

Working Guidelines

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Q234

Relevant public for determining the degree of recognition of famous marks, well-known marks and marks with a reputation

Introduction

- 1) This Working Question emanates from a previous working question, namely Protection against the dilution of a trademark, Q214, which AIPPI studied for the 2010 Paris Congress. In the Paris Working Guidelines it was noted that where a trademark is well-known or possesses reputation, it is generally entitled to protection against taking unfair advantage of, or inflicting detriment on, the distinctive character or the reputation of the mark, in addition to infringement by established likelihood of confusion. Further, it was mentioned that in deciding whether a trademark is well-known, TRIPS stipulates that one must take into account the extent to which the trademark is known within the relevant sector of the public.
- 2) The Paris Working Guidelines discussed whether the general public at large or a relevant sector of public would be the relevant public in determining the knowledge, recognition or fame of a mark. A number of Groups noted in their reports that the relevant population for determining the degree of knowledge or reputation of a mark is the relevant portion of the public that is interested in or has knowledge of the products or services covered by the protected mark in question. In these jurisdictions, recognition or reputation in a niche market is sufficient. In other jurisdictions, however, the relevant population in determining the degree of knowledge or reputation of a mark is the entire consuming public of the country; i.e. recognition in a niche market is not sufficient. In the Working Committee and the Plenary Session it became clear that the issue of the relevant public requires further study and should be made the subject of a separate question.

Previous work of AIPPI

- 3) AIPPI has not previously studied the particular topic of this Working Question in detail. However, AIPPI has studied the broader issue of the extended protection of famous marks, well-known marks and marks with a reputation in several previous questions.

- 4) *Protection against the dilution of a trademark*, Q214 - As discussed above, Q214 is the trigger for this working question. The Q214 Resolution which was eventually adopted states that the relevant public in determining the recognition or fame of a mark depends on the public concerned by the products or services covered by the trademark and can be a limited product market.
- 5) *Trademarks or names with extended protection*, Q29 – In 1963 AIPPI resolved that trademarks should be afforded protection against use or registration by third parties, even in respect of different goods or services, when such marks have a high reputation and when such registration or such use is liable to be harmful to the proprietor of the mark. Further it was held that extended protection should be afforded to such marks even if they are not used in the country where protection is sought.
- 6) *Protection of unregistered but well-known trademarks (Art. 6bis Paris Convention) and protection of highly renowned trademarks*, Q100 – In 1990 AIPPI resolved that so as to ensure better protection against misappropriation, the protection of well-known marks should conform to the following minimum standards: a well-known mark is a mark which is known to a large part of those involved in the production or trade or use of the goods concerned and is clearly associated with such goods as coming from a particular source; the mark should be well-known in the jurisdiction where protection is sought, but no condition of use in that jurisdiction is required; in deciding whether a mark is well-known, the fact that the mark is well-known internationally can be taken into account; these provisions should apply to service marks mutatis mutandis. With regard to highly renowned marks, the Resolution makes a distinction between marks having a reputation and marks having a high reputation (“*marques de haute renommée*” in French, “*berühmte Marke*” in German). As to marks having a high reputation, the Resolution notes that they are known to a large part of the public in general and of such a nature and repute that there does not appear to be any justification for the use or registration of the mark by others.

Discussion

- 7) The Paris Convention contains a provision on the protection of well-known marks (Article 6bis). However, the provision does not characterize well-known marks. TRIPS on the other hand stipulates that “*in determining whether a trademark is well-known Members [to the Agreement] shall take account of the knowledge of the trademark in the relevant sector of the public (...)*”. But TRIPS does not identify the relevant sector of the public.
- 8) The Joint recommendation concerning provisions on the protection of well-known marks, adopted by WIPO in 1999 (“the Joint Recommendation”) sets out some guidance on how to determine whether a mark is well-known in Article 2:
 - 1) *[Factors for consideration]*
 - 2) *[Relevant Sector of the Public]*
 - a) Relevant sectors of the public shall include, but shall not necessarily be limited to:
 - (i) actual and/or potential consumers of the type of goods and/or services to which the mark applies;

