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RECENT TRADEMARK DECISIONS AND THEIR IMPLICATIONS

A number of important trademark decisions have recently been granted by the Court of First Instance on appeals from OHIM. Chris McLeod reports.

The rate at which decisions now issue from the Court of First Instance (CFI) and European Court of Justice (ECJ) is sometimes overwhelming for UK practitioners, not least since many decisions are not translated into English for several months after they are first issued. The following summary sets out to provide a general update and to highlight points of particular interest.

In *Jean Cassegrain SAS v. Office for Harmonization in the Internal Market* (Case T-73/06, October 21, 2008), the CFI upheld a decision of the Second Board of Appeal in which the latter had held that a figurative mark consisting of the shape of a bag was devoid of any distinctive character and could not therefore be registered as a Community trademark.

Cassegrain did not invoke Article 7(3), despite the high level of sales figures that it claimed. The CFI's decision in this case seems to indicate that this would be the only way for a figurative mark consisting of the typical shape of the goods to which it relates to acquire distinctive character and become capable of registration as a Community trademark (CTM).

In *Calzaturificio Frau SpA v. OHIM, Camper SL* (Case T-304/07, November 5, 2008), the CFI upheld a decision of the First Board of Appeal in which the latter had held, among other things, that there was a likelihood of confusion between the figurative mark applied for and the opponent's earlier CTM in relation to goods in Class 18. As in other recent cases (see, for example, *Neoperl Servisys AG v. OHIM* (Case T-256/06, November 5, 2008)), the CFI made it clear that it would not accept a party's argument unless it is supported by solid evidence—citing cases and mere assertions are not sufficient.

In *Caisse fédérale du Crédit mutuel Centre-Est Europe (CFCMCEE) v. OHIM* (Case T-325/07, November 25, 2008), the CFI partly reversed a decision of the OHIM's First Board of Appeal in which the latter had held that the mark SURFCARD was descriptive in relation to some of the goods and services it had been applied for, and therefore could not be registered in relation to those goods and services. The recurrent theme in this judgment is that, in the absence of empirical evidence that a mark is not devoid of distinctive character or descriptive, registration will almost inevitably be refused. Mere assertions will not be sufficient.

In *Somm Srl v. OHIM* (Case T-351/07, 17 December 2008), the CFI upheld the decision of OHIM's First Board of Appeal to refuse the registration of a three-dimensional mark in the shape of a shelter, described by the appellant as “evoking the wing of a seagull”, on the grounds that it lacked distinctiveness. The recurrent themes in this judgment are that mere assertions are not evidence and that a CTM will not be granted to protect what should be regarded as design rights.

These echo, although stated here much more strongly and clearly, the decision in another recent CFI case, *Neoperl Servisys AG v. OHIM* (Case T-256/06, November 5, 2008). In *Neoperl*, registration of HONEYCOMB as a CTM for jet regulators was refused on the grounds that the mark was descriptive. This highlights that the CFI's case law on assessment-specific points is only one aspect of a wider view that the CTM approach to the registration of three-dimensional marks is governed by the same principles as for other marks.

In *Volkswagen AG v. OHIM* (Case T-174/07, December 17, 2008), the CFI has upheld the decision of OHIM's First Board of Appeal to refuse the mark TDI on the grounds that it was descriptive and lacked distinctiveness. In relation to the application of Article 62(2) and Volkswagen's argument that the second examiner's decision had been in breach of that article, the CFI stated that, in any event, it did not have to consider the validity of the second examiner's decision in this respect, as the CFI's role is limited to considering the validity of the Board of Appeal's decision.

Such an approach could defeat the very purpose of Article 62(2) by depriving applicants of a remedy should the Board of Appeal wrongly decide that a second examiner can reach a different conclusion on a point decided at a previous appeal.

In *giropay GmbH v. OHIM* (Case T-399/06, January 21, 2009), the CFI upheld a decision of OHIM's Fourth Board of Appeal in which the latter had held that the mark GIROPAY was descriptive in relation to the goods and services it had been applied for and that it also lacked distinctiveness. *giropay* argued that registration should not be refused when the descriptiveness of a mark is only revealed through analytical interpretation and indirect association. The CFI rejected this argument: the reasoning of the Board of Appeal may have been analytical and detailed, but it demonstrated that the mark described clearly and unambiguously certain characteristics of the relevant goods and services, directly indicating their nature and use to the relevant consumers.

