Trademark protection and freedom of expression: an inquiry into the conflict between trademark rights and freedom of expression under European, German, and Dutch law

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4 Balancing the Grant and Revocation of Trademark Rights with Freedom of Expression

4.1 Introduction

4.1.1 Introduction

In this chapter, I will discuss the first stage of balancing, i.e. the balancing of the provision regulating the grant and revocation of trademark rights with the freedom of expression third parties. European trademark law contains grounds for refusal, invalidity, or revocation of the registration of trademarks, which regulate the grant and revocation of trademark rights under the TMDir and TMReg. Registering authorities, and courts reviewing their decisions, are obliged to interpret these grounds in light of a number of public interests, which are market and competition centred and do not specifically aim at protecting freedom of expression.\(^1\)

Article 10 ECHR obliges states to ensure that the exercise of trademark rights will cause no disproportionate limitations of freedom of expression. In this chapter, I focus on the role, which registering authorities and courts can play in considering the impact on freedom of expression when they decide upon registering or revoking trademarks. They can interpret the relevant grounds for refusal, invalidity, and revocation in a manner that no rights come into/or are in existence that are likely to be exercised in a manner that will impair of the freedom of expression of third parties disproportionately. As this chapter will show, they can achieve this in the same way as they consider market-centred public interests, i.e. by also considering a public interest representing the interests of those parties that may be affected in their freedom of expression.

This public interest stemming from freedom of expression has two distinct aspects (I will therefore refer to it as “two-fold public interest”). The first aspect is the public interest stemming from the freedom of commercial expression of third party traders to use prospectively trademarked signs in order to inform consumers about products and services as well as the interest of consumers to receive such information. The second aspect is the public interest of the freedom of expression of third parties to use the prospectively trademarked signs in a non-commercial manner as well as the interests of the recipients of such expression, as well as a more general interest in not impairing expressive diversity.

A number of the existing grounds for refusal, invalidity and revocation have already partly the (unintended) effect of protecting the public interest stemming form freedom of expression. Therefore, I will analyse whether these existing grounds for refusal, invalidity

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\(^1\) For instance, the ground for refusal of distinctiveness protects the public interest of consumers to orient themselves on the market by means of distinctive signs. The ground for refusal of non-descriptiveness protects the public interest of third party traders to use descriptive signs. ECJ 18 June 2002 Philips, para. 77; ECJ 8 April 2003 Linde, para. 71; ECJ 6 May 2003 Libertel, para. 51; ECJ 12 February 2004 (‘BIONILD’), para. 34.
and revocation as defined by European trademark law and jurisprudence can be interpreted in a manner to ensure that no trademark rights come into or are in existence, whose exercise would very likely cause a disproportionate impairment of freedom of expression.

4.1.2 **The Public Interest Stemming from Freedom of Expression**

Before providing the outline of the chapter, I deem it necessary to further introduce the two sides of the public interest stemming from freedom of expression.

Freedom of commercial expression is granted to traders because a free flow of commercial information provides information benefits to consumers, or as the ECtHR states, “for the public, advertising is a means of discovering the characteristics of services and goods offered to them.” The public interest stemming from freedom of commercial expression is thus a congruent interest of both traders as providers and of consumers as recipients of commercial expression.

With respect to trademark rights, freedom of commercial expression protects the interest of third party traders to use descriptive, generic, as well as laudatory signs that generally describe goods or services. Descriptive signs are signs that describe characteristics of a good or service. Examples are ‘Park n’ Fly’ for airport parking facilities, or geographic names like ‘Chiemsee’ for typical products from that area. Generic signs are signs that describe the genus or sort of a good or service like ‘APPLE’ for apples or ‘BSS’, known in specialist circles as the indication for optometric salt solutions. Generally descriptive laudatory signs are signs that advertise products like ‘BRAVO’, ‘BONUS’, or slogans like ‘Best buy’ for consumer goods; they also provide information to consumers. Such signs identify particular characteristics, the genus, or particularly positive sides of goods or services. Trademark rights in these signs may impair the communication between traders and consumers, as it may be inefficient, tedious, or even impossible for third party traders to find other signs that can communicate the same meaning to consumers. Consumers may be faced with a lack of appropriate information that efficiently describes alternative products.

Trademark law already contains grounds for refusal that limit the grant and revocation of trademark rights that impair the communication between traders and consumers, i.e., the grounds for refusal of descriptiveness, customariness and non-distinctiveness and the ground for revocation for signs that have become common names in trade. I will examine whether these grounds can be interpreted in a manner to ensure that no trademark rights come into or are in existence, whose exercise would very likely contravene the freedom of commercial expression as granted by Article 10 ECHR.

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2 ECtHR 11 March 2004 *Krone Verlag v. Austria*, para. 31; ECtHR 17 October 2002 *Stambuk v. Germany*, para. 39, stating that “for the citizen, advertising is a means of discovering the characteristics of services and goods offered to him.”

3 U.S. Supreme Court 8 January 1985 *Park ‘N Fly*.

4 The Chiemsee, situated in Bavaria, is the largest lake in Germany. The sign “Chiemsee” which may be descriptive for surf-wear was the issue of contention in the *Windsurfing Chiemsee* case. ECJ 4 May 1999 *Windsurfing Chiemsee*.

5 CFI 5 March 2003 *Alcon* (‘BSS’).

6 ECJ 4 October 2001 *Merz & Krell* (‘Bravo’), para. 2.

7 BGH 23. October 1997 (‘Bonus’).

The public interest stemming from the freedom of non-commercial expression consist of an interest of third parties to use particular signs with a social, cultural, or political meaning, the congruent interest of the audience to receive such expression, and an overall interest in protecting expressive diversity. In particular, trademark rights over ‘signs of high social, cultural or political value’ in relation to ‘expressive goods and services’ may be exercised in a manner that the freedom of non-commercial expression will be impaired. I shall first give my own definition of terms and, thereafter, I will elaborate on the public interest.

*Signs of high social, cultural or political value* can be the names or pictures of living or deceased historic persons, or the names of political, cultural, or religious organisations, (parts of) cultural heritage, e.g. parts of paintings when they describe the goods or services.

*Expressive goods* are goods like newspapers, books, and other print publications, but also T-shirts, key rings, stickers, or posters. For examples, almost all major Dutch political parties have registered their names as trademarks for T-shirts or posters.

*Expressive services* are services related to public discourse such media services, cultural services, or even major events like football championships.

The effect of granting trademark rights in signs of high social, cultural, or political value on freedom of expression becomes apparent when viewed in light of the theory of dialogic democracy, which explains that these signs are part of an ongoing social dialogue. The central theme of this dialogue is the change of meaning embodied in dominant social, cultural and political signs, including certain trademarks, i.e. a process of ‘meaning making’. Freedom of expression plays an important role in ensuring that individuals and groups can take part in this process of meaning making.

The grant of trademark rights in signs of high social, cultural, or political value may impair the process of meaning making because such rights may be exercised in a manner that hinders third parties to participate in social dialogue and it may diminish expressive diversity in general. If expressive slogans like ‘DENK VOORUIT’ (transl. ‘think ahead’) for awareness campaigns and public information services, ‘There’s no F in Justice’ for T-shirts or ‘Been in there for 9 months’ or ‘Lief!’ (transl. ‘Sweet!’) for baby clothing, or ‘Yes we can’ for expressive goods can be registered as trademarks, no third party can, in principle, use identical signs in relation to the identical goods or services, or similar signs in relation to identical or similar goods or services if a likelihood of confusion is caused. Equally, if historical names, like Da Vinci, Michelangelo, Mona Lisa, or
Johann Sebastian Bach\textsuperscript{16} and names or pictures of socially relevant figures like Michael Schumacher\textsuperscript{17}, Elvis Presley,\textsuperscript{18} or Obama become subject to trademark rights for expressive goods or services, third parties will be precluded from using identical signs in relation to the identical goods or services, or similar signs in relation to identical or similar goods or services if a likelihood of confusion is caused. This may impair the freedom of expression of third parties and it may impair expressive diversity as such signs can express viewpoints of consumers or an affiliation of consumers, i.e. if they are printed on T-shirts, they may become speech.

One favourable circumstance for the grant of trademark rights in signs of high social, cultural, or political value is that trademark registration under European trademark law, is based on an attributive system, which means that trademarks can be registered even when they have not yet been used in trade and their distinctiveness has not been established in trade.\textsuperscript{19} The licensing and merchandising industry strives on trademark rights that are registered before the signs are used in trade. For instance, organising countries of major events such as the FIFA soccer world championships or the Olympic Games register the names and symbols of these major events in order generate licensing revenues and the same holds true for the producers of many movies, who obtain trademark rights to generated merchandising revenues. Likewise, the trademark rights are used in merchandising of fictional and real characters such as ‘Elvis Presley’ or the German fictional character ‘Der kleine Eisbär’.\textsuperscript{20}

Moreover, while there is, with good reason, no service class for political services (trademark rights are not meant to be used for e.g. political parties, but rather to indicate trade origin), the absence of a requirement of use in trade before registration, makes the grant of trademark rights in political signs possible. In the Netherlands for instance, political parties and government entities have acquired trademark rights, which would allow them to prohibit third parties from using their names on e.g. T-shirts. Moreover, Article 2.20.1.d BVIE grants them the right to prohibit free riding, blurring, or tarnishment of their trademarks (i.e. names) in relation to all uses, even outside of trade. Although such rights are rarely invoked, they have the potential to cause chilling effects on public discourse.\textsuperscript{21}

\textsuperscript{16} OLG Dresden 4 April 2000 (‘Bach’ I-III).
\textsuperscript{17} BPatG 29 April 1998 (portrait of Michael Schumacher).
\textsuperscript{18} High Court of Justice - Chancery Division 18 March 1997 Elvis Presley. ‘Elvis Presley’ is registered as a Community trademark by Elvis Presley Enterprises amongst others for all kinds of merchandise. (CTM Reg. No. 001408897).
\textsuperscript{19} According to Article 10 TMDir and 50.1.a TMReg, trademark rights lapse (only) after five years of non-use. Consequently, trademark rights are granted even before trademarks have proven their utility as indicators for of product source or product characteristics. In section 2.4.1, I argued that the rationales of trademark law would require that trademark rights be granted only for trademarks that have proven their distinctiveness. The grant of trademark rights before establishing distinctiveness through use in trade allows the exclusion of third parties without any counter-weighing social benefits and may thus is not justified by the rationales of the rationales of trademark rights.
\textsuperscript{20} “Character merchandising can be defined as the adaptation or secondary exploitation, by the creator of a fictional character or by a real person or by one or several authorized third parties, of the essential personality features (such as the name, image or appearance) of a character in relation to various goods and/or services with a view to creating in prospective customers a desire to acquire those goods and/or to use those services because of the customers’ affinity with that character.” WIPO Report, Character Merchandising WO/INF/108, p. 6; Ruijsenaars diss. 1997.
\textsuperscript{21} Benelux Trademark Registration no. 0801798 (logo of the socialist workers’ party PvDA); Benelux Trademark Registration no. 0575391 (logo of the liberals VVD).
At present, the grounds for refusal and revocation do not take account of the public interest stemming from freedom of non-commercial expression, yet they may have the (unintended) effect to protect this public interest. I will, therefore, examine whether the existing grounds for refusal and revocation can be interpreted in a manner to ensure that no trademark rights come into or are in existence that are likely to be exercised in a manner that will infringe the freedom of non-commercial expression of third parties or that will severely impair expressive diversity.

At this point, I also want to point out to the reader that the public interest in the protection of expressive diversity differs from the interest to preserve cultural heritage, which has been highlighted by some scholars.

The public interest in the protection of cultural heritage is an interest to stop the ‘depletion’ of cultural heritage that is caused by its commercialisation. The preservation of cultural heritage, it seems to me, requires that the meaning of signs is not altered, or at least not in an extreme fashion. It is an interest in fixing the meaning of that heritage. An example may be the registration of famous melodies like Beethoven’s *Für Elise* as a trademark.

In my opinion, the public interest in protecting expressive diversity stemming from Article 10 ECHR, although sometimes being congruent, would not entail the protection of a status quo, in which the meaning of cultural heritage is fixed and commercialisation is forestalled. Rather, the interest lies in the protection the ability of individuals and groups in using and changing the meaning of signs of high social, cultural and political value (whether partly commercially or entirely non-commercially), also in such manners that deviate from the fixed or traditional meaning which makes up cultural heritage.

**4.1.3 OUTLINE**

As I already indicated, in this chapter, I will examine relevant grounds for refusal that may be used to protect the two-fold public interest stemming from freedom of expression.

In section 4.2.1, I will start by analysing the kind of obligation, which rests on registering authorities, who are required to perform when assessing the grounds for refusal and revocation. Since the ECJ already requires them to carry out a stringent and full assessment under the existing grounds for refusal, I will argue that they can as well integrate into the assessment the protection of the two-fold public interest stemming from freedom of expression.

In sections 4.2.2 to 4.2.5, I will assess three grounds for refusal, first, of signs which are understood are descriptive of (characteristics of) the goods and services; second, of signs that have become customary; and, third, of signs that are devoid of any distinctive character for the particular goods or services.

From the perspective of freedom of expression, the ground for refusal of descriptiveness (I) is of the greatest importance, as it protects the public interest of keeping descriptive signs available for other traders. In section 4.2.2, I will analyse criteria developed in the jurisprudence of the ECJ, and I will argue that the ground for refusal as interpreted by these criteria protects, to some degree, the public interest.

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23 ECJ 27 November 2003 *Shield Mark* (the melody of ‘Für Elise’ composed by Ludwig van Beethoven).
stemming from freedom of expression, because it ensures that a large number of descriptive and generic signs remain available for third parties. Moreover, I will explore whether the notion of descriptiveness may need to be extended to a small degree in order to fully take account of the two-fold interest stemming from freedom of expression.

In section 4.2.3, I will examine the ground for refusal of customariness (II), which at present plays only a subsidiary role in jurisprudence, since most of the signs that are customary are also descriptive and/or non-distinctive.

In section 4.2.4, I will examine the ground for refusal of non-distinctiveness (III), which ensures that only signs that are capable of distinguishing a product source are registered. It is interpreted in light of the public interest of consumers to orient themselves on markets by using distinctive signs. Thereby it ensures the capability of signs to distinguish. I will show, that registering authorities and courts can, and in fact do interpret the ground for refusal in a manner to allow other interests than pure ‘capability to distinguish’ to be protected. In particular, they also protect the public interest in the availability of signs to third parties. I will examine whether this interpretative protection of availability offers a means to protect the two-fold public interest stemming from freedom of expression.

In section 4.2.5, I will deal with the exception to the three grounds for refusal, i.e. the provision on acquired distinctiveness allowing for the registration of originally descriptive, customary, or non-distinctive signs once they have gained the capability to distinguish. This exception applies once signs have gained the capability to distinguish, but it does not take adequate account of the need to keep certain signs available despite their capability to distinguish. Signs that have acquired distinctiveness (or secondary meaning) in most cases still maintain their original or primary descriptive, customary, or non-distinctive meaning. There may thus be a risk that, upon the grant of rights, third parties are prohibited from using the signs to express the original or primary meaning.

