Trademark Law: Is Europe Moving Towards an Unduly Wide Approach for Anyone to Follow the Example?

Paul Leo Carl Torremans†
School of Law, University of Nottingham, United Kingdom and Faculty of Law, University of Gent, Belgium

Received 23 September 2004

In recent years, European Trademark Law has often been cited as an example of a modern trademark law that takes into account the needs of business and can be used as an example by other countries as a modern implementation of the standards found in the TRIPS Agreement. This paper looks at recent European developments in the area of the registration of various kinds of trademarks, such as colour, sound and smell marks. Particular attention is paid to the question: how these new types of marks meet the criteria for registrability and what would be the consequences of their registration? Caution is suggested in this respect and whilst there may be sound policy and business reasons to follow the European example in accepting these kinds of marks in principle, it is also suggested that strict safeguards need to be built in by any Asian legislature that wants to go down this path to avoid overly broad marks. In Europe, these safeguards had to be introduced by the Court of Justice in the Sieckmann case, which could be seen as a retraction of the original permissive approach. Any country going down the same path would be well advised to introduce these criteria and safeguards straight away.

Keywords: European trademark law, TRIPS Agreement, trademarkability, olfactory marks, sound marks, colour marks

Should the recent developments in trademark law in Europe serve as an example for other countries is reviewed in this paper. Indeed, many legislatures have taken or are taking European trademark law and its recent developments as a example. In Singapore, the Trademarks Act 1998 shows similarities with the UK’s Trademarks Act 1994, which is in turn an implementation of an EU Directive. Is this a positive trend or should caution be urged before adopting all European developments?

In recent years, there has been a trend to register exotic forms of trademarks such as sound, image and smell marks. At first glance, this evolution may seem to broaden the scope of protection as more diverse items can be registered as a trademark. But, further analysis is clearly warranted in order to establish whether this first impression is indeed a correct evaluation of the current trend and whether that trend will continue.

Such an analysis should take the historic roots and principles of trademark law into account as a starting point. In Roman times, potters added their name or an individual sign to their work. Right from these very early beginnings, the aim was clear. An external sign was added to the product to ensure easy identification of the product’s origin and to allow the customer to distinguish it from identical products originating from other producers. A trademark is, therefore, a badge of origin. To take another obvious example, two flour mills could produce the same kind of white flour and pack it in brown paper bags of one kilo. By adding a name/ logo to its bags of flour, one flour mill can allow the consumer to identify the origin of the flour and distinguish it from the flour produced by the other mill. Once this facility is put in place, it also becomes easier for the first flour mill to promote its own product, rather than white flour as a generic product. If we skip history between Roman times and the middle of the twentieth century, we see that this strong link between the trademark and the origin of the product was still very much present in the Trademarks Act 1938 in this country. Despite the strong development, for example, of the marketing and publicity function of a trademark, it was still very much correct to argue that the law only protected the origin function of a trade mark. That was certainly the case in terms of getting the trademark registered, but, even after registration, the essence of the scope of protection was still very much based on the concept of confusion as to origin.

It is fair to say that the 1938 Act was increasingly seen in the UK as an outdated piece of legislation that was unable to deal with the new commercial reality. A clear example was the failure to allow for the

†Email: Paul. Torremans@UGent.be
registration of the shape of the historical Coca-Cola bottle as a trademark, despite its obvious distinctive qualities. Other European jurisdictions had already modernised their approach to trademarks. The front runners in this respect were Belgium, the Netherlands and Luxembourg. Their uniform Benelux Trademark Law allowed for the registration of a much wider variety of trademarks and, most significantly, it had moved away from the concept of confusion as to origin in trademark infringement cases. It had instead adopted the concept of association leading to the dilution of the trademark as US trademark law tends to call it. In the famous Benelux case of Claeryn v Klarein, Claeryn was the registered trademark for a high quality genever or gin. Perhaps, the creators of the trademark had found their inspiration in the Dutch words ‘klaar’ (meaning ‘transparent’) and ‘rein’ (meaning ‘clean’) and developed a phonetic contraction of the two words. Be that as it may, the trademark owners objected to the use of the mark Klarein by the manufacturers of a toilet cleaner. One can, of course, see how the same two words were also an inspiration in this case and the two marks are pronounced in exactly the same way as in Dutch. From a legal point of view, the difficulty is that the public will not be confused as to the origin of the product. Put simply, when confronted with Klarein toilet cleaner, the public will not assume that it is the new product of the gin producers. It was, nevertheless, felt that the Claeryn gin trademark deserved protection in these circumstances. The public would indeed make an association between the marks. In a worst case scenario, one could think of a consumer picking a bottle of gin in an off-licence or a supermarket. When the consumer sees the Claeryn bottle, it may make him or her think of toilet cleaner and that could, in turn, lead to the decision to buy a bottle of another brand. The trademark, Claeryn, will loose goodwill and will be diluted as a result of this association. For the purposes of the Benelux Trademarks Act, this, therefore, amounted to infringement of the registered trademark, even if no confusion could be demonstrated.

