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Weakly distinctive elements of
signs in the assessment of
likelihood of confusion – Is there a
light at the end of the tunnel?

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Weakly distinctive elements of signs in the assessment of likelihood of confusion – Is there a light at the end of the tunnel?*

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1. Introduction

As a member of the Boards of Appeal (BoA) at EU Intellectual Property Office (EUIPO) I was constantly exposed to oppositions being based on very weak, or even completely descriptive and non-distinctive, elements. The protection area of the earlier mark in such cases was the most frequent issue to deal with at the BoA.

The problem with the protection area of weak and non-distinctive trademark elements occurs mostly in relation to English words and word combinations. The reason is that English is a popular – and widely known – language. About 40 per cent of the marks applied for as EU trade marks (EUTM) consist of such words/word combinations. In many EU countries, the level of English is sufficient, so the public will understand the meaning – that is of course the whole idea with this type of marks. However, there are countries, especially in the southern and eastern Europe, where the knowledge of English is not considered to be sufficiently high to grasp the meaning of English words, if they are not very basic. In such cases the registration of EUTM's comprising a completely descriptive element has been rejected because of an earlier EUTM right comprising the same descriptive element.

It is clear that an EUTM may not be registered if the mark is descriptive/non-distinctive in one of the languages of the European Union. However, an EUTM may of course be registered if such a descriptive/non-distinctive word/element is combined with something distinctive. This is logical and reasonable. Still, to grant protection for such non-distinctive word/element later in an opposition/ cancellation case because this element may not be understood in one of the EU countries is not logical and fundamentally wrong. This means that protection – a monopoly – is given to something which from the outset could not be protected as an EUTM. This works against fair competition within the EU. Also, it encourages the use of non-distinctive trade marks to the disadvantage of consumers.

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The result is also undesirable if the corresponding opposition based on a national mark is successful. To register a descriptive word in a country in which it is not clear that it will be understood may be a way to stop competitors from using a word or word combination that in reality ought to be available for everybody. Thus, if you want to be alone with a descriptive designation – at least in the EUTM register – the easiest way today is to register the designation in a national territory and then use that registration as basis for opposition in relation to later EUTM's. Of course, an applicant may convert its EUTM to national marks in countries where there is no hindrance, but this is expensive and the valuable EUTM registration is not obtained.

A change to the Trade Mark Directive was earlier proposed, intended to give a solution to this problem of protection of descriptive words as national trade marks. The idea was that a mark that is non-distinctive or descriptive should not be registered also if the ground for non-registrability exists in a member state other than the one in which the application for registration was filed. This meant that for example a word in Swedish, which is not registrable in Sweden, would also be prevented from registration in Spain, although Swedish cannot be expected to be known in this country. Although everything may be possible if done in cooperation, cf. that the national Patent and Trade Mark offices' will take over the linguistic check of the applications at the EUIPO, this would have been a costly and time-consuming task for the national offices. Also, the undesired result would have been that it was just as difficult to obtain a national registration as an EUTM, or at least that there was a (maybe unknown) risk for later cancellation. To maintain the possibility of a cheap national registration for which the use requirement may be lower than in relation to an EUTM is important, especially for smaller companies.

In the following I will present case law, going in different directions. I will also present proposals to what can be done to create a more harmonized and predictable practice. Of course, there is no easy solution, but I will try to give some ideas.

2. Some case-law

In order to limit this article I will focus on oppositions based on Article 8(1)(b) EU Trade Mark regulation (EUTMR) and consequently not present the case law in relation to marks with reputation.

In line with the so called 'F1 judgment' of 24/05/2012, C-196/11 P, F1-Live, EU:C:2012:314, § 47, it is necessary to acknowledge a certain degree of distinctiveness to earlier registered national marks. A 'certain degree of distinctiveness' could as a matter of fact include protection only for identical and quasi-identical designations, which are applications that ought to be rejected anyway based on absolute grounds.

It is very unfortunate that with reference to the F1 judgment the protection area granted to descriptive/ non-distinctive terms, registered as trade marks, has often been the same or at least nearly the same as if the earlier mark had normal distinctiveness. The Court of Justice (CJ) at the European Union Court of Justice (CJEU) did not say this; what the CJ said was that such earlier marks may

not be ignored. The F1 judgment has also often been referred to in relation to oppositions based on earlier EUTM's.

It should also be emphasized that in an opposition case, there must be verification of the way in which the relevant public perceives the sign that is identical to the earlier trade mark in the mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign, cf. para. 42 in the F1 judgment. But the perception by the relevant public of the earlier mark at the time when the later mark was filed should also be considered – and not when the earlier mark was accepted for registration. This is important as the perception may change radically over time. This has often been overlooked.

This question was highlighted in the BoA's decision R 2108/2012-1 of 11 December 2013. An opposition was filed against an application TPG POST. The opponent was Deutsche Post AG and it based the opposition on a German registration of POST as word mark. POST had been registered based on acquired distinctiveness in 2003. The conflicting marks covered, of course, postal services. The Board found that there was no likelihood of confusion (LOC), referring to the following (para. 65):

'In the Board's view, the relevant average German consumer, who must be deemed to be reasonably well informed, observant and circumspect, cannot be unaware of the fact that Deutsche Post competitors from other European countries have also been providing postal services, in Germany, for a certain number of years and would not consider that any mark comprising the term Post (or similar) as being somehow linked to the opponent.'

