

Trademark law : what's next ?

30 September 2011

Coming issues

- Genuine use of a CTM
- Bad faith re-registrations
- Do you speak latin ?
- Where is an « Adword » used ?
- Slogans revisited
- Time is of the essence

C-149/11 Leno Merken v Hagelkruis Beheer

- On 29 July 2009, Hagelkruis applied to the BOIP for the word trademark :
 - **OMEL** – for advertising, educational and legal services (trademark agent)
- On 18 August 2009, Leno opposed this application based :
 - **ONEL** – for identical services
 - CTM 19 March 2002
- Opposition based on article 2.3, b of the BCIP (likelihood of confusion)
- Hagelkruis raised a defense : proof of “genuine use” within five years prior to the date of publication of the application... (article 2.16.3.a BCIP, juncto 15 CTM Regulation)



C-149/11 Leno Merken v Hagelkruis Beheer

- The “issue” :
 - Onel has only be used (intensively) in the Netherlands
 - Hagelkruis did not dispute this use (and admitted that it was aware of that use in the Netherlands)
 - BUT Hagelkruis requested proof of use in other EU countries
- Why ?
 - Hagelkruis wanted to use this mark in “scandinavian” countries, NOT in the Benelux
 - Benelux was only needed to serve as a basis for its international registration
- In Hagelkruis opinion : in order to show “genuine use” under article 15 of the CTM Regulation, one EU country is not sufficient

C-149/11 Leno Merken v Hagelkruis Beheer

- BOIP Opposition division, 15 January 2010, n°2004448 :

“The invoked right is a Community Trade Mark right and parties have admitted that it has only been used in the Netherlands. The services for which the invoked right is registered are destined at a large public located throughout the entire Community. Use in only the Netherlands can, given these facts, not be classified as normal use of the invoked right.”

C-149/11 Leno Merken v Hagelkruis Beheer

- Very politically charged discussion :

[B]oundaries of member states should not play a part in assessing 'genuine use' within the EU single market."



In a territory (currently) covering more than 4 million km² and a (current) population of almost 500 million people, use in one member state only may essentially boil down to local use only.



C-149/11 Leno Merken v Hagelkruis Beheer

- Appeal to the Gerechtshof 's-Gravenhage
- Referred to the ECJ on 1 februari 2011
- Bet on what will the ECJ probably consider :
 - CTM are unitary titles : single procedural system to obtain uniform protection - rights are also surrendered, revoked, or invalidated throughout the entire Community
 - Article 15 states genuine use “in the Community” – not throughout the Community
 - Joint Statement: “*The Council and the Commission consider that use which is genuine within the meaning of Article 15 in one country constitutes genuine use in the Community.*”
 - Analogy with the PAGO decision (C-301/07): a CTM with a reputation in one Member State (Austria) is a “trade mark having a reputation in the Community “



C-149/11 Leno Merken v Hagelkruis Beheer

- German Federal Patent Court of April 14, 2011
- Significant use of the trade mark TOMTEC only in Germany established sufficient use according to Art. 15 CTMR.
- “thinking in Member State categories” is inappropriate, given the supranational effect of a CTM.
- This must not be, but can be, the case if the CTM is used sufficiently in only one

Bad faith re-registrations

- Before CTM was in place, TM protection in the EU meant a collection of national titles
- Titles subject to revocation if non used within 5 years
- If only used in one Member State, the “trick” is to file a new registration after 4,5 years
- Allows to “artificially” maintain national rights

Bad faith re-registrations

- “bad faith” is a community concept
 - see for example case Chocoladefabriken Lindt Case C-529/07
- Case C-376/11 (Internetportal, 3 June 2010) :
 - Filed word mark “&R&E&I&F&E&N&” to obtain the .eu domain name ‘Reifen’ (‘tyres’)

“With regard to the conditions under which registration of the trade mark was obtained, the national court must take into consideration, in particular (...) the intention not to use the trade mark in the market for which protection was sought”

- Applicable to re-registrations with no real intent to use?

