

## Question Q 148

### **Three-dimensional marks: the border line between trade marks and industrial designs**

#### **Introduction**

The AIPPI has already studied in the past the protection of Industrial Designs in the context of Q 73, as well as the protection of 3D signs as Trade Marks in the context of the Harmonization of substantive provisions of Trade Mark Law under Q92E. Question 148 is focused on the protection given to 3D signs by Trade Marks and Industrial Designs.

Most countries of the world recognize protection of 3D shapes as Industrial Designs when they fulfill the conditions of novelty and originality. This protection lasts for a limited period of time.

On the other hand, protection is also recognized for 3D shapes as Trade Marks, when the shape serves to indicate to the consumer the origin of the product or service identified by the 3D shape.

The protection granted by the Trade Mark has no limit in time and can be renewed forever, provided that the shape does not lose its distinctive character.

It has been proposed in the Working Guidelines that the AIPPI will study how these two systems of protection are established in each country and the need and the possibilities to establish clear criteria when a 3D object may be legally protected as an Industrial Design and/or as a Trade Mark and the possibilities to accumulate both kinds of protection.

In this context it is worth to be mentioned that on October 13, 1998 a European Directive on Industrial Designs was approved and that obliges all European Union member states to harmonize their national legislation on Industrial Designs before 28th October 2001.

The European Commission is preparing a draft of Regulation to create a European Community Industrial Design that will have effects in the 15 countries of the European Union and that will be handled by the Office for the Harmonization of the Internal Market (Trade Marks and Designs) OHIM located in Alicante (Spain).

On the other hand, the Regulation on the Community Trade Mark under article 4 as well as the Harmonization Directive under article 2 establish that the shape of goods or their packaging can be protected through Trade Marks provided that they are capable to distinguish the goods or services of one undertaking from those of other undertakings.

The Reporter General has received 31 reports, namely from the Groups of Argentina, Australia, Bulgaria, Czech Republic, Denmark, Egypt, Finland, France, Germany, Great Britain, Greece, Hungary, Israel, Italy, Japan, Mexico, The Netherlands (corresponding to the Benelux situation), Portugal, Republic of Korea, Romania, Slovak Republic, South Africa, Spain, Sweden, Switzerland, United States of America, Uruguay, Yugoslavia, as well as from the Regional Groups of Indonesia, Singapore and Thailand.

## **I. State of the national rules.**

*The Groups have been first invited to set out the situation in regard to legislation, rules, doctrine or case law, in their respective countries, and their replies are the following:*

### **1. Protection of 3D signs as Industrial Designs and/or as Trade Marks.**

All the Groups except Indonesia state that, under their domestic legislation, shapes of goods, packages and other 3D signs are protectable as Industrial Designs as well as Trade Marks.

Even though the Working Guidelines indicated that Question 148 would be restricted to the study of protection afforded to 3D objects by Trade Marks and Industrial Designs, and would not consider the possibility to protect them through other means, i.e., passing-off, get up, copyright, unfair competition, etc., many reports indicate that 3D shapes can be protected also through these other means and, therefore, they constitute a remarkable source of well-documented information on comparative law as well in this area.

### **2. Minimum requirements to protect a 3D sign as Industrial Design and as a Trade Mark**

#### **(i) Industrial Designs**

All Groups declare that a shape to be protected as an Industrial Design needs to be new, however, the standard of novelty is not the same everywhere. Most countries require world-wide novelty, while others, like the Benelux, Bulgaria and Israel only require local novelty. The Dutch Group reports that, under the Benelux Design Act, an Industrial Design is not considered to be new if during the preceding 50 years it has enjoyed a "de facto" notoriety in the relevant circles in the Benelux territory. Most jurisdictions require that the 3D shape to be protected as an Industrial Design fulfills also another condition. This is defined differently in different countries as for example originality, individual character, etc.