The General Court (GC) dismissed the appeal (13/05/2015, T-102/14, TPG POST / DP et al., EU:T:2015:279).

To illustrate the problem in case-law where a broad protection area has been granted to descriptive/ non-distinctive terms, below are two examples from the GC (mark applied for in the following always presented to the left):

26/06/2014, T-372/11, Basic, EU:T:2014:585



As the first instance and the BoA, the GC concluded that there is a LOC between the two EUTM's above. This conclusion was reached in spite of the fact that the relevant public was professional and therefore considered to be highly attentive and that the relevant services in Class 35 were only similar (i.e. not identical) and that the distinctive character of the earlier mark was recognised as low. The case was appealed to the CJ. The CJ dismissed the appeal, but did not deal with the question about the LOC.

5/02/2015, T-33/13, **bonus & More**, EU:T:2015:77



The marks cover identical and similar services in Classes 35, 36 and 42. The earlier mark is an international registration covering practically all EU countries. In this case, the first instance allowed the opposition, but the 4th Board annulled the decision, rejecting the opposition as it found that the marks must be considered as dissimilar. However, the GC cancelled the decision of the Board, pointing out, for example, that visually ‘bonus’ is in the beginning and is, moreover, the longest word. There is therefore, according to the GC, a certain degree of visual similarity and the marks have at least an average degree of phonetic similarity, and for a part of the relevant public, there is necessarily a conceptual similarity. The case was thereafter designated to the 5th BoA (decision of 02/02/2016, R 1253/2015-5, *bonus & more (fig) / bonus net (fig)*). That Board upheld the rejection of the opposition. The Board mentioned that although the marks begin with the same word element, it cannot be given too much weight, since the word “bonus” will be immediately connected to or associated with a promise of benefits. The fact that it will not produce a lasting impression, due to its very limited distinctive character, allowed the conclusion that the differences between the marks, as a whole, prevail over their similarity. The consumer’s attention, which must be considered high, will be more focused on the ending of the marks, which are different, their overall conceptual content, which also differs, and even on the figurative and colour elements.

In the first case, the first instance of the EUIPO and the BoA may have misled the court to arrive at the conclusion that there was a LOC. In the “bonus” case, the reasonable co-existence between the marks was only reached because of the persistence of the BoA.

The fact that the GC seems to be more inclined to find similarities than dissimilarities between marks, even if the common element between the conflicting marks is very weak, has presumably influenced the EUIPO and its BoA to find, more frequently, that there is a LOC in such cases.

It may of course be considered if any of the ‘basic’ and ‘bonus’ marks above have the required distinctiveness for registration as a trade mark; it is possible that they would not be accepted today, cf. below as regard the common communication CP3. On the other hand, this should not be a reason for allowing an opposition. It is wrong to reject a mark based on an earlier mark, when the real ground for rejection should be lack of distinctiveness. When very weak marks are registered, as the earlier ‘basic’ and ‘bonus net’ marks, the protection area should be so narrow that the marks should be able to co-exist. What the protection is granted for should not be the descriptive words as such, but these words in the shape they are presented.

The correct handling of an application that is considered to lack distinctiveness and is met by an opposition can be observed in BoA Grand Board (GB) case, R 1894/2011-G of 13 March 2017. By interim decision, the GB remitted in 2012 the application 'Cheapflights' (fig) to the examiner for re-examination with respect to absolute grounds for refusal. The pending opposition proceedings were suspended. After the examiner's rejection of the mark applied for in relation to all covered services based on absolute grounds, the application was withdrawn by the applicant and the opposition proceedings could be closed.

3. Trade marks and fair competition

It is settled case-law that trade mark rights constitute an essential element in the system of undistorted competition, which the EC Treaty seeks to establish and maintain. The rights and powers that trade marks confer on their proprietors must be considered in the light of that objective (06/05/2003, C-104/01, 'Libertel', EU:C:2003:244, § 48, and case law cited therein).

In principle, the EU trade mark law, just like any other trade mark law, is not a consumer protection law. The public interest, especially in relation to Article 7(1)(c) EUTMR is company oriented. The main function of a trade mark is to indicate the origin. The aim is to create possibilities for companies to market a product under a specific distinctive mark in order to make sure that the relevant public can repeat the choice of buying the specific goods/services, if desired, and to avoid them if found not to correspond to its needs. This is the whole justification of the trade mark system.

The EUTM system cannot, and shall not, prevent any LOC, but contribute to undistorted competition. A trade mark is an acceptable monopoly because it helps competition. Signs and elements as defined in Article 7 EUTMR disrupt competition and must therefore be excluded from protection.

The development of trade on the internet is increasing very rapidly. In case the relevant public does not know in advance the trade mark of the product or service it wants to buy, it may be easier to find it on the internet if the mark is descriptive. This promotes the creation of trade marks based on very weak and even completely descriptive words.

