

# Protect your fluid trade marks in Europe

A dated, stale trade mark may affect an IP owner's bottom line. Making the mark fluid may be a good solution but also entails risks under Benelux and Community law. **Flip Petillion** and **Cedric Vanleenhove** explain how to minimise them

**A** trade mark that is always presented in the same way may become dull, repetitive and old-fashioned – or at least it may do in the eyes of the consumers at whom it is aimed. Trade mark owners may therefore wish to replace the trade mark and use a new version for an indefinite period until it needs to be revitalised again.

Alternatively, the trade mark owner may try to be imaginative in terms of the way that he treats the mark – without actually replacing it. The mineral water manufacturer Perrier is a well-known exponent of this strategy. It created different colourful packages for its bottles and adapted them to special circumstances and events. However, on these packages the trade mark itself, used in white or green, remained unchanged.

Another alternative for trade mark owners is to create so-called fluid marks or mutating marks. The mark itself is not replaced. Instead it is used in one or more variants, coexisting with the underlying mark. These variants can be used for special sales promotions, during particular periods of the year or for launching new products. They can be used just once or for a far longer period of time.

In Europe, this approach has been particularly popular with broadcasters. For example, it was adopted by A2 (or Antenne 2, formerly France2) during the 1980s, as well as by the BBC. Although recently abandoned, the mutating mark of Canvas, the cultural channel of the official Flemish broadcaster, was a brilliant combination of Belgian surrealism and a mutating mark.

In the more commercial sphere, well-known examples are Toblerone (with images of Santa Claus wrapped in and around the word mark letters) and Coca-Cola Zero (with alternatives for the letter “O” in Zero) (see images).

On the internet, Google regularly comes up with variants of its trade mark depending on the festivities or the historical roots of a particular day. For example, it replaced one O and the G by a drawing of two climbers to commemorate the first successful scaling of Mount Everest.

Google posts all the variants of its mark that it has used so far on its holiday logos sub page on its website. The variants were originally created by Google webmaster Dennis Hwang who inspired others who are now making their own variants (which often makes it difficult to distinguish Google's variants from those of third parties). Represented here is the image of the American artist Logan Maxwell.

Google also posts fan logos on a special sub page of its website and even organises a yearly Doodle 4 Google competition, posting the winning contributions on its site.

Clearly, the fluid trade mark is more eye-catching than a mark that stays the same. The consumer is interested and the public perceives the trade mark as contemporary and evolving. The ties between the trade mark and the consumer are further strengthened. But does a trade mark strategy built on fluid marks have only positive consequences? Below we briefly examine fluid trade marks under Benelux and Community trade mark law.

## Risks

The downside of obtaining rights in a trade mark is the obligation of the trade mark owner or his licensee to use it. An applicant may not reserve and defensively hold trade marks in the same way he can with domain names. Not using a trade mark can result in the expiry of the right, a sanction ordered by a judge at the request of an interested party. The term of non-use is not harmonised on global level. This

## One-minute read



Trade mark owners who fear that their mark has become dull and old-fashioned have a number of options. They can devise a new one; refresh their

packaging while retaining their existing mark; or make their trade mark fluid by developing variants of it. A number of companies – most notably Google – have adopted a successful fluid mark strategy. But although there are undoubted benefits to building on your core mark, there are also risks. It is important to consider how courts in Europe have treated the concept of “use of a trade mark” when it comes to deciding whether a fluid trade mark has been infringed. Protection may also be available to trade mark owners under trade name and copyright rules.



Google  
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diversity of terms causes an important cross-border problem. A trade mark owner may have lost his trade mark in the US (because he has not used it there for three years) while it still exists in Europe (where the term is five years). This situation is particularly dangerous for companies that use trade marks other than on the internet. The only solution is to use the trade mark in time in the countries concerned to avoid expiration.

The general principle, however, has one important legal corrective. In Europe, the use of a registered trade mark is compared with the use of such trade marks "in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered in one of the countries of the Union".

This differentiation is particularly favourable for companies wishing to use variations of their trade marks instead of their underlying mark. They will be able to do this without the danger of losing their registered trade mark as long as the trade mark variants do not harm the distinctive character of the underlying mark.

There exists an abundance of case law in Europe on what constitutes abandonment since defendants often use non-use as a defence in infringement proceedings.

#### European case law

In Benelux, a number of decisions have made it clear that the courts will accept variations of trade marks as use of the registered trade mark. The Benelux Court of Justice, for example, had no objection to a trade mark owner using a design with



different colours. In the same way, the Dutch Court of Arnhem decided that the use of yellow tint differs from the registered colour trade mark for baby shampoo but that the colour differences are (very) small and do not harm the distinctive character of the registered colour tint. Also in the Netherlands, a court in Amsterdam decided that the use of a figurative trade mark in a different way to which was registered and by the addition of some (non-registered) elements did not harm the distinctive character of the underlying marks.

