

**TRADE MARKS ACT 1994**

**IN THE MATTER OF**

**APPLICATIONS 2031898 AND 2031899**

**TO REGISTER THREE-DIMENSIONAL TRADE MARKS**

**IN CLASS 34**

**IN THE NAME OF REEMTSMA CIGARETTENFABRIKEN GmbH**

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**DECISION**

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**Application No. 2031898**

On 25th August 1995 Reemtsma Cigarettenfabriken GmbH (“the Applicant”) applied to register a packet shape, limited to the colours red-brown and red as represented in the application for registration, as a trade mark for use in relation to various goods (subsequently restricted to cigarettes) in Class 34. The sign in question is reproduced as Annex 1 to this decision.

**Application No. 2031899**

In a separate application filed on 25th August 1995 the Applicant applied to register the same packet shape, limited to the colours gold and white as represented in the application for registration, as a trade mark for use in relation to various goods

(subsequently restricted to cigarettes) in Class 34. The sign in question is reproduced as Annex 2 to this decision.

### **Examination**

The Trade Marks Registry raised objections to registration in official letters issued in October and November 1995. In correspondence during 1996 and 1997 the Applicant pressed for acceptance of the applications on the basis that they each sought to protect “a non-conformist shape and decoration combination” (letter of 21st May 1997) which other cigarette manufacturers could not legitimately wish to use.

On 29th August 1997 the Trade Marks Registry wrote to the Applicant’s agents stating:

“Cigarette packets are often produced with bevelled or longitudinal edges and it is felt that the shape is not sufficiently novel enough to warrant prima facie acceptance. It is unlikely that even with the limitation to colour, that the public would recognise it as a trade mark.”

The Applicant’s agents responded to this letter by telephone. I understand that they disputed the correctness of the observations quoted above. I also understand that the Examiner indicated that he would visit a tobacconist to familiarise himself with cigarette packet shapes in use in the market place.

Subsequently, on 15th January 1998, the Trade Marks Registry wrote to the Applicant's agents stating:

“After giving careful consideration to the above application it is felt that the best way forward is by means of a hearing.

The shape of the package lacks distinctiveness and whilst the application of the two colours may make it more attractive it is felt that it is unlikely that it would be recognised as a trade mark by members of the public.”

A hearing to consider the Applicant's representations in support of the applications for registration took place before Mr. M. Foley, acting as Hearing Officer on behalf of the Register of Trade Marks, on 25th February 1998.

On 1st April 1998 the Hearing Officer wrote to the Applicant's agents confirming that the objections to registration were maintained. The letter stated:

“The shape of the carton is not so dissimilar from the usual shape of cigarette packets to be distinctive. I appreciate that we must consider the shape and the colours applied as a combination, but I am afraid that the position remains unchanged. When considered in combination with the colours it has a certain visual appeal, but as I maintained at the hearing, it is unlikely to be recognised as a trade mark without first educating the public to the fact.

I will allow a period of three months from the date of this letter for you to let me know how you wish to proceed. If I do not hear from you by this date the applications will be refused.”

It remained open to the Applicant, on the basis of this letter, to revert to the Trade Marks Registry indicating that it wished to file evidence in support of its contentions: (1) that the shape of its packets was sufficiently dissimilar from the usual shape of cigarette packets to be distinctive; and (2) that the combination of shape and colour possessed by its packets was likely to be accorded trade mark significance. The time for the Applicant to respond was subsequently extended to 1st October 1998. I understand that in the absence of any substantive response from the Applicant the applications were refused under Section 37(4) of the Trade Marks Act 1994 in an official letter from the Trade Marks Registry dated 14th October 1998. The Hearing Officer subsequently provided written reasons for refusal of the applications under Rule 56 of the Trade Marks Rules 1994.

### **The Hearing Officer's Decision**

The applications for registration were rejected by the Hearing Officer for the reasons given in two virtually identical decisions issued on 21st May 1999.

The Hearing Officer did not directly address the Applicant's contention that the bevelled shape of its cigarette packets would, in August 1995, have been unique in the market place in the United Kingdom. He noted that a lower, wider pack with bevelled edges had been protected by United Kingdom Registered Design No. 1,022,574 granted to H.F. & Ph.F. Reemtsma GmbH & Co with effect from 10th October 1984. In that connection he observed that:

“The presence of design features with an aesthetic appeal will not necessarily result in a shape with ... trade mark character.”

He thought that relatively close inspection of the packaging would be required in order to enable potential purchasers to see the bevelled edges of the Applicant’s packets.

