid feed storage barge at sea, significantly reducing our reliance on diesel engines and generators. We've published our carbon footprint data on our website and are making year on year improvements to reduce our carbon footprint for the future.

Finally, if you had to recommend a single recipe to showcase the flavours of top-quality salmon, what would it be?

With produce this good the simpler the better. If you ask our husbandry team, they will tell you a wedge of lemon and a twist of pepper, and they are right. Let the taste and texture of the salmon speak for itself.



Trade Mark Classifications

When applying for a trade mark and for searching purposes, it is necessary to list the goods and/or services for which the mark is intended to be used.

Goods and services are categorised into different “Classes” by reference to the Nice Classification. Each Class corresponds with a different category of goods or services and there are 34 Classes for goods and 11 Classes for services.

With the exception of trade marks with a reputation, a mark is protected only in respect of goods and services identical or similar to those covered by the registration. This is why the drafting of the specification is a crucial step of obtaining trade mark protection.

The number of Classes required will have an effect on costs for filing an application. A very specialised business may only need one or two Classes but others may need to cover a variety of goods and services falling in different Classes.

Using “ski trip” as theme for this edition of Scran & sIPs, we take a glimpse at how classification works and what each Class may cover:

Class 1 mainly includes chemical products for use in industry, science and agriculture. It covers “snow melting agents”, “chemical preparations for melting snow and ice” and “anti-freeze”.

Class 2 mainly includes paints, colorants and preparations used for protection against corrosion. It covers “oils for the preservation of wood” and “wood lacquers”.

Class 3 mainly includes non-medicated toiletry preparations, as well as cleaning preparations for use in the home and other environments. It covers “sun cream” and “lip balm”.

Class 4 mainly includes industrial oils and greases, fuels and illuminants. It covers “wax for skis and snowboards” and “candles”.

Class 5 mainly includes pharmaceuticals and other preparations for medical or veterinary purposes. It covers “preparations for treating colds” and “vitamin preparations”.

Class 6 mainly includes unwrought and partly wrought common metals, including ores, as well as certain goods made of common metals. It covers “snow irons [crampons]” and “snowboard locks of metal”.

Class 7 mainly includes machines and machine tools, motors and engines. It covers “snowplows”, “electric ski edge sharpening tools” and “ice crushing machines”.





Class 8 mainly includes hand-operated tools and implements for performing tasks, such as drilling, shaping, cutting and piercing. It covers “snow shovels”, “mountaineering ice hammers” and “manually-operated edge sharpeners for skis and snowboards”.

Class 9 mainly includes apparatus and instruments for scientific or research purposes, audiovisual and information technology equipment, as well as safety and life-saving equipment. It covers “avalanche probes featuring sensors for measuring snow depth”, “ski helmets” and “snow goggles”.

Class 10 mainly includes surgical, medical, dental and veterinary apparatus, instruments and articles generally used for the diagnosis, treatment or improvement of function or condition of persons and animals. It covers “crutches” and “medical ice packs”.

Class 11 mainly includes environmental control apparatus and installations, in particular, for the purposes of lighting, cooking, cooling and sanitizing. It covers “snow cannons”, “snow-making machines” and “raclette sets”.

Class 12 mainly includes vehicles and apparatus for the transport of people or goods by land, air or water. It covers “ski lifts”, “snowmobiles”, “snow chains for motor vehicles” and “snow sledges for transportation”.

Class 13 mainly includes firearms and pyrotechnic products. It covers “firecrackers” and “signal rocket flares”.

Class 14 mainly includes precious metals and certain goods made of precious metals or coated therewith, as well as jewellery, clocks and watches, and component parts therefor. It covers “sports watches” and “medals”.

Class 15 mainly includes musical instruments, their parts and their accessories. It covers “alpine horns”.

Class 16 mainly includes paper, cardboard and certain goods made of those materials, as well as office requisites. It covers “passport holders”, “travel guides” and “Christmas cards and gift wrap”.

Class 17 mainly includes electrical, thermal and acoustic insulating materials and plastics for use in manufacture in the form of sheets, blocks and rods, as well as certain goods made of rubber, gutta-percha, gum, asbestos, mica or substitutes therefor. It covers “anti-cold insulating compositions”.

Class 18 mainly includes leather, imitations of leather and certain goods made of those materials. It covers “mountaineering sticks” and “suitcases”.

Class 19 mainly includes materials, not of metal, for building and construction. It covers “woven fabrics (non-metallic -) for the protection of slopes against erosion” and “chimneys, not of metal”.

Class 20 mainly includes furniture and parts therefor, as well as certain goods made of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastic. It covers “storage racks for ski equipment” and “camping mattresses”.

