

**European Court of Justice, 18 June 2002, Philips v Remington**



**TRADEMARK LAW**

**Excluded marks**

- [The grounds for refusal have been listed in an exhaustive manner](#)

that there is no category of marks which is not excluded from registration by Article 3(1)(b), (c) and (d) and Article 3(3) of the Directive which is none the less excluded from registration by Article 3(1)(a) thereof on the ground that such marks are incapable of distinguishing the goods of the proprietor of the mark from those of other undertakings.

**Criteria for assessing the distinctive character**

- [The criteria for assessing the distinctive character are the same for all categories of trade marks: capricious addition is not required](#)

Second, Article 2 of the Directive makes no distinction between different categories of trade marks. The criteria for assessing the distinctive character of three-dimensional trade marks, such as that at issue in the main proceedings, are thus no different from those to be applied to other categories of trade mark. In particular, the Directive in no way requires that the shape of the article in respect of which the sign is registered must include some capricious addition.

**Secondary meaning**

- [Extensive use of a sign may be sufficient to give the sign a distinctive character](#)

where a trader has been the only supplier of particular goods to the market, extensive use of a sign which consists of the shape of those goods may be sufficient to give the sign a distinctive character for the purposes of Article 3(3) of the Directive in circumstances where, as a result of that use, a substantial proportion of the relevant class of persons associates that shape with that trader and no other undertaking or believes that goods of that shape come from that trader. However, it is for the national court to verify that the circumstances in which the requirement under that provision is satisfied

are shown to exist on the basis of specific and reliable data, that the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect, are taken into account and that the identification, by the relevant class of persons, of the product as originating from a given undertaking is as a result of the use of the mark as a trade mark.

**Three-dimensional marks**

- [Where the essential functional characteristics of the shape of a product are attributable solely to the technical result, Article 3\(1\)\(e\), second indent, precludes registration of a sign consisting of that shape, even if that technical result can be achieved by other shapes.](#)

As to the question whether the establishment that there are other shapes which could achieve the same technical result can overcome the ground for refusal or invalidity contained in Article 3(1)(e), second indent, there is nothing in the wording of that provision to allow such a conclusion. In refusing registration of such signs, Article 3(1)(e), second indent, of the Directive reflects the legitimate aim of not allowing individuals to use registration of a mark in order to acquire or perpetuate exclusive rights relating to technical solutions. Where the essential functional characteristics of the shape of a product are attributable solely to the technical result, Article 3(1)(e), second indent, precludes registration of a sign consisting of that shape, even if that technical result can be achieved by other shapes. In the light of those considerations, the answer to the fourth question must be that Article 3(1)(e), second indent, of the Directive must be interpreted to mean that a sign consisting exclusively of the shape of a product is unregistrable by virtue thereof if it is established that the essential functional features of that shape are attributable only to the technical result. Moreover, the ground for refusal or invalidity of registration imposed by that provision cannot be overcome by establishing that there are other shapes which allow the same technical result to be obtained.

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**European Court of Justice, 18 June 2002**

(G.C. Rodríguez Iglesias, P. Jann, F. Macken, N. Colneric and S. von Bahr, C. Gulmann, D.A.O. Edward, A. La Pergola, J.-P. Puissochet, J.N. Cunha Rodrigues and C.W.A. Timmermans)

**JUDGMENT OF THE COURT**

18 June 2002 (1)

*(Approximation of laws - Trade marks - Directive 89/104/EEC - Articles 3(1) and (3), 5(1) and 6(1)(b) - Signs capable of being trade marks - Signs consisting exclusively of the shape of the product)*

In Case C-299/99,

REFERENCE to the Court under Article 234 EC by the Court of Appeal (England and Wales) (Civil Division)

(United Kingdom) for a preliminary ruling in the proceedings pending before that court between Koninklijke Philips Electronics NV and

Remington Consumer Products Ltd, on the interpretation of Articles 3(1) and (3), 5(1) and 6(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1),

