

# 14 Protection of Shapes as Trademarks

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*The registration of “shapes of goods and packaging” in the list of signs capable to become trademarks, so called “three-dimensional marks,” had the potential to change the traditional perception of trademarks as names or logos. 6 years after the amendment of the Trademark Law in Japan and 12 years after the first European Trademark Harmonization Directive lead to amendments of the Trademark Laws in most European countries, followed by the introduction of the European Community Trademark System in 1995, the article sets out to compare the practice concerning marks comprised of the configuration of goods or packaging. It discusses problems resulting from the dual nature of shapes, which can embody functional features or aesthetic embellishments and identify a products’ origin at the same time. It juxtaposes the Japanese Patent Office’ s practice regarding the prerequisites for registration and the approach of the European Community Courts and the Office for Harmonisation in the Internal Market (OHIM). Emphasis lies on the tests for inherent distinctiveness and non-functionality, the latter illustrated by the differing approaches of the European Court of Justice and the German Federal Supreme Court. While the system is still in the process of being carved out, it can be said that European practice takes a generous view toward the registration of (parts of) product configurations and packaging, in particular the shape of bottles.*

## Introduction

While countries like the U.S., and the Benelux countries have a long history of trademark protection for three-dimensional shapes, Japan amended its Trademark Law (hereinafter TML) in 1996 to include shapes of goods and packaging into the definition of what can constitute a mark. It followed suite to the European Union, which issued its “First Directive 89/104/ECC of the Council to Approximate the Laws of the Member States Relating to Trademarks” (hereinafter the Trademark Directive/ TMD) on December 21<sup>st</sup> 1988, thereby prompting France, the United Kingdom and Germany to revise their trademark laws accordingly.

The TRIPs Agreement does not mention three-dimensional trademarks expressly, but it stipulates in Art. 15 that protection for marks that are “visually perceptible” and “distinctive” is to be provided through registration. Its Art. 25 (1) foresees that “members shall provide for the protection of independently created industrial designs that are new and original”. They may determine that protection should not extend to “technical or functional considerations”.

In the Madrid Agreement Concerning the International Protection of Trademarks “three-dimensional shapes” are listed under the heading of what can constitute a mark and the Regulations [Art. 8 (2) (ix)] and Rules [9 (4) (viii)] to the Protocol Relating to the Madrid Agreement mention three-dimensional marks as well.

## 1 Types of Three-dimensional Marks

The term “three-dimensional shape” is very broad. One can distinguish the following types of marks potentially eligible for protection:

- Three-dimensional objects which are physically or conceptually independent of and whose shape does not relate to the goods themselves, such as signboards, characters used in advertising, or features of buildings, a frequently cited example is Colonel Sanders of Kentucky Fried Chicken,
- Shapes of packaging, not determined by the shape of the goods themselves e.g. containers for liquids or other goods which are dimensionally unstable, the example most frequently cited (outside of Japan, however) is the “Coca-Cola Classic” bottle;
- Shapes of goods;
- Shapes of parts of goods or packaging, such as clips of fountain pens or caps of bottles;
- Shapes of articles used in the provision of services, such as shapes of cutlery in restaurants or the attire of personnel;
- Combinations of one of the above shapes with words, colours or graphical elements (“trade dress” or “get-up”).

A subcategory under this item are marks related to shapes of goods, which, derive their effect from a figurative element rather than from their shape. Although they may be part of the goods, physically or conceptionally, the mark could exist independantly from the product. In Germany, the

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term “position mark”(“Positionsmarke”) has been forged to distinguish this type of mark. Such marks consist of a two- or three-dimensional element applied to a product in a defined position and size in relation to the product, whose shape or style are not claimed under the trademark right. Examples are selvages sewn into fabrics, an exclamation mark in colour on the back pocket of jeans, signs sewn on sport shoes or colour marks on the soles of shoes, such as Community Trademark No. 1027747 by Prada “red stripe placed longitudinally on the rear end of footwear”, or the mark of Germany’s Lloyd’s Shoes – a red stripe at the sole of the heel.

Naturally, raised structures or relief-like-forms, are also three-dimensional, but the visual perception of the shape is not prevalent, so that they rather appeal to the haptic sense and thus qualify as “tangible marks.” Different criteria shall apply to such marks, therefore it would lead too far to discuss them in this article. Since plastic renderings of logos or script are also objectively three-dimensional, but have the same effect as traditional word or device marks, the criteria for protection will be the same. Therefore, they are not covered in the article either.

## **2 The U.S. Supreme Court and Product Configuration Protection**

In the U.S., shapes of goods could be protected under section 43 (a) of the Lanham Act. This section covers a product’s unregistered symbols, otherwise known as its “trade dress”. Trade dress refers to “the total visual image of a product and the overall impression it creates”. It can comprise product packaging as well as product configuration. The line between packaging and product appearance features is not easily drawn, f.e. while a bottle is a product, when seen as a container, it could also be construed as packaging for perfume or other liquids. Underlying the protection is the stated theory that configurations of certain products can identify the source of the products themselves.

The problem is the dual role of product design – as a feature of the product’s aesthetic appearance or technical function – or as a mark of the manufacturer. U.S. courts and legal doctrine struggled with the technical and aesthetic functionality of product designs, and the central problem whether a product itself could serve as a trademark for a long time. Eventually, the paradigm of design protection came to a substantial shift in cases involving patches for professional sports teams. The patches, which depicted the teams’ signs, were sold by themselves, not as labels in or attached to sports apparel or other goods, but as decorative appliqué for clothing and other use. As it was deemed to be unfair to allow parties other than the sports teams themselves to profit from the

popularity of and the goodwill in the team’s trademarks, protection for trademarks as products came to be an issue. Eventually, it was concluded that, “if trademarks could be products, products might just as easily be trademarks.”

The U.S. Court of Appeals for the Third Circuit set out the following requirements for inherent distinctiveness of “product configuration trade dress” in its 1994 *Duraco*-case. It ruled that trade dress embodied in the shape of a product had to meet three requirements. It had to be unusual and memorable, conceptually separable from the product and likely to serve primarily as an indicator of the product’s origin.

