

NEWSLETTER

September 2003

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I. CONCERNING US

1. Additional support at Kador & Partner

We are pleased to inform you of our additional support in the field of European and International Patent and Trade Mark matters:

Chris Hamer, born 1975 in Toronto, Canada, joined the firm in 2002 and is admitted as European and British Patent Attorney as well as European Trade Mark & Design Attorney. He studied chemistry at the University of Bristol, U.K., and previously worked for a well-known U.K. IP law firm where he dealt with various patent matters especially in the field of chemistry, including pharmaceuticals, catalytic processes and polymers. He also has experience in dealing with design and copyright infringement and validity. As a Canadian and British national, Mr. Hamer speaks apart from his native language of English, some German, as well as some Spanish and French.

Dr. Christian Haggenmüller, born in 1968, joined the firm as a German Patent Attorney in April 2003. Dr. Haggenmüller studied chemistry at the University of Constance and completed his studies in 1994. Afterwards, he transferred to the Ludwig-Maximilians-University of Munich, where he specialized in solid-state chemistry and materials science. In 1999, he was awarded his doctoral degree (Dr. rer. nat.) for his thesis in the field of nanostructured solid state materials and organicinorganic composite materials. In the same year, he started working as a Patent Attorney trainee in Munich and after passing the demanding examination, has been a registered German Patent Attorney as well as European Trade Mark & Design Attorney since March 2003. Dr. Haggenmüller is fluent in English and has basic knowledge in French.

Dr. Kerstin Boch, born in 1975, joined the firm as a Patent Attorney trainee in April 2003. Dr. Boch studied chemistry at the Technical University of Munich. She was awarded her doctoral degree for her thesis in the field of modern sample preparation techniques for the ultra trace determination of environmentally relevant elements. Dr. Boch has special knowledge of analytical chemistry. She is fluent in English and speaks French.

Additionally, we are proud to announce that **Dr**. **Berthold Lux** finished his examinations with great success and from now on is an authorized **German Patent Attorney and European Trade Mark & Design Attorney.**

Last but not least, our long standing attorney at law, **Ms. Corinna Probst**, left on maternity leave at the end of May. We are very happy and proud to announce the birth of her daughter Sophia on July 31, 2003. We wish her all the best and are looking forward to having her back in our team soon.

2. Lecture activities

OSLO

In June, Dr. Utz Kador and Ms. Barbara Regensburger attended the LESI Oslo 2003 World Conference - "Licensing in a changing world". This conference identified and evaluated the challenges facing owners, sellers and buyers of intellectual property in a rapidly changing commercial and technological world. At this occasion, Dr. Utz Kador held a lecture on the subject: "The New Community Design". In his lecture, which was very well attended, Dr. Kador focused on the practical aspects of this important new law for EU-wide protection of designs. He explained inter alia the new possibility to apply for protection of the characteristic parts of a new design by means of many examples. In case you are interested in further information regarding this issue please contact us or see our homepage www.kadorpartner.de, where vou can find the handout of Dr. Kador's lecture in the News & Publications section.

JAPAN

In April this year, Dr. Utz Kador and Dr. Bernhard Pillep held a lecture on "Recent Developments in European Patent Law" in Japan. This lecture focused in particular on the latest decisions of the Boards of Appeal of the European Patent Office, e.g. the controversial decision relating to the nonallowability of disclaimers. During and after the lecture a vivid discussion with our Japanese colleagues took place which served to further deepen the understanding of the presented subjects.

AMSTERDAM

Dr. Utz Kador and his team of attorneys at law, Ms. Corinna Probst and Ms. Janette Küntscher, took part in this year's INTA's Annual Meeting in Amsterdam, to discuss latest developments in European trade mark matters. Additionally, this event was a perfect platform to meet clients and colleagues.

