Question Q 148: Three Dimensional Marks: The Borderline between Trademarks and Industrial Designs

Mr ABNETT (UK): Introduces the session and asks Mr DURAN to give an introduction.

Introduction by Mr DURAN

Mr DURAN (Spain): Q 148 is of interest to AIPPI because these IPRs have been until now studied separately. Now it is time to consider what the best mode of protection is. Industrial designs require "novelty"; trade marks "distinctiveness" (inherent or acquired). Trade marks can last forever, industrial designs have a limited life. Industry thus faces a choice of how to proceed. AIPPI thus studied the question, and national groups have expressed their views on the forms of protection and the combination.

The EU is considering measures in this area and the National groups’ reports form a very useful body of law.

The floor is given to Mr SACOFF, Chairman of the Working Committee.

Presentation of the Draft Resolution by Mr SACOFF

Mr SACOFF (US): Question Q 148 raises many legal questions in countries around the world. In the US Supreme Court, s43.A of the Lanham Act gives rise to a discussion of inherent distinctiveness. The Supreme Court has said that there is no trade dress protection under a theory of inherent distinctiveness. An earlier case (Two Pesos) was distinguished on slightly surprising grounds.

There are additional reports supplementing the 31 submitted on time.

The draft Resolution is not surprising, as there is already a deal of harmonisation here. It was not intended to set out all details for protection as a design or trade marks. The question concentrates on the conflicts.

Discussion

The Preamble

Mr VASILIEVA (Belarus): 3D "objects" are not necessarily "shapes". It would be a mistake to limit this question to shapes only.

Mr SACOFF: The intention is to define "3D shapes" in a broad sense, including all of the types of subject matter which could be protected. Amendment to (a) is proposed:
"(a) It is commercially important to recognise and protect intellectual property rights embodied in or represented by three-dimensional objects ("3D shapes"), and both trade mark rights and industrial design rights can be applied to achieve that objective.

Passed nem con, 3 abstentions.

Mr GÖDÖLLE (Hungary): (Personal) Suggests changing the title from "Three-dimensional marks" to "Three-dimensional shapes". This was withdrawn.

Paragraphs (a)-(e) passed nem con.

Clause (g:) by agreement "object" deleted, "shape" inserted. Passed nem con.

Clause 1:
Mr CORREA (Brazil): Proposes a small change to add "used and/or renewal" for trademarks.

Mr SACOFF: Says there is no interest in selecting one TM system over another.

Mr KUNZE (Switzerland): Notes that some countries do not have use requirements, so an amendment is needed.

Mr STENGER (France): Suggests deleting from "as long as ..." to the end of the sentence.

Mr GEVERS (Belgium): Supports Mr CORREA's proposal.

Mr ABNETT: Suggests "as long as [, where the jurisdiction requires it] the mark continues".

Motion for deletion of paragraph 1 by Mr STENGER (France) is defeated by significant majority.

Vote on Clause as a whole (as proposed to be amended) approved nem con.

Clause 2:
Approved nem con.

Clause 3:
Mr GODARD (France): Comments on French text differing from the English.

Mr DE VISSCHER (Belgium): Suggests deferring this issue until Clause 7 is considered.

Clause 4:
Mr KUNZE: Suggests changing "signify" to "indicate". Agreed as a drafting point.
Mr GIELEN (Netherlands): Suggests combining clauses 4 and 5. Agreed as a drafting point.

Mr PAGENBERG (Germany): (Personal) says that the requirements for registered marks should be the same as for other marks. For other marks "acquired distinctive character" should also be allowed and there should be no further rules as to how distinctiveness may be required. Proposes new sentence at the end of Clause 4:

"For registered trade marks which are 3-dimensional trade marks there should be no additional requirements for protection in comparison to other categories of marks. In particular, there should be no additional conditions for distinctiveness."

Mr EISENFÜHR (Germany): (Personal) Notes that no due account taken in Germany of 3D marks.

Mr KUNZE: Notes that the question raised by Mr PAGENBERG is important. It is rare for 3D signs to be refused as functional. More often they are found to be descriptive.

Dr KUR (Germany): Differentiation should be made based on distinctiveness. However, some legislators or courts might think that this distinctiveness is the same for the goods themselves.