In *Korsch AG v. OHIM* (Case T-3296/07, January 21, 2009), the CFI upheld a decision of OHIM's Fourth Board of Appeal in which the latter had held that the mark 'PharmaCheck' was descriptive in relation to the goods applied for and that it also lacked distinctiveness.

The case may have clarified to an extent the CFI's approach to assessing a mark comprising several elements. In many decisions, the CFI has stated that distinctiveness and descriptiveness have to be assessed in relation to the mark as a whole, only to approve the conclusion drawn by the Board of Appeal from an element-by-element assessment. This seems to imply that the assessment of each element in turn could only be 'a tool' for the assessment of the mark as a whole.

In this case, the CFI has reiterated its previous case law but has also explained its view that when a mark consists of a combination of descriptive elements, there is a rebuttable presumption that the mark as a whole is descriptive. This seems a much more accurate reflection of the reasoning applied by OHIM and the CFI, and may provide

a clearer basis on which applicants can prepare their applications, submissions and appeals.

In *Hansgrohe AG v. OHIM* (Case T-307/07, January 21, 2009), the CFI upheld a decision of OHIM's Fourth Board of Appeal in which the latter had held that the examiner had correctly refused registration of AIRSHOWER in relation to some of the goods in Class 11 on the basis that it was descriptive of those goods. In this decision, the CFI clarifies its views on the relevance of certain facts, which may not be known generally or to the relevant consumer, when assessing the descriptiveness of a mark.

Hansgrohe challenged the comparison made by the examiner between the mark and one of its possible translations in German. It also argued that because of the many possible translations of both its word components, the mark was not capable of describing the goods or their relevant characteristics. The CFI held that possible translations of the mark or its components were irrelevant, as the relevant consumer was an English speaker.

This highlights, however, the potential complications of having the perception of a word mark by speakers of a given language assessed by examiners and judges reasoning in another language. One could think that where an applicant is not allowed to invoke the possible translations of an 'English mark', OHIM and the CFI should not be allowed to seek to ascertain its meaning on the basis of its translation into German or French.

In *Sara Lee / DE NV v. OHIM, Cooperativa italiana di ristorazione Soc. coop. rl* (Case T-265/06, February 12, 2009), the CFI upheld the decision of OHIM's Second Board of Appeal to dismiss an opposition, as although they related to identical goods and services, there was no likelihood of confusion between the mark applied for and the earlier marks on which the opposition relied. *Sara Lee* had submitted that the Board of Appeal's decision was contrary to the decision in an earlier case.

The CFI did not examine this argument in detail and dismissed it on the grounds that the legality of the decisions of the Boards of Appeal had to be assessed exclusively on the basis of the Trade Mark Regulation rather than by reference to case law.

In *Professional Tennis Registry, Inc v. OHIM, Registro Profesional de Tenis, SL* (Case T-168/07, March 4, 2009), the CFI annulled a decision by OHIM's First Board of Appeal to refuse registration of the US appellant's mark on the grounds of a likelihood of confusion with earlier marks. The CFI has consistently held that

"likelihood of confusion" means likelihood that the relevant consumer will be led to believe that the goods and/or services covered by the marks at issue come from a single undertaking or from economically linked undertakings.

One could however argue that, in certain cases, consumers may perceive some marks as different and still perceive them as those of a single organisation or of linked undertakings. For example, in this case, all three marks could be perceived as different but still relating to the goods and services of a global business or group of undertakings. Each mark could be perceived as a 'translation' of the same mark, with some figurative variation to make it more attractive in the relevant target regions (one for the Spanish market, one for the European market and one for the US market).

Although this argument was not raised by the owner of the earlier marks, had the CFI taken this aspect into account, it may well have found that the combination of identity of goods and services, conceptual similarity and 'global link impression' outweighed the visual and phonetic differences between the marks at issue.

There are some useful consistencies and themes in these decisions. However, perhaps the most striking thread running through them is the apparent unwillingness of the CFI to overturn the decisions of OHIM's Boards of Appeal.

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