In 2000, these findings seemed to be upturned for “product design” features in the Supreme Courts’ “*Wal-Mart*” Decision. It was argued, that consumers would not recognize a trademark effect in product shapes, thus “product design features” had to acquire secondary meaning to qualify for trademark protection, while “product packaging” features would be assessed under the same standards as wordmarks, thus having the capacity to be inherently distinctive. The decision did not solve the question of inherent distinctiveness. In a third decision, the Supreme Court then hinted, that “*Wal-Mart*” should be interpreted narrowly or even be reduced to its facts. In “*TraFFix*”, the shape of a signstand was under dispute, after patent protection had expired. Instead of drawing a clear line between patent- and trademark protection, the Court applied the functionality test, endorsing two functionality standards. The first comprised that a design feature is functional, if it is essential to the use or purpose of the article or if it affects the costs of the article. The second is that a feature is functional, if exclusive use of the feature would put competitors at a significant, non-reputation-related disadvantage. The Court ruled that trademark law should not extend to patented subject matter or non-patented primarily functional features. But it’s test leaves room for the protection of appearance variations that are not related to significant functional operation and are not competitively significant appearance features under the doctrine of aesthetic functionality.

## **3 Protecting Shapes as Trademarks ?**

The problem of three-dimensional trademarks is evident in marks consisting in the shape of goods. Identity of the product, for which the mark is a “name,” and the mark itself, seems to overturn a basic principle of the trademark system. It seems to disrupt the concept of intellectual property rights, which aim at the protection of technical inventions or artistic achievements. The limited term of protection for these monopoly rights is based on the public policy decision that society benefits from a “freedom to copy”, which allows competitors to

use and further develop an invention, or artists to create a style of fashion by profiting from prior creations, both contributing to the society. The “freedom to copy” should only be limited, where other aspects, beneficial to society as whole, are at stake. The interests of inventors and artists to be rewarded and to recover the costs invested in their invention, have to be weighed against the society’s interests in a free disposition of knowledge kept in the public domain. As far as trademarks are concerned, the interests of prospective trademark owners in defending their indication of origin, consumers’ interests in guaranteed quality, product identification and recognition, as well as market transparency, have to be balanced with the interests of competitors and public policy considerations. Shapes consisting of configurations of goods or packaging will need to fulfil the high standards of either novelty and an inventive step to be eligible for patent protection, or have to qualify as a “work of art”, if they should come to be protected under copyright law. Copyright protection for useful articles, e.g. “works of applied art,” is usually limited. Two approaches are possible, the first is to let protection extend only to individual works of art, excluding objects of mass production. The other approach is to define a higher threshold of creativity to exclude very simple creations. The protective right most likely to overlap with objects eligible as three-dimensional trademarks is the Design Right, as it protects aesthetic creations which appeal to the visual sense.

It has been found that shapes can convey trademark-messages to consumers. The problem is the multitude of signals which may be conveyed by the appearance of a product. The shape may serve as a sign, but it depends on the definition of the sign and on the perception of the recipient of the message, how the sign is read. A single mark may convey more than one message to more than one audience.

The controversial issue is, whether certain shapes should be excluded from protection in general on public policy grounds, irrespective whether such shapes function as signals of recognition and indicators of origin in the market place. The reasons for refusal of protection aim to exclude situations where the signal emitted by the shape conveys another than a trademark message. Naturally, a mark, which does not fall under those reasons for refusal must still play a role as a sign in the market place and avoid inappropriate effects, such as offending or misleading the public.

Usually, a product will carry more than one sign. The signs tend to interact with each other. As a result, the message conveyed by a distinctive shape may be obstructed by word or device marks used in connection to it.

Ever since the early days of Television advertising, advertising characters, animated

embodiments of products and so on have been used to advertise products. In mature markets, quality-competition has given way to image-advertising. People tend to buy a product less for considerations of its useful function, but for a social message, such as belonging to a certain group, leading an enviable lifestyle or another aspect of a “product world.”

The first part of this article will give a short summary of the basic principles regarding trade mark protection for shapes of goods in Japan in juxtaposition to the European approach described in the second part. The third part sets out to look at the practical implications of the different approaches.

## The Present situation in Japan

### 1 Background

The reasons for the amendment to the Japanese Law (TML) in respect of three-dimensional marks were many fold. Firstly, there were two-dimensional marks registered, which seemed to be intended for three-dimensional shapes, such as clips of fountain pens; secondly, there were cases in which marks could not be separated from a three-dimensional shape. A third reason was market-development, which employed new types of advertising and changing circumstances of sale. The developments in the European Union were also closely watched. Also, it was feared that cases might occur, where the rejection of a three-dimensional, distinctive mark might not be in compliance with Art. 6 quinquies B (telle quelle marque). A last and probably decisive reason was Japan’s accession to the Protocol Relating to the Madrid Agreement from March 2000.

In Japan, trademarks were defined as “symbols placed on goods which directly or conceptually express the origin of the goods.” This definition has broadened over the years, first to cover service marks and since the amendment in 1996 to include trade dress and three-dimensional objects. In the present Trademark Law (Art. 2 (1)), “marks” are defined as “characters, figures, symbols, or three-dimensional shapes or any combination thereof, or any combination thereof with colours.” “Marks” must be visually perceptible to be registrable in Japan. The term “sign,” in comparison, has a broader meaning not necessarily limited to visual perception. Sounds, scents, tastes or haptic perception can also function as signs, but not (yet ?) as marks.

The definition of trademarks is closely connected to the way in which the mark is used, therefore, the definition of trademarks in Art. 2 (3) and (4) TML, which specified the “use” of the mark, had to be rephrased to include “acts of having

goods or their packaging, or articles that are supplied for use in the provision of services, and advertisements relating to goods or services *shaped into a mark.*"

The amendment of the Trademark Law has prompted much criticism. It was feared that there would be numerous claims to monopoly-like exclusive rights over common items that society might need to prosper and that the balance of the system of intellectual property rights would be upset. Another point of concern was that trademark protection for shapes would lead to a diminishing demand for design registrations and eventually to an "erosion" of the Design Law.

## 2 Requirements for Protection

### 2.1 No Inherent Distinctiveness

These concerns are taken into account in the registrability requirements. The assessment centers around the question whether a three-dimensional shape can serve to distinguish goods of one enterprise from those of other enterprises (Art. 3 (1) (iii) TML), and whether the mark applied for is suited to be monopolised. These provisions apply to two- and three-dimensional marks alike. Registrations of "trademarks, which consist solely of a mark indicating in a common way ... the shape (including the packaging shape) ... of the goods; ...or the provision of services ... or articles for use in such provision" are to be refused. Shapes, which embody the form of the designated goods or otherwise describe the goods or services of the application or the shape of objects used in provision of the designated services, are likewise excluded. It is interpreted in a broad sense, resulting in an exclusion of whole categories of marks. Unless shapes of goods or packaging are combined with a distinctive word element, they are excluded under the guidelines set out in the Trademark Examination Manual of the JPO.

