

Three Dimensional Trade Marks in the European Union

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Received 01 December 2014

The registration of three dimensional trade marks for shapes is not uncommon in Europe. However, most such marks are for specially shaped packaging such as perfume bottles. Although such marks are not without their own difficulties, shape marks in respect of the article itself or parts of it present much more difficulty, both in terms of registration and in resisting challenges to their validity. There are two reasons for this. The first is the difficulty in practice of showing that such marks are sufficiently distinctive, and the second is a set of provisions in European Union trademark law that are specific to shape marks. Shape marks have always been a fertile source of case law but there has been even more activity than usual in 2014, with the Court of Justice considering for the first time certain aspects of those provisions that are specific to shape marks and with the General Court showing that despite the considerable hurdles that such marks can face they can sometimes proceed to grant and withstand third party challenge.

Keywords: 3D trademarks, shape marks, European Union, distinctive character

The registration of three dimensional trade marks for shapes is not uncommon in Europe. However, most such marks are for specially shaped packaging such as perfume bottles. Although such marks are not without their own difficulties, shape marks in respect of the article itself or parts of it present much more difficulty, both in terms of registration and in resisting challenges to their validity. There are two reasons for this. The first is the difficulty in practice of showing that such marks are sufficiently distinctive under Article 7(1)(b) of the Community trade mark Regulation¹ (and for national marks under the EU Article 3(1)(b) of the trade mark Directive²), and the second is a set of provisions in EU trademark law - Article 7(1)(e) of the Regulation (Article 3(1)(e) of the Directive) - that are specific to shape marks.

Although Article 4 of the Regulation (and for national marks the EU Article 2 of the Directive) expressly states that “the shape of goods or of their packaging” can be registered as a trade mark³ this is subject to the various absolute and relative grounds of refusal set out in Articles 7 and 8 of the Regulation (and Articles 3 and 4 of the Directive) of which two of the absolute grounds set out in Article 7 are of particular relevance: Article 7(1)(b) of the Regulation (Article 3(1)(b) of the Directive), which precludes registration of “trade marks which are devoid of any distinctive character” and Article 7(1)(e) of the

Regulation (Article 3(1)(e) of the Directive) which precludes registration of “signs which consist exclusively of: (i) the shape which results from the nature of the goods themselves; or (ii) the shape of goods which is necessary to obtain a technical result; or (iii) the shape which gives substantial value to the goods.” These two different grounds of refusal are discussed below.

Requirement for “Distinctive Character” as applied to Shape Marks

It tends to be the case that shape marks consisting of the shape of the article itself are sought some time after such article has first been placed on the market, as it is inherently unlikely that such a shape mark will have inherent, as opposed to acquired, distinctiveness, and Article 7(3) of the Regulation (Article 3(3) of the Directive) permits reliance to be placed on acquired distinctive character for the purposes of Article 7(1)(b) of the Regulation (Article 3(1)(b) of the Directive). Such a showing will generally require that the applicant have been the only trader in such articles, as was recognised by the Court of Justice in *Case C-299/99 Koninklijke Philips Electronics NV v Remington Consumer Products Ltd*,⁴ an early shape mark reference from a national court, (concerning a shape mark for a triple headed electric razor):

“Where a trader has been the only supplier of particular goods to the market, extensive use of a sign which consists of the shape of those goods

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may be sufficient to give the sign a distinctive character for the purposes of Article 3(3) of [the Directive, (Article 7(3) of the Regulation)] in circumstances where, as a result of that use, a substantial proportion of the relevant class of persons associates that shape with that trader and no other undertaking or believes that goods of that shape come from that trader. ...”

The Court of Justice then set out the sort of considerations of which such court should take account in assessing the distinctive character of such a shape mark, whether it be a national or a Community one:

“...However, it is for the national court to verify that the circumstances in which the requirement under that provision is satisfied are shown to exist on the basis of specific and reliable data, that the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect, are taken into account and that the identification, by the relevant class of persons, of the product as originating from a given undertaking is as a result of the use of the mark as a trade mark.”

