



Reports of Cases

OPINION OF ADVOCATE GENERAL
WATHELET
delivered on 11 June 2015¹

Case C-215/14

Société des Produits Nestlé SA
v
Cadbury UK Ltd

(Request for a preliminary ruling from the High Court of Justice of England & Wales, Chancery Division, Intellectual Property (United Kingdom))

(Trade marks — Directive 2008/95/EC — Article 3(1)(e) — Concept of ‘distinctive character acquired through use’ — Three-dimensional mark — Sign which consists of both the shape which results from the nature of the goods themselves and the shape which is necessary to obtain a technical result — ‘Kit Kat’ chocolate-coated fingers)

I – Introduction

1. The request for a preliminary ruling concerns the interpretation of Article 3(1)(b), 3(1)(e)(i) and (ii) and 3(3) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks² (‘the Trade Marks Directive’).
2. That matter was raised in proceedings between Société des Produits Nestlé SA (‘Nestlé’) and Cadbury UK Ltd (‘Cadbury’) concerning the opposition filed by the latter against Nestlé’s application to register a three-dimensional sign representing the shape of a four-finger chocolate-coated wafer bar as a trade mark in the United Kingdom.
3. The issue in this case is whether it is possible for an undertaking to secure a permanent monopoly by registering a three-dimensional sign as a trade mark.³

1 — Original language: French.

2 — OJ 2009 L 299, p. 25.

3 — Although the present case concerns the application to register a trade mark in the United Kingdom, the shape at issue was also registered as a Community trade mark for certain goods in class 30 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended (‘the Nice Agreement’). Cadbury filed an application for a declaration that that registration was invalid, that application being dismissed by a decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade marks and Designs) (OHIM). An action against that decision is currently pending before the General Court of the European Union, registered as case T-112/13, and proceedings have been stayed pending delivery of the judgment in the present case. A third application for registration procedure concerning a two-finger version of the trade mark at issue has been stayed by the OHIM Board of Appeal.

II – Legal framework

A – *EU law*

4. Article 3 of the Trade Marks Directive is worded as follows:

‘1. The following shall not be registered or, if registered, shall be liable to be declared invalid:

...

(b) trade-marks which are devoid of any distinctive character;

...

(e) signs which consist exclusively of:

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

...

3. A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character. Any Member State may in addition provide that this provision shall also apply where the distinctive character was acquired after the date of application for registration or after the date of registration.

...’

B – *United Kingdom law*

5. According to Section 3(1) of the Trade Marks Act 1994, trade marks which are devoid of any distinctive character are not to be registered unless, before the date of application for registration, they have in fact acquired a distinctive character as a result of the use made of them.

6. Under Section 3(2) of that act, a sign is not to be registered as a trade mark if it consists exclusively of the shape which results from the nature of the goods themselves or of the shape of goods which is necessary to obtain a technical result.

III – Facts of the dispute in the main proceedings

7. The product at issue in the main proceedings was placed on the market in the United Kingdom in 1935 by Rowntree & Co Ltd, under the name ‘Rowntree’s Chocolate Crisp’. In 1937, the name of the product was changed to ‘Kit Kat Chocolate Crisp’, and then shortened to ‘Kit Kat’. In 1988 Rowntree plc was acquired by Nestlé.

8. For a long period, the product was sold in two layers of packaging, the inner layer being silver foil and the outer layer being printed paper with a red and white logo bearing the words 'Kit Kat', but the current packaging consists of a single layer bearing that same logo. The logo's appearance has evolved over time, but has not changed greatly. It is currently represented as follows:



9. The basic shape of the product has remained almost entirely unchanged since 1935; only its size has been altered slightly. The current appearance of the product without its packaging is shown below:



10. It should be noted that each finger is embossed with the words 'Kit Kat' and with sections of the oval shape which form part of the logo.

11. On 8 July 2010, Nestlé sought to register the three-dimensional sign graphically represented below ('the trade mark') as a trade mark in the United Kingdom:



12. The trade mark applied for therefore differs from the actual shape of the product in that it omits the embossed words 'Kit Kat'.

13. The application was made in respect of the following goods in class 30 of the Nice Agreement: 'Chocolate; chocolate confectionery; chocolate products; confectionery; chocolate-based preparations; bakery goods; pastries; biscuits; biscuits having chocolate coating; chocolate coated wafer biscuits; cakes; cookies; wafers'.

14. The Trade Marks Registry of the United Kingdom Intellectual Property Office accepted the application and it was published for the purposes of opposition. The view was taken that, even if the trade mark has no inherent distinctive character, the applicant had shown that it had acquired distinctive character following the use made of it.

