**RECORD OF INTERVIEW WITH JUSTICE RICHARD ARNOLD**

This meeting was requested by Ana de Miguel in relation to the Review that the UK Government is conducting on the enforcement of the Consumer Protection from Unfair Trading Regulations 2008 in respect of copycat packaging. Justice Richard Arnold authorised the UK IPO to record the meeting and to utilise the note below as part of the evidence that will be published along with the Final Report in September.

**Interview with Justice Richard Arnold, 26 March, the Royal Courts of Justice, 7 Rolls Building, Fetter Lane**

1. Justice Richard Arnold set out the legislative framework currently available to rights holders and originators in relation to copycat packaging. Historically, the areas of trade mark law and unfair competition have been regarded as distinctive. However, Justice Richard Arnold believes these two areas of law now overlap with each other. Traditionally, copycat packaging has been conceived as a trade mark issue (with trade mark law including passing off). The right holder of the infringed trade mark can seek redress through trade mark law. In the absence of registration, they will have to demonstrate their goodwill in the packaging. Right holders can also protect their rights on the design of the packaging and the copyright on the label through design and copyright law respectively.
2. If there is no confusion, the plaintiff can still protect their rights through European trade mark law. Paragraph 2 of Article 5 of the Trade Marks Directive (old numbering)[[1]](#footnote-1) protects the originator against cases where the competitor takes unfair advantage of the distinctive character or repute of the trade mark (i.e. goodwill). On this point, Justice Richard Arnold noted that while the Directive was drafted with the intention to make the use of Article 5.2 subject to a requirement that the products are not similar, the jurisprudence of the ECJ indicates that Article 5.2 can be used even if the products are identical or similar.
3. The jurisprudence of the ECJ on taking unfair advantage under Article 5(2) of the Trade Marks Directive that interprets this provision as being directed to situations of unfair competition. See *Jack Wilson & House of Fraser.[[2]](#footnote-2)* This was a case involving clothing logos, including a claim under Art. 5(2), which referred to the Court of Justice interpreting these provisions as directed at a particular form of unfair competition. It was not necessary for the claimant to rely on the intention of the defendant to prove unfair advantage.
4. In the UK we do not have unfair competition law as such, but we do have a patchwork of legal remedies for unfair competition. Unfair competition law in the EU is currently in the process of being harmonised.
5. The Unfair Commercial Practices Directive[[3]](#footnote-3) is primarily addressed to consumers, but also protects businesses indirectly. Copycat packaging is arguably addressed under paragraph 13 of Annex 1: “Promoting a product similar to a product made by a particular manufacturer in such a manner as deliberately to mislead the consumer into believing that the product is made by that same manufacturer when it is not”. Justice Richard Arnold doubted that granting businesses a private right for enforcement this provision would help rights holders and originators because if a product is promoted in a manner that is deliberately misleading to the consumer then the remedies of trade marks and passing off would also apply. In fact, as pointed out above, trade mark law already goes further than this, as it need not require either confusion or proof of intention.
6. The issue of a private right of action under the Directive also needs to consider whether that right should extend to all of the Directive, or only paragraph 13 of Annex 1. This is a policy decision for the Government, but there is no logic in focusing on only on part of this instrument.
7. In the view of Justice Richard Arnold, the subject of this CPR Review in respect of copycat packaging ties in to a much wider question: in the context of increasing harmonisation by EU law on unfair competition; to what extent the UK should have a law of unfair competition *per se*? (instead of the current patchwork of legislation that protects against unfair completion that has been mentioned above). He has covered this topic in his article “English Unfair Competition Law”[[4]](#footnote-4).
8. If the direction of travel is to move towards a harmonised EU system of unfair competition law and we are to develop new law on unfair competition, then we will need to consider how far this should go. For example, if we introduce a remedy against copycat packaging, would that also be applicable to “slavish” copying in general (as it is currently actionable in other EU Member States)? How would we distinguish slavish copying from copycat packaging and should we differentiate them at all?
9. We then moved to the Law Commission report on Threats[[5]](#footnote-5). The Intellectual Property judges responded along the lines that the Law Commission should perhaps look at the unfair competition as well. In the first report, the Law Commission put forward two proposals. The first proposal was of an evolutionary nature, which suggested making various minor amendments to correct the legislation. The second proposal was more far reaching, suggesting scrapping the existence of threats legislation and replacing it with a new tort based on Article 10 bis of the Paris Convention. The Judges made the point that, if the UK is going to legislatively apply parts of Article 10bis of the Paris Convention, why not do it for the whole Article. The Law Commission responded that that was outside their remit.
10. Justice Richard Arnold then commented that the traditional hostility of the English judiciary towards unfair competition law may have evolved into a more open view because they have been forced to apply ECJ jurisprudence. This practice has made the English judiciary less suspicious of unfair competition law. But even in the field of trade marks there has been a reluctance to apply the current law. This is probably because the enforcement of copycat packaging is not a legal issue but a commercial one i.e. why would brand owners want to take their main customers to court?

1. At the time of drafting this note the trade marks directive was the subject of negotiations in the Council as part of the wider review of the trade mark law system. While no changes have been proposed to the text, the numbering has been altered and it is now Article 10.2.c. [↑](#footnote-ref-1)
2. The full case can be viewed at: http://www.bailii.org/ew/cases/EWHC/Ch/2014/110.html#para11. [↑](#footnote-ref-2)
3. Directive 2005/29/EC of the European Parliament and the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, and 2002/65/EC of the European Parliament and of the Council and the Regulations (EC) No 2006/2004 of the European Parliament and of the Council (The directive on Unfair Commercial Practices”). [↑](#footnote-ref-3)
4. International Review of Intellectual Property and Competition Law journal, Volume 44, Number 1, February 2013 edition. [↑](#footnote-ref-4)
5. The Law Commission Report on “Patents, Trade Marks and Design rights: groundless threats”. The Report was not published at the time this note was produced. [↑](#footnote-ref-5)