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General Court confirms cancellation of registered 3D CTM European Union - MAQS Law Firm Cancellation International procedures Non-traditional marks

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In Voss of Norway v Office for Harmonisation in the Internal Market (OHIM) (Case T-178/11, May 28 2013), the General Court has affirmed a decision of the First Board of Appeal of OHIM holding that a registered three-dimensional (3D) mark depicting a bottle lacked distinctiveness. The court found that the contested 3D mark was not distinctive, in that it was not capable of individualising, solely by its design, the goods covered by the mark and distinguishing them from those having another commercial origin.

In 2004 Voss of Norway ASA obtained registration of the 3D mark for goods in Classes 32 and 33 of the Nice Classification. The mark consisted of a cylindrical, transparent container, with a non-transparent cap having the same diameter as the cylinder, as represented below:



In 2008 Nordic Spirit AB applied for a declaration of invalidity of the trademark. In 2010 the Cancellation Division of OHIM found that the mark was not "common" and differed from the rest of the bottles on the market. The Cancellation Division agreed that the contested trademark could function as a mark and thus rejected the application for cancellation.

Nordic Spirit appealed, arguing that the cylindrical shape of aluminium cans was customary, and that stylised versions of bottle shapes were commonplace on the market. Nordic Spirit also emphasised that, before looking at the potentially original shape of the bottle, consumer habits in the beverages market should have been considered first, as consumers are not used to inferring the trade origin of goods from the shape of the containers.

In its decision of January 12 2011, the First Board of Appeal of OHIM upheld the appeal. The board held that, although a bottle can be registered as a 3D mark under Article 4 of the Community Trademark Regulation (207/2009), the contested trademark was not sufficiently distinctive to qualify as a mark within the meaning of Article 7(1)(b) of the regulation.

The board noted that customers are not used to distinguishing bottles based on their design or packaging but, rather, will look at the trademark or label. Therefore, it was most unlikely that consumers would perceive two separate marks - namely, the bottle *and* the label. Moreover, unless 3D trademarks are well known (eg, the Coca-Cola bottle), they will rarely be found to be sufficiently distinctive.

Basing its reasoning on practical experience as regards the beverages market, the board further found that manufacturers of beverages usually display two-dimensional signs (words or devices) on their bottles to allow consumers to distinguish their trade origin.

The General Court confirmed the finding of the Board of Appeal and sharpened its arguments, holding as follows:

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- The contested trademark was devoid of distinctive character within the meaning of Article 7(1)(b) of the regulation.
- A sign should not consist of the very appearance of the product in order to be distinctive. A trademark has a role of identification of origin, and customers are not used to identifying a product from its shape in the absence of any verbal or graphic element. They actually expect liquid products to be contained and packaged in a bottle (see *HENKEL* (Case C-218/01), Paragraph 53).
- The relevant market has an influence on the court's appreciation of distinctiveness. When there are already a number of forms of the product available on the market (which is the case with beverages in cylindrical containers), the court will be more demanding when considering the distinctiveness requirements.
- An original combination of elements can lead to distinctiveness. However, in the present case, neither the cylindrical shape of the bottle (somewhat distinctive for regular bottles with a neck), the non-transparent cap of the same diameter as the bottle itself, nor the diameter of the cap (somewhat original as well) were found by the court to depart significantly from the norms and customs of the sector. The contested trademark was nothing more than an uninventive combination of elements and, therefore, constituted a mere variant of a commonly used shape available on the market.

The court also summarily rejected Voss' argument that the Board of Appeal had infringed the presumption of validity of a Community trademark (CTM) under Article 99 of the regulation, and had unduly shifted the burden of proof onto it under Rule 37(b)(iv) of the Community Trademark Implementation Regulation (2868/95). These arguments were irrelevant as the mark lacked distinctiveness.

This case shows that the court does not treat registered CTMs - which have been found to be registrable - differently from rejected CTM applications, which have never been held to be registrable. The applicant for cancellation was successful in this case, and thus the CTM holder must pay its costs, including those associated with the two appeals, which could encourage competitors to consider cancellation actions more than they otherwise would have done.

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