



SUBJECT: **Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications – 21<sup>st</sup> Session, June 22-26, 2009**

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PURPOSE: **For Information**

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MEETING DATE: **January 10-14, 2010**

TABLED TO: **All attendees**

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## **Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications**

### **FICPI Report on SCT/21, June 22-26, 2009 – Trade Mark issues**

FICPI was represented by Andrew Parkes for the Trade Mark items on the Agenda of the 21<sup>st</sup> Session of the SCT in Geneva. The Design issues were taken first. A separate Report has been made by Robert Watson on those issues. Mr. Seong-Joon Park, from the Permanent Mission of the Republic of Korea (South Korea) in Geneva, had been elected to chair this Session.

The documents for SCT/21 are accessible at the WIPO Meetings database [http://www.wipo.int/meetings/en/details.jspx?meeting\\_id=17447](http://www.wipo.int/meetings/en/details.jspx?meeting_id=17447)

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### ***SCT/21/2: Grounds For Refusal of All Types of Marks***

The US suggested that the purpose was to talk about how various offices handle grounds for refusal and to learn from one another. The aim would be to compile a document for reference, without identifying Areas for Convergence. This type of open discussion was supported by others. HU was concerned about the size of the document and suggested that the purpose should be to identify areas on which to have detailed discussion in future.

#### *III(a) Signs not constituting a mark*

Opinions varied as to whether a single colour can be a mark. Some said “Never”, others said it was possible with strong evidence of distinctiveness e.g lilac for chocolate

mentioned by Serbia and the EC. The US said there would be 2 tests: whether it has become distinctive if it has been promoted as a mark and is seen by the public as such; and then whether it was functional e.g orange for safety suits, in which case evidence of distinctiveness could not overcome the objection. AU mentioned that an orange colour had been accepted for champagne after evidence of use for many years and a survey showing that people in the community recognised it on labels (Veuve Cliquot).

In response to a challenge from the Secretariat, the UK speculated as to what is a sign. In the *Dyson* case<sup>1</sup> concerning a transparent bin for a vacuum cleaner, the ECJ said that a concept was not a sign. Could an entire book or a complete song be a sign? AU replied that anything that can be conceived by the senses could be a sign. The TRIPs definition was broad enough to cover anything that will or can distinguish – it is an open definition. The sound of a laughing cookaburra with an accompanying description had been registered. Part of a song had been accepted as musical notation. Other countries mentioned the requirement that the sign must be visually perceptible (as sanctioned in the TRIPs Agreement) or capable of graphic representation (as in the EC).

FICPI suggested that a sign is characterised not by what it is but by what it does – or to be more precise what it is capable of doing. The definition of a sign in the TRIPs Agreement quoted at para. 12 says that it is capable of distinguishing which implies

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<sup>1</sup> ECJ Case C-321/03



consideration of what it may do in the future. It need not necessarily be distinctive from the outset, as implied in para. 12.<sup>2</sup> Also there may be different considerations to be applied to goods and to services. For example a single colour may have a function as an element in packaging of goods, which others could need to use, whereas for services it would have no signification. For example there had been a decision in the EC about a particular colour green for vehicle rental services where the customer would be looking for a desk in an airport arrivals area or a parking lot and the colour of the sign would be recognised even before the word mark. These possibilities need to be considered before ruling out a type of sign as not “capable of distinguishing ...”.

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#### *Descriptiveness*

The US identified a “distinctiveness continuum” from invented words such as KODAK or XEROX at one end to generic terms at the other and the examiner had to decide where the mark lay. Also if the mark included a geographical term it could be descriptive or mis-descriptive. The possible use of disclaimers to overcome objections varies widely.

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#### *Functionality*

This topic covered both colour and shape. Some countries will allow evidence of acquired distinctiveness to overcome an objection<sup>3</sup> but others including the US will not and the EC will not for shapes that are necessary to obtain a technical result. The US mentioned a case of a plastic replica gun used for training purposes. The red colour

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<sup>2</sup> The Secretariat pointed out privately that para. 12 refers to “the fundamental requirement for registration of a trade mark” but this seems to be out of place in a paragraph dealing with the question whether a sign constitutes a trademark, not whether it is sufficiently distinctive to be registered.

<sup>3</sup> Unless, for example, it is the colour red for fire extinguishers

was proved to be distinctive but registration was refused because it had the function of distinguishing the replica from real guns. Uruguay referred to a soap that did not slip out of the hand – this was not a mark but was suitable for a patent. AU said that if it was totally and only functional, there would be strong objections but if partly functional there could be registration for the other elements. There was a tension between function and use in the marketplace as a trade mark. JP said that if distinctive a trade mark could be registered even if patented. The *Philips v Remington* case<sup>4</sup> in the ECJ was explained and reference made to the *Lego* brick registration which has been cancelled at OHM and is pending for final decision at the ECJ<sup>5</sup>.

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#### *Public Order and Morality*

Some examples were mentioned delicately.

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#### *Deceptiveness*

Generally, an objection of deceptiveness cannot be overcome by evidence of use.<sup>6</sup> AU pointed out that an IP Office is not responsible for enforcing consumer laws. Only if it was obvious on the face of an application that there was potential deception would an objection be taken. EC started from the assumption that an applicant was acting in good faith. If it was clear on the facts that this was not so, the OHIM would refuse (e.g. LEATHER SHOES for a list including plastic shoes) but a denial of registration does not prevent use of the mark.

