



## Reports of Cases

OPINION OF ADVOCATE GENERAL  
SZPUNAR  
delivered on 22 June 2017<sup>1</sup>

**Case C-163/16**

**Christian Louboutin,  
Christian Louboutin SAS**  
v  
**Van Haren Schoenen BV**

(Request for a preliminary ruling from the Rechtbank Den Haag (District Court of The Hague, Netherlands))

(Reference for a preliminary ruling — Trade marks — Directive 2008/95/EC — Absolute grounds for refusal or invalidity — Grounds applicable to signs consisting of the shape of the goods — Article 3(1)(e)(iii) — Sign consisting exclusively of the shape which gives substantial value to the goods — Scope — Concept of the ‘shape’ of the goods — Mark consisting of the colour red applied to the sole of a high-heeled shoe)

### Introduction

1. This reference for a preliminary ruling presents the Court with an opportunity to clarify the scope of the absolute grounds for refusal or invalidity of the so-called ‘functional’ signs to which Article 3(1)(e) of Directive 2008/95/EC<sup>2</sup> relates.
2. Those grounds apply only to signs consisting exclusively of the ‘shape of the goods’. It will thus be necessary to clarify this concept in relation to the Benelux trade mark held by the French fashion designer Mr Christian Louboutin, consisting of the colour red applied to the sole of a high-heeled shoe.
3. The reference has been made in the course of infringement proceedings between Mr Louboutin and Christian Louboutin SAS (together, ‘Louboutin’) and Van Haren Schoenen BV (‘Van Haren’) concerning the sale by Van Haren of shoes with red soles, alleged to infringe Louboutin’s trade mark.

<sup>1</sup> Original language: French.

<sup>2</sup> Directive of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25).

## Legal context

### *EU law*

4. Article 3 of Directive 2008/95, headed ‘Grounds for refusal or invalidity’, provides:

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

...

(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;

...’

5. Directive is to be replaced by Directive (EU) 2015/2436,<sup>3</sup> the deadline for transposition of which is 14 January 2019. Article 4(1)(e)(iii) of Directive 2015/2436 refers to signs which consist exclusively of ‘the shape, or another characteristic [of the goods] which gives substantial value to the goods’.<sup>4</sup>

### *The Benelux Convention*

6. Trade mark law in the Netherlands is governed by the Benelux convention on intellectual property (trade marks and designs), signed in the Hague on 25 February 2005 by the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands (‘the Benelux convention’).

7. Article 2.1 of the Benelux Convention, headed ‘Signs capable of constituting a Benelux trade mark’ provides inter alia that: ‘... Nevertheless, signs consisting exclusively of the shape which results from the nature of the goods themselves, which gives substantial value to the goods, or which is necessary to obtain a technical result shall not be regarded as trade marks’.

8. It is apparent from the order for reference that that convention has not yet been amended so as to transpose Directive 2015/2436.

## The main proceedings

9. Mr Christian Louboutin is a fashion designer who designs, amongst other things, high-heeled shoes for women. Those shoes have the particular feature that the outer sole is always red.

<sup>3</sup> Directive of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1).

<sup>4</sup> An identical provision appears in Article 7(1)(e) of Council Regulation (EC) No 207/2009 on the Community trade mark (OJ 2009 L 78, p. 1), as amended by Regulation (EU) No 2015/2424 of the European Parliament and of the Council of 16 December 2015 (OJ 2015, L 341, p. 21).

10. On 28 December 2009, Louboutin lodged an application for a trade mark which led to the registration, on 6 January 2010, for goods in Class 25, namely ‘footwear (other than orthopaedic footwear)’, of Benelux trade mark No 0874489 (‘the contested mark’). On 10 April 2013, the registration was amended so as to limit the goods covered to ‘high-heeled shoes (other than orthopaedic shoes)’.

11. The trade mark is described as consisting ‘of the colour red (Pantone 18 1663TP) applied to the sole of a shoe as shown (the contour of the shoe is not part of the trade mark but is intended to show the positioning of the mark)’. It is reproduced below:



12. Van Haren operates shoe retail outlets in the Netherlands. During 2012, Van Haren sold high-heeled women’s shoes with red soles.

13. Louboutin brought proceedings before the Rechtbank Den Haag (District Court of The Hague, Netherlands) seeking a finding of trade mark infringement on the part of Van Haren, which it obtained.

