

# IP NEWS FROM GERMANY AND EUROPE

### NOVEMBER 2012

#### I. NEWS ABOUT US

#### **New Support**

We are pleased to announce new support for our team:

**Johannes Wehner**, born 1979, joined Kador & Partner as a Patent Attorney Trainee in October 2012.



Johannes Wehner

Johannes studied law with a minor in economics at the University of Bayreuth. After finishing his economic studies with a degree as "Wirtschaftsjurist (Univ. Bayreuth)" he went to the Christiana Albertina University (CAU) of Kiel where he received his degree in law (Dipl.-Jur. (Univ. Kiel)).

He went on to complete a degree in chemistry

at the CAU Kiel, focusing on organic and biological chemistry, with his diploma thesis (2009) on the synthesis of glycoclusters through native chemical ligation.

His dissertation at the Otto Diels Institute of Organic Chemistry, CAU Kiel dealt with the synthesis of glycocysteines and their application in glycoarrays to investigate bacterial adhesion to glycosylated surfaces. He submitted his thesis in September 2012.

Johannes is fluent in German and English and has basic knowledge in French.

**Dr. Wilhelm Alexander Eger,** born 1979, also joined Kador & Partner as a Patent Attorney Trainee in October 2012.



Dr. Wilhelm A. Eger

Wilhelm studied chemistry at the Friedrich-Schiller-University in Jena, focusing on organic, bioorganic and theoretical chemistry. With the completion of his master's thesis, which covered the transfer of the reaction mechanism of the enzyme carbonic anhydrase to other substrates such as isothiocyanates, he finished his studies in 2004.

During his time as a scientific coworker and PhD student at the Friedrich-Schiller-University Jena, he studied the syntheses of model complexes appropriate for mimicking the reaction mechanism of carbonic anhydrase.

After receiving his PhD he went abroad for one year as a scientific coworker at the University of Queensland, Australia, and studied the syntheses of silver acetylide complexes as well as the reaction mechanisms of carbon chain elongation and epoxide ring opening reactions. A grant he received from Wacker AG enabled him to carry on his research for two years at the Technical University in Munich.

Wilhelm is fluent in German and English.



In May 2012, **Ms. Corinna Probst**, attorney at law at Kador & Partner, **Dr. Utz Kador, Dr. Bernhard Pillep** and, last but not least, also **Mag. Astrid Purner** from our Innsbruck office participated in the 134th INTA annual meeting in Washington D.C. As always, it was a great opportunity to exchange ideas, discuss important issues and meet with clients and colleagues from all over the world.

On the occasion of the conference, COMTAI (Community Trade Mark Advisory Initiative), an association of Munich attorneys of which Kador & Partner is an active member, organized a cruise on the Potomac river to celebrate its 10th anniversary.

On the cruise there was a quiz on European trade mark and design issues during which **Corinna** presented the case "BEYOND VINTAGE ./. BE-YOND RETRO", both trade marks having "clothing" in their list of goods. In spite of the apparent similarities in the marks, especially the conceptual similarities, the Office for Harmonization decided that there was no likelihood of confusion. Would you have guessed?



#### Excursion to Weimar and Erfurt

In late September this year our team went on a cultural trip to Weimar and Erfurt.

The city of Weimar has a vast cultural heritage. Apart from giving its name to the Weimar Republic period in German politics, from 1918 to 1933, the city was the focal point of the German Enlightenment and home of the leading characters of the literary genre of "Weimar Classicism", the writers Goethe and Schiller. The city was also the birthplace of the Bauhaus movement founded in 1919 by Walter Gropius.



The Kador Team in the Park an der Ilm/Weimar

Erfurt, located 25 km east of Weimar on the Gera river, has preserved an intact medieval city centre and is known for its two churches, Erfurt cathedral (Mariendom) and Severikirche, which stand side by side. Also, the reformer Martin Luther attended the University of Erfurt, and lived there as a student from 1501 to 1511.

