

OPINION OF ADVOCATE GENERAL  
RUIZ-JARABO COLOMER  
delivered on 16 March 2004<sup>1</sup>

**Background**

Classification of Goods and Services for the Purposes of Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following descriptions:

1. On 29 March 1996 Mag Instrument Inc., with its registered office in Ontario (United States of America), filed at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (hereinafter 'the Office') five applications for three-dimensional Community trade marks under Regulation No 40/94.<sup>2</sup>

— 'Accessories for apparatus for lighting, in particular for flashlights (torches); and

2. The three-dimensional marks in respect of which registration was sought were the cylindrical shapes of torches marketed by that company.

— 'Apparatus for lighting, in particular flashlights (torches), including parts and accessories for the abovenamed goods'.

3. The goods in respect of which registration was sought were, following the applicant's amendment of 18 November 1997 to this effect, in Classes 9 and 11 of the Nice Agreement concerning the International

4. By three decisions of 11 March 1999 and two decisions of 15 March 1999, the Examiner refused the applications under Article 38 of Regulation No 40/94 on the ground that the marks applied for were devoid of any distinctive character.

<sup>1</sup> — Original language: Spanish.

<sup>2</sup> — Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 9).

5. On 11 May 1999 Mag Instrument Inc. filed appeals under Article 59 of Regulation No 40/94 against each of the Examiner's decisions, all five of which were dismissed by a decision of 14 February 2000 of the Board of Appeal on the ground that in order for the shape of goods alone to be capable of constituting a distinctive indication of the origin of the goods, the shape must display features sufficiently different from the usual shape of the goods for a potential purchaser to perceive it primarily as an indication of the origin of the goods and not as a representation of the goods themselves. If it is not so different, the shape is descriptive and falls within the scope of Article 7(1)(c) of Regulation No 40/94.

6. In the Board of Appeal's view, the essential question is whether the representation of any of the marks sought immediately conveys to the average purchaser that the torch comes from a specific source, or simply indicates that the torch is a torch.

In addition it adds:

- first of all that it does not necessarily follow from the fact that design is attractive that it is inherently distinctive;
- further, that it does not follow from the fact that a sign is refused registration

under Article 7(1)(b) because it is devoid of any distinctive character that the merest trace of distinctive character is sufficient for the mark to be registered because the very essence of Regulation No 40/94 entails that the degree of distinctiveness required must be such as to confer on the mark the capacity to act as an indication of origin.

The Board of Appeal takes the view that, in spite of the numerous attractive features of each of the shapes, none is inherently distinctive to the average purchaser of a torch (paragraphs 11 to 18 of the contested decision).

### **The judgment under appeal**

7. Mag Instrument raised just one plea in law before the Court of First Instance, namely infringement of Article 7(1)(b) of Regulation No 40/94.

8. In that connection the appellant claimed that there was no 'usual shape' for a torch, and that the shapes corresponding to the trade marks applied for were not 'generic

torch shapes'. It contended that the decision of the Board of Appeal did not set out the conditions that a three-dimensional mark must satisfy for it to be found to be distinctive, pointing out that it failed to put forward any argument in support of its assertion that the torch shape was devoid of distinctive character; nor did it set out the circumstances in which the average purchaser could perceive a torch shape as indicating the origin of the goods.

9. The Board of Appeal disregarded a number of matters showing that the marks claimed had distinctive character: an expert's opinion on the originality, creativity and distinctiveness of the shapes in question and an offer that the author of the opinion give evidence; a number of references in the specialist literature; the fact that the shapes are on display in various museums; the fact that they have won international awards; and decisions of various courts and of the administrative authorities in a number of countries.

To the same end, the appellant provided evidence that low-quality imitations had been sent in for repair and that copies of its goods were being sold with the claim that they had 'the cult Mag Lite torch design'.

10. The Court of First Instance, Fourth Chamber, dismissed the application in its judgment in Case T-88/00,<sup>3</sup> which it begins by pointing out that the essential function of a trade mark is to guarantee the origin of the marked goods or services to the consumer or end user. To that end, Article 7(1)(b) of Regulation No 40/94 draws no distinction between categories of mark and accordingly it is not appropriate to apply more stringent criteria or impose stricter requirements when assessing the distinctiveness of three-dimensional marks comprising the shape of the goods themselves.<sup>4</sup> In addition, in assessing distinctiveness, regard must be had to the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect.<sup>5</sup>

11. For the purposes of examining the specific marks in question, the Court of First Instance noted that what distinguished them was the fact that they were cylindrical, which is a common shape for a torch, and that in the case of four of them, the cylindrical shape opens out at the end where the bulb is, whereas the fifth is cylindrical all the way down. All the shapes are used by other manufacturers of torches so that the marks claimed give the consumer an indication as

3 — Case T-88/00 *Mag Instrument v OHIM* [2002] ECR II-467.

