

Rolex: is the trademark world its Oyster?



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The luxury brand is accusing a British clockmaker of infringing its long-established 'Oyster' wristwatch range amid what appears to be a wave of litigation from Rolex, finds Sarah Speight.

Hot on the heels of a trademark loss against a Nordic fashion brand over a crown logo, luxury watchmaker Rolex has found a new target: a family business based in England that sells children's educational clocks.

Oyster & Pop, set up by two sisters during the 2020 COVID-19 lockdowns, makes wall clocks designed to help children learn to tell the time. The products, which retail at around £20 each (\$25), clearly display the company's name.

Rolex, having claimed the name 'Oyster' as its own for its decades-old range of wristwatches, is taking aim.

Geneva-headquartered Rolex, valued at more than \$8 billion according to Statista, launched the Rolex Oyster—which it claims is the first waterproof and dustproof watch—in 1926.

The Oyster Perpetual followed in 1933 as the first waterproof automatic watch, and is worn by James Bond in Ian Fleming's spy novels.

The luxury range of watches, described by Rolex as a "staple" in its collections, has now expanded to include hundreds of variations with each collectable timepiece costing up to tens of thousands of dollars.

Timely trademarks

Rolex has protected its Oyster range with a multitude of international trademarks in the Class 14 category under the Nice Classification since the line was launched.

The Devon-based firm, on the other hand, does not yet own any trademarks related to the disputed product, but the UK Intellectual Property Office (UKIPO) is currently reviewing an application from them.

It did apply for a trademark in the US in 2021, which Rolex challenged and won after Oyster & Pop withdrew.

Now, Rolex is objecting to the UK application, and wrote to the sisters in early January demanding that they rebrand, arguing a likelihood of confusion, brand damage, exploitation and erosion of the reputation of their Oyster watches.

The Swiss brand is demanding that all of Oyster & Pop's clocks be removed from sale, and that the firm changes its logo, website domain and name to avoid further action.

Oyster & Pop founders, Emma Ross-McNairn and Sarah Davies, responded to Rolex's latest opposition with a nine-page letter stating why they believe that Rolex's demands are unjust.

They are reported to have offered to agree terms with Rolex—that they would refrain from producing an adult watch or changing the brand's name to just 'Oyster'.

McNairn and Davies "don't believe that anyone has or will confuse our fun kids' wall clocks with Rolex Oyster watches", and say that conceding to Rolex's demands would "destroy" their business.

The sisters named their business, which also sells wall charts, fraction sets and highlighters, after the name of the street where they grew up—Oyster Bend.

They have publicised the confrontation from Rolex via media exposure and an online petition on Change.org, which is, at the time of writing, exceeding 80,000 signatures.

Trademark bullying?

Despite emotive arguments from the defendants, is this an example of trademark bullying from Rolex—with its grandfather reputation and deep pockets—or a reasonable assertion of its rights?

It appears, after all, to be in a litigious mood at the moment, having this week filed a separate suit against a real estate firm in Florida over the name 'Roleks'.

Sally Britton, a partner at Mishcon de Reya, told WIPR that "it's not surprising to hear" that Rolex is looking out for third-party applications covering similar and identical goods that may conflict with their rights and dilute its brand.

"Oyster & Pop were aware of the conflict with Rolex when they filed their trademark application in the UK, having received [an] opposition against their US application in 2021," she says.

Mark Caddle, a partner at Withers & Rogers, suggests that the clockmakers just didn't do their due diligence.

"Unfortunately, this case shows what can happen when a company doesn't get the right advice when launching a new brand," he tells *WIPR*. "Expert guidance could have potentially dissuaded Oyster & Pop from using 'Oyster' in their brand name as they sought to enter the watch and clock market, and saved the company a lot of heartache."

Like Caddle, Claire Jones—trademark director at HGF in London—points out the crucial oversight by the Devon-based company.