14. This judgment, given by default, was challenged by Van Haren by way of opposition under Article 2.1(2) of the Benelux convention, alleging that the contested mark was invalid.

15. In the order for reference, the Rechtbank Den Haag (District Court of The Hague) explains that Van Haren’s line of defence is based on the assertion that the contested mark is in fact a two-dimensional mark, more specifically the colour red which, when applied to the soles of shoes, conforms to the shape of the shoes and gives them substantial value.

16. The referring court considers that the mark at issue is not a simple two-dimensional mark in that it is inextricably linked to the sole of a shoe. It observes that, while it is clear that the contested mark is an element of the goods, it is unclear whether the concept of ‘shape’, within the meaning of Article 3(1)(e)(iii) of Directive 2008/95, is limited to three-dimensional properties of the goods, such as their contours, measurements and volume, to the exclusion of colours.

17. In this regard, the referring court considers that if it were to be held that the concept of ‘shape’ does not extend to the colours of goods, then the grounds for refusal set out in Article 3(1)(e)(iii) would be inapplicable. It would therefore be possible to obtain permanent protection for marks incorporating a colour resulting from a function of the goods, for example, in relation to reflective safety clothing, or bottles covered with insulating material.

## Questions referred and procedure before the Court

18. In those circumstances, the Rechtbank Den Haag (District Court of The Hague) decided to stay the proceedings and to refer the following question to the Court of Justice for a preliminary ruling:

‘Is the notion of ‘shape’ within the meaning of Article 3(1)(e)(iii) of Directive 2008/95 ... limited to the three-dimensional properties of the goods, such as their contours, measurements and volume (expressed three-dimensionally), or does it include other (non three-dimensional) properties of the goods, such as their colour?’

19. The order for reference was received at the Court Registry on 21 March 2016. Written observations were lodged by the parties to the main proceedings, the German, Hungarian, Portuguese and Finnish Governments, and the European Commission. The parties to the main proceedings, the German Government and the Commission attended the hearing, which took place on 6 April 2017.

## Analysis

### *Preliminary observations*

20. Trade mark rights constitute, on the one hand, an indispensable part of the system of competition which EU law seeks to establish and maintain. On the other hand, a registered mark confers on its proprietor an exclusive right, in relation to certain goods and services, that allows him to monopolise the sign registered as a trade mark for an unlimited period.<sup>5</sup>

21. While, generally speaking, these two factors do not conflict, that is not so in relation to signs which are indissociable from the appearance of the goods. The registration of such a sign as a trade mark may limit the ability of other undertakings to bring competing products onto the market.<sup>6</sup>

22. This premiss underlies the specific legislation, contained in Article 3(1)(e) of Directive 2008/95, applicable to signs consisting of the shape of the goods.

23. I observe that these considerations apply equally, *mutatis mutandis*, in relation to other signs which represent an aspect of the goods in respect of which registration is sought.

24. Thus, the Court has pointed out that signs consisting of colours per se give rise, in principle, to the same objections with regard to the risk of practical characteristics of goods being monopolised. In this regard, the need for a specific approach was recognised in *Libertel*.<sup>7</sup>

25. These two categories of signs, those consisting of the shape of the goods and those consisting of a colour per se, are subject to specific provision within the scheme of Directive 2008/95, as interpreted by the Court. It is therefore necessary, before the referring court’s question can be answered, to determine which of those two categories the contested sign belongs to.

<sup>5</sup> See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244, paragraphs 48 and 49).

<sup>6</sup> See Opinion in *Hauck* (C-205/13, EU:C:2014:322, points 31 to 33).

<sup>7</sup> See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244, paragraphs 60 to 65).

26. More generally, the present case demonstrates that considerations relating to the risk of monopolisation of essential characteristics of the goods in question may apply to other types of trade mark — such as position<sup>8</sup> or motion<sup>9</sup> marks as well as, potentially, sound, olfactory or taste marks — which may also be indissociable from an aspect of the goods in question. Regardless of how such marks are classified, it is important that the interest in keeping certain signs in the public domain can be taken into account when they are examined with a view to registration.