4. Unitary right

Article 1(2) of EUTMR specifies that an EUTM has a unitary character. Subject to certain exceptions, the EUTM shall have equal effect throughout the EU. An EUTM shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole EU (cf. Case C-9/93 *IHT Internationale Heiztechnik and Danzinger* [1994] ECR I-2789, § 55).

As we all know, an EU trade mark cannot be registered if it does not have the required distinctiveness for registration in all the member countries. In logical consequence hereof, an EUTM comprising a non-distinctive element that has been registered because of other word or figurative elements cannot be considered similar with a later EUTM solely based on the same non-distinctive

element. Otherwise, we are not treating the EU trade mark as a unitary right, cf. the article “SLIPPING THROUGH OUR FINGERS HOW WEAK MARKS TURNED OUT TO BE STRONGLY PROTECTED IN THE EU” by Mara Mondolfo, Società Italiana Brevetti and Member of the ECTA Harmonization Committee, published on www.ecta.org.

The same idea is reflected in the Max Planck study of 15 February 2011, cf. the following stipulation which was proposed as being a preamble to the revised regulation (p. 115):

that trade marks with high degree of distinctiveness should receive more extensive protection than those with a low degree of distinctiveness; that a high degree of distinctiveness requires that the mark has become established on the market as a result of extensive use; that where a trade mark is composed of or consists of an element which is not itself registrable, a finding of likelihood of confusion cannot be based on the fact that both marks consist of or contain that element;

Unfortunately – as some other good proposals by Max Planck – this one was never implemented.

The unitary character of an EUTM has been dealt with in the preliminary ruling of the Grand Chamber of 12/04/2011, C-235/09 DHL, EU:C:2011:238. This judgment regarded the scope of the prohibition against further infringement or threatened infringement based on an EUTM word mark *WEBSHIPPING*, issued by a EU trade mark court based on Article 126 in the EUTMR. A French court had refused to issue a pan-EU injunction as it found that it was not ascertained that the sign would be perceived as a trade mark by the public outside France, for example by the British public. The CJ found that the extent of an injunction is, as a rule, the entire area of the European Union. However, if the defendant proves that the use of the sign at issue does not affect or is not liable to affect the functions of the trade mark, for example on linguistic grounds, the territorial scope of the prohibition that it issues must be limited.

Thus, there are exceptions to the unitary character when it comes to actual use in the member countries. These rules secure a fair competition in the member countries because of linguistic differences. The EUTM is a unitary right as much as possible, but in line with the DHL judgment and Articles 137 and 138 EUTMR, according to which proprietors of earlier national rights may invoke claims for infringement in relation to later EUTM's on a national level, there may be exceptions when all aspects are taken into consideration.

Applying the unitary character to a word or word combination that is considered distinctive and has been registered as a national mark for example in Spain, but is descriptive for example in English, should mean that as this word or word combination cannot be given protection as an element in an EUTM, it can also not be prevented from being registered as an element in a later EUTM. The word or word combination has little value in the mark. This could be in line with the requirement according to F1 to acknowledge ‘a certain degree of distinctiveness’ to the earlier national mark. As emphasized above, including pro-

tection in relation to identical and quasi-identical designations means rejecting applications that should be rejected anyway. On the other hand, the EUTM may be prevented from use in Spain if it is protected as a trade mark in this country, cf. Article 137 EUTMR.

Closely related to the unitary right, are the disclaimers, that is statements in relation to elements that are excluded from the protection of registrations. Unfortunately, in the revised EUTMR the disclaimer provision was completely deleted.

In a system where the distinctive character of a mark may depend on its meaning in 23 or more languages, it is difficult to evaluate the strength of word elements. Who knows all the languages of the European Union and can for example, when making a search, evaluate if the word(s) in an earlier mark are distinctive or not? A consequent use of disclaimers would have been an important aid for trade mark owners, representatives and the EUIPO, as well as national trade mark offices and the courts. If an application was met by a disclaimer request, the applicant would also have had the option to convert its application to national applications and thereby be granted the protection that is possible according to the national laws.

Against disclaimers it has been argued that the relevant public is not aware of them. This is not a valid argument as it is never possible to prevent the consumers from being confused because there is no prohibition against the marketing of products under descriptive and/or non-distinctive marks anyway. Furthermore, it has been objected that it may prejudice for a secondary meaning arising at a late stage. The latter problem could easily be solved by an application for the deletion of the disclaimer. Alternatively, the applicant could file a fresh application and base it on acquired distinctiveness.

However, disclaimers are no longer a possibility. It is also clear that it would have been best if they had been used from the very beginning in the EUTM system, but who knows, maybe one day the disclaimers will have a renaissance under the motto 'better late than never'. In the meantime, there is the possibility to use a description in order to define what the applicant wants to protect.

5. Other measures to promote a fair and harmonized case law

5.1 CP 3 and CP5. The EUIPO has, in cooperation with the national offices, conducted numerous projects to harmonize within the trade mark and design field.