In section 4.2.6, I will first discuss the relatively open grounds for refusal of bad faith, which may, hypothetically, allow for the consideration of the public interest protected by freedom of expression. Second, I will consider several grounds for refusal relating to public order. These are the ‘catch-all’ ground for refusal of signs that are contrary to public order and generally accepted principles of morals, the grounds for refusal of the registration of state emblems, of other official emblems and a ground for refusal contained in the TMDir on the registration of ‘signs of high symbolic value’. I will show that these grounds have little potential to ensure the protection of the public interest springing from freedom of expression.

Finally, in section 4.3, I will assess the ground for revocation of trademarks that ‘have become a common name in trade’. Such trademarks may be revoked ex nunc when over time a trademark becomes the common name for a good or service, i.e. when it becomes generic. Examples are ‘vaseline’ or ‘insuline’ in the Netherlands, ‘hoover’ in the United Kingdom for vacuum cleaners, ‘xeroxing’ in the United States for photocopying, and possibly ‘googling’ for Internet searches.
4.2 THE GRANT OF TRADEMARK RIGHTS AND THE GROUNDS FOR REFUSAL

4.2.1 A ‘STRINGENT AND FULL’ ASSESSMENT AT THE TIME OF REGISTRATION

When a registering authority tests a sign against absolute grounds for refusal, it must carry out a stringent and full assessment.24 The fact that registering authorities already carry out such stringent and full assessments makes it possible for them to include their assessment the protection of the two-fold public interest stemming from freedom of expression.

Weighing the protection of third party interests against trademark rights can be achieved at two stages. First, in a more absolute manner at the stage of granting trademark rights or revoking them, and second when a judge weighs the conflicting interests in individual cases of conflict. In the first stage, a registering authority, weighing the interests of the applicant against the perceived public interest, carries out an abstract assessment. Hypothetically, a judge in the second stage could carry out a more concrete balancing of interests, in particular when applying Article 6.1.b TMDir and Article 12.1.b TMReg:

**Limitation of the effects of a [Community] trade mark**

1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade, (b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services.25

Some authors have suggested that the relatively abstract assessment carried out by registering authorities must not be too stringent given the possibility of later concrete balancing.26 What is more, the Explanatory Memorandum of the amending protocol of the Benelux Trademark Act of 2 December 1992 (the predecessor of the BVIE) explicitly stated that the registering authority should carry out a *careful* assessment, refusing only applications, which *manifestly cannot be registered*.27 Similarly, the European Commission in its written observations in the 2003 Libertel case claimed that,

“there should be a minimal review of the grounds for refusal in Article 3 of the Directive at the time when the application for registration is considered, on the basis that the risk that operators might appropriate certain signs which ought to remain available is neutralised by the limits which Article 6 imposes at the stage when advantage is taken of the effects of the registered mark.”28

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24 ECJ 6 May 2003 Libertel, para. 59.
25 For the further examination of this provision see section 5.5.
28 As quoted in ECJ 6 May 2003 Libertel, para. 58. Similarly, in his opinion to the 2001 Baby-Dry case AG Jacobs specifically stressed that the argument of “monopolisation of language” should play no role in the assessment under Article 7.1.e TMReg. This article seeks to filter out descriptive trademarks in the interest of legal certainty and not so much in the public interest of avoiding a monopoly of language. Such a monopoly of language, if it were to exist, would be adequately taken care of by the Article 12 TMReg. In his words “just as the owner of the Vittel trade mark cannot prohibit another producer from stating in good
In contrast to these arguments, the European Court of Justice held that a later possibility of balancing under Articles 6.1.b TMDir or 12.1.b TMReg, must not be used as an argument to legitimise a lenient assessment of the grounds for refusal by registering authorities:

“Article 6(1)(b) of the Directive, to which the national court refers in its questions, does not run counter to what has been stated as to the objective of Article 3(1)(c), nor does it have a decisive bearing on the interpretation of that provision. Indeed, Article 6(1)(b), which aims, inter alia, to resolve the problems posed by registration of a mark consisting wholly or partly of a geographical name, does not confer on third parties the right to use the name as a trade mark but merely guarantees their right to use it descriptively, that is to say, as an indication of geographical origin, provided that it is used in accordance with honest practices in industrial and commercial matters.”

Furthermore, the ECJ stated that a lenient registration policy “is incompatible with the scheme of the Directive, which is founded on review prior to registration, not an a posteriori review.” In particular, the specificity of the provisions on refusal and the range of remedies available against a refusal to register as well as the need for legal certainty of right holders point to the fact that the examination carried out by the registering authority “must be a stringent and full examination, in order to prevent trade marks from being improperly registered.” A “practice of a trade mark registration authority which concentrates solely on refusing to register manifestly inadmissible marks is incompatible with Article 3 of the Directive.”

In my opinion, this position of the ECJ on the obligation of registering authorities are important, because they clarify that these authorities are responsible for the protection of all public interests, which the relevant provisions seek to protect. The critical point that I want to make here is that the fact that registering authorities already carry out full and stringent assessments makes it easier for them to include the assessment related to the protection of the twofold public interest stemming from freedom of expression.

That being said, on a practical level and despite the clear statements by the ECJ, questions may be placed with regard to the capability of registering offices to carry out stringent and full examinations. The OHIM has received approximately 90,000 applications in 2007 alone, the German DPMA 76,165, and the BOIP 24,641. This large number of applications can cause a strain in resources, which may find its reflection on a less than ‘full and stringent’ assessment by the registering authorities. Indeed, certain resource problems of registration offices were acknowledged by AG Colomer in his opinion to the Adidas v. Marca case. In reference to the German commentary by Ströbele and Hacker, he stated that

faith that its water is bottled at Vittel, nor could Procter & Gamble prevent a rival from claiming that its diapers keep your baby dry. AG Jacobs 5 April 2001 (‘Baby–Dry’), para. 48, 77 and 78.

29 ECJ 4 May 1999 Windsurfung Chiemsee, para. 28.

30 ECJ 6 May 2003 Libertel, para 59.

31 ECJ 6 May 2003 Libertel, para 59. Likewise, in the Postkantoor case the ECJ held that “the examination of the grounds for refusal […] must be thorough and full”, ECJ 12 February 2004 (‘Postkantoor’), para. 123; ECJ 21 October 2004 Erpo Möbelwerk (‘DAS PRINZIP DER BEQUEMLICHKEIT’), para. 45.

32 ECJ 12 February 2004 (‘Postkantoor’), para. 126.
“[i]t has been rightly suggested that the large number of trademark applications has resulted in the erroneous registration of generic or descriptive signs, due to the speed with which applications must be handled.”

Probably in response to these problems, the ECJ in its decision in the Adidas v. Marca case explicitly introduced considerations relating to the public interest also in relation to Article 6.1.b TMDir.34 While the AG stated that the general interest must be taken into account, “by means of the requirement of availability,” the ECJ explained that Article 6.1.b TMDir “seeks to reconcile the fundamental interests of trademark protection with those of free movement of goods and freedom to provide services in the common market,” and confirmed that this article “gives expression to the requirement of availability.” Specifically, Article 6.1.b TMDir “seeks to ensure that all economic operators have the opportunity to use descriptive indications.”

In this respect, I think that while the introduction of public interest considerations into the limitation of the effects of trademark rights may help to alleviate problems that are caused by a strain on the resources of registering authorities, it must, however, not have a bearing on the stringency of the assessment carried out at the point of registration. That assessment must, in as far as possible, take account of affected public interests, including that stemming from the freedom of expression.

4.2.2 GROUND FOR REFUSAL I: DESCRIPTIVENESS

Article 3.1.c TMDir and Article 7.1.c TMReg contain an absolute ground for refusal of the registration of purely descriptive signs,38 which states that, “trademarks shall not be registered if they ‘consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods.’” This provision safeguards the availability of signs, thereby protecting the public interest of third party traders. According to the ECJ, “the signs and indications descriptive of the categories of goods or services for which registration is sought may be freely used by all”. ‘All’ has to be understood as ‘all traders’, as,

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33 ECJ 21 October 2004 Erpo Möbelwerk (‘DAS PRINZIP DER BEQUEMLICHKEIT’), footnote 45.
34 ECJ 10 April 2008 Adidas v. Marca II (three vs. two stripes on clothing).
36 ECJ 10 April 2008 Adidas v. Marca II, para. 45.
37 Ibid., 46.
38 Likewise, this provision can be invoked in invalidation proceedings. Article 3.1.c TMDir resp. Article 51.1.a TMReg.
39 ECJ 4 May 1999 Windsurfing Chiemsee, para. 25. The case revolved around the geographic name of the largest German lake, the “Chiemsee”. The company Windsurfing Chiemsee had filed a trademark application to register the geographic sign “Chiemsee” for sports products including T-shirts. A competitor, who used the same sign in a different graphic layout, but also for T-shirts, opposed the filing. The Landesgericht München posed preliminary questions to the ECJ, asking whether, since the lake is a popular location for all sorts of water sports, there was a need to keep the name “Chiemsee” free to use for other market parties. On the need to keep free or available see furthermore ECJ 8 April 2003 Linde, para. 73; in the context of Article 7.1.c TMReg see ECJ 23 October 2003 (‘Doublemint’), para. 31.
“[t]o allow one trader to monopolise a term which may serve to designate a product’s characteristics would be to accord him an unfair advantage over competitors who have a legitimate interest in being able to use the term descriptively.”

Seen from the perspective of freedom of expression, this ground for refusal is one of the most important limitations of the grant of trademark rights. It applies to descriptive signs as well as to signs that ‘designate the kind’, i.e. generic signs. The public interest, which underlies Articles 3.1.c TMDir 7.1.c TMReg is equal to one aspect of the two-fold public interest protected by freedom of expression, i.e. that of the freedom of commercial expression of third party traders to communicate with consumers by means of descriptive signs.

Moreover, the ground for refusal ensures that expressive signs or signs of high social, cultural, or political value may not be subject of trademark rights if they describe characteristics of the goods and services. For instance, the sign ‘BACH’ has been considered descriptive for cultural activities such as festivals, the name ‘Mozart’ has been refused registration for ‘pastry and confectionery, chocolate products and sugar confectionery,’ because for the public in Austria and Germany, the name is descriptive for such goods.

In chapter 2, I stressed that since trademark rights may be granted before actual use in trade, the justification for the rights may be weakened and that, in the assessment of the grounds for refusal, the lack or weakness of justification should be taken into account. In relation to the ground for refusal of descriptiveness, I argued that economic efficiency is best served if the ground for refusal of descriptiveness is not interpreted too restrictively and that also signs that are ‘indirectly descriptive’ should be refused registration. By this, I meant signs that are not just those that describe directly ‘characteristics of the goods or services’ themselves but also those that describe circumstances surrounding the goods and services, such as the consumers of goods or that may be understood as exclamations of the users, e.g. the sign ‘New Born Baby’ for baby dolls, ‘Kinder’ (trans. ‘children’) for chocolate or ‘Lief!’ (transl. ‘Sweet!’) for baby clothing.

In the following paragraphs, I will assess whether such arguments also apply when seen from the perspective of freedom of expression. I will, first, examine the criteria on

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40 AG 11 March 2004 Sat.1 (‘Sat.2’), para 22. AG Jacobs further stated that “Such reasoning can be transposed to Article 7(1)(d) and (e), respectively for terms which have become customary for a product and for shapes which are in some way closely bound up with its nature”, making reference to ECJ 18 June 2002 Philips, paras. 78 to 80.

41 Articles 3.1.d TMDir and 7.1.d TMReg contain a ground for refusal of signs that have become customary. This ground for refusal is likewise applied to generic terms. AG Colomer explained the position of generic signs in European trademark law in his opinion to the Philips v. Remington case, “Subparagraphs (c) and (d) of Article 3(1) exclude from registration certain signs on account of their generic nature (inasmuch as they serve to designate the kind, quality, intended purpose, value, geographical origin, or the time of production of the goods) or because they have become customary. They contain, therefore, a partial legal definition of the concept of distinctive character.” AG Colomer 23 January 2001 Philips, para. 14.

42 OLG Dresden 4 April 2000 (‘Bach’ 1-III).


44 Section 2.4.1.2.

45 AG Jacobs 19 February 2004 Zapf Creations (‘NEW BORN BABY’).

the assessment of this ground for refusal developed by the ECJ and CFI. In paragraph
4.2.2.2, I will examine whether the notions of descriptiveness and availability need to be
extended in order to fully take into account the two-fold public interest stemming from
freedom of expression.

4.2.2.1 Criteria Found in the Jurisprudence of ECJ and CFI

Descriptiveness is a matter of degree. Some signs describe a characteristic of a good or
service directly, e.g. the word ‘yellow’ for Bananas, while other signs are descriptive in
an indirect manner because they may not describe the product itself, but circumstances of
the use of goods or services, e.g. the German word ‘Kinder’ (transl. ‘children’) for
chocolate. Children are no direct characteristics of the chocolate itself, but are consumers
of chocolate. There are also signs that ‘evoke’ or ‘suggest’ characteristics of goods or
services rather than describing them, e.g. ‘VITALITE’ for baby-food.47 Moreover, certain
signs have multiple or ambiguous meanings whereby only one meaning may be
descriptive, while another can be distinctive. To make matters even more complicated,
trademarks may be combinations of descriptive parts or they may be descriptive signs of
a foreign language.

Since judging descriptiveness in relation to signs may thus not be a simple affair, the
ECJ and CFI have developed a number of rules for the interpretation of the ground for
refusal. Thereby, they have chosen not to subsume all degrees of descriptiveness under
the ground for refusal of descriptiveness.