"The main problem is that they do not appear to have taken any steps to assess the risks involved with adopting the name 'Oyster & Pop' prior to launch," she observes, arguing that just having a personal link to a name does not mean it is always possible to launch a brand incorporating that name, if it competes with another brand already on the market.

"Launching without undertaking any clearance searches or risk assessments can lead to issues (such as this) at a later stage. Even a basic level of searches would have revealed that Rolex uses and has registered 'Oyster', so the proposed use of 'Oyster & Pop' in relation to a timepiece would have flagged Rolex as a potential risk," she notes.

Reputational might

Given this logic, it seems that Rolex could triumph against the firm.

Jones supports this view, highlighting that Oyster & Pop's UK application does not cover Class 14, but does cover toy clocks and watches in Class 28.

"There is potentially enough similarity for any opposition decision to be decided in Rolex's favour on likelihood of confusion and/or reputational grounds," she says.

Charlotte Duly, head of brand protection at Charles Russell Speechlys, also believes that Rolex "stands a reasonable chance" of successfully opposing Oyster & Pop's trademark registration, given that the luxury watchmaker holds UK trademark registrations for 'Oyster' as a plain word mark covering watches and clocks.

She adds that while Oyster & Pop has filed for its name as a word mark, covering toy watches and clocks, "the whole of Rolex's mark appears at the beginning of Oyster & Pop's mark, and there is an argument that confusion is likely."

Caddle also argues that reputation could help sway the outcome: "Rolex has a good chance of winning this case, despite the lack of crossover between the two customer bases, due to the potential for a diminishing effect on the reputation of the earlier [Oyster] brand."

Common practice

Jones suggests that Rolex's approach to enforcement is nothing out of the ordinary.

"Enforcement strategies will differ between brands, but any assessment of potential conflicts looks at similarity of marks, similarity of goods and services, and territory," she explains.

On the basis that Oyster & Pop's applied-for mark includes the element 'Oyster', covers 'toy clocks and watches' and is based in the key territory of the UK, she says "it is not surprising" that the company was approached by Rolex on the basis of its already-owned earlier marks.

Duly agrees, adding that Rolex is simply looking to protect its interests—but its requests "may be heavy-handed".

"Oyster & Pop offer a range of goods that are very different from watches and clocks." she tells *WIPR*.

"It does not necessarily matter that Oyster & Pop's product may look and feel very different to a luxury timepiece; they are requesting a trademark registration that covers similar goods and it is not surprising Rolex has taken action.

"If Rolex were to bring out a children's range—and they should be free to do so—that would no doubt cause issues for both parties, so they are looking to protect both current and future interests."

But the reasonableness of Rolex's position depends on what exactly it has requested of Oyster & Pop, she adds.

"It is unlikely that use of 'Oyster & Pop' on chore charts, pens and fraction charts, for example, would cause Rolex any harm.

"An entire rebrand seems unnecessary when only one product is likely to be an issue."

Expansion threat

However, Jones counters that the issue is with the branding of said product—the clock—"albeit in a very different style to that of Rolex—[and] there is emphasis on the element 'Oyster' in the branding," she notes.

"Regardless of the fact that the entity is relatively small, I would likely have recommended a similar approach as taken by Rolex in this instance. Allowing the continued use and registration of the brand is not without risk; there is nothing to say that [Oyster & Pop] would not be hugely successful, expanding the product ranges out into wristwatches, for example.

"In addition, they could sell the business, and the trademarks, and that purchaser could be a competitor to Rolex."

Despite all of that, Duly considers that the dispute could potentially be resolved amicably, with "perhaps some amendment to the presence of 'Oyster' on the clock face going forward with a sensible period allowed to amend that item".

"Rolex is not being unreasonable," she emphasises. "Parties have a right to enforce their valuable IP, and in this situation there is a similar mark for identical goods."

WIPR has contacted Rolex for comment, without immediate response.

This article has been edited since publication.