4 — Paragraphs 31 and 32 of the judgment under appeal.

5 — Paragraph 35 of the judgment under appeal.

to the nature of the product, rather than enabling the product to be differentiated and linked to a specific commercial source.<sup>6</sup>

**Proceedings before the Court of Justice**

14. The appeal was received at the Registry of the Court of Justice on 11 April 2002.

12. As regards the aesthetic qualities and unusually original design, they are variants of a common torch shape rather than shapes capable of differentiating the goods and indicating a given commercial origin.<sup>7</sup>

15. Mag Instrument and the Office submitted written observations and attended the public hearing on 5 February 2004.

13. Finally, the judgment under appeal acknowledged the possibility that the average consumer might have become accustomed to recognising the appellant's goods by reference to their shape alone, but said that that was something that could only be taken into account in the context of the application of Article 7(3) of Regulation No 40/94, a provision not invoked by the appellant at any point in the proceedings. All the factors relied on by the appellant in order to demonstrate the distinctiveness of the marks claimed related to the possibility of the torches in question having acquired distinctiveness following the use made of them, and could not therefore be regarded as relevant for the purposes of assessing their inherent distinctiveness.<sup>8</sup>

**Analysis of the grounds for appeal**

16. In support of its appeal, Mag Instrument relies on seven grounds of appeal, most of which are based on alleged infringement of Article 7(1)(b) of Regulation No 40/94. They may be divided up as follows:

- first ground: misappraisal of the distinctiveness of the sign as a whole;
  
- second ground: failure to take account of relevant evidence;

6 — Paragraph 36 of the judgment under appeal.

7 — Paragraph 37 of the judgment under appeal.

8 — Paragraph 39 of the judgment under appeal.

- third ground: infringement of the right to a hearing; *Preliminary observation*

- fourth ground: misappraisal of distinctiveness based on arbitrary assumptions;

18. As Article 7(1) of Regulation No 40/94 makes clear, it is sufficient that one of the absolute grounds for refusal listed should obtain in order for a sign not to be registrable as a Community trade mark.<sup>9</sup>

- fifth ground: misappraisal of distinctiveness based on general unsubstantiated assumptions;

19. It is true that the Board of Appeal found that the contested signs were not capable of being registered because they infringed the absolute grounds for refusal in Article 7(1) (b) and (c) of the Regulation.

- sixth ground: misappraisal of distinctiveness as a result of applying excessively stringent criteria;

None the less the action for annulment before the Court of First Instance was based exclusively on Article 7(1)(b), and the Court of Justice accordingly only has to rule on the pertinence of the absolute ground for refusal in that provision.

- seventh ground: misappraisal of distinctiveness as a result of taking the view that the shapes were usual shapes.

Therefore if this Court reaches the conclusion that the judgment under appeal ought to be set aside because the signs have the necessary specific distinctiveness, not all the obstacles to its registration will have been

17. For the purposes of analysis it is necessary to group the grounds according to the nature of the infringement alleged.

<sup>9</sup> — Judgment in Case C-104/00 P *DKV v OHIM (Companyline)* [2002] ECR I-7561, paragraph 29.

overcome. I shall still consider whether the Board of Appeal was wrong in applying Article 7(1)(c).

*First, sixth and seventh grounds of appeal: misappraisal of specific distinctiveness*

20. As I argued in my Opinion in the case of *Henkel v OHIM*,<sup>10</sup> it is preferable initially to classify signs comprising the shape of goods by reference to Article 7(1)(c) of the Regulation, so that the Examiner considers whether the sign in respect of which registration is sought essentially conveys the idea of the goods formed by the average consumer and if not he would have to refuse it registration on the basis of Article 7(1)(c) because it constitutes a new graphic description of the goods.

21. If Article 7(1)(c) applies, that also opens up the possibility of allowing without question reliance on the availability requirement which would authorise the Examiner to weigh considerations regarding the future, when considering the suitability of a shape to be a trade mark. It none the less seems doubtful that those availability requirements can be applied in all cases in the context of Article 7(1)(b) of the Regulation.

22. By these grounds the appellant is challenging the manner in which the Court of First Instance assessed the capacity of the shapes claimed actually to distinguish goods of a given commercial origin.

