

Edwards Wildman

The chocolate wars

The issues that can arise around non-traditional trademarks are illustrated by high-profile disputes in the UK confectionery sector

Brand owners are increasingly filing a wide range of trademark applications for non-traditional marks. Section 3 of the Trademarks Act 1994 provides that a trademark cannot be registered if it:

- does not satisfy the requirements under Section 1(1), which include the requirement that it be a ‘sign’ capable of being represented graphically (Section 3(1)(a)); or
- is devoid of distinctive character (Section 3(1)(b)).

The proviso to Section 3(1) is that a trademark will not be refused registration under Sections 3(1)(b) to (d) if, before the application date, the mark has acquired distinctive character through use.

The European Court of Justice (ECJ) confirmed in *Sieckmann v Deutsches Patent und Markenamt* (Case C-273/00), in which an application for a scent was refused, that a non-traditional mark could be a ‘sign’ under Article 2 of EU Directive 89/104/EEC, which approximates the laws of member states relating to trademarks, provided that the description is clear, precise, self-contained, easily accessible, intelligible and objective.

In *Libertel Groep BV v Benelux-Merkenbureau* (Case C-104/01), which concerned an application for the colour orange, the ECJ held that a colour *per se* is eligible for registration, provided that it satisfies Article 2 and the following three conditions – that it is a sign, is capable of graphical representation, and is capable of distinguishing the goods or services of one undertaking from another. Further, an application for a colour combination will also be acceptable provided that the graphical representation is “systematically arranged by associating the colours in a pre-determined way” (*Heidelberger Bauchemie GmbH* (Case C-49/02)).

The acceptability for registration of a colour mark was considered in the United Kingdom following an application by Cadbury to register the colour purple as a trademark in respect of “chocolate in bar and tablet form, chocolate confectionery, chocolate assortments, cocoa-based beverages, preparations for cocoa-based beverages, chocolate-based beverages, preparations for chocolate-based beverages, chocolate cakes” in Class 30. The description of the mark read: “The colour purple (Pantone 2685C)... applied to the whole visible surface, or being the predominant colour applied to the whole visible surface, of the packaging of the goods.”

Initially, the UK Intellectual Property Office (UKIPO) refused the mark for registration on the grounds that it was devoid of distinctive character. Cadbury then filed evidence of use of the mark, which the UKIPO deemed sufficient to demonstrate that the mark had acquired distinctive character. However, the mark was opposed by Société des Produits Nestlé SA on a number of grounds further to Section 3 of the Trademarks Act, including that the mark was devoid of distinctive character. Nestlé’s opposition was dismissed by the hearing officer at the UKIPO, who allowed the application, albeit with a specification limited to “chocolate in bar and tablet form; chocolate for eating; drinking chocolate; preparations for making drinking chocolate”. Nestlé appealed to the High Court, claiming that the mark was not a sign that was capable of being represented graphically. Nestlé argued that the words “applied to the whole visible surface, or being the predominant colour applied to the whole visible surface of the packaging of the goods” were indeterminate and covered a wide range of possibilities, including a combination of different colours.

Further, the description of purple as the “predominate” colour was subjective and the amount of purple on packaging would vary, as would the presence of other trademarks, such that the description did not satisfy the requirements under Article 2 of EU Directive 89/104/EEC further to *Heidelberger*.

The High Court judge distinguished single-colour marks used in a range of visual forms from combinations of two or more colours. Further to *Libertel*, an application for a single-colour mark is capable of satisfying the requirements under Article 2. The judge further provided that while the evidence showed other material used on packaging along with the colour purple, the other material did not form part of the mark applied for. The fact that the mark might be used with other colours did not impact on the scope of the application. The judge dismissed the appeal and allowed Cadbury’s application, noting that “the evidence clearly supports a finding that purple is distinctive of Cadbury for milk chocolate”.