15. On 28 January 2011 Cadbury filed a notice of opposition to the application for registration based inter alia on the provisions of the Trade Marks Act 1994 which transpose Article 3(1)(b), Article 3(1)(e)(i) and (ii) and Article 3(3) of the Trade Marks Directive.

16. By decision of 20 June 2013, the examiner of the United Kingdom Intellectual Property Office found that the trade mark was devoid of inherent distinctive character and that it had not acquired such a character following the use which had been made of it.

17. The examiner found that the shape in respect of which registration was sought had three features:

- the basic rectangular slab shape;
- the presence, position and depth of the grooves running along the length of the bar, and
- the number of grooves, which, together with the width of the bar, determine the number of 'fingers'.

18. According to the examiner, the first of those features is a shape which results from the nature of the goods themselves and cannot, therefore, be registered, except in respect of ‘cakes’ and ‘pastries’, for which the shape of the trade mark departs significantly from norms of the sector. Since the other two features are necessary to obtain a technical result, he rejected the application for registration as to the remainder.

19. On 18 July 2013, Nestlé appealed against that decision to the High Court of Justice of England & Wales, Chancery Division, Intellectual Property (United Kingdom), challenging the conclusion that the trade mark had not acquired distinctive character through the use made of it prior to the relevant date. Moreover, Nestlé claims that the trade mark does not consist exclusively of either the shape which results from the nature of the goods themselves, or the shape which is necessary to obtain a technical result.

20. By a cross-appeal filed on the same day, Cadbury challenges the decision in so far as it found that the trade mark had inherent distinctive character in respect of cakes and pastries and that it did not consist exclusively of either the shape resulting from the nature of the goods themselves or the shape necessary to obtain a technical result.

21. The High Court of Justice takes the view, first of all, that the examiner should not have made a distinction between, on the one hand, cakes and pastries and, on the other, all the other goods in class 30 of the Nice Agreement, either in relation to the proof of distinctive character of the trade mark or to the applicability of Article 3(1)(e)(i) and (ii) of the Trade Marks Directive.

22. Secondly, as regards the question of whether the trade mark had acquired distinctive character through the use made of it prior to the relevant date, the referring court, after reviewing the relevant case-law, seeks to ascertain whether, in order to establish that a trade mark has acquired distinctive character, it is sufficient that, at the relevant date, a significant proportion of the relevant class of persons recognises the trade mark and associates it with the applicant’s goods. The referring court takes the view that the applicant must prove that a significant proportion of the relevant class of persons regards the trade mark (as opposed to any other trade mark which may also be present) as indicating the origin of the goods.

23. Finally, as concerns the shape resulting from the nature of the goods themselves and the shape necessary to obtain a technical result, the referring court points out that there is little case-law relating to Article 3(1)(e)(i) and (ii) of the Trade Marks Directive.

24. Given its doubts in relation to Nestlé’s argument that it is clear from the wording of Article 3(1)(e)(ii) of the Trade Marks Directive, as interpreted by the case-law of the Court, that an application to register a sign can be refused only if all its essential features consist of features of shape which are necessary to obtain a technical result, the referring court prefers to follow Cadbury’s line of argument that neither the wording of Article 3(1)(e) of the Trade Marks Directive nor the objectives that it pursues suggests that a shape, one of the essential features of which results from the nature of the goods themselves (within the meaning of Article 3(1)(e)(i) of the Trade Marks Directive) and the other two essential features of which are necessary to obtain a technical result (within the meaning of Article 3(1)(e)(ii) of that directive), may be registered because none of those grounds for refusal applies to all three features.

25. Moreover, the referring court is reluctant to take Nestlé’s view that it is clear from the judgments in *Philips* (C-299/99, EU:C:2002:377, paragraph 78) and *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516, paragraph 84) that Article 3(1)(e)(ii) of the Trade Marks Directive is applicable where the shape is necessary to obtain a technical result with regard to the function of the goods, but not where the shape is simply necessary to obtain a technical result with regard to the manner in which the goods are manufactured.

IV – Request for a preliminary ruling and procedure before the Court

26. It is in that context that the High Court of Justice decided to stay proceedings and to refer the following questions to the Court for a preliminary ruling:

- (1) In order to establish that a trade mark has acquired distinctive character following the use that had been made of it within the meaning of Article 3(3) of [the Trade Marks Directive], is it sufficient for the applicant for registration to prove that at the relevant date a significant proportion of the relevant class of persons recognise the mark and associate it with the applicant's goods in the sense that, if they were to consider who marketed goods bearing that mark, they would identify the applicant; or must the applicant prove that a significant proportion of the relevant class of persons rely upon the mark (as opposed to any other trade marks which may also be present) as indicating the origin of the goods?
- (2) Where a shape consists of three essential features, one of which results from the nature of the goods themselves and two of which are necessary to obtain a technical result, is registration of that shape as a trade mark precluded by Article 3(1)(e)(i) and/or (ii) of [the Trade Marks Directive]?
- (3) Should Article 3(1)(e)(ii) of [the Trade Marks Directive] be interpreted as precluding registration of shapes which are necessary to obtain a technical result with regard to the manner in which the goods are manufactured as opposed to the manner in which the goods function?