We have presumably all in the trade mark law field appreciated the CP5 project, resulting in 'Common Communication on the Practice of Relative Grounds of refusal – Likelihood of Confusion (Impact of non-distinctive/weak components)' of 2 October 2014. The following criteria are, inter alia, set up in this document when evaluating LOC:

1. When assessing the distinctiveness of the marks in relative grounds, the same criteria that are used to determine distinctiveness as in absolute grounds apply. However, in relative grounds, these criteria are used not only to determine

whether a minimum threshold of distinctiveness is met but also to consider the varying degrees of distinctiveness.

2. When marks share an element with a low degree of distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components.
3. A coincidence in an element with a low degree of distinctiveness will not normally on its own lead to LOC.
4. When marks share a component with no distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components.
5. A coincidence only in non-distinctive components does not lead to LOC.

Another important cooperation project is CP3, resulting in 'Common Communication on the Practice of Distinctiveness – Figurative Marks containing descriptive/non-distinctive words of 2 October 2015'.

Numerous criteria are set up in this document when evaluating the registrability of figurative marks containing descriptive/non-distinctive words, some of these are the following:

1. Where standard typefaces incorporate elements of graphic design as part of the lettering, those elements need to have sufficient impact on the mark as a whole to render it distinctive. When these elements are sufficient to distract the attention of the consumer from the descriptive meaning of the word element or likely to create a lasting impression of the mark, the mark is registrable.
2. A figurative element is considered to be descriptive and/or devoid of distinctive character whenever:
 - It is a true-to-life portrayal of the goods and services.
 - It consists of a symbolic/stylized portrayal of the goods and services that does not depart significantly from the common representation of said goods and services.
3. In general, figurative elements that are commonly used or customary in trade in relation to the goods and/or services claimed do not add distinctive character to the mark as a whole.

It is obvious that the idea behind CP3 and CP5 has not only been harmonization. They are also attempts to minimize the risk that weak marks get unreasonable protection. The responsibility for the CP3 and CP5 documents lays on the first instance at the EUIPO and the first instance at the national offices. In spite of this, they are strong documents, taking into consideration that practically all the PTO's of the EU member countries as well as the EUIPO have committed themselves to follow the stipulations set up in the documents.

It is my impression that until now the use of the documents – or at least the reference to them – has been very limited. However, the documents are excellent

basis for pleadings and taking decisions. It strengthens both the representatives' pleadings and the decisions of the deciding bodies – also on higher levels – referring to the common communications. CP3 and CP5 deserve to have a lot of influence, both at the EUIPO and its BoA as well as at the CJEU.

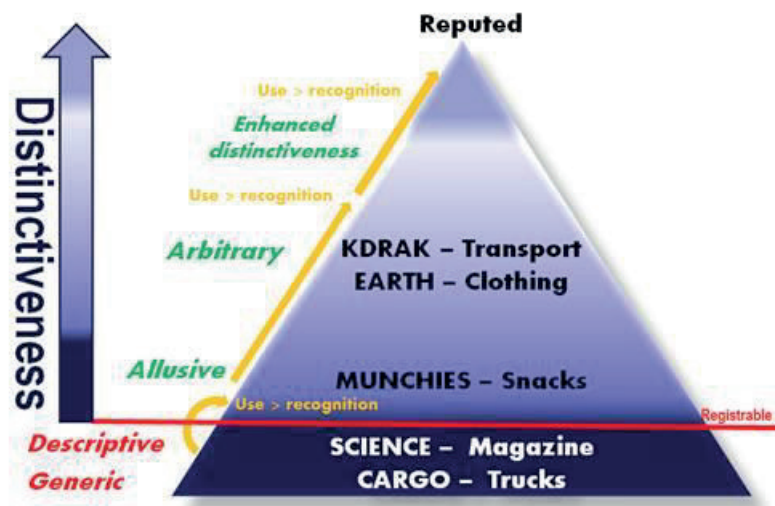
CP3 may be a frustration for many companies, who have developed 'pay off' logos with descriptive elements, since many times they can no longer be protected as registered trade marks. Often, the companies have used a lot of money on designing such marks. This is maybe especially relevant in the Nordic countries where a design is traditionally very simple, making it even more difficult to protect. However, prudent use of the CP3 is presumably the best way forward.

There are many marks in the EUTM register, accepted before the implementation of CP3, which may cause unreasonable conflicts. Still, if the common practice according to CP5 is properly used – and the earlier EUTM's are treated as unitary rights, for example that an earlier EUTM comprising a non-distinctive element that has been registered because of other elements cannot be considered similar with a later EUTM solely based on the same non-distinctive element – this would have a positive impact on the aim of limiting the power as well as the attractiveness of weak marks.

Taking into consideration that also national marks may be used as basis for an opposition in relation to an EU trademark, it is of utmost importance that the CP3 is followed also on a national level. Otherwise it will be easy to use weak national marks as basis for an opposition in relation to an EUTM.

5.2 Protection area based on inherent strength and use. It is essential that the degree of distinctiveness of the opponents' trade marks is clearly defined before evaluating the similarity between the marks and if there may be a LOC.

