

QUESTION 151

The influence of advertising restrictions on trademarks

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Q151

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Resolution

As to the impact of advertising restrictions on trademarks - which term should be taken to include distinctive signs generally - AIPPI has formulated the following considerations:

1. Advertising restrictions are generally based on concerns with respect to the safety of, or the social policy relating to products or services to which those restrictions apply or - exceptionally, such as in the case of advertising for professional services - on concerns with respect to the ethical acceptability of advertising itself, rather than concerns with respect to the relevant (products or) services.
2. Concerns of social policy may justify certain advertising restrictions. These restrictions, however, may not be disproportionate or unreasonable (see for instance art. 20 of the TRIPS Agreement). Advertising restrictions may not prohibit the registration of trademarks as such, or allow for cancellation (under whatever name) of trademarks (see also art. 6 quinquies B and art. 7 of the Paris Convention and article 15 par. 4 of the TRIPS Agreement).
3. A matter for particular consideration in this respect is "indirect advertising", in particular in the form of use of a trademark for which advertising restrictions apply in respect of so-called collateral goods or services, different from those at which the relevant restrictions are specifically directed.
4. Rules restricting advertising, generally relate only remotely to the rules relevant to trademark law. To this extent, advertising restrictions do not justify that rules of trademark law, such as rules on acquisition and maintenance, requirements as to use, as to distinctive character and notoriety, or as to scope of protection be amended, or applied differently in situations where advertising restrictions are in effect.

Consequently, AIPPI concludes as follows:

1. Restrictions on advertising applicable to certain products or services, should not constitute any obstacle to the acquisition of trademark rights for the relevant goods or services or, to the extent that the advertising restrictions include indirect advertising, to the acquisition of trademark rights for other goods or services.

2. Restrictions on advertising applicable to certain products or services should not constitute an independent ground for any action for cancellation (under whatever name) of a trademark registration, whether for the products or services to which the advertising restriction applies or (in particular in the case of restrictions on indirect advertising) for other products or services; such actions for cancellation should be subject only to the rules generally relevant to the validity and the maintenance of trademark rights.
3. Restrictions on indirect advertising should be expressly limited to uses of a trademark that have the clear intention or the substantial effect of advertising the goods or services at which the relevant advertising rules are specifically directed, and should not affect the bona fide use of a trademark by an independent third party trademark owner.
4. The existence of restrictions on advertising applicable to certain products or services, does not justify that the requirements as to the use of a trademark, in particular with a view to the maintenance in force of relevant trademark rights, be assessed in any other manner than is generally applicable to trademarks. A total or partial ban on advertising applicable to certain goods or services may constitute a justified reason for non-use of a mark under art. 5 C of the Paris Convention.
5. The existence of restrictions on advertising applicable to certain products or services, does not justify that the reputation, or the degree of distinctive character based on use, attaching to a trademark effective for the products or services affected by the restriction on advertising in question, be assessed in any other manner than is generally applicable to trademarks.

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