In this connection, the **CTM Advisory Initiative** (www.community-trade-mark.org), founded in 1996 by Dr. Utz Kador to promote the knowledge of the Community Trade Mark, arranged a river cruise in Amsterdam which attracted a large number of attendants. On the cruise, there were short talks on current trade mark issues and professional discussions inter alia with Dr. Alexander von Mühlendahl, Vice President of the Office for Harmonization in the Internal Market, but, of course, the attendants also very much enjoyed the cruise on the beautiful canals of Amsterdam.

3. Recent articles

Reviews of current articles by our attorneys at law, Ms. Corinna Probst and Ms. Janette Küntscher, published in the December/January and February 2003 issues of the journal "Trade Mark WORLD" on the following topics:

"The new Community Design – Protection without frontiers" by Corinna Probst

"The German approach to three-dimensional marks" by Janette Küntscher

can be downloaded from the News & Publications section of our homepage <u>www.kadorpartner.de</u>.

4. INTA Roundtables in 2003

Kador & Partner is pleased to again host several INTA-Roundtables on our premises in Munich.

For example, on July 31, Dr. Annette Kur, esteemed member of the Max Planck Institute for Intellectual Property, Competition and Tax Law in Munich, gave a talk on the topic "The relationship between trade marks and designs in the scope of European Law".

Further, on September 25, 2003 Prof. Dr. Helmut Köhler, professor of Civil and Commercial law at the University of Munich, will hold a lecture on the latest reform of the German Law of Unfair Competition, and on November 27, 2003 Klaus Hoffmeister, German Customs Central Agency for Intellectual Property, will talk about the new EU regulation concerning seizure at customs.

Further items and speakers will be announced in due course in the INTA Bulletin.

II. EUROPEAN PATENT LAW

1. Amendment of a patent claim in European opposition proceedings – a lot to consider

The attitude of the Boards of Appeal of the European Patent Office concerning amendment of patent claims is more and more restrictive. Accordingly, a patent proprietor when defending his patent in opposition proceedings has to consider several statutory and non-statutory provisions in order to ensure the allowability of an envisaged claim amendment. In the following, five important points to be applied to an amended patent claim before it is submitted will be discussed:

a) Where a priority is claimed from a previous application, and it has to be ensured that the claim to priority is still valid for the amended claims, decision G 2/98 of the Enlarged Board of Appeal should be considered. In this decision, which was extensively discussed in our NewsLetter of December 2001, it was decided by the Enlarged Board of Appeal that the "priority of a previous application in respect of a claim in a European patent (application) in accordance with Art. 88 EPC is to be acknowledged only if the person skilled in the art can derive the subject matter of the claim directly and unambiguously using general knowledge from the previous application as a whole".

Accordingly, in this decision the Enlarged Board of Appeal made clear that the same strict standards for the validity of the priority claim have to be applied as are valid for assessing whether an amendment of the claims based on the application as originally filed (a question governed by Art. 123 (2) EPC, see also point b)) is admissible. For example, an amended claim comprising features A, B and B' does not enjoy the priority of a previous application where this application only discloses features A and B. This applies even if feature B' has to be considered as only a minor and obvious feature in view of the inventive concept described in the application.

This means that in cases where it is indispensable that the claim to priority remains valid (e.g. where pertinent prior art has been published during the priority year) it must be carefully checked whether the above-cited strict provisions as set out in decision G 2/98 are complied with.

b) The second check which should always be performed is whether or not an amended claim complies with the requirements of Art. 123 (2) EPC. In this article, it is stated that "a European patent may not be amended in such a way that it contains subject matter which extends beyond the content of the application as filed."

In this regard, we have noted that in recent years this requirement has been applied by the EPO as well as the Boards of Appeal in a more and more strict sense. Thus, only features for which there is a clear and unambiguous (if possible an explicit) disclosure in the original application should be taken up into claims. For example, similar to the "priority check", where an amended claim comprises features A, B and B', but feature B' (even if a minor and obvious feature) has not been disclosed in the application as originally filed, the amended claim will not be held admissible.