Marks "consisting exclusively in the shape of goods" are generally held to be perceived by consumers to be merely "within the scope of the shape of the designated goods (including the shape of their packaging), or the shape of an article used in provision of the designated services" or to be composed exclusively of "the common shape of a building, where the designated services concern immovables, f.e. services in the building- or construction industry,"

This interpretation extends to shapes of products, which are substantially different from the usual shapes of the kind of goods found on the market and products, which embody decorative elements, as well as products which are new and unusual or characteristic in appearance. Such shapes will be held to be within the range of shapes which might be adopted by competitors in the future. This evaluation was confirmed by the Tokyo

High Court in its Decision of July 17, 2001 (Yakult), where it stated that "the shape in question, although unique and characteristic in appearance, will not necessarily serve to differentiate the product from products of other manufacturers." Assessment will be made on the basis of, inter alia, the present situation in the market in the respective field and the relevant segments of consumers. There seems to be hardly any room for the examiners' discretion, however, when it comes to the assessments of marks consisting exclusively of shapes of goods.

Containers or packaging for liquids or other dimensionally unstable goods, though not connected to "the usual shape of the goods", will be rejected as lacking distinctiveness "as long as the composition of the three-dimensional trademark as a whole is perceived as representing the shape of the receptacle that contains the goods." This seems to apply to all kinds of containers. Examples cited in the Manual are bottles for western alcoholic beverages, parfums or sweets, as it is assumed that there exists a "general practice" of decorating these articles in a fashionable manner, which makes consumers not to perceive a trademark. Consequently, shapes of packaging, in particular bottles or containers, can not be protected as trademarks at the time of market entry, although their unique appearance might appeal to consumers and influence their decision to buy.

Three-dimensional marks which are not connected to the goods themselves, such as characters used in advertising, can be found inherently distinctive. The same accounts for three-dimensional shapes which comprise a distinctive word element or logo.

Another requirement for registration is that of "Use" as defined in Art. 2 (3) TML. There is nothing in the provision to show that "use" of a shape alone can constitute a mark. Characters or figures will not be found to constitute a trademark when used in a purely decorative manner or in a way that the public does not perceive as "trademark use", f.e. on the bottom of a bottle or as a pattern which covers the whole surface of a three-dimensional shape.

Art. 3 (1)(v) TML bars registration of signs, which "consist solely of a very simple and commonplace mark," f.e. spheres, cubicles, cylinders or three-dimensional renderings of single letters or numbers.

### 2.2 Acquired Distinctiveness through Use

Marks, which were denied registration under Art. 3 (1) (iii) or (v) of the TML at first, may nonetheless be registrable, if they have acquired distinctiveness through use at a later date, if "consumers are able to recognize the goods or services as being connected to a certain person's business". The burden of proof lies with the

applicant. He has to establish that the mark has acquired distinctiveness through long years of use or very aggressive advertising. Advertisements, statements of sales turnovers, number of items sold, investments in advertising, endorsements from rival companies, industry associations or consumer surveys are permitted as evidence. The evidence must show that the shape alone serves as an indicator of origin, not the wordmark used in connection with it.

The Tokyo High Courts' decision of July 16, 1998 (Tamagotchi) further indicates, that examples of infringement cases involving imitations of the product, in which the courts applied Art. 2(1)(i) or (ii) of the Unfair Competition Prevention Law, are beneficial to support a claim for acquired distinctiveness.

These requirements are strictly applied by the courts. So far, only two or three marks have been registered under the provision of Art. 2 (3) TML, all international applications designating Japan under the Madrid Protocol. It will be interesting to observe, whether "gaiatsu" by these means will work in favour of Japanese applicants in the future.

### **2.3 Specific Obstacles for Marks Consisting of Shapes of Products or Packaging**

Art. 4 (1) (viii) TML sets out a special obstacle for "trademarks which consist solely of a three-dimensional shape of goods or their packaging" by excluding shapes which are indispensable to secure the functions of the goods or their packaging from registration. Marks refused under this heading will not be registrable even if they come to be recognized as indications of one enterprise by consumers later on (Art. 3 (2) TML).

This provision aims to preclude monopolies in inevitably functional product features as a policy to prevent restrictions in competition. The term "inevitable" is interpreted to suggest an extremely narrow interpretation of this provision. If the technical function of the product can be achieved by use of alternative configurations in an equally competitive way, especially in view of the costs of production, it shall not apply. If, contrary to this provision, an "indispensable shape" came to be registered as part of a trademark, it would not be covered by the trademark right (Art. 26 (1) (v) TML).

## **3 Test for Similarity of Three-dimensional Trademarks**

In assessing the similarity of three-dimensional marks, the same criteria are applied as in the case of word marks: The appearance and the concept of the marks as perceived by the relevant class of consumers of the designated goods will be considered, given the circumstances of sale, the market-situation and the consumers' apprehended attention to detail, when buying the sort of products

in question. The only conceivable peculiarity in three-dimensional marks is their varying appearance when seen from different points of view. The Tokyo High Court ruled in its decision of January 31, 2001 (Takoyaki), that it is sufficient if a three-dimensional trademark is similar to a device mark if seen from the side, which has the strongest appeal to consumers.

In cases of combined three-dimensional marks, which consist of a combination of a shape with word elements, it is assumed that consumers will usually respond to the written indication, as those elements are easier to understand and to reproduce than non-verbal elements. This means that in shapes registered in connection with a word mark, the word element will be considered to be distinctive. Consequently, the value of such marks for the protection of three-dimensional shapes is more than questionable. The word element will most likely be considered to dominate the overall impression of the mark, whereas a shape, which is not considered to be distinctive, will not be covered by the scope of protection. Consequently, trademark protection will not extend to cases where the infringer uses a shape in combination with another wordmark under Art. 26 (1) TML.

## **4 Conflicts with other Intellectual Property Rights**

Art. 29 TML stipulates that the owner of a trademark, or other persons entitled to its use, shall not use the mark in any manner as to give rise to a conflict with another person's patent-, utility model-, design- or copyright of earlier priority.

Conflicts between a patent right of earlier priority and a three-dimensional trademark after expiration of the term of the patent shall be solved under Art. 33 (2) TML. If the three-dimensional mark will outlast the term of patent protection, the former patentee shall have the right to continue its use of the invention within the scope of the original patent right (Art. 33 (1) TML), and use of the registered trademark must not intentionally violate the rules of fair competition.