In the EUIPO guidelines, trade marks are divided into the following categories in relation to their strength:



In line with this, according to the Max Planck study, a high degree of distinctiveness requires that the mark has become established on the market as a result of extensive use.

My opinion is that such a system does not always reflect a reasonable protection area. A mark may be inherently very strong because of its originality and a mark with reputation may even have a below-average distinctiveness because it is inherently weak. This is of course even more obvious if we are dealing with a trade mark that inherently would not be registrable as it is completely descriptive/lacks distinctiveness.

Even if a mark has reached the level of reputation, the protection area must be reflected in the inherent strength of the mark. An inherently strong mark that also has obtained reputation must be entitled to a much broader protection than a mark with the same level of reputation that inherently is weak. This follows of the reasonable interest of the competitors to be able to use allusive or strongly suggestive marks. Furthermore, the public cannot be expected to make a link between an inherently weak mark with reputation and a similar weak mark as easy as between an inherently strong mark with reputation and a mark that is similar to this mark.

Thus, the triangle above is not always entitling the right protection area for a mark. Instead, I would like to describe the entitled protection area as a sliding scale, based on its inherent distinctiveness in combination with its level of use and possible level of reputation based on this use.

A good example of this way of thinking is the judgment by the GC T-637/15 of 31 May 2017, EU:2017:371. In this case a figurative mark 'SOTTO IL SOLE ITALIANO SOTTO el SOLE'



SOTTO el SOLE

was met by an opposition based inter alia on an earlier word mark VIÑA SOL. The ground of the opposition was Article 8(1)(b) and 8(5) EUTMR. Both marks covered wine and the relevant public was considered to have an average level of attention. The GC found that the BoA had not erred when finding that the mark VIÑA SOL had a reputation in the European Union in relation to wine. The GC stated as follow (para. 63) as regard distinctiveness of the earlier mark:

‘As is stated in essence in paragraph 27 of the contested decision, the advantage of having registered the earlier mark as an EU trade mark would be lost if, in proceedings which are not cancellation proceedings, that mark was found to have no distinctive character at all. It must, however, be held that the term ‘sol’, even though it is not totally devoid of any distinctive character, has a low degree of distinctiveness and that, associated with the term ‘viña’, which is itself weakly distinctive, it confers on the earlier mark only a low degree of distinctiveness.’

In relation to the similarity between the marks, the GC found as follows, cf. § 78:

‘It follows from those considerations ... that ... the degree of similarity between those signs, when taken into account with the other relevant factors referred to in paragraph 35 of the contested decision, in the present case, the identity of the relevant consumers, the degree of reputation of the earlier mark for wines and the distinctive character of that mark, is not sufficient for the relevant public to be capable of associating them, that is to say for that public to be capable of establishing a link between them for the purposes of Article 8(5) of Regulation No 207/2009’.

Consequently, in spite of the fact that the earlier mark VIÑA SOL was considered to have a reputation in relation to wine, it was still not entitled to a broad protection because of the inherent strength of the mark.

The GC judgment was appealed, but dismissed by the CJEU, cf. Order of 14 December 2017, C-499/17 P, EU:2017:978. In § 9, (sentence three) of its order the CJEU referred to that:

‘It was, therefore, after examining the strength of the earlier mark’s reputation acquired through use and the degree of its distinctive character that the General Court proceeded to a global assessment of the link between the marks at issue, summarised in paragraph 78 of that judgment, deciding that, even taking those factors into consideration, the degree of similarity between the signs at issue is not sufficient for the relevant public to make a link between them for the purposes of Article 8(5) of Regulation No 207/2009. In so doing, the General Court clearly did not err in law.’

Moreover, at the end of § 11, the CJEU states as follows:

‘Thus, the General Court’s reasoning, read as a whole, makes it possible clearly and unequivocally to understand that, even taking into account the strength of the earlier mark’s reputation, as well as its distinctive character, both inherent and acquired through use, the degree of similarity between the signs at issue is not sufficient for the relevant public to be capable of making a link between them (see paragraph 78 of the judgment under appeal).’

The CJEU confirmed that the GC was right in taking into consideration both the inherent degree of distinctive character and the reputation of the earlier mark. Thus, an opponent’s mark’s inherent distinctive character should be considered also when that the mark has acquired reputation through use.

5.3 Motivation of Decisions. In cases where an EUTM has been accepted as registrable without any correspondence with the applicant, it is of course in no way possible to discover on which grounds the mark was accepted – or if it was simply by mistake.

However, the first instance at the EUIPO – unlike the BoA – does not motivate why they register a mark, even if there has been correspondence with the applicant regarding the distinctiveness of the mark before acceptance. A motivation would be very helpful, for example, in order to evaluate if the first instance has found that the distinctiveness lies in the figurative element(s) or in the word element(s) of a combined mark.

Such motivated decisions would also be valuable when it is relevant to consider the protection area of EUTM's on a national basis. This concerns both the situation when EU trade marks are used in opposition cases in relation to national marks and when applicants, applying for registration nationally, are referring to that an identical trade mark has been registered as an EUTM.