Furthermore, it should also be carefully checked whether a feature which is intended to be intro-

duced into a claim was disclosed independently of, i.e. without connection to, other features in the original application. If this is not the case it will only be possible to introduce the feature together with the other features to which it is connected. For example, where in the original application for a process a certain preferred temperature range was disclosed which, however, was always mentioned in connection with a certain pressure range, a proprietor will not be allowed to introduce into the claims the temperature range only, i.e. without simultaneously taking up the pressure range, unless the proprietor can present very good arguments that the temperature of the claimed process can be selected independently of the pressure.

- c) A third check which should always be performed is whether the amendment complies with Art. 123 (3) EPC. In this provision it is stated that "the claims of a European patent may not be amended during opposition proceedings in such a way as to extend the protection conferred." Accordingly, the claims as granted constitute the framework of maximum scope of protection and it is not admissible to broaden the scope of these claims e.g. by deleting a feature from the claims, even if there might be basis for such an amendment in the original application documents.
- d) A further requirement to be complied with is based on a Roman principle of law which is called "Reformatio in peius". This principle applies in appeal proceedings where only one party has appealed the decision of the Opposition Division. The basic intention of this principle is that the only appealing party, after the appeal, cannot be put in a worse position than if he had not appealed. This means, for example, that in cases where only the opponent, but not the patent proprietor (because he was satisfied with the decision of the Opposition Division) has appealed the decision of the Opposition Division, the patent proprietor during the appeal proceedings may not file amended claims which extend in scope beyond the claims as upheld by the Opposition Division.

For example, where a claim as granted contained features A and B and the Opposition Division maintained the patent with a claim containing A, B and C, the patent proprietor, where he does not appeal the Opposition Division's decision, is not allowed to revert back to a claim containing e.g. features A, B and D. This applies even if it turned out during the appeal stage that feature D was more appropriate than feature C to distinguish the invention over the prior art, and the Board of Appeal would consider such a claim to be patentable over the prior art. According to the "Reformatio in peius" principle, feature D may only be introduced into the claim in addition to features A, B and C as otherwise the scope of the claim as maintained by the Opposition Division would have been extended.

An exception to this principle may only be made in cases where claims have been upheld by the Opposition Division which in the opinion of the Board of Appeal contain an inadmissible amendment, which has been introduced during the opposition proceedings. This exception has been stated in decision G 1/99 of the Enlarged Board of Appeal. It does remain to be seen, however, how this decision will be applied in practice by the Boards of Appeal.

In view of this "Reformatio in peius" principle, we strongly recommend, in all important cases, that if amended claims have been allowed by the Opposition Division, the decision is appealed, even if the result of the decision is considered to be satisfactory.

e) In accordance with Rule 57a EPC, the claims of a patent may be amended in opposition proceedings only where the amendment is occasioned by the grounds for opposition. The grounds, according to Art. 100 EPC, are that the subject matter of the European patent is not patentable within the terms of Articles 52 to 57 (most importantly requiring novelty and inventive step), the invention is not sufficiently disclosed, and the subject matter of the European patent extends beyond the content of the application as filed. Accordingly, claims which have, for example, been amended only to improve clarity are not admissible.

To sum up, it can be seen from the above points that amendments to claims in opposition proceedings/appeal proceedings must be considered very carefully in order to prevent them from being held inadmissible. Otherwise, the amended claims will be rejected even before the "classical" patentability requirements of novelty and inventive step are discussed. In this regard, it should be noted again that in view of the "Reformatio in peius" principle applied in appeal proceedings, we recommend that wherever a patent has been upheld with amended claims by the Opposition Division an appeal is filed by the proprietor.

2. Allowability of Disclaimers – Question now referred to the Enlarged Board of Appeal

The legally, and practically, very important question of whether disclaimers which have no basis in the application as filed are admissible has now been referred to the Enlarged Board of Appeal along with decisions T 507/99 and T 451/99. These two cases, bearing the numbers G 1/03 and G 2/03, are being handled concurrently by the Enlarged Board of Appeal.