27. Written observations were submitted by the parties to the main proceedings, the German, Polish and United Kingdom Governments and the European Commission.

28. They all also presented oral argument at the hearing on 30 April 2015.

V – Analysis

A – Preliminary observation on the applicable directive

29. The directive of which interpretation is sought is the Trades Marks Directive. However, the relevant case-law relates, essentially, to First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks.⁴

30. References to that case-law are nevertheless relevant. As the Court stated in its judgment in *Oberbank and Others* (C-217/13 and C-218/13, EU:C:2014:2012, paragraph 31), in relation to the equivalent provisions of First Directive 89/104, the provisions of the Trade Marks Directive at issue in the present case were not substantively amended, as regards their wording, context or purpose. Pursuant to recital 1 in the preamble thereto, the Trade Marks Directive merely codified First Directive 89/104.

31. As concerns, more specifically, Article 3(1) of the Trade Marks Directive, the bare indents in the list under Article 3(1)(e) were replaced by Roman numerals (i), (ii) and (iii). The 'or' between the first and second indents and between the second and third indents of Article 3(1)(e) of First Directive 89/104 was also removed from the language versions in which it appeared.⁵

4 — OJ 1989 L 40, p. 1.

5 — See, for example, the English and German versions as compared to the French and Italian versions.

B – *The first question referred for a preliminary ruling*

32. Under Article 3(1)(b) of the Trade Marks Directive, trade marks which are devoid of any distinctive character are not to be registered. However, Article 3(3) of that directive provides for a derogation from that rule by stating that such a trade mark may be registered if, before the date of application for registration and following the use which has been made of it, it has acquired such distinctive character.

33. By its first question, the referring court asks the Court whether, in order to prove that a trade mark has acquired that ‘distinctive character following the use that had been made of it’, within the meaning of Article 3(3) of the Trade Marks Directive, it is sufficient for the applicant for registration to prove that at the relevant date a significant proportion of the relevant class of persons recognises the mark and associates it with the applicant’s goods in the sense that if they were to consider who marketed goods bearing that mark, they would identify the applicant, or whether the applicant must prove that a significant proportion of the relevant class of persons relies upon the mark (as opposed to any other trade marks which may also be present) as indicating the origin of the goods.

34. According to the High Court of Justice, the question reflects continuing uncertainty on the part of the English courts, even though they have already made two requests to the Court for a preliminary ruling on this subject.⁶

35. This case therefore presents the Court with an opportunity to determine whether merely proving that the shape of goods which have been placed on the market is recognised by a substantial proportion of the relevant public as *designating* the goods of a particular trader is sufficient in order to establish that a trade mark has acquired distinctive character following the use made of it, or whether it must be shown that the shape is used and relied upon by the relevant public as a *guarantee of trade origin*.⁷

1. The function of a trade mark: to identify or guarantee the identity of the origin of goods

36. As is clearly defined in the Court’s settled case-law, the function of a trade mark is an essential element of its distinctive character.

37. According to Article 3(1)(b) of the Trades Mark Directive, the distinctive character of a trade mark is one of the general prerequisites for the registration of a trade mark. That distinctive character, which may be inherent or acquired through the use made of the trade mark, means that the trade mark must serve to identify the product or service in respect of which registration has been sought as originating from a particular undertaking, and thus to distinguish that product or service from those of other undertakings.⁸

6 — The Court, however, has not yet had occasion to answer this question. The first case was withdrawn (order of the President of the Court in *Nestlé*, C-7/03, EU:C:2003:268) and in the second case, the Court found that the sign was not capable of constituting a trade mark and gave a ruling on the basis of Article 2 of First Directive 89/104, without addressing the question as to whether it had acquired distinctive character through use within the meaning of Article 3 of that directive (judgment in *Dyson*, C-321/03, EU:C:2007:51).

7 — That rewording of the first question referred for a preliminary ruling by the referring court is a combination of the second and third questions referred by the High Court of Justice (England & Wales), Chancery Division, in the case which gave rise to the order of the President of the Court in *Nestlé* (C-7/03, EU:C:2003:268).

8 — See judgments in *Philips* (C-299/99, EU:C:2002:377, paragraph 35) and *Oberbank and Others* (C-217/13 and C-218/13, EU:C:2014:2012, paragraph 38).