First, the ground for refusal only applies if a sign has “a sufficiently direct and specific
relationship” with a characteristic of a good or service.48 In addition, the relevant public
must ‘immediately and without further reflection’ make a ‘definite and direct
association’ between the goods or services and the descriptive meaning of the sign.49

Second, in further interpreting these criteria, the ECJ first took a rather restrictive route
by stating that only those signs should be excluded from registration, that are “the usual
way of designating the relevant goods or services” and that it must be asked whether a
word combination “may be viewed as a normal way of referring to the goods.”50 The
result of such a restrictive interpretation is that all signs that are not 
usually or normally
descriptive can still be subject to trademark rights. In my opinion, this would mean that

47 CFI 31 January 2001 (‘VITALITE’).
48 CFI 20 July 2004 (‘LIMO’), para. 30; CFI 20 March 2002 (‘CARCARD’), para. 28; CFI 6 November 2007
(‘VOM URSPRUNG HER VOLLKOMMEN’), para. 31; CFI 16 March 2006 (‘WEISSE SEITEN’), para.
91.
49 First held in CFI 31 January 2001 (‘Doublemint’) para. 30; confirmed in CFI 31 January 2001 (‘Cine Action’
& ‘Cine Comedy’), both cases para. 27; CFI 7 June 2001 DKV v. OHIM (‘EuroHealth’), para. 27.
50 CFI 7 June 2001 DKV v. OHIM (‘EuroHealth’), para. 27; CFI 27 February 2002 (‘STREAMSERVE’), para.
40; CFI 22 June 2005 (‘PAPERLAB’), para 25; CFI, In the Lokthread case the CFI summarised the test as
follows: “Consequently, for a sign to fall within the scope of the prohibition in that provision, it must
suggest a sufficiently direct and concrete link to the goods or services in question to enable the public
concerned immediately, and without further thought, to perceive a description of the goods and services in
question or of one of their characteristics.” CFI 12 June 2007 (‘LOKTHREAD’), para 29. Similarly,
German jurisprudence requires that there exists a ‘konkretes Freihaltebedürfnis’, i.e. a concrete need to
leave free. Fezer 2001, p. 482.
51 ECJ 20 September 2001 (‘Baby-Dry’), para. 37.
52 ECJ 20 September 2001 (‘Baby-Dry’), para. 42.
the language (and imagery) that could be used by third parties could be severely
decimated to only the most normal and ordinary descriptions, which would put a
disproportionate burden on third parties’ freedom of expression. Thankfully, in later
jurisprudence, the ECJ revised its decision and extended the scope of ground for refusal,
by holding that,

“it is not necessary that the signs and indications composing the mark that are
referred to in that article actually be in use at the time of the application for
registration in a way that is descriptive of goods or services such as those in relation
to which the application is filed, or of characteristics of those goods or services. It is
is sufficient, as the wording of that provision itself indicates, that such signs and
indications could be used for such purposes. A sign must therefore be refused
registration under that provision if at least one of its possible meanings designates a
characteristic of the goods or services concerned.”53

Third, a sign does not need to be descriptive of ‘essential’ characteristics of goods and
services and it does not matter whether synonyms are available. The criterion of
‘essential’ characteristics was introduced by the ECJ in the Baby-Dry case. There the ECJ
held that,

“The signs and indications referred to in Article 7(1)(c) of Regulation No 40/94 are
thus only those which may serve in normal usage from a consumer's point of view
to designate, either directly or by reference to one of their essential characteristics,
goods or services such as those in respect of which registration is sought.”54

The ECJ rejected this interpretation in the Postkantoor case. In its decision, the ECJ
first held “[t]hat public interest requires that all (italic WS) signs or indications which
may serve to designate characteristics of the goods or services in respect of which
registration is sought remain freely available to all undertakings in order that they may
use them when describing the same characteristics of their own goods.”55 Then the Court
specifically held that “[i]t is […] irrelevant whether the characteristics of the goods or
services which may be the subject of the description are commercially essential or merely
ancillary.”56 Such a reading would not be in line with Article 3.1.c TMDir, which does
not speak about essential characteristics. In restating the public interest underlying Article
3.1.c TMDir and 7.1.c TMReg, the ECJ added that,

53 ECJ 23 October 2003 (‘Doublemint’), para. 32. The CFI had previously held that “that the term
DOUBLEMINT, when applied to the goods referred to in the application for registration, has an ambiguous
and suggestive meaning which is open to various interpretations. The multiplicity of possible semantic
combinations therefore precludes the consumer from remembering one of them in particular. Accordingly,
the term at issue does not enable the public concerned immediately and without further reflection to detect
the description of a characteristic of the goods in question.” CFI 31 January 2001 (‘Doublemint’), para. 30.
The decision of the ECJ was confirmed in ECJ 12 February 2004 (‘Postkantoor’), para. 97; CFI 16 March
2006 (‘WEISSE SEITEN’), para. 92.
55 ECJ 12 February 2004 (‘Postkantoor’), para. 55.
56 ECJ 12 February 2004 (‘Postkantoor’), para. 102.
“any undertaking must be able freely to use such signs and indications to describe any characteristic whatsoever of its own goods, irrespective of how significant the characteristic may be commercially.”

In addition, it held that it is irrelevant whether there are synonyms or “other, more usual, signs or indications for designating the same characteristics” of the goods or services. In the Postkantoor case, the ECJ clarified that,

“[a]lthough Article 3(1)(c) of the Directive provides that, if the ground for refusal set out there is to apply, the mark must consist exclusively of signs or indications which may serve to designate characteristics of the goods or services concerned, it does not require that those signs or indications should be the only way of designating such characteristics.”

I think that, this interpretation quite forcefully enlarges the ground for refusal of descriptiveness to keep free any description of a characteristic, which should be available to any undertaking. This is also in line with freedom of expression, because it helps to forestall a lack of freely available descriptive signs.

Fourth, from the viewpoint of freedom of expression it is of interest that signs that consist of descriptive parts cannot be registered too easily. Initially, the ECJ held that ‘syntactically unusual juxtaposition’ or a ‘lexical invention’ was sufficient to exclude the ground for refusal of descriptiveness. In the later Postkantoor case, the ECJ revised its decision and held that signs like ‘Postkantoor’ (transl. ‘post office’) for postal services may only be registered, if a sign that is composed of descriptive parts is more distinctive than the sum of the descriptive parts. The impression of the whole of a sign composed of descriptive elements must be ‘sufficiently far removed from that produced by the simple combination of those elements.’ For instance, the sign ‘Twist & Pour’ for ‘hand held plastic containers sold as an integral part of a liquid paint containing, storage and
pouring device’64, the sign ‘Robounits’ for conveyor belts were refused registration,65 and ‘weisse Seiten’ (transl. ‘white pages’) for paper and artist’s material.66 The rule also applies to slogans, like “Vom Ursprung her Vollkommen” (transl. “Perfect from origin” or “perfect from the start”), which was denied registration based on Article 7.1.c TMReg.67 Registration of the slogan was sought amongst others for beers, non-alcoholic drinks, fruit drinks, and mineral water.68 The CFI considered that,

“[w]ith regard to mineral waters, the perfect state of the source water used is decisive in determining the quality of the drink, both as regards the taste and as regards health. So far as fruit juices, beers and other alcoholic drinks are concerned, the origin of their ingredients is also a factor of great significance in determining the quality of those products.”69

It concluded that the slogan was directly and clearly descriptive.70 I think that, this rule is of great importance because it ensures that the rules on descriptiveness cannot be circumvented by applying for the registration of composite signs.

Fifth, the ECJ recognises that the grant of trademark rights in geographically descriptive signs raises particular concerns for other traders who may want to use these terms. Indeed,

“the registration of a geographical name as a trade mark would occupy the ground much more completely than would that of a mark comprising descriptive elements.”71

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64 CFI 12 June 2007 (‘Twist & Pour’). In the Twist & Pour case, the CFI decided that the sign ‘Twist & Pour’ for ‘hand held plastic containers sold as an integral part of a liquid paint containing, storage and pouring device’ had to be refused registration, because the sign was descriptive. In paragraph 54, the CFI held that: “[t]aken as a whole, the word mark directly describes the action in particular of opening a container with a cap which has to be turned before the liquid contents can be poured [...] The use of the terms ‘twist’ and ‘pour’ therefore highlights a particularly important characteristic of the product concerned, namely its extremely straightforward method of use. As the Board of Appeal rightly stated, ‘[i]t would be difficult to think of a clearer, more direct way of telling consumers that all they have to do is twist the lid and pour the contents than by printing the words TWIST AND POUR on the side of the box.’”

65 CFI 26 November 2003 (‘ROBOTUNITS’). The CFI considered that the sign ‘Robotunits’ is descriptive for “Profiles of metal, guide rails of metal, shaped static elements, shaped connecting elements, within Class 6; Guides for machines, straight-line and longitudinal guides, pressure cylinders, linear cylinders with various types of drive system, shaped pneumatic elements, within Class 7; Conveyor belts, striking systems with position controls, within Class 9”. According to the CFI, “the sign ROBOTUNITS taken as a whole may serve to designate one of the possible intended purposes of all the goods covered by the application for registration. Furthermore, the fact that this sign includes the word robot must be regarded as designating one intended purpose of those goods which the target public is liable to take into account when making a choice and which accordingly constitutes an essential characteristic thereof. The applicant itself admitted in its written pleadings and at the hearing that the goods in respect of which registration of the sign is sought might possibly also be used in connection with computers or robots. Therefore there is a sufficiently direct and concrete connection between the sign ROBOTUNITS and those goods, from the point of view of the target public.” At para. 44.

66 CFI 16 March 2006 (‘WEISSE SEITEN’), para. 98 and 102.

67 CFI 6 November 2007 (‘VOM URSPRUNG HER VOLLLKOMMEN’).

68 Ibid., para. 3. The goods applied for were: “beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages; mixtures of these drinks”, falling within class 32; ‘alcoholic beverages (except beers)’, falling within class 33.”

69 CFI 6 November 2007 (‘VOM URSPRUNG HER VOLLLKOMMEN’), para 37.

70 Ibid., para 38.

71 AG Jacobs 5 April 2001 (‘Baby–Dry’), para 80.
as it is almost impossible to substitute a geographically descriptive term by another
term pointing to the same origin. In similar vain, according to the Guidelines of the
German Trademark Office geographically descriptive signs, including abbreviations or
images thereof, can usually not be registered as trademarks. In my opinion, this more
stringent approach adequately protects the freedom of commercial expression of third
parties.

Sixth, the rule of descriptiveness equally applies to those signs of foreign languages
that can be understood by consumers in the relevant territory. For instance, many
consumers in the Benelux or Germany will know English well enough to understand a
descriptive meaning of a sign. They may however not understand descriptive meaning of
Finnish or Latvian terms. From the perspective of freedom of expression, it is important
that those meanings that can be understood in a descriptive manner do not become
subject to trademark rights.

The ECJ addressed this problem in the Matratzen Concord case. The case revolved
around an action for invalidation of a Spanish national trademark right in the German
word ‘Matratzen’ (transl. mattresses) for mattresses. In its decision, the ECJ held that the
ground for refusal or invalidity of descriptiveness did not apply “unless the relevant
parties in the Member State in which registration is sought are capable of identifying the
meaning of the term.”

It seems to me that, this interpretation has the effect of taking account of the public
interest stemming from the freedom of commercial expression of third party traders,
since as soon as the relevant consumers understand the meaning a sign in a foreign
language to be descriptive, registration will be refused.

Finally, a very important rule is that for a finding of descriptiveness it is not required
that real, current or serious need to keep a sign free exists. In the Windsurfing Chiemsee
case, the Landesgericht München asked the ECJ specifically whether the German
interpretation of the ‘Freihaltebedürfnis’, which recognised only a real, current or
serious need of specifically identifiable competitors, was in line with the Trademark
Directive. The ECJ rejected the restrictive German interpretation. It stated that “the
application of Article 3(1)(c) of the Directive does not depend on there being a real,
current or serious need to leave a sign or indication free (‘Freihaltebedürfnis’) under
German case-law.” Rather, when interpreting this ground for refusal also future
developments must be taken into account. In its decision, it stated that Article 3.1.c
TMDir,

“applies to geographical names which are liable to be used in future by the
undertakings concerned as an indication of the geographical origin of that category
of goods. Where there is currently no association in the mind of the relevant class of
persons between the geographical name and the category of goods in question, the

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73 The registration of Community trademarks must be rejected, if they are descriptive in one of the official
languages of a Member State of the European Union. This follows from Article 7.2 TMReg, which states
that a ground of refusal, “shall apply notwithstanding that the grounds of non-registrability obtain in only
part of the Community.”
74 ECJ 9 March 2006 (‘MATRATZEN’).
75 Ibid., para. 32.
76 ECJ 4 May 1999 Windsurfing Chiemsee, para. 35.
competent authority must assess whether it is reasonable to assume that such a name is, in the mind of the relevant class of persons, capable of designating the geographical origin of that category of goods;

— in making that assessment, particular consideration should be given to the degree of familiarity amongst the relevant class of persons with the geographical name in question, with the characteristics of the place designated by that name, and with the category of goods concerned;

— it is not necessary for the goods to be manufactured in the geographical location in order for them to be associated with it.”

From the perspective of freedom of expression, this ruling is important because it ensures that signs, which may become descriptive in future, will not become the subject of trademark rights. In practice, a caveat to this rule certainly is that it will prove difficult for registering authorities, like the OHIM in Alicante, to anticipate future descriptiveness of a sign in one of the languages spoken in the Member States of the European Union.

4.2.2.2 Extending the Notion of Descriptiveness even Further

The criteria discussed above show that directly descriptive terms must be refused registration. In order to take full account of the twofold public interest stemming from freedom of expression, however, the notion of descriptiveness may have to be extended to, what I want to refer to as, ‘indirectly descriptive signs’. By this, I mean, first, signs that do not just describe directly ‘characteristics of the goods or services’ themselves, but also signs that describe circumstances surrounding the goods and services, such as the consumers of these goods, or that may be understood as exclamations on the part of the users, e.g. the sign ‘New Born Baby’ for baby dolls, ‘Kinder’ (trans. ‘children’) for chocolate or ‘Lief!’ (transl. ‘Sweet!’) for baby clothing. Second, I mean the key connotations of a sign of high social, cultural, or political importance if they describe, albeit not in a direct manner, the features of expressive goods or services.

To start with, I think that the criteria discussed above, i.e. (i) that descriptiveness does not need to concern essential characteristics, (ii) that is sufficient if only one of the various meanings of a sign is descriptive, and (iii) that it does not matter whether synonyms are available, already indicate that many indirectly descriptive signs or partly descriptive signs with multiple or amorphous meanings should be refused registration. Indeed, according to the criteria discussed above ‘indirectly’ descriptive signs are refused registration. The indirectly descriptive sign ‘NEW BORN BABY’ for dolls, for instance, was refused registration. Zapf Creations applied to register a Community trademark in the sign ‘NEW BORN BABY’ for dolls and, in my opinion, the indirect descriptiveness lies in the fact that dolls are not themselves new born babies, but represent new born babies. The OHIM had refused registration under the ground for refusal of descriptiveness. On appeal, the CFI ruled that,

77 Ibid., para. 37.
“a mark, which is descriptive of what the goods represent, cannot be considered to be descriptive of the toy itself, other than insofar as consumers conflate the toy with what it represents.”78

The OHIM appealed, but the trademark application was withdrawn after the AG Jacobs had filed his opinion. The AG opined that,

“where an essential characteristic of a product is to represent something else, a term consisting exclusively of elements which represent that something else may not be registered as a trade mark.”79

Similarly, the German Bundesgerichtshof ruled that the sign ‘Kinder’ was purely descriptive of the consumers of chocolate and that the ground for refusal of descriptiveness thus applied.80

However, the CFI does not refuse all indirectly descriptive signs. In relation to the sign ‘FUN’ for motor vehicles, it held for instance that this sign “is too vague, uncertain and subjective to confer descriptive character on that word in relation to those goods.”81 Likewise, the jurisprudence of the ECJ and the BGH, Benelux jurisprudence seems to allow the registration of indirectly descriptive signs, probably because Benelux registration practice has traditionally been lenient. Before the implementation of the TMDir Benelux courts showed a willingness to grant trademark rights in indirectly descriptive signs, which was understandable, since Benelux law did not know a specific ground for refusal of descriptiveness. In 1981, the Benelux Court of Justice ruled that the sign ‘Kinder’ (transl. children) was not descriptive for chocolate products because the sign referred to only to the consumers of the goods and not to the distinction of the goods.82 The interpretation of the Benelux Court of Justice was confirmed by the Dutch Hoge Raad in the Juicy Fruit case.83

Also after the implementation of the TMDir, Benelux courts seem to allow for the registration of indirectly descriptive signs. For instance, the Brussels Court of Appeals held that the sign ‘summer skin’ for a Benelux trademark relating to cosmetic products was not descriptive because the meaning of the sign related to a desired effect of the goods rather than to a characteristics of the goods themselves.84 Likewise, the Regional High Court Brussels found that the term ‘SoftPerfection’ was not descriptive for shaving equipment.85 It held that although the average Benelux consumer would accurately translate the term, the part of the sign ‘soft’ was not descriptive, because it did not provide consumers with direct information relating an objective and concrete property of the goods. In addition, the laudatory part of the sign ‘perfection’ was not descriptive for

79 AG Jacobs 19 February 2004 Zapf Creations (‘NEW BORN BABY’).
80 BGH (Kinder I). See also BGH 20 September 2007 (Kinder II- ‘Kinderzeit’); BGH 20 September 2007 (Kinder II - ‘Kinder Kram’).
81 CFI 2 December 2008 (‘FUN’), para. 35.
82 BenCJ 19 January 1981 (‘Kinder’). The decision was based on the old Benelux trademark law, which contained only a provision on non-distinctiveness and no special provision on descriptiveness. Nevertheless, the Benelux Court of Justice applied the provision on descriptiveness contained in the Paris Convention. See further Spoor 1991.
83 Hoge Raad 5 June 1981 (‘Juicy Fruit’).
84 Hof van Beroep Brussel 22 April 2008 (‘Summer Skin’).
85 Hof van Beroep Brussel 11 March 2008 (‘SoftPerfection’).
lack of direct or concrete relation to the goods. According to the Court, the composed neologism ‘SoftPerfection’ was sufficiently distinctive and not descriptive.

