

Use Of Class Headings In TM Registration Is A Risk

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On 19 June 2012 the Court of Justice (the "Court") handed down its eagerly awaited judgment in *IP Translator* (C-307/10). This decision concerns trademark registration, especially how European trademark applicants should specify the goods and services for which they seek protection. The judgment resolves the controversy between EU Intellectual Property Offices ("IPOs") about the interpretation of the role of class headings in this respect. The Court ruled that the Trademark Directive (2008/95/EC, the "Directive") must be interpreted to include a *requirement* for the goods and services to be identified *with sufficient clarity and precision* to enable determination of the extent of the protection conferred by the trade mark. In that respect, the general indications of class headings can be used as long as they "mean what they say".

Background

Apart from the sign itself, the goods and services which that sign is meant to designate is an essential component of registration (and extent of protection) of a trademark. In this case, the Chartered Institute of Patent Attorneys ("**CIPA**") used the general terms of the headings of Class 41 of the Nice Classification to identify the services covered by its application for the trademark "IP Translator" in the United Kingdom. The UK IPO interpreted the application to cover not only services of the kind specified literally by the general terms, but also every other type of services falling within Class 41 of the Nice Classification, including translation services. Such interpretation is in line with the "*class-heading-covers-all*" approach set out in Communication 4/03 of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ("**OHIM**"). The UK IPO found that the designation lacked distinctive character and was descriptive in nature, and refused the application. CIPA appealed the decision, and the case was referred to the Court with questions regarding three related issues discussed below.

The Decision

(i) The requirement of clarity and precision for identifying goods and services

The Court established that there is no provision in the Directive which directly governs the question of the identification of the goods and services concerned. However, this does not mean that it does not fall within its scope since the application of certain provisions of the Directive (such as the grounds for invalidity) "*depends to a great extent on whether the goods or services covered by a registered trade mark are indicated with sufficient clarity and precision.*" Systematic and teleological arguments subsequently led the Court to interpret the Directive in such a way that it is understood to contain a clarity and precision requirement not just for the sign as such:

"(the) *Directive* (...) *requires the goods and services for which the protection of the trade mark is sought to be identified by the applicant with sufficient clarity and precision to enable the competent authorities and economic operators, on that basis alone, to determine the extent of the protection sought.*"

(ii) Use of the general indications of the class headings of the Nice Classification

The Court furthermore ruled that the Directive does not preclude the use of the general indications of the class headings of the Nice Classification¹ to identify the goods and services for which the protection of the trademark is sought, provided that such identification is sufficiently clear and precise. In this context, the Court observed that some of the general indications in the class headings of the Nice Classification are, in themselves, sufficiently clear and precise to allow the competent authorities to determine the scope of the protection conferred by the trademark, while others are not sufficiently clear enough to meet that requirement because they are too general, and they cover goods or services which are too diverse to be compatible with the trademark's function as an indication

The Court sees the need to harmonise and endorses the literal approach. It recalled that it is possible to apply for registration of a trademark either as relates to all the goods or services falling within a class, or as regards only some of those goods or services². However, whatever is claimed must be clear: the applicant must specify whether its application for registration is intended to cover all the goods or services included in the alphabetical list of that class, or only some of those goods or services. Moreover, if the application concerns only some of those goods or services, the applicant is required to specify which of the goods or services in that class are intended to be covered.

Practical implications

The Court introduced a requirement of clarity and precision regarding the identification of goods and services for which protection is sought. Often in practice class headings are used, but that use of class headings will no longer be considered an indication that the goods and services encompass all those falling in this particular class. For that an additional indication will be necessary. Lacking such an indication, the class headings must be read to mean-what-they-say. Otherwise it is unclear what the legal implications will be. In the registration phase, a lack of clarity in specifying goods and services might lead to refusal, but on which grounds? For CIPA, the decision is good news: as the sign IP Translator is not specifically claimed for translation services, the referring court and the UK IPO may now allow registration of the sign.

Contrary to the Advocate General's conclusion, the Court limits its ruling to national registrations and, also unlike the AG, does not state explicitly that an approach as set out in Communication 4/03 does not guarantee clarity and precision. However, the decision is likely to impact Community registrations as well. Indeed, the day after the decision, OHIM repealed Communication 4/03 and replaced it with Communication 2/12, implementing the Court's ruling. This harmonisation of the interpretation of the use of general terms of class headings may have an effect on infringement cases concerning trademarks registered before this ruling, as courts are likely to interpret the goods or services falling within the scope of protection narrowly, in line with this ruling. This is likely to have far-reaching consequences in cases where the general indications of the class heading are not sufficiently clear and precise, and the trademark is intended to – and was considered to – protect goods or services other than those specifically mentioned in the class heading based on the "class-heading-covers-all" approach. In those cases, it seems advisable to amend the registration specifications to clarify the scope of the rights. However, broadening of the list of goods and services (with the original registration's priority) was prohibited in earlier case law. Will there be a transitional period in which broadening of the registration (within the same class) will be allowed? No word from the Court or OHIM in this respect. It seems likely that trademark owners concerned will have to file new registrations mentioning the specific goods and services for which protection is sought, while prior use may help to protect against arguments that the trademark is registered in bad faith.

Footnotes

1. The Classification referred to in Article 1 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, concluded at the Nice Diplomatic Conference on 15 June 1957, last revised in Geneva on 13 May 1977 and amended on 28 September 1979,

2. Koninklijke KPN Nederland (C-363/99 [2004]), paragraph 112.

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Recent landmark cases include the protection of copyright protection for smells (perfumes) and on testimony, liability of auction sites and the trademark protection of sounds. Tobias is the primary author of the handbook European Trademark Law and is professor of intellectual property law at Erasmus University in Rotterdam.

Chambers ranks Tobias in Band 1 and adds that De Brauw is "the number-one IP firm in the Netherlands", providing a "top-quality team" that does "outstanding international work", "practical and business-savvy and a commanding figure in the IP sector". Legal 500 states: 'De Brauw Blackstone Westbroek is an outstanding law firm for IP matters and is reliable in terms of strategy, and has extraordinary technical leverage'. World Trademark Review ranks De Brauw Blackstone's IP practice as top-ranked, praising Tobias across the board as "a remarkably strong figure" who specialises in advising multinational corporations and foreign law firms on major trademark litigation.



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[Chambers comments on his 'strong commercial acumen and down-to-earth approach'.](#)

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