The question of admissibility of disclaimers was raised in decision T 323/97 where, in contrast to long-standing case law of the Boards of Appeal of the European Patent Office, the admissibility of such disclaimers was denied (see the extensive discussion of the subject in our November 2002 NewsLetter).

The questions now referred to the Enlarged Board of Appeal are as follows:

G 1/03 (based on T 507/99):

1. Is an amendment to a claim by the introduction of a disclaimer unallowable under Article 123(2) EPC for the sole reason that neither the disclaimer nor the subject matter excluded by it from the scope of the claim has a basis in the application as filed? 2. If the answer to question 1 is no, which criteria are to be applied in order to determine whether or not a disclaimer is allowable?

(a) In particular, is it of relevance whether the claim is to be delimited against a state of the art according to Article 54(3) EPC or against a state of the art according to Article 54(2) EPC?

(b) Is it necessary that the subject matter excluded by the disclaimer be strictly confined to that disclosed in a particular piece of prior art?

(c) Is it of relevance whether the disclaimer is needed to make the claimed subject matter novel over the prior art?

(d) Is the criterion applicable such that the disclosure must be accidental, as established by prior jurisprudence, and, if so, when is a disclosure to be regarded as being accidental, or

(e) Is the approach to be applied such that a disclaimer which is confined to disclaiming the prior art and has not been disclosed in the application as filed is allowable under Article 123(2) EPC, but that the examination of the subject matter claimed for the presence of an inventive step has then to be carried out as if the disclaimer did not exist?

In case G 2/03 (based on T 451/99) the questions referred are:

Is the introduction into a claim of a disclaimer not supported by the application as filed admissible, and therefore the claim allowable under Article 123(2) EPC, when the purpose of the disclaimer is to meet a lack-of-novelty objection pursuant to Article 54 (3) EPC?

If so, what are the criteria to be applied in assessing the admissibility of the disclaimer?

3. Slovenia, Hungary and Romania join the European Patent Organisation

Following Slovenia's and Hungary's accession to the European Patent Convention (EPC) on December 1, 2002, and January 1, 2003, respectively, Romania joined the EPC on March 1, 2003.

III. GERMAN PATENT LAW

1. "Sammelhefter" or a further story of the "Hydra Syndrome" in German Patent Law

For a number of years efforts have been made to harmonize patent law in Europe. Nevertheless, each country has preserved some originalities in its own national law. In Germany, for example, there is the possibility of filing divisional applications during opposition proceedings. The present article highlights this German peculiarity which, at least for important cases, may give rise to the filing of a German national application parallel to a European application.

In its decision "Sammelhefter" of Sept. 3, 2002 (official reference X ZB 18/01), the German Supreme Court gave a ruling on the interpretation of Art. 60 (1) of the German Patent Law (Patentgesetz, PatG), which pertains to the division of a patent in opposition proceedings.

Before the "Sammelhefter" decision it was established case law that, in order for a divisional application to be held admissible, a "material division" of the patent during an opposition must be effected.

With the "Sammelhefter" decision the idea of a "material division" is now changed to a "procedural division". As from now, the patentee only has to declare that he will divide the patent. What will remain in the patent and what will be part of the divisional application no longer has to be pointed out by the patentee and, most importantly, does not affect the validity of the divisional application. The consequences should not be underestimated. Up to now, it was already difficult to successfully oppose a German patent because the patentee always had the possibility of dividing during the opposition ("German speciality") according to the above mentioned Art. 60 (1) PatG.

This fact led to the name "Hydra Syndrome", because when the patentee realized that he would lose a case, he declared a division with the advantage of having the whole disclosure of the application at his disposal, and not only the patent specification. Until now, the opponent could at least hope that the patentee would stumble on the material division. However, with the "Sammelhefter" decision, the patentee now simply has to declare the division of the patent and can then revert to "the paradise" of the whole disclosure of the application as filed to create totally new claims which have never before been examined in any proceedings.