Similarly, in the move to cure case86 the Regional High Court Brussels decided that in relation to an application for a Benelux trademark, the English sign “move to cure” was not descriptive for recreational, sportive and medical services. The Court considered that, although the average Benelux consumer would understand and translate the meaning of the sign accurately, use of the English language could in principle not be considered a specific use of a sign in relation to the services. The Court furthermore held that ‘movement’ was usually unrelated to medical services and thus not descriptive thereof, that the word ‘cure’ may be translated in a number of ways, 87 and that composition of the whole sign can be considered more than the sum of its parts. In sum, the Court found that no ‘unmistakable’ relation existed between the sign ‘move to cure’ and the services rendered. Fortunately, this decision was overturned by the Belgian Supreme Court.88

In my view, the extension of the ground for refusal of descriptiveness to indirectly descriptive signs as “Kinder” or “New Born Baby” is a necessary restriction of the grant of trademark rights. The interpretation of the CFI and some Benelux courts can be problematic, as when trademark rights are granted over indirectly descriptive signs, a lack of availability of signs to inform consumers can arise. From the perspective of freedom of expression, it would be important that trademark rights in signs that describe the representation of goods or services or circumstances relating to the production or consumption thereof are refused, as the exercise of such rights may restrict the freedom of commercial expression in a manner, which may not be justifiable in principle or proportionate.89

Similar concerns may arise with respect to laudatory signs like ‘BONUS’ for fertilizers,90 or ‘Bravo’ for writing implements,91 which at present do not fall under the ground for refusal of descriptiveness,92 as they do not directly and specifically create a link in consumers’ minds about a descriptive characteristic of a product or service. Rather, they generally advertise the positive nature of the goods or services. Under German jurisprudence, for instance, signs that describe a modality of sale or that describe an additional property that differs from the good or service itself, will not fall under the ground for refusal of descriptiveness.93

In my opinion, laudatory signs may however generally describe characteristics of goods and laudatory signs are part of a common advertising language that third parties’ freedom of expression may be impaired and market communication impaired, if trademark rights were granted in such laudatory sings. Therefore, the ground for refusal for descriptiveness should be extended to those laudatory signs that are descriptive.

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86 Hof van Beroep Brussel 30 May 2005 (‘move to cure’).
87 Ibid.
88 Hof van Cassatie (Belgium) 17 April 2008 (‘Move to Cure’).
89 See also Dinwoodie 2007 arguing for the adoption of linguistic concepts in trademark law.
90 BGH 28 February 2002 (‘Bonus’ II).
91 ECJ 4 October 2001 Merz & Krell (‘Bravo’).
92 As I shall describe below, laudatory signs will only be refused registration if they are non-distinctive. See below section 4.2.4.2.
93 BGH 28 February 2002 (‘Bonus’ II).
From the perspective of freedom of non-commercial expression, it is important that particular care is taken if signs of high social, cultural, or political value that are (indirectly) descriptive of expressive goods and services are registered. I want to mention one specific example of such indirectly descriptive signs.

Chocolate bunnies in gold and silver wrapping are indirectly descriptive for Easter in a number of countries, as they are the animals used in a specific custom, i.e. of giving chocolate bunnies as presents to children on Easter Sunday, often hiding them in house or garden. These bunnies are thus an expression or representation of culture and tradition in at least Germany and Austria. Since citizens are not in the habit of making their own Easter bunnies, they depend on the Easter bunnies, which they can purchase, for expressing this tradition.

The Swiss chocolate producer Lindt has successfully obtained a Community trademark in the three-dimensional shape of the Easter bunny depicted above. What Lindt gains from this registration is an exclusive right under Article 7.1.b TMReg to prohibit third parties from using similar signs (i.e. similar to the shape and distinctive features), if such use causes a likelihood of confusion. Such a likelihood of confusion may however easily be present, as Lindt is the market leader and consumers may soon believe that all similar chocolate bunnies originate from or are licensed by Lindt. Consequently, third party producers are barred from selling similar chocolate bunnies. Yet, traditionally the Easter bunnies involved in the tradition have the same or a similar shape and makeup. Through enforcing this right against similar signs, Lindt may thus be on route to becoming the exclusive producer of a traditional cultural item.

I think that the grant of this trademark right to Lindt impairs not only the freedom of competition of third party traders; it also impairs expressive diversity and the freedom of cultural expression of citizens. Care must thus be taken in granting trademark rights in such culturally (indirectly) descriptive signs that represent a custom.

94 ECJ 11 June 2009 Lindt v. Hauswirth (Goldhase), para. 19, “After registration of the three-dimensional mark at issue, Lindt & Sprüngli began to take legal proceedings against manufacturers who, to its knowledge, were manufacturing products so similar to the bunny protected by that mark that there was a likelihood of confusion.”

95 BGH 26 October 2006 (Goldhase).
If no solution for this problem can be found at the level of the scope of the right - and as we will see in chapter 5, the limitations do not apply to such cases - it may be necessary to apply the ground for refusal of descriptiveness broadly and to refuse the registration of such signs of high social, cultural, or political value.96

4.2.3 GROUND FOR REFUSAL II: CUSTOMARINESS

In the discussion of the ground for refusal of customariness, I can be brief. From the perspective of freedom of expression, it is important that customary signs remain free to use. All traders need to be able to use these signs in order to communicate efficiently with consumers.

Customary terms are often the designation of products and services in ordinary, everyday language, which is must be free to use by everyone in publications and in particular in dictionaries. Articles 3.1.d TMDir and 7.1.d TMReg contain a specific ground for refusal for signs that have become customary, but this ground for refusal takes a less prominent role, because the ground for refusal overlaps with the ground for refusal of descriptiveness and non-distinctiveness.97

The ground for refusal also does not cover those laudatory signs that are often used in trade. Such frequent use is not a sufficient condition for customariness.98 The registration of laudatory signs such as ‘Bravo’,99 for example, will not be refused under the ground for refusal of customariness. As the analysis in the subsequent section will show, such signs may however fall under the ground for refusal of non-distinctiveness.

Moreover, as section 4.3 will show, trademark rights can be revoked if signs become a common name in trade customary after registration. That ground for revocation seems of more importance to the protection of freedom of expression than the ground of refusal of customariness.

4.2.4 GROUND FOR REFUSAL III: NON-DISTINCTIVENESS

As explained above,100 distinctiveness does not need to be actually proven in trade. Rather, the distinctiveness of a trademark is assessed in relation to the goods and services

96 Section 5.5; see also ECJ 11 June 2009 Lindt v. Hauswirth (Goldhase).
97 According to the ECJ, the public interest that lies behind this ground for refusal is equal to that underlying Article 7.1.c TMDir, i.e. that these signs may be freely used by all. ECJ 16 September 2004 Sat.1 (‘Sat.2’), paras. 21 and 23. In addition, signs, which have become customary, are considered “not capable of distinguishing the services of one undertaking from those of other undertakings” and are therefore unable to fulfill the essential function of a trademark. ECJ 4 October 2001 Merz & Krell (‘Bravo’), para. 37; CFI 5 March 2003 Alcon (‘BSS’), para. 40; CFI 16 March 2006 (‘WEISSE SEITEN’), para. 52.

In the Weisse Seiten case, which revolved around the designation ‘weisse Seiten’ (white pages) for telephone books, it was held that a generic designation for printed materials can at the same time be a generic designation for the electronic version of those printed materials. Therefore, the absolute ground for refusal of customariness applied to goods in Class 16, i.e. printed matter, reference works, classified directories, and goods in Class 9, i.e. tapes, discs, CD-ROMs.

98 ECJ 16 September 2004 Sat.1 (‘Sat.2’), para .44. “[t]he frequent use of trade marks consisting of a word and a number in the telecommunications sector indicates that that type of combination cannot be considered to be devoid, in principle, of distinctive character.” However, such frequent use can be an indication for descriptiveness under Article 3.1.c TMDir and Article 7.1.c TMReg. In paragraph 36 of the Sat.1 v OHIM decision, the ECJ held that the, “criterion according to which trade marks which are capable of being commonly used, in trade, for the presentation of the goods or services in question may not be registered…is relevant in the context of Article 7(1)(c) of the regulation.”
99 ECJ 4 October 2001 Merz & Krell (‘Bravo’), para. 32.
100 Section 2.4.1.2.
for, which registration is sought. In this abstract assessment, the ECJ sets the requirement of distinctiveness rather low; as only signs that are ‘devoid of any distinctive character’ must be refused registration it deems a minimum degree of distinctiveness of a sign to be sufficient to exclude this ground for refusal.

Nevertheless, the ground for refusal of non-distinctiveness may help to limit the grant of trademark rights that are likely to be exercised in a manner that will impair the freedom of expression of third parties. It partly has the effect of protecting the two-fold public interest stemming from freedom of expression, because it protects the public interest of consumers who need to be able to use trademarks to orient themselves in their economic dealings. Thereby, it safeguards the capability of signs to distinguish the source of a product or service. It does however not protect the need for the availability of a sign to third parties. In principle, under this ground for refusal, laudatory signs, expressive signs, and signs of high social, cultural and political importance are registrable. Only if a registering authority finds that consumers would perceive e.g. a laudatory sign to be a praise of goods rather than to be distinctive of a particular source or if they would perceive a slogan on a T-shirt as the expression of an opinion rather than a distinctive sign, then these signs are refused registration. Equally, if consumers perceive a sign of high social, cultural or political value as predominantly expressive of a cultural, social, or political message or phenomenon, rather than as an indication of source, then trademark rights are refused under this ground.

In this section, I will first examine the possibilities for interpreting the ground for refusal of non-distinctiveness in a manner to protect the public interest stemming form freedom of expression. Subsequently, it will consider jurisprudence relating to laudatory signs and slogans, and with regard to signs of high social, cultural, or political value.

4.2.4.1 Room for Interpretation in line with Freedom of Expression

The assessment of the ground for refusal of non-distinctiveness revolves around the question whether consumers of a good or service would perceive a sign to be an indication of a particular source. This perception of the consumer leaves room for interpreting the ground for refusal of non-distinctiveness in the light of the two-fold public interest protected by freedom of expression. The consumer is a legal concept that allows for variations in assessment. The ground for refusal of non-distinctiveness must be assessed “by reference to the perception of the relevant public,” which consists of

101 If the sign is composed of various parts, the sign must be assessed as a whole and not separately in respect of its individual parts. E.g. ECJ 16 September 2004 SAT.1 (‘Sat.2’), para. 35.
103 ECJ 16 September 2004 SAT.1 (‘Sat.2’), para. 27, “the public interest underlying Article 7(1)(b) of the regulation is, manifestly, indissociable from the essential function of a trade mark...”; which enables consumers to, “identify[ing] the origin of the goods or services, thus [to] enable[e] the consumer who acquired them to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.” CFI 5 March 2003 Alcon (‘BSS’), para. 48.
104 Kabel 2005b.
105 ECJ 12 February 2004 (‘Postkantoor’), para 31, “when the competent authority examines a trade mark application and, for that purpose, must determine, inter alia, whether or not the mark is devoid of any
standard consumers that are “reasonably well informed and reasonably observant and circumspect.” According to the ECJ and CFI, the perception of this consumer does however vary according to the kind of goods or services that are at stake and according to the kind of sign that is used. In relation to some signs, the ECJ and CFI employ a legal presumption of a lower level of consumer attentiveness. They consider for instance that,

“average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element.”

Consequently, the ECJ held that "only a [shape]-mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94." For instance, pencil-shaped loudspeakers of Bang and Olufsen were considered not to be devoid of any distinctive character, because they deviated sufficiently from the commercial norm of box-shaped loudspeakers.

A similar interpretation is used with regard to advertising slogans, which are deemed unlikely to distinguish goods or services. In my opinion, registrations should also be refused for expressive signs or signs such as ‘I love X’ or ‘Sweet!’ or signs of high social, cultural, or political value on expressive goods and services clothing. As I will argue below, consumers are not in the habit of distinguishing product source of T-shirts when an expressive slogan or the name of famous person or a political party. They may rather think of the person or organisation than of a product source.

Via this interpretative route, the protection of the public interest stemming from freedom of non-commercial expression could be partly accommodated. Yet, this interpretative route will have a limited effect, because, the assessment under the ground for refusal of non-distinctiveness examines whether consumers do view signs to be distinctive and not whether there is a need on the part of third parties to use a particular sign. I think that, the protection of freedom of expression may demand that certain signs are refused protection even though they possess a certain degree of distinctiveness, i.e. a full recognition of the public interest to keep signs available so that the freedom of expression of third parties and expressive diversity in general will not be disproportionately impaired.

The ECJ does not seem to allow for such a transportation of an ‘alien’ public interest into the ground for refusal of non-distinctiveness, for the two reasons. First, minimal distinctive character, whether or not it is descriptive of the characteristics of the goods or services concerned and whether or not it has become generic, it cannot carry out the examination in the abstract.” At para. 56, “the competent authority must, under Article 3(1)(c) of the Directive, determine whether a trade mark for which registration is sought currently represents, in the mind of the relevant class of persons, a description of the characteristics of the goods or services concerned or whether it is reasonable to assume that that might be the case in the future.” Fezer 2001, p. 388, speaks of concrete distinctiveness, as opposed to the abstract distinctiveness under § 3.1 MarkenG (resp. Article 2 TMDir and Article 4 TMReg).