The European Directive establishes two conditions for the validity of Industrial Designs, i.e. novelty (article 4) and individual character (article 5). An Industrial Design shall be considered to have individual character under such Directive, if the overall impression it produces on the informed user differs from the overall impression produced, on such a user, by any design which has been made available to the public before.

Under the same European Directive, the state of the art to be taken into account to apply the above concepts of novelty and individual character consists in all designs disclosed, except those that could not reasonably have become known, in the normal course of business, to the circles specialized in the sector concerned operating in the European Union.

As it can be seen, the concept of novelty that will have to be adopted by all European Union member states deviates somewhat from the principle of worldwide novelty.

The British report indicates that, in the United Kingdom, there are registered and unregistered designs, the latter consisting in a way to obtain a short term protection against copies without the need of filing an application for a design registration. The initial drafts of Regulation for a Community Industrial Design also include registered and unregistered Designs.

## **(ii) Trade Marks**

On the other hand, all Groups that provide protection for 3D signs through Trade Marks establish as a condition for registration that the sign is capable of distinguishing the goods or services of the proprietor from other traders, establishing the need for the sign to be distinctive to be registrable.

Several countries, particularly those belonging to the European Union, establish what is not registrable as a Trade Mark:

- the shape which results from the nature of the goods themselves, or
- the shape of goods which is necessary to obtain a technical result, or
- the shape which gives substantial value to the goods,

as defined under article 3.1 (e) of the European Union Harmonization Directive on Trade Marks and under article 7.1 (e) of the European Union Regulation on the Community Trade Mark.

The United States report indicates that a 3D sign must be primarily non-functional and this happens when it serves no utilitarian need, or if it is only "de facto" functional (the design performs some function, but is not dictated primarily by the function), as distinguished from "de jure" functional (when the design feature is essential to the operation of the product, or is superior in function or efficiency to other available designs, providing a competitive advantage to the user).

All European Union Group reports, as well as the reports from US, Australia and Japan indicate that in their countries it is possible to acquire distinctiveness (also called secondary meaning) through use when the shape does not have inherent distinctiveness.

It can be concluded that all Groups consulted require for a 3D object to be protected as an Industrial Design to be new and fulfil a second condition (individual character, originality, etc.) while for being protectable as a Trade Mark the 3D object must be distinctive.

### **3. Protection as Trade Marks of shapes previously protected as Industrial Design or under other IP modality**

The majority of the reports indicate that there is no specific rule that precludes obtaining Trade Mark protection for a shape of an object protected, or previously protected, as an Industrial Design or under another modality of Industrial Property. Some Groups (Hungary, Japan and the US) indicate that the protection awarded by these different modalities exist independently.

The US report also indicates that the existence of a patent that covers a 3D product feature may be relevant to the possible functionality and consequent unprotectability of that feature as a Trade Mark. However, a recent decision of the US Court of Appeals for the Federal Circuit in *Midwest Industries, Inc. vs. Caravan Trailers, Inc.*, held no "per se" limitation on a preclusion from Trade Mark rights, merely from the fact of coverage of the subject 3D feature in a subsisting or expired utility patent. This report further indicates that article 15(1) of TRIPS provides for a very broad eligibility of signs for Trade Mark protection.

#### **4. Case law on protection of objects as Trade Marks previously protected as Industrial Design.**

As far as case law is concerned, the German report states that there are fundamental concerns in respect of the possibility to perpetuate protection for configurations or achievements which are normally regarded as the subject matter of rights which are limited in time.

The report from Egypt states that the Coca-Cola bottle case law confirms that the fields of protection of Trade Marks and Designs are separate and there is no conflict between both. The British Group indicates several decisions where the protection of a shape protected by an Industrial Design was accepted to be protected also as a Trade Mark.

The Italian report explains that doctrine and case law in this country are divided into four currents, the first is in favour of the double protection of the same good as a Trade Mark and as a Design; the second is in favour of the prohibition of concurrent protection; the third is in favour of the dual protection, but addressing to different scopes of protection (design for ornament features and trade mark, as an indication of the source); the fourth current favours the combination of protections and finds its ground for the Trade Mark protection of a shape already protected by an Industrial Design through the existence of secondary meaning.