The subsequent European harmonisation of trademark law which was carried forward through the creation of a Community Trademark for the whole of the community by means of a Regulation and through the harmonisation of national trademark laws by means of a Directive is to be seen against this background. The substantive provisions of these two instruments run parallel and form a compromise between the pre-existing national provisions. In the UK, the Directive was implemented by the introduction of the Trademarks Act 1994 and the Benelux Trademarks Act was also amended in the light of the Directive. The provisions of the Directive are discussed first followed by an analysis of how the compromise turned out, how it has been interpreted and since and where that will eventually lead us in the future.

Registration of Trademarks

A comprehensive discussion of the registration of trademarks and all elements of trademarkability are beyond the scope of this paper. The focus here is how the regime put in place by the Directive allows for the registration as trademarks of more diverse items such as smells (olfactory marks), sounds and colours (or images of colours) thereby widening the scope of trademark protection. Before analysing these three examples in more detail, it may be helpful to set out the basic parameters which the Directive uses in this respect.

Article 2 of the Directive defines the concept of a trademark as:

“A trademark may consist of any sign capable of being represented graphically, particularly, words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.”

The three main requirements for trademarkability set out in Article 2 are:

The first requirement is that there must be a sign. Essentially this seems to mean “anything that can convey information” according to Jacob J in Philips v Remington, but it also has an element in it of an external badge that is added to products or services.

The second requirement adds the crucial point that in order to be a trademark, the sign should be capable of distinguishing products or services of one undertaking from those of another. This seemed potentially to be the main difficulty for smell marks which is illustrated with two real life examples. Chanel applied to register the smell of its Chanel Nr 5 perfume, which it described as follows ‘the scent of aldehydic-floral-fragrance product, with an aldehydic top note from aldehydes, bergamot, lemon and neroli; an elegant floral middle note from jasmine, rose, lily of the valley, orris and ylang-ylang; and a sensual
in this respect and that the list in Article 2 should be confirmed that there is no fourth requirement in this case, the Court of Justice brushed the suggestion aside with this question for the first time in the trademarkability in an absolute way. When confronted with this question for the first time in the Sieckmann case, the Court of Justice brushed the suggestion aside and confirmed that there is no fourth requirement in this respect and that the list in Article 2 should be considered as containing nothing more than random examples. In the words of the Court:

“Article 2 of the Directive must be interpreted as meaning that a trademark may consist of a sign which is not in itself capable of being perceived visually, provided that it can be represented graphically.”

This quote draws attention to what has become the major issue, i.e., is the olfactory mark capable of being represented graphically? Looking back, it cannot be denied that the Sumitomo mark and ‘the smell of freshly cut grass’ are not defined very precisely. Both roses and freshly cut grass can mean many different things in different circumstances and to different persons. On the other hand, any third party should be able to find out exactly what the trade mark is by consulting the register, not only to avoid infringement, but also to find out whether another mark can still be registered. The trademark registry must also know exactly what the mark is in order to carry out its examination and publication role. And all that must be done on the basis of the register, i.e., the graphic representation only, as that is the material that is in the public domain and, therefore, accessible to third parties. In the Sieckmann case, the Court of Justice drew the following conclusion:

“If the users of that register are to be able to determine the precise nature of a mark on the basis of its registration, its graphic representation in the register must be self-contained, easily accessible and intelligible.

Furthermore, in order to fulfil its role as a registered trademark, a sign must always be perceived unambiguously and in the same way so that the mark is guaranteed as an indication of origin. In the light of the duration of a mark's registration and the fact that, as the Directive provides, it can be renewed for varying periods, the representation must be durable.

Finally, the object of the representation is specifically to avoid any element of subjectivity in the process of identifying and perceiving the sign. Consequently, the means of graphic representation must be unequivocal and objective.