## **Present Situation in Europ**

### **1 The European Trademark System**

In the European Union, the national Trademark Laws of the Member States have been harmonized through the Trademark Directive (TMD) and co-exist with the Community Trademark System in their respective territories, which was launched by Council Regulation No. 40/1904 of December 20, 1993, on the Community Trademark (CTMR). The trademark authority for the EU is the Office for Harmonization in the Internal Market (OHIM), which has its seat in

Alicante (Spain). A Community Trademark is of unitary character (Art. 1 CTMR). It grants a unitary trademark right upon registration, covering the whole of the European Community, which will be expanded considerably upon accession of 10 new member states from 1<sup>st</sup> May 2004. While Community Trademark Rights based on the CTMR may only be obtained through registration, the member states may also grant trademark rights solely upon use under the TMD, as can be seen in the United Kingdom or Germany. If registered marks, marks acquired through use or other business indications of more than local significance are protected by national law, they may constitute a relative obstacle to the registration of a Community trademark, provided their proprietor files an opposition (Art. 8 (6) CTMR), as the CTMR system has adopted the opposition system. The office conducts searches for similar marks, but these are of merely informative nature. Notably, the Community Trademark Regulation and the Trademark Directive were prepared in parallel, resulting in wording which is almost identical – and so is the wording of the central provisions in most European Trademark Laws, which transform the Directive into national law.

Compared to practice in Japan, the European approach is much more generous towards registration of three-dimensional shapes, in particular when it comes to shapes of packaging. This can have considerable implications for the owners of trademark rights or enterprises who use or plan to use, shapes as a means of attracting the attention of customers.

The uniform Benelux Trademark Law served as a model for the registrations of shapes as trademarks in the TMD and CTMR. The Benelux countries had taken a very liberal view towards the protection of shapes, allowing protection for such shapes as a spiral-cone for salty crackers, chocolate candy or a capsule for pharmaceutical drugs (combined with colours).

Prior to the introduction of the Trademark Directive, three-dimensional shapes in Germany, f. e., could in principle only gain protection if the shape had become recognized through use (“Ausstattungschutz”). The situation in most European countries was similar, irrespective whether their trademark-systems were based on registration or use.

## 2 Requirements for Registration

The European Court of Justice has devised a three-step-test for product-configuration marks seeking registration. If the mark applied for does not comprise an element found to be distinctive from the outset, like a distinctive wordmark, it will have to meet the following criteria:

- It must have the capacity to constitute a mark

(Art. 2 TMD/ Art. 4 CTMR), e.g. be graphically presentable and have distinctive power to (abstractly) distinguish goods or services of one enterprise from those of other enterprises.

- most importantly – it must not be excluded from protection under one of the provisions specifically pertaining to product configurations or shapes of packaging set out in Art. 3 (1) (e) (i)-(iii) TMD/ Art. 7 (1) (e) (i)-(iii) CTMR, e.g. the shape must not
  - result from the nature of the goods themselves
  - be necessary to obtain a technical result, or
  - give substantial value to the goods.
- In a third step, the sign must not fall under one of the absolute obstacles to registration, which are applicable to all kinds of signs alike, such as descriptiveness, conflicts with the public order or morality etc.

These requirements are interpreted as follows:

### 2.1 Capability to Function as a Mark

The first step in examination is whether the sign applied for is one of the signs of which a Community Trademark may consist. Art. 4 CTMR/ 2 TMD). It has to meet only two requirements: Capability of graphical representation and the Power to distinguish the goods or services of one undertaking from those of other undertakings. The list of protectable signs names the most commonly used forms of marks “particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging,” but is non-exhaustive.

#### 2.1.1 Capability of Being Represented Graphically

The requirement of a graphic representation is not difficult to fulfil. While no special requirements are spelled out in the CTM Regulation, Rule 3 (4) of the Regulation implementing the CTMR (Implementing Regulation - IR) states that it must be indicated in the application that a three-dimensional mark is being applied for. The representation of the mark may consist of a photographic reproduction or a graphical representation and may consist of up to six different perspectives. The applicant may give a description of the mark, which is not mandatory, but may help OHIM to determine the nature of the mark.

#### 2.1.2 Registrable Signs - “Abstract Power to Distinguish”

According to OHIM’s Examination Guidelines for CTM-applications, the term “sign” is to be interpreted broadly by examiners. On the outset, every sign, which can be graphically displayed and can function as a mark, is registrable, provided that it is “capable of distinguishing the goods or services of one undertaking from those of other

undertakings". It follows that there is no predetermined list of admissible genres of trademarks and no forms of trade marks which are excluded per se. Signs, which are so simple or commonplace that they are not apt to fulfil the functions of a trademark in respect of any product, are excluded under this heading. The ECJ has repeatedly stated that it is the essential function of a mark to guarantee the origin of a product. Possible other functions of marks are included in this main function, such as the quality-function and a potential for communication with consumers.

As far as shapes of products and packaging are concerned, the European Court of Justice (ECJ) stated that "the criteria for assessing the distinctive character of three-dimensional trademarks (...) are thus no different from those to be applied to other categories of trademarks", in particular, *there is no reason to apply stricter standards*. Further, the ECJ stated clearly, that the Directive in no way requires the three-dimensional shape of an article to include a capricious addition, such as an embellishment which has no functional purpose, as a prerequisite for distinctiveness. Requirements of originality, as both OHIM and the German Federal Court for Patents were inclined to set up, were likewise ruled out.

"The shape in question must simply be capable of distinguishing the products of the proprietor of the trade mark from those of other undertakings and thus fulfil its essential purpose of guaranteeing the origin of the product."

## **2.2 Specific Obstacles for Product Configuration Marks**

The broad concept of what can constitute a trademark is balanced by specific requirements pertaining to three-dimensional marks which are "exclusively composed of the shapes of goods" ( Art. 7(1)(e) CTMR ). Signs which consist exclusively of

- (i) the shape which results from the nature of the goods themselves; or
- (ii) the shape of goods which is necessary to obtain a technical result; or
- (iii) the shape which gives substantial value to the goods

are excluded from registration with the purpose to avoid permanent monopoly-rights in essential, technical or aesthetical product features, which do not serve as indications, but derive from the substantial nature of the type of product.

### **2.2.1 Interrelationship between Specific and General Reasons of Refusal**

Although there is no pronounced statement by the ECJ concerning the interrelationship among the various reasons for refusal laid out in Articles 3 TMD and 7 TMD, the Supreme Court of Germany has issued three referrals for preliminary rulings on Nov. 23, 2000, which might lead to an answer.

### **2.1.1 View taken by the German Federal Supreme Court**

The German Federal Supreme Court has prompted an active stand in several references to the ECJ, proposing solutions, which the ECJ frequently accepted in its judgements, and thus played an active role in the development of European Law. It has also shown a determination to quick compliance with the ECJ's guidelines and to ensure their incorporation into the German legal system in due time.