For this reason, the new decision gives the patentee reason to seriously consider the possibility of filing a European patent and a German patent parallel, since the German Patent Law offers him, at any instance, the chance to restart his application from the beginning in case the patent is opposed. Thereby, he can tailor the claims to adapt to arising circumstances on the basis of the application as filed.

IV. EUROPEAN TRADE MARK LAW

1. "Companyline" Decision of the ECJ on necessary distinctiveness of a Community trade mark

With its "Companyline" Decision¹ of September 19, 2002, the European Court of Justice (ECJ) defined more clearly its interpretation of the requirement of Art. 7 (1) (b) CTM Regulation, which bars the registration of terms lacking distinctiveness, after the liberal "Baby-dry" decision (see our NewsLetter of December 2001).

According to the ECJ, which confirmed the reasoning of the European Court of First Instance (CFI), "coupling the words "company" and "line" - both of which are customary in English-speaking countries - together, without any graphic or semantic modification, does not imbue them with any additional characteristic such as to render the sign, taken as a whole, capable of distinguishing the applicant's services (field of insurance and financial affairs in class 36) from those of other undertakings."

Furthermore, the Court pointed out that "As the Regulation on Community Trade Marks states that

a sign is to be refused registration where it is descriptive or is not distinctive in the language of one Member State, even if it is registrable in another Member State and the Court of First Instance (CFI)² had found that the sign in question was not distinctive in English-speaking areas, it was clearly not necessary for it to consider the impression it might make on speakers of other Community languages."

Accordingly, for trade marks consisting of descriptive terms only the present decision defines a borderline between cases where, as in the "Baby-dry" case, a "*perceptible difference between the combination of words submitted for registration and the terms used in common parlance of the relevant class of consumers*", (and thus distinctiveness) has been recognized by the ECJ and cases where such a "perceptible difference" and hence distinctiveness is no longer recognized. Thus, in this decision the ECJ made clear that not every simple combination of descriptive words yielding a novel expression may suffice for complying with Art. 7 (1) (b) CTM Regulation.

2. Judgement of the European Court of First Instance concerning genuine use of trade marks

On December 12, 2002, the CFI³ in its "HIWATT" decision concerning an opposition case gave a ruling on the important questions of what is to be regarded as "genuine use" of a trade mark as required e.g. by Art. 43 (2) and (3) CTM regulation, and how such use must be proved.

On the first question, the Court pointed out that "genuine use implies real use of the mark on the market concerned for the purpose of identifying the goods or services. Genuine use is therefore to be regarded as excluding minimal or insufficient use when determining that a mark is being put to real, effective use on a particular market. In that regard, even if it is the owner's intention to make real use

¹ Judgement of the European Court of Justice of September 19, 2002; Case C-104/00

 ² Judgement of the European Court of First Instance of January 12, 2000; Case T-19/99
³ Judgement of the European Court of First Instance of December 12, 2002; Case T-39/01

of his trade mark, if the trade mark is not objectively present on the market in a manner that is effective, consistent over time and stable in terms of the configuration of the sign so that it cannot be perceived by the consumers as an indication of the origin of the goods or services in question, there is no genuine use of the trade mark."

With these statements, the Court made clear that only a serious, real use of the trade mark in the market(s) relevant for the goods/services as registered will be considered "genuine use". By that, the Court also indicated that occasional, "artificial" use for the sole purpose of maintaining the mark on the register will not be sufficient.

With regard to the second question concerning the proof of genuine use, the Court held that "genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned".

This statement of the Court was occasioned by the fact that the Opponent, in order to prove the use of the mark upon which he had based his opposition, had submitted a catalogue allegedly distributed at a trade fair and a documentation of the trade fair as the only pieces of evidence. The Opponent had argued that it *"was more than likely"* on the basis of the evidence provided that the trade mark had been (genuinely) used.

