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European case law on distinctiveness
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European case law on distinctiveness

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In the last few years the European Court of Justice (ECJ) has issued numerous decisions on the issue of the distinctiveness of trademarks. As a result of these decisions, the parameters of specific trademarks have been more precisely defined. We know a lot more about the registration of trademarks consisting of one or more colours, shapes, sounds and scents. One could say that the ECJ has set the trend for these types of trademark.

As far as the author is aware, the European courts have not dealt with colour marks, sounds or scents of late. However, there have been some decisions concerning trademarks comprised of a shape, whether three-dimensional or otherwise. Of course, cases involving word marks also keep the courts busy. This article focuses in particular on decisions of the European Court of First Instance (CFI), reviewing recent rulings on distinctiveness to see what has happened over the past year. Were there any surprising decisions? And what about the role of distinctiveness in opposition cases?

Definition of distinctiveness

Regulations stipulate that trademarks that have no distinctive character or that consist exclusively of signs or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin or time of production of the goods or rendering of the services, or other characteristics of the goods or services, cannot be registered.

The European trademark office – the Office of Harmonisation for the Internal Market (OHIM) – and trademark applicants have had their differences over signs which may be regarded as capable of performing the essential function of a trademark. Appeals in such cases are handled by the CFI. On various occasions the

CFI has had to determine whether the signs filed for registration at OHIM were capable of identifying the commercial origin of the goods or services. This is, after all, the function of a trademark. The CFI has considered, first, the distinguishing character of the mark in relation to the goods and/or services, and second, the perception of the relevant public with respect to the mark. In most cases the CFI found in favour of OHIM. Some examples are discussed below.

Word marks

“Safety 1st” was refused registration for goods mainly destined for children (eg, strollers, youth beds, swings). The average English-speaking consumer is likely to consider the expression – which will be recognised as the words “Safety First” – as an advertising slogan and not as an indication of the commercial origin of the goods. The way in which the word “1st” was written was not exceptional and did not make the trademark distinctive.

The word “Caipi” was refused registration for alcoholic drinks, because the average consumer of alcoholic drinks would recognise it as an abbreviation of the name of the *caipirinha* cocktail. There was thus a direct connection between alcoholic drinks and the word “caipi”. Although the word “caipi” cannot be found in dictionaries, an internet search reveals many hits, confirming that this is a generally used indication.

The sign “BASICS” was refused registration for paints, lacquers, inks etc. This is an English word which refers to essential goods – in this case, goods most commonly used by artists. The public might regard the word “basics” as an indication that the goods sold under the BASICS sign were the most useful and important of an artist’s fundamental and elementary materials. The decision was thus unsurprising.

Word marks which are attractive to marketers are often likely to be refused registration. As we all know, coined words have a greater chance of acceptance. But what exactly is a coined word? The European Union

continues to expand and the views of all EU citizens must be taken into account. A word which appears to be registrable in one language of the Community may have a certain meaning in another language. OHIM takes its job very seriously: applications are examined thoroughly and internet searches are also conducted, frequently to determine the origin of a word. It seems that it is not becoming any easier for word marks to be accepted.

Three-dimensional trademarks

Most of the CFI decisions concerning the distinguishing capacity of three-dimensional trademarks ended up in a refusal of registration. Several applicants have argued in vain that their trademark has highly unusual characteristics. However, the trend with respect to three-dimensional trademarks has not changed.

We know that only a mark which is significantly different from what is usual in the relevant sector can be accepted as a three-dimensional trademark.

Surprisingly, the CFI has made an exception for the shape of a loudspeaker. Registration was sought for, among other things, loudspeakers and music furniture. The CFI considered that, as compared to a usual loudspeaker, the shape would win the attention of the public concerned and make them aware of the shape of the goods in question. The trademark differs significantly from what is customary in this branch of industry and has characteristics which are sufficiently specific and arbitrary. The presence of original characteristics may confer the required degree of distinctiveness on a trademark, which otherwise it would not have.

The OHIM Board of Appeal had decided that the aesthetic elements of this trademark prevented the trademark from performing its essential function. The CFI dismissed this argument, stating that if the public regards a sign as an indication of the commercial origin of the goods, then whether it serves another purpose at the same time has no bearing on its distinctive character. This trademark had the required minimum degree of distinctive character and therefore registration could not be refused.

Other shapes – for instance, of a microphone head grill or a section of a wind turbine – were not so lucky.

Another CFI decision is notable because it has instituted a change in practice for OHIM examiners. In future, information and evidence found on the Internet cannot merely be referenced, but must be copied and pasted. In this case the CFI and the applicant were unable to judge whether the shape of a guitar

was different from other guitar shapes. Some of the websites containing information found by the examiner were no longer available or had been changed.