27. In this regard, there is more than one interpretive approach open to the Court. Article 3(1)(iii)(e) of Directive 2008/95 could be interpreted more broadly, as I suggest later in this Opinion. Alternatively, the Court could hold that it is possible to take account of the interest in keeping certain signs within the public domain, in considering whether a sign has distinctive character within the meaning of Article 3(1)(b) of that directive, in relation to all signs which are indissociable from an aspect of the goods in question, or indeed in relation to other categories of signs with limited availability.<sup>10</sup>

### *Classification of the contested mark*

28. I consider that the starting point for analysis of the request for a preliminary ruling is the classification of the contested mark with regard, first, to the category of signs referred to in Article 3(1)(e) of Directive 2008/95, and secondly to that referred to in the judgment in *Libertel*.<sup>11</sup>

29. The referring court observes that the contested mark, consisting of the red colour of the sole of a shoe, is indissociable from an aspect of the goods in question, but hesitates to describe that aspect as the ‘shape’ of the product.

30. The positions of the parties to the main proceedings and of the four intervening Member States diverge on this point. Louboutin submits amongst other things that the concept of a sign consisting ‘exclusively’ of the shape of the product does not embrace position marks, such as its red sole mark, which do not consist of a certain model of goods, but can be applied to different models. Van Haren submits, on the other hand, that the colour can be regarded as being an integral part of the shape of goods, as it is in the case of the contested mark. The Commission observes that it is not inconceivable that a sign consisting of the shape of a product may also have a colour, but that in the present context, the colour in itself is perceived as an independent element from the goods, and therefore as independent from the shape of the goods. It states, accordingly, that its observations relate to a colour per se.

31. In this regard, I note that the classification of the contested mark is a factual assessment to be made, in the present case, by the referring court. That consideration does not prevent the Court of Justice from making remarks which may guide that court in making its assessment.

8 The classic example is of decorative stitching on the back pocket of a pair of jeans. See document SCT/16/2 of the 16th session of the World Intellectual Property Organisation Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, concerning new types of marks (accessible at <http://www.wipo.int/policy/en/sct/>).

9 See, inter alia, the decision of the First Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 23 September 2003 (R 772/2001-1) concerning the registration of an EU trade mark consisting of the movement of the doors of a car.

10 See the proposal for such an approach in legal theory, Kur, A., Senftleben, M., *European Trade Mark Law*, Oxford 2017, p. 115, and Tischner, A., *Kumulatywna ochrona wzornictwa przemysłowego w prawie własności intelektualnej* (The cumulation of the protection of designs in intellectual property law), Warsaw, 2015, p. 346.

11 See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244).

32. Although several parties have described the mark at issue as a ‘position mark’, I note that Directive 2008/95 and the case-law of the Court do not attach any legal consequences to that classification. Furthermore, the classification of a mark as a ‘position mark’ does not, of itself, prevent that same mark from consisting of the shape of the goods, given that the latter category also embraces signs representing a part or an element of the goods in question.

33. Thus, in my view, it is for the referring court to determine whether the mark at issue in the present case is a *per se* colour mark or a mark consisting of the shape of the goods, but also seeking protection for a colour.

34. For the purposes of that determination, the referring court should carry out an overall assessment, taking into account the graphic representation and any descriptions filed at the time of application for registration, as well as other material relevant to identifying the essential characteristics of the contested mark, where applicable.<sup>12</sup>

35. The first observation to make is that the fact of the contested mark having been registered as a figurative mark does not prevent it being classified as a ‘mark consisting of the shape of the goods’.<sup>13</sup>

36. On the other hand, it is necessary to consider whether the mark at issue seeks protection for a certain colour *per se*, not spatially delimited,<sup>14</sup> or whether, on the contrary, such protection is sought in conjunction with other characteristics relating to the shape of the goods.

37. In this regard, while the colour is applied to a well-defined part of the goods, I do not think it is impossible to take the view that the mark is spatially delimited, such that the colour is indissociable from a specific element of the goods.

38. The fact that the proprietor of the mark does not claim protection for the contours of the goods, but leaves himself free to change them from model to model, is not necessarily decisive. For one thing, the contours may not be an essential characteristic of the sign in any event. Rather, what must be determined is whether the sign derives its distinctive character from the colour in respect of which protection is sought *per se*, or from the exact positioning of that colour in relation to other elements of the shape of the goods.

39. While it will ultimately be for the referring court to apply those considerations, I note that several factual matters which are apparent from the order for reference point to the conclusion that, for the purposes of analysing its potentially functional aspects, the mark at issue is better conceptualised as a mark consisting of the shape of the goods and seeking to protect a certain colour in relation to that shape.