THE COURT,

composed of: G.C. Rodríguez Iglesias, President, P. Jann, F. Macken (Rapporteur), N. Colneric and S. von Bahr (Presidents of Chambers), C. Gulmann, D.A.O. Edward, A. La Pergola, J.-P. Puissochet, J.N. Cunha Rodrigues and C.W.A. Timmermans, Judges, Advocate General: D. Ruiz-Jarabo Colomer, Registrar: D. Louterman-Hubeau, Head of Division, after considering the written observations submitted on behalf of:

- Koninklijke Philips Electronics NV, by H. Carr QC and D. Anderson QC, and by Professor W.A. Hoyng, instructed initially by Eversheds Solicitors, and, subsequently, by Allen & Overy, Solicitors,
  - Remington Consumer Products Ltd, by Lochners Technology Solicitors, Solicitors,
  - the United Kingdom Government, by R. Magrill, acting as Agent, and S. Moore, Barrister,
  - the French Government, by K. Rispal-Bellanger and A. Maitrepierre, acting as Agents,
  - the Commission of the European Communities, by K. Banks, acting as Agent,
- having regard to the Report for the Hearing, after hearing the oral observations of Koninklijke Philips Electronics NV, represented by H. Carr and W.A. Hoyng; of Remington Consumer Products Ltd, represented by S. Thorley QC and R. Wyand QC; of the United Kingdom Government, represented by R. Magrill, assisted by D. Alexander, Barrister; and of the Commission, represented by K. Banks, at the hearing on 29 November 2000, after hearing the [Opinion of the Advocate General](#) at the sitting on 23 January 2001, gives the following

#### **Judgment**

1. By order of 5 May 1999, received at the Court on 9 August 1999, the Court of Appeal (England and Wales) (Civil Division) referred for a preliminary ruling under Article 234 EC seven questions concerning the interpretation of Articles 3(1) and (3), 5(1) and 6(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1, hereinafter 'the Directive').

2. Those questions have arisen in a dispute between Koninklijke Philips Electronics NV ('Philips') and Remington Consumer Products Ltd ('Remington') concerning an action for infringement of a trade mark which Philips had registered on the basis of use under the Trade Marks Act 1938.

#### **Legal context**

##### **Community legislation**

3. The purpose of the Directive is, as the first recital in its preamble states, to approximate the laws of the Member States on trade marks in order to remove existing disparities which may impede the free movement of goods and freedom to provide services and may distort competition within the common market.

4. However, according to the third recital in its preamble, the Directive is not intended to effect full-scale approximation of the laws of the Member States relating to trade marks.

5. Article 2 of the Directive provides, under the heading 'Signs of which a trade mark may consist':

'A trade mark may consist of any sign capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'

6. Article 3 of the Directive, which lists the grounds for refusal or invalidity of registration, provides:

'1. The following shall not be registered or if registered shall be liable to be declared invalid:

- (a) signs which cannot constitute a trade mark;
- (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 purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;
- (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;
- (e) signs which consist exclusively of:
  - the shape which results from the nature of the goods themselves, or
  - the shape of goods which is necessary to obtain a technical result, or
  - the shape which gives substantial value to the goods;

...

3. A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character. Any Member State may in addition provide that this provision shall also apply where the distinctive character was acquired after the date of application for registration or after the date of registration.

...'

7. Article 5(1), which concerns the rights conferred by a trade mark, provides:

'The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;

(b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark'.

8. Article 6 of the Directive provides, under the heading 'Limitation of the effects of a trade mark':

'1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade,

(a) his own name or address;

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services;

(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts;

provided he uses them in accordance with honest practices in industrial or commercial matters.

...'

#### **National legislation**

9. Trade mark registration in the United Kingdom was formerly governed by the Trade Marks Act 1938. That Act was repealed and replaced by the Trade Marks Act 1994, which implements the Directive and contains the new law on registered trade marks.

10. On the basis of Schedule 3 of the Trade Marks Act 1994, trade marks registered under the Trade Marks Act 1938 may be considered to have the same effect as if they had been registered under the 1994 Act.

