



FULL TEXT

CURRENT REFERENCES FROM GERMANY AND THE IMPACT OF CJEU DECISIONS ON NATIONAL JURISPRUDENCE IN GERMANY

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A. Pending preliminary questions to the CJEU originating from Germany

1 Concerning the get up of a retail-store for retail as a three dimensional trade mark (29 W(pat) 518/12; 8th of May 2013)

Applied for was a three-dimensional Get-Up of a retail-store for "retail services with computers, mobile phones and accessories". This proceeding is expanding the CJEU judgement on the case "*Praktiker*" (7th July 2005, C-418/02). ECTA was already concerned at its conference in Helsinki in 2002 with the acceptance of retail services as a service mark as such, which the CJEU approved in the above mentioned case "*Praktiker*". But an entirely new problem with retail services now is the following: is it possible that the three-dimensional sign constituting the get-up of a retail store is of genuine



distinctiveness for retail services and may serve as a sign of commercial origin?

Art. 2 of the directive, as far as it concerns three-dimensional trademarks, refers only to "the shape of goods or of their packaging" and not to services. In its reference the Federal Patent court includes the CJEU Judgement on Freixenet (20th Oct. 2011, C-344/10P) which interpreted Art. 2 broadly. It tended towards an interpretation that the sign should be examined not on the ground that it would not be seen by the consumers as a trademark because they are not used to it but primarily on the fact that it varied significantly from the norms or customs of the sector. Therefore it may have distinctive character. Furthermore, the FPC stressed that more details on the graphical representation are necessary beyond a drawing. Another focus was whether the scope of protection of a retail trade-mark extends to the products actually produced by the retailer himself. Currently the trend towards so called "Flagship-stores" of product-producers demands an answer on this point. The "*Praktiker*" judgement does not mention the issue. However, if you interpret the definition of retail services as "selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to buy at the trader in question rather than with a competitor" – as the CJEU did – the producer does not select an assortment to present it in its flag-store.

The questions were:

- 1. Should article 2 Regulation be interpreted to mean that the scope of protection for "the get-up of a product" includes the get-up in which a service is embodied?*
- 2. Should articles 2 and 3 section 1 a) be interpreted to mean that a sign, showing the get-up, which embodies the service can be registered as a trade mark?*



3. *Should article 2 be interpreted to mean that the requirement of graphical representation is fulfilled either by a drawn representation or with additions such as a description of the get-up or absolute measurements in metrics or relative proportional data?*

4. *Should article 2 be interpreted to mean that the scope of protection of a retail trade-mark extends to the products actually produced by the retailer?*

2 Concerning a word mark “Netto” applied for retail services with services as delivering gift-coupons, travelling services, advertising, entertainment ...(29 W(pat) 573/12; 8th of May 2013)

In addition we have a second reference which focuses on retail services. The word/figurative sign **NETTO** is applied for, but not – as usual in retail, for products - but for “services of delivering gift-coupons, travelling services, advertising, entertainment,...”. The FPC in fact found a trend in the market – not only in Germany, but in France and the UK as well - that retailers are offering those services. The problem is the assignment to retail with products and if retail services with services is underlying the definition of the word “services” under the Directive. Furthermore the FPC asked what kind of substantiation has to be given in the application in respect of the services offered or whether those services should be classified separately within the specific class. The Court outlines its tendency that art. 2 also covers retail services for services and asks – like in the reference on the GET-UP - if the scope of protection of the retail trade mark for services extends to services provided by the retailer itself?

The questions were:

1. *Should article 2 of the Directive be interpreted to include the retail of services under the term services under the Directive in general?*

2. *If question 1 is answered in the affirmative:*

Should article 2 of the Directive be interpreted to mean that the services offered by the retailer must be substantiated in the same way in terms of content as the goods sold by the retailer?

- a) *For the substantiation of the services, it is sufficient to name*
 - aa) *only the service sector, or generic terms,*
 - bb) *only the classes or*
 - cc) *every service specifically?*

b) *Are these specifications bound to the filing date or is it possible to substitute them or add to them in case generic terms or classes are named?*

c) *If question 1 is answered in the affirmative:*

Should article 2 of the Directive be interpreted to mean that the scope of protection of the retail trade mark for services extends to services provided by the retailer itself?