5.4 Word marks sometimes too easy to register at the EUIPO. As a member of the Boards of Appeal in Denmark and in Norway, it is my impression that the EUIPO has been considerably more liberal than the national offices, at least in these countries, in relation to the registration of word marks. In Norway it may nearly be considered as standard that the applicant refers to an EUTM when a word mark application is met by an objection based on descriptiveness and/or lack of distinctiveness. In Denmark this may also be the case, but as Denmark is an EU country, not so many applications are filed nationally if an EUTM has been obtained.

Some examples where the applicants have referred to (questionable) registrations at the EUIPO when applying nationally include CREAM in respect of 'clothing', MKTG for marketing services (MKTG is an abbreviation for 'marketing' that also is commonly used in Denmark), and SWEOAT for oat products (SWE is an official abbreviation for Sweden).

In the case AN 2015 00014 at the Danish Board of Appeal an opposition was filed based on an EUTM, THE SHOE GALLERIES (word mark). Not surprising, the specification of goods covered footwear and retail services in relation to footwear. The EUIPO had raised an objection against the registration of this mark, claiming that gallery is a synonym to shop, department store. The applicant argued that the term gallery 'would certainly not be used in relation to everyday, mundane items such as footwear and bags' and that 'the term "shoe gallery" is simply not one which would be used in any kind of descriptive sense, in the English language.' After the observations from the applicant, THE SHOE GALLERIES (word mark) was accepted by the EUIPO (according to practice, without any motivation what so ever).

Independently if the applicant was right or not in its argumentation, and the reason for acceptance, this case raises an interesting issue: In relation to which public should an English word/ word combination be evaluated at the EUIPO? After all, most people in the EU do not speak English on a native level, and the

comprehension of English words and word combination may sometimes not be as accurate as for mother tongue speakers.

Scandinavians in general have a high level of English. Still, I would dare claiming that for us THE SHOE GALLERIES cannot be perceived as anything else but descriptive in relation to footwear and retail services in respect hereof. My point is that most people in the EU have a basic or better knowledge of English, cf. that more than 90% of the EU population at Secondary Level /High School level are studying English. This should be compared with the fact that after the Brexit only 1% will have English as their mother tongue. Therefore, there is every reason to base the evaluation of the perception of English words as it is likely to be perceived in Europe also by non-native speakers.

Finally, there seems to be a reason, not only when evaluating the descriptiveness but also when assessing the potential distinctive character, to consider that there may be a general interest in not unduly restricting the availability of the word in question for the other traders who offer for sale goods or services of the same type as those in respect of which registration is sought, cf. 06/05/2003 C-104/01, Libertel, EU:C:2003:244.

5.5 The Influence of the Boards of Appeal at the EUIPO. In order to give guidance in relation to the protection of descriptive/non-distinctive elements it was decided by the presidium of the BoA to take the following case to the GB of the BoA:

18/09/2013, R 1462/2012-G, ULTIMATE GREENS / ULTIMATE NUTRITION (FIG.MARK) et al.

ULTIMATE GREENS



The opposition was based on two device marks, 'ULTIMATE NUTRITION'. The earlier marks were EUTM's and the conflicting marks covered identical goods, 'vitamins and nutritional food supplements'. The first instance found that there was a LOC. However, the GB found that the term 'ULTIMATE NUTRITION' is descriptive and lacks any distinctive character for the relevant goods 'vitamins and nutritional food supplements'. Furthermore, the GB found that the rectangle surrounding the words in the earlier mark is neither catchy nor fanciful and has consequently no distinctive character (§ 33). By not applying the F1 judgment, which strictly speaking regarded a national registered mark, the GB concluded that the earlier mark lacked inherent distinctive character.

The GB concluded that the identity of the goods is counteracted by the low degree of similarity of the signs, in particular by the differences arising from the distinctive element "GREENS" in the sign ULTIMATE GREENS. Consequently, there was no LOC. The GB stressed that giving an unduly broad protection of descriptive and non-distinctive elements would prohibit competitors

from using the same elements as components of their marks in accordance with honest practice in commercial matters.

This GB decision was an important step in the right direction, but it needs to be followed by more cases before the GB as there is still no stringent line in case-law. Sometimes it is a bit unclear even at the level of the BoA.

It is obvious that as the BoA is the last trade mark expert instance, its decisions have – and should have – a very important influence on the CJEU judgments. Below are some examples, according to which the BoA has given the weak mark on which the opposition was based a limited protection, and the GC confirmed:

30/11/2017, T-475/16, FTI Touristik – Prantner and Gierisch, EU:T:2017:856



The earlier mark is an EUTM. The conflicting goods and services were printed goods in Class 16 as well as transport services in Class 39 and restaurant and hotel services in Class 43.

In this case the first instance at the EUIPO found that there was a LOC in respect of all goods and services. The BoA reversed the outcome. The Board found that there was no LOC as the shared element “fly” is purely descriptive for the part of the relevant public that understands English. On the other hand, for the part of the relevant public that does not understand the meaning of the mark applied for, it will be perceived as a combination of the letter F and the letter L – or the number 1 – and a heart. In this latter case, there is no visual, aural or conceptual similarity between the marks.