In the light of the foregoing observations, the answer to the first question must be that Article 2 of the Directive must be interpreted as meaning that a trademark may consist of a sign which is not in itself capable of being perceived visually, provided that it can be represented graphically, particularly by means of images, lines or characters, and that the
representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective.\textsuperscript{8}

What does this mean in practice? Mr Sieckmann had described, and represented graphically, the olfactory trademark he applied for as follows:

“Trademark protection is sought for the olfactory mark deposited with the Deutsches Patent- und Markenamt of the pure chemical substance methyl cinnamate (= cinnamic acid methyl ester), whose structural formula is set out below. Samples of this olfactory mark can also be obtained via local laboratories listed in the Gelbe Seiten (Yellow Pages) of Deutsche Telekom AG or, for example, via the firm E Merck in Darmstadt

\begin{equation}
  \text{C}_9\text{H}_8\text{CH} = \text{CHCOOCH}_3
\end{equation}\textsuperscript{9}

Mr Sieckmann also submitted with his application an odour sample of the sign in a container and stated that the scent was usually described as ‘balsamically fruity with a slight hint of cinnamon’.

The question was, therefore, whether in relation to an olfactory mark, a chemical formula, a description in words, the deposit of an odour sample or any combination of these elements could satisfy the requirements concerning the mark’s capability of being represented graphically, as set out by the Court. The Court came to the conclusion that it could not and gave the following reasons for reaching that conclusion:

“As regards a chemical formula […] few people would recognise in such a formula, the odour in question. Such a formula is not sufficiently intelligible. In addition, the chemical formula […] does not represent the odour of a substance, but the substance as such, and nor is it sufficiently clear and precise. It is, therefore, not a representation for the purposes of Article 2 of the Directive.

In respect of the description of an odour, although it is graphic, it is not sufficiently clear, precise and objective.

As to the deposit of an odour sample, it does not constitute a graphic representation for the purposes of Article 2 of the Directive. Moreover, an odour sample is not sufficiently stable or durable […]

In the light of the foregoing considerations, the answer to the second question must be that, in respect of an olfactory sign, the requirements of graphic representability are not satisfied by a chemical formula, by a description in written words, by the deposit of an odour sample or by a combination of those elements.”\textsuperscript{10}

This seems to leave very little room indeed for olfactory marks and most of the marks already granted do not meet these stringent requirements.

**Sound Marks**

Eleven months after the sieveckmann case the Court of Justice delivered its judgement on sound marks in the Shield Mark case\textsuperscript{11}. Shield Mark had registered various signature tunes or jungles as sound trademarks with the Benelux Trademarks Office. Let us take the following Shield Mark marks as an example:

“Four of those trademarks consist of a musical stave with the first nine notes of the musical composition Für Elise by Ludwig von Beethoven. Two of them also state: Sound mark. The trademark consists of the representation of the melody formed by the notes (graphically) transcribed on the stave, plus, in one case, played on a piano. […]

Three further marks consist of the sequence of musical notes E, D#, E, D#, E, B, D, C, A. Two of them also state: Sound mark. The trademark consists of the reproduction of the melody formed by the sequence of notes as described, plus, in one case, played on a piano.

Two of the trademarks registered by Shield Mark consist of the denomination Kukelekuuuuu (an onomatopoeia suggesting, in Dutch, a cockcrow). One of them states: Sound mark, the trade mark consists of an onomatopoeia imitating a cockcrow.\textsuperscript{12}

As a preliminary matter, the issue was raised whether sound marks could by their nature be distinctive. Having disposed of that issue by ruling that sound signs are not by nature incapable of distinguishing the goods or services of one undertaking from those of the other, the Court returned to the key issue of graphical representation and applied its Sieckmann approach to sound marks. The written description of a sound, the onomatopoeia and the musical notes all failed to pass the Sieckmann test. They were not clear, precise and objective enough.\textsuperscript{13} But, whereas the Court did not have a suggestion as to how olfactory marks could pass the test, it did come up with a solution for sound marks. In the words of the Court:

“[…] a stave divided into bars and showing, in particular, a clef (a treble clef, bass clef or alto or tenor clef), musical notes and rests whose form (for the notes: semibreve, minim, crotchet, quaver, semiquaver, etc.; for the rests: semibreve rest, minim rest, crotchet rest, quaver rest, etc.) indicates the
relative value and, where appropriate, accidentals (sharp, flat, natural) - all of this notation determining the pitch and duration of the sounds - may constitute a faithful representation of the sequence of sounds forming the melody in respect of which registration is sought. This mode of graphical representation of the sounds meets the requirements of the case-law of the Court that such representation must be clear, precise, self-contained, easily accessible, intelligible, durable and objective.