Lately, the German Supreme Court clarified its approach regarding product configuration trademarks in its three decisions of Nov. 23, 2000, mentioned above, which concern trademark applications for a forklift truck, a torch and a watch. It held that any sign has the potential to become a trademark, provided it is abstractly capable to distinguish goods or services in the sense of Art. 2 TMD, whereas the requirement of the power to distinguish in view of the products designated in the application, comes to be assessed under Art. 3 (1)(b) TMD, which, unlike Art. 3 (1)(b) TMD (Art. 7 (1)(b) CTMR) , do not expressly state a requirement of distinctive power *in respect of the goods*, but the German Supreme Court concludes this from the wording of the TMD and the rationale of the reasons of refusal.

In order to be capable of trademark protection under Art. 2 TMD, as the German Supreme Court interpreted it, the sign must not be a feature of the product deriving from its technical function. It must bear non-technical elements, which go beyond the basic functional shape of the respective goods and are separable, if not physically, so in concept, from the goods themselves. Thus, the sign must be suited to fulfil the function of a trademark as an identifying sign. In this sense, the trademark must be separable from the product.

When testing the reasons for refusal set out in Art. 3(1)(e) TMD, the Court came to a narrow scope of these provisions, based on the wording "exclusively" to exclude shapes which incorporated other elements and "necessary" to allow for a test whether alternative shapes could be chosen to achieve the same technical result. It compared the "technically necessary basic shape" of forklift trucks, torches and watches to the shapes in the applications. In the case of the forklift truck, a very successful product by Linde AG, which was awarded for its outstanding design, the court named the motor, wheels, forklift and drivers' stand as basic technical features. It concluded that there were many aspects in the appearance of the shape in the application, like the shape of the driver's cabin, the wheel stands, the pentagonal window and the beetle-like shape of the rear part of the vehicle, which were not essential to the nature of a forklift trucks in general, and further, which were not necessary to obtain a technical result. The essential

function being to lift and move heavy goods, the court held that there were multiple other possibilities to design a forklift truck.

The Court voiced its preference to balance the applicants' interest of having his marks protected, against the general policy to prevent inappropriate monopolisation of certain product features that, unless protected by patents, design registrations or copyright, should be in the public domain, under the heading of Art. 3(1)(c) TMD, instead of a broad construction of Art. 3(1)(e) TMD. It emphasises above all "the consideration that the obstacle to registration in article 3(1)(e) TMD could not be overcome through use within the meaning of Art. 3(3) TMD," which did not appear to be justified.

Under this opinion, the main test for registrability would depend on the construction of the distinctiveness requirement within the meaning of Art. 3 (1)(b) TMD. This provision denies registration to trademarks, which may serve, in trade, to designate certain features of the product, like its kind or quality, etc. The German Supreme Court defines the distinctive character of a mark as "the specific capacity innate in a trademark, to be regarded as a means of distinguishing the products of one enterprise from those of other enterprises". It applied a generous standard in the sense that each sort and any degree of distinctive power were sufficient to overcome this obstacle to protection. The German interpretation of the Trademark Law holds, that this provision expresses the interest of the public, with special emphasis on the competitor's interest to keep shapes of goods free for general use ("Freihaltebedürfnis").

The Court now referred the question to the ECJ, whether Art. 3(1)(c) TMD is of independent significance in the assessment of registrability for three-dimensional marks that represent the shape of goods alongside Art. 3(1)(e) TMD. And, if the answer was in the affirmative, whether the examination under Art. 3(1)(c) TMD – unlike under subparagraph (e) – must take into account the interest of the public in the free use of a product shape in such a way that registration is excluded in any event as a matter of principle and, as a rule, would only become possible for trademarks that have acquired distinctiveness through use (Art. 3 (2) TMD).

#### **2.2.1.2 The ECJ' s Approach and the Opinion of the Attorney General**

The view of the German Supreme Court is in sharp contrast with the interpretation of the European Court of Justice (ECJ) in its Philips/Remington judgement. The case concerned the shape of a three-headed rotary electric shaver, which had been protected by a patent, but the term for patent protection had expired and a competitor, Remington, had copied the shape.

The ECJ has stated that the purpose of trademark protection is, inter alia, to guarantee the

trademark as an indication of origin. As the seventh recital in the preamble to the TMD prescribes, the grounds for refusal listed in Art. 7 (1)(e)CTMR are exhaustive. They must be interpreted in the light of the public interest underlying each ground for refusal. The criteria in Art. 7 (1) (e) CTMR are to be assessed separately. If only one of them is satisfied in respect of a sign consisting exclusively of the shape of the product, that shape is exempt from registration. The ECJ stipulated that

"the rationale of the grounds for refusal of registration laid down in Article 3(1)(e) of the Directive, is to prevent trade mark protection from granting its proprietor a monopoly on technical solutions or functional characteristics of a product which a user is likely to seek in the products of competitors".

Their underlying intention is to prevent trademark rights to extend beyond signs which serve to distinguish a product or service from those of competitors. The trademark right should not form an obstacle for competitors to freely offer for sale products, which incorporate certain technical solutions or functional characteristics.

The "need to keep free" in respect of signs which consist of the shapes of good is recognized by the ECJ, but interpreted the preconditions of Art. 3 (1) (e) (ii) TMD to protect the public interest to freely use certain shapes. Consequently, this provision shall apply to each shape whose essential characteristics perform a technical function and, taking into account the view of the product designer, "was chosen to achieve this function". The Court stated clearly, that it would be no defense to establish that certain elements were not chosen to contribute to the technical effect.

The Attorney General endeavours to apply this reasoning to the other subparagraphs of Art. 3(1)(e)TMD as well to the effect, that a three-dimensional sign in respect of the shape of goods could not be registered if its essential characteristics result from the nature of the goods or give substantial value to the goods.

Concerning Art. 3(1)(c) TMD, the Attorney General concluded from the "Chiemsee"-Decision of the ECJ, that the public interest underlying this provision was to keep descriptive indications free for use, the rationale of this reason for refusal being that they serve to indicate certain characteristics of the goods and thus generate a positive image. It follows that the ECJ recognizes the necessity to interpret Art. 3 (1) (c) TMD in the light of the underlying public interest to keep certain signs free. But it did not stipulate that three-dimensional signs in respect of the shape of goods were subject to special treatment. They would simply have to undergo multiple examinations to test their capacity to function as a mark.

The Attorney General admits to the fact that it is not likely that many shapes of goods will be



registrable by these standards. He directs the attention to the fact that these difficulties in practice are due to the nature of three-dimensional shapes themselves, as well as to the consumers' habits in perceiving shapes of goods, they do not derive from an allegedly stricter assessment of their distinctive character.

