



Reports of Cases

JUDGMENT OF THE COURT (Tenth Chamber)

8 October 2020*

(Reference for a preliminary ruling – Trade marks – Directive 2008/95/EC – Article 3(1)(b) – Signs of which a trade mark may consist – Distinctive character – Application for registration as a trade mark of a sign in respect of a service, consisting of motifs of colour and intended to be affixed to goods used to provide that service – Assessment of the distinctive character of that sign – Criteria)

In Case C-456/19,

REQUEST for a preliminary ruling under Article 267 TFEU from the Svea hovrätt, Patent- och marknadsöverdomstolen (Svea Court of Appeal, Patents and Market Court of Appeal, Stockholm, Sweden), made by decision of 14 June 2019, received at the Court on 14 June 2019, in the proceedings

Aktiebolaget Östgötatrafiken

v

Patent- och registreringsverket,

THE COURT (Tenth Chamber),

composed of M. Ilešič, President of the Chamber, E. Juhász (Rapporteur) and I. Jarukaitis, Judges,

Advocate General: G. Pitruzzella,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

- Aktiebolaget Östgötatrafiken, by R. Berzelius and F. Weyde, acting as Agents,
- the European Commission, by É. Gippini Fournier, K. Simonsson and G. Tolstoy, acting as Agents,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

* Language of the case: Swedish.

Judgment

- 1 This request for a preliminary ruling concerns, in essence, the interpretation of Article 3(1)(b) 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 (OJ 2008 L 299, p. 25).
- 2 The application was made in the context of a dispute between Aktiebolaget Östgötatrafiken and Patent- och registreringsverket (Patent and Registration Office, Sweden; ‘the PRV’) concerning the rejection of a trade mark application.

Legal context

Directive 2008/95

- 3 Article 2 of Directive 2008/95, entitled ‘Signs of which a trade mark may consist’, provided:

‘A trade mark may consist of any sign capable of being represented graphically, particularly ... designs, ... the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.’
- 4 Article 3 of that directive, entitled ‘Grounds for refusal or invalidity’, stated:

‘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;

...

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.

...’
- 5 Directive 2008/95 was repealed, with effect from 15 January 2019, by Directive (EU) 2015/2436 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).

Directive 2015/2436

- 6 Article 3 of Directive 2015/2436, entitled ‘Signs of which a trade mark may consist’, is worded as follows:

‘A trade mark may consist of any signs, in particular ... designs, ... colours, the shape of goods or of the packaging of goods ..., provided that such signs are capable of:

(a) distinguishing the goods or services of one undertaking from those of other undertakings; ...

...'

7 Article 4 of that directive, entitled 'Absolute grounds for refusal or invalidity', provides:

'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;

...

4. A trade mark shall not be refused registration in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration, following the use which has been made of it, it has acquired a distinctive character. A trade mark shall not be declared invalid for the same reasons if, before the date of application for a declaration of invalidity, following the use which has been made of it, it has acquired a distinctive character.

5. Any Member State may provide that paragraph 4 is also to apply where the distinctive character was acquired after the date of application for registration but before the date of registration.'

8 In accordance with Article 54 of that directive, entitled 'Transposition', the Member States were required to transpose, in particular, Articles 3 to 6 thereof by 14 January 2019 at the latest.

The dispute in the main proceedings and the questions referred for a preliminary ruling

9 The appellant in the main proceedings is the proprietor of figurative marks registered at the PRV under Nos 363521 to 363523 for services provided by means of vehicles and transport services falling within Class 39 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.