On the first day of our excursion we had guided



Mariendom and Severikirche

city tours first of Erfurt and then of Weimar, and finished the day with a delicious dinner at the historical hotel "Elephant" in Weimar, a place where a number of famous personalities from all over the world have stayed.



The Kador Team hiking in the Thüringer Wald

The next day we went hiking in the "Thüringer Wald" close to Eisenach where we also climbed through the "Drachenschlucht" (Dragon's Canyon) so that we enjoyed both culture and exercise during our trip.

#### Budapest

**Dr. Utz Kador** attended for the third consecutive year the summer course on United States and Global Business Law of Suffolk University of Boston which was held in Budapest.

With two research projects still to be done, Utz hopes to be able to attend the ceremony to receive the LL.M. in May next year in Boston.



#### Bon Camino!

In September **Dr. Utz Kador** walked the last part of his journey to Santiago de Compostela together with his friend **Karin.** Actually it was the first part, namely from their home in Munich to Innsbruck in Austria, and on to Feldkirch, a nice town on the Austrian-Swiss border.

The further route all through Switzerland, all through France and then across Spain to its western most point on the Atlantic shore they did the years before. Now Karin and Utz have walked and very much enjoyed all of the Camino, about 2800 km. The Spanish greeting used on this trail meaning "Have a nice trip" is "Bon camino!".

#### II. EUROPEAN PATENT LAW

#### Revision of Rule 71 and introduction of new Rule 71a EPC

With effect as of April 1, 2012, the EPO has revised Rule 71 EPC and introduced new Rule 71a EPC.

The following procedure according to Rule 71(3) EPC remains unchanged in the actual version of Rule 71(3) EPC.

Once the Examining Division has decided that a patent can be granted, the text on the basis of which the Division intends to grant the patent is communicated to the applicant by dispatching a communication under Rule 71(3) EPC. This text may include amendments and corrections made by the Division on its own initiative.

In the communication under Rule 71(3) EPC the applicant is furthermore invited to pay the fee for grant and publishing and to file a translation of the claims into the two official languages of the EPO other than the language of the proceedings.

In response to the communication under Rule 71(3) EPC the applicant can agree with the text intended for grant or file amendments.

In case no amendments are made by the applicant in the response to the communication under Rule 71(3) EPC the application proceeds to grant as under the previous version of Rule 71 EPC. This is unchanged by new Rules 71 and 71a EPC.

In case amendments were filed and these amendments were accepted by the Examining Division, under the old Rule 71 EPC, the application proceeded to grant. In case the Division did not consider the amended application to be patentable (e.g. because the claims had been amended) a new office action was issued.

Under the new Rules 71 and 71a EPC the following procedure now applies.

In case amendments are made by the applicant in response to the communication under Rule

71(3) EPC and the Examining Division consid- It should be noted that minor corrections, such ers these amendments to be acceptable, the application does not proceed to grant but a new communication under Rule 71(3) EPC is issued. In case the Division does not accept the amendments, a new office action is issued, as under the old Rule 71 EPC.

In case such a new communication under Rule 71(3) EPC is issued, a new four-month deadline to pay the fee for grant and publishing and to file a translation of the claims into the two official languages of the EPO other than the language of the proceedings is set.

Hence, in case amendments are filed in response to the communication under Rule 71(3) EPC, it is no longer necessary to pay the fees and to file a translation of the claims. This can still be done in response to the second communication under Rule 71(3) EPC. In case the fees are paid in response to the first communication under Rule 71(3) EPC, however, these fees are credited towards the amount of the same fee due in response to the subsequent Rule 71(3) EPC communication. Hence, in case all necessary fees have been paid in response to the first communication under Rule 71(3) EPC it is not necessary to pay any fees in response to the second communication under Rule 71(3) EPC.

#### Our comment:

In our experience, in the majority of cases no amendments are filed in response to the communication pursuant to Rule 71(3) EPC. Hence, the prosecution of these cases is not affected by amended Rule 71 and new Rule 71a EPC.

