



Brand recognition: using IP to add value to real estate

Melanie Worsdall and Louise Gellman offer guidance for real estate companies on choosing, clearing and protecting their intangible property assets

Like all businesses, real estate owners and developers are considering their strategies for the post-Covid-19 world. Many are already thinking about creative ways to change the use of their property assets in response to the challenging times that landlords and occupiers are facing, particularly in retail. With flexible offices, co-living spaces and new approaches to the design and utilisation of retail and urban spaces likely to be at the forefront of people's minds, real estate companies will need to consider how to distinguish their offerings from those of their competitors.

Branding will become an increasingly important part of how real estate companies attract tenants and visitors to their spaces. The brand name of a co-working space or mixed-use development, for example, identifies not only the physical place but also the range of digital and peripheral services that tenants and other communities using that particular space can enjoy. A strong brand also serves as a marketing tool and plays a key role in creating a social media buzz around the offering.

The foundation of all strong brands is an appropriate trade mark registration and a consistent policing and

enforcement strategy. Having the right kind of protection in place for a brand relating to new projects or schemes will help property owners and developers stop others from using the same or a similar name for a rival offering.

Choosing a brand name

The most suitable trade marks are those which are distinctive and non-descriptive. The strongest brand names – and those that are easier to register as trade marks and enforce – are usually invented or “fanciful” names.

Ordinary words (like “jaguar” or “boots”) can be registrable as trade marks,

but only if they do not describe any characteristics of the goods and services in question and, perhaps more crucially for real estate companies, if they do not designate the geographical origin of the relevant goods or services.

In *Canary Wharf Group plc v The Comptroller General of Patents, Designs and Trade Marks* [2015] EWHC 1588 [Ch], the High Court refused an application by the owner and developer of the Canary Wharf estate in London to register “Canary Wharf” in relation to various real estate management, rental and property development services.

By the time the owner came to apply, in 2013, for “Canary Wharf” as a trade mark to identify what the owner claimed was its “private estate”, the Canary Wharf name had been adopted not only for the commercial development but also for transport links to the area and as the name of a political ward comprising the development and its surrounding area, and it was perceived, more generally, as a business district.

The court therefore refused the application because the name could not perform the function of a trade mark to distinguish the owner’s offering. The owner did not file sufficient evidence to show that it had educated the public to associate the name Canary Wharf with its own real estate business and activities as opposed to perceiving it as a geographical area in order to try and overcome the refusal.

An application may have been successful had it been filed very early on in the life of the development. This case highlights the importance of early registration of development names by real estate companies, before those names become synonymous with the surrounding geographical area.

Brand clearance

Trade marks are registered in relation to specific goods or services. The provision of property development, real estate services, leasing, provision of temporary accommodation and the operation of a shopping centre or mixed-use development, for example, are all services which are protectable, provided they are correctly defined.

Once a name, or a shortlist of names, has been chosen by a real estate company for a particular building or scheme, the availability of the name(s) for the company’s use as a trade mark in relation to its specific goods or services should be checked – or “cleared” – by an intellectual property lawyer. The legal issue is whether the company’s use of the chosen name would infringe any third-

party rights. Businesses should consider carrying out a similar clearance exercise in respect of every territory in which they intend to launch the brand.

Adopting a name without checking if there are any legal risks associated with its use for the company’s project could result in a trade mark infringement and/or passing off claim from an earlier rights holder. Like all commercial disputes, clashes over trade marks can be time consuming and costly to resolve, either through court proceedings or settlement, and can cause reputational damage, so they are best avoided.

Protecting the investment

Securing a trade mark registration for the chosen brand (and logo) in relation to relevant goods and services makes it easier to take legal action against anyone else using the same or a similar name in a way that is likely to:

- confuse consumers as to the origin of goods and services, or lead consumers to believe there is a commercial association between the brand owner and the party using the same or similar name; and/or
- dilute, damage or take unfair advantage of the reputation of an established brand.

Rights in a name can be created through the use of that name without registering it. However, it is much harder to enforce an unregistered right against a third party as claimants need to demonstrate that they have built up goodwill in the relevant name and have suffered damage, which can be difficult and expensive to prove.

Registration of a trade mark creates a proprietary right to the mark in question, proved by a registration certificate. Once registered, trade marks can be renewed indefinitely, every 10 years. Brand owners should take care over how they use their mark in order to maintain its value and enforceability. For example, trade marks should not be used as nouns or verbs, however tempting this may be from a marketing perspective. The adoption of brand guidelines can help to ensure that the use of a trade mark is consistent.

Provided trade marks are used with care, they will remain enforceable in relation to goods and services covered by the registration for which the mark is used in trade.

The power of digital

Real estate businesses should remember to obtain appropriate domain (or website) names and social media handles to support their chosen brand name.

Domain names and social media handles do not protect the underlying brand names as such, but they are

crucial from a marketing and operation perspective. As for all businesses, a social media presence is an essential tool for real estate companies; it enables them to promote their properties and on-site amenities and events in order to increase visitor numbers and boost sales for retail tenants, as well as increasing awareness of their own brand. Social media can also facilitate connection and engagement with tenants and local communities.

Alongside the brand clearance process described above, real estate companies should also check the availability of the domain names and social media handles that they may wish to use for particular developments and obtain early registrations.

Policing and enforcement

Choosing and clearing the “right” name and securing a trade mark registration for it are just the first steps in developing a strong brand.

In order to protect the chosen brand, real estate companies should set up commercial watch services in order to monitor for any conflicting trade mark applications filed by third parties and any incorporations of company names that could be problematic were they to be used in relation to real estate or related services.

It is typically easier to deal with issues if they are spotted early. Possible action could include filing administrative proceedings at the UK Intellectual Property Office to oppose a third party’s conflicting trade mark application and/or to complain about a third party’s company name where that name is so similar to the brand that its use might mislead the public into thinking there is a connection with the brand owner.

Real estate companies should also act quickly if they discover any misuse of their trade marks in order to mitigate the damage that the infringing use may cause to the integrity of their brands.

Realising the investment

Trade marks are property rights. Like real property, they are therefore tradeable commodities that can be sold, licensed and used as collateral for loans.

As goodwill and reputation vest in the relevant brand, any purchaser of bricks and mortar will expect to acquire a corresponding intellectual property portfolio which adequately protects the goodwill and reputation it is acquiring. Investing in brand protection in the ways outlined above can help to boost value in the real underlying property.

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