#### **5. Cumulative protection of a shape as an Industrial Design and as a Trade Mark**

This question raises the possibility to obtain protection of the same shape as an Industrial Design and as a Trade Mark resulting in a cumulation of protection under both modalities of Intellectual Property.

The majority of the Groups have replied that this is possible. The French Group, however, prefers to use the wording "simultaneous protection" instead of "cumulative protection", arguing that, while the protection granted by Trade Marks is limited in scope because of the principle of speciality of trade marks, on the other hand it has a vocation of perpetuity in time since Trade Marks can be renewed forever. On the contrary, the protection given by Industrial Designs is universal, for a specific object independently of the use made by it, but temporal, for a specific period of time. Accordingly, a cumulation may give rise to a protection, at the same time universal and perpetual, what is not admissible.

This seems to be a misunderstanding because the legal concept of cumulation does not mean that both forms of protection are combined together but that one can get the two different forms of protection, each one with its own features.

## **6. Priority claim of an Industrial Design on a Trade Mark or viceversa**

All Groups agree in that it is not possible to claim priority of an Industrial Design in a Trade Mark application or vice versa under the Paris Convention.

## **7. Shape or packaging used with a word mark**

To the question whether a shape or a packaging, used in combination with a word mark, could acquire distinctiveness through use and then be protected as a 3D Trade Mark without the word mark, all the Groups, except the Republic of Korea, agree in that this should be possible, provided that the interested circles will recognize the shape or packaging as an indication of the origin of the producer without the need of the word.

The Spanish Group mentions that there have been several cases in Spain where 3D Trade Marks have been granted, which consist of containers which have acquired their own distinctiveness through use, while being used in the market together with the corresponding word mark.

The South African Group indicates that a typical example of this is the Coca-Cola bottle.

The Japanese Group takes the view that, for the Trade Mark to be acceptable, the configuration of the shape shall be working, or be clearly able to work, as a product/service identifier.

For the British Group the synergistic effect of the impact of both the shape and the word-upon each other, will have to be removed and so they will have to be each looked at independently.

## **8. Distinction of protection afforded by an Industrial Design and by a Trade Mark**

All Groups agree that the protection afforded by a Trade Mark and by an Industrial Design is of different nature.

The Italian Group indicates that while a Trade Mark protects the consumer against the risk of confusion on the source, an Industrial Design protects the product itself.

For the Spanish Group an Industrial Design is directed to give an exclusive right to perform, manufacture, produce, sell, use and exploit an identical or similar shape, while a Trade Mark registration confers an exclusive right to use, in trade, an identical or similar shape to designate identical or similar goods or services.

### **8.1 Infringements and remedies available**

All Groups indicate that there is a distinction on what constitutes an infringement of Trade Marks and Industrial Designs.

For the US Group a design patent infringement is in the nature of a trespass upon property rights, while Trade Mark infringement is a tort of deception. It also indicates that for Industrial Design infringement, the mere unauthorized marketing, use, sale, offer to sale or importation constitutes infringement, and confusion or deception of the public is not an element of the offense. On the contrary, Trade Mark

infringement requires a plaintiff to make two showings, first that the shape protected by the Trade Mark (often called trade dress in the US), serves primarily to indicate the source or origin of its product because either is inherently distinctive or because it has become distinctive through acquisition of "secondary meaning", and secondly that there is a likelihood of confusion on the part of potential consumers who are likely to mistakenly believe that the defendant's Trade Mark is affiliated, connected or associated with the plaintiff, or that the defendant's goods originated with or are sponsored or approved by the plaintiff.

The French report points out that a Design infringement is defined as the reproduction of the singularizing characteristics of the shape that generally incorporate an object of the same nature as the registered Design but that can be pursued in an object of any nature, while a Trade Mark infringement is defined as the reproduction or imitation of the protected sign to designate similar products or services than those protected by the Trade Mark, but that it is only considered an infringement when the imitation implies that there is a risk of confusion.