C-87/11 Fidelio v OHIM

- Fidelio applies for the registration of the word trademark “HALLUX” for “orthopaedic article” and “footwear”
- “HALLUX” means “big toe” in latin and can be used as the abbreviation of a toe disease (Hallux valgus)
- Examiner refused, Board of Appeals and CFI : confirmed
- General Court

C-87/11 Fidelio v OHIM

- Article 7.1.c CTM Regulation (Absolute grounds for refusal)
- *“Shall not be registered: (...) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;”*
- C-191/01 (Wrigley) : *“It is sufficient, as the wording of that provision itself indicates, that such signs and indications could be used for such purposes. A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned.”*
- T-512/10 (Nike International Ltd): *“where an application is made to register a sign as a Community trade mark, without distinction, for an entire category of goods and that sign is descriptive of only some of the goods in that category, the ground for refusal referred to in Article 7(1)(c) of Regulation No 207/2009 nevertheless precludes registration of that sign for the whole of that category ” (point 15)*

C-87/11 Fidelio v OHIM

- For orthopaedic article : relevant public = doctors and patients
 - high level of technical knowledge
 - the relevant public for orthopaedic articles would understand Hallux as referring to the disease Hallux Valgus
- For footwear : relevant public = general public
 - average consumer with average attention
 - they would not understand the term Hallux
 - But inside footwear, there is the subcategory of “comfort shoes” which are adapted to consumers suffering of a big toe disease
 - registration refused for the whole of footwear

C-87/11 Fidelio v OHIM

- Lessons learned :
 - CJ will probably confirm this decision
 - Importance of carefully and strategically wording the description of categories of goods or services, considering that subcategories may have a different, more specialized, relevant public
- In Belgium : Brussels Court of Appeals case law is more pro-applicant

C-87/11 Fidelio v OHIM

- Brussels, 13 october 2009 : “IUS” for legal services
 - Un examen «in concreto» indique que les services juridiques pour lesquels la marque «IUS» est demandée à l’enregistrement sont destinés au **justiciable moyen** qui a des liens avec la Belgique et qui est à la recherche d’informations disponibles sur l’internet concernant les divorces, de sorte qu’**ils ne s’adressent pas au «monde juridique» en général ou aux juristes professionnels.**
 - Le public pertinent ainsi défini n’a **pas de connaissance du latin** et pour ce public, le signe «IUS» n’est pas purement descriptif et n’a pas une signification manifeste.
 - Le signe «IUS» n’est pas descriptif en l’état actuel et le risque que ce mot, qui provient de la langue morte latine, pénètre à l’avenir dans le langage courant semble improbable. Le refus opposé à l’enregistrement de ce signe est donc non fondé et la décision de l’OBPI est annulée.

C-523/10 Wintersteiger

- Adwords
- We already know that :
 - Google is not using the trademark by “selling” adwords (Joined Cases C-236/08 to C-238/08)
 - The advertiser will infringe the trademark if the adword, on basis of a keyword identical with that trade, relates to identical goods or services and
 - the advertisement does not enable an average internet user to ascertain whether the goods or services originate from the proprietor of the trade mark or from a third party. (Joined Cases C-236/08 to C-238/08)
 - the advertisement substantially interferes with the proprietor’s use of its trade mark to acquire or preserve a reputation capable of attracting consumers and retaining their loyalty (Case C-323/09)
 - the advertiser takes unfair advantage of the distinctive character or repute of the trade mark (free-riding) or where the advertising is detrimental to that distinctive character (dilution) or to that repute (tarnishment). (Case C-323/09)
- But what we do not know : where is the adword used ?



C-523/10 Wintersteiger



- Wintersteiger (Austria) produces and distributes service machinery for skis and snowboards
- It is the proprietor of an Austrian trade mark for such products
- Products 4U (Germany) also develops and distributes the same type of machines.
- Product 4U purchased "Wintersteiger" as an adword
- Wintersteiger sued for TM infringement

C-523/10 Wintersteiger

- Wintersteiger sued Products 4U :
 - In Austria
 - Based on its Austrian Trademark
 - For use of the adwords on Google.de (Products 4U did not reserve the AdWord "Wintersteiger" on the Austrian Google.at).
- Products 4U claims that :
 - The Austrian courts have no jurisdiction
 - Google.de was directed exclusively at the German user
 - If Products 4U had wanted to address Austrian customers it would also have booked an ad on the Austrian Google.at website
- Do the Austrian Courts have jurisdiction ?