40. While the contested mark seeks protection for a certain colour, that protection is not sought in the abstract, but for use on the sole of a high-heeled shoe, as represented. The mark does not relate to the shape of a shoe *per se*, but certain aspects of that shape, namely those which enable us to recognise it as high-heeled women’s shoe, appear to be part of the mark. It is apparent from the representation of the mark that the colour is applied to the entirety of the sole, whatever its precise contours may be. The contours of the sole appear in any event to be a negligible element of the mark, which derives its distinctive character from the unusual positioning of the coloured element and, potentially, the colour contrast between different parts of the shoe.

<sup>12</sup> See, to that effect, judgments of 6 March 2014, *Pi-Design and Others v Yoshida Metal Industry* (C-337/12 P to C-340/12 P, not published, EU:C:2014:129, paragraph 54) and of 10 November 2016, *Simba Toys v OHIM* (C-30/15 P, EU:C:2016:849, paragraph 49).

<sup>13</sup> That term covers three and two-dimensional shapes and figurative signs representing the shape of the goods. See judgment of 18 June 2002, *Philips* (C-299/99, EU:C:2002:377, paragraph 76).

<sup>14</sup> See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244, paragraph 68).



41. In conclusion, I consider that it is necessary, in examining the essential characteristics of the contested mark, to take into account the colour as well as the other aspects of the goods in question. The mark should therefore be equated with one consisting of the shape of the goods and seeking protection for a colour in relation to that shape, rather than one consisting of a colour per se.

42. Nonetheless, in order to answer the referred question fully, I will consider both possibilities.

#### ***Applicability of Article 3(1)(e) of Directive 2008/95 to marks consisting of a colour per se***

43. The Court has taken account of the particular nature of colour marks in the *Libertel* line of case-law.<sup>15</sup>

44. Under that case-law, save in exceptional circumstances, particularly on very specific markets, colours do not have distinctive character *ab initio*, but may potentially acquire distinctive character following use in relation to the goods or services claimed.<sup>16</sup>

45. Furthermore, in analysing the distinctive character of a sign consisting of a colour per se, it is necessary to assess whether the registration of that sign would run counter to the general interest in not unduly restricting the availability of colours for the other operators who offer for sale goods or services of the same type.<sup>17</sup>

46. It is apparent from that case-law, on the one hand, that signs consisting of a colour per se do not fall within Article 3(1)(e) of Directive 2008/95, and may therefore acquire distinctive character through the use which is made of them, but on the other hand, that in relation to signs which are indissociable from the appearance of the goods, registration must be considered in the light of the same factors as underpin that provision.<sup>18</sup>

47. Thus, in establishing that requirement for per se colour marks, the judgment in *Libertel*<sup>19</sup> was essentially taking into account the same objective as underpins Article 3(1)(e) of Directive 2008/95.

48. It nevertheless remains the case that, if the contested mark were to be classified as a 'mark consisting of a colour per se', it would be appropriate to hold that it did not fall within the scope of Article 3(1)(e) of Directive 2008/95.

#### ***Applicability of Article 3(1)(e) of Directive 2008/95 to signs consisting of the shape of the goods and of a certain colour***

49. I should now consider whether Article 3(1)(e) of Directive 2008/95 applies to signs consisting of the shape of the goods and seeking protection for a colour in relation to that shape.

<sup>15</sup> See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244).

<sup>16</sup> See, to that effect, judgments of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244, paragraphs 66 and 67); of 24 June 2004, *Heidelberger Bauchemie* (C-49/02, EU:C:2004:384, paragraph 39) and of 21 October 2004, *KWS Saat v OHIM* (C-447/02 P, EU:C:2004:649, paragraph 79).

<sup>17</sup> Judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244, paragraph 55).

<sup>18</sup> See, to that effect, judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244, paragraphs 53 and 54).

<sup>19</sup> See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244).

50. The parties to the main proceedings are divided on this point,<sup>20</sup> as are the four intervening Member States.<sup>21</sup> The Commission appears to begin from the premiss that, in the present case, colour should be regarded as an aspect independent of the shape of the goods.

51. The referring court states that the answer cannot be deduced from the wording of the provision, but that the exclusion of three-dimensional colour signs from its scope would conflict with its underlying objective, as certain signs may incorporate functional characteristics linked to both shape and colour, as in the case of a sign representing a safety jacket, a fire extinguisher or thermo-reflective goods. The referring court therefore raises the question of whether, in analysing this type of sign from the point of view of the prohibition on functional signs, it is also appropriate to take colour into account.