3. The third reference is concerning an invalidation proceeding on an abstract colour mark RED HKS 13 which is registered due to acquired distinctiveness by use for financial services (CJEU C-218/13; 217/13; Federal Patent Court 33 W(pat) 33/12; 22 of Jan. 2012).

The application was filed in 2002, the trade mark was registered in 2007 based on a survey dating from 2006 with the result of 67, 9 % recognition. The FPC was not sure if this percentage would be sufficient to accept distinctiveness by use.



As RED is one of the primary colours in general and specifically very common in the financial services sector, the interest for competitors to keep the colour free could potentially be very high. Therefore the board suggested asking for a survey-result of at least higher than 70 %. During the invalidation proceeding both parties rendered new survey results, which differ from each other.

Furthermore in respect of the order of the CJEU (23. April 2010 - C-332/09 – OHIM vs. Frosch Touristik Flugbörse) the board asked in the case of multiple divergent survey results, which date should be seen as decisive. The date of filing, the date of registration or the date of the judgement on invalidation. According to German Jurisprudence it is the date of the invalidation judgement which is significant. Meanwhile the CJEU stated in the above mentioned Judgement „Frosch Touristik“, that the filing date is the basis for examining a sign. To solve this conflict the referral is necessary.

Finally, if the filing date should be decisive and it can no longer be ascertained what percentage a survey would have delivered back in 2002, which party bears the onus of proof.

The questions were:

1. *Is an interpretation of national law according to which in case of an abstract colour mark (here: red HKS 13), claimed for services in the financial sector, a consumer survey must show a percentage of 70 % to show acquired distinctiveness by use contrary to article 3 section 1 and 3 of the Directive?*
2. *Should article 3 section 3, first sentence be interpreted to mean that the filing date of the trade mark is decisive - rather than the date of registration - even if the trade mark's owner submits - in nullity proceedings - that the trade mark has acquired distinctiveness by use in the three years following the filing, but before its registration?*
3. *In case the date of filing is deemed decisive in the circumstances outlined above:*

Should the trade mark be declared invalid if it is unclear - and cannot now be ascertained - whether it has acquired distinctiveness by use at the time of the filing? Or does the declaration of invalidity require the applicant in the nullity proceeding to prove that the trade mark did not attain distinctiveness by use at the time of the filing?

B) Decisions of the CJEU and their impact on German Jurisprudence

1. **Deriving from the UK reference on IP-Translator (Judgement 19.06.2012 - C-307/10) concerning the use of class headings of the Nice classification system for trade mark applications.**

In 2009 CIPA applied to register the designation „IP TRANSLATOR“ as a trade mark and used the general terms of the heading of class 41, that is to say „Education; providing of training; entertainment; sporting and cultural activities“ etc.. Class 41 also provides „translation services“. It is clear that the words „IP Translator“ lack of distinctiveness for „translation services“, however, they might be distinctive for the services in class 41's headings. The referring court took the view that the interpretation is incompatible with the principles of clarity and precision. A reference for a preliminary ruling should clear up the situation. The answer in essence was: *An applicant must specify whether its application for registration is intended to cover all the goods or services included in the alphabetical list of that class or only some of those goods or services. If the application concerns only some of those goods or services, the applicant is required to specify which of the goods or services in that class are intended to be covered.*



This judgement is of great influence on the practice of all Trade Mark Offices within the EU and calls for convergence on the interpretation of the general indications of the Nice Class Headings. As regards the questions, a working group with experts from the OHIM and the national offices was set up to establish a common understanding of the requirements of clarity and precision and to develop a common set of principles. By then the German office is continuing its practice as before the CJEU's answer. In short:

Class Headings terms are to be interpreted literally: it means what it says

This is applied for the general terms which are normally provided, even if the applicant is using the class headings. In such a case, the application refers only to those goods and services which are clear and precise enough to specify the applied product or service provided. It has to be literally interpreted and cannot refer to all products or services of a class. The statement „all goods and services are applied for“ is inadmissible. The applicant has to specify precisely and in detail what the application should be registered for.

