

Review

Intellectual Property



Caselaw - E-Ship runs aground

In *Enercon GmbH v OHIM (Case T-81/08, 29 April 2009)*, the CFI has upheld the decision of OHIM's First Board of Appeal in which the latter had held that the word mark "E-Ship" was descriptive in relation to goods and services relating broadly to electrical aquatic transportation.

BACKGROUND

In April 2006, Enercon GmbH (Enercon) applied for the registration of "E-Ship" as a Community trade mark for goods in classes 7, 9, 12 and 39. In December 2006, the examiner rejected the application in its entirety based on Articles 7(1)(b), (c) and 7(2), namely lack of distinctiveness, descriptiveness and non-registrability in one part of the Community.

In February 2007, Enercon appealed to the Board of Appeal which dismissed the appeal on the grounds that "E-Ship" indicated the kind, quality and intended purpose of the goods and services for which registration had been sought and as a result was descriptive. In addition, it held that in the absence of any graphic element the aforesaid mark was also devoid of distinctive character.

THE CASE BEFORE THE CFI

Enercon's arguments centred on the failure to provide a statement of reasons, the misinterpretation of Article 12 and the violation of Article 7 of the 40/94 Regulation.

First, it claimed that the Board did not differentiate its assessment in relation to the different classes of goods and services; secondly, that the Board did not divide consumers into average and specialist and did not elaborate sufficiently its assessment in relation to the distinctive character.

Enercon tried to support its case by invoking the fact that the capital letter "E" was selected as a reference to Enercon, and was not used as an abbreviation of the word "electric". It added that even if the capital letter "E" had a link to electricity, this did not equate to a descriptive character for the full specification since some of the goods and services were remote from electricity.

Finally, it claimed that the mark applied for showed the requisite minimum level of distinctive character to enable the public to distinguish the origin of the goods and services from those of other undertakings.

THE CFI JUDGMENT

In relation to the first argument, the CFI reiterated its case law in which the competent authority when refusing to grant registration had to justify its assessment in relation to each and any of the goods or services in any of the classes. However, there was an exception for "global assessment" when the same ground of refusal could be made in relation to one category or group of goods or services. In this case, the latter were either technical goods for the function of a ship or services related to transportation by boat, and thus closely associated to navigation.

The CFI went on to observe that the Board, when defining the relevant public, had correctly distinguished the goods and services in question in relation to the public which they addressed. It underlined however that the perception of the mark was identical for both categories of

consumers. It also upheld the Board's views regarding the lack of distinctiveness based on the facts that the word mark was descriptive for the goods and services applied for and did not contain any additional distinctive element.

It was also worth remembering that marks which were not totally descriptive could use descriptive characteristics in relation to the designated goods or services, as part of a complex mark, and that registration was therefore not prohibited if such use was in accordance with honest practices in industrial or commercial matters. However, the CFI emphasized that this argument could only be taken into account during the registration procedure.

In conclusion, the CFI discussed again the criteria of descriptiveness and concluded that there was a sufficiently direct and concrete link between the mark and the relevant goods and services. It observed that most of the designated goods and services of the mark were directed to professionals of the shipbuilding industry and transportation of people and merchandises. Moreover, the connection between the goods and services and electricity did not seem at all remote; relevant consumers would therefore either perceive the mark as a clear reference to an electrical means of aquatic transportation or to an "E-Ship" service of transportation or to a transportation service which had been reserved electronically.

COMMENT

The recurrent theme of this judgment is that registration of a mark will almost inevitably be refused when one of its possible meanings designates a characteristic of the goods or services.

The applicant specializes in the wind power sector and uses wind-powered ships that can transport wind turbines and components. According to the website gcaptain.com "E stands for: ENERCON, Electro-technology, Environment, Economy, Ecology and ...implies: Energy, Earth, Endurance, Encouragement, Experience, Experiment". It is not clear whether this emanated from Enercon but it indicates a degree of merit in the CFI judgment.

FURTHER INFORMATION

For more information relating to this article, please contact:

Chris McLeod

Director of Trade Marks for the UK

T: +44 (0)20 7655 1590

M: +44 (0)782 520 4465

E: chris.mcleod@hammonds.com

WWW.HAMMONDS.COM

If you do not wish to receive further legal updates or information about our products and services, please write to: Richard Green, Hammonds LLP, Freepost, 2 Park Lane, Leeds, LS3 2YY or email richard.green@hammonds.com.

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