The Court went on to stress that in accordance with Rule 22 (2) of the Implementing Regulation to the CTM Regulation, for proving genuine use evidence must be submitted which proves *place, time, extent and nature* of use of the trade mark.

Thus, the decision clearly indicates that for a successful proof of genuine use, evidence is to be submitted showing that the use of the trade mark in question in all of the above aspects ("place, time, extent and nature") complied with the requirements for "genuine use".

Should you be interested in further information on this subject we will be pleased to provide you with our information sheet on use requirements.

3. Recent decisions of ECJ concerning olfactory and colour signs

In two recent decisions, the ECJ gave its opinion on the registrability of a unicoloured sign and an olfactory sign based on the odour of a single chemical substance. From these decisions it can *inter alia* be learned that the ECJ considers the internationally recognized identification code for colours sufficient to graphically represent a specific colour, but, surprisingly, regards a chemical structure formula which unequivocally determines the nature of a (pure) chemical substance including its odour as insufficient for graphic representation.

3.1. Colour Mark "Orange"

This case⁴ concerns an application for the colour orange in the name of the company Libertel for "telecommunications materials and services and their material, financial and technical management" in classes 9, 35 and 38. The Benelux Trade Marks Office had refused the application. After an appeal was filed by the applicant, the Hoge Raad der Nederlanden (Supreme Court of the Netherlands) referred to the ECJ the question whether a single colour can be regarded as sufficiently distinctive to qualify for trade mark registration.

On May 6, 2003, the ECJ held that "a colour per se, not spatially delimited, may, in respect to certain goods and services, have a distinctive character within the meaning of Article 3(1)(b) and Article 3(3) of the [Harmonisation] Directive provided that, inter alia, it may be represented graphically in a way that is clear, precise, self-contained, easily accessible, intelligible, durable and objective".

The Court further pointed out that a mere colour sample would not satisfy the requirement of graphical representability, because it could deteriorate with time and thus would not possess sufficient durability as required by Art. 2 of the Harmonisation Directive. Where a colour sample is supplemented with a verbal description this may, depending on the particular circumstances of the case, be appropriate as a graphical representation. Further,

⁴ Case C-104/01

the Court stated that an internationally recognized identification code may also be considered to qualify as a graphical representation of a colour mark.

As a consequence, we recommed that when applying for registration of a colour mark, at least the colour identification code, but if possible all three elements as cited by the Court (colour sample, verbal description and colour identification code) are filed to ensure compliance with the requirement of graphical representation.

Concerning the question of distinctiveness of a colour mark, the Court expressed the view that "colours per se may be capable of distinguishing the goods and services of one undertaking from those of other undertakings".

However, in its considerations leading to this conclusion the Court made clear that colours as such "possess little inherent capacity for communicating specific information, especially since they are commonly and widely used because of their appeal, in order to advertise and market goods and services, without any specific message."

The Court further pointed out that the number of colours the public is capable of distinguishing is limited and that there is a public interest in not unduly restricting the availability of colours by registration of colour marks for the goods/services of one specific trader. In addition, the Court found that "consumers are not in the habit of making assumptions about the origin of goods based on their colour or the colour of their packaging, in absence of any graphic or word element, because as a rule a colour per se is not, in current commercial practice, used as a means of identification."

As a conclusion, the Court stated that "in case of a colour per se distinctiveness without any prior use is inconceivable save in exceptional circumstances, and particularly where the number of goods or services for which the mark is claimed is very restricted and the relevant market very specific".

Accordingly, registration of a colour mark without proof that the mark has acquired distinctiveness by (extensive) use will be a rare exception reserved to such cases in which very good arguments can be provided to show "exceptional circumstances" as pointed out by the Court.