However, it sometimes happens that the Examining Division makes substantial amendments to the claims which are not acceptable. Thus, in response to the communication pursuant to Rule 71(3) EPC amended claims are filed which substantially differ from the claims as intended for grant. In such a case, under the new Rules 71 and 71a EPC it is not necessary to file translations of the unwanted claims and pay the prescribed fees. This can still be done in response to the subsequent communication under Rule 71(3) EPC. Hence, the fees for translating the claims twice is avoided.

as the correction of clerical errors etc., which are often made when responding to the communication under Rule 71(3) EPC should be made earlier (e.g. already in response to the first office action) to accelerate the granting procedure. This makes it possible to avoid the issuance of a second communication under Rule 71(3) EPC.

#### Extension of the PPH programs and revision of the participation requirements

The "Patent Prosecution Highway" (PPH) programs allow an applicant who has filed with a PPH participating office an application which was found allowable to have a corresponding application filed with a PPH partner office processed in an accelerated manner.

Thus, for example, if there is a first application in the U.S. and a subsequent application in Europe claiming the priority thereof, the applicant may request participation in the PPH program for the EP application where the USPTO considers one or more claims allowable.

Currently, the EPO has PPH programs with the USPTO and the JPO, allowing examination results obtained from one office to be used for national/regional or PCT applications at another office.

The period of these PPH programs has been extended until January 28, 2014. Furthermore, with effect from January 29, 2012, the participation requirements have been revised, opening the possibility for more applications to access the PPH programs.

Accordingly, if there are corresponding US (or JP) and EP applications it is only necessary that both applications claim the same priority, i.e. it is not necessary that one of the applications is the priority application as such.

For example, in case the US and EP applications both claim the priority of an application filed in a third country and the USPTO considers one or more claims allowable, a PPH request for the EP application can be filed.

It should be noted, however, that a PPH request may only be filed as long as the examination of the application for which participation in the PPH programs is desired has not been started at the EPO.

#### Our comment:

There is currently no official statistic available on whether or not applications under the PPH programs are prosecuted faster by the EPO. In our own cases we have experienced that the first office action is indeed issued faster. However, the further prosecution largely depends on the particularities of the case, e.g. the technical field or whether additional prior art is found in the search conducted by the EPO, etc.

It should be noted that in case a PPH request is filed it is necessary to pay the same fees also required in case no PPH request is made. Furthermore, the EPO conducts the same prior art search regardless of whether or not a PPH request has been filed. Hence, it is not possible to "bypass" the search at the EPO.

#### New developments in the "Tomato case" and the exclusion of "essentially biological processes" under Art. 53(b) EPC

According to Art. 53(b) EPC "essentially biological processes" for the production of plants or animals are excluded from patentability.

Rule 26(5) EPC gives a generic definition of what is "essentially biological":

"A process for the production of plants or animals is essentially biological if it consists entirely of natural phenomena such as crossing or selection."

In this matter the Enlarged Board of Appeal case is T  $1199/08^2$ . (EBA) has decided in G  $1/08^1$  that:

"1. A non-microbiological process for the production of plants which contains or consists of the steps of sexually crossing the whole genomes of plants and of subsequently selecting plants is in principle excluded from patentability as being "essentially biological" within the meaning of Article 53(b) EPC.

2. Such a process does not escape the exclusion of Article 53(b) EPC merely because it contains, as a further step or as part of any of the steps of crossing and selection, a step of a technical nature which serves to enable or assist the performance of the steps of sexually crossing the whole genomes of plants or of subsequently selecting plants.

3. If, however, such a process contains within the steps of sexually crossing and selecting an additional step of a technical nature, which step by itself introduces a trait into the genome or modifies a trait in the genome of the plant produced, so that the introduction or modification of that trait is not the result of the mixing of the genes of the plants chosen for sexual crossing, then the process is not excluded from patentability under Article 53(b) EPC.