Class 21 mainly includes small, hand-operated utensils and apparatus for household and kitchen use, as well as cosmetic and toilet utensils, glassware and certain goods made of porcelain, ceramic, earthenware, terracotta or glass. It covers “ski wax brushes”, “cheese boards” and “bottle openers”.

Class 22 mainly includes canvas and other materials for making sails, rope, padding, cushioning and stuffing materials and raw fibrous textile materials. It covers “tents and ropes for mountaineering”.

Class 23 mainly includes natural or synthetic yarns and threads for textile use. It covers “hand knitting wools”.

Class 24 mainly includes fabrics and fabric covers for household use. It covers “woollen blankets” and “sleeping bags for camping”.

Class 25 mainly includes clothing, footwear and headwear for human beings. It covers “snowsuits” and “ski and snowboard shoes”.

Class 26 mainly includes dressmakers' articles, natural or synthetic hair for wear, and hair adornments, as well as small decorative items intended to adorn a variety of objects. It covers “artificial garlands and wreaths” and “competitors' numbers”.

Class 27 mainly includes products intended to be added as coverings to previously constructed floors and walls. It covers “mats of woven rope for ski slopes”.

Class 28 mainly includes toys, apparatus for playing games, sports equipment, amusement and novelty items, as well as certain articles for Christmas trees. It covers “skis”, “snowshoes”, “snow sleds for recreational use”, and “artificial snow for Christmas trees”.

Class 29 mainly includes foodstuffs of animal origin, as well as vegetables and other horticultural comestible products which are prepared or preserved for consumption. It covers “cheese fondue” and “charcuterie”.

Class 30 mainly includes foodstuffs of plant origin, except fruits and vegetables, prepared or preserved for consumption, as well as auxiliaries intended for the improvement of the flavour of food. It covers “hot chocolate” and “Christmas puddings”.

Class 31 mainly includes land and sea products not having been subjected to any form of preparation for consumption, live animals and plants, as well as foodstuffs for animals. It covers “fresh truffles”, “live oysters” and “Christmas trees”.

Class 32 mainly includes non-alcoholic beverages, as well as beer. It covers “energy drinks” and “protein-enriched sports beverages”.

Class 33 mainly includes alcoholic beverages, essences and extracts. It covers “mulled wine” and “digestifs [liqueurs and spirits]”.

Class 34 mainly includes tobacco and articles used for smoking, as well as certain accessories and containers related to their use. It covers “matches” and “cigar cases”.

Class 35 mainly includes services involving business management, operation, organization and administration of a commercial or industrial enterprise, as well as advertising, marketing and promotional services. It covers “retail services in relation to skiing equipment” and “promotion of travel”.

Class 36 mainly includes services relating to banking and other financial transactions, financial valuation services, as well as insurance and real estate activities. It covers “holiday insurance services”.



Class 37 mainly includes services in the field of construction, as well as services involving the restoration of objects to their original condition or their preservation without altering their physical or chemical properties. It covers “snow removal services” and “repair or maintenance of snow plows”.

Class 38 mainly includes services that allow at least one party to communicate with another, as well as services for the broadcasting and transmission of data. It covers “geolocation services [telecommunications services]”.

Class 39 mainly includes services for the transport of people, animals or goods from one place to another by rail, road, water, air or pipeline and services necessarily connected with such transport, as well as the storing of goods in any kind of storage facility, warehouses or other types of building for their preservation or guarding. It covers “travel reservation and information services” and “arranging of holiday transport”.

Class 40 mainly includes services rendered by the mechanical or chemical processing, transformation or production of objects or inorganic or organic substances, including custom manufacturing services. It covers “cheese processing services in the nature of ripening, maturing and aging of cheese”.

Class 41 mainly includes services consisting of all forms of education or training, services having the basic aim of the entertainment, amusement or recreation of people, as well as the presentation of works of visual art or literature to the public for cultural or educational purposes. It covers “ski and snowboard instruction”, “provision of skiing facilities” and “rental of ski equipment”.

Class 42 mainly includes services provided by persons in relation to the theoretical and practical aspects of complex fields of activities, for example, scientific laboratory services, engineering, computer programming, architectural services or interior design. It covers “providing weather condition information affecting ski conditions”.

Class 43 mainly includes services provided in relation to the preparation of food and drink for consumption, as well as services for providing temporary accommodation. It covers “holiday accommodation services” and “restaurants”.

Class 44 mainly includes medical care, including alternative medicine, hygienic and beauty care given by persons or establishments to human beings and animals, as well as services relating to the fields of agriculture, aquaculture, horticulture and forestry. It covers “sauna services” and “health spa services”.

Class 45 mainly includes legal services, security services for the physical protection of tangible property and individuals, personal and social services rendered by others to meet the needs of individuals. It covers “mountain rescue services”.

The classification system can appear quite daunting when businesses first look at trademarking their brand. It is essential to have a discussion with your trade mark attorney and cover all goods/services that your mark is currently, and/or intended to be, used for.