38. In other words, ‘the essential function of a trade mark is to guarantee *the identity of the origin of the product or service designated* by the mark to the consumer or end-user by enabling him, *without any possibility of confusion*, to distinguish that product or service from others which have another origin’.⁹ The trade mark ‘must offer a guarantee that all the goods or services designated by it have been manufactured by, or supplied under the control of, a single undertaking which is responsible for their quality’.¹⁰

39. The trade mark not only enables its proprietor to distinguish himself from his competitors, but also provides a guarantee to the consumer or end-user that *all the goods or services covered* by the sign constituting the trade mark have *the same trade origin*.¹¹

40. Moreover, that distinctive character, whether inherent or acquired through use, must be assessed, on the one hand, in relation to the goods or services in respect of which registration is sought, and on the other hand, in the light of the perception of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect.¹²

41. As was very recently fully explained by the Court, ‘[i]t must always be determined whether ... a mark permits the average consumer [of the] product [concerned], who is reasonably well informed and reasonably observant and circumspect, to distinguish the product concerned from those of other undertakings without conducting an analytical examination and without paying particular attention’.¹³ In other words, the trade mark, ‘as perceived by the relevant public, [must be] capable of individualising the goods covered by that trade mark and distinguishing them from those which have a different commercial origin’.¹⁴

42. It is clear from that case-law that it is not sufficient for the applicant for registration to prove that the average consumer of the category of goods or services at issue, who is reasonably well informed and reasonably observant and circumspect, recognises the trade mark and associates it with his goods. He must prove that, for that average consumer, who is reasonably well informed and reasonably observant and circumspect, the trade mark in respect of which registration is sought (as opposed to any other trade marks which may also be present) indicates the exclusive origin of the goods concerned, without any possibility of confusion.

2. The limitations as regards evidence of the use of a sign as a component of a registered trade mark or in conjunction with a registered trade mark

43. According to Nestlé, a trade mark need not necessarily have been used independently in order for it to have acquired distinctive character through the use which has been made of it. The identification of the trade mark, and thus the acquisition of distinctive character, may be as a result of the use, as part of a registered trade mark, of a component thereof or of the use of a separate mark in

9 — Judgment in *Philips* (C-299/99, EU:C:2002:377, paragraph 30), my emphasis. This is the Court’s settled case-law. See, inter alia, judgments in *Hoffmann-La Roche* (102/77, EU:C:1978:108, paragraph 7); *HAG GF* (C-10/89, EU:C:1990:359, paragraph 14); *Loendersloot* (C-349/95, EU:C:1997:530, paragraph 24); *Canon* (C-39/97, EU:C:1998:442, paragraph 28), and *Pi-Design and Others v Yoshida Metal Industry* (C-337/12 P to C-340/12 P, EU:C:2014:129, paragraph 42).

10 — Judgment in *Philips* (C-299/99, EU:C:2002:377, paragraph 30). As explained by Professor Monteagudo, the trade mark is not simply the ‘sign’ at issue but the link between the sign and the product (or service) to which it relates and which is capable of distinguishing or individualising that product (or service) from other identical or similar ones offered by others. This is the predominant function of the trade mark, namely, to identify the origin of goods [Monteagudo, M., ‘Los requisitos de validez de una marca tridimensional (Comentario a la Sentencia del TJCE de 18 de junio de 2002, asunto C-299/99, caso “Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd”)], *Actas de derecho industrial y derecho de autor*, 2002, pp. 391 to 408, especially p. 397].

11 — Basire, Y., ‘La fonction patrimoniale de la marque’, *Légicom* No 44, 2010, pp. 17 to 26, especially pp. 24 and 25.

12 — See, to that effect, judgments in *Philips* (C-299/99, EU:C:2002:377, paragraphs 59 and 63); *Nestlé* (C-353/03, EU:C:2005:432, paragraph 25), and *Oberbank and Others* (C-217/13 and C-218/13, EU:C:2014:2012, paragraph 39).

13 — Judgment in *Voss of Norway v OHIM* (C-445/13 P, EU:C:2015:303, paragraph 92).

14 — *Ibid.* (paragraph 94).

conjunction with a registered trade mark. In those cases, it is sufficient that, as a consequence of such ‘combined’ use, the relevant class of persons actually perceives the product or service, designated by the trade mark for which registration is applied for in conjunction with another component, as originating from a given undertaking.