23. First it claims that the judgment did not take account of the overall impression conveyed by the three-dimensional signs in question. The Court of First Instance should have specified the optical and aesthetic criteria characterising each of the marks taken as a whole, the description given of each torch being insufficient. Mag Instrument dealt with this in detail under the following headings: 'Shape', 'Structure of the surface', 'Quality of the surface' and 'Overall impression'.

24. This ground must be rejected. On the one hand, the judgment under appeal did not undertake an examination of all the parts of the signs in question without addressing the resultant impression conveyed as a whole. It simply stated that the shapes (entirely cylindrical or widening out at the end) were

<sup>10</sup> — Joined Cases C-456/01 P and C-457/01 P, judgment not yet delivered.

usual for torches and that they did not enable the consumer to differentiate the product or to associate it with any particular commercial origin.

On the other hand, it is not clear that the appellant required the Court of First Instance to take to its conclusion its analysis relating to specific criteria or to particular aspects of the trade marks and to that extent the ground of appeal is therefore new and must be declared inadmissible because it was not advanced at the correct time before the court below.

25. The sixth ground of appeal amounts to a critique of the judgment under appeal for having applied more stringent criteria in assessing the distinctiveness of a shape of goods mark than those applied to other categories of trade mark.

26. According to the appellant, after correctly pointing out, at paragraphs 32 and 34, that the same kinds of criteria and requirements apply to all the various categories of trade mark and that minimal distinctive character is sufficient in order for Article 7(1)(b) of the regulation not to apply, the judgment under appeal confined itself to stating that the signs in question are 'variants of a common torch shape'. In its view, the Court of First Instance should have con-

cluded from the judgment in the *Baby-Dry* case<sup>11</sup> that, in the case of shape marks, any perceptible difference compared to usual goods is sufficient to confer on them the necessary distinctiveness for them to be registrable.

If the shapes are 'variants' of a shape, the appellant continues, there is no doubt that there are differences or modifications between them and accordingly, by not recognising them to be distinctive, the Court of First Instance applied a test that was more stringent than that used in relation to word marks.

27. This ground is based on an erroneous understanding of the judgment under appeal and is in any event not supported by the case-law cited.

28. In stating that the three-dimensional signs claimed are 'variants' of one of the common shapes of torches, the Court of First Instance is in fact saying that such signs are

<sup>11</sup> — Case C-383/99 [2001] ECR I-6251.

no more than ‘manifestations’ of that common shape. For the same reason it immediately afterwards observes that they are not capable of distinguishing the goods.

As much may be inferred from paragraph 36 of the judgment under appeal, in so far as it states that the marks in all the applications ‘correspond to shapes commonly used by other torch manufacturers on the market’.

29. Further, whilst acknowledging that by those words the Court of First Instance found that there was some difference between the shapes sought and commonly sold goods, that does not mean that by disregarding that difference it infringed Article 7(1)(b) of the Regulation.

30. The test of ‘any perceptible difference’ between the marks to be compared can certainly comprise ‘any difference however small’.

But that minimal test does not seem sufficient to guarantee that the trade marks fulfil their identificatory function.

31. That is why in my Opinion in the *Postkantoor* case<sup>12</sup> I suggested that a difference will be regarded as perceptible if it affects important components of either the form of the sign or its meaning. As regards form, a perceptible difference arises where, as a result of the unusual or imaginative nature of the word combination, the neologism itself is more important than the sum of the terms of which it is composed. As regards meaning, a difference will be perceptible provided that whatever is evoked by the composite sign is not identical to the sum of that which is suggested by the descriptive components.<sup>13</sup>

32. Advocate General Jacobs has also suggested in his Opinion in the *Doublemint* case<sup>14</sup> that differences in regard to the registration of a trade mark must be ‘more than minimal’.<sup>15</sup>

33. With regard to Article 5(1)(a) of the Trade Mark Directive<sup>16</sup> the Court of Justice has recently stated that a sign is identical with a trade mark, where taken as a whole,

12 — Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619.

13 — Paragraph 70 of the Opinion.

14 — Case C-191/01 P *OHIM v Wrigley* [2003] ECR I-12447.

15 — Paragraph 76 of the Opinion.

16 — First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1).

the differences are so insignificant as to go unnoticed by the average consumer.<sup>17</sup>

First Instance regarding words which contain some minor perceptible difference in the way in which the relevant goods are designated.

