

BSkyB successful on appeal in NOW case

In *Starbucks (HK) Limited v British Sky Broadcasting Group Plc* ([2013] EWCA Civ 1465) the Court of Appeal of England and Wales upheld a High Court decision finding that the CTM NOW, owned by Starbucks (HK) Limited – a Hong Kong-based media group unrelated to the coffee shop chain – was invalid, and that Starbucks had no goodwill in the United Kingdom that would give it the right to prevent BSkyB from using the name NOW TV in relation to its internet protocol television service.

According to Joel Smith and Laura Deacon, of Herbert Smith Freehills LLP, the decision highlights two important reminders for brand owners: “First, there are risks in adopting a brand that is descriptive of the goods and/or services provided under

that brand. There is great potential value in creating and developing a distinctive brand that cannot be said to be descriptive of the relevant goods and/or services provided... Second...owners of brands that are well known outside the United Kingdom, but without a business in the country, may not be able to establish a sufficient goodwill in the United Kingdom to succeed in a passing-off action. However, such brand owners may be able to rely on Section 56 of the Trademarks Act 1994, which gives the owner of a trademark that is famous outside the United Kingdom (and is entitled to protection under the Paris Convention) the right to seek an injunction to prevent the use of an identical or similar mark in relation to identical or similar services”.