52. I observe that the answer to be given to this question must take account of the logic and scheme of Article 3(1)(e) of Directive 2008/95.

53. It is settled case-law that the objective pursued by that provision 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.<sup>22</sup> The provision enables those essential characteristics of the goods in question which are reflected in its shape to be kept in the public domain.

54. I consider that the presence of a colour applied to an element of the surface of the goods can be regarded as a characteristic reflected in the shape of the goods. Furthermore, as the examples given by the referring court demonstrate, colour can be an essential practical characteristic of certain goods, such that the monopolisation of colour, in relation to an element of the shape of the goods, would remove the freedom of competitors to offer goods incorporating the same functionality.

55. Accordingly, if signs consisting of both the shape and the colour of the goods could not be examined from the point of view of their functionality, the general interest underpinning Article 3(1)(e) of Directive 2008/95 would not be fully served.

56. The judgment in *Libertel*<sup>23</sup> enables that general interest to be taken into account only in relation to signs consisting of a colour per se,<sup>24</sup> not in relation to signs combining colour with aspects of shape.

57. In the context of pure colour marks, which the Court considered in that judgment, colour is an aspect independent of the shape of the goods. It is otherwise in relation to signs in which the colour is applied to a specific part of the goods. In the analysis of such signs, the functionality of the colour may emerge from its positioning on the goods, such that it is essential that the two aspects — shape and colour — can be examined together.

58. Accordingly, in my view, signs in which colours are integrated into the shape of the goods must be subject to the functional analysis provided for by Article 3(1)(e) of Directive 2008/95.

20 Louboutin maintains that the provision at issue does not apply to position marks. Van Haren states that it does apply, in relation to a mark consisting of both a colour and a shape.

21 The German and Finnish Governments consider that a sign seeking protection for a colour or the spatial position of a colour cannot be regarded as consisting 'exclusively' of a shape as required by Article 3(1)(e) of Directive 2008/95, as such a sign does not consist of three-dimensional characteristics of shape. On the other hand, the Hungarian and Portuguese Governments consider that the mark at issue is akin to a three-dimensional mark incorporating a colour, and that such marks must be subject to Article 3(1)(e) of Directive 2008/95.

22 Judgment of 18 September 2014, *Hauck* (C-205/13, EU:C:2014:2233, paragraphs 18 and 20).

23 See judgment of 6 May 2003, *Libertel* (C-104/01, EU:C:2003:244).

24 See point 24 of this Opinion.



59. Furthermore, that approach is in line with the principle that the assessment of a sign must be based on the overall impression it produces, as a mark must be considered as a whole. It is settled case-law that the correct application of Article 3(1)(e) Directive 2008/95 requires that all of the essential characteristics of the sign at issue be properly identified, on the basis of the overall impression produced by that sign.<sup>25</sup>

60. It is important to bear in mind in this regard that, according to settled case-law, the grounds for refusal contained in Article 3(1)(e) of Directive 2008/95 do not prevent the registration of a sign which, although consisting of a shape of goods, also incorporates a significant non-functional element.<sup>26</sup> Thus, in my opinion, the question of whether or not, in a shape and colour mark, colour is a functional element, must be considered as part of the overall assessment of the sign, from the point of view of Article 3(1)(e) of Directive 2008/95. Furthermore, it is apparent from that case-law that, conversely, the provision in question applies to a shape of goods which incorporates another element where that element is functional.

61. Finally, from a contextual perspective, this approach seems to me to be supported by the adoption of Directive 2015/2436, Article 4(1)(e) of which refers to ‘the shape, or another characteristic [of the goods]’.

62. This reference to ‘another characteristic [of the goods]’ takes account of the fact that Directive 2015/2436, in permitting marks to be represented in any appropriate form using generally available technology,<sup>27</sup> opens the way for registration of new types of mark which may also give rise to questions as to whether they are functional in nature, such as sound marks and, potentially, olfactory or taste marks.

63. However, as regards signs consisting of the shape and colour of the goods, which may be registered under both the old and the new regime, the addition of the reference to ‘another characteristic [of the goods]’ can be interpreted in two ways: it can be understood as changing the law applicable to such signs, or simply as clarifying it.

64. If such signs were to be regarded as not being covered by Article 3(1)(e) of Directive 2008/95, but as being covered by the corresponding provisions of the new Directive 2015/2436, that interpretation would necessitate the adoption of transitional provisions, so as to protect the legitimate expectations of proprietors of marks registered under the current legislation.<sup>28</sup> The fact that legislature did not find it necessary to lay down any transitional provisions may indicate that it considered the law relating to such signs to be the same under both of the successive directives.