#### **The main proceedings and the questions referred**

11. In 1966, Philips developed a new type of three-headed rotary electric shaver. In 1985, Philips filed an application to register a trade mark consisting of a graphic representation of the shape and configuration of the head of such a shaver, comprising three circular heads with rotating blades in the shape of an equilateral triangle. That trade mark was registered on the basis of use under the Trade Marks Act 1938.

12. In 1995, Remington, a competing company, began to manufacture and sell in the United Kingdom the DT 55, which is a shaver with three rotating heads forming an equilateral triangle, shaped similarly to that used by Philips.

13. Philips accordingly sued Remington for infringement of its trade mark. Remington counter-claimed for revocation of the trade mark registered by Philips.

14. The High Court of Justice of England and Wales, Chancery Division (Patents Court) (United Kingdom), allowed the counter-claim and ordered revocation of the registration of the Philips trade mark on the ground that the sign relied on by Philips was incapable of distinguishing the goods concerned from those of other undertakings and was devoid of any distinctive character. The High Court also held that the trade mark consisted exclusively of a sign which served in trade to designate the intended purpose of the goods and of a

shape which was necessary to obtain a technical result and which gave substantial value to the goods. It went on to hold that, even if the trade mark had been valid, it would not have been infringed.

15. Philips appealed to the Court of Appeal against that decision of the High Court.

16. As the arguments of the parties raised questions relating to the interpretation of the Directive, the Court of Appeal (England and Wales) (Civil Division) decided to stay proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:

'1. Is there a category of marks which is not excluded from registration by Article 3(1)(b), (c) and (d) and Article 3(3) of Council Directive 89/104/EEC which is none the less excluded from registration by Article 3(1)(a) of the Directive (as being incapable of distinguishing the goods of the proprietor from those [of] other undertakings)?

2. Is the shape (or part of the shape) of an article (being the article in respect of which the sign is registered) only capable of distinguishing for the purposes of Article 2 if it contains some capricious addition (being an embellishment which has no functional purpose) to the shape of the article?

3. Where a trader has been the only supplier of particular goods to the market, is extensive use of a sign, which consists of the shape (or part of the shape) of those goods and which does not include any capricious addition, sufficient to give the sign a distinctive character for the purposes of Article 3(3) in circumstances where as a result of that use a substantial proportion of the relevant trade and public

(a) associate the shape with that trader and no other undertaking;

(b) believe that goods of that shape come from that trader absent a statement to the contrary?

4. (a) Can the restriction imposed by the words "if it consists exclusively of the shape of goods which is necessary to achieve a technical result" appearing in Article 3(1)(e)(ii) be overcome by establishing that there are other shapes which can obtain the same technical result or

(b) is the shape unregistrable by virtue thereof if it is shown that the essential features of the shape are attributable only to the technical result or

(c) is some other and, if so, what test appropriate for determining whether the restriction applies?

5. Article 3(1)(c) of the Directive applies to "trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose ... of the goods or service". Article 6(1)(b) of the Directive applies to the use by a third party of "indications concerning the kind, quality, quantity, intended purpose ... of goods or services". The word "exclusively" thus appears in Article 3(1)(c) and is omitted in Article 6(1)(b) of the Directive[.] On a proper interpretation of the Directive, does this omission mean that, even if a mark consisting of the shape of goods is validly registered, it is not infringed by virtue of Article 6(1)(b) in circumstances where

(a) the use of the shape of goods complained of is and would be taken as an indication as to the kind of goods or the intended purpose thereof and

(b) a substantial proportion of the relevant trade and public believe that goods of that shape come from the trade mark proprietor, absent a statement to the contrary?

6. Does the exclusive right granted by Article 5(1) extend to enable the proprietor to prevent third parties using identical or similar signs in circumstances where that use was not such as to indicate origin or is it limited so as to prevent only use which wholly or in part does indicate origin?

7. Is use of an allegedly infringing shape of goods, which is and would be seen as an indication as to the kind of goods or the intended purpose thereof, none the less such as to indicate origin if a substantial proportion of the relevant trade and public believe that goods of the shape complained of come from the trade mark proprietor absent a statement to the contrary?'