44. I do not share that interpretation.

45. Admittedly, the Court has already had occasion to state that, with regard to acquisition of distinctive character through use, the identification, by the relevant class of persons, of the product or service as originating from a given undertaking must be as a result of the use of the mark ‘as a trade mark’, without that necessarily implying that the mark for which registration is sought has been used independently.¹⁵

46. According to the Court, the expression ‘use of the mark as a trade mark’ must be understood as referring solely to use of the mark for the purposes of the identification by the relevant class of persons of the product or service as originating from a given undertaking. Yet, such identification, and thus acquisition of distinctive character, may equally well be as a result of the use, as part of a registered trade mark, of a component thereof or of the use of a separate mark in conjunction with a registered trade mark.¹⁶

47. However, in the judgment in *Nestlé* (C-353/03, EU:C:2005:432), the Court was careful to specify that, in any event, ‘it is sufficient that, *in consequence of such use*, the relevant class of persons actually perceive the product or service, *designated exclusively by the mark applied for*, as originating from a given undertaking’.¹⁷

48. In other words, although the trade mark for which registration is sought may have acquired distinctive character when used in conjunction with another trade mark, it must, at a given time, in order to be eligible for protection as a trade mark in its own right, be capable of fulfilling the function of identifying the origin of the goods by itself.

49. That evidentiary issue was very well explained, in a situation concerning a composite mark, by Advocate General Kokott in her Opinion in *Nestlé* (C-353/03, EU:C:2005:61), where it is stated that ‘it is not sufficient for the purposes of demonstrating acquisition of distinctive character, as a result of use as a part of a composite mark, to provide documentary evidence of use of the overall mark. Rather it must also be demonstrated that the relevant class of persons understand the element in question, if used separately, to designate a product as originating from a specific undertaking, thus distinguishing it from products of other undertakings’.¹⁸

50. As the Court expressly stated in its interpretation of Article 7(3) of Regulation No 40/94, ‘regardless of whether the sign is used as part of a registered trade mark or in conjunction with the registered trade mark, *the fundamental condition* is that, as a consequence of that use, *the sign for which registration as a trade mark is sought* [and that sign alone, I would add, for the sake of completeness] may serve to identify, in the minds of the relevant class of persons, the goods to which it relates as originating from a particular undertaking’.¹⁹

15 — See, to that effect, judgment in *Nestlé* (C-353/03, EU:C:2005:432, paragraphs 26 and 27).

16 — See, to that effect, judgment in *Nestlé* (C-353/03, EU:C:2005:432, paragraphs 29 and 30). See also, with regard to Article 7(3) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), which corresponds, in essence, to Article 3(3) of the Trade Marks Directive, judgment in *Colloseum Holding* (C-12/12, EU:C:2013:253, paragraph 27).

17 — Paragraph 30, my emphasis.

18 — Point 43.

19 — Judgment in *Colloseum Holding* (C-12/12, EU:C:2013:253, paragraph 28). My emphasis.

51. That interpretation is confirmed by the clarification provided by the Court in the same case, according to which a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must *continue* to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’.²⁰

52. In the context of the main proceedings, the question at issue is, therefore, whether the shape for which Nestlé seeks registration as a trade mark, when used independently of its packaging or of any reference to the term ‘Kit Kat’, serves to identify the product, to the exclusion of any other trade mark which may also be present, as being, without any possibility of confusion, the Kit Kat wafer bar sold by Nestlé.²¹

53. It is for the competent authority to determine whether the relevant class of persons, or at least a significant proportion thereof, identifies, *because of the trade mark in question*, the product or service as originating from a particular undertaking, in the sense of having the same commercial origin.²²

54. However, it would seem to me that precisely determining the legal identity of the producer undertaking — in this case Nestlé as opposed to Cadbury — goes beyond the knowledge which can reasonably be expected of the relevant class of persons as defined in the case-law of the Court, in other words the perception of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect.²³

55. Consequently, in view of the foregoing, I consider that the answer to the first question referred for a preliminary ruling should be that it is not sufficient for the applicant for registration to prove that the relevant class of persons recognises the trade mark in respect of which registration is sought and associates it with the applicant’s goods or services. He must prove that only the trade mark in respect of which registration is sought, as opposed to any other trade marks which may also be present, indicates, without any possibility of confusion, the exclusive origin of the goods or services concerned.

C – *The second question referred for a preliminary ruling*

56. The shape at issue in the main proceedings has three essential features: the first results from the nature of the goods themselves and the other two are necessary to obtain a technical result.

57. Accordingly, the referring court enquires whether registration of that shape as a trade mark is precluded by Article 3(1)(e)(i) and/or (ii) of the Trade Marks Directive. In other words, the referring court essentially seeks to ascertain whether the criteria set out in Article 3(1)(e) of the Trade Marks Directive may be applied cumulatively.

20 — Ibid. (paragraph 35).

21 — Although the term ‘Kit Kat’ is embossed on each of the fingers which make up the ‘Kit Kat’ biscuit, the shape in respect of which registration is sought is, in itself, devoid of any lettering and could, potentially, be identified by the relevant public as relating to products of other undertakings. In that case, it would not have the required distinctive character. That is a matter for the referring court to determine.