In this scheme for examination, the reasons of refusal under Art. 3(1)(e) TMD are to be assessed in a second step, as a refusal on these grounds cannot be overcome if the product acquires distinctiveness through use at a later time.

### **2.2.2 Shape Resulting from the Nature of the Designated Goods (Art. 3(1)(e)(i)TMD/ Art. 7(1)(e)(i) CTMR)**

The shapes of a football or of an egg are mentioned as examples in the Guidelines. Recently, the European Court of First Instance (CFI) ruled that this provision does not apply if the shape in question is not common in respect of the designated goods on the market. It overruled a decision by OHIM concerning the shape of a bar of soap on the grounds that the shape had special features.

### **2.2.3 Shape Necessary to Obtain a Technical Result (Art. 3(1)(e)(ii) TMD / Art.7 (1)(e)(ii) CTMR)**

In its Philips/Remington- judgement, the Court decided that "there is nothing in the wording of that provision" to allow a circumvention of this obstacle by establishing that the same technical result could be secured by use of alternative shapes. It held that Art. 3(1)(e)(ii) TMD reflected "the legitimate aim of not allowing individuals to use registration of a mark in order to acquire or perpetuate exclusive rights relating to technical solutions. Where the essential functional characteristics of the shape of a product are attributable solely to the technical result, Article 3(1)(e) TMD, second indent, precludes registration of a sign consisting of that shape, even if that technical result can be achieved by other shapes".

### **2.2.4 Shape which gives Substantial Value to the Goods**

Art. 3 (1)(e)(i) TMD aims to delimit three-dimensional marks in relation to design-protection for decorative objects, which derive their value exclusively from their aesthetic appearance, so that the requirement of separability can not be fulfilled. Unclear and rarely invoked, this paragraph is subject to harsh criticism. The first refusals on the grounds of the identical German provision transforming Art. 3 (1)(e)(ii) TMD were pronounced by the German Federal Court for Patents for three sets of jewellery rings.

Where the particular shape of a product does not fall under the grounds of exclusion listed in the Art. 3 (1) (e) TMD and Art. 7 (1)(e) CTMR, there is no reason to prevent a sign consisting exclusively of the shape of a product from being registrable or

valid if it satisfies the normal criteria for trademark protection.

### **2.3 General Reasons for Refusal – Art. 3 (1) (b),(c), (d) TMD**

Concerning the other reasons for refusal, the ECJ recently clarified that the provisions in Art. 3 (1) (b), (c) and (d) TMD are exhaustive in the sense that "there is no category of marks" which does not come under one of these provisions but is excluded from registration under Art. 3 (1) (a) TMD as being incapable to distinguish goods or services.

#### **2.3.1 Distinctive Character in Respect of the Products for which the Trademark is used Art. 7 (1)(b) CTMR**

Art. 7(1)(b) CTMR, (Art. 3 (1) (b) TMD) only excludes trademarks which are devoid of *any* distinctive character. This wording has repeatedly been interpreted to establish a very low standard of distinctiveness. As long as *some* distinctive character can be attributed to it, a mark ought not be refused under this head. The distinctive character of a mark, be it inherent or acquired through use, has to be assessed in relation to the goods or services in respect of which registration is applied for.

Under Art. 7(1)(c) CTMR, trademarks are not registrable if they consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the service, or of other characteristics of the goods or services. Complementary, Art. 12 of the CTMR provides that the rights conferred by the trademark do not entitle the proprietor to prohibit a third party from using, in the course of trade, indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or the time of rendering the service, or other characteristics of the goods or service, provided he uses them in accordance with honest practices in industrial or commercial matters.

Taking the provisions of Art. 7(1)(b) and 12 CTMR together, the ECJ concludes that the prohibition to register purely descriptive signs or indications as trademarks aims at preventing the registration of signs which can not fulfil the function of identifying the undertaking that markets them, because they are no different from the usual way of designating the relevant goods or services or their characteristics and thus devoid of the distinctive character needed for that function. This interpretation is the only one the ECJ holds to be compatible with Art. 4 CTMR. The Court of First Instance, although stating that three-dimensional marks must not be treated different from other kinds of marks, bases its decisions on the assumption, without further fact-finding, that the shape of goods is usually not perceived as an indication of origin in the eyes of consumers. It

refused applications for the shapes of Tabs for dishwasher detergent, although in combination with colours, in 11 cases and an application for the shape of a torch, on the grounds that they were composed of obvious design elements, which were common in the respective market segment.

The practice of OHIM's Boards of Appeal is still lacking a clear direction or a definition of abstract criteria, as can be seen by the examples of a glass for mustard, which was refused as lacking distinctive character, while a glass for soluble coffee was found to be distinctive. It can be said in general, that shapes of containers or packaging, which are not combined with a word mark, will pass the test of not being determined by the nature of the goods. The test for inherent distinctiveness centers around the question whether a shape is "common," "characteristic", shows "a certain amount of originality" or differs from the same kind of product already on the market. In contrast to the practice of the JPO, a great range of Community Trademarks consisting of the shape of bottles has been registered.

OHIM has admitted registration of marks, which exclusively consist of shapes of goods or parts thereof, as being inherently distinctive. Examples include the car body of the old and the new Volkswagen "Beetle" cars, registered for automobiles in Class 28 and different goods in class 16, as well as the new "Mini Cooper", which has been registered i. a. for "automobiles" and "toy automobiles", the shape of a round chocolate-hazelnut-candy in Class 30 and of diverse clips for fountain pens, like Watermen's, or the cap of Edding's felt tip pens.

The German Federal Court of Patents applies similar criteria. In addition to asking whether a certain shape is common or unusual in comparison to those existing on the market and those likely to be used by competitors in the future, it examines whether consumers in the respective field of goods have come to recognize shapes in general as indicators of origin. It has found, that there exists a practice by suppliers of beverages to use shapes of bottles as means of distinguishing their products ("Dimple").

The German Patent Court has submitted a referral to the ECJ, in regard of a bottle for softener. It compared the shape of the bottle to containers usually used for softeners. It referred the questions to the ECJ, if packaging falls under the term "shape of the goods" in Art. 3 (1)(e) TMD and whether the shape of packaging can be a description of the goods in the sense of Art. 3 (1)(c) TMD. In the case to decide, the Court found that many similar shapes of bottles for softeners were on the market, which could be reduced to one basic shape with certain common characteristics. As the sign seeking protection consisted of a basic shape, which showed these characteristics, the Patent Court holds it to

be descriptive of the goods and sees a need to keep it free for the use by competitors. The court held that the public interest in the free use of shapes was not only at issue when basic shapes and indispensable designations were concerned, but should extend to a perceived future need to use such signs to designate the goods.