10 Those figurative marks are represented as follows:

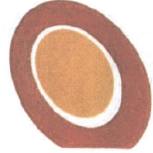
– No 363521



– No 363522

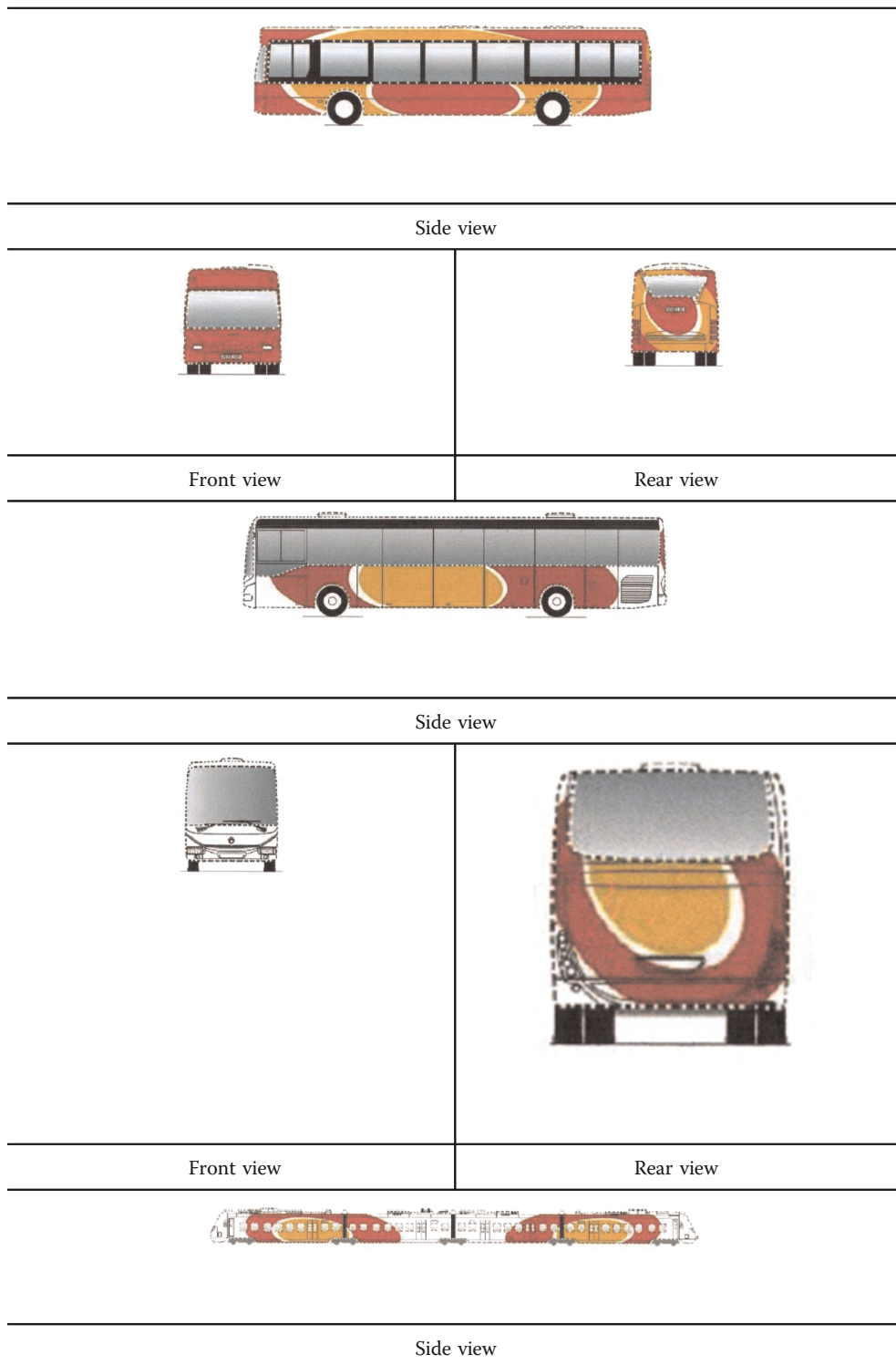


– No 363523



- 11 On 23 November 2016, the appellant in the main proceedings filed three trade mark applications with the PRV for various services provided by means of vehicles and transport services falling within Class 39 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks.
- 12 Those three applications were accompanied by the following description: ‘Colouring of vehicles in the colours red, white and orange, as shown’. The appellant in the main proceedings also specified that those applications did not concern the actual shape of the vehicles or the fields of the colour black or grey covering that shape.
- 13 By a decision of 29 August 2017, the PRV rejected those applications on the ground that the signs for which registration was sought under trade mark law were merely decorative, that they could not be perceived as signs capable of distinguishing the services covered by those applications and that they were therefore devoid of distinctive character.
- 14 The appellant in the main proceedings challenged that decision before the Patent- och marknadsdomstolen (Patents and Market Court, Sweden).
- 15 In support of its action, it stated that the marks applied for constituted ‘position marks’, consisting of ellipses of different sizes and in the colours red, orange and white, with a specific size and placed in a specific position on buses and trains used for the provision of transport services.