C-523/10 Wintersteiger

- Article 5(3) of Regulation (EC) 44/2001 ('Brussels I') : “A person domiciled in a Member State may, in another Member State, be sued (...) in matters relating to tort, delict or quasi-delict, in the courts for the place where the harmful event occurred”
- Has the harmful event occurred in a particular State :
- only if the keyword is used on the search engine with the TLD of that State ?
 - Most certainly NOT (e.g. generic tld's or .eu !)
- only if the keyword is used on a website that can be accessed in that State ?
 - Most certainly must be prerequisite – if the website cannot be accessed in that State, there cannot be an “harmful event”

C-523/10 Wintersteiger

- Is jurisdiction dependent on the satisfaction of other requirements additional to the accessibility of the website?
 - Probably, accessibility alone would be too broad (every court is competent)
 - Possible criteria : targeting specific users based on their location (IP)
 - see Guidelines on Vertical Restraints, SEC(2010) 411 : *“paying a search engine or online advertisement provider to have advertisement displayed specifically to users in a particular territory is active selling into that territory.”*
 - Alternative criteria in the ad itself ?
 - Language ?
 - Local contact details (toll free number) ?
 - Currency ?

C-311/11 Smart Technologies

- *I'm lovin it - Les hommes savent pourquoi – Because I'm worth it - Just do it - Connecting people*

→ Slogans can function as trademarks : *The mere fact that slogans also convey a laudatory message does not prevent them from having a distinctive character*

- However, OHIM has always been very reluctant to allow registration of slogans, requiring more “distinctive character” for a slogan than for another type of mark
- Slogans must be free for all to use....
- If they convey a laudatory message, they will not be perceived as an indication of origin

C-311/11 Smart Technologies



Audi

Vorsprung durch Technik

- “VORSPRUNG DURCH TECHNIK” for many products including vehicles (*advance through technic*)
- Rejected by the examiner, confirmed by the Board of Appeals and the CFI
- Reversed by the General Court : C-398/08 Audi AG :

*“it should be noted that the laudatory connotation of a word mark does not mean that it cannot be appropriate for the purposes of guaranteeing to consumers the origin of the goods or services which it covers. Thus, such a mark can be perceived by the relevant public both as a promotional formula **and** as an indication of the commercial origin of goods or services. It follows that, in so far as the public perceives the mark as an indication of that origin, the fact that the mark is at the same time understood – perhaps even primarily understood – as a promotional formula has no bearing on its distinctive character.”*

C-311/11 Smart Technologies



- “WIR MACHEN DAS BESONDERE EINFACH” for computer products (*we make special things simple*)
- Rejected by the examiner, then by the Board of Appeals
- Confirmed by the CFI (T-523/09) :
- *“The fact that the element ‘wir’ – rather obviously – refers to the manufacturer of the goods takes away nothing from the fact that the sign ‘WIR MACHEN DAS BESONDERE EINFACH’ remains a mere advertising slogan liable to be used by any trader, in the computer technology field just as in many other fields, in order to promote the simplicity of goods or services. In other words, the relevant public, in reading the sign, will at the most understand that the goods in question make the performance of a complex task simple and will not tend to perceive in the sign any particular indication of commercial origin, beyond that promotional information.”*

C-311/11 Smart Technologies

- What will the Court say :
 - Although the CFI quoted the GC in the Audi case, it does not seem to have correctly applied it
 - Impact of “WE” is too simply dismissed
 - It does probably have an impact on the perception of the relevant public, especially if the we is followed by a sentence that is not trivial in the industry (Smart Technologies showed that, by a Google search, that this sentence was not used by any other company than themselves)
 - Of course, “we are good” will lack distinctive character
 - But “we make special things simpler” ?

C-190/10 Genesis v Boys Toys

- Genesis filed a CTM (e-filing) on 12 december 2003 (Rizo for toys) (at 11.52)
- Boy Toys filed a spanish application on 12 december 2003 (Rizo's for toys) (at 17.45)
- OHIM “produces” Genesis’ application on 4 January 2004
- Genesis opposes Boys Toys’ application based on its CTM before the Oficina Espanola de Patentes y Marcas
- *Whoever is first wins and can oppose the other’s application.*
- Knowing that :
 - EU (and International law) counts in full days
 - Spanish law takes into account hours and minutes
- Who wins ?

C-190/10 Genesis v Boys Toys



- Opinion of the AG M. Niilo Jääskinen of 31 March 2011
- 1/ The date of filing of a completely filled “e-filing” is the date of submission to OHIM and the date OHIM “created” the documentation based on the e-filing is irrelevant
- 2/ The priority date of a CTM is a “community law concept” and must be assessed solely based on the CTM regulation (and the fact that it is assessed by a Spanish office or court is irrelevant)
- 3/ In the current state of EU law, it is excluded that on top of the day of filing, hours or minutes are taken into consideration