Despite a considerable body of case law since this case, some uncertainties remain as to some aspects of the test of distinctiveness to be applied. Thus the English courts have tended to regard it as insufficient that a significant proportion of the relevant class of persons recognise the shape mark and associate it with the applicant’s goods in the sense that, if they were to be asked who marketed goods bearing that shape mark, they would identify the applicant (for example by reference to some other trade mark used by the applicant), but go further in requiring also that the applicant establish that a significant proportion of the relevant class of persons rely upon the shape trade mark alone (as opposed to any other trade marks which may also be present) as indicating the origin of the goods. This approach has been challenged and has prompted the English court to ask the following question of the Court of Justice in pending Case C-215/14 *Société des Produits Nestlé SA v Cadbury UK Ltd*:⁵

“In order to establish that a trade mark has acquired distinctive character following the use that had been made of it within the meaning of Article 3(3) of [the Directive (Article 7(3) of the

Regulation)], is it sufficient for the applicant for registration to prove that at the relevant date a significant proportion of the relevant class of persons recognise the mark and associate it with the applicant’s goods in the sense that, if they were to consider who marketed goods bearing that mark, they would identify the applicant; or must the applicant prove that a significant proportion of the relevant class of persons rely upon the mark (as opposed to any other trade marks which may also be present) as indicating the origin of the goods?”

Whichever of these approaches one adopts, what such case law has however made clear is that demonstrating distinctive character for shape marks is in practice very difficult, as was exemplified by Case C-136/02P *Mag Instrument Inc v OHIM*,⁶ which concerned applications for three-dimensional community trade marks for the shapes of flashlights. The Court of Justice upheld the lower tribunals’ rejection of such applications, on the ground that the three-dimensional objects lacked distinctive character, in the course of which it made certain observations as to such marks which still form the basis of the approach to such marks in Europe to this day (emphasis added):

“The criteria for assessing the distinctive character of three-dimensional marks consisting of the shape of the product itself are no different from those applicable to other categories of trade mark. Nonetheless, for the purpose of applying those criteria, the relevant public’s perception is not necessarily the same in the case of a three-dimensional mark consisting of the shape of the product itself as it is in the case of a word or figurative mark consisting of a sign which is independent from the appearance of the products it denotes. *Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark ...*

In those circumstances, the more closely the shape for which registration is sought resembles the shape most likely to be taken by the product in question, the greater the likelihood of the

shape being devoid of any distinctive character for the purposes of Article 7(1)(b) of [the Regulation (Article 3(1)(b) of the Directive]. 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 that provision ...”

The Court of Justice used identical language in Case C-144/06 P *Henkel v OHIM*⁷ in upholding the lower tribunals’ rejection of applications to register certain three dimensional marks for washing or dishwashing preparations in tablet form which also incorporated various colour combinations.⁸ Similar considerations have led to shape marks being refused in a number of cases, such as Case C-96/11 P *August Storck KG v OHIM*⁹ concerning a three-dimensional sign consisting of the shape of a chocolate mouse, and, earlier this year, in Cases T-433/12 and T-434/12 *Margarete Steiff GmbH v OHIM*,¹⁰ an application for a “positional mark” in respect of the attachment of a metal button to the middle of the ear of any soft toy with ears, and for the attachment of a fabric label in an elongated rectangular shape with such a button, as used for the well-known Steiff teddy bears. But in some cases, such as Case C-48/09 P, *Lego Juris A/S v OHIM*,¹¹ which concerned an application for a three dimensional mark for a red Lego children’s toy brick, such challenges have fallen away at a early stage, and the focus has then been on the “shape specific” ground of refusal set out in Article 7(1)(e) of the Regulation (Article 3(1)(e) of the Directive).