The German Group indicates an important difference between the protection awarded by Trade Marks and by Industrial Designs derived from the fact that according to the present German Design Law, Industrial Designs are only protected against imitation, which implies the knowledge of the imitated Design, whereas the Trade Mark law grants objective protection irrespective of the fact that the infringer knew about the existence of the earlier mark. However, it states that this restriction will be abolished through the implementation of the European Directive on Designs. It continues saying that Trade Mark infringement normally is confined to identical or similar goods (apart from the extended protection for marks having a reputation), whereas under Design law protection is granted to the form "in abstracto", irrespective of the product in which it manifests itself.

The Swiss Group takes the view that infringement is evaluated differently under Design and Trade Mark law. Under Trade Mark law, the shapes are compared attending to the recall that exists of the shapes in the consumers mind, while under Design law they will be compared the shapes themselves according to a direct comparison. It is also indicated that the difference originates from the reasons why the protection is awarded, while Design law is directed to award the efforts of the designers or authors of the design, Trade Mark law has to take into account up to what extent the consumer will establish a link between the shape protected and a specific producer.

The British Group differentiates between primary infringement (the shape is applied directly to a specific good) and secondary infringement (use of the shape for labelling or packaging goods, business papers, advertising, etc.). It also differentiates between the protection awarded by registered and unregistered designs.

The Dutch Group indicates that in the Benelux, the criteria of infringement for both Trade Marks and Designs is the risk of confusion, although the scope of protection for Designs is formulated in a more restricted way.

From the Group reports it becomes evident that there are two different approaches at the time of determining the protection afforded by Industrial Designs.

One group of countries (Germany, Spain and France) grants protection of the shape of the object for any kind of use, while the other (UK, Hungary, Japan, South Africa and South Korea) grant protection of the shape when applied to the object designated in the Industrial Design registration. The Committee should try to make proposals for adopting a uniform approach in this respect.

On the other hand, some Groups (Argentina, Australia, Finland and Hungary) seem to grant wider protection to Trade Marks than to Industrial Designs and the Committee should also try to make proposals in this respect.

Despite the differences on what constitutes an infringement, as far as the remedies available is concerned, all Groups state that, generally speaking, they are the same even though, the different nature of the right protected, makes it in practice that the remedies are somewhat different. In the Benelux the remedies available for Trade Mark and Design infringement are very wide and include, inter alia to recall infringing products of the infringer and to produce a list of the names of the clients of the infringer.

## **8.2 Two dimensional reproduction of a 3D object**

The reports indicate that there is not a general rule for all jurisdictions about the possibility to forbid the two dimensional reproduction of a 3D object protected by an Industrial Design or a Trade Mark registration. In some countries (Australia, Egypt, UK, Hungary, Israel, Mexico, the Republic of Korea, South Africa and Spain) it is possible to forbid it under Trade Mark law, but it is not so clear that this can be achieved through Design law. In the Benelux it is possible to use in advertising a two dimensional picture of a 3D object protected by a Trade Mark or an Industrial Design. The United Kingdom report indicates that it is possible to forbid the two dimensional reproduction of a 3D shape under an unregistered Design but not under a registered Design. Other countries like Bulgaria indicate that this is not possible neither under Trade Mark nor under Design law. Finally, other countries like Denmark and Finland, indicate that it is possible to forbid the two dimensional reproduction of a 3D object under copyright and unfair competition law.

## **8.3 Use of a sign as an Industrial Design and potential loss of distinctiveness to protect it as a Trade Mark**

Several Groups (Argentina, Australia, Egypt, Finland, Germany, Hungary, Israel, Italy, Japan, Mexico, Spain, Switzerland, France, Sweden and Singapore) indicate that the use of a sign as an Industrial Design will not lead "per se", to the loss of distinctiveness of the sign, so that it could no longer be registered as a Trade Mark, but this would only depend on whether that use has lead to a loss of distinctivity of the 3D sign, or would depend on whether it has not acquired sufficient distinctiveness (secondary meaning) through that use.