4. In the context of examining whether such a process is excluded from patentability as being "essentially biological" within the meaning of Article 53(b) EPC, it is not relevant whether a step of a technical nature is a new or known measure, whether it is trivial or a fundamental alteration of a known process, whether it does or could occur in nature or whether the essence of the invention lies in it.

The patent community expected this ruling to achieve legal certainty as to what subject-matter can be patented under Art. 53(b) EPC and what subject-matter is excluded from patentability.

In the meantime, some Technical Boards of Appeal have issued decisions under Art. 53(b) EPC following the ruling of G 1/08. One exemplary case is T  $1199/08^2$ .

<sup>&</sup>lt;sup>1</sup> See our Newsletter of April 2011, p.5 ff.; G 1/08 "Tomato case" and the similarly famous "Broccoli case" G 2/07 were decided by the EBA in consolidated proceedings under identical headnotes.

<sup>&</sup>lt;sup>2</sup> Dec. of May 3, 2012 available under http://www.epo.org/law-practice/case-law-appeals/ pdf/t081199eu1.pdf

The claims at issue were directed to a method nent and referred the following questions of law for the cryopreservation of sex-selected bovine sperm characterized by, among others, steps of obtaining a bovine sperm sample, treating the sample with an extender solution, sex-selecting sperm by flow cytometry, cooling said selected sperm sample, and finally freezing a suspension of the sperm sample. Furthermore, a frozen sexselected bovine sperm sample and the use of the sperm sample for the manufacture of a formulation for artificial insemination were claimed.

The Board found that none of these claims fall under the prohibition of Art. 53(b) EPC as the process for cryopreservation does not comprise a step of breeding an animal and none of its steps involves any crossing. The claims directed to a frozen sex-selected bovine sperm sample were held to be directed to a product which is not mentioned in Article 53(b) EPC. Article 53(b) EPC provides an exhaustive list of possible exclusions from patentability. For the claims directed to the use of a sperm sample for the manufacture of a formulation for artificial insemination, the Board found that such a use is not mentioned in Article 53(b) EPC either.

The above case is thus an example of how claims can be drafted which are concerned with methods and products usable in essentially biological processes, these processes being excluded from patentability while the claimed methods, products and uses are not.

However, the events occurring after the "Tomato case" was remitted by the Enlarged Board of Appeal (EBA) back to the Technical Board of Appeal for further examination have made the situation even still more complex. In line with the ruling of the EBA the patentee cancelled all claims directed to breeding methods. The remaining claims referred to tomato fruits defined by specific phenotypic features. The opponent insisted in its opinion that these claims were not allowable under Art. 53(b) EPC either as they covered the products of a conventional breeding process and consequently prevented breeders from carrying out a method excluded from patentability under G 1/08.

Accordingly, the opponent raised further legal issues not decided by G 1/08. Surprisingly the TBA<sup>3</sup> adopted the considerations of the oppo-

to the EBA<sup>4</sup> again:

1. Can the exclusion of essentially biological processes for the production of plants in Article 53(b) EPC have a negative effect on the allowability of a product claim directed to plants or plant material such as a fruit?

2. In particular, is a claim directed to plants or plant material other than a plant variety allowable even if the only method available at the filing date for generating the claimed subject-matter is an essentially biological process for the production of plants disclosed in the patent application?

3. Is it of relevance in the context of questions 1 and 2 that the protection conferred by the product claim encompasses the generation of the claimed product by means of an essentially biological process for the production of plants excluded as such under Article 53(b) EPC?"

#### Our comment:

It was thought that the patentability of claims directed to plants had been decided by the EBA in G 1/98<sup>5</sup>. In line with this decision it could be expected that the EPO would allow a claim directed to a plant if it was not confined to an individual plant variety. Plant claims defined by the product of a breeding process were thus held patentable irrespective of whether or not the process for producing these products was excluded from patentability under Art. 53(b) EPC.

