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What's in a name?

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IP & IT analysis: Following the recent Cranford Community College decision, to what extent is the scope of protection of a descriptive name with a secondary meaning narrower than that afforded to an inherently distinctive name? Senior associate Indradeep Bhattacharya, and Francois Holmey, associate, at Jones Day, say the dispute serves as a helpful reminder of the difficulty when seeking to establish goodwill in passing off cases.

Original news

Cranford Community College v Cranford College Ltd [2014] EWHC 2999 (IPEC), [2014] All ER (D) 146 (Sep)

The claimant, which operated a state secondary school in London known as 'Cranford Community College' (CCC), brought an action for passing off against the defendant, which traded as 'Cranford College Ltd' (CCL) and which operated in the same area. The Intellectual Property and Enterprise Court (IPEC), in dismissing the claim, held, among other things, that, on the evidence, no goodwill or misrepresentation had been established.

What issues did this case raise?

The IPEC ruled against CCC in a passing off action it brought against CCL. CCC, a private limited company operating a state secondary school, and CCL, a privately owned educational establishment offering courses for students of post-school age, were both situated in the area of Cranford in west London.

The two main issues before the court were:

Descriptive use

The main defence raised by CCL was that the use of the term 'Cranford' was descriptive. The court referred to well established authority to indicate that a trade name which is descriptive in its literal meaning could still be protected by the law of passing off if it has acquired a secondary meaning in the relevant market that distinguishes the claimant's goods or services from those of other traders.

However, the court held that the scope of protection afforded in relation to a descriptive name with a secondary meaning is liable to be narrower--a minor change to the name can restore the descriptive meaning in the mind of the relevant public, in which case no misrepresentation will occur. The extent to which the scope of protection of a descriptive name with a secondary meaning is narrower than that afforded to an inherently distinctive name, will depend on the extent to which the secondary meaning is well established in the mind of the relevant public so as not to be easily displaced.

The court used the example of 'Eton College' as a case where the secondary meaning is so well established that it overrides the literal idea of a college located in Eton. On the facts, the court held that CCC had not managed to show that that 'Cranford College' had acquired a secondary meaning and, as a consequence, goodwill had not been established.

Relevant public

To succeed in a case of passing off, the claimant must establish that there is a misrepresentation that confuses, deceives or is likely to confuse or deceive the relevant public. The court held that the relevant public here only included those individuals living in the relevant part of west London for whom 'Cranford College' had acquired a secondary meaning.

The judge, however, held that this class of people would be fairly narrow as it excluded:

- o those who had a cursory or transitory awareness of CCC as a school, and
- o current students of the college and their parents/guardians (given they were unlikely to be confused)

Even if CCC had established sufficient goodwill, it would not have succeeded because the confusion CCC relied on came from cleaners and delivery men who were not part of the relevant public.

To what extent is the judgment helpful in clarifying the law in this area?

The ruling is not surprising because it represents an application of well-established principles of passing off. There are, however, two aspects of the case worth noting.

First, the judge explained that even where a prima facie descriptive name has acquired a secondary meaning, this does not mean that it is in the same position as an inherently distinctive name. The protection given to such a name will be inherently narrower than a distinctive name but the extent of the protection will depend on how far this secondary meaning has taken root in the mind of the relevant public. This will be difficult to establish in cases (as in this case) where the goodwill is fairly limited and the relevant public is fairly small.

Second, the judge's analysis and characterisation of the relevant public is interesting and in particular, his observation that you cannot include in this class persons that do not have a 'good deal more' than just a cursory or transitory awareness of the relevant name. In instances where the relevant goods or services are not provided to the public at large, this could often mean that the relevant public will be fairly small.

What are the implications for lawyers?

The case is a helpful reminder to lawyers advising in this area of the degree of difficulty of establishing goodwill in passing off cases, particularly where it concerns descriptive names. Lawyers need to be mindful that use of a descriptive name can significantly limit the scope of protection afforded and makes it much more difficult to establish the requisite degree of confusion.

In addition, the case also highlights the need for lawyers to conduct broad searches when assessing the suitability of a new trade name in light of the fact that both traders and non-traders have standing to bring passing off actions.

Interviewed by Nicola Laver.

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