108 ECJ 7 October 2004 Mag Instruments, para. 30.

109 CFI 10 October 2007 Bang & Olufs en v OHIM.
distinctiveness is sufficient, and second the assessment is of a factual and not normative character. Moreover, the ECJ specifically held that each ground for refusal protects a specific public interest.\footnote{ECJ 18 June 2002 \textit{Philips}, para. 77, “The various grounds for refusing registration set out in Article 3 of the Directive must be interpreted in the light of the public interest underlying each of them.” Identical also ECJ 8 April 2003 \textit{Linde}, para. 71; ECJ 6 May 2003 \textit{Libertel}, para. 51; ECJ 12 February 2004 (‘BIOMILD’), para. 34.}

“[t]he various grounds for refusal must be interpreted in the light of the general interest underlying each of them. The general interest taken into consideration when examining each of those grounds for refusal may, or even must, reflect different considerations, according to the ground for refusal in question.”\footnote{ECJ 15 September 2005 \textit{BioID AG v. OHIM} (‘BioID’), para 59. See also ECJ 21 October 2004 \textit{Erpo Möbelwerk} (‘DAS PRINZIP DER BEQUEMLICHKEIT’), para 40; ECJ 29 April 2004 \textit{Henkel}, para. 45 and 46; ECJ 16 September 2004 \textit{Sat.1} (‘Sat.2’), para. 25; ECJ 4 May 1999 \textit{Windsurfing Chiemsee}, para 25; ECJ 18 June 2002 \textit{Philips}, para 77.}

That being said, the practice of registering authorities, national courts, and even the ECJ itself shows that other public interest are, in fact, transported into the assessment of non-distinctiveness. For one, it is recognised by the ECJ and the CFI that there is an overlap between the grounds for refusal.\footnote{In, the \textit{Twist & Pour} case, the CFI stated that, “there is a clear overlap between the scope of the grounds for refusal set out in Article 7(1)(b) to (d) […] In particular, it is clear from the case-law that a word mark which is descriptive of characteristics of goods or services within the meaning of Article 7(1)(c) of Regulation No 40/94 is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services within the meaning of Article 7(1)(b) of the regulation.” CFI 12 June 2007 (‘Twist & Pour’), para. 39. Affirmed, ECJ 12 February 2004 (‘POSTKANTOOR’), paras. 67, 85 and 86; ECJ 12 February 2004 (‘BIOMILD’), para. 19. On the overlap between the ground of descriptiveness and non-distinctiveness see ECJ 20 September 2001 (‘Baby-Dry’), para. 37, “[T]he purpose of the prohibition of registration of purely descriptive signs or indications as trade marks is […] to prevent registration as trade marks of signs or indications which, because they are no different from the usual way of designating the relevant goods or services or their characteristics, could not fulfil the function of identifying the undertaking that markets them and are thus devoid of the distinctive character needed for that function.” In similar terms, the ECJ described the overlap between distinctiveness and customariness. ECJ 4 October 2001 \textit{Merz & Krell} (‘Bravo’), para. 35.}

Moreover, in the case of colour marks, the ECJ has itself filled in the lack of an appropriate ground for refusal by the open interpretation of the ground for refusal of non-distinctiveness. The expansion of the subject matter of trademark rights to colours affects the public interest of third party traders. The spectrum of distinctive colours is limited, but an appropriate ground for refusal to consider the public interest of third party traders is lacking. The TMDir and TMReg contain specific grounds for refusal for shapes, but not for colours. Accordingly, the ECJ assesses the need for the availability of colours under the ground for refusal of distinctiveness. In its \textit{Libertel} decision, the ECJ held that

“in assessing the potential distinctiveness of a given colour as a trade mark […] regard must be had to the general interest in not unduly restricting the availability of colours for the other traders who offer for sale goods or services of the same type as those in respect of which registration is sought.”\footnote{ECJ 6 May 2003 \textit{Libertel}, para 60. Critical Gießen et al. 2003, wondering where in the Trademark Directive this interpretation can be found. See also Gießen et al. 2007, p. 217; VanHauze 2007.}
The ECJ later limited this interpretation solely to colours because of the specifically limited availability of colours and the low distinctiveness of colours.\(^{115}\)

In my opinion, this example of colours shows that the ECJ itself recognises a need to safeguard the protection of other public interests under the ground of non-distinctiveness if the other grounds for refusal do not grant sufficient protection. Equal concerns are present when the registration of laudatory signs or signs of high social, cultural and political value is concerned. As the assessment in the following two paragraphs will show, some courts have indeed protected other public interests under the ground for refusal of non-distinctiveness, where such signs were at stake.

### 4.2.4.2 LauATORY SIGNS & SLOGANS

As I explained in section 4.2.2, most laudatory signs and slogans cannot be refused registration under the ground for refusal of descriptiveness, because they are not directly descriptive of characteristics of goods and services, nor will they fall under the ground for refusal of customariness. In some cases, the ECJ and CFI as well as the German BGH have held that laudatory signs will fall foul of the ground for refusal of non-distinctiveness, as consumers will not perceive signs that advertise product qualities as indications of source.\(^{116}\) The German BPatG even considers the ground for refusal explicitly in light of the criterion of availability.

According to the ECJ, distinctiveness of a slogan needs to be higher than distinctiveness of other signs,\(^ {117}\) if a slogans emphasise a general positive quality of a good or service. Examples are the sign ‘LIVE RICHLY’ for financial services, ‘BEST BUY’ for personal computers, ‘DAS PRINZIP DER BEQUEMLICHKEIT’ (approx. transl. ‘The principle of comfort’) for furniture, ‘MEHR FÜR IHR GELD’ (transl. ‘more for your money’) for consumer products.

In relation to the slogan ‘LIVE RICHLY’ for financial services, the ECJ held that “awareness can be relatively low when it comes to promotional indications, which well-informed consumers do not see as decisive.”\(^ {118}\) Also the Erpo Möbelwerk case in relation to the slogan ‘DAS PRINZIP DER BEQUEMLICHKEIT’ (approx. transl. ‘The principle of comfort’), the ECJ held that “average consumers are not in the habit of making

\(^{115}\) ECJ 16 September 2004 *Sat.1* (‘Sat.2’), para. 26 and 27; ECJ 15 September 2005 *BioID AG v. OHIM* (‘BioID’), para. 61 and 62, “the fact that the trade mark applied for is likely to be commonly used in trade […] although relevant in relation to Article 7(1)(c) of Regulation No 40/94, is not the yardstick by which Article 7(1)(b) must be interpreted.”

In the *Sat.1 v. OHIM* case, Advocate General Jacobs played down the need for the consideration of the interests of in respect of Article 3.1.b TMDir, stating that, “[i]n the Libertel judgment speaks not of keeping signs available to be ‘freely used by all’ but rather of ‘not unduly restricting’ their availability. It does so, moreover, in the specific context of signs of which there is a limited range, the number of colours which the average consumer is capable of distinguishing being limited.” AG 11 March 2004 *Sat.1* (‘Sat.2’), para. 26. This led him to conclude that the public to keep signs available to be ‘freely used by all’ does not generally apply to Article 3.1.b TMDir. *Ibid.*, para. 28.

\(^{116}\) In addition, some laudatory signs and advertising slogans are considered to fall under the ground for refusal of descriptiveness under Article 3.1.c TMDir and 7.1.c. Equally, some laudatory signs or advertising slogans may have become customary in trade and fall under the ground of refusal of Articles 3.1.d TMDir and 7.1.d TMReg. E.g. ECJ 4 October 2001 *Merz & Krell* (‘Bravo’), para. 37.

\(^{117}\) ECJ 21 October 2004 *Erpo Möbelwerk* (‘DAS PRINZIP DER BEQUEMLICHKEIT’), paras. 36 and 44.

\(^{118}\) CFI 15 September 2005 (‘LIVE RICHLY’), para. 74; CFI 5 December 2002 (‘REAL PEOPLE, REAL SOLUTIONS’), para. 24; CFI 3 July 2003 (‘BEST BUY’), para. 25.
assumptions about the origin of products on the basis of such slogans.\textsuperscript{119} Interestingly, in presuming this different perception of the relevant public the ECJ referred specifically to the cases involving three-dimensional marks, which speak of lowered consumer perception of distinctiveness.\textsuperscript{120}

In the \textit{Norma v. OHIM} case in relation to the slogan ‘\textsc{mehr für ihr geld}’ (transl. ‘more for your money’) the ECJ held that:

“For a finding that there is no distinctive character, it is sufficient to note that the semantic content of the word mark in question indicates to the consumer a characteristic of the product relating to its market value which, whilst not specific, comes from promotional or advertising information which the relevant public will perceive first and foremost as such, rather than as an indication of the commercial origin of the goods.”\textsuperscript{121}

Consequently, the slogan ‘\textsc{mehr für ihr geld}’ was held to be non-distinctive because there was nothing about the mark “that might, beyond its obvious promotional meaning, enable the relevant public to memorise it easily and instantly as a distinctive trade mark for the goods designated.”\textsuperscript{122} The CFI goes even further by holding that signs that consist of advertising slogans or incitements to purchase and which fulfil “functions other than that of a trade mark in the traditional sense of the term\textsuperscript{123} will only be considered distinctive if they:

“may be perceived immediately as an indication of the commercial origin of the goods or services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods or services of the owner of the mark from those of a different commercial origin.”\textsuperscript{124}

Similar to the ECJ and CFI, the German Bundesgerichtshof refuses registration under the ground of non-distinctiveness of signs that have a predominantly descriptive

\textsuperscript{119} ECJ 21 October 2004 \textit{Erpo Möbelwerk} (‘\textsc{das prinzip der bequemlichkeit}’), para. 35.

\textsuperscript{120} Ibid., para. 34.

\textsuperscript{121} CFI 30 June 2004 (‘\textsc{mehr für ihr geld}’), para 31; similar CFI 5 December 2002 (‘\textsc{real people, real solutions}’), para 28 and ECJ 21 October 2004 \textit{Erpo Möbelwerk} (‘\textsc{das prinzip der bequemlichkeit}’), para 35, “The possibility cannot be excluded that the case-law mentioned in the foregoing paragraph of this judgment is also relevant to word marks consisting of advertising slogans such as the one at issue in this case. That could be the case in particular if it were established, when assessing the distinctiveness of the trade mark in question, that it served a promotional function consisting, for example, of commending the quality of the product in question and that the importance of that function was not manifestly secondary to its purported function as a trade mark, namely that of guaranteeing the origin of the product.”

\textsuperscript{122} CFI 30 June 2004 (‘\textsc{mehr für ihr geld}’), para. 32; CFI 5 December 2002 (‘\textsc{real people, real solutions}’), para. 28.

\textsuperscript{123} CFI 15 September 2005 \textit{Live Richly}, para 66; CFI 3 July 2003 (‘\textsc{best buy}’), paras. 20 and 21.

\textsuperscript{124} Ibid. According to the CFI, the laudatory sign ‘\textsc{best buy}’ was devoid of any distinctive character for goods like personal computers, because the relevant public would understand the sign as “a mere promotional formula or a slogan which indicates that the services in question offer the best buy possible in their category or the best price-quality ratio.” at para. 29. The sign ‘\textsc{vitality}’ was held to be devoid of any distinctive character for milk-based food and drinks. According to the CFI, consumers would understand this sign as indicating that the goods in question will further their health rather than as an indication of origin. CFI 17 April 2008 (‘\textsc{vitality}’), para. 28. See further CFI 5 December 2002 (‘\textsc{real people, real solutions}’); CFI 31 March 2004 (‘\textsc{looks like grass... feels like grass... plays like grass}’).
meaning. Such signs may not directly describe characteristics of goods or services and thus do not fall under the ground for refusal of descriptiveness. However, their meaning may be so generally descriptive or common, that they do not serve as distinctive signs in trade. For instance, the commonly used sign ‘TODAY’ was refused registration for goods that satisfy daily needs, because it lacked distinctiveness pursuant to § 8.2.1 MarkenG. According to the Bundesgerichtshof, consumers would generally understand the sign as indicating that goods were modern rather than as an indication of product source.

The German BPatG, takes this interpretation one leap further as it interprets the distinctiveness of slogans in the light of the public interest to keep signs free for all. For instance, in the ZEIG DER WELT DEIN SCHÖNSTES LÄCHELN case (approx. transl. ‘show the world your most beautiful smile’) the BPatG reinterpreted the public interest behind the ground for refusal of non-distinctiveness to one of a general ‘Freihaltebedürfnis’ for the benefit of competitors. It held that consumer perception of slogans is too difficult to determine and that instead of making a speculative judgement about consumer’s perceptions, the distinctiveness must be assessed in light of the public interest of third party traders in being able to use slogans, i.e. the Freihaltebedürfnis.

In my view, an important aspect of these cases is that they clearly indicate that other grounds for refusal, like that of descriptiveness, do not sufficiently protect the public interest of third parties to keep descriptive and commonly used signs available, an interest that is congruent with the public interest stemming from freedom of commercial expression. As I agree that trademark rights may unduly restrict the public interest of third party traders not only when they are granted on purely descriptive or customary signs, but also when they are granted in commonly used or laudatory signs and slogans, I think that courts rightly fill in the lack of appropriate protection under the ground for refusal of non-distinctiveness.

4.2.4.3 Signs of High Social, Cultural, or Political Value

In principle, European trademark law as well as German and Dutch trademark law allow for the registration of expressive statements as well as signs of high cultural, social, or political importance. This openness to register reflects the acceptance of the marketing of famous persons, of character merchandising or the merchandising of cultural objects.

Some courts have, via an interpretation of consumer perception, kept expressive statements and signs of high social, cultural or political value from being registered. Certain signs are considered non-distinctive as they are already be so pervasively used,

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125 See e.g. BGH 7 June 2001 (‘LOOK’), “Kann einer Wortmarke kein für die fraglichen Waren im Vordergrund stehender beschreibender Begriffsinhalt zugeordnet werden und handelt es sich auch sonst nicht um ein gebräuchliches Wort der deutschen oder einer bekannten Fremdsprache, das vom Verkehr - etwa auch wegen einer entsprechenden Verwendung in der Werbung - stets nur als solches und nicht als Unterscheidungsmittel verstanden wird, so gibt es keinen tatsächlichen Anhalt dafür, daß ihr die vorerwähnte Unterscheidungsgeigung und damit jegliche Unterscheidungskraft fehlt.” See further BGH 11 May 2000 (‘RATIONAL SOFTWARE CORPORATION’); BGH 1 March 2001 (‘REICH UND SCHÖN’); BGH 17 May 2001 (‘Gute Zeiten - Schlechte Zeiten’).

126 BGH 6 November 1997 (‘TODAY’), “Einem Begriff, der in der Werbung seinem Sinngehalt nach als ‘modern’ oder ‘aktuell’ verwendet und vom Verkehr so verstanden wird, fehlt für Waren des täglichen Bedarfs jegliche Unterscheidungskraft im Sinne des § 8 Abs. 2 Nr. 1 MarkenG.”

