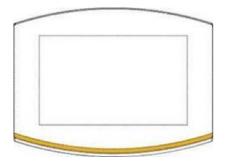


YELLOW ARC AT BOTTOM OF SCREEN HELD TO LACK DISTINCTIVE CHARACTER

In Sartorius Lab Instruments GmbH & Co. KG (Sartorius) v Office for Harmonisation in the Internal Market (OHIM) (Case T-331/12), the General Court has confirmed the decision of the First Board of Appeal finding that the Community trademark (CTM) application for the following mark was devoid of any distinctive character:



On February 7, 2011 Sartorius applied for a position mark consisting of an upwards open yellow bow, which extends over the entire widths at the bottom of an electronic display unit. The dashed contours shown in the application served to identify the location of the arc and were not the subject of the application. The mark was filed for various goods in Classes 7, 9, 10 and 11, all in connection "with an electronic screen".

The mark was refused by both the Examiner and the Board of Appeal, which was the reason for Sartorius' appeal to the General Court. In its first part of the plea, Sartorius criticized the Board of Appeal in so far as it reassessed the Examiner's findings with regard to the level of attention of the relevant public, although these were not disputed by the parties. In its second part of the plea, Sartorius disputed the concurring assessment of the (non-) distinctive character of the position mark. The General Court dismissed both arguments.

With regard to the first part, the General Court reasoned that according to Article 64 (1) of the Community Trademark Regulation (207/2009), the Board of Appeal may 'exercise any power within the competence of the department which was responsible for the decision appealed'. Under this provision, the Board of Appeal, due to the effect of the appeal against a decision of the examiner with which an application has been refused, is permitted to perform a new, full legal and factual examination of the application itself, and decide on the rejection or approval of the application in its entirety. As a consequence, the Board of Appeal was able to determine the relevant public and comment on their level of attention to the goods in question. In this context, the General Court reiterated its practice that the same principle applies to the assessment of the distinctive character of the mark as well.

In connection with the second part of Sartorius' plea, the General Court affirmed that it is clear from the wording of Article 7(1)(b) of the Regulation that a minimum degree of distinctive character is sufficient to render the ground for refusal set out in that article inapplicable. The perception of the relevant public, however, can be influenced by the nature of the sign. It is therefore appropriate to conclude that the perception of the average consumer is not necessarily the same in relation to a position mark consisting of a figurative sign (i.e. base sign) and the position on the product itself as it is in relation to a word or figurative mark consisting of a sign which is independent of the appearance of the products it denotes. While the public is accustomed to perceiving word or figurative marks instantly as signs identifying the commercial origin of the goods, the same is not necessarily true for position marks.

Consumers are not in the habit of making assumptions about the origin of goods based on the position of a figurative sign on the product, because as a rule the position of this sign is not, in current commercial practice, used as a means of identification. In those circumstances, only a mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1) (b) of the Regulation. In order to achieve such minimum degree of distinctiveness, the claimed mark must appear, a priori, capable of enabling the relevant public to identify the origin of the goods covered by the Community trademark application and to distinguish them from those of other undertakings, without necessarily being in need to have a particular meaning. In other words, the test is whether the relevant public will perceive the base mark in its specific position on the product as an indication of origin or not.

In the present case, the General Court concluded that the sign contained no characteristic, formative or eye catching representing element that could give it the required minimum degree of distinctiveness and would allow consumers to perceive it unlike any other ordinary decoration of a display unit of goods in Classes 7, 9, 10 and 11. In detail the General Court argued that a color element on the display unit, be it on buttons next to the display unit or in a distinctive color on the framing of the display unit itself, cannot be perceived by the public as unusual, in particular considering the fact that another manufacturer uses four bright yellow curved lines that run diagonally across the display unit, or that others add their trademarks at the height of the display unit of their goods. Thus, the consumer is used to seeing colored elements on the equipment covered by the application, and will therefore regard it as a decorative element and not as an indication of the commercial origin of these products.

The General Court further acknowledged in its decision that a position mark can become distinctive in accordance with Article 7(3) of the Regulation as a consequence of the use which has been made.

This decision is largely in line with the Community case law concerning position marks. Similar arguments can be found for example in the decisions Lange Uhren GmbH - Geometric shapes on a watch-face (Case T-152/07), X Technology Swiss GmbH - Orange coloring of the toe of a sock (Cases T-547/08 and C-429/10), and reported only recently in WTR on January 27, 2014, Margarete Steiff GmbH — Round button in the middle region of the ear of a stuffed animal (Cases T- 433-12 and T434/12).

It follows from the foregoing that the application for a position mark under Article 7(1)(b) of the Regulation should be prepared rather carefully. This particularly concerns the specific - pictorial and linguistic — representation of the two elements, i.e. base sign and the position on the product itself, to be protected. Depending on the desired base mark, position and goods, the chances of a successful registration may vary widely. In addition, prior to filing the application, applicants are well-advised to evaluate whether the relevant public will perceive the position mark in question as an indication of origin, and not as a decorative sign. If that mark has been in use as an indication of origin and there is evidence that the public perceives it as indication of origin, the applicant has the option to consider the filing of an application under Article 7(3) of Regulation No 207/2009 instead.

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