22 — See, to that effect, Basire, Y., ‘La fonction patrimoniale de la marque’, *Légicom* No 44, 2010, pp. 17 to 26, especially p. 25.

23 — Judgments in *Philips* (C-299/99, EU:C:2002:377, paragraphs 59 to 63); *Nestlé* (C-353/03, EU:C:2005:432, paragraph 25), and *Oberbank and Others* (C-217/13 and C-218/13, EU:C:2014:2012, paragraph 39).

1. Preliminary observations on the objective pursued by Article 3(1)(e) of the Trade Marks Directive

58. Trade mark law constitutes an essential element in the system of competition in the European Union. In that system, as indicated above in my examination of the first question referred, each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs enabling the consumer or end-user, without any possibility of confusion, to distinguish those goods or services from others which have another origin.²⁴

59. A product's shape is a sign which may constitute a trade mark provided that it is capable, like all other signs defined under Article 2 of the Trade Marks Directive, of distinguishing the products or services of one undertaking from those of other undertakings, subject to the grounds for refusal or invalidity provided for in Article 3 of that directive.

60. Those grounds for refusal of registration must be interpreted in the light of the public interest underlying each of them.²⁵ The rationale of Article 3(1)(e) of the Trade Marks Directive, in laying down grounds for refusal of registration, 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 also likely to seek in the products of competitors.²⁶ Article 3(1)(e) is thus intended to prevent the protection conferred by the trade mark right from being extended, beyond signs which serve to distinguish a product or service from those offered by competitors, so as to form an obstacle preventing competitors from freely offering for sale products incorporating such technical solutions or functional characteristics in competition with the proprietor of the trade mark.²⁷

61. In other words, as the Court very recently held in the judgment in *Hauck* (C-205/13, EU:C:2014:2233), the immediate aim of the prohibition on registering shapes which result from the nature of the goods themselves, referred to in Article 3(1)(e)(i) of the Trade Marks Directive, or purely functional shapes, provided for in Article 3(1)(e)(ii), or those which give substantial value to the goods, in Article 3(1)(e)(iii), 'is to prevent the exclusive and permanent right which a trade mark confers from serving to extend indefinitely the life of other rights which the EU legislature has sought to make subject to limited periods'.²⁸

62. The three grounds laid down in Article 3(1)(e) of the Trade Marks Directive serve to keep in the public domain the essential characteristics of the product concerned which are reflected in its shape.²⁹

2. The possibility of cumulatively applying the three grounds laid down in Article 3(1)(e) of the Trade Marks Directive

63. The answer to the second question referred for a preliminary ruling can be found in the judgment in *Hauck* (C-205/13, EU:C:2014:2233).

24 — See, to that effect, judgment in *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516, paragraph 38 and the case-law cited).

25 — See, to that effect, judgment in *Hauck* (C-205/13, EU:C:2014:2233, paragraph 17 and the case-law cited).

26 — *Ibid.* (paragraph 18).

27 — See, to that effect, judgment in *Philips* (C-299/99, EU:C:2002:377, paragraph 78).

28 — Paragraph 19. The Court also added, in paragraph 20 of that judgment, that 'the ground for refusal of registration set out in the first indent of Article 3(1)(e) of the trade marks directive pursues the same objective as the grounds set out in the second and third indents of that provision'. The rights referred to are essentially those conferred by legislation on industrial patents and designs [see, to that effect, the Opinion of Advocate General Ruiz-Jarabo Colomer in *Philips* (C-299/99, EU:C:2001:52, point 30)]. See also, as regards the difference in the purposes of that legislation, the Opinion of Advocate General Szpunar in *Hauck* (C-205/13, EU:C:2014:322, points 35 to 37). In legal literature, see, in particular, Vanbrabant, B., *La propriété intellectuelle — Nature juridique et régime patrimonial*, Larcier, Brussels, 2015 (not yet published), Volume 1, p. 352; Monteagudo, M., 'Los requisitos de validez de una marca tridimensional (Comentario a la Sentencia del TJCE de 18 de junio de 2002, asunto C-299/99, caso "Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd")', *Actas de derecho industrial y derecho de autor*, 2002, pp. 391 to 408, especially pp. 403 and 404).

29 — See, to that effect, as regards First Directive 89/104, the Opinion of Advocate General Szpunar in *Hauck* (C-205/13, EU:C:2014:322, point 28).

64. When asked whether Article 3(1)(e) of the Trade Marks Directive should be interpreted as meaning that the grounds for refusal of registration set out in subparagraphs (e)(i) and (ii) of that provision could be applied ‘in combination’, the Court replied that they could not.

