Absolute grounds for refusal: three-dimensional trade marks

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I will limit my observations today to a number of specific aspects relevant to three-dimensional marks, more in the hope perhaps of provoking discussion rather than giving a formal lecture.

I will concentrate on three particular issues that arise in relation to three-dimensional marks. Firstly, the eligibility of such marks for registration, having particular regard to the criteria in Article 4 of Council Regulation (EC) No 40/94 ("CTMR"), and Article 2 of the First Council Directive 89/104/EEC ("the Directive"). Then, I will look in slightly more detail at the case-law in relation to the two absolute grounds for refusing registration where there has been the most case-law, namely headings b) and e).

Registrability

There is, of course, no doubt from the terms of both the Directive and the CTMR that a three-dimensional mark is eligible for registration as a matter of principle, see the reference in Article 4 of the CTMR to any sign capable of being represented graphically, particularly the shape of goods or of their packaging. It follows clearly from these articles that, as a matter of principle, all three-dimensional marks are capable of registration so long as, at least, they satisfy the requirement of being able to be represented graphically. However, so far as Community law is concerned, there are still some issues to be determined as to precisely what is involved in that requirement. So far as the CTMR is concerned, the concept of graphical presentation is given further expression in rule 3, paragraph 4 of the Implementing Regulation. This provides that where registration of a three-dimensional mark is applied for, the application shall contain an indication to that effect, that the representation shall consist of a photographic reproduction, or a graphic representation, of the mark, and that the representation may contain up to six different perspectives of the mark. A number of questions, it seems to me, could arise in relation to this particular aspect. What is meant by a graphical representation? The Implementing Regulation talks about photographic or graphic representation, thereby suggesting inherently two-dimensional descriptions of the three-dimensional object. I would be grateful if anyone could contribute today on the following question: what is the status of what one might call holographic representations, which offer the ability to present in two-dimensional form a three-dimensional shape, design or something of that nature?

The second question I would like to raise in the context of registrability of three-dimensional marks arises from the requirements of precision, durability and stability referred to in, amongst others, the Libertel case. I am not going to say anything about the Libertel case in so far as it refers to colours. But the Court there did point out certain essential characteristics of a graphic representation of a mark, namely the requirement that the graphic representation must enable the sign to be represented visually, particularly by means of images, lines or characters.

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Moreover, and here I quote from paragraph 29 of the Libertel judgment, “in order to fulfil its function, the graphic representation [...] must be clear, precise, self-contained, easily accessible, intelligible, durable and objective”. That is quite a list. As an illustration of the sort of problem that can come up, I will just refer briefly in passing to the Glaverbel case. 4 The main issue in that case was one of distinctiveness and the mark involved, as you may recall, the application to glass of certain characteristics giving it a particular appearance. One feature of that appearance, however, was that, as the Court of First Instance pointed out, the impression conveyed by the design was not fixed: it could be perceived very differently according to the angle from which the goods were viewed, the brightness of the light and the quality of the glass. The Court held that these variabilities meant that the mark would not enable the applicant’s goods to be readily distinguished from those having another trade origin. Clearly those remarks by the Court were very pertinent in relation to distinctiveness but, it seems to me, considerations of this type are also potentially relevant, at least in relation to three-dimensional goods, to the logically prior question of registrability, and the essential requirements that I have just expressed, in particular, easy accessibility, intelligibility and durability.

Another question may merit some reflection: what is the mark in question in the case of a three-dimensional mark? Is it the shape itself, i.e. the three-dimensional shape, or is it the various registered two-dimensional graphic representations of that shape? In this context, the Court observed in Philips, 5 when dealing with Article 3(1)(e) of the Directive, that if any one of the criteria listed in Article 3(1)(e) is satisfied, a sign consisting exclusively of the shape of a product or of a graphic representation of that shape, cannot be registered as a trade mark. The language used by the court seems to suggest the idea of the mark consisting in the graphic representation itself, i.e. the two-dimensional representation of the three-dimensional object. It could be said, in relation to three-dimensional objects which are defined by the series of two-dimensional views (up to six different views or photographs, although not more apparently, are allowed at least in relation to Community trade marks), that what is actually protected is not any physical three-dimensional object or shape but a series of two-dimensional perspectives of a three-dimensional object or shape.

Perhaps I should develop this point because, again, it concerns the question of accessibility. Before I became a lawyer I studied engineering at University and one of the skills that I was taught was mechanical drawing, including the producing of two-dimensional drawings of three-dimensional objects. One thing that I learned is that, although a two-dimensional drawing can lead one to deduce certain things, or certain characteristics, of a three-dimensional object, not all these characteristics may necessarily be immediately apparent from the drawing itself. I can see questions arising as to whether a perspective of a three-dimensional object that is mathematically deducible from, but not immediately apparent from, a two-dimensional drawing or a series of such drawings, is sufficiently within the scope of protection. This issue could become relevant both in relation to granting and refusing registration, and in relation to what constitutes an infringement.