3.2 "Sieckmann"⁵ ECJ decision on registrability of olfactory signs

This case was brought to the ECJ by the German Federal Patent Court for a preliminary ruling on the interpretation of Art. 2 of the Directive to approximate the laws of the Member States ("Harmonization Directive"). According to this Article, a trade mark "may consist of any sign capable of being represented graphically, …, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings".

The ECJ in the decision first pointed out that this Article of the Harmonisation Directive has to be interpreted to mean that "a trade mark may consist of a sign which is not in itself capable of being perceived visually, provided that it can be represented graphically, particularly by means of images, lines or characters, and that the representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective".

However, the Court then went on to decide that in respect of an olfactory sign, the requirements of graphic representability are not satisfied by a chemical formula, a description in words, a deposit of an odour sample or by a combination of any of these elements for the following reasons:

"As regards a chemical formula, few people would recognise in such a formula the odour in question." The Court stated further: "... a chemical formula does not represent the odour of a substance but the substance as such, and nor is it sufficiently clear and precise."

Concerning a description in words the Court held: "In respect of the description of an odour, although it is graphic, it is not sufficiently clear, precise and objective", and finally: "As to the deposit of an

⁵ Judgement of the European Court of Justice of December 12, 2002; Case C-273/00

odour sample, it does not constitute a graphic representation for the purpose of Article 2 of the Directive. Moreover, an odour sample is not sufficiently stable or durable."

From our perspective the Court is right to deny that the verbal description of an odour complies with the requirement of graphical representability of a trade mark according to Art. 2 of the Harmonization Directive. Such descriptions would certainly involve a strong subjective element which would render an objective determination of the true nature of olfactory marks very difficult. It can also be agreed with the finding that an odour sample is not an appropriate representation of an olfactory mark.

However the Court's reasoning as concerns the non-compliance of a chemical formula with the requirement of graphical representability is hardly comprehensible, because a chemical structure formula unequivocally determines the nature of a pure chemical substance including all its physical properties. Accordingly, giving the structural formula of a chemical compound would make its odour, although indirectly, unequivocally determinable by third parties.

The present decision will have severe implications on the registrability of olfactory marks, because essentially all imaginable possibilities of a graphic representation of odours have been held by the Court to be insufficient for the requirements of graphical representability. In practice, this probably means that olfactory trade marks will no longer be registrable in the EU.

4. Enlargement of the European Union -Effects on Community Trade Marks and Designs

On May 1, 2004, the European Union (EU) will be extended to encompass 25 member states due to the accession of Cyprus as regards the Greek part, the Czech Republic, Estonia, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia and Hungary.

The future enlargement of the European Union will affect the Community Trade Mark (CTM) and

Community Design (CD) systems as the European Union and the acceding countries have agreed that all CTMs and CDs registered or applied for before the date of accession will automatically be extended to the territory of the new Member States. This is equally applicable to CTMs and CDs which are applied for only after the accession date but claim a priority before that date. The extension will take place without any specific request having to be filed by the holder or applicant.

However, the right to use a Community Trade Mark may be limited in those accession countries where older national rights concerning the same or a similar mark exist.

CTM applications pending before the accession date will not be examined as to absolute grounds of refusal which become applicable due to the accession of the new member states only.

However, an opposition based on an earlier national right may be filed against a CTM having an application date of November 1, 2003 (i.e. six months before the accession date), or later provided the earlier national right was acquired in good faith.

A Community trade mark may not be declared invalid if the grounds for invalidity became applicable merely because of the accession of a new Member State, even if an earlier national right was registered, applied for or acquired in a new Member State prior to the date of accession.

In view of these regulations, we recommend extending your trade mark portfolio to the new Member States in order to anticipate new national applications in the future EU member states. This can prevent the prohibition of use of extended CTMs in the accession states, and also hindrance of the registration of new CTMs based on national rights in such states. Moreover, intended new CTM applications should be filed before November 1, 2003, in view of the above described regulation for opposition cases.