- (ii) persons involved in channels of distribution of the type of goods and/or services to which the mark applies;
 - (iii) business circles dealing with the type of goods and/or services to which the mark applies.
 - b) Where a mark is determined to be well-known in at least one relevant sector of the public in a Member State, the mark shall be considered by the Member State to be a well-known mark.
 - c) Where a mark is determined to be known in at least one relevant sector of the public in a Member State, the mark may be considered by the Member State to be a well-known mark.
 - d) A Member State may determine that a mark is a well-known mark, even if the mark is not well-known or, if the Member States applies subparagraph (c), known, in any relevant sector of the public of the Member State.
 - 1) *[Factors Which Shall Not Be Required]*
 - a) A Member State shall not require, as a condition for determining whether a mark is a well-known mark:
 - (i) that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, the Member State;
 - (ii) that the mark is well-known in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, any jurisdiction other than the Member State; or
 - (iii) that the mark is well-known by the public at large in the Member State.
- (...).
- 9) In the Joint Recommendation it is thus not only made clear that the relevant public *can* be a limited sector of the public, but also that it should not be required that the mark is well-known by the public at large.
 - 10) An issue for discussion is how to delimit a relevant sector of the public for specific goods or services. One way of determining the population of the relevant public is to look at the destination of the goods or services, in other words, who are the goods or services aimed at?
 - 11) Under European Union, law the CJEU has established that the public to be considered is the public "concerned by that trademark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public" (CJEU *General Motors v. Yplon* C-375/97). This expression is thus very similar to the one used in the Joint Recommendation.
 - 12) A number of different factors could be taken into account when determining the relevant public, including age, gender, geography, culture, groups with special interests and sophistication of consumers. It is also possible that in some cases the way the goods or services with the trademark are marketed (e.g. via internet or a certain selective distribution system) may have effect on how the relevant public is construed.

- 13) While one often thinks about the relevant public in terms of "purchasers", this may in some cases be too limited. One example is luxury car trademarks such as Ferrari and Rolls Royce which are out of reach for most people. However, is it reasonable to limit the relevant sector of the public to those who buy luxury cars or at least can afford it?
- 14) A set of explanatory notes are provided to the Joint Recommendation. It is clarified that the expression "consumers" in paragraph 2 a i) of article 2, is to be understood in the wide sense of the term and should not be restricted to those persons who actually and physically consume the product.
- 15) Further, as set out in the paragraphs 2 a ii) and iii) of article 2 of the Joint Recommendation, not only consumers in the strict sense of private end-consumers but also other persons may be relevant. In this working question we will also study whether business/professional end consumers or the trade in a broad sense, e.g. licensees, distributors and retailers, could constitute the relevant the public.
- 16) Another aspect of this is whether the relevant public can be "mixed" in the sense that it is populated by both private end consumers and business/professional distributors or retailers, for example could the relevant public for a pharmaceutical product be populated by pharmacists, prescribing doctors *and* patients taking the pharmaceutical product.
- 17) Yet another way of delimiting the relevant public could be in terms of quantification, whether it is possible to define the sector in absolute numerical terms. Is it possible to set a specific threshold?
- 18) It has been proposed that the relevant public for e.g. highly technical equipment such as satellite components could be substantially more limited than the relevant public for everyday consumer goods or goods sold extensively around the world, such as certain beauty products and clothing. Is it possible to see any differences in respect of the relevant public in various industry sectors?
- 19) Although this Question emanates from the Paris Question Q214 dealing with the recognition of certain marks for the protection against dilution, the relevant public is also of importance when determining the recognition of a mark for the protection against others taking unfair advantage of the distinctive character or reputation of the trademark, also referred to as "free riding" []. Furthermore, in trademark law the relevant public concept is also used for determining the "strength" of a trademark in the context of likelihood of confusion when assessing an alleged infringement. Therefore, one issue to be discussed is whether the "relevant public" concept differs in any way when talking about dilution, free riding or when dealing with likelihood of confusion.
- 20) The method of establishing the relevant public is another relevant subject. Is this analysis made on a case by case basis, through a certain test or method?
- 21) Typically the establishment of the relevant public in relation to a particular trademark would not be subject to separate proceedings. Instead the relevant public is established in order to make assessments on a mark's recognition for a particular purpose. Determining the relevant public in various jurisdictions may be appropriate in registration matters of new trademarks, in opposition

proceedings, proceedings in respect of wrongful use such as free riding and dilution and infringement proceedings and other legal actions.