### **2.3.3 Descriptive Designations (Art. 3 (c) TMD/ Art. 7(1)(c) CTMR)**

For wordmarks, the ECJ has set out a low threshold for distinctiveness, excluding only those signs and indications "which may serve in normal usage from a consumers' point of view" to designate the goods or services of the application "either directly or by reference to one of their essential characteristics." The standard of assessment for wordmarks set by the ECJ is whether "the word in question may be viewed as a normal way of referring to the goods (or services) or of representing their essential characteristics in common parlance" among the relevant class of consumers.

"Furthermore, a mark composed of signs or indications satisfying that definition should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indications of which it is composed are not presented or configured in any manner that distinguishes the resultant whole from the usual way of designating the goods or services concerned or their essential characteristics."

"Any perceptible difference" between a wordmark applied for and the common parlance used by consumers is found apt to confer distinctive character on the sign, enabling it to be registered as a mark. In Section 8.4.2. of the Examination Guidelines, it is pointed out that the usage in the specific market segment should be taken into account, and when an "indication is "borrowed" from a trade other than that covered by the application", there is no reason to refuse the application. Fe., expressions such as 4X3 in building trades refer to sizes of products, but might not be common usage to describe a dozen eggs in the retail trade. Thus, a lemon juice bottle in the shape of a lemon or a container for coconut-icecream in the shape of a coconut might be considered to be descriptive of the goods, leaving it to the scrutiny of the examiner to find how many changes must be made to create a distinctive container which can stand on its own. An example for a "borrowed" shape is admitted the shape of a cigar to be registered for "small flasks for perfume". It held that the sign did not show the designated goods in a way determined by their nature and did not have the effect of a description of the goods. It concluded that the shape had distinctive power, because it did not incorporate a normal or common indication of the contents and

did not consist exclusively of a simple or decorative shape .

#### **2.4 Acquired Distinctiveness through Use**

As laid out in Art. 3(3) TMD (Art. 7(3) CTMR), a trademark shall not be refused registration or be declared invalid in accordance with par. 1 (b), (c) or (d), if it has become distinctive in relation to the designated products through use. Furthermore, member states may foresee to apply this provision in cases where a sign acquired distinctive character after the date of application or registration, as has been laid out in Art. 51 (2) CTMR. At first, it has to be kept in mind when interpreting this article, that a shape which has been refused registration pursuant to Art. 3 (1) (e) TMD, can under no circumstances be registered by virtue of Art. 3 (3) TMD; however, Art. 3(3) TMD enables a mark, which was refused under Art. 3 (1)(b), (c) or (d) TMD lacking inherent distinctiveness, to acquire distinctive character through use.

“Distinctive character acquired through use” means, according to the ECJ, “that the mark must serve to identify the product in respect of which registration is applied for, as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings”.

In assessing the distinctive character, the following facts may *inter alia*, be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations. It is not sufficient, however, to refer to general, abstract data, such as predetermined percentages.

If assessing the distinctive character of a sign consisting in the shape of a product, 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 is to be taken into account. Courts will have to secure that the “identification, by the relevant class of persons, of the product as originating from a given undertaking must be as a result of the use of the mark as a trade mark and thus as a result of the nature and effect of it, which make it capable of distinguishing the product concerned from those of other undertakings.”

In order to establish distinctiveness through use for a Community Trademark, these preconditions need not be met for the whole territory of the European Community, but have to cover essential parts. Whereas this territory does not have to conform with state boundaries, it is detrimental if one of the bigger member states is missing in the statistics.

If registration has to be based on acquired distinctiveness, it is advisable to apply for national marks in the member states, where the preconditions of acquired distinctiveness need only to be met in respect of the states' territory. The shape of Werther' s Original caramel candy is a good example of a very plain shape, an oval with an oval line on the top side of a caramel candy (claiming the colour “caramel”, and the goods „confectionery in Class 30), for distinctiveness acquired through use, as was recognized by the German Federal Court for Patents. The owner succeeded in convincing the Court that shapes of sweets are usually shown on the packaging and therefore will be recognized by consumers in the respective market segment supported by a questionnaire, preceded by a change of the design of it' s packaging, which featured the shapes of candy without wrapping.

#### **3 Relationship with other Intellectual Property Rights**

Another problem is, whether the proprietor of a monopoly right under a patent, as was the case in Philips/Remington, a utility model or a design patent, may acquire distinctiveness as a result of its exclusive use. The ECJ affirmed this, by stating

“ that, where a trader has been the only supplier of particular goods to the market, extensive use of a sign which consists of the shape of those goods may be sufficient to give the sign a distinctive character for the purposes of Article 3(3) of the Directive in circumstances where, as a result of that use, a substantial proportion of the relevant class of persons associates that shape with that trader and no other undertaking or believes that goods of that shape come from that trader.” It lies with the national courts to verify that the circumstances of acquired distinctiveness are proven to exist, on the basis of specific and reliable data. “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” are significant and, most importantly, the fact “that the identification, (...) of the product as originating from a given undertaking is as a result of the use of the mark as a trade mark.” has to be proven. Consequently, the existence of an expired patent or utility patent might be detrimental for the trademark holder insofar, as it might be used to argue that the patented features of the product are necessary to obtain a technical result. On the other hand, it might be helpful to establish an association of origin from one enterprise among the relevant circles of consumers. The difficulty lies, again, in sending the proper messages to the relevant circle of consumers and proving, that their association of origin is based on a perception of the

product-feature in question as a trademark.

In the German Trade Mark Act, it is stated in § 13 that a trademark registration may be cancelled, if another person acquired a right which entitles him to prohibit the use of the registered trade mark throughout the territory of the Federal Republic of Germany. This right has to be of earlier time rank than the trademark right. Such rights can be, in particular: rights to a name, rights of personal portrayal, copyrights, plant variety designations, appellations of geographical origin and other industrial property rights.

#### **4 Assessing Similarity of Three-dimensional Marks**

In Europe, the test for similarity will occur in the case of oppositions against trademark applications, or in cases of infringement. The latter are harder to track, as they will in first instance occur before national Courts, often on lower instance or district court level, partly with limited legal remedies.