His general comments with regard to colour were as follows:

“Cigarette packets come in a wide range of colours and designs, although to my knowledge ... usually bear some other sign by which to distinguish the goods. While the colours may come to be recognised and associated with a particular cigarette, in my view unless the colours appear to be more than mere decoration, the association with one trader is only likely to come about through substantial use of the mark, and even then the ‘association’ may not be sufficiently firm to amount to recognition of the colour(s) as a trade mark.”

His conclusion in relation to the mark as a whole was expressed (with reference to the observations of Robert Walker LJ in Procter & Gamble Plc v. Registrar of Trade Marks [1999] ETMR 375) in the following terms:

“The public are well used to seeing highly coloured packaging of this sort of shape which, to quote Lord Justice Walker, is ‘typical of the get-up’ (in this case used for cigarette packaging) ‘except that there is no identification ...’. I take the view that the consumer will regard the mark as no more than it is, decoration applied to a vehicle to contain the goods, and not as a trade mark. I therefore consider the sign to be devoid of any distinctive character in the prima facie case.”

In the absence of any claim to distinctiveness acquired through use, he concluded that the marks put forward by the Applicant were excluded from registration by Section 3(1)(b) of the Trade Marks Act 1994.

### **The Appeal**

In June 1999 the Applicant gave notice of appeal to an Appointed Person under Section 76 of the Act in relation to both applications. In substance the Applicant maintained that the applications for registration should have been accepted on the basis that each mark possesses features of shape and colour which (in combination) render it not just different, but distinctively different, from the packaging used by other cigarette manufacturers. It was emphasised that the colours included in the marks were presented with tonal variations designed to create a particular visual effect.

### **Section 3(1) of the 1994 Act**

Section 3(1) of the 1994 Act (implementing Articles 3(1)(a) to (d) and 3(3) of Council Directive 89/104/EEC of 21st December 1988) provides as follows:

#### **“Absolute grounds for refusal of registration**

- (1) The following shall not be registered –
  - (a) signs which do not satisfy the requirements of section 1(1)
  - (b) trade marks which are devoid of any distinctive character,
  - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to

- designate the kind, quality, quantity, intended purposes, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

Section 1(1) of the Act (Article 2 of the Directive) defines a “trade mark” as:

“any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

In order to be free of objection under Sections 3(1)(a) to (d) of the Act (Articles 3(1)(a) to (d) of the Directive) a sign must possess enough of “*a distinctive character*” to be perceived as an indication of trade origin by “*the relevant class of persons or at least a significant proportion thereof*”: paragraphs 44, 46 and 52 of the Judgment of the European Court of Justice in Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee Produktions-und Vertriebs v. Boots-und Segelzubehör Walter Huber and Franz Attenberger [1999] ETMR 585.

Paragraph 29 of the Judgment in the Windsurfing case confirms that the “*relevant class of persons*” consists of “*the trade and ... average consumers of that category of goods in the territory in respect of which registration is applied for*”. The “*average*

*consumer*” of the products concerned is to be regarded as “*reasonably well-informed and reasonably observant and circumspect*”: Case C-342/97 Lloyd Schuhfabrik Meyer GmbH v. Klijsen Handel BV [1999] ETMR 690 paragraph 26.

A sign possesses “*a distinctive character*” if goods identified by it would be thought by “*the relevant class of persons or at least a significant proportion thereof*” to have come (directly or indirectly) from one and the same undertaking as envisaged by the Judgment of the European Court of Justice in Case C-39-97 Canon Kabushiki Kaisha v. Metro-Goldwyn Mayer Inc. [1999] ETMR 1:

“27. Indeed, Article 2 of the Directive provides that a trade mark must be capable of distinguishing the goods or services of one undertaking from those of other undertakings, while the tenth recital in the preamble to the Directive states that the function of the protection conferred by the mark is primarily to guarantee the indication of origin.

28. Moreover, according to the settled case-law of the Court, the essential function of the trade mark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin. For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish, it must offer a guarantee that all the goods or services bearing it have originated under the control of a single undertaking which is responsible for their quality (see, in particular, Case C-10/89 HAG GF (HAG II) [1990] ECR I-3711, paragraphs 14 and 13).”

A sign which cannot be expected to perform that “*essential function*” to the required extent is liable to be excluded from registration by one or more of the provisions of Sections 3(1)(a) to (d) of the Act (Articles 3(1)(a) to (d) of the Directive). The four

paragraphs of Section 3(1) of the Act (Article 3(1) of the Directive) are not mutually exclusive in this respect: see Bach Flower Remedies Trade Marks [1999] IP&T 146 (CA) and in particular paragraph 33 of the judgment of Morritt L.J. For the reasons I gave at greater length in AD2000 Trade Mark [1997] RPC 168 I consider that the essence of the objection to registration under Section 3(1)(b) of the Act (Article 3(1)(b) of the Directive) is immaturity: the sign in question is not incapable of distinguishing goods or services of one undertaking from those of other undertakings, but it is not distinctive by nature and has not become distinctive by nurture.