The German report specifies that the use made of a Design might, however, prove to be detrimental in cases when the right owner authorizes a multitude of different

licensees, which are perceived as different commercial sources by the public to use the shape in the respective businesses. In an extreme case, such use might even lead to the invalidity of a registered Trade Mark, if it leads to a situation when the shape becomes customary in the course of trade.

Other Group reports (Bulgaria, the Czech Republic, Denmark, United Kingdom, Portugal, the Republic of Korea, Rumania, Slovak Republic, South Africa and the US) state that if the shape is used only as a Design and not as a Trade Mark, it will lose its distinctiveness and will become unregistrable as a Trade Mark.

#### **8.4 Measures to avoid loss of distinctiveness of a 3D sign**

Practically all Groups agree in the fact that the measures that the proprietor of a protected 3D sign can take to avoid that it loses its distinctive character, as a consequence of the use of the corresponding Design made by third parties is to take infringement actions against such a use. The members of some Groups like Germany, also indicate that a correct policy of license agreements would be helpful to avoid the loss of distinctiveness.

#### **8.5 Other remarks**

The Japanese report refers to the fact that in many countries it appears to be possible for different persons to obtain a Design and a Trade Mark registration for identical or similar 3D objects and states that, in Japan, the filing dates of the respective applications are adopted as the critical dates to decide the priority of rights.

The Italian Group refers to the notion of "innocuous variations" and explains that, in case there are ornamental shapes which permit the introduction of variations, that, while letting substantially unimpaired the aesthetic value of the shape, likewise permit to avoid confusion, it lies upon the imitator the burden to adopt such variations.

The Mexican Group indicates that it would be interesting to compare the rights afforded by 3D Trade Marks and by copyright.

The British Group raises two additional points:

- a) whether the interior "get up" of a restaurant might be considered to be a 3D sign and thus protectable, and
- b) whether variable 3D shapes can be protected and, if they can, if there are difficulties in respect as to what constitutes an infringement.

The Dutch Group includes excellent observations about the unregistrability as 3D marks of shapes when they are determined by the nature of the goods, which are necessary to obtain a technical result or which give substantial value to the goods, and includes very interesting Benelux case law in this respect.

As far as the nature of goods is concerned, the Dutch report concludes that there are not clear criteria to determine whether a shape results from the nature of the



goods themselves. The only criteria that the courts seem to use now and then is whether the same product is being offered in other shapes and/or in other packagings as well.

On the technical value aspect, the Dutch report distinguishes the question of 3D shapes protection under Design and Trade Mark law. For Designs it states that the predominant view is to accept the "device orientated" approach (versus the "result-orientated" approach) according to which, if a certain technical result is obtained, irrespective of whether the same might be obtained through other technical means, the shape cannot be protected through a Design.

As far as concerns Trade Mark protection, the Dutch Group indicates that the predominant view is that those aspects of shapes, through which a certain technical result is achieved, cannot be protected through Trade Marks, irrespective of whether the same technical result might be obtained through other technical means. However, since the EEC Trade Mark Directive uses the wording "necessary to obtain a technical result", the view might shift in the future to a "result-orientated" direction, accepting protection if the same technical result may be obtained in more than one way.

The Dutch Group refers also to the possibility of protecting shapes which give a substantial value to the goods and explains that the Benelux Court took the view in a Burberrys decision of 1989 that the decisive question to reject trade mark protection of a 3D shape is exclusively whether the form, as a result of its beauty or its original character, influences the actual value of the product and that, the influence on the market value that does not derive from the aesthetic appeal of the design but rather from the advertising effect of its renown as a distinctive characteristic, must be ignored.