Let me turn now to the absolute grounds of refusal as they apply to three-dimensional marks. In practice, so far as Community marks are concerned, the Court so far has only had to deal, essentially, with cases under b) and e), that is to say, b) distinctiveness and e) the particular exclusions in relation to shapes, to which I will come in a moment. In addition of course, in both Philips and again in Linde, 6 the Court has made certain more general observations both about the policy considerations that underlie each of the absolute grounds. I do not propose, given the limitation of time, to go into those now, so let me come immediately to Article 3(1)(e) of the Directive which is, of course, the only one of the absolute grounds which relates exclusively to three-dimensional marks. This provides that the following shall not be registered:

signs which consist exclusively of the shape which results from the nature of the goods themselves, or the shape of the goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods. A number of observations can be made on the basis of the case-law so far. The first is that the list of absolute reasons set out in this paragraph is exhaustive. That is what the Court said at paragraph 74 of *Philips* in relation to the Directive and, presumably, the same will apply to the CTMR. Secondly, the list is of alternative reasons, i.e. any one of these reasons will suffice. Next, and again I do not propose to develop this much further, these reasons for refusal are linked to the need to prevent the acquisition of a monopoly in relation to the use of the marks in question. That much was said in the context of the second subparagraph, i.e. the technical solutions exception, in *Philips* – the rationale of the grounds for refusal of registration laid down in the article is to prevent trade mark protection from conferring on its proprietor a monopoly on technical solutions or functional characteristics of the products. Although that declaration was made in the context of technical shapes determined by technical solutions, it seems to me that, in principle at least, it is capable of application *mutatis mutandis* to the other two headings under Article 7(1)(e). Finally, again as pointed out in *Philips*, if a shape is ineligible for registration by reason of one of the factors in Article 3(1)(e), that ground will also preclude absolutely any possibility of acquiring registrability through use.

While these aspects of the case-law may be sufficiently clear, I think there are some questions that still remain to be determined. The first one which arises, at least on a grammatical construction of the article, is what is the position in relation to combinations of reasons: what about a mark which in part consists of implementation of a technical result, in part something that is determined by the nature of the product itself and in part gives the product certain value? In certainly purely linguistic terms, the use of the words “exclusively” and “or” could lead to the conclusion that the conditions are not satisfied. I do not think that would be right, but, this is an issue that has yet to be judicially resolved. The second question which arises is what is meant by “necessary” in the use of the phrase “the shape of goods which is necessary to obtain a technical result”. In *Philips*, at paragraph 83, the Court made clear that where the essential functional characteristics of the shape of a product are attributable solely to the technical result, that fact precludes registration of a sign consisting of that shape even if that technical result could also be achieved by other shapes. Put another way, you do not displace the condition of necessity for these purposes, merely by showing that there was another way of achieving the technical result. The “necessity” is, it would seem, something analogous to a causal link between the shape of the product and some "technical result" that is relevant to the use of the product. It could be thought however, at least in relation to the first criterion, that is to say the exclusion of registrability of shapes that result from the nature of the product, a different approach has been suggested by the Court of First Instance in *Procter & Gamble*, the first soap bar case. There, the issue was whether a soap bar which had a slight waist in the middle and lines around the outside was essentially a shape that was determined by the nature of the product, and the Board of Appeal found that to be the case. In rejecting that conclusion, however, the Court of First Instance pointed out that since there were other shapes of soap bar in the trade which did not have these distinguishing features, it followed that these features could not be the result of the nature of the product. Does this involve a significantly different approach from that in relation to the necessity criterion in relation to technical characteristics under Article 3(1)(e)? If so, are the two approaches compatible?

The final observations that I would make relate to the potential of the three-dimensional marks to display the necessary attributes of distinctiveness. Here two things are clear. First, both the Court of First Instance and subsequently the Court of Justice have confirmed that, from the point of view of their content, Article 7(1)(b) of the CTMR or Article 3(1)(b) of the Directive apply the same criteria for assessing the distinctive character of three-dimensional marks as those that apply to other categories of marks. That much was said first in September 2001 in *Procter & Gamble*, the second soap bar case, and repeated, only in April of this year, by the Court in

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Linde. The second point to be made in relation to distinctiveness, is that the mere fact that the shape of a product may generally have other functions, in addition to indicating the commercial origin of a product, is not fatal to a successful application. As the Court of First Instance pointed out in Glaverbel, if the target market perceives the sign as an indication of the trade origin of goods or services, the fact that it serves several purposes at once has no bearing on the issue of distinctiveness. On the other hand, it is clear, both from the case-law of the Court of First Instance and more recently in the case-law of the Court of Justice, that the fact that one is dealing with three-dimensional marks as opposed to two-dimensional marks will have an impact in practice in determining distinctiveness, for various reasons. As the Court of First Instance pointed out in Procter & Gamble, the first soap bar case, the perception of the relevant section of the public will not necessarily be the same in relation to a three-dimensional mark consisting of a shape, as it is in relation to a word mark, a figurative or three-dimensional mark not consisting of the shape of the product. This idea was developed more recently in the second soap bar case, by making the point that, while the public is accustomed to perceiving word or figurative marks immediately as identifying the trade origin of goods, this is not necessarily true to the same extent where the sign and the outward appearance of the goods are one and the same. Those two quotes were repeated almost word for word most recently in the Libertel case.

I think Mr. Chairman, in view of the way time is going, I will stop there. But I hope that what I have said so far has helped to stimulate further discussion in the time we have available.