65. However, the scope of that response should not be misconstrued. Although the Court concluded in *Hauck* that Article 3(1)(e) of First Directive 89/104 had to be interpreted as meaning that the grounds for refusal of registration set out in the first and third indents of that provision could not be applied in combination, it does not follow that the grounds for refusal laid down in Article 3(1)(e) of that directive (or of the Trade Marks Directive) may not be applied *cumulatively* to the same shape.

66. In the reasoning for its conclusion, the Court starts by stating that the three grounds for refusal of registration set out in Article 3(1)(e) of First Directive 89/104 (and, therefore, also the Trade Marks Directive) operate independently of one another. That means that each of those grounds must be applied independently of each of the other two.³⁰ Next, the Court infers from this that if any one of the criteria listed in that provision is satisfied, a sign consisting exclusively of the shape of the product or of a graphic representation of that shape cannot be registered as a trade mark.³¹ The Court points out, in that regard, that the fact that the sign in question could be refused registration on the basis of a number of grounds for refusal is irrelevant so long as any one of those grounds fully applies to that sign.³²

67. As suggested by Advocate General Szpunar in his Opinion in *Hauck* (C-205/13, EU:C:2014:322), that interpretation of Article 3(1)(e) of the Trade Marks Directive ‘therefore ... does not preclude a parallel assessment of the same circumstances to determine whether one or more of the grounds referred to in the individual indents obtains’.³³ What is ruled out, however, is the application of that provision to a situation where none of the three grounds set out in that provision is fully applicable.³⁴

68. This does mean, therefore, that the various grounds for refusal set out in Article 3(1)(e) of the Trade Marks Directive can be applied cumulatively to the same shape, provided that each of the grounds, or, in any event, at least one of them, ‘fully’ applies to that shape.

69. Any other interpretation would be contrary to the objective pursued by Article 3(1)(e) of the Trade Marks Directive, which is, as the Court has consistently held and as it reiterated in the judgment in *Hauck* (C-205/13, EU:C:2014:2233, paragraph 19), 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 competitors³⁵ or, more broadly, to prevent the exclusive and permanent right which a trade mark confers from serving to extend *indefinitely* the life of other rights which the EU legislature has sought to make subject to limited periods.³⁶

70. As stated by the Polish government in its written observations, each of the grounds for exclusion set out in Article 3(1)(e) of the Trade Marks Directive is intended to prevent the grant of a monopoly on features connected in different ways to the shape of the goods (by the nature of the goods themselves, by the need to obtain a technical result or by their substantial value). Consequently it

30 — Judgment in *Hauck* (C-205/13, EU:C:2014:2233, paragraph 39).

31 — *Ibid.* (paragraph 40). That inference is not new. The Court had interpreted the provision at issue in that way in its judgment in *Philips* (C-299/99, EU:C:2002:377, paragraph 76) and did so again in its judgment in *Benetton Group* (C-371/06, EU:C:2007:542, third indent of paragraph 26).

32 — Judgment in *Hauck* (C-205/13, EU:C:2014:2233, paragraph 41). My emphasis.

33 — Point 105.

34 — *Ibid.* (point 99).

35 — See, to that effect, in addition to the judgment in *Hauck* (C-205/13, EU:C:2014:2233), judgments in *Philips* (C-299/99, EU:C:2002:377, paragraph 78); *Linde and Others* (C-53/01 to C-55/01, EU:C:2003:206, paragraph 72), and *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516, paragraph 43).

36 — See, to that effect, judgment in *Hauck* (C-205/13, EU:C:2014:2233, paragraph 19), and, as regards technical solutions, judgment in *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516, paragraphs 45 and 46).

would be paradoxical to interpret that provision as prohibiting the cumulative application of those grounds since this would amount to claiming that the possibility of distinguishing, in one shape, more than one feature eligible for protection under Article 3(1)(e) would eliminate the need to protect any one of those features, or all of them.³⁷

71. In view of the foregoing, I consider that the answer to the second question referred for a preliminary ruling should be that Article 3(1)(e) of the Trade Marks Directive must be interpreted as precluding registration of a shape as a trade mark where that shape has three essential features, one of which results from the nature of the goods themselves and the other two of which are necessary to obtain a technical result, provided that at least one of those grounds fully applies to that shape.

D – *The third question referred for a preliminary ruling*

72. By its third question, the referring court asks the Court about the scope of Article 3(1)(e)(ii) of the Trade Marks Directive, which precludes registration of signs which consist of ‘the shape of goods which is necessary to obtain a technical result’. The referring court wishes to know, in essence, whether the terms ‘necessary to obtain a technical result’ apply only to the manner in which the goods in question function or whether they also apply to the manner in which they are manufactured.