It was further thought that the definition of essentially biological processes excluded from patentability under Art. 53(b) EPC had been decided by the EBA in G 2/07 and G 1/08. It is guite surprising for the patent community that the patentability of products produced by biological processes would again come into question, although the ruling in G 2/07 and G 1/08 on process claims was clear and legally ascertained.

<sup>&</sup>lt;sup>3</sup> T 1242/06 of May 31, 2012 (not yet published in the OJ EPO; available under http://www.epo.org/law-practice/case-lawappeals/pdf/t061242ex2.pdf)

<sup>&</sup>lt;sup>4</sup>This case is now pending under G 2/12

<sup>&</sup>lt;sup>5</sup> Official Journal EPO, 2000, pp. 111-141

The President of the EPO appears to hold a very stringent position on the patentability of subjectmatter in the biotech field. He emphasized that only 28% of all biotechnology applications received by the EPO were granted compared with an average of 42% in other technical fields. He further stated that the number of patents protecting plants and animals was declining<sup>6</sup>. It would not be surprising if the Boards of Appeal were influenced by this position, if it is expressed by the President of the EPO himself.

Thus, it has to be awaited whether the above new referral to the EBA and the critical statements by the President of the EPO represent a change of opinions on the general patentability of products obtained by breeding processes on plants and animals. The outcome of G 2/12 will hopefully clarify this legal uncertainty.

#### III. GERMAN PATENT LAW

#### Decision "Kinderwagen" of the German Federal Supreme Court on Community Design

In a recent decision<sup>7</sup> the German Federal Supreme Court (FSC, German: "Bundesgerichtshof", BGH)) further developed the case law on harmonized industrial design law, following previous decisions "Verlängerte Limousinen" (see our NewsLetter April 2011), "Untersetzer", "Schreibgeräte" and "ICE"<sup>8</sup>.

The plaintiff, situated in the Netherlands, is a worldwide distributor of articles for babies and is the right holder of a Community design concerning a pushchair, which was filed on July 3, 2003, and published on September 3, 2003.

The defendant, situated in southern Germany, is a producer of baby paraphernalia and, inter alia, offers pushchair models named "Fit" and "Kiss". The plaintiff claimed infringement of his Commu-

<sup>6</sup> EPO press release available under http://www.epo.org/newsissues/press/releases/archive/2010/20100924.html nity design rights by the offered "Fit" and "Kiss" pushchair models. The FSC ultimately decided that the defendant infringed the Community design.

In the course of this decision, the court developed principles on analyzing a possible infringement situation:

In a first step, the scope of the plaintiff's Community design according to Art 10(2) Community Design Regulation (CDR) has to be analyzed in view of "density", i.e. multitude, of known designs of the same goods (pushchairs) and the "degree of creative freedom" for the design of said goods resulting therefrom.

The Court confirmed established German case law that the developer's degree of creative freedom and the scope of protection of a Community design have a reciprocal interdependency.

Thus, when there is a high number (a high "density") of known designs in a certain field, this results in a small degree of creative freedom for the developer, and hence in a narrow scope of protection for the design. This, in turn, means that even small differences in the designs in question may produce a different overall impression on the informed user.

On the other hand, a small number of known designs in a field results in a high degree of creative freedom and hence in a broad scope of protection so that even big differences in the design may not produce a different overall impression on the informed user.

In the present case, it was decided that, for pushchairs. the degree of freedom for the developer was rather high, resulting in a broad scope of protection for the Community design.

The Court pointed out that, in a second step, it has to be analyzed whether the younger (allegedly infringing) design interferes with the scope

<sup>7</sup> BGH, Judgement of September 28, 2011, I ZR 23/10, "Kinderwagen"

<sup>&</sup>lt;sup>8</sup> BGH, Judgement of April 22, 2010, I ZR 89/98, "Verlängerte Limousinen",

BGH, Judgement of May 19, 2010, I ZR 71/08, "Untersetzer", BGH, Judgement of March 24, 2011, I ZR 211/08, "Schreibgeräte", BGH, Judgement of April 7, 2011, I ZR 56/09, "ICE"

of protection of the plaintiff's Community design, by examining the overall impressions of both designs and comparing them with each other.