17. By application lodged at the Court Registry on 25 April 2001, Philips requested the reopening of the oral procedure, which was closed on 23 January 2001 following the delivery of the Opinion of the Advocate General, and/or the joinder of the present case with Case C-53/01 Linde AG, Case C-54/01 Winward Industries and Case C-55/01 Rado, in which requests for preliminary rulings referred by the Bundesgerichtshof (Federal Court of Justice) (Germany) had been lodged with the Court Registry on 8 February 2001.

18. In support of its application, Philips submits that, before replying to the referring court in the present case, it would be sensible to take account of the views of the Bundesgerichtshof in the cases mentioned in the previous paragraph, which raise similar questions, and thus to give the parties concerned an opportunity to submit their observations in that connection.

19. By letters of 8 and 16 May 2001, Remington opposed the request for reopening and/or joinder.

20. The Court may of its own motion, on a proposal from the Advocate General or at the request of the parties, order that the oral procedure be reopened, in accordance with Article 61 of its Rules of Procedure, if it considers that it lacks sufficient information, or that the case must be dealt with on the basis of an argument which has not been debated between the parties (see Joined Cases C-270/97 and C-271/97 Deutsche Post [2000] ECR I-929, paragraph 30).

21. The Court considers that it is not appropriate to join this case to those mentioned in paragraph 17 of this judgment and that it has all the information it needs to answer the questions raised in the main proceedings.

22. The application made by Philips must therefore be dismissed.

#### **The first question**

23. By its first question the referring court seeks to know whether there is a category of marks which is not excluded from registration by Article 3(1)(b), (c) and (d) and Article 3(3) of the Directive which is none the less excluded from registration by Article 3(1)(a) thereof on the ground that such marks are incapable of

distinguishing the goods of the proprietor from those of other undertakings.

24. According to Philips, by this question the national court seeks to know whether there is a special class of marks which, even though distinctive in fact, are none the less incapable of distinguishing as a matter of law. Philips submits that this cannot be the case, in the light of the Court's reasoning in its judgment in [Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee \[1999\] ECR I-2779](#). Subject to the exception in Article 3(1)(e) of the Directive, if a shape has acquired a distinctive character in accordance with Article 3(3), the grounds for refusal or invalidity listed in Article 3(1)(a) to (d) cannot apply and the shape cannot be considered devoid of distinctive character as a matter of law.

25. Remington contends that there is a significant difference between signs which do not fulfil the conditions laid down in Article 2 of the Directive in that they are not capable of distinguishing the products of one undertaking from those of another, referred to in Article 3(1)(a) of that Directive, and marks which do not meet the criteria listed in Article 3(1)(b), (c) and (d) thereof. Whereas the former can never be registered, even on proof of 'extensive use', the latter can be registered, under Article 3(3), on proof of a distinctive character arising from such use.

26. The United Kingdom Government submits that if a sign which on its face is non-distinctive is nevertheless proved to have acquired a distinctive character, that sign must in fact be capable of distinguishing the goods of one undertaking from those of others within the meaning of Article 2 of the Directive. In its judgment in *Windsurfing Chiemsee*, cited above, the Court made the point that the Directive permits the registration of highly descriptive words, which *prima facie* would not be capable of distinguishing the goods or services of one undertaking from those of other undertakings within the meaning of Article 2, where those words have in fact acquired a distinctive character within the meaning of Article 3(3) and, accordingly, a secondary meaning as a trade mark.

27. The French Government submits that the Directive does not in itself exclude from registration a particular category of trade marks. Article 3 of the Directive may lead on a case-by-case basis to the exclusion of signs from trade mark protection but it must not be interpreted as excluding from such protection a category of signs *per se*.

28. The Commission contends that a mark which has acquired a distinctive character within the meaning of Article 3(3) of the Directive cannot be excluded from registration on the basis of Article 3(1)(a) thereof on the ground that it is incapable of distinguishing the goods of the trade mark proprietor from those of other undertakings.