The restrictions of European case law continue to apply to three-dimensional trademarks. One of the arguments against registration of three-dimensional marks is that the consumer is not accustomed to recognising the commercial origin of a product through its shape. Unexpectedly, however, the CFI decided in favour of the loudspeaker shape. Consequently, if you believe (and can demonstrate) that a shape is significantly different, it might still be worthwhile to try to file an application.

Opposition

Distinctiveness also plays a part in CFI judgments in opposition proceedings. It is interesting to see how trademarks are compared – especially from a conceptual point of view. Since this conceptual comparison is just one of the factors considered in establishing a risk of confusion, it is not decisive to the outcome.

In some cases distinctiveness is explicitly mentioned, but in most cases it is not.

In a dispute over the trademarks *AMPLIFY* and *AMPLITUDE*, the CFI considered that the elements “amplify” and “ampli-” would be linked conceptually in the minds of Spanish consumers with a number of similar Spanish words meaning “amplify”, “amplification” and “amplitude”.

This led the CFI to conclude that for the average Spanish consumer, there would be a strong relationship between the goods concerned (glasses and lenses) and the meaning of the marks which covered them. The words *AMPLIFY* and *AMPLITUDE*, or their Spanish equivalents, created impressions which were closely related to the goods concerned. Ultimately, the CFI decided that there was an overall similarity between the two trademarks, particularly because of the common elements at the start of both words and because of the conceptual similarities between them. As a consequence, there was a risk of confusion.

In another opposition matter, lodged on the basis of the word mark *VITAFIT* against the combined word/device mark *VITAL & FIT*, the CFI was more specific about the distinguishing character of the trademarks. This time the case was considered from the point of view of German consumers. Both trademarks were meant for non-alcoholic (fruit) beverages.

According to the OHIM Board of Appeal, the earlier *VITAFIT* trademark had a narrow scope of protection because of its limited distinguishing capacity. However, the trademark was not considered entirely descriptive, even though the indications *VITA* and *FIT* were known in the

Accepted three-dimensional trademark



German language, since the combination of these words had no clear meaning in German. The trademark had connotations of a healthy life and performance, but did not describe the goods or their characteristics directly.

In this case the meaning of the trademarks VITAFIT and VITAL & FIT led the CFI to conclude that there was a conceptual similarity between the marks because of the common “healthy life” message. There was thus a likelihood of confusion.

In a February 2008 judgment, the CFI had to resolve the predicament presented by the acceptance of the GALVALLOY trademark. The court moved cautiously, not only in relation to the distinctiveness of this trademark, but also in relation to the distinctiveness of the opposing GALVALLIA trademark. Both trademarks were filed/registered for coated steel sheeting.

The opposing trademark is registered in France and the relevant public comprised a limited number of professionals in the French steel industry. The OHIM Board of Appeal considered only the French pronunciation of the trademarks, but the CFI stipulated that the English language is commonly used in this international industry. A phonetic and conceptual comparison was therefore made taking both languages into account.

It followed from the conceptual comparison that the GALVALLOY trademark would be recognised by the relevant public as referring to the concepts of “galvanisation” (a technique for coating metal) and “alloy”. Given this clear meaning, it is surprising that the trademark GALVALLOY passed the OHIM examination.

The earlier GALVALLIA trademark was identified as a combination of “galvanisation” and the French word “*alliage*”, meaning “alloy”.

The subject of distinctiveness was brought up in the CFI’s assessment of the likelihood of confusion. The CFI observed: “Given that the concepts conveyed by the two marks at issue

refer to the characteristics of the goods concerned, their ability to contribute to the identification of the designated goods as coming from a specific undertaking, and therefore their ability to distinguish those goods from those of other undertakings, may be weakened as a result.”

It continued: “Nevertheless, although the distinctive character of the earlier mark must be taken into account when assessing the likelihood of confusion, it is only one factor among others involved in that assessment.”

The outcome was that the observant consumer could be led to believe that the goods in question came from the same undertaking despite the limited distinctiveness of the earlier mark. This was emphasised by the fact that the trademark GALVALLOY contained the element “alloy”, which was even less distinctive than that element which the trademarks had in common (ie, “galv-”). The CFI thus held that “the mark applied for may appear to be a simple translation of the earlier mark”, and found that there was a likelihood of confusion between the marks.

Conclusion

Distinctiveness remains an interesting issue and will doubtless continue to be so. Without distinctiveness, there can be no trademark. Once a trademark is registered, the trend is to accept that it is protected. Therefore, owners of trademarks that have limited distinctiveness should not hesitate to oppose trademarks containing one or more similar descriptive elements. The examples from opposition case law make this clear.

Meanwhile, trademark practitioners should continue to advise clients and marketing departments about the pros and cons of filing a certain trademark, but the only way to be sure is to go ahead and wait and see how OHIM reacts. There are no certainties and each case will be assessed on its own merits.



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