The examination first has to be done independently for each design. The overall impression is mainly to be determined by an analysis of the formative features of each design. Only after the overall impressions have been separately determined, it is assessed whether or not the allegedly infringing design falls within the scope of protection of the previous design.

In the present case, although the Court determined (minor) differences in several of the design features of the pushchairs, it decided that these differences were not "enough" to produce a different overall impression on the informed user, and hence decided that the pushchair models "Fit" and "Kiss" fell within the scope of protection of the plaintiff's Community design.

#### Our comment:

In the present decision the FSC deviates from established case law by deciding that the determination of the scope of protection and the examination of a possible interference with this scope of protection have to be conducted strictly independently of each other.

Furthermore, the Court made it clear that for the determination of the scope of protection, the degree of creative freedom in terms of the "density", i.e. the number of designs existing in the field is decisive, in the sense that the more freedom there is, the higher the scope of protection is.

Certainly, the present decision will help the owners of Community designs to better estimate the chances of bringing legal action against an allegedly infringing design, by setting out the criteria which must be applied for both the determination of the scope of protection and the assessment of whether a design falls within this scope.

#### IV. EUROPEAN TRADE MARK LAW

#### Change of practice of OHIM regarding the use of class headings in a CTM application

A recent decision of the Court of Justice of the European Union (ECJ, June 19, 2012, case C-307/10 – IP Translator) has obliged the Office for Harmonization in the Internal Market (OHIM) to change its practice regarding the handling of the use of class headings in lists of goods and services for CTM applications. Until now, when an applicant designated all general terms of a class heading of a particular class of the Nice Classification, the application was considered to claim protection for all the goods or services included in the alphabetical list of that class, as was explained in Communication No. 4/03 of the President of OHIM of June 16, 2003.

Whereas some national patent and trade mark offices in Europe also follow this approach, others, such as the German Patent and Trade mark Office, follow a literal approach, requiring the applicant who seeks protection for goods and services which are not covered by the general indications of the class heading according to their natural and usual meaning, to clearly identify these goods or services.

In the case now resolved by the ECJ, "The Chartered Institute of Patent Attorneys" applied for registration of the trade mark "IP TRANSLATOR" with the UK Intellectual Property Office. To identify the services covered by that registration, the applicant used the general terms of the heading of Class 41 of the Nice Classification, which are "Education; providing of training; entertainment; sporting and cultural activities".

The Registrar, interpreting the application in accordance with Communication No 4/03, considered that it covered all services falling within Class 41 of the Nice Classification, including translation services, and as a consequence rejected the application on the basis of the grounds for refusal of lack of distinctiveness and descriptive character.

In its decision, the ECJ has declared that some of the general indications of 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 trade mark, while others are not such as to meet that requirement where they are too general and cover goods or services which are too variable to be compatible with the trade mark's function as an indication of origin. The competent authorities will therefore have to make an assessment on a case-by-case basis, in order to determine whether those indications meet the requirements of clarity and precision.

An applicant who uses the entire class heading will have to specify whether the application is intended to cover all the goods or services included in the alphabetical list of the particular class concerned or only some of those goods or services, which will have to be specified.

As a reaction to this ECJ decision OHIM has withdrew Communication No 4/03 and replaced it by Communication No 2/12. OHIM will continue to accept the use of the general indications of the class headings, but on a case-by-case basis. In order to determine which indications meet the requisite standard of clarity and precision, the Office, together with the EU national offices, will work towards a common practice with regard to the acceptability of each of the general indications of the Nice Classification class headings.

OHIM now requires applicants who use the entire class heading to expressly declare that protection is sought for all goods or services falling within that particular class. If such a declaration is not attached to the application, OHIM will interpret the general indications of the class heading according to their natural and usual meaning. If the applicant wants the application to cover only some of the goods included in a particular class, he is required to specify which goods he seeks protection for.