GC confirmed the decision of the Board in its entirety. It found that the opponent had not shown that the Board had committed a mistake when finding that there was no LOC. The case has been appealed to the CJ (C-99/18 P).

8/11/2017, T-776/16 Isocell – iCell, EU:T:2017:788



The conflicting goods and services were in Class 17 insulating materials of cellulose fibers and in 37, construction services. Just like in the other recent case above, the first instance at the EUIPO found that there was a LOC between the mark applied for and the earlier word mark ISOCELL.

The BoA defined the relevant public as professionals and DIY consumers, displaying a high level of attention and knowledge. Furthermore, the Board found that the earlier mark may be understood as a suggestive indication, referring to

‘isolation cells’ or ‘isolation cellulose’, whereas the contested sign may be understood as suggestive of ‘intelligent cellulose insulating material’. Taking this into consideration, the visual, phonetic and conceptual differences between the marks were sufficient to outweigh any similarities, even when applied to identical goods and services. Consequently, there was no LOC.

The case was appealed, but the GC dismissed the appeal and confirmed the decision of the Board in its entirety.

19/11/2014, T-138/13, VISCOTECH / VISCOPLEX, EU:T:2014:973

VISCOTECH VISCOPLEX

The relevant territories are Germany, Ireland and the UK. The first instance found that there was a LOC between the marks, covering conflicting goods in Classes 1 and 4. The BoA annulled and rejected the opposition as the prefix ‘visco’, in relation to the goods at issue, would refer to ‘viscosity’ (thick, sticky, semi-fluid). Visco is therefore descriptive of an important technical characteristic of the goods and the relevant public will focus on the suffixes.

The GC confirmed and stated that ‘visco’ is of secondary importance in the earlier mark. A surprising thing is that the composition of the judges was exactly the same as in the less than three months’ later decided, abovementioned, ‘bonus’ case.

16/12/2015, T-491/13, TRIDENT PURE/PURE et al., EU:T:2015:979



The opposition was, for example, based on the above figurative EUTM’s ‘PURE WHITE’ and ‘PURE’ as well as the French word mark PURE FRESH. The goods covered by the mark applied for was ‘non-medicated confectionery, sugar confectionery including mints’ and the opponent’s marks covered identical goods. The first instance at the EUIPO found that there was a LOC, but the BoA annulled and rejected the opposition. The Board referred to that ‘pure’ by consumers in many EU countries will be perceived as a reference to the freshness or purity of the goods sold and, therefore, as a mere description of those goods. The Board continued stating that for those who do not, the elements ‘pure’ and ‘trident’ are equally distinctive, the latter element nevertheless being dominant because of its initial position in the mark applied for.

It is my impression that the likelihood that the GC will uphold the decision increases if both instances at the EUIPO have arrived at the same conclusion. This means that it is more likely that the BoA is annulled by the GC, if it

rejects an opposition when the first instance has found that there is a LOC. This underlines that it is crucial that the cases are also considered carefully by the first instance at the EUIPO. The following cases are signs of how much influence the EUIPO has when the first instance and its BoA come to the same conclusion:

14/07/2017, T-55/15 Certified Angus Beef / Certified Australian Angus Beef, EU:T:2017:499




In this case the GC confirmed the decision of the BoA that there was no LOC in spite of the fact that the earlier mark was claimed to be well-known.

The BoA had found that, if the earlier mark had any distinctive character at all, it lays in the overall impression created by that mark and not in any of the individual elements as such. Furthermore, it found that the earlier mark coincided with the mark applied for only in elements which were descriptive or non-distinctive. Since the BoA found that the marks were dissimilar overall, any LOC was ruled out. The possible distinctiveness of the earlier marks, acquired through use, could not offset the lack of similarity between the marks at issue.

31/01/2013, T-54/12 Sport, K2 SPORTS, EU:T:2013:50



K2 SPORTS

The earlier word mark K2 SPORTS was registered in numerous EU countries. The relevant goods belonged to Classes 18, 25 and 28. All instances were in agreement, there was no LOC. The reason is that SPORT is a basic English word, which is understood by the average consumer and descriptive. The word SPORT was therefore not decisive with regard to the overall impression. It is interesting to observe that the name of the applicant of the device mark , was Karhu Sport Iberica, SL, that is, the name indicates that the device in the mark is intended to be perceived as the letter K as it is the first letter in 'Karhu'. In line with this, the applicant referred to its mark as 'KSPORT' (figurative) in its correspondence with the EUIPO.

5.6 The defence of the decisions of the Boards of Appeal. The number of cases before the BoA is huge. While the 44 judges at the GC are producing 700 judgments/year, the 17 members at the BoA (president, chair persons and members) issue around 3000 decisions/year. The BoA as well as its legal assistants and the agents

defending their decisions are doing a terrific work, especially when considering the time pressure. The reinforcement of these departments at the EUIPO ought to be considered.