73. A literal interpretation of Article 3(1)(e)(ii) of the Trade Marks Directive leads to the exclusion from its scope of shapes which result from the manufacturing process.

74. First, the provision refers expressly and exclusively to the shape of the ‘goods’, without mentioning the manufacturing process. Secondly, the shape that is referred to is that which is necessary to obtain a result. Chronologically, the goods precede the technical result. Only that result, which is necessarily the desired and intended consequence of the shape of the goods, is referred to in the wording of Article 3(1)(e)(ii) of the Trade Marks Directive.

75. It is possible, however, that that technical result may be obtainable only by means of a specific manufacturing process. Thus, in the main proceedings, it is the presence of grooves which gives the product the shape which is necessary to obtain the desired technical result, that is to enable consumers easily to separate the wafer ‘fingers’. The angle of the sides of the product and the angle of the grooves are determined by a specific chocolate moulding process, that is to say, the method of manufacture of the product.³⁸

76. Furthermore, based on the aim of the grounds for refusal of registration provided for in Article 3(1)(e) of the Trade Marks Directive, which 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 also likely to seek in the products of competitors, the Court has held, with regard to signs consisting exclusively of the shape of the product necessary to obtain a technical result, referred to in the second indent of Article 3(1)(e) of the First Directive 89/104, that ‘that provision is intended to preclude the registration of shapes whose essential characteristics perform a technical function, with the result that the exclusivity inherent in the trade mark right would limit the possibility of competitors supplying a product incorporating such a function *or at least limit their freedom of choice in regard to the technical solution they wish to adopt in order to incorporate such a function in their product*’.³⁹

37 — It is of some interest to note that, according to Ms Suthersanen’s commentary on the judgment in *Philips* (C-299/99, EU:C:2002:377), the possibility of cumulatively applying the three exceptions provided for in Article 3(1)(e) of First Directive 89/104 is not challenged. The question that arises is which tests must be carried out in order to determine whether a shape may be precluded from registration on the basis of just one (or of two, I might add) or of all three of the grounds laid down in that provision (Suthersanen, U., ‘The European Court of Justice in *Philips v Remington* — Trade Marks and Market Freedom’, *Intellectual Property Quarterly*, 2003, No 3, pp. 257 to 283, especially p. 258).

38 — According to the examiner’s observations reproduced by the referring court in paragraph 29 of the request for a preliminary ruling.

39 — Judgment in *Philips* (C-299/99, EU:C:2002:377, paragraph 79), my emphasis.

77. The use of the conjunction ‘or’, emphasised by the addition of the words ‘at least’, implies that Article 3(1)(e)(ii) of the Trade Marks Directive covers two distinct situations. The first involves the product as such (incorporating the intended function, that is to say the desired technical result). The second, which necessarily differs from the first, includes within the scope of the provision at issue the technical solution which the producer wishes to adopt in order to incorporate that function into his product. To speak of a technical solution adopted in order to incorporate a function into a product is clearly to paraphrase ‘manufacturing process’.⁴⁰

78. Consequently, I consider that the answer to the third question referred for a preliminary ruling should be that Article 3(1)(e)(ii) of the Trade Marks Directive must be interpreted as precluding registration as a trade mark of a shape which is necessary to obtain a technical result not only with regard to the manner in which the goods function, but also with regard to the manner in which they are manufactured.

VI – Conclusion

79. In the light of the foregoing, I propose that the Court give the following answers to the questions referred by the High Court of Justice of England & Wales, Chancery Division, Intellectual Property:

- (1) It is not sufficient for the applicant for registration to prove that the relevant class of persons recognises the trade mark in respect of which registration is sought and associates it with the applicant’s goods or services. He must prove that only the trade mark in respect of which registration is sought, as opposed to any other trade marks which may also be present, indicates, without any possibility of confusion, the exclusive origin of the goods or services at issue.
- (2) Article 3(1)(e) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as precluding registration of a shape where that shape has three essential features, one of which results from the nature of the goods themselves and the other two of which are necessary to obtain a technical result, provided that at least one of those grounds fully applies to that shape.
- (3) Article 3(1)(e)(ii) of Directive 2008/95 must be interpreted as precluding registration of a shape which is necessary to obtain a technical result not only with regard to the manner in which the goods function, but also with regard to the manner in which they are manufactured.

⁴⁰ — According to Iván L. Sempere Massa, there are several criteria for assessing whether the shape of goods performs a technical function. Among them, the author gives the example of a shape which has already been patented, but also that of a situation where a producer, in advertising the product, has made reference to the technical benefits that shape possesses in terms of its use *or its manufacture* (Sempere Massa, I., L., *La protección de las formas como marca tridimensional*, Tirant, Valencia, 2011, especially p. 101).