65. Having regard to all of those observations, I consider that Article 3(1)(e) of Directive 2008/95 does potentially apply to signs consisting of the shape of the goods which seek protection for a certain colour.

66. If the referring court were to conclude — as I suggest above<sup>29</sup> — that the mark at issue should be regarded as sign of that type, combining colour and shape, the mark would potentially be caught by the prohibition contained in Article 3(1)(e)(iii) of Directive 2008/95.

25 Judgments of 14 September 2010, *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516, paragraphs 68 to 70) and of 18 September 2014, *Hauck* (C-205/13, EU:C:2014:2233, paragraph 21).

26 See judgment of 14 September 2010, *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516, paragraphs 52 and 72, and the case-law cited).

27 See Article 3 and recital 13 of Directive 2015/2436.

28 The problem linked to the lack of transitional provisions has been noted by academic writers, with the observation that the cancellation of a mark on account of a legislative change may amount to an expropriation. See Kur, A., Sentleben, M., *European Trade Mark Law*, Oxford 2017, p. 161.

29 See point 41 of this Opinion.

***The interpretation of ‘shape which gives substantial value to the goods’***

67. For the sake of completeness — this matter not being expressly raised by the request for a preliminary ruling — I will set out the circumstances in which the absolute ground for refusal contained in Article 3(1)(e)(iii) of Directive 2008/95, relating to a shape which ‘gives substantial value’ to the goods, applies.

68. The Court has already held that that provision is not limited to the shape of goods having only artistic or ornamental value, but also applies to signs relating to goods which, besides their aesthetic function, also have other essential functions.<sup>30</sup>

69. The application of the ground in question is based on an objective analysis, the purpose of which is to show that the aesthetic characteristics of the shape at issue affect the attractiveness of the goods to such an extent that the reservation thereof to a single undertaking would distort competition on the market concerned. The consumer’s perception of the shape concerned is not the decisive criterion in that analysis, which potentially includes a range of factual matters.<sup>31</sup>

70. Furthermore, the analysis relates exclusively to the intrinsic value of the shape, and must take no account of attractiveness of the goods flowing from the reputation of the mark or its proprietor.<sup>32</sup>

71. It must be borne in mind that the provision in question is designed to prevent the monopolisation of external features of goods which are essential to their market success, and thus to prevent the protection conferred by the mark being used to gain an unfair advantage; that is, an advantage which does not result from competition based on price and quality.<sup>33</sup>

72. On the other hand, the application of the provision is not justified where the advantage does not result from the intrinsic characteristics of the shape, but from the reputation of the mark or its proprietor. Indeed, the possibility of acquiring such a reputation is an important aspect of the system of competition which trade mark law helps to maintain.

**Conclusion**

73. In the light of the foregoing considerations, I suggest that the Court should answer the question referred by the Rechtbank Den Haag (District Court, The Hague, Netherlands) as follows:

Article 3(1)(e)(iii) 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 is to be interpreted as being capable of applying to a sign consisting of the shape of a product and seeking protection for a certain colour. The concept of a shape which ‘gives substantial value’ to the goods, within the meaning of that provision, relates only to the intrinsic value of the shape, and does not permit the reputation of the mark or its proprietor to be taken into account.

30 Judgment of 18 September 2014, *Hauck* (C-205/13, EU:C:2014:2233, paragraphs 31 and 32).

31 In particular, the nature of the category of goods under consideration, the artistic value of the shape concerned, its dissimilarity from other shapes in common use on the market concerned, a substantial price difference in relation to other competing products with similar characteristics, and the development by the manufacturer of a promotion strategy emphasising principally the aesthetic characteristics of the goods concerned. See judgment of 18 September 2014, *Hauck* (C-205/13, EU:C:2014:2233, paragraphs 34 and 35).

32 See Botis, D., Maniatis, S., von Mühlendahl, A., Wiseman, I., *Trade Mark Law in Europe* (3rd ed.), Oxford University Press 2016, p. 239. See also, in this context, judgment of 20 September 2007, *Benetton Group* (C-371/06, EU:C:2007:542, paragraphs 25 to 27).

33 See my Opinion in *Hauck* (C-205/13, EU:C:2014:322, paragraphs 79 and 80).