The goods or services which are not deemed to be covered by the application following this new approach will, obviously, not be taken into account in the absolute grounds examination nor in opposition proceedings. In the case decided by the ECJ, the application for registration of the sign "IP Translator" could therefore not be rejected, as the list of goods and services filed by the applicant (the entire class heading of class 41) could not be considered to include "Translation services".

As regards CTMs registered before the entry into force of this new Communication (June 21, 2012), the Office considers that the intention of the applicant who used all of the general indications of the class heading of a particular class was to cover all the goods or services included in the alphabetical list of that class in the edition in force at the time when the filing was made.

#### Our comment:

As the ECJ points out in its decision, the different approaches to the use of class headings followed by OHIM and the European national patent and trade mark offices created a certain legal uncertainty which has been eliminated by the "IP Translator" decision, as all national offices will have to abandon the "class headings cover all" approach and adopt the approach now followed by OHIM.

If the applicant who uses all of the general indications of a class heading seeks protection for all of the goods or services of a particular class, he will have to declare this intention with his application. If he does not attach this declaration, or if he uses only some of the general indications of the class heading, each of the indications will have to respect the requirements of clarity and precision, which will be assessed on a case-by-case basis. This will obviously create some uncertainty, which will hopefully be eliminated by a common practice of OHIM and the national offices with regard to the acceptability of each of the general indications of the Nice Classification class headings.

If the general indications used by the applicant are considered to be sufficiently clear and precise, they will be interpreted following a literal approach and the application will only include those goods or services which can be regarded to be covered by the class headings.

#### Coexistence of national and Community Trade Marks - Validity of national marks in opposition proceedings at OHIM

In a recent decision (ECJ, May 24, 2012, C-196/11 P-Formula One Licensing BV v OHIM and Global Sports Media Ltd.) the European Court of Justice has annulled a decision of the European General Court, in which the sign



had been found not to be confusingly similar to the marks "F1" and



In the case now referred back to the European General Court, Formula One Licensing BV, based on IR mark "F1" protected in various EU countries, German and UK marks "F1" and Community trade mark



opposed an application for registration of the sign



for goods and services in classes 16, 38 and 41 of the Nice Classification, all "relating to the field of formula 1" as a Community trade mark. Our comment:

That there was a likelihood of confusion between the mark applied for and the older word mark "F1" and upheld the opposition.

The Board of Appeal of OHIM annulled this decision, considering that the common element "F1" was perceived as descriptive. The General Court shared this view, declaring that because of the totally different layout of the mark applied for, the in cancellation proceedings. public would not make a connection between that mark and the activities of the owner of the older mark.

The opponent had shown that its Community trade mark (the F1 logotype) is a well-known mark, but the General Court found that the two signs could not be regarded as similar as the common elements "F" and "1" were not per-

ceived as distinctive elements and that no (other) element of the mark applied for reminded the public of the F1 logotype.

In its decision, the ECJ declared that according to case law the validity of an international or national trade mark may not be called into question in proceedings for registration of a Community trade mark, but only in cancellation proceedings brought in the member state concerned.

It is therefore not possible for OHIM to find an absolute ground for refusal, such as the lack of distinctive character, with regard to a national mark, as the characterization of a sign as descriptive or generic is equivalent to denying its distinctive character.

Though OHIM and the Court must verify the way in which the relevant public perceives the older mark, this verification has limits, as the finding that the older sign is devoid of distinctive character would not respect the system of coexistence of CTMs and national trade marks. It is necessary to acknowledge a certain degree of distinctiveness of the earlier national mark.

The General Court will now have to evaluate whether it may still be found that there is no likelihood of confusion without a finding of a lack of distinctive character of the "F1" element in the earlier trade marks.

The ECJ annulled the General Court's decision because it had declared that the element "F1", which is the only element of the older national word marks, was descriptive and devoid of any distinctive character and had thereby called into question the validity of the earlier word marks. Such a declaration of lack of distinctiveness of a national mark could only be made by a competent national court



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