- 22) This working question expressly deals with famous marks, well-known marks and marks with a reputation. The definitions are used in various jurisdictions and are not always given the same meaning. As discussed, the Paris Convention and TRIPS use the term well-known marks.
- 23) In the European Union, “marks with a reputation” is the expression used in the English version of the so called Trademark Directive and the Community Trademark Regulation. It has however been recognised that there are some linguistic nuances between the different language versions of the Trademark Directive (CJEU *General Motors v. Yplon* C-375/97), although all versions should be interpreted uniformly.
- 24) Further, famous marks enjoy extended protection in some jurisdictions, for example. in the United States. The traditional view held by many commentators is that famous marks have a higher degree of reputation and therefore deserve a broader scope of protection. If so, is there a requirement that the relevant public must be the general public at large, or at least a greater section of the public, for well-known marks? This is indeed the case in the United States where the relevant population in determining eligibility for dilution protection under the Trademark Dilution Revision Act (TDRA) is the general consuming public. In other words, marks which are famous only in a limited product market (niche market) are not eligible for dilution protection under the TDRA.
- 25) At the same time it appears that under Chinese law, a well-known mark is typically a mark widely known to the public nationwide, whereas a famous mark would typically be confined to a smaller region or locality.
- 26) In addition to the terms just mentioned, the terms "notorious", "highly renowned", "highly reputed" and "exceptionally well-known" are equally used by courts and commentators in various jurisdictions. One issue to look into in this Working question is what expressions are used by the various jurisdictions and whether the relevant public is construed differently when determining the degree of recognition of famous marks, well-known marks and marks with a reputation respectively.

Questions

I. Analysis of current law and case law

- 1) How is the relevant public for purposes of determining the degree of recognition of famous, well-known and reputed marks defined in your jurisdiction? Is it the general public at large or a relevant sector of the public that is considered to be the relevant public in determining the knowledge, recognition or fame of a mark?
- 2) Please clarify whether your jurisdiction uses several of the terms discussed in sections 22-26. If so, is the “relevant public” construed differently when determining the recognition of famous marks, well-known marks and marks with reputation respectively (and, if applicable, marks subject to another term)? Is the assessment made based on the same criteria?

- 3) If the relevant public can be a limited sector of the public please respond (if applicable with reference to statutory provisions and/or case law) to the following questions.
- a) Please briefly describe the criteria for determining the relevant public. Is consideration taken e.g. to age, gender, geography, culture, groups with special interests, sophistication/skill of the consumer? Is consideration taken to the way the goods or services with the trademark in question are marketed?
 - b) Would the relevant public be populated by actual/potential consumers/buyers of the products/services in question only or a larger public? Please explain how the delimitation is made.
 - c) Could the relevant public be composed of business /professional end consumers?
 - d) Could the relevant public be composed of people in the trade of the goods or services in question, such as distributors, licensees and retailers?
 - e) Could the relevant public be "mixed" in a sense that it is composed of persons involved in trade, professional/business end customers and private end customers?
 - f) How limited in terms of quantification can the relevant sector of the public be to constitute the relevant public? Is there a clear established "lowest level"?
 - g) Is it possible to see any differences for different products/ industry sectors in respect of the delimitation of the relevant public?
- 4) Are there any differences between the "relevant public" concept when assessing the recognition of trademarks in respect of e.g. dilution, free riding, or when determining likelihood of confusion in infringement proceedings?
- 5) When does the assessment of the relevant public come into play e.g. in registration matters, proceedings in respect of wrongful use such as free riding, dilution, infringement proceedings, and opposition proceedings?
- 6) Is the relevant public determined by a test, a specific procedure or in some similar manner, or rather on a case-by-case basis? Please give a brief description of how the test or analysis is made.

II. Proposals for harmonisation

Is harmonisation desired? If yes, please respond to the following questions.

- 1) Is it the general public at large or a particular sector of the public that should be considered as the relevant public in determining the knowledge, recognition or fame of a mark?

- 2) Please briefly set out the criteria to be used when establishing the relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation.
- 3) Should the relevant public be construed differently for famous marks, well-known marks or marks with a reputation? If so, please define the terms used and describe what criteria is to be used for the different types of marks.
- 4) Would it be possible or desired to establish a test or a specific method of establishing the relevant public or should this be done on a case-by-case assessment? How should the test or analysis be made?

National Groups are invited to comment on any additional issues concerning the relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation that they deem relevant.