Ground of Refusal Specific to Shape Marks

The “shape specific” ground of refusal or objection in Article 7(1)(e) of the Regulation (Article 3(1)(e) of the Directive) was first analysed by the Court of Justice in Case C-299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd*⁴ concerning a shape mark for the triple headed electric razor. It held, as to the second of the criteria set out under this ground, requiring that registration as a trade mark be refused for signs which consist exclusively of “(ii) the shape of goods which is necessary to obtain a technical result”; that it must be “established that the essential functional features of that shape are attributable only to the technical result” but that “the ground for refusal or invalidity of registration imposed by that provision cannot be overcome by

establishing that there are other shapes which allow the same technical result to be obtained.”

There has been relatively little other case law on the “shape specific” ground of refusal or objection as few applications for marks for the shape of the article itself have overcome the “distinctive character” threshold. One that did so was that for a red three-dimensional Lego toy brick mark that was in issue in Case C-48/09 P, *Lego Juris A/S v OHIM*.¹¹ Again it was the second of the criteria set out under this round that was in issue. The Court of Justice, on appeal from the General Court and upholding its decision, elaborated on the reasoning in *Philips* to note at [56] that “registration as a trade mark of a purely functional product shape is likely to allow the proprietor of that trade mark to prevent other undertakings not only from using the same shape, but also from using similar shapes” and that thus a “significant number of alternative shapes might therefore become unusable for the proprietor’s competitors.” It went on at [59] to observe that such a registration “would unduly impair the opportunity for competitors to place on the market goods whose shapes incorporate the same technical solution” and so found the ground of objection to be made out, observing at [61] that “the position of an undertaking which has developed a technical solution cannot be protected – with regard to competitors placing on the market slavish copies of the product shape incorporating exactly the same solution – by conferring a monopoly on that undertaking through registering as a trade mark the three-dimensional sign consisting of that shape” although it did go onto observe that such activity could, where appropriate, be examined in the light of rules on unfair competition. The Court of Justice has also a pending reference to it as to the second of the criteria set out under the “shape specific” ground of refusal or objection in pending Case C-215/14 *Société des Produits Nestlé SA v Cadbury UK Ltd*⁵ in which the referring English court asks whether this precludes the registration as trade marks of “shapes which are necessary to obtain a technical result with regard to the manner in which the goods are manufactured as opposed to the manner in which the goods function.”

The above cases all concern only the second of the criteria set out under the “shape specific” ground of refusal or objection, and until recently the first and third such criteria had not been considered by the Court of Justice. This situation has now changed with

its recent decision in Case C-205/13 *Hauck GmbH & Co KG v Stokke A/S, Stokke Nederland BV, Peter Opsvik and Peter Opsvik A/S*.¹² The mark in issue was for the shape of a well known design of children's chair – the “Tripp Trapp” chair. In response to a question from the referring Dutch court the Court of Justice held that the three criteria for the “shape specific” ground of refusal or objection operated independently of each other so that if any one of the three criteria was satisfied the ground was made out. As to the first such criterion, namely for signs which consist exclusively of: “(i) the shape which results from the nature of the goods themselves” the Court held that this “may apply to a sign which consists exclusively of the shape of a product with one or more essential characteristics which are inherent to the generic function or functions of that product and which consumers may be looking for in the products of competitors” having observed, (at [26]) that “reserving such characteristics to a single economic operator would make it difficult for competing undertakings to give their goods a shape which would be suited to the use for which those goods were intended.” As to the third such criterion, namely for signs which consist exclusively of: “(iii) the shape which gives substantial value to the goods” the Court observed (at [32]) that this could not be limited purely to the shape of products having only artistic or ornamental value” and held that this “may apply to a sign which consists exclusively of the shape of a product with several characteristics each of which may give that product substantial value” and that the “target public's perception of the shape of that product is only one of the assessment criteria which may be used to determine whether that ground for refusal is applicable.” Although the Court of Justice had in both cases adopted a broader interpretation of these criteria than the trade mark owner had argued for, it is for the Dutch court which sought clarification from the Court of Justice as to their scope to apply these tests to the facts of the case.