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<sup>4</sup> ECJ Case C-299/99

<sup>5</sup> CFI Case T-270/06; ECJ Case C-48/09 P

<sup>6</sup> As in the EC. Why should this be so? It is not logical. If a word has acquired a secondary meaning and now indicates a brand to members of the public, is it any longer deceptive? FICPI might consider this issue for the future. I did not raise it at SCT/21 because of the delicacy of the discussion to come on the proposal by Jamaica for inclusion of country names in Art. 6ter Paris Convention.



#### *Geographical indications*

This paragraph of the document had been deliberately drafted in broad terms so as to cover various systems that treat geographical indications as absolute grounds or as relative grounds for refusal. JP pointed out that if a mark is likely to mislead, Art. 22 TRIPs can be invoked or, if for wines and spirits, Art. 23. The US pointed out that it is necessary to find out where the geographical indication is protected. Other speakers concentrated on the question whether the mark would be likely to mislead.

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#### *Bad Faith*

HU emphasised the importance of this issue and wanted to hear about the practice in other countries. AU said that an applicant there was required to say that it had an intention in good faith to use the mark. There had been instances of people monitoring new property developments, registering the name and then threatening the developers; others used deliberate misspellings of the marks of others or identified marks used overseas. In the US, a false claim on the application form could be a fraud on the office, resulting in cancellation. RU said that this was a question of unfair competition and a possible ground for cancellation but the Office had no competence. Other countries took the same approach. SE had an absolute ground of refusal for bad faith but would have to amend this as a result of the recent ECJ decision in *Lindt & Sprungli* which required that the application must have been made with illicit intent, in order to stop a competitor.

FICPI suggested that in the revised version of the paper, a cross reference should be made to Article 6septies of the Paris Convention which deals with the situation where an agent or representative has registered a mark without the proprietor's consent. This had been mentioned by a number of delegations as an example of bad faith but without recognising that it was a Paris Convention obligation.

#### *Prior rights*

The various approaches to consideration of prior trademark rights had been summarised in the SCT document. RU pointed out that an applicant should not be surprised by objections arising. An applicant from abroad must be represented by a patent attorney who has to do preliminary work, including carrying out a search. There was a need for appeal decisions to be published so that patent attorneys could see what was acceptable and what was not.

Regarding other prior rights, Serbia said that for 3-D trademarks, it was necessary to examine prior designs. AU does not search for copyright but if there is a clear breach the Office will object as "contrary to law". Other countries reported a similar approach to personality rights. The US Office, when examining trademarks, has no jurisdiction to consider copyright or prior industrial designs but these issues may arise in Court.

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#### *Acquired distinctiveness*

The SCT document covered the general aspects. The EC noted that lack of distinctive character, descriptiveness or genericness can be overcome by evidence of acquired distinctiveness. In other countries, including the US, genericness cannot be overcome. In AU, it is possible but rare. The UK pointed out that a mark registered on acquired distinctiveness is likely to have narrow protection in Court.

The Secretariat is to prepare a revised document including the comments from this session. Delegations were also invited to make submissions on Office practice, with examples.

#### ***SCT/21/3: Certification and Collective Marks***

Thanks were expressed to the Secretariat for preparing an excellent document. The Certification and Collective Mark systems are different in principle and even within Certification Marks there are differences



between systems operated by trade organisations and those controlled by official certification bodies, while within Collective marks there is a special category of collective marks of guarantee. In another alternative, an ordinary TM may be registered for certification services. A few countries<sup>7</sup> allow registration of both Certification and Collective marks but most countries recognise one or the other. The differences cause considerable difficulty when an owner wishes to apply for protection around the world. The purpose of the present discussions, as seen by the US delegation, would be to craft systems that work together. Others were more cautious, defining the purpose as being to distribute information in order to increase understanding and to learn where the problems are. The Secretariat is to prepare a revised paper for the next session. After reconsideration, the document will be made available on the WIPO website for reference purposes<sup>8</sup>

**Article 6 ter of the Paris Convention:  
SCT/21/6 Proposal by Jamaica**

**SCT/21/5 Submission by the Russian Federation**

Jamaica proposed an amendment of Article 6 *ter* to add the official names of countries to the categories (armorial bearings, flags and other State emblems) that are to be refused or invalidated as trademarks or elements of trademarks. This had been proposed in 1980 but had not been successful. Jamaica is embarking on a national branding strategy and is particularly concerned about misuse of the phrase “Jamaican Jerk” or “Jamaican pepper” for sauces and flavourings made elsewhere. RU noted that the name of a State is regarded as an indication of the place of origin of the goods and under current law

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<sup>7</sup> E.g. GB and IE

<sup>8</sup> This implies that no attempt at harmonisation is planned

may be included in a trademark if it is not deceptive and is not dominant. Other countries referred to provisions of existing law under which the problem is handled, including competition law or common law. Many delegations said that revision of the Paris Convention was not practical or necessary and an alternative solution to Jamaica’s problem should be found. The Secretariat was asked to draft a questionnaire concerning the protection of official names of States against registration or use as trademarks. The questionnaire will be discussed at SCT/22 and then circulated for completion.

***Summary***

The Summary by the Chair SCT/21/7 and the draft Report SCT/21/8 Prov. are accessible at [http://www.wipo.int/meetings/en/details.jsp?meeting\\_id=17447](http://www.wipo.int/meetings/en/details.jsp?meeting_id=17447). SCT/22 will take place November 23-26, 2009.

Andrew Parkes

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