Of course, taking the number of cases into consideration, it cannot be avoided that some mistakes may occur. A good system was set up some years ago for analysing the decisions of the BoA which have been appealed. Before taking any action, the agent designated to defend the decision categorizes the case as green (easily defensible), yellow (some doubtful things) and red (decision not correct). The deciding members at the BoA are informed about how their cases have been evaluated. It could be considered whether doubtful cases should not automatically be defended, but first be brought before the presidium of the BoA. After a discussion in the presence of the agent in question and for example its team leader, the presidium could decide how and to what extent the decision should be defended.

5.7 CJEU overrules the Boards of Appeal at the EUIPO. To complete the picture, it should be emphasized that it also happens that the GC or the CJ changes the outcome when the BoA has found that there is a LOC. Here are some examples when the CJEU has given low protection to elements that are distinctive to a low degree, putting emphasise on distinguishing elements:

22/02/2018, T-210/17 – International Gaming Projects – Zitro IP (TRIPLE TURBO), EU:T:2018:91



The goods of the conflicting marks belong to Classes 9 and 28, including automatic slot machines. In this case the first instance of the EUIPO found that there was no LOC, while the BoA reversed the decision, rejecting the mark applied for in respect of all goods.

The GC found that there was no LOC. GC found that ‘turbo’ lacks distinctiveness as it will for the relevant public evoke the idea of acceleration. Taking this into consideration the marks were found to be globally different. All the graphical differences, including the smiling face with a helmet, alluding to car races, which will be easy remembered by the relevant public, will compensate for the similarity based on the common word ‘turbo’.

The judgment may still be appealed when this article is sent for publication. Still, it is difficult to see on which basis an appeal may be filed as the CJ only deals with legal and not factual questions.

1/06/2016, T-292/12 RENV MAGNEXT / MAGNET 4,
EU:T:2016:329

MAGNEXT **MAGNET 4**

An opposition was based on the earlier Spanish mark MAGNET 4. The first instance and the BoA as well as the GC all found that there is a LOC between the marks, both covering 'toys'. The judgment of the GC was annulled by the CJ, on the grounds that the GC did not consider the number 4 in its comparison and thereby did not make a proper overall assessment. When the case was returned to the GC, it indicated that the Spanish word 'magnetico' means 'magnetic', which describes a characteristic of the goods (magnetic building toys) so the distinctiveness of the earlier mark was weak. In the context of the global assessment of the LOC, the GC found that the marks are sufficiently different to avoid a LOC, regard being had, moreover, to the weak distinctive character of the earlier mark.

13/5/2015, T-608/13, easyAir-tours (fig.) / international airtours (fig.)
et al., EU:T:2015:282



An opposition was in particular based on the earlier German figurative mark 'airtours'. The marks had partly identical and similar goods and services related to travelling. The first instance and the BoA found that there was a LOC. The BoA referred to that the earlier mark had acquired distinctiveness in consequence of its use, stating that 'the turn-over figures are impressive and show a high degree of use in Germany'. GC annulled the decision by the Board, on the grounds that the overall impression created by the mark applied for is different from that created by the earlier mark, the dominant element of which is 'airtours'. The GC concluded that there was no LOC in relation to the mark above.

6. Conclusions

My hope is that in the future emphasis should be put on the fact that the EUTM is a unitary right. A descriptive element in an earlier EUTM should not be considered as a relevant basis for an opposition just because the meaning is not known in a country. A possibility is that the BoA select a good case and try to convince the CJ that we need a plenum judgment, setting up principles for the limits of the protection of weak, and especially of completely descriptive, elements.

Meanwhile, there are many measures that may be taken to counteract the situation when weakly distinctive and descriptive marks get extensive protection. To sum up, here are some suggestions:

1. The deciding bodies should apply the F1 judgment in line with what CJ actually stated, recognising the earlier marks which are found to be descriptive only a certain degree of distinctiveness, with the corresponding limited protection area. Furthermore, the deciding body must verify the way in which the relevant public perceives the part of the mark applied for, which is identical to the earlier mark and evaluate the degree of distinctiveness of that sign.
2. Consequent and elaborated use of CP3 and CP5, both by the representatives and by the deciding bodies at all levels and in all jurisdictions.
3. Appliance of the principle that a trade mark's distinctiveness is a combination of its inherent strength and to what extent the mark has been used.
4. The first instance at the EUIPO could motivate its decisions when a mark is accepted after a preliminary refusal based on absolute grounds.
5. When examining EUTM applications and assessing the potential distinctive character the general interest in not unduly restricting the availability of the mark for other traders should be taken into consideration.
6. The first instance of the EUIPO, and especially the BoA, as the last instance of trade mark experts, must be brave and challenge the practice of the GC, giving too much protection to weak elements, referring to the numerous judgments from the GC in which the protection area has been limited because of the weakness of the common element.
7. The BoA could bring more cases regarding weak trademarks to its Grand Board.
8. Doubtful cases that are appealed to the GC could be brought before the presidium of the BoA, so it may decide how and to what extent the decision should be defended.

To conclude, many measures need to be taken, but especially in the light of CP3 and CP5, I can see a light in the tunnel, although it seems to be far away.