127 BPatG 22 July 2003 (‘ZEIG DER WELT DEIN SCHÖNSTES LÄCHELN’).
that consumers no longer are able to distinguish a single source by means of such names. An example is the portrait of Mona Lisa.\textsuperscript{128} In addition, some names are considered to carry such powerful and specific meanings that overshadow any distinctiveness for particular goods or services. For instance, the ECJ, in the context of an opposition procedure, hinted at the fact that the name Picasso would be devoid of any distinctive character for cars:

“\[t\]he reputation of the painter Pablo Picasso is such that it is not plausible to consider, in the absence of specific evidence to the contrary, that the sign PICASSO as a mark for motor vehicles may, in the perception of the average consumer, override the name of the painter so that that consumer, confronted with the sign PICASSO in the context of the goods concerned, will henceforth disregard the meaning of the sign as the name of the painter and perceive it principally as a mark, among other marks, of motor vehicles.”\textsuperscript{129}

One may think that if consumers do not perceive Picasso as distinctive for cars, they are even less likely to perceive the name distinctive for goods and services that are more related to the artist, e.g. paint. However, apparently one cannot generalise this dictum of the ECJ. The registration practice of the OHIM and German or Benelux trademark authorities demonstrates that names like Picasso can be registered all sorts of goods and services, including expressive goods and merchandise.\textsuperscript{130} The same holds true for ‘Anne Frank’, ‘Elvis Presley’, ‘Frank Zappa’, or ‘Queen Elizabeth 2’.\textsuperscript{131}

Amongst German courts, there is a broader to prohibit the registration of names of events and the names and portraits of famous persons and characters for merchandise or for expressive services due to lack of distinctiveness.\textsuperscript{132} The leading decision on merchandise is the decision of the BGH about the ‘event’-mark ‘Fussball WM 2006’ for the soccer world championship 2006. In its decision, the BGH found the sign to clearly fall under the ground for refusal of descriptiveness for the organisation of the event but also for fan-articles, musical instruments, printed matter, or data carriers. It considered the sign furthermore devoid of any distinctive character for all other goods.\textsuperscript{133} Similarly, the BPatG found that a portrait of Marlene Dietrich was devoid of any distinctive character for goods and services that are typically connected to the actress such as fan articles or merchandise.\textsuperscript{134} According to the BPatG, consumers would think of the actress when seeing the picture and not of a specific undertaking marketing the goods.

\begin{itemize}
\item \textsuperscript{128} BPatG 25 November 1997 (‘Mona Lisa’).
\item \textsuperscript{129} ECJ 12 January 2006 Picasso v. Daimler Chrysler AG, para. 11.
\item \textsuperscript{130} The name Picasso is for instance registered for numerous goods and services. The Benelux register list 31 Benelux, Community, and International trademark registrations, amongst which one to the Indivision Picasso for ‘paints, varnishes, dyes, lacquers, colourants …’ or ‘materials for artists, designers and graphic designers.’ CTM Reg no. 003926326, registered to Indivision Picasso.
\item \textsuperscript{131} ‘Queen Elizabeth 2’ has been held distinctive for clothing, and educational or artistic services. OHIM Board of Appeals 29 March 2005 (‘Queen Elizabeth 2’). ‘Elvis Presley’ is registered as a Community trademark by Elvis Presley Enterprises amongst others for all kinds of merchandise. CTM Reg. No. 001408897; ‘Zappa’ is registered by the Zappa Family Trust for recordings as well as merchandise. CTM Reg. No. 001933944. T. Cohen Jehoram, Van Nispen & Huydecooper 2008, p. 124. Ruijsenaars diss. 1997.
\item \textsuperscript{132} See generalized Van Woensel 2007, p. 355; Ohly 2008.
\item \textsuperscript{133} BGH 27 April 2006 (‘Fussball WM 2006’).
\item \textsuperscript{134} BPatG 9 November 2005 (Portraitfoto Marlene Dietrich).
\end{itemize}
Similarly, the German BGH considered that ‘Winnetou’, the name of the fictional hero of a series of immensely popular books of German author Karl May, is understood by the German public as the epitome of a noble Indian chief. It, therefore, found that ‘Winnetou’ is not distinctive for print media and other media services. The name of the author ‘Karl May’ himself was considered by the BPatG to be non-distinctive for media related goods and services as well as the organisation of cultural events and related services. The BPatG however allowed the registration of the name Karl May for goods and services that were unrelated to the author and his meaning in society.136

If fictional characters are less known or do not represent a concrete phenomenon, the BPatG accepts that trademark rights are granted for expressive goods and services.137 It did find that fictional names such as ‘Der kleine Eisbär’ (transl. ‘The little polar bear’), the main character of a popular children’s book, or ‘Percy Stuart’, a well-known fictional detective, were not devoid of any distinctive character for media goods and services.138

German courts do thus sometimes recognise that consumers may rather think of the relevant person, organisation or event, when seeing famous names in expressive services or on expressive goods.

The practice in the United Kindom is even more clear-cut, as expressive statements, names, or pictures of famous persons are generally considered non-distinctive for expressive goods. The Registry Practice Amendment Notice139 of the United Kingdom Trademark Office, does make specific reference to expressive slogans:

“32.1.11 Statements by/about the user of goods/wearer of clothing

Slogans such as “I ☞ My Boy Friend” or “Here comes Trouble” are often used to decorate goods, particularly clothing – T-shirts, sweatshirts or baseball caps. In this context, consumers are unlikely to perceive this type of slogan as a sign of trade origin. When seen on the front of a T-shirt, a mug, a necklace or a keyring, for example, they are likely to be seen as a personal statement by/about the wearer/user rather than indicating the trade origin of the product. Slogans which are likely to be seen as such will therefore be open to objection under Section 3(1)(b) of the Act. Where it is equally or more plausible that such a slogan is capable of being seen as a fancy trade mark, such as “Lanky Bird”, no objection should be raised on this ground. If the mark is not subsequently used as a trade mark it will become liable to revocation for non-use.”140

135 BGH 12 May 2002 (‘Winnetou’).
136 BPatG 23 October 2007 (‘Karl May’).
139 Registry Practice Amendment Notice 1/06 of the United Kingdom Trademark Office of 5 January 2006.
140 Ibid., (bold added by WS).
In a case about an application of the slogan “There ain’t no F in justice” for inter alia clothing, footwear, and headgear, the hearing officer of the UK Trademark Office stated:

"However, slogans used as trade marks are not always easy to identify as such when used as what appears to be decoration. This is because for many years the public has chosen to put personal statements on their tee-shirts, sweat shirts and baseball caps. ‘Ban the Bomb’, ‘Kiss me Quick’, ‘Stop the Iraq War’ have been seen across tee-shirts, sweat shirts and baseball caps on any high street and, in my view, are unlikely to be seen as indicators of trade origin by the average consumer.”

In relation to the names and picture of famous persons, Justice Laddie of the High Court of Justice held in the Elvis Presley case, that

“when a man buys poster or a cup bearing an image of a star he is buying a likeness, not a product from a particular source. Similarly the purchaser of any one of the myriad of cheap souvenirs of the Royal Wedding bearing pictures of Prince Charles and Diana Princesses of Wales wants mementoes with likenesses, is likely to be indifferent to the sources.”

In my opinion, the approach by German courts and, in particular, that of the UK trademark office and courts in the United Kingdom would offer a way to protect the public interest stemming from freedom of expression. At the very least, they are a clear indication of legal opinion about the fact that certain signs should de jure remain available, i.e. that these signs should be kept free for reasons other than their incapability to serve as a distinctive sign.

One of the most explicit expressions of this legal opinion has been made by the German OLG Dresden in the Johann Sebastian Bach case was even completely explicit in expressing this opinion, be it in the interpretation of the scope of a trademark right and not in deciding upon its registrability:

“The name of the famous composer „B.“, who is the object of the trademark right of the plaintiff, is part of the common cultural heritage and possesses, taken by itself, little originality. […] In a normative sense, it must be considered that […] there exists a substantial interest of the public in keeping the name and the picture of „J.B.“ free [Freihaltebedürfnis], since, as a world famous figure of society, he is part of the cultural heritage which the public is entitled to enjoy. Therefore the use of his personality features must not be monopolised by one particular trader.”

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141 Hearing Officer of the UK Trademark Office 21 June 2007 (‘THERE AIN’T NO F IN JUSTICE’). The case was overturned on appeal, Decision of the Appointed Person 31 March 2008 (‘THERE AIN’T NO F IN JUSTICE’).
142 High Court of Justice - Chancery Division 18 March 1997 Elvis Presley.
143 OLG Dresden 4 April 2000 (‘Bach’ I-II), approximate translation WS, original, „Der Name des berühmten Komponisten „B.“, der den Gegenstand des Markenrechts des Klägers bildet, ist Bestandteil des allgemeinen Kulturgutes und besitzt für sich genommen wenig Originalität. […] In normativer Hinsicht ist zu berücksichtigen, dass ungeachtet eines fehlenden Produktbezuges i. S. v. § 8 Abs. 2 Nr. 2 MarkenG hinsichtlich der Benutzung des Namens und Bildnisses von „J.B.“ ein erhebliches Freihaltebedürfnis der Allgemeinheit besteht, da er als weltberühmte Person der Zeitgeschichte Teil des der Öffentlichkeit
This Court, in assessing the distinctiveness of a sign for the purposes of defining the scope of protection, thus clearly expressed its opinion that there is a public interest to keep famous names available (the ‘Freihaltebedürfnis’) for cultural reasons.

I think that the legal opinion of these courts rightly points to the fact that there is a not sufficiently recognised need to keep certain signs from being registered. The cited decisions refer to cultural reasons or simply to a lack of distinctiveness, but in effect they seem to protect a public interest that is congruent with the interest in the protection of expressive diversity. Yet, I do think that, at present, trying to ensure availability via an interpretation of consumer perception under the ground for refusal of non-distinctiveness offers no safe route for the protection of this public interest for at least three reasons.

First, the assessment of consumer perception is primarily one of a factual nature as the provision of acquired distinctiveness clearly shows (signs that gain distinctiveness over time may be registered).

Second, the ECJ requires of national authorities to register trademarks with a minimum of distinctiveness. The decision “There ain’t no F in justice”, for instance, case was overturned on appeal because for a sign to be distinctive “novelty, or imaginativeness or creativity on the part of the proprietor is not a requirement.”144 Rather a minimum of distinctiveness must be deemed sufficient.

And third, developments in trademark doctrine also point in the opposite direction, i.e. the registration of (cultural) merchandise may rather be made easier than more complicated. At present, distinctiveness is understood as distinctiveness of source. However, following the interpretation of distinctiveness that has been developed under the criterion of ‘likelihood of confusion’ distinctiveness may also be understood as distinctiveness of an affiliation or sponsorship. (A likelihood of confusion is seen to occur when consumers are confused about an association or an economic connection between a trademark and the sign used. 145) If such an interpretation were to be applied in relation to the ground for refusal of non-distinctiveness, and it has been argued that it should,146 than it may become much easier for trademark applications for signs of high social, cultural or political value to pass muster of the ground fro refusal of non-distinctiveness.

In sum, I agree with those courts that have found a need to exist to keep certain signs of high social, cultural, or political value available. This need follows not only from the public interest of consumers in trademarks that are capable to distinguish goods or services, or from a general need to protect cultural heritage; it also follows from Article 10 ECHR, which obliges state authorities to guarantee that trademark rights will not overly impair expressive diversity.

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144 Decision of the Appointed Person 31 March 2008 (‘THERE AIN’T NO F IN JUSTICE’).
145 Section 2.2.3.1.
Yet, for the reasons I set out above, I think that the protection of the public interest of keeping signs free (or available) stemming from freedom of expression cannot be safely accommodated by relying on a broad interpretation of the ground for refusal of non-distinctiveness. It may thus be necessary to specifically restrict trademark rights in signs of high social, cultural, or political value under a separate ground for refusal.

4.2.5 LIMITATION OF THE PREVIOUS GROUNDS FOR REFUSAL: ACQUIRED DISTINCTIVENESS

As described above, one common exception to the three grounds for refusal (I-III) is contained in Articles 3.3 TMDir and 7.3 TMReg, which state that the grounds for refusal do not apply, once a mark has acquired distinctive character. This provision on acquired distinctiveness is the law’s recognition of the fact that the meaning of signs can change and that they may, over time, become distinctive. This rule may also apply for parts of signs the part “Have a Break…” of the slogan “Have a Break…Have a Kit Kat” which could acquire distinctive character.147

From the viewpoint of freedom of expression, a possible problem lies in the fact that once signs, which previously have been considered non-distinctive, descriptive, or customary, have acquired distinctiveness their original meaning will exist simultaneously to the distinctive meaning. The risk is that when such signs are registered, the (indirectly) descriptive, customary, expressive, or social, cultural or political meanings of such signs may become inaccessible. The ability to use such meanings will depend largely on the application of the limitations to trademark rights contained in Articles 6 TMDir or 12 TMReg, which allow for descriptive use of trademarks.

In the present sub-section, I will examine how acquired distinctiveness is assessed and in particular what degree of distinctiveness is required and what is considered proof of acquired distinctiveness. In addition, I will consider whether it may be necessary that certain types of signs are de jure excluded from acquiring distinctive character. The related discussion on the limitations of trademark rights is contained below in section 5.5.

4.2.5.1 Test and Evidence

According to the ECJ, acquired distinctiveness is based on an overall assessment by the competent authority

“of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertaking.”148

and it must be “the result of the use of the mark as a trade mark and thus as a result of the nature and effect of it.”149 The relevant test is to determine concretely150 whether

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147 ECJ 5 July 2005 (‘Have a Break…’), paras. 26 to 29.
148 ECJ 4 May 1999 Windsurfing Chiemsee, para. 49.
149 ECJ 18 June 2002 Philips, para. 64.
150 ECJ 22 June 2006 August Storck KG v OHIM, para. 77.
“on the basis of those factors, the relevant class of persons, or at least a significant proportion thereof, identifies goods as originating from a particular undertaking because of the trade mark.”

This test must be interpreted in the light of the pre-existing grounds for refusal and in the light of the public interest pertaining to them, because Article 3.3 TMDir and 7.3 TMReg are merely exceptions to the absolute grounds for refusal discussed above and it do not provide an independent right register a trademark. As is the case with the grounds for refusal, also in respect of acquired distinctiveness what matters are “the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect.” The public to be considered are all potential customers.

The conditions for acquired distinctiveness of a Community trademarks have to be met “in the substantial part of the European Union where it was devoid of any such character under Article 7(1)(b), (c) and (d) of that regulation.” According to the ECJ, the Benelux must be seen as equal to the territory of one Member State, upon which acquired distinctiveness must be proven in the part of the territory on which the ground for refusal exists. In a case where signs are descriptive in only one of the languages, e.g. French, only the territory upon which that language is spoken must be taken into account.