Julie Canet
Trainee Trade Mark Attorney
Edinburgh
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Meet the Team



Name/Job Title

Callum Cook / Trainee Patent Attorney

Areas of expertise

I am an aero-mechanical engineering graduate, expecting to work with a lot of clients within the energy (oil and gas) sector amongst others.

Client overview

Having only been in the job a few months, I have yet to become closely involved with clients. However, I have assisted with tasks for numerous clients already, ABI (Anheuser-Busch InBev) being perhaps one of the biggest (and most relevant to Scran & sIPs).

Career Highlights

At this stage in my career, every aspect of the job is pretty new to me, and therefore both exciting and memorable. In general, though, whenever a contribution which I made to a task is approved, and sent as is to either a client and/or an Examiner, I find it to be pretty rewarding.

Favourite dish

At the minute, a good halloumi burger with red pepper, mayo and sweet chilli sauce in a toasted brioche bun is tough to beat.

Signature meal to cook at home

Unfortunately I am not the most experienced cook, however I am recognised as the resident George Foreman Lean Mean Fat-reducing Grilling Machine operator in our house! My cheese toasties always turn out spot on.

Top tittle

Brandy and lemonade.

Favourite restaurants

Yokoso, a restaurant in Uddingston which specialises in Japanese cuisine.

Dream Dinner Guests

Leonardo da Vinci.

Most adventurous food/drink you've ever tried

Either alligator, or chicken hearts – both of which were lovely.

Hobbies

I enjoy reading, and have very recently taken up yoga which I am also beginning to enjoy.



Name/Job Title

Jiwon Park / Trainee Patent Attorney

Areas of expertise

It's only been a few months since I started at M&C so I would say my area of expertise is molecular biology.

Client overview

Most of the cases that I have been involved in so far have been from universities and biotech companies.

Career Highlights

My recent career highlights are passing my PhD viva and starting my position at M&C.

Favourite dish

It's hard to pick one favourite dish but I like Japanese food and Middle Eastern cuisine.

Signature meal to cook at home

My go-to dish to make for lunch is tabbouleh salad.

Top tittle

Gin & Tonic. Monkey 47 is my favourite gin at the moment.

Favourite restaurants

Some of my favourite restaurants in Edinburgh are Meze Meze, Kanpai and Aizle.

Dream Dinner Guests

David Attenborough and Audrey Hepburn.

Most adventurous food/drink you've ever tried

I've tried fermented shark (Hákarl) while on holiday in Iceland. I personally would not recommend unless you're a big fan of pungent food or trying to recover from a blocked nose!

Hobbies

I enjoy going to yoga and reformer pilates classes. I used to play the piano, but I haven't had a chance to play recently as my piano is back at home in Sweden.

M&C Food Challenge

Following tradition from our previous issues, we thought we would give this edition's inclusion an inventive twist, with participants creating food based around Scottish inventors.

Paul Chapman
Partner
Edinburgh



Ok, you need to have a little artistic licence here...

I have baked a Large Hadron Collider – it would normally be underground, but the CERN one is blue. This is to celebrate Professor Peter Higgs (from Edinburgh Uni) who proposed in 1964 the idea of why some particles have mass. He proposed a mechanism which required that a spinless particle known as a boson should exist. This was eventually shown to be correct by experiments conducted using the Large Hadron collider at CERN. He was awarded the Nobel prize in Physics in 2013.

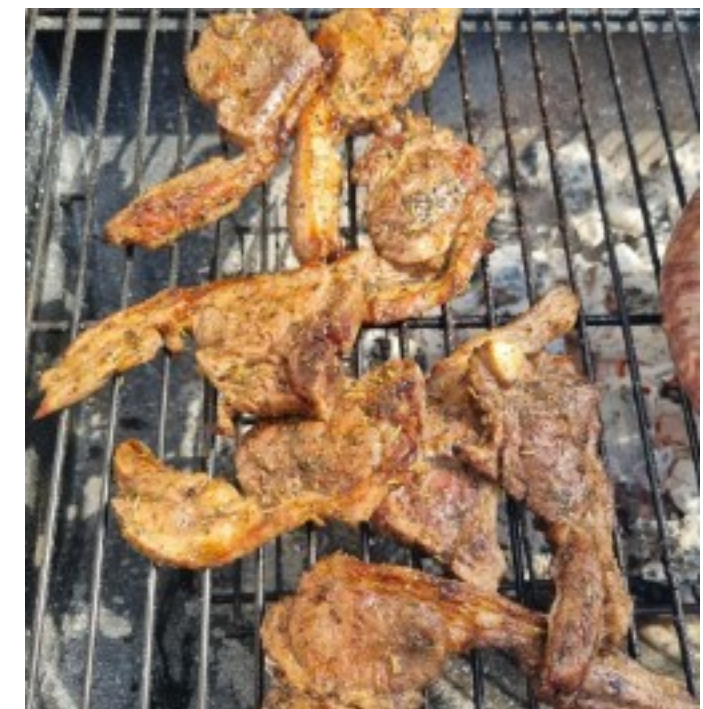
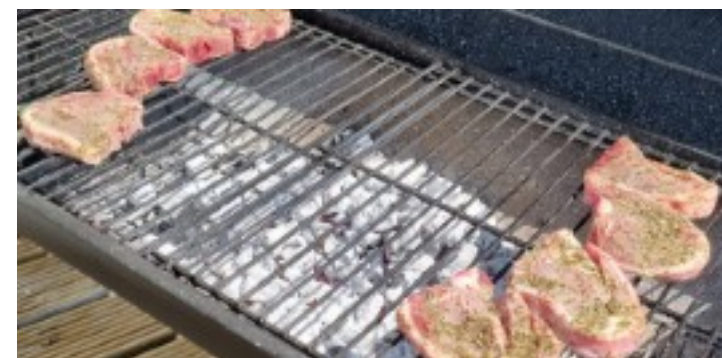