In contrast, a court in Paris did not accept a trade mark variant because it differed from the underlying mark given that the added flames underneath the words were positioned differently and, moreover, the words

were re-written in capitals. In Belgium, the Court of Appeal of Brussels argued that some additions did not belong to the trade mark but were, together with the mark, part of the material clothing label. The Court ruled that the omitted elements were not essential and that therefore they did not harm the distinctive character of the underlying mark. In yet another case, the Court of First Instance ordered that the omission of some words and the addition of a black rectangle did not threaten the distinctive character.

The Office for Harmonisation in the Internal Market (OHIM) argued that "a trade mark owner should have a certain degree of flexibility in the use of its trade mark in order to adjust the presentation of the protected design to the period's advertising images and style". Clearly, the exercise must be done on a case-by-case basis. OHIM decided that the use of a

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figurative mark with the addition of the six letters iredli by the tyre producer changes the mark's distinctive character, while the use of the registered mark combined with a dot does not harm the distinctive character of the underlying mark.

The Brussels Commercial Court had to tackle the question of whether using the words Bâton de Berger was the same as using the registered trade mark Le Bâton. The Court decided that it was not. The Brussels Court of First Instance rendered a similar decision. The Court was of the opinion that the use of the words Giorgi, Miss Giorgi, or Giorgi Line do not equate to the use of the trade mark J. Giorgi, because they change the distinctive character.

With regard to word marks, case law suggests that the courts adopt a stricter approach. Similarly, OHIM appears to take a more flexible approach to figurative marks than to word marks. However, there are some cases where the courts have taken a more relaxed approach. The Court of Appeals in Paris, for example, argued that using the word Yvresse can be considered as use of the registered mark Ivresse.

To decide on a minimum acceptable variation between the registered trade mark and the mark as used is clearly a question of fact on which the judge has to pronounce. He will take into account the perception of the mark by the relevant public (although the average consumer only knows the used trade mark and not necessarily the trade mark as it was registered and therefore cannot make such a comparison). Subjectivity inevitably plays an important role.

There is no problem if the holder continues to use the underlying mark next to the variants. Once the trade mark has expired, everyone is free to register the mark. However, third parties have to take into account possible copyright in the trade mark or its possible protection as a trade name.

**An infringement claim**

If a trade mark owner is confronted with infringements of his mark, he can file an infringement claim depending on the kind of trade mark he owns.

Assuming that the trade mark owner has not applied for trade mark protection for its variants, he cannot initiate a procedure when a third party uses one or more signs that correspond to these variants. The protection only extends to his registered underlying mark. However, the trade mark owner could attempt to prove confusion or association (depending on the grounds of infringement) between his protected underlying mark and the sign used by the alleged infringer. Particularly in cases in which a strong relationship exists between the underlying mark and the variant, it cannot be ruled out that the third party's sign also infringes the registered trade mark.

**The strength of the mark**

Whoever registers a sign first and meets all the conditions receives an exclusive right to the trade mark. This priority rule, however, is not absolute and has two exceptions.

First, no right can be granted for a trade mark if the registered trade mark causes confusion with a commonly known trade mark (registered or not). The sign must be well known by the public, even outside the



industrial sector concerned. It must be used for business purposes in all or part of the country in which the holder seeks protection. The holder will be required to submit evidence.

Exceptionally, one or more trade mark variants may be considered as a commonly known mark in addition to the commonly known underlying trade mark.

A second exception can be found in the concept of registration in bad faith. Bad faith occurs when a registrant knows or is informed that within the three years preceding the registration application, a third party has used a similar sign in good faith and in normal circumstances within Benelux or the Community, and has not granted permission to that party to use the mark. One can also

spek of bad faith if a registrant, based on his direct involvement with the previous user, knows that within the past three years the latter has used a similar sign in good faith and in a normal way outside Benelux or the Community.

If a trade mark holder is confronted with a registration in bad faith of one or more of his non-registered trade mark variants, his variant will form the obstacle for a registration by a third party.

**The variant as a trade name**

The trade mark variant may also be protected as a trade name. This right does not require any formalities. A visible, public and continuous use is sufficient to obtain protection. Hence, a single use of a variant will not be protected as a trade name. This is problematic in situations in which a variant is only used for a day or for one event, as is often the case for Google.

Also, a trade mark variant can be an older trade name and form an obstacle for later trade mark registrations by third parties.

**The variant protected by copyright**

Finally, the non-registered variant trade mark can also be protected by copyright law. Unlike trade names, copyright protection does not require frequent use.

To some extent, the trade mark variant can resist a third party's right to parody and quotation. A third party can only use this right for specific purposes (criticism, polemic, review, education or scientific work). A competitor will thus not be allowed to take over the trade mark for commercial purposes. Moreover, quoting has to be done in accordance with fair business customs and the intended purpose. Quoting a trade mark in its entirety is only possible if it is the only way to provide a sufficient idea of the trade mark. Equally, a third party cannot be stopped from creating a parody of a trade mark, but it may never harm the honour or good name of the original author. It cannot mutilate his work.

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Flip Petillion



Cedric Vanleenhove

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