The evidence required to prove acquired distinctiveness must be concrete and reliable evidence of use of a sign as a trademark. However, the type of evidence seems mainly of a circumstantial nature. It consists mainly of quantitative commercial data and not so much of a qualitative assessment of actual distinctiveness. In the Windsurfing Chiemsee case, the ECJ laid out the criteria, which may be used in determining acquired distinctiveness. These are:

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151 ECJ 4 May 1999 Windsurfing Chiemsee, paras. 51 and 52; ECJ 18 June 2002 Philips, paras. 60 and 61; CFI 5 March 2003 Alcon (‘BSS’), para. 50; 152 ECJ 7 September 2006 (‘EUROPOLIS’), para. 21.
153 ECJ 18 June 2002 Philips, para. 63.
154 For instance, in the German Lotto case, a case about the registration of the word ‘Lotto’ for lottery games, the Bundesgerichtshof confirmed the ruling of a lower German Court that the relevant public should be considered to consist of not just the interested parties, i.e. the regular consumers, but of all parties who could be interested in playing just occasionally. BGH 19 January 2006 (‘LOTTO’), „Das Bundespatentgericht hat entgegen der Auffassung der Rechtsbeschwerde zutreffend angenommen, dass für die Frage der Verkehrsdurchsetzung nicht allein auf die am Lottospiel interessierten Kreise abgestellt werden kann. Denn auch diejenigen Teile des Verkehrs, die sich selbst nicht als an Lotteriespielen interessiert bezeichnen würden, kommen als gelegentliche Teilnehmer derartiger Spiele in Betracht."
155 CFI 5 March 2003 Alcon (‘BSS’), para 52; CFI 30 March 2000 (‘OPTIONS’), para. 27. It is not sufficient to show that distinctiveness has been acquired in e.g. 10 of the 15 Member States, since Article 7.2 TMReg states that the absolute grounds for refusal apply even 2. Paragraph 1 shall apply even if they exist in only part of the Community. CFI 12 September 2007 Glaverbel v. OHIM, para. 39.
156 ECJ 7 September 2006 (‘EUROPOLIS’), para.19.
157 Ibid., para. 22.
158 Ibid., para. 26. The Benelux Court of Justice decided that it is not necessary that also translations of the sign into the other languages of the Benelux have also acquired distinctive character. BenCJ 28 June 2007 (‘EUROPOLIS’), para. 10. Spoor concludes that ‘a substantial part of the Benelux’ could mean also only one Benelux country, provided that it has acquired a high level of distinctiveness in that country. Spoor 2007.
1. the market share held by the mark;
2. how intensive, geographically widespread and long-standing use of the mark has been;
3. the amount invested by the undertaking in promoting the mark;
4. the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking;
5. and statements from chambers of commerce and industry or other trade and professional associations.\(^{160}\)

According to the CFI, these five criteria are ‘direct proof’ of the acquisition of distinctiveness. In addition, the CFI recognises as secondary evidence:

6. sales volume;
7. advertising material;
8. duration of use.\(^{161}\)

In some areas, the criteria for acquiring distinctiveness of e.g. signs that had become customary are quite stringent. Where a sign demonstrably had become a customary indication, reports of policing and monitoring the use of the signs in an effort to keep distinctiveness are insufficient to show acquired distinctiveness.\(^{162}\) Data relating to neither turnover nor sums of money spent on advertising by themselves are sufficient evidence of acquired distinctiveness.\(^{163}\) Rather what must be demonstrated it that the target public indeed understands a sign as distinctive.\(^{164}\) Likewise, a high degree of distinctiveness is required for instance

“where a geographical name is very well known[,] [I]t can acquire distinctive character under Article 3(3) of the Directive only if there has been long-standing and intensive use of the mark by the undertaking applying for registration.”\(^{165}\)

It is, in my opinion, worrisome that the ECJ does not require registering authorities to always demand proof of acquired distinctiveness in the form of survey evidence. Of the eight criteria mentioned above, only criterion 4 relates to actual direct evidence of consumer understanding. Moreover, according to the Court,

“[a]s regards the method to be used to assess the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude the competent authority, where it has particular difficulty in that connection, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment.”\(^{166}\)

I think that, this statement may discourage the use of survey evidence, i.e. the only form of direct evidence of consumer understanding, Whereas from the perspective of trademark law’s own rationales as well as that of freedom of expression, an assessment of actual distinctiveness amongst consumers may be necessary. It would be important that

\(^{160}\) ECJ 4 May 1999 Windsurfing Chiemsee, para. 51. See also Article 6 quinquies.C.1 Paris Convention, “(1) In determining whether a mark is eligible for protection, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use.”

\(^{161}\) CFI 12 September 2007 Glaverbel v. OHIM, para. 44.

\(^{162}\) CFI 5 March 2003 Alcon (‘BSS’).

\(^{163}\) Ibid., para. 58.

\(^{164}\) Ibid., para. 57.

\(^{165}\) ECJ 4 May 1999 Windsurfing Chiemsee, para. 50.

\(^{166}\) Ibid, para. 53.
such survey evidence is adduced in order to determine whether a sign has actually become distinctive in trade and whether the three vital grounds for refusal (descriptiveness, customariness, and non-distinctiveness) can be set aside.

In this respect, I agree with the German BGH, which requires that the degree of distinctiveness must generally be more than 50% of the relevant public, and that in cases of highly descriptive marks, like “Kinder” (Children) for chocolate products, the a “nahezu einhellige Verkehrsbekanntheit” (an almost unanimous understanding of distinctiveness) is necessary.167

4.2.5.2 De Jure (Partial) Exclusion from Acquiring Distinctiveness

If a high degree of acquired distinctiveness needs to be proven by survey evidence, the requirement of capability to distinguish will be adequately fulfilled. However, the need to guarantee the availability of the original (indirectly) descriptive, customary, expressive, or social, cultural or political meanings will remain since, upon grant of trademark rights, these meanings will remain accessible to third parties only if courts interpret the scope of the trademark rights with a view to keeping the original meanings free, and if the limitations on the exercise of the rights can be applied. I think that this reliance on limitations may be an insufficient safeguard for the public interest stemming from freedom of expression and it may be necessary to curtail the provision on acquired distinctiveness and to exclude certain signs de jure from acquiring distinctiveness.

Such an exclusion is not alien to European trademark law since it applies for instance for the grounds for refusal contained in Articles 3.1.e TMDir and 7.1.e TMReg, which state that certain shapes signs that exclusively exist of,

“the shape which results from the nature of the goods themselves, or the shape of goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods’ may not be registered.”

In comparison, under U.S. trademark law generic signs as well as certain highly descriptive signs (including certain laudatory terms) are de jure excluded from gaining secondary meaning:

“The recognition of trademark rights in generic designations could significantly impede competition in the market for the goods or services denominated by the generic term. Competitors denied access to a term that denounces the goods or services to prospective purchasers would be at a distinct disadvantage in communicating information regarding the nature or characteristics of their product. Consumers would be forced either to expend additional time and money investigating the characteristics of competing goods or to pay a premium price to the seller with trademark rights in the accepted generic term. […]

A seller […] cannot remove a generic term from the public domain and cast upon competitors the burden of using an alternative name. Success in achieving an association between a generic term and a particular user will not overcome the prohibition against the recognition of trademark rights. In some instances, for example, the public may come to associate a particular product, and hence the name of that product, with its sole or principal producer. Evidence of such an association

167 BGH (‘Kinder’ I); see also BGH 19 January 2006 (‘LOTTO’
does not establish source significance for the term itself and will not support an assertion of trademark rights. The existence of [...] de facto secondary meaning, however, does not result in the acquisition of trademark rights. Although the beneficiary of such secondary meaning may be entitled to relief against misrepresentations of source (see Comment d), the public interest in maintaining access to generic terms precludes the recognition of trademark rights. Thus, unless the generic significance of the designation has become virtually obsolete, proof of secondary meaning will not establish trademark rights in a generic term.  

In my opinion, the protection of the public interest stemming from freedom of commercial as well as non-commercial expression may require a similar rule under European trademark law, which excludes highly descriptive and generic signs de jure from acquiring distinctiveness.

A particular problem in this respect is posed by composite or combined (word and picture) trademarks containing a purely descriptive part.

According to the ECJ, also parts of such composite marks may gain distinctive character. This must however not apply to the descriptive meanings of such signs. I think that it would be a severe restriction of the freedom of expression of third parties if, through use of descriptive signs in composite trademarks, the descriptive signs themselves were to be protection. Article 5.1.b TMDir poses a particular problem in this respect, because it protects trademarks against the use of similar signs where there is a likelihood of confusion.

For instance, the chocolate producer Kinder tried to invoke its composite ‘kinder’ trademark right in order to prohibit other parties from using the word ‘kinder’. In the Kinder II decisions, the BGH did not address the specific question whether the descriptive part of the sign Kinder had gained distinctive character. It held however that Ferrero, through its registration of the below ‘kinder’ trademark for chocolate products, had gained no right in the word Kinder as such and that this descriptive sign must remain available for third parties to use in signs such as that the word “Kinderzeit” (transl. ‘childhood’) and ‘Kinder Kram’ (‘children’s stuff’) in relation to similar products.

Also from the perspective of freedom of expression, it is necessary that the word Kinder is kept available for all third parties. Yet, I think that it is problematic that third parties need to litigate to the highest German Court in order to be able to use a perfectly descriptive term in relation to their goods and services. Such a hurdle to the use of descriptive signs may not be a necessary nor proportionate impairment of the freedom of commercial expression of third parties.

In case of composite trademarks or combined word and picture mark containing a highly descriptive part, it may be necessary either to note on the trademark registration that the descriptive part of a sign is (de jure) not capable of becoming a trademark or to deal with the scope of such trademarks in a differentiated manner. In the latter case, the


169 ECJ 5 July 2005 (‘Have a Break…’).

170 See also BGH 20 September 2007 (Kinder II- ‘Kinderzeit’); BGH 20 September 2007 (Kinder II - ‘Kinder Kram’).
notion of similarity must not extend to the descriptive meaning of such signs. In section 5.5.2.1, I will return to the question of the proper definition of the scope of trademark rights with respect to descriptive signs.

4.2.6 **Grounds for Refusal of Bad Faith and Public Order**

In addition to the grounds discussed before, European trademark law contains two relatively open grounds for refusal, i.e. bad faith and public order. At first sight, these grounds may provide a place to weigh prospective trademark rights against the public interest protected by freedom of expression. As the examination in the following two paragraphs will show, probably neither of these grounds provides suitable protection.

4.2.6.1 **Bad Faith**

Bad faith is an absolute ground for refusal under Article 3.2.d of the TMDir, but in practice, bad faith is not applied by registering authorities *ex officio*. Under the BVIE, bad faith is rather invoked as a ground for invalidity by third parties that have a competing interest in using the relevant sign as trade name or in registering it as a trademark.\(^{171}\) Article 51.1.b of the Trademark Regulation lists bad faith as an absolute ground for *invalidity*. The German MarkenG contains a provision on bad faith since an amendment in 2004.\(^{172}\) The reason for the introduction of this amendment was that the attributive system of trademark registration under the 1995 MarkenG led to a number of cases, wherein private parties registered signs of high cultural value (e.g. the name and picture of Johann Sebastian Bach, the painting of Mona Lisa, or a picture of Marlene Dietrich) as trademarks in order to force licensing fees off other parties needing or wanting to use these signs. The public outcry caused by such ‘abusive’ registrations led legislators to introduce a ground for refusal of bad faith to combat such situations of trademark grabbing.

While the ground for refusal or invalidity of bad faith may help a *specific* individual third party in vindicating his interest to use a sign of high social, cultural, or political value, it does not provide a general protection of the *public* interest stemming from freedom of expression. A similar conclusion has been reached by *Van Woensel*, who, without specifically considering third party freedom of expression, examined the application of the ground of bad faith to signs of high symbolic value in the Benelux in Germany in detail.\(^{173}\) He found that the ground of bad faith is only of limited use keeping such signs from being the object of trademark rights.

I agree with this conclusion and I think that, for the following two reasons, the ground is of equally limited use in protecting the public interest stemming from freedom of expression. First, the ground for refusal of bad faith is (certainly under Benelux law) of a relative nature. The ground of bad faith can be invoked only by a third party that is affected in its (competing) interests, which means that it depends on the right holder’s ‘abusive’ behaviour, e.g. the registration of the name ‘Bach’ for amongst others cultural


\(^{172}\) On the background to this amendment see Van Woensel 2007, p. 411.

\(^{173}\) *Van Woensel* distinguished between trademark grabbing, i.e. the monopolisation of trademarks in order to obstruct a specific trader, trademark speculation, i.e. the monopolisation of trademarks in order to force all others to pay licensing revenues, and mixed forms of these two situations. *Ibid.*, p. 264, 359 and 406.
services in the 2000 Bach year, or registration of the sign ‘Route 66’ in relation to all sorts of services. 174 This means that the third party interest protected will not cover a general interest of availability including the public interest of a range of third parties not to be impaired in their freedom of expression.

Second, the present system of trademark registration does not expressly protect the interest in keeping signs of high social, cultural, or political value available. It is, for instance, not surprising that the Dutch Hoge Raad found in the ‘Route 66’ case that a registration, which profited from a high symbolic value of the sign ‘Route 66’ sign, could not be considered to be made in bad faith. The ground of bad faith does not generally object to the registration of signs “that belong to the public domain.”175

The ground for refusal of bad faith contained in the German MarkenG could, hypothetically, be used against the occupation of signs of high social, cultural, and political value, as the German legislator, when implementing the ground of bad faith made a statement to that effect.176 It remains, however to be seen whether courts will interpret the ground of bad faith in light of a general public interest to keep culturally important signs free for all.177

### 4.2.6.2 Public Order and Public Policy

While the ground of bad faith will likely not protect the public interest stemming from freedom of expression, the grounds of refusal that protect public order are open enough that they may, hypothetically, provide such protection. However, in the analysis of these grounds for refusal I can be brief. From a dogmatic viewpoint, it is difficult to imagine that restrictions in the name of public order will help to secure freedom of expression, because public order typically secures the authority of the state to determine what should not be expressed. Incidentally, Article 10.2 ECHR therefore lists public policy as a reason to restrict freedom of expression. I do therefore not think that grounds for refusal protecting public policy will not vindicate the public interest protected by freedom of all third parties to use (and transform the meaning) certain signs.

European trademark law contains several specific, as well as one general ground for refusal related to public policy. In my opinion, the specific provisions of public policy which protect the emblems of states, international organizations, or other national entities do not protect freedom of expression. 178 While they have the effect of keeping important political signs from registration as trademarks by unauthorized parties, they merely

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175 HR 5 December 1997 (‘Route 66’).
177 Van Woensel doubts whether German courts would (dare to) apply the provision in this absolute manner. Ibid., p. 412.
178 Of the specific provisions, Articles 3.1.h TMDir and 7.1.h TMReg provide a ground for refusal of registration of signs mentioned in Article 6ter Paris Convention, which refers to (parts of) armorial bearings, flags, and other State emblems, absent the approval by the relevant Member States of the Paris Convention, as well as those of international organisations. Pursuant to Article 6ter 1.c Paris Convention, this ground for refusal may be restricted to cases, in which confusion exists. Ibid., p. 281. Articles 3.2.c TMDir and 7.1.i TMReg contain an equal ground for refusal for emblems of other than those mentioned in Article 6ter PC, which may include the emblems of lower governmental authorities. This ground for refusal has been implemented in § 8.2.8 MarkenG, but has not been implemented in the BVIE.
confirm the authority of governments and other authorities to generally control the use of these political signs. Consequently, third parties will not be hindered by trademark rights in using these signs, but they will likely be restricted by administrative or penal law from doing so. The potential freedom which is protected by these grounds for refusal is thus quite relative.

The general ground for refusal of trademarks that are ‘contrary to public policy or to accepted principles of morality’ can be interpreted in a very open manner, but, it equally provides little protection to the freedom of expression of third parties. Since it deals with morals, the interpretation of this ground for refusal may differ in the various Member States of the European Union. According to Dutch Doctrine, the ground can only be invoked, if a trademark is itself threatening public order. The goods or services, for which the trademark will be used, must not be considered.\footnote{179 T. Cohen Jehoram, Van Nispen & Huydecooper 2008, p. 209.} For instance, the registration of the sign ‘Shiva’ for pornographic magazines, was not considered to be against public order. A religious group had applied for invalidation of the trademark. It did not succeed, because the name ‘Shiva’, taken by itself, was not threatening public order,\footnote{180 Hof Amsterdam 30 November 2006 (‘Shiva’). In this decision, freedom of expression was invoked in support of the claim of the trademark right holder, i.e. as a justification to keep the trademark right. As I explained in section 1.4, I am of the opinion that freedom of expression cannot protect such a claim to a trademark right. Freedom of expression is ‘merely’ a freedom; it can never be invoked to gain an exclusive right.} but it may be applied to refuse registration of signs with an extremely negative character such as a swastika, the names of Dictators or signs that incite hatred.\footnote{181 Van Woensel 2007, p. 285.} The ground for refusal does however not encompass signs of positive value, because the BVIE does not generally object to the registration of trademarks that belong to the ‘public domain’.\footnote{182 HR 5 December 1997 (‘Route 66’).}

The focus of German jurisprudence lies with the prohibition of trademarks that are against general principles of morals and it refuses, amongst others, the registration of signs that are religiously offensive. German doctrine is divided on the question whether also the registration of signs belonging to cultural heritage should be refused.\footnote{183 For an overview see Van Woensel 2007, p. 399.} In principle, however trademark rights over the names and famous pictures of famous (historic) persons will not be prohibited as contrary to public policy or accepted principles of morality.