## **II. Adoption of general rules**

### **1. Need to clarify criteria to protect a 3D object as an Industrial Design and as a Trade Mark**

Some Groups (Finland, Denmark, the United Kingdom, Hungary, Spain and Switzerland) indicate that clear criteria as regards when a 3D object may be legally protected as an Industrial Design and as a Trade Mark, already exist. The German report states that certain problems exist, however, in respect of the application of article 3.1e) of the EU Directive on Trade Marks. The German report also states that under an international point of view, 3D marks have not been expressly mentioned in article 15.1 of TRIPS and that even though TRIPS obliges affording trade mark protection to every form of sign, it might be useful to expressly declare that TRIPS does contain an obligation to grant trade mark protection to product shapes.

For the Spanish Group, differentiating rules are not only unnecessary but even could be counter-effective, since both modalities of protection are clearly defined and differentiated and it is up to the applicant to choose which modality is considered more appropriate.

The United States report points out that there is not much difficulty in reconciling Trade Mark law with Design patent law, but there is considerable difficulty in reconciling Trade

Mark law and utility patent law, and that there is a need to clarify if and when the existence of a utility patent may preclude trade mark protection for a 3D object.

For the French Group the criteria of protection are not a problem. The problem is when the shape to be protected is the shape of the product itself, because the adoption of such a form as a trade mark gives the opportunity to give birth to a perpetual protection for a banal form which is contrary to the objectives of Intellectual Property.

In the same line, the Italian report indicates that prevailing pro-competitive reasons exclude the possibility to give access to a potential everlasting Trade Mark protection for those shapes that once fallen in public domain could add a significant progress to the aesthetics or to the evolution of taste, or in general, could be of benefit for the market. The Italian Group deems that, in order to solve the problem of the correct co-ordination of the protection of the shape as Trade Mark and as Industrial Design, it is not essential to identify precisely the different requirements to comply with both of the two protections, but rather to point out clearly the circumstances under which the shape of a good (protected or not as Industrial Design) cannot be object of Trade Mark registration, and to that purpose proposes to apply the criteria under the European Trade Mark Directive that exclude from protection as trade mark the shapes necessary to give "substantial value" to the goods.

For the Dutch group, criteria relating to the exemption from Trade Mark protection for shapes determined by the nature of goods or necessary to obtain a technical result require further clarification, though guidance on criteria of actual value of goods exists. It is also pointed out that, under the EEC Trade Mark Directive it seems that the use of the word "exclusively" means that, only in exceptional cases, 3D objects will not qualify for Trade Mark protection.

## **2. Proposals to clarify criteria**

Several Groups (Finland, Greece, the Slovak Republic, South Africa, Spain, Switzerland and France) indicate that, since the criteria to differentiate the conditions for protection of a 3D object through Industrial Designs and/or as Trade Marks already exist, there is no need to make further proposals.

However, the German Group proposes that in order to disperse any doubts concerning the principle eligibility of 3D objects for Trade Mark protection, it would be sufficient to include, in the text of Trade Mark laws and/or international agreements, the words "the shape of products or their packaging" in the list of examples of possible forms of marks. The German report points out also that, the specific objectives and functions of the respective rights are those set out in paragraph F) of the Working Guidelines. It also states that often the shape of a product does not convey "per se" an indication of commercial origin. In these cases it is proposed that some degree of public recognition (secondary meaning) is required before a 3D shape is entered into the Register of Trade Marks.

The Japanese Group states that even though the conditions for protecting Design and Trade Marks are different, the practise would vary from jurisdiction to jurisdiction as far as:

- i) whether a 3D object can be accumulately protected as both Design and Trade Mark,

- ii) whether a 3D object previously protected as Design cannot be protected as Trade Mark

and consider to be advisable to make proposals to the criteria for distinguishing Designs from Trade Marks and vice versa, indicating that such proposals could lead to the theoretical clarification as to what is a 3D Trade Mark.

The Australian Group suggests that the test for distinctiveness for a Trade Mark should include extrinsic evidence of market recognition.

The Danish Group is in favour to clarify the criteria for differentiating both kinds of protection rather than to separate the two types of legislation.