#### **Findings of the Court**

29. In this connection, it should be recalled to begin with that, as stated in the tenth recital in the preamble to the Directive, the purpose of the protection afforded

by a trade mark is inter alia to guarantee the trade mark as an indication of origin.

30. Moreover, according to the case-law of the Court, the essential function of a 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, and 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-349/95 Loendersloot \[1997\] ECR I-6227, paragraphs 22 and 24](#), and [Case C-39/97 Canon \[1998\] ECR I-5507, paragraph 28](#)).

31. That essential function of the trade mark is also clear from the wording and the structure of the various provisions of the Directive concerning the grounds for refusal of registration.

32. First of all, Article 2 of the Directive provides that all signs may constitute trade marks provided that they are capable both of being represented graphically and of distinguishing the goods or services of one undertaking from those of other undertakings.

33. Second, under the rule laid down by Article 3(1)(b), (c) and (d), trade marks which are devoid of any distinctive character, descriptive marks, and marks which consist exclusively of indications which have become customary in the current language or in the bona fide and established practices of the trade are to be refused registration or declared invalid if registered (*Windsurfing Chiemsee*, cited above, paragraph 45).

34. Finally, Article 3(3) of the Directive adds a significant qualification to the rule laid down by Article 3(1)(b), (c) and (d) in that it provides that a sign may, through use, acquire a distinctive character which it initially lacked and thus be registered as a trade mark. It is therefore through the use made of it that the sign acquires the distinctive character which is a prerequisite for its registration (see *Windsurfing Chiemsee*, paragraph 44).

35. As the Court observed at paragraph 46 of its judgment in *Windsurfing Chiemsee*, just as distinctive character is one of the general conditions for registering a trade mark under Article 3(1)(b), distinctive character acquired through use means that the mark must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

36. It is true that Article 3(1)(a) of the Directive provides that signs which cannot constitute a trade mark are to be refused registration or if registered are liable to be declared invalid.

37. However, it is clear from the wording of Article 3(1)(a) and the structure of the Directive that that provision is intended essentially to exclude from registration signs which are not generally capable of being a trade mark and thus cannot be represented

graphically and/or are not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

38. Accordingly, Article 3(1)(a) of the Directive, like the rule laid down by Article 3(1)(b), (c) and (d), precludes the registration of signs or indications which do not meet one of the two conditions imposed by Article 2 of the Directive, that is to say, the condition requiring such signs to be capable of distinguishing the goods or services of one undertaking from those of other undertakings.

39. It follows that there is no class of marks having a distinctive character by their nature or by the use made of them which is not capable of distinguishing goods or services within the meaning of Article 2 of the Directive.

40. In the light of those considerations, the answer to the first question must be that **there is no category of marks which is not excluded from registration by Article 3(1)(b), (c) and (d) and Article 3(3) of the Directive which is none the less excluded from registration by Article 3(1)(a) thereof on the ground that such marks are incapable of distinguishing the goods of the proprietor of the mark from those of other undertakings.**

#### **The second question**

41. By its second question, the national court seeks to know whether the shape of an article (being the article in respect of which the sign is registered) is capable of distinguishing for the purposes of Article 2 of the Directive only if it contains some capricious addition, such as an embellishment which has no functional purpose.

42. As to that, Philips submits that if, contrary to its argument relating to the first question, there is a category of marks which can be shown to have acquired a distinctive character, but which are nevertheless incapable of distinguishing goods, it is not appropriate to use the capricious addition test formulated by the referring court in order to ascertain which marks come within that category. If it were necessary to create a special category of marks which are not capable of distinguishing those goods, even though they have, in fact, a distinctive character, Philips suggests that an alternative test would be to ask whether the mark in question is the only practical way of describing the goods concerned.