34. The judgment in *Postkantoor*; on the other hand, found that a perceptible difference between the word and the mere sum of its parts assumes that either, because of the unusual nature of the combination in relation to the goods or services, the word creates an impression which is sufficiently far removed from that produced from the mere combination of meanings lent by the elements of which it is composed, with the result that the word is more than the sum of its parts, or the word has become part of everyday language and has acquired its own meaning, with the result that it is now independent of its components. In the second case, it is necessary to ascertain whether a word which has acquired its own meaning is not itself descriptive for the purpose of the same provision.<sup>18</sup>

36. Accordingly, even if the Court of First Instance had found certain differences between the marks sought and the usual presentation of the goods covered, it did not apply to signs composed of the shape of the goods more stringent criteria than those applied in the case of other categories of trade mark.

37. The seventh ground of appeal seeks to criticise the finding in paragraph 37 of the judgment under appeal that 'the average consumer is accustomed to seeing shapes similar to those at issue here in a wide variety of designs'.

According to the appellant, that fact demonstrates that the average consumer pays attention to the image of the goods and thus to different variants as an indication of origin.

35. In addition, the judgments in *Company-line*<sup>19</sup> and *Universaltelefonbuch, Universalkommunikationsverzeichnis*,<sup>20</sup> and *Streamserve*<sup>21</sup> confirmed the view of the Court of

38. This ground of appeal cannot be upheld. The Court of First Instance did not give that statement the general scope which is sought to be attributed to it. It merely observed that

17 — Case C-291/00 *LTI Diffusion* [2003] ECR I-2799, paragraph 53.

18 — *Postkantoor*, cited in footnote 12, paragraph 100.

19 — *DKV v OHIM*, cited in footnote 9 above.

20 — Case C-326/01 P *Telefon & Buch v OHIM* [2004] ECR I-1371.

21 — Case C-150/02 P *Streamserve v OHIM* [2004] ECR I-1461.

the contested torches are not sufficiently different from other torches.

39. For the reasons given the first, sixth and seventh grounds of appeal must thus be rejected.

*Second, fourth and fifth grounds of appeal; misappraisal of the facts relating to distinctiveness*

40. By its second ground of appeal, Mag Instrument claims that the examination undertaken by the Court of First Instance is vitiated by error of law in that it fails to take account of relevant facts and evidence submitted to it.

The appellant refers in particular to the expert's opinion, the references in the literature, the displays in various museums, the international prizes and the fact that counterfeits of its goods are attributed to it even though they do not bear the trade mark.<sup>22</sup>

<sup>22</sup> — See point 9 above.

41. In its view, the Court of First Instance erred in rejecting those facts, finding that they were only relevant to the acquisition of distinctiveness through use under Article 7 (3) of the Regulation when in fact they refer to particular characteristics of torches such as originality, creativity and distinctiveness; it is therefore not appropriate to link them with this type of acquisition of intellectual property rights through use as provided for in Article 7(3) which is intended to give protection against counterfeits which are attributed to it only if the public associates the shape of imitations with the appellant as a result of use in trade.

42. By the fourth ground of appeal, Mag Instrument criticises the Court of First Instance for having made its assessment of distinctiveness under Article 7(1)(b) of the Regulation on the basis of arbitrary assumptions, and not by reference to consumers' actual perception of the trade marks.

It refers to the seventh recital in the preamble to Regulation No 40/94 which states that the essential function of the trade mark is to serve as an indication of origin, and to Article 7(1) which refers to the function of signs 'in trade' (Article 7(1)(c)) and to the danger of 'the public' being deceived (Article 7(1)(g)). In its view, those

words require that a sign's distinctiveness be determined by reference to the relevant public's actual perception.

Both the Court of Justice, in paragraph 42 of its judgment in *Baby-Dry*,<sup>23</sup> in which it advocates '[putting] oneself in the shoes of an English-speaking consumer', and the Court of First Instance on various occasions,<sup>24</sup> have confirmed that that interpretation is correct.

43. The fifth ground of appeal goes into that criticism in greater depth. According to the appellant the judgment under appeal rejected the claim that the signs in question possessed distinctiveness, on the basis of general assumptions not supported by any factual evidence.

Mag Instrument argues that it may be inferred from Article 45 of Regulation No 40/94 (the trade mark shall be registered 'where an application meets the requirement of this Regulation'), and from the judgment of the Court of First Instance in *Das Prinzip der Bequemlichkeit*,<sup>25</sup> that it is for the body responsible for registration, and in its case the Court of First Instance, to show that the mark lacks distinctive character, which

entails producing factual evidence. In this judgment the Court of First Instance did not base its decision on the usualness of the shapes sought on any fact. It further failed to consider the arguments submitted during the proceedings which showed the originality, creativity and distinctiveness of the marks sought.