16 It provided the following images of the marks applied for, showing the outlines of the vehicles in dotted lines in order to make it clear that the protection applied for does not concern the shape of those vehicles:





Front and rear views

- 17 The appellant in the main proceedings also submitted that the marks applied for created an impression comparable to that created by the marks registered under Nos 363521 to 363523 and that the distinctive character of the former should not be assessed differently solely on the ground that they were intended to be placed in a specific manner on the vehicles used for the transport service. More generally, it added that the various transport companies affix their own graphics or colouring to their vehicles, so that users of the services which they provide regard those graphics or colourings as indicators of commercial origin.
- 18 The PRV, for its part, argued that protection of the figurative elements of the marks at issue in the main proceedings was sought not in an abstract manner but in order to have those figurative elements appear on the vehicles used by the appellant in the main proceedings. Since the assessment of distinctive character must be carried out as a whole and since commercial transport vehicles are often decorated with coloured motifs, consumers would have to have familiarised themselves with such elements beforehand in order to regard them as a trade mark, failing which they would regard them as decorative elements. In view of the diversity in the colouring and decoration of the transport vehicles used in the economic sector concerned, the signs at issue in the main proceedings could be perceived as an indication of commercial origin only if they differed sufficiently from the norm or customs in the sector, which is not the case.
- 19 By judgment of 29 March 2018, the Patent- och marknadsdomstolen (Patents and Market Court) dismissed the action brought by the appellant in the main proceedings on the ground that the evidence adduced did not suffice for a conclusion that the colours and shape of the signs for which protection under trade mark law was sought departed to such an extent from the manner in which other undertakings decorate their vehicles, with the result that the view could not be taken that those signs are perceived by the relevant public as an indication of commercial origin.
- 20 The appellant in the main proceedings appealed against that judgment to the Svea hovrätt, Patent- och marknadsöverdomstolen (Svea Court of Appeal, Patents and Market Court of Appeal, Stockholm, Sweden).
- 21 That court notes that the fundamental requirement laid down in Article 3 of Directive 2015/2436 is that, in order to be a trade mark, a sign must be distinctive.
- 22 In that regard, it points out that, in accordance with the settled case-law of the Court, the perception of the distinctive character of a sign by the relevant public is not necessarily the same in relation to a three-dimensional mark consisting of the appearance of the product itself as it is in relation to a word or figurative mark. Indeed, since average consumers are not in the habit of presuming the origin of goods on the basis of their shape or that of their packaging, it may be more difficult to establish the distinctive character of a three-dimensional mark than that of a word or figurative mark. That is why, as the Court has held, a sign which is indistinguishable from the appearance of the product can be regarded as having distinctive character only if it departs significantly from the norm or customs of the economic sector concerned.