Even if such a representation is not immediately intelligible, the fact remains that it may be easily intelligible, thus allowing the competent authorities and the public, in particular traders, to know precisely the sign which is sought to be registered as a trademark. This remains open, even if not wide open, also for the Colour Marks mark.14

**Colour Marks**

That leaves us with the question whether the door remains open, even if not wide open, also for the registration of a single colour as a trademark. This extreme scenario was put before the Court of Justice on May 2003 in the Libertel case15. Libertel had applied for the registration of the colour orange *per se* and in the box for reproducing the trademark, the application form contained an orange rectangle and in the space for describing the mark it contained, the word ‘orange’ without reference to any colour code. The Court once more put the focus on graphical representation and the need for it to be clear, precise, self-contained, easily accessible, intelligible, durable and objective along the lines of the approach set out in the Sieckmann case.

The Court held that a mere sample of a colour is not durable enough, as it may fade. And it may also change slightly depending on the background on which it is printed or put. The mere sample, therefore, fails the Sieckmann test, but, in the view of the Court, a verbal description of a colour could pass the test, depending on the circumstances of the case, as may the combination of a sample and a verbal description. The Court also deemed an internationally recognised colour identification code to be precise and stable enough to pass the test. Libertel, therefore, failed, but the addition of a colour code to the sample and the (maybe somewhat fuller) verbal description could have seen the colour orange being registered successfully.16

It is of course important to add that the colour mark should also be distinctive. There is no reason to argue that a colour can *per se* not be distinctive, but an assessment will have to be made in each case and such an assessment should take the interests of third parties into account. In the vast majority of cases, a finding of distinctiveness will require prior use.17 In terms of a practical example, the trademark orange for mobile phones in the UK may be cited, even if that one traditionally also contains the word ‘orange’.

**Conclusion**

There is no doubt that the trademark regime that was put in place in Europe in the wake of the Directive allows for the registration of more types of signs as trademarks. Whilst that has generally been welcomed there was a fear that the registration of broadly defined sound, smell and colour or image trademarks would restrict competition by granting too broad rights to right holders thereby making it difficult for legitimate third parties to pick alternative, but equally attractive marks. That fear has now receded significantly after the Court of Justice put in place a stringent test for capacity of graphical representation in the Sieckmann line of cases to supplement the distinctiveness and sign requirements. There will indeed probably be few sound, smell or colour trademarks that are capable of being represented graphically if such a representation must be clear, precise, self-contained, easily accessible, intelligible, durable and objective for it to pass the test.

It appears that Asian legislatures have until now avoided this kind of problem by operating a somewhat more conservative and stricter definition of a trademark. In Singapore, for example, the Trademarks Act 1998 requires, in addition to the European criteria, that the mark or sign be visually perceptible.18 One could, on the one hand, applaud this as a sensible approach that simply avoids the problems as sound and smell marks at least will not be visually perceptible as such. However, colour marks are, by definition, visually perceptible and in this respect the problem, therefore, cannot be avoided. And, on the other hand, there may be cases where business reality pushes us towards sound or smell marks. Should this extra requirement, therefore, be not effective such as for colour marks or should there be a need to remove it in the future, then the European Sieckmann approach may well be a good example to keep these problems under tight control.

**References**

1 Re Coca-Cola’s Applications [1986] 2 All ER 274
2 Benelux Court of Justice, 1st March 1975, [1975] NJ 472
5 Philips Electronics BV v Remington Consumer Products [1998] RPC 283
7 Case C-273/00 Ralf Sieckmann v Deutsches Patent- und Markenamt, [2002] ECR I-11737, paragraph 45
8 Paragraphs 52-55 of the judgement
9 Paragraph 11 of the judgement
10 Paragraphs 69-73 of the judgement
11 Case C-283/01 Shield Mark BV v Joost Kist h.o.d.n. Memex, judgement of 27th November 2003, nyr, curia.eu.int
12 Paragraphs 15-18 of the judgement
13 Paragraphs 59-61 of the judgement
14 Paragraphs 62-63 of the judgement
15 Case C-104/01 Libertel Groep BV v Benelux-Merkenbureau [2004] FSR 4
16 Paragraphs 29-38 of the judgement
17 Paragraphs 41, 60 and 66 of the judgement
18 Section 2(1) Trademarks Act 1998 (Singapore)