Clause 5:
Mr ABNETT: The standard of distinctiveness is not the same in every country or territory. When acquired distinctiveness is required, this factual determination should be made only after considering all pertinent facts and circumstances, as provided in Article 6quinquies C of the Paris Convention. On a vote the clause is adopted nem con.

Clause 7:
Mr ABNETT: This should be taken before Clause 6.

Mr SPRIGINGS (Canada): (Personal) Need to separate 3D Trade Mark from the goods themselves.

Mr STENGER: The nature of goods and products is important there is no suggestion that TM should not be functional. Clause (b) is vague and ambiguous because many objects can achieve a technical result.

Mr DE VISSCHER: Disagrees with French group on the question of functionality. Suggests leaving the clause as it is.

Mr HEINRICH (Switzerland): (Personal) We should not disregard this point. We should provide a balanced proposal. Suggests adding clause "(c) which adds substantial value to the goods".

Mr OTAMENDI (Argentina): Different technologies may be to blame. He suggests adding "functional or necessary" to Clause (b).
Mr SACOFF: Thanks groups and individuals for their excellent comments. Perhaps reflecting these difficulties compromise is required in drafting the Resolution. "Functionality" is probably most difficult and complex issue. "Essentially", "primarily" etc. are all similar. Shapes which are part and parcel of product itself should not be protectable as a trade mark. "Adding substantial value" (which was subsection (c) of the European test) was deliberately omitted, as no one is sure what it means. He suggested adding "not solely functional/or necessary".

Five votes are taken.

First: Adding a clause "(c) gives substantial value to the goods". This is overwhelmingly rejected.

Second: Adding to 7(b) "relating to the nature of goods". Accepted by agreement as a drafting point.

Third: 7(b) "... cannot be separated from the useful result". Defeated overwhelmingly.

Fourth: Delete clause (a) entirely. Defeated overwhelmingly.

Fifth: Entire clause b carried nem con, with 2 abstentions.

On a vote, clauses 3, 4, 5, 6 and 8 are approved.

Clause 9:
Mr KHAN (Pakistan): Suggests remitting the clauses to the drafting committee to reconsider.

Mr KUNZE: Seeks deletion of proviso as irrelevant, or suggests moving it to end of the second sentence.

Mr SACOFF: Suggested other amendments with same effect as Mr KUNZE has proposed.

On a vote the clause is approved, nem con.

Clause 10:
Mr CORREA: Notes that it is not clear whether this is a suggestion or a comment in Paris Convention.

Mr De VISSCHER: Says that at present this is not allowed under the Paris Convention.

Mr KUNZE: Says that the Paris Convention is silent on this. AIPPI needs to take a view.

Mr EISENFÜHR: Similar discussion took place under EU law, but Clause 10 should be an AIPPI Resolution.
Mr CLARO (Chile): (Personal) Note that under Article 4 of the Paris Convention one has to file application in each country, leading to a priority right. Suggests that the clause is bad.

On a vote the clause is approved with a substantial majority (10 against, no abstentions)

Clause 11:
Mr CORREA: Suggests that this is a principle and not a proposal.

Mr SPRIGINGS: Second sentence is no longer clear. It is agreed the committee will sort it out.

Mr KHAN: Wonders whether the word mark must itself be registrable?

Mr SACOFF: This is intended to provide bans for refuting idea that word marks override use of shape mark.

On a vote the clause is overwhelmingly approved, 1 against, 1 abstention.

Clause 12:
Mr SACOFF: Notes that this is included to point out limitations applicable to each form of protection. Thus trade marks are in theory unlimited in time.

Mr KUNZE: Suggests moving this into preamble. This will be dealt with as a drafting point.

On a vote, the clause is approved, nem con.

Clause 13:
Mr GÖDÖLLE: Suggests that similar observation to that above for Clause 12; this is really an observation.

Mr SACOFF (US): Says this should be a Resolution.

Mr JONES (UK): (Personal) says that clause 13 as it now stands leaves out the difficult areas. It is almost a preamble.

Mr FIAMMENGHI (Italy): Suggests deleting the second sentence.

Mr DURAN: Suggests that "same" should be "similar".

On a vote the clause as a whole is carried by substantial majority (2 against).

On a vote the Resolution as a whole is approved nem con. No abstentions.