- 23 As regards a trade mark designating a service, the referring court states that the Court, in paragraph 20 of its judgment of 10 July 2014, *Apple* (C-421/13, EU:C:2014:2070), held that the layout of a retail store can also be capable of distinguishing the products or services of one undertaking from those of other undertakings when the depicted layout departs significantly from the norm or customs of the economic sector concerned.
- 24 The referring court observes, however, that, in that judgment, the Court did not specify the conditions under which the requirement for a significant departure from the norm or customs of the sector must be applied in respect of a mark designating a service.
- 25 Moreover, it points out that, in that same judgment, the Court did not examine whether the mark at issue was not independent of the appearance of the material objects which enabled performance of the services in respect of which that mark had been registered.
- 26 Thus, the national court entertains doubts regarding whether, for an assessment of the distinctive character of signs intended to be affixed to certain parts of the vehicles of a provider of transport services in order to distinguish that provider, such signs must depart significantly from the norm or customs of the economic sector concerned.
- 27 In those circumstances, the Svea hovrätt, Patent- och marknadsöverdomstolen (Svea Court of Appeal, Patents and Market Court of Appeal, Stockholm), decided to stay the proceedings and to refer the following questions to the Court for a preliminary ruling:
- ‘(1) Must Article 4(1)(b) of [Directive 2015/2436] be interpreted as meaning that, in the case of an application for registration of a trade mark which designates services and where the application relates to a sign, placed in a particular position, which covers large areas of the physical objects used to perform the services, it must be assessed whether the mark is not independent of the appearance of the objects concerned?
- (2) If the first question is answered in the affirmative, is it necessary for the trade mark to depart significantly from the norm or customs of the economic sector concerned in order for the mark to be regarded as having distinctive character?’

Consideration of the questions referred

- 28 As a preliminary point, it is appropriate to note that, with regard to a refusal to register a trade mark, the date on which the application for registration of that trade mark was made is determinative for the purposes of identifying the applicable substantive law (see, by analogy, judgment of 29 January 2020, *Sky and Others*, C-371/18, EU:C:2020:45, paragraph 49).
- 29 In the present case, in so far as the applications for registration at issue in the main proceedings were submitted on 23 November 2016, that is to say, on a date at which the period for transposition of Directive 2015/2436 had not yet expired and Directive 2008/95 had not yet been repealed, the provisions applicable to the facts at issue in the main proceedings are those of Directive 2008/95 and not those of Directive 2015/2436.
- 30 Furthermore, it must be pointed out that, although the colour motifs to which the applications for registration at issue in the main proceedings relate are intended to be affixed in a specific manner to a large part of the goods used for the provision of transport services, the appellant in the main proceedings has expressly stated that the shape of those goods was not, as such, the object of those applications.

- 31 Consequently, it must be held that, by its two questions, which it is appropriate to consider together, the referring court asks, in essence, whether Article 3(1)(b) of Directive 2008/95 must be interpreted as meaning that the distinctive character of a sign for which registration as a trade mark is sought, for a service, which consists of colour motifs and which is intended to be affixed exclusively and systematically in a specific manner to a large part of the goods used for the provision of that service, must be assessed in relation to those goods and by examining whether that sign departs significantly from the norm or customs of the economic sector concerned.
- 32 In that regard, it follows from the settled case-law of the Court that the essential function of a trade mark is to ensure that the consumer or end user can identify the origin of the marked goods or services by enabling him or her, without any possibility of confusion, to distinguish the goods or services from others which have another origin (judgment of 12 June 2019, *Hansson*, C-705/17, EU:C:2019:481, paragraph 31 and the case-law cited). That distinctive character, within the meaning of Article 3 of Directive 2008/95, must be assessed by reference to, first, the goods or services in respect of which registration is sought and, second, the perception of the relevant public, namely the average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect (see, to that effect, judgments of 12 February 2004, *Koninklijke KPN Nederland*, C-363/99, EU:C:2004:86, paragraph 34, and of 12 September 2019, *Deutsches Patent- und Markenamt (#darferdas?)*, C-541/18, EU:C:2019:725, paragraph 20).
- 33 Furthermore, in order to assess the distinctive character of a sign within the meaning of Article 3(1)(b) of Directive 2008/95, the competent authority must carry out an examination by reference to the actual situation, taking into account all the relevant circumstances of the case, including, where appropriate, the use made of that sign (see, to that effect, judgment of 27 March 2019, *Hartwall*, C-578/17, EU:C:2019:261, paragraph 26 and the case-law cited).
- 34 Where, as in the main proceedings, the trade mark application concerns a sign intended to be affixed exclusively and systematically in a specific manner to a large part of the goods used to provide the services, the distinctive character of that sign cannot be assessed independently of the perception of the relevant public of the affixing of that sign to those goods.
- 35 Even if the goods which are used to provide the services are not the subject of the trade mark application, the fact remains that the relevant public perceives the colour motifs of which the sign in question consists as being affixed to the goods which serve as their exclusive medium.
- 36 It follows that the assessment of the distinctive character of a sign consisting of coloured motifs which are intended to be applied exclusively and systematically to goods used for the provision of services must, in particular, take account of that perception.
- 37 In the present case, it will be for the referring court to determine, in the context of its overall analysis by reference to the actual situation in the case, whether the systematically arranged colour combinations, as shown in the applications for registration, are capable of conferring inherent distinctive character on the signs in question (see, by analogy, judgment of 27 March 2019, *Hartwall*, C-578/17, EU:C:2019:261, paragraph 34). That condition must be regarded as satisfied if it emerges from that analysis that the colour combinations applied to the transport vehicles of the appellant in the main proceedings, enable the average consumer to distinguish, without any confusion, between the transport services provided by that undertaking and those provided by other undertakings.
- 38 If those colour combinations prove not to have intrinsic distinctive character for the services in question, that fact will not be such as to preclude their becoming distinctive after use.
- 39 In the context of that analysis, it is not necessary to examine whether the signs for which registration as a trade mark is sought depart significantly from the norm or customs of the economic sector concerned.