Paragraphs 51 and 52 of the judgment of the European Court of Justice in the Windsurfing case provide guidance as to the matters to be taken into account when assessing whether a sign possesses the distinctive character which is “*a pre-requisite for its registration*” (paragraph 44) and “*one of the general conditions for registering a trade mark*” (paragraph 46). The guidance was re-affirmed (with the addition of the words underlined below) in paragraphs 22 and 23 of the Judgment of the European Court of Justice in the Lloyd Schuhfabrik case:

“22. In determining the distinctive character of a mark ... the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v. Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark, how intensive, geographically widespread and long-standing use

of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other professional associations (see *Windsurfing Chiemsee*, paragraph 51).

As emphasised in paragraph 11 of the Judgment of the European Court of Justice in the Lloyd Schuhfabrik case, it is for the national court to determine whether any given sign can in fact be said to possess enough of a distinctive character to be registrable when judged according to these criteria. The national court is entitled to assess the meaning and significance of the given sign according to the circumstances prevailing in its own territory.

### **Decision**

The get-up (in terms of the shape and colour) of the packaging of a product must be sufficient, in and of itself, to denote origin in order to be separately registrable as a trade mark under the Act. The higher the degree of individuality it possesses, the greater the likelihood of it possessing trade mark significance in the perceptions and recollections of the average consumer.

I have been provided with physical examples of the packets represented in the trade mark applications. To my eye, the red-brown and red colouring simulates the appearance of polished wood and the gold and white colouring simulates the appearance of polished metal. The bevelled edges add to the impression of a cigarette packet emulating a cigarette case.

To what extent would these features have broken new ground in the field of cigarette packaging in the United Kingdom in August 1995 and with what effect upon the perceptions and recollections of the average consumer of cigarettes? The Applicant has relied on submissions without evidence in support of its challenge to the Registrar's position in relation to these issues.

When I commented upon the absence of evidence at the hearing before me, it was suggested that I might carry out investigations of my own with a view to seeing how the Applicant's packets compared with other forms of cigarette packaging in use in the United Kingdom. I have no doubt that general knowledge and experience of the manner and circumstances in which consumer goods are normally bought and sold can and should be brought to bear upon the determination of trade mark issues such as those which arise in the present case. Although it can be "a task of some nicety" to decide how far a court or tribunal may act upon its own knowledge (see Phipson on Evidence 15th Edn (2000) paras 2-08 to 2-10) it would not be legitimate for such issues to be determined on the basis of "off the record" evidence obtained by means of private research and investigation on the part of the person charged with the task of making the determination. It seems to me that fact finding research and investigation of the kind suggested by the Applicant would fall on the wrong side of the relevant dividing line. I think it would be doubly wrong to embark upon an inquiry of that kind in the context of an appeal which (in the absence of an application to adduce evidence in support of the appeal) must be determined on the basis of the information and materials that were before the Hearing Officer. I have therefore not acted upon the Applicant's suggestion.

On the basis of my general awareness of cigarette packaging acquired through exposure to it as a (non-smoking) member of the public, I think that the features I have mentioned render the Applicant's packaging distinguishable from the general run of cigarette packaging in relatively small details which provide it with a low, but not negligible, degree of individuality. The question is whether the degree of individuality imparted by those features is sufficient to render the packaging not merely distinguishable, but distinctive of the trade origin of the goods it contains. I have not found it easy to answer that question on the basis of the materials before me. Giving the matter the best consideration I can, I think that the get-up (in terms of the shape and colour) of the packaging put forward for registration is aesthetically pleasing without also being sufficiently arresting per se to perform the "essential function" of a trade mark (as identified in Canon paragraph 28). In the absence of distinctiveness acquired through use it was, in my view, devoid (by which I mean unpossessed) of "***a distinctive character***" and therefore excluded from registration by Section 3 (1)(b) of the Act (Article 3(1)(b) of the Directive) at the relevant date. I think that the Hearing Officer's assessment of the packaging was, in substance, correct and I am not persuaded by the Applicant's submissions to the contrary effect. The appeal will therefore be dismissed. In the absence of any reason to depart from the usual practice in appeals of this kind, the appeal will be dismissed with no order as to costs.

Geoffrey Hobbs Q.C.

7th September 2000

Denise McFarland instructed by Dr. Walther Wolff & Co appeared as Counsel on behalf of the Applicant.

Allan James, Principal Hearing Officer, appeared on behalf of the Registrar of Trade Marks.

**ANNEX 1**



**ANNEX 2**