The Dutch report says that further clarification is required by the European Court of Justice in order to conclude the discussion on the protection of 3D Trade Marks, and reminds that the British case Philips/Remington, where the question of exclusion of Trade Mark protection of a shape necessary to obtain a technical result still applies if there are other shapes through which the same technical result can be obtained, has been recently referred to the European Court of Justice.

### **3. Conditions to protect as a Trade Mark a 3D object protected through an Industrial Design (or another IP modality)**

Practically all the Groups are in agreement by saying that the protection of an object previously protected by an Industrial Design, or by any other modality of Industrial Property such as utility models and patents, should only be protected as a Trade Mark when the specific shape has distinctive character.

For the German Group this protection should in principle be independent of the question whether they enjoy protection as well on the basis of Design law or on any other legal grounds. However, Trade Mark protection should be precluded in certain cases when this might clash with fundamental principles of Intellectual Property law in order to avoid the blocking of competition in the market for specific products. In this context, it is suggested that protection should not be granted for shapes which are inseparable from the nature of the product itself, or, as article 3.1 e) of the EU Trade Mark Directive points out, shapes resulting from the nature of goods, being necessary to obtain a technical result or which give substantial value to the product. However, how can this rule be reconciled with article 15.2 TRIPS which in its turn refers to article 6 quinquies of the Paris Convention?. The German Group strongly recommends to make only very restrictive use of the grounds for exclusion under the mentioned article 3.1 e) of the European Trade Mark Directive and, in particular, of the essential value clause as well as the corresponding principles anchored in other jurisdictions, like the "doctrine of aesthetic functionality" under American law. It recommends to find other ways to take into account competition interests, for instance forms which constitute only slight variations of shapes which are common in the field or which correspond to certain practical or technical constraints should only be protected if the owner can establish a very high degree of secondary meaning. The German report states also that it would prefer a limited scope of protection than a total exclusion so as to permit the protection and sale of products with similar shapes by competitors. Finally, it states that, strictly speaking, accumulation of Trade Mark and patent protection is never

possible because the patent protection is granted to the inventive idea and not to the appearance of a product.

The French Group states that when a shape is at the same time new and original, if it results clearly from an aesthetic choice and it is not inseparable of the specific nature of the object, there is no obstacle to be protected as a Trade Mark to distinguish objects of its primitive nature, but it should be excluded the possibility to protect such a shape when the real function is not the designation of the product and constitutes the only singularity of the object, nor should it be permitted the registration as Trade Mark of a shape that use has banalized for the respective product.

The Dutch report indicates that the Benelux Court of Justice in the Burberrys decision has drawn the border line between trade mark right and copyright for 3D objects in connection with the question of the actual value to the good (see last paragraph of 8.3 above).

#### **4. Cumulation of protection through Industrial Design and Trade Mark**

All the Groups are in favour to permit the possibility to accumulate protection of the same shape as a Trade Mark as an Industrial Design, although some Groups indicate that for a shape to be protected as an Industrial Design, due to the requirement of novelty, could only be provided when this requirement is met. Some Groups like the Argentinean Group indicates that both protections (Design and Trade Mark) should be possible if the rights are applied for at the same time.

#### **5. Other remarks**

The German Group points out that problems have arisen in the relationship between Trade Mark and copyright law, in particular in connection with the question whether the presentation of products or their packagings in advertisements may be prohibited on the basis of copyright. The group also raises the question whether and to which extent Trade Mark rights may be acquired in representations of works of art which belong to the public domain, and proposes that this problem should form the object of further considerations by AIPPI.

The British Group indicates that the history the legislature granting dual protection in the realm of copyright and industrial design is well illustrated in *Lady et al.* which shows the overlap in protection between registered designs and copyrights.

For the Slovak Republic Group there is a tendency in the world in the field of Industrial Property rights to provide the highest level of protection for producers/products. This tendency is favourable for providing the protection of 3D appearance products not only as Industrial Designs but also as Trade Marks which can derive in a perpetual protection, and indicates that there is a need to overcome the present opinions that the possibility of protecting 3D shapes as Trade Marks is in some way making needless the protection as Industrial Designs.