- 40 As is clear from the settled case-law of the Court, the criterion for assessment of whether there is a significant departure from the norm or customs of the economic sector concerned applies where the sign consists of the shape of the product for which registration as a trade mark is sought, average consumers not being in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element (see, to that effect, judgments of 29 April 2004, *Henkel v OHIM*, C-456/01 P and C-457/01 P, EU:C:2004:258, paragraph 39; of 22 June 2006, *Storck v OHIM*, C-25/05 P, EU:C:2006:422, paragraphs 27 to 29; and of 7 May 2015, *Voss of Norway v OHIM*, C-445/13 P, EU:C:2015:303, paragraphs 90 and 91).
- 41 That criterion for assessment also applies where the sign consists of the representation of the layout of the physical space in which the services in respect of which registration as a trade mark is sought are provided (see, to that effect, judgment of 10 July 2014, *Apple*, C-421/13, EU:C:2014:2070, paragraph 20).
- 42 Such a situation does not arise in a case in which, as in the main proceedings, the signs at issue consist of graphic elements intended to be affixed to goods which are used to provide the services designated by the application for registration.
- 43 In that regard, it must be noted that, although the goods used for the provision of the services at issue in the main proceedings, namely transport vehicles, are shown in dotted lines in the applications for registration, for the purpose of indicating both the places where the marks applied for are intended to be affixed and the outlines of those marks, the signs in respect of which registration as trade marks is sought are, even so, not indissociable from the shape or packaging of those goods and nor is their purpose to represent the physical space in which the services are provided. Indeed, those signs consist of colour compositions which are systematically arranged and spatially limited. Those applications for registration thus relate to clearly defined graphic elements which, unlike the signs referred to in the case-law cited in paragraphs 40 and 41 of this judgment, are not intended to represent goods or an area for the provision of services by the mere reproduction of the lines and the contours thereof.
- 44 In the light of the foregoing, the answer to the questions referred is that Article 3(1)(b) of Directive 2008/95 must be interpreted as meaning that the distinctive character of a sign for which registration as a trade mark in respect of a service is sought, which sign consists of coloured motifs and which is intended to be affixed exclusively and systematically in a specific manner to a large part of the goods used for the provision of that service, must be assessed by taking into account the perception of the relevant public of the affixing of that sign to those goods, without it being necessary to examine whether that sign departs significantly from the norm or customs of the economic sector concerned.

Costs

- 45 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the referring court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Tenth Chamber) hereby rules:

Article 3(1)(b) 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 meaning that the distinctive character of a sign for which registration as a trade mark in respect of a service is sought, which sign is composed of coloured motifs and which is intended to be affixed exclusively and systematically in a specific manner to a large part of the goods used for the provision of that service, must be assessed by taking into account the

perception of the relevant public of the affixing of that sign to those goods, without it being necessary to examine whether that sign departs significantly from the norm or customs of the economic sector concerned.

[Signatures]