44. The three grounds are based on an incorrect interpretation of the way in which the Community Courts have to consider a sign's distinctiveness.

45. Since the judgment in *Gut Springenheide and Tusky*,<sup>26</sup> the Court of Justice has adopted a uniform criterion of general application which serves to determine whether the description, trade mark or promotional description or statement in question was liable to mislead the purchaser; based on the *presumed expectation of an average consumer* who is reasonably well informed and reasonably observant and circumspect, without ordering an expert's report or commissioning a consumer research poll.<sup>27</sup>

23 — Case C-383/99 *Procter & Gamble v OHIM*, cited in footnote 11 above.

24 — Case T-135/99 *Taurus Film v OHIM (Cine Action)* [2001] ECR II-379, paragraph 27; Case T-331/99 *Mitsubishi HiTec Paper Bielefeld v OHIM (Giroform)* [2001] ECR II-433, paragraph 24.

25 — Case T-138/00 *Erpo Möbelwerk v OHIM* [2001] ECR II-3739, paragraph 46.

26 — Case C-210/96 [1998] ECR I-4657.

27 — *Ibid.*, paragraph 31.

46. That test has been confirmed in identical terms in various judgments handed down in diverse fields.<sup>28</sup> Those areas include the sphere of trade marks.<sup>29</sup>

47. The Court of Justice recently stated, in addition, that the distinctive character of a sign consisting in the shape of a product must be assessed in the light of the same criterion.<sup>30</sup>

48. If a sign's capacity to distinguish can be assessed on the basis of a presumption as to what the average consumer who is reasonably well informed, reasonably circumspect and observant is capable of perceiving, it would seem to be unnecessary to undertake further investigations, analytical or comparative studies, expert's opinions or statistical research. Nor, further, do any of those forms of evidence by their existence relieve the Examiner or the Court of the need to exercise their own discretion based on the yardstick of the average consumer as defined by Community law.<sup>31</sup>

49. This type of test is the right one in particular where signs intended for the general public are concerned. It does not entail actual comparison of the signs sought to be registered with those in current use but with an ideal model composed of elements which naturally convey to the mind an image of the shape of the product.

50. It is by reference to that model, founded on a presumption, albeit objective, that assessment of the distinctiveness of a sign which represents goods or services intended for the average consumer must be undertaken. Only in the event of doubt or in specialised areas are the registration authorities or, where appropriate, the Court under an obligation to obtain outside evidence such as studies or opinions.<sup>32</sup>

51. On those grounds the Court of First Instance was entitled to take the view that no account need be taken of the various types of evidence adduced during the proceedings and it did not in doing so infringe any rule of law. The fourth and fifth grounds of appeal must therefore be rejected.

28 — See Case C-303/97 *Sektkellerei Kessler* [1999] ECR I-513, paragraph 36; Case C-220/98 *Estée Lauder* [2000] ECR I-117, paragraph 27; Case C-30/99 *Commission v Ireland* [2001] ECR I-4619, paragraph 32.

29 — See Case C-342/97 *Lloyd Schuhfabrik* [1999] ECR I-3819, paragraph 26.

30 — Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 63.

31 — See the Opinion of Advocate General Fennelly in Case C-220/98 *Estée Lauder*, cited in footnote 28 above, point 29.

32 — As the Court of First Instance did in *Giroform*, cited in footnote 24.

52. In addition, the second ground of appeal is invalid in so far as it impugns the reasons given for the refusal to take account of evidence which in fact was not key.

54. As I have stated under the preceding heading, the Court of First Instance was entitled to find that those facts were irrelevant. Accordingly, there was no infringement of the appellant's right to be heard.

*Third ground of appeal: infringement of the right to a hearing*

53. By its third ground of appeal, the appellant criticises the Court of First Instance for having failed to examine the facts and evidence submitted to demonstrate the inherent distinctiveness of the contested marks, thus infringing its right to be heard contrary to the second paragraph of Article 6 EU, read with Article 6 of the European Convention on the Protection of Human Rights and Fundamental Freedoms, and the first indent of paragraph 2 of Article 41 of the Charter of Fundamental Rights of the European Union.

**Costs**

55. Under Article 69(2) of the Rules of Procedure which apply to appeals by virtue of Article 118, the unsuccessful party is to pay the costs. Accordingly, if all of the grounds of appeal invoked by the appellant are rejected, as I propose, the appellant should be ordered to pay the costs of the appeal.

**Conclusion**

56. In view of my finding that all of the grounds invoked are irrelevant for the reasons given, I propose that the Court of Justice dismiss the appeal against the judgment of the Court of First Instance and order the appellant to pay the costs.