The Spanish Group indicates that it is a question of trying to eradicate the interested acts of those who, availing of the fact that some objects can merit double protection (as a Trade Mark and as an Industrial Design), try to force the concept of 3D Trade Mark in order to artificially extend the monopoly afforded by a pre-existing Industrial Design.

There is finally an aspect that, even though it was not included in the working guidelines and has not been addressed by the Group reports, should be considered by the Working Committee. It is the question of acquiescence.

Article 9 of the EU Harmonization Directive provides that the proprietor of an earlier trade mark who has acquiesced, for a period of five successive years, in the use of a later registered trade mark being aware of such use, shall no longer be entitled to invalidate or oppose the use of the later trade mark.

What should be the consequences when the owner of a registered design for a 3D object does not take any action against the owner of a 3D trade mark, consisting in the same object as the registered design, for 5 consecutive years?. Should the later 3D trade mark become uncontestable?. Will it be possible for the owner of the 3D trade mark to forbid the use of the registered design for the protected products?. What would happen upon expiration of the registered design?.

### **III. Conclusions.**

In view of the reports of the Groups, AIPPI observes that:

- (1) Under the existing legislation, in practically all consulted countries, shapes of goods, packaging and other 3D signs are protectable as Industrial Designs and as Trade Marks.
- (2) The shape to be protected as a Design needs to be new, even if the standard of novelty is not the same in every country or territory.
- (3) No specific rule precludes obtaining Trade Mark protection for a shape of an object, protected or previously protected as an Industrial Design or under another modality of IP.
- (4) It is possible to obtain protection of the same shape as an Industrial Design and as a Trade Mark.
- (5) It is not possible to claim priority of an Industrial Design in a Trade Mark application or viceversa.
- (6) It should be possible to protect as a 3D Trade Mark as shape or a packaging used in combination with a word mark, provided that the interested circles will recognize that shape or packaging as an indication of the origin of the producer without the word.
- (7) There is a distinction between the protection afforded by an Industrial Design and by a Trade Mark, while trade marks protect the consumer against the risk of confusion on the source, industrial designs protects the products themselves.
- (8) There is a distinction on what constitutes an infringement of an Industrial Design or a Trade Mark due to the nature of what constitutes the protection. As far as remedies are concerned, they are generally speaking the same.

- (9) The use of a sign as an Industrial Design will not lead "per se" to a loss of distinctiveness of the sign so that it could no longer be registered as a Trade Mark, but this would only depend on whether that use has led to the loss of the inherent distinctivity of the 3D sign or whether it has not acquired sufficient distinctiveness through use (secondary meaning).
- (10) The measures that the proprietor of a protected 3D sign can take to avoid the loss of distinctiveness of that sign, due to the unauthorized use made of it by third parties (dilution), is to take legal action against these infringements.

In view of that, it seems that AIPPI could take a position along the following lines:

1. There is apparently no need to make further proposals in order to differentiate the conditions for protection of 3D objects through Industrial Designs and/or Trade Marks.

However, in some cases national and regional offices require very high standards of inherent or acquired distinctiveness before granting Trade Mark protection to 3D marks. The Committee should explore how this problem can be solved and whether some kind of guidance can be given.

2. It should be accepted on an international basis to accumulate protection of the same shape as an Industrial Design and as a Trade Mark.
3. An object previously protected as an Industrial Design or by any other modality of IP should only be protected as a Trade Mark when that specific shape has either inherent or acquired distinctive character.
4. The Working Committee should reflect on the effects that should produce the expiration of the protection afforded by an Industrial Design on an object when, due to the principle of accumulation, the same object is also protected through a 3D Trade Mark. An adequate balance should be achieved between the principle of temporary protection afforded by Industrial Designs, and the right of the Trade Mark owner to have unlimited protection for a shape that has inherent distinctiveness or has gained it through extensive use (secondary meaning).