Lest however it be thought that the combined effect of these many and various obstacles to shape marks raises an insurmountable barrier to their defence, even when some such obstacles been overcome to register such a mark in the first place, some comfort can be taken another very recent decision, that of the General Court in Case T-450/09, *Simba Toys GmbH & Co. KG, v OHIM (other party Seven Towns Ltd)*.¹³ Here

the three dimensional mark in issue was for a depiction of the well known “Rubik's Cube” puzzle which the General Court described (at [44]) as for “the graphic representation, from three different perspectives, of a cube each surface of which has a grid structure formed by black borders dividing the surface into nine equal square elements and arranged in a three by three grid” in which “[four] bold black lines ... two of which are placed horizontally and the other two vertically, criss-cross the inside of each surface of that cube [which] various elements give the contested mark the appearance of a ‘black cage.’” The General Court, applying the case law discussed above, rejected an application for a declaration of invalidity, which had, *inter alia*, challenged the distinctive character of the mark as well as advancing arguments based on all three criteria of the “shape specific” ground of refusal or objection.

Conclusion

As trade marks have the potential to endure indefinitely, marks for the shape of the article itself provide the tantalising prospect of securing protection for the appearance of an article long beyond the limited period of protection provided by designs law. Thus, despite the considerable difficulties faced by applications for such marks, or attempts to preserve such marks if registered against third party challenge, not only on the basis of the difficulty in practice of showing their distinctive nature, but in overcoming the various “shape specific” grounds of objection, the value of the prize is such that applicants will continue to seek them, making this a lively and ever active area of trade mark law.

References

- 1 Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ L 78, 24.3.2009, p.1), replacing on codification Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ L 11, 14.1.1994, p.1).
- 2 Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ L299, 8.11.2008, p.25) replacing on codification Council Directive 89/104/EEC of 21 December 1989 to approximate the laws of the Member States relating to trade marks (OJ L40, 11.2.1989, p.1).
- 3 As to which, in Case C-299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd* [2002] ECR I-5490, the Court of Justice confirmed that in order to be *capable* of distinguishing an article for the purposes of

- Article 2 of the Directive or Article 4 of the Regulation, the shape of the article in respect of which the sign is registered needs no “capricious addition, such as an embellishment which has no functional purpose”.
- 4 Case C-299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd* [2002] ECR I-5490.
 - 5 Pending case C-215/14 *Société des Produits Nestlé SA v Cadbury UK Ltd*. For the decision of the English High Court referring the questions to the Court of Justice see *Société des Produits Nestlé SA v Cadbury UK Ltd* [2014] EWHC 16.
 - 6 Case C-136/02P *Mag Instrument Inc v OHIM* [2004] ECR I-9182.
 - 7 Case C-144/06P *Henkel v OHIM* [2007] ECR I-8109.
 - 8 Colour trade marks face similar difficulties to shape marks in establishing distinctiveness - see Case C-104/01 *Libertel Group BV v Benelux-Merkenbureau* [2003] ECR I-3822, drawing the potential distinction at [65] between the perception of the relevant public in the case of a sign consisting of a colour *per se* and the case of a word or figurative mark consisting of a sign that bears no relation to the appearance of the goods it denotes.
 - 9 Case C-96/11 P *August Storck KG v OHIM* (Court of Justice, 6 September 2012).
 - 10 Cases T-433/12 and T-434/12 *Margarete Steiff GmbH v OHIM* (General Court, 16 January 2014).
 - 11 Case C-48/09 P *Lego Juris A/S v OHIM* [2010] ECR I-8403.
 - 12 Case C-205/13 *Hauck GmbH & Co. KG v Stokke A/S, Stokke Nederland BV, Peter Opsvik and Peter Opsvik A/S* (Court of Justice, 18 September 2014). It should be noted that this decision records at [8] through [11] that the third party chair in issue had also been held to infringe copyright in the “Tripp Trapp” chair in both Germany and the Netherlands.
 - 13 Case T-450/09, *Simba Toys GmbH & Co KG v OHIM (other party Seven Towns Ltd)* (General Court, 25 November 2014). Decisions of the General Court may be appealed to the Court of Justice.