The same practice applies in all Member States **apart from Romania, Hungary, Italy, Lithuania and at the OHIM.**

2. Deriving from Benelux references on Onel/OMEL (Judgement 19.12.2012 - C-149/11) the CJEU answered how to define the relevant territory for genuine use of a Community Trademark.

The proprietor of the CTM ONEL filed an opposition against an application for registration of the trademark OMEL (both for class 35 and 42). The proprietor of ONEL responded to the opposition asking the prior applicant to provide proof of use of the CTM. During the proceeding both parties disagreed on two points: the interpretation of „genuine use“ as referred to in Art. 15 of the Regulation and, in particular, on the extent of the territorial area that is required for genuine use. ONEL's proprietor had shown that he had put it to genuine use in the Netherlands throughout the relevant period, but not in the rest of the Community. Therefore the Gerechtshof te 's-Gravenhage referred questions to the CJEU.

The CJEU's answer was that the referring court has to take into account all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark, the territorial extent and the scale of the use as well as its frequency and regularity.

According to this decision in the German case **D-Linksoft vs D-Link** (FPC, order 25th April 2013, 30 W(pat) 58/11) the Court accepted the number of 600.000 marketed routers in 2009 in Switzerland and in the member states Germany and Austria as genuine use of the CTM. Along experience of life a sufficient part of the sum must have been taken in Germany and Austria. As far as it concerns DCC-Software from 2005 to 2007 40.000, 500.000 and over one million products were sold in the above mentioned 3 countries. 90 % of these products had been sold within the member-states. This was held as sufficient for use of the GTM as well.

In its judgement **TOMTEC vs TOLTEC** (FPC, order 14th April 2011, 30 W(pat) 1/10) the German Court stated: Germany is a Member State with the highest level of national gross product of all Member States. Therefore genuine use of a trade mark within its borders is sufficient as proof of use as a CTM.

The same conclusion was reached for use of the CTM **FALCON vs FALCUUN** (IR-Trade Mark) –both in class 32 (FPC, order 12th Dec. 2012, 26 W(pat) 512/12). The CTM's business volume for beer in Sweden may only have been 0,2 % in respect of the overall turnover of all breweries within the EC, however, the fact that due to the number of breweries within the EC, the market share for each of them is not big. FALCON shows a market-share of about 26 % within Sweden. Seeing as Sweden has 2.5 million inhabitants, this makes up 0.5 % of the inhabitants within the EC. A market share of 26 % in Sweden was deemed sufficient evidence of use as a CTM.



Freixenet – Surface of a Bottle (Judgement 20th oct. 2011 - C-344/10 P, C-345/10 P) : Registrability of the surface of a bottle as a trade mark in the category „other“.

The applicant *Freixenet* claimed for an “OTHER” mark, namely the specific appearance of a bottle’s surface, described as a „white polished bottle which when filled with sparkling wine takes on a golden matt appearance similar to a frosted bottle applied for „sparkling wines“. The CJEU pointed out that its criteria, developed in relation to 3-dimensional trademarks also applies for an „other“ mark consisting of the specific packaging’s surface of a liquid product as well. The GC’s assessments were wrong. Instead of establishing whether the marks for which registration is sought varied significantly from the norm or customs of the sector, the GC merely stated in a general manner, that since no bottle had been sold without label or an equivalent, only that word element could determine the origin of the sparkling wine, so that the colour or matting of the glass of the bottle could not function as a trade mark. Such an assessment means that marks consisting of the appearance of the packaging of the product itself that do not contain an inscription or a word element would be excluded automatically from the protection. The CJEU set aside the GC’s judgements and annulled the decisions of the OHIM.