There have been a few decisions in Germany. The Federal Patent Court decided in the first opposition cases in 2001. It basically applied the same criteria as in the assessment whether there exists a likelihood of confusion between other forms of marks, when the designated goods and the marks, as they appear in the registration, are compared. As is the practice in other cases, too, the court decided that a danger of confusion does not result from the existence of non-distinctive elements in both marks. In the case of an opposition against a three-dimensional mark which consisted in the shape of a metall-container with rounded corners, seeking protection for "animal-food", based on a mark registered for a similar container, which was registered in respect of identical goods, the court denied a likelihood of confusion. It attributed an extremely narrow scope of protection to the mark, on which the opposition was based, assuming that the mark would be perceived as a container in the first place and not directly as an indication of origin. Further, it found that metall cans with rounded corners were commonly used as containers for animal food, so that they were descriptive. This would not preclude the protection of variations of the basic shape as trademarks. But a very narrow scope of protection had to be attributed to such marks, which could not cover the basic shape itself, but only the specific variation and its characteristic features. In the case of the animal-food-containers, both cans embodied such variations in their shape, the structure on their sides and the number of corners, so that the court eventually ruled out a collision.

#### **Conclusion**

An evaluation and thorough comparison of

trademark protection for shapes would have to include its balance with other intellectual property rights, which would go beyond the scope of this article. A few remarks can be made, however, from a "purely trademark" point of view.

As the evolutionary history of trademarks shows, it is no new phenomenon to redefine the subject matter protected under Trademark Law to cover new forms of marks. Word marks, f. e. were not granted protection in Germany before the issuance of the Warenzeichengesetz in 1894, as one was sceptical to allow monopolies in words. Today, wordmarks make up the classic form of trademarks worldwide. Among the so called "non-traditional trademarks", three-dimensional trademark applications constitute the vast majority.

While it is evident, that theories aimed at drawing a clear borderline between the protection of the technical features, creative and aesthetic achievements, are still being carved out and will be under discussion for some time, especially in the European Community, where it lies with the ECJ to finally determine the applicable standards and the scope of protection, tendencies in Japan and Europe can be made out.

While Japanese current practice and legal opinion tends to take a negative view towards trademark protection for shapes, enterprises welcomed the amendment of the Trademark Law in the beginning, but became frustrated over time. As has been pointed out, part of the applications were probably directed at gaining trademark protection for technically functional shapes, others clearly concerned configurations which have been found inherently distinctive in Europe. Currently, three-dimensional marks are either functioning as means of protection for advertising-characters or trade-dress, comprised of a combination of word or design marks and shapes, or used to support a claim under the Unfair Competition Prevention Law.

As far as the relationship between trademarks and design patents is concerned, it seems to be a notion that an overlap of different protective rights must be avoided in any case.

OHIM and the European Courts allow for a generous registration of "shape-marks" in comparison. The ECJ's strict application of the doctrine of functionality to essential product features, which leaves no room for arguing, that a technical function could be secured by alternative shapes at no higher cost, is in line with the U.S. Supreme Courts ruling in *TraFFix*, according to which a product appearance which serves a primarily utilitarian or aesthetic role, will no longer be given trademark protection, and the fact that competitively effective alternative embodiments might exist, is not sufficient to support protection as a trademark.

The Supreme Court suggested in *Wal-Mart*,

that a design patent, while not apt to provide protection at the time of market entry, may be used to boost the effectiveness of product appearance features of trademarks which require secondary meaning. This can only be presumed, if a design patent for the same product does not preclude trademark protection, neither upon issuance of the design patent, nor when the term of protection expires. This is in line with the notion of the ECJ stated above Decision in Philips/Remington.

In mature markets, businesses have to offer their goods and services in highly competitive surroundings. While quality competition is often levelled among performers, owing to equally high standards, businesses have to turn to other means of advertising to let their products stand out. While wordmarks and Logos were employed at first, the "Television-age" brought about new forms of advertising, which often featured characters or speaking, singing personifications of the advertised goods. Recently, a producer of margarine in the U.S.A. has introduced the first margarine-package, which speaks and wriggles, when approached. As a result, we are surrounded by signals, including trademark-signals, which are conveyed through the design of goods or packaging, colour, smell, sound, moving advertising clips or invented characters, which suppliers of goods or services use to convey messages to consumers. For a long time it was simply assumed that the shape of a product itself was nothing else than just that. It is a somewhat modern apprehension that product configurations, packaging or even sounds, smells or light can transport a message to qualify as a trademark.

One can say that there is an international trend to expand the concept of trademarks to include the new means of product-recognition, such as shapes, smells, sounds, movement, holograms or formations of light, based on their actual use on the market.

Of course it is recognised the shape of a product may be a sign – but may not inevitably be read as a sign. The problem will be to separate the multitudinous messages sent and provide protection for those, which serve as an indicator of origin or product differentiation.

Patent Attorney Ushiki, a strong critic of the "Products Configuration Registration System", conceded that there seemed to be a need for the registration of three-dimensional marks in Japan, as there were registered device-marks, which consisted of depictions of objects which were in reality three-dimensional, f. e. clips of fountain pens or shop signs, and had been registered after expiration of or parallel to a design right. The voiced intent of the Japanese legislators in amending the trademark law and expanding the definition of protected marks to cover three-dimensional objects, was to establish a positive mode of protection for well-known

configurations of goods as indicators of origin or quality, which had only been protected passively in the past under the Unfair Competition Prevention Law.

Having recognised the occurrence of such signs in commerce, and decided to legally recognize that such signs, as far as they can serve as indications of origin, as trademarks, it is not justified to principally deny their suitability to fulfil this function based on a lack of familiarisation of consumers with certain new types of marks. The German Supreme Court' argument goes in the same direction where it states that a treatment of three-dimensional marks which would apply too strict requirements to their registrability, would "restrict the possibility in the public's interpretation following the admissibility of these trademarks in a manner not intended by the Trademark Directive." As v. Bomhard puts it, "it would mean to turn back the clock of trademark law, if courts blankly assume that consumers' orientation is focused on the usual word- and device mark only and per se".

While the concerns against allowing trade mark protection for shapes and packages which do not display wordmarks, are well founded and are not to be taken lightly, one might ask if the strict approach, which is founded on "market facts" allegedly, which, if one takes the example of packaging or bottle shapes, are viewed in a totally different way in a market where they perform the same functions, one might ask whether denying their inherent distinctiveness per se, does not run contrary to the reasons why the registration of shapes as trademarks was introduced in the first place. If they can only be protected as trademark-elements which are not distinctive, their function as indicators of product origin is not taken into account to the extent it would deserve. The reason behind the introduction of the "new marks" is to allow protection for new means of indicating origin, which should be allowed to be flexibly carved out according to the inventiveness and needs of trademark owners, in cooperation with the trademark authorities and the judicative. If certain forms of marks are excluded from registration for formal reasons, which could easily be resolved, or non-technical shapes, which in fact serve as signs of recognition, are excluded from protection, it seems to fall one step short to meet the purpose of the system.