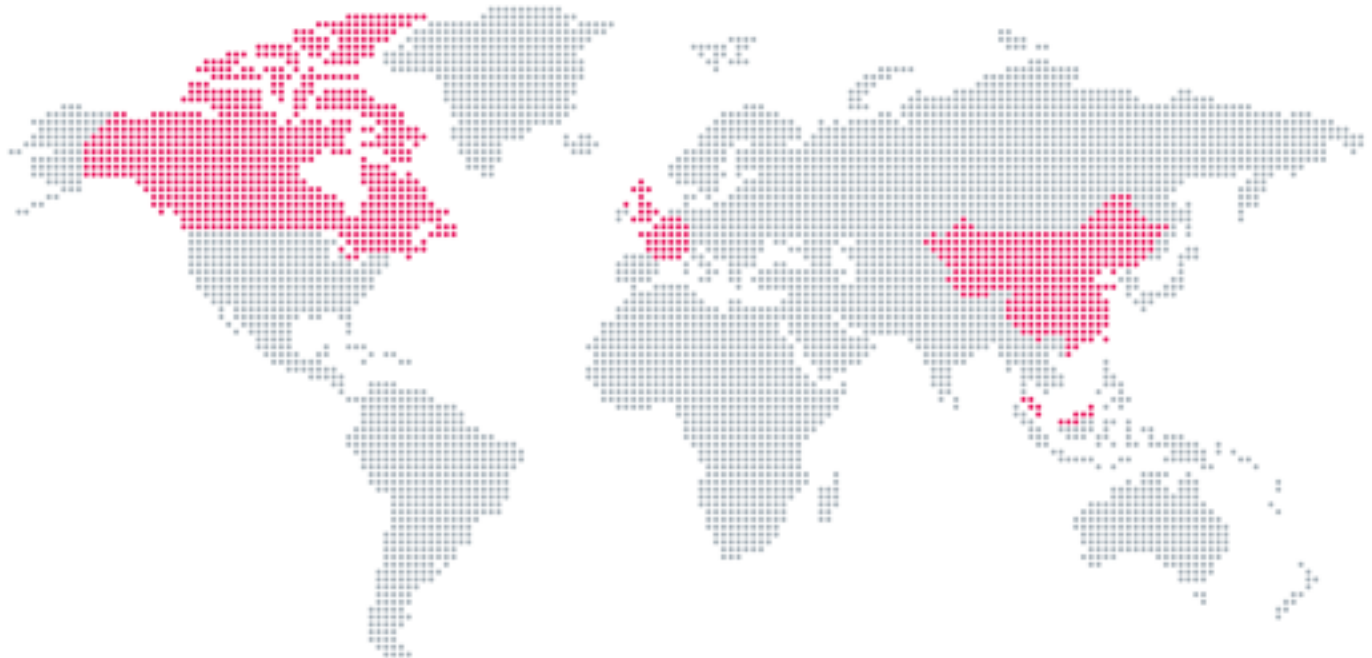
Kiera Cloete
Trade Mark Administrator
Edinburgh



I chose Dolly the Sheep - without fail, we have lamb chops with every BBQ, just to eat as a snack!

Dolly was part of a series of experiments at The Roslin Institute that were trying to develop a better method for producing genetically modified livestock. If successful, this would mean fewer animals would need to be used in future experiments. Dolly was important because she was the first mammal to be cloned from an adult cell. Her birth proved that specialised cells could be used to create an exact copy of the animal they came from. This knowledge changed what scientists thought was possible and opened up a lot of possibilities in biology and medicine, including the development of personalised stem cells known as iPS cells.





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