As in Germany almost the same application of *Freixenet* was refused from registration on the same grounds as the General Court had given, German Jurisprudence must change in future. Be aware: in Germany it was titled as “Touch Mark”. As far as it concerns the requirements in the application the German Federal Court of Justice had in its decision on “car-seat side” (FCJ, order 5th oct. 2006, I ZB 73/05) ruled: *“In principle a touch mark is possible, as long as a norm or scale is given to describe the touch objective, but not as a subjective feeling”*

4. Deriving from the Judgement on OHIM vs. Frosch Touristik Flugbörse; (23 April 2010 - C-332/09 P).

As already treated in the reference on the abstract colour RED it is not clear in Germany if the date of filing, the date of registration or the date of the judgement is decisive for examining the sign. In German Jurisprudence the date of the judgement is crucial. Whereas the CJEU stated in the above mentioned Judgement „Frosch Touristik“ that the filing date is the basis for examining a sign. To solve this conflict beside the reference in the case RED, the FPC allowed a remedy on legal question only to the Federal Court of Justice, which is still pending (order 10th July 2012, 30 W(pat) 40/11 – Aus Akten werden Fakten, applied for computer software etc.). Between the filing date in sept 2007 and the date of the Court’s decision in april 2012 the slogan became commonly used in the applied sector.

5. Deriving from the CJEU’s Order of 26th April 2012, C-307/11P – Deichmann

There is another discrepancy between German Jurisprudence and the decision of the CJEU in the **RED ANKLE ON SHOE – Deichmann** Case (Order 26th April 2012, C-307/11P - Deichmann). The German Federal Court of Justice stated (Order, 31 march 2010 –IZB 62/09 – Marlene Dietrich Bildnis II) *that there might be protection as a trade mark, if the sign is fixed on the product in a way or on a certain spot where the public will see it as a sign of commercial origin because it usually estimates the trademark on a specific spot . As long as it might be fixed according to such a custom – which the court must ascertain – it can’t be refused from protection.*

Whereas the CJEU ordered: *“It has to be focussed on the aspect that the court is not obliged to look for different possibilities of fixing a trade mark on the product”.*



A decision on the “Marc Twain-case” (15th March 2013, 29 W(pat) 75/12) of the FPC tries to combine both sentences. It was a nullification proceeding in the trademark “Marc Twain” for pens. *“As names of famous historical persons are normally used in the sector of pens as “hommages” and there is no common spot on pens for historical names where those are habitually fixed as trade marks, the Court is not obliged to research or to focus on the theoretical possibility that the public will relate the name of Marc Twain to a sign of commercial origin”.*

6. German Jurisprudence followed the Chocolate Mouse decision of the CJEU (order 6th Sept. 2012 - C-96/11P) concerning three-dimensional shape signs.

The mouse simply shows a variant of certain basic shapes, which are common in the applied sector and therefore did not allow distinction. In Germany this principle is adopted as well to figurative signs - which only show - for instance - an ornamental or decorative element such as stitching on a trouser pocket.

But in the case “**fine-liner**” (FPC, order 24th April 2013, 29 W(pat) 506/13) the colour-combination of “orange/white/orange” applied for “fine-liners” had already been registered as an abstract colour combination before. Therefore the court must grant protection based on this fact for the product’s shape due to its overall impression, which includes the already registered colour-combination.

7. The CJEU decision on „Red-Gray Stripes of Deutsche Bundesbahn = German Railway“ (FPC, decision 7th dec. 2011 - C-45/11 P)

Let us come to an end: The CJEU stated that these colours were commonly used for traffic signs and railway crossing gates or as caution stripes and were seen in this sector as nothing other than decorative elements. This proceeding has its equivalent in Germany. Applied was the abstract colour-combination mark “**Red-White, proportion 2:1**” for “flying rescue services”. The FPC stressed out that it is common, as the applied RED HKS 14 is very similar to RAL 3020, which is the colour of traffic red and used in rescue services as a warning sign. Therefore the colour mark was refused from registration for lacking distinctiveness (order 18th May 2012, 26 W(pat) 52/11).

Meanwhile, the sign “**three-dimensional coloured get-up of a jet aircraft and of a helicopter**” (FPC, order 26th January 2012, 30 W(pat) 65/10 and 66/10) was held as being distinctive. Only two producers of rescue aircrafts are known in the market. One uses the colour yellow on its products and the other one is the applicant. Therefore the targeted public – which is well informed within this very specific sector – will see this three dimensional get-up as a sign of commercial origin.