Finally, the TMDir contains an optional provision that allows Member States to introduce a ground for refusal if registration is sought for “a sign of high symbolic value, in particular a religious symbol.”\footnote{184 Article 3.2.b TMDir.} This ground for refusal has been added to the Trademark Directive on an initiative of Greece mainly in order to protect the interests of religious communities.\footnote{185 Van Woensel 2007, p. 228.} It has however not been implemented in Benelux trademark law nor in German trademark law and is therefore not available as a limitation.

In sum, the general provision on public policy and the specific provision on the protection of signs of high symbolic value primarily forestall the \textit{commercial} occupation of

\begin{enumerate}
\item Hof Amsterdam 30 November 2006 (‘Shiva’). In this decision, freedom of expression was invoked in support of the claim of the trademark right holder, i.e. as a justification to keep the trademark right. As I explained in section 1.4, I am of the opinion that freedom of expression cannot protect such a claim to a trademark right. Freedom of expression is ‘merely’ a freedom; it can never be invoked to gain an exclusive right.
\item Van Woensel 2007, p. 285.
\item HR 5 December 1997 (‘Route 66’).
\item For an overview see Van Woensel 2007, p. 399.
\item Article 3.2.b TMDir.
\item Van Woensel 2007, p. 228.
\end{enumerate}
of offensive signs, religious signs, or signs belonging to cultural heritage. It is however not the aim of these provisions to protect the public interest stemming from the freedom of expression, nor can the grounds be interpreted in a manner to accommodate the protection of that interest.

4.3 THE GROUND FOR REVOCATION FOR GENERIC TRADEMARKS

Following the same reasoning as the ground for refusal of customariness, the TMDir and TMReg both determine that registered trademarks, which have become the common name for a product or service, may be struck from the register. Article 12.2 TMDir and Article 51.1.b TMReg state that a trademark may be revoked:

“if, […] in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered”

‘Becoming the common name in trade’ is also referred to as ‘becoming generic’. The consequential loss of trademark rights does however not mean that the former owner must stop to use the sign in trade, as it is not considered “appropriate to order cessation of the use of the sign in question.” The consequence of revocation is thus a loss of exclusivity.

The rationale for the loss of rights by revocation is that signs that have become the common name in trade are deemed to lose,

“the capacity to perform the essential function of a trade mark, and in particular that of identifying the origin of the goods or services, thus enabling the consumer who acquired them to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.”

The relevant public to determine whether a mark has become customary “comprise[s] all consumers and end users and, depending on the features of the market concerned, all those in the trade who deal with that product commercially,” which means that this ground for invalidity protects the public interest of third party traders.

In my opinion, it is in most cases reasonable to demand from competitors to refrain from using trademarks generically until such trademarks demonstrably have become a common name in trade. Freedom of commercial expression will not be overly impaired if third parties are prohibited from using signs generically, as long as these signs are still functioning as source indicators. However, as I will show in section 5.5.2.3, in some

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186 Van Woensel regards the general ground for refusal as a solution to the problem of monopolisation of signs with great positive symbolic value. Those signs should be refused registration if ‘the general public would deem the grant of (exclusive) trademark rights over such signs unbearable.’ Ibid., p. 290.


188 CFI 5 March 2003 Alcon (‘BSS’), para. 48.

cases where the information benefit is great and little harm is caused, such use, in particular in a referential or descriptive manner, should be allowed.

That being said, from the perspective of freedom of expression, there exists a strong tension between the obligation provided by trademark law for right holders to ‘police’ their marks and the use of trademarks in a generic context, in particular in non-commercial expression. While, obviously, the pure fact that rights may be lost is a sufficiently strong reason to police the mark, trademark law provides for an additional obligation by stating that trademark rights may be revoked “if, [...] in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered.” In addition, evidence of policing can in fact be considered proof of the fact that a mark has not become the common name in trade. This obligation to police leads to conflicts between third parties who use these terms in a generic manner and right holders.

There are numerous example of the use of trademarks as generic terms. This may be in a saying like ‘the Rolls-Royce of it’s class’ or the use of terms like ‘adrenaline’, ‘aspirin’ for pain killers, ‘xeroxing’ for photocopying, ‘freecycle’ in the U.S. for recycling services, or ‘googling’ for searching the Internet. Examples from the Netherlands are ‘msn’en’ for using chat programmes, ‘spa’, ‘spa rood’ or ‘spa blauw’ for mineral water, ‘luxaflex’ for blinds or shutters, ‘vaseline’ for petroleum based jelly, or ‘spinning’ for a type of bicycle fitness. All of these signs were originally trademarks or still are registered trademarks, yet they have also become part of our general vocabulary. As expressed by Judge Kozinsky, the use of these signs is useful and often there is no appropriate synonym for using the said term,

[T]rademarks [may] transcend their identifying purpose. Some trademarks enter our public discourse and become an integral part of our vocabulary. . . . Trademarks often fill in gaps in our vocabulary and add a contemporary flavor to our expressions. Once imbued with such expressive value, the trademark becomes a word in our language and assumes a role outside the bounds of trademark law. Thus, we may find a trademarked word so pervasive and useful that we begin to use it in noncommercial contexts and indeed not as a trademark at all. We may incorporate a trademarked term into our everyday language, either through speech or writing, as a way to convey more than the trademark meaning of the term. In short, we may use a trademark “expressively.”

One area, where a solution has been found is in the adoption of trademarks as generic terms in dictionaries. As authoritative publications on language, dictionaries have the potential to severely undermine the distinctiveness of trademarks by ‘declaring’ them to be generic terms. In an effort to aid right holders but to allow publishers to report truthfully on developments in language, Article 10 TMReg provides that:

If the reproduction of a Community trade mark in a dictionary, encyclopaedia or similar reference work gives the impression that it constitutes the generic name of the goods or services for which the trade mark is registered, the publisher of the

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190 Rb. Den Haag 29 April 2008 (‘Spinning’, ‘Spinner’).
191 U.S. Court of Appeals, Ninth Circuit 24 July 2002 Mattel v. MCA, “How else do you say that something's "the Rolls Royce of its class"? What else is a quick fix, but a Band-Aid?”.
work shall, at the request of the proprietor of the Community trade mark, ensure that the reproduction of the trade mark at the latest in the next edition of the publication is accompanied by an indication that it is a registered trade mark.

The biggest Dutch dictionary “Van Dale’ has adopted an official policy on the matter. The publisher will not itself do research on the question whether a term is a trademark. However, upon request of a right holder the publisher will use the term ‘merk’ (transl. ‘trademark’) next to the word in the dictionary.\(^{192}\) The German Duden adheres to a similar policy.\(^{193}\)

I think that, the requirement and practice that publishers indicate that a term is registered as a trademark is a proportionate impairment of the freedom of expression of the publisher, as it strikes a compromise between the need of right holders to safeguard the distinctiveness of their trademarks while ensuring that development of language is not hindered.

However, no solution exists for other sorts of publications, which can easily become the aim of policing campaigns.\(^{194}\) Legal action against the generic use of trademarks in publications may significantly impede freedom of expression and, in particular, the obligation provided by trademark law to police against the use of trademarks in a generic seems to be a disproportionate limitation of freedom of expression, as it contributes to the creation of chilling effects. In my opinion, the law must, in this respect, show a clearer respect for third party freedom of expression to use trademarks that have become the common name in for a good or service in common language. It will probably not be necessary to strike such terms from the register (as long as they function as source indicators) however, the obligation to police should be removed and appropriate limitations of trademark rights must exist. I will return to the question of limitations in section 5.5.3.2.

4.4 CONCLUSION

In this chapter, I dealt with the first stage of balancing, i.e. the balancing of the grant and revocation of trademark rights with a *public interest* of third parties that may be affected in their freedom of commercial or non-commercial expression. As this public interest of freedom of expression has two aspects, I have referred to it as a ‘two-fold public interest’. The first aspect is the freedom of commercial expression of third party traders to use trademarks in a descriptive or otherwise informative manner in order to inform consumers about their own goods and services. The second aspect relates to trademark rights in signs of high social, cultural, or political value for expressive goods or services, e.g. a trademark right in the name Elvis Presley for the organisation of festivals, shows, or merchandise. Such rights may grant the right holder far-reaching control over the representation of the idol “Elvis” in the public sphere, and thereby they

\(^{193}\) Email conversation of 9 May 2008 with Bibliographisches Institut & F. A. Brockhaus AG.
\(^{194}\) U.S. Court of Appeals, Ninth Circuit, 26 September 2007 Freecycle Network, Inc. v. Tim Oey.
may impair expressive diversity, which may affect the freedom of non-commercial expression of society at large.

I specifically analysed whether the existing grounds for refusal, invalidity and revocation as defined by European trademark law and jurisprudence can be interpreted in a manner to ensure that no trademark rights come into or are in existence, whose exercise would very likely cause a disproportionate impairment of freedom of expression.

In section 4.2, I examined relevant grounds for refusal of registration that regulate the grant of trademark rights under European trademark law and their interpretation through European and national courts. I started out by explaining that authorities are obliged to interpret the provisions of trademark law in accordance with freedom of expression and that this can be facilitated because the ECJ already requires authorities to carry out a stringent and full assessment under the existing grounds for refusal in light of certain public interests that have been defined by the ECJ.

The examination showed that the ground for refusal of descriptiveness (I) already protects the public interest of keeping signs available for other traders, and I pointed out that this is a similar interest to the public interest stemming from freedom of expression. I analysed criteria developed in the jurisprudence of the ECJ, which showed that descriptiveness under the ground for refusal must be of a direct nature, but that it does not need to concern essential characteristics, that it does not matter whether synonyms are available that a sign must be refused registration if only one of its many meanings is descriptive. I argued that, while these criteria have the effect of protecting to some degree the public interest stemming from freedom of expression, the notion of descriptiveness may have to be extended to some degree in order to take full account of the two-fold public interest stemming from freedom of expression. This extension should concern, what I referred to as, ‘indirectly descriptive signs’. By this, I mean, firstly, signs that do not just describe directly ‘characteristics of the goods or services’ themselves, but also signs that describe circumstances surrounding the goods and services, such as the consumers of these goods, or that may be understood as exclamations on the part of the users, e.g. the sign ‘New Born Baby’ for baby dolls, ‘Kinder’ (trans. ‘children’) for chocolate or ‘Lief!’ (transl. ‘Sweet!’) for baby clothing. Secondly, I mean the key connotations of a sign of high social, cultural, or political importance if they describe, albeit not in a direct manner, the features of expressive goods or services.

The analysis showed that, the ground for refusal of customariness (II), plays, at present, only a subsidiary role in jurisprudence, since most of the signs that are customary are also descriptive and/or non-distinctive.

The ground for refusal of non-distinctiveness (III) protects the public interest of consumers to use trademarks in order to orient themselves in markets by restricting the registration of signs that are devoid of any distinctive character; put differently, it is used to assess the de facto capability of a sign to distinguish. Various courts, including the ECJ, have also used this ground to restrict the de jure capability of a sign to distinguish, so that it remains available for others, i.e. courts have found that certain signs are not allowed to be used to distinguish goods and services. Those courts have done this either implicitly by holding that consumers will not recognise a certain sign as distinctive, or sometimes explicitly by holding that such signs must be kept available for normative reasons. German courts have, for instance, used the ground for refusal of non-distinctiveness to prohibit the grant of trademark right in certain images or names of
famous people on merchandise. I argued that such interpretations are a clear indication of the *opinio juris* to the fact that the existing grounds for refusal are insufficient to protect interests that remain otherwise unprotected. In addition, that this approach could be used to safeguard the public interest stemming from freedom of non-commercial expression, i.e. that of protecting expressive diversity. However, the analysis showed that the current interpretation of this ground for refusal set by the ECJ expressly forbids registering authorities and courts to transplant an ‘alien’ public interest into the assessment of non-distinctiveness. Moreover, according to the ECJ a minimum of distinctiveness is sufficient to conclude that a sign is distinctive. Therefore, I concluded that registering authorities and courts might, at present, actually not be allowed to use the ground of non-distinctiveness for, implicitly or explicitly, safeguarding other public interests, such as that stemming from freedom of expression. Consequently, I indicated that it may be necessary to specifically restrict trademark rights in expressive statements and signs of high social, cultural, or political value under a separate ground for refusal.

The provision on acquired distinctiveness allows for the registration of signs once they gain the capability to distinguish. This provision focuses on the capability of signs to distinguish, but it does not take adequate account of the need to keep signs available. The problem is that signs, which have acquired distinctiveness (*or secondary* meaning), in most cases maintain their original or *primary* descriptive, customary, or non-distinctive meaning. The risk is that once trademarks in these signs are registered, the original meaning will remain in existence, while right holders may prohibit third parties from using these signs to refer to their original meanings. Third parties can be placed in a position whereby they need to rely on the application of the narrowly construed limitations of trademark rights in order to use these terms. I argued that in case of highly descriptive (especially when they are contained in composite signs), generic, or important social, cultural, or political signs the grant of trademark rights due to acquired distinctiveness may lead to a disproportionate impairment of freedom of expression. Hence, I argued that, it may have to be considered to exclude such signs *de jure* from gaining secondary meaning.

I further examined the grounds for refusal and invalidity of bad faith and grounds relating to public policy. Invoking the ground of invalidity of bad faith may provide a means to an *individually* affected third party to vindicate its freedom of expression. However, the ground is fact-specific and depends on the *kind of use* made of a sign by the right holder. Consequently, I concluded that the ground for refusal of bad faith will not contribute to the protection of freedom of expression.

I, equally, argued that the grounds for refusal connected that prohibit the grant of trademark rights contrary to public policy or generally accepted principles of morals will not protect the public interest stemming from freedom of expression. While these grounds are open enough to allow for this protection, these provisions aim at prohibiting *use of a sign* in general and they can, in my opinion, thus not be used to safeguard the expressive use of signs.

Finally, I examined the ground for revocation for signs that have become a common name in trade, which entails the necessary recognition of the fact that many trademarks may become the common name for certain goods or services. This ground has the effect of protecting the public interest stemming from the freedom of commercial expression of
traders. However, in its current form, it forces right holders to ‘police’ against their trademarks becoming generic. This means that trademark right holders may be forced to invoke their trademark rights also against third parties, who use the trademarks generically in non-commercial or mixed expression, e.g. in news reports or other publications. This may result in chilling effects that could amount to a disproportionate limitation of freedom of non-commercial expression.