Nestlé appealed to the Court of Appeal, which overturned the trial judge’s finding. The panel held that the description of Cadbury’s mark did not satisfy the requirement of being “a sign” that is “graphically represented” within Article 2. Specifically, it reasoned that the use of the word ‘predominant’ in the description “lacks the required clarity, precision, self-containment, durability and objectivity to qualify for registration” and “opens the door to a multitude of different visual forms”. The Court of Appeal held that Cadbury’s application covered a single colour in addition to other elements which were not graphically represented or verbally described with the sufficient degree of certainty or precision. Therefore, the description within Cadbury’s application was held to be so vague that it “would

offend against the principle of certainty.” The Court of Appeal allowed the appeal and refused Cadbury’s application without reference to the ECJ. A representative has since indicated that Cadbury may appeal.

The decision reiterates that while it is possible to secure trademark protection in respect of a single colour, the application must be graphically defined with sufficient precision and certainty. It is also likely that an applicant will be required to provide sufficient evidence of acquired distinctiveness through use in connection with the goods or services applied for.

In a reversal of roles, Cadbury opposed Nestlé’s three-dimensional trademark application in respect of the shape of its four-fingered Kit Kat bar for a range of goods in Class 30, including chocolate, confectionery and cakes.

When assessing the application, the UKIPO referred to the ECJ judgment in *Mag Instrument v OHIM* (Case C-136/03), which provided that although the criteria for the assessment of the distinctive character of three-dimensional marks consisting of the shape of the product itself are no different from those that apply to other categories of trademark, “average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element and it could therefore prove more difficult to establish distinctiveness in relation to such a three dimensional mark than in relation to a word or figurative mark”.

In order to perform the function of indicating origin, the shape must depart significantly from the norm or customs of the sector. The mere fact that a shape is a variant of a common shape of that type of product is insufficient to establish that the mark is not devoid of distinctive character. Therefore, the hearing officer found that Nestlé’s Kit Kat mark was devoid of distinctive character under Section 3(1)(b) of the Trademarks Act (except in relation to cakes and pastries), on the basis that the shape did not depart from the norms and customs of the sector.

Nestlé claimed that the mark applied for had acquired distinctive character through use. In this case, Nestlé provided survey evidence in support of its claim that the shape applied for performed the essential trademark function of indicating origin. In particular, the hearing officer noted the significance of 426 of the 500 respondents mentioning ‘Kit Kat’ on interpreting the mark applied for. Further, the Kit Kat bar is one of the most popular products on the market,



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with a considerable market share. Nestlé had also invested substantially in the promotion of the product.

However, the hearing officer did not accept Nestlé’s claim that the mark had acquired distinctive character through use, stating that the evidence did not demonstrate that a significant proportion of the relevant public relied on the mark applied for on its own to indicate the origin of the goods. By way of explanation, the hearing officer cited a lack of evidence that the shape of the product had featured in Nestlé’s promotional efforts for many years before the application date. Further, the product was predominantly sold in an opaque wrapper and did not show the shape of the goods. While an applicant is not required to have explicitly promoted the mark as a trademark, it must at least have used the sign in such a way that consumers have come to rely on it as a badge of origin.

Crucially, the hearing officer agreed with Cadbury’s opposition under Section 3(2)(b) of the Trademarks Act that the mark applied for was unacceptable for registration, since the essential features of the shape of the goods were attributable only to the technical result.

The hearing officer also submitted that without the breaking grooves, the shape would be a mere rectangular slab of chocolate. Further, without extensive use of the mark as applied for, the average consumer would interpret the mark as no more than representing four joined chocolate fingers separated by grooves that made it easy to break apart the fingers. Therefore, the shape was found to be within the norms and customs of the sector.

The registration of non-traditional marks is an increasingly popular way for businesses to extend their portfolio of rights. In order to be accepted for registration, a mark must permit the average consumer of the product in question, who is reasonably well informed and circumspect, to distinguish the product concerned from those of other undertakings without conducting an analytical examination and without paying particular attention. Further, applicants must ensure that the trademark is identified precisely.

On examination, applications for non-traditional marks are more vulnerable to objections for an alleged lack of distinctive character. As the Kit Kat case has shown, the mere fact that consumers recognise the mark is insufficient and the applicant must instead demonstrate that a significant proportion of the relevant public rely on the mark to indicate the trade source. [WTR](#)