43. Remington, in contrast, contends that if the shape of an article contains no capricious addition, it will consist solely of a functional shape which will be incapable of distinguishing goods made to that shape from the same goods of another undertaking. A capricious addition alone is capable of acting as an indication of origin in such cases. Moreover, Remington contends that the degree of descriptiveness is an important factor, so that the more descriptive the sign, the less distinctive it will be. Accordingly, a wholly descriptive sign cannot be capable of distinguishing goods and the presence of a capricious addition is necessary to give a sign the ability to develop distinctive character.

44. The United Kingdom Government submits in this regard that it is not helpful to consider whether a sign

consisting of a shape contains some capricious addition or embellishment as a means of assessing whether it is capable of distinguishing for the purposes of Article 2 of the Directive.

45. According to the French Government, there is nothing in the provisions of Articles 2 and 3 of the Directive to suggest that the shape of an article can be capable of distinguishing that article from those of other undertakings only if it contains some capricious addition, consisting of an embellishment which has no functional purpose.

46. In the light of its observations relating to the first question, the Commission proposes not to reply to the second question. In any event, it observes that Articles 2 and 3(1)(a) of the Directive do not constitute a separate ground for refusing registration of a sign in connection with a lack of distinctiveness.

#### **Findings of the Court**

47. First, it is clear from Article 2 of the Directive that a trade mark has distinctive character if it serves to distinguish, according to their origin, the goods or services in respect of which registration has been applied for. It is sufficient, as is clear from paragraph 30 of this judgment, for the trade mark to enable the public concerned to distinguish the product or service from others which have another commercial origin, and to conclude that all the goods or services bearing it have originated under the control of the proprietor of the trade mark to whom responsibility for their quality can be attributed.

48. **Second, Article 2 of the Directive makes no distinction between different categories of trade marks. The criteria for assessing the distinctive character of three-dimensional trade marks, such as that at issue in the main proceedings, are thus no different from those to be applied to other categories of trade mark.**

49. **In particular, the Directive in no way requires that the shape of the article in respect of which the sign is registered must include some capricious addition.** Under Article 2 of the Directive, the shape in question must simply be capable of distinguishing the product of the proprietor of the trade mark from those of other undertakings and thus fulfil its essential purpose of guaranteeing the origin of the product.

50. In the light of those considerations, the answer to the second question must be that, in order to be capable of distinguishing an article for the purposes of Article 2 of the Directive, the shape of the article in respect of which the sign is registered does not require any capricious addition, such as an embellishment which has no functional purpose.

#### **The third question**

51. By its third question, the referring court essentially seeks to know whether, where a trader has been the only supplier of particular goods to the market, extensive use of a sign which consists of the shape of those goods is sufficient to give the sign a distinctive character for the purposes of Article 3(3) of the Directive in circumstances where, as a result of that use, a substantial proportion of the relevant class of persons associates the shape with that trader, and no other undertaking, or believes that goods of that shape come

from that trader in the absence of a statement to the contrary.

52. According to Philips, the criterion in Article 3(3) of the Directive is satisfied where, because of extensive use of a particular shape, the relevant trade and public believe that goods of that shape come from a particular undertaking. Moreover, Philips submits that a long-standing de facto monopoly on products with the relevant shape is important evidence which supports the acquisition of distinctiveness. If a trader wishes to base an application for registration upon distinctiveness acquired through use, a de facto monopoly is almost a prerequisite for such registration.

53. Remington submits that in the case of a shape which is made up of functional features only, strong evidence is required that the shape itself has been used also as an indication of origin so as to confer on that shape a sufficient secondary meaning to justify registration. Where there has been a monopoly supplier of goods, particular care needs to be taken to ensure that the factual analysis is focused on the relevant matters.

54. The United Kingdom Government submits that any shape which is refused registration under Article 3(1)(e) of the Directive cannot be protected by Article 3(3) since the latter applies only to signs that would otherwise be declared invalid under Article 3(1)(b), (c) or (d), and not to those that fall within the scope of Article 3(1)(e). Assuming, however, that the shape is not excluded from registration pursuant to the latter provision, the United Kingdom Government submits that the requirements of Article 3(3) are not satisfied where the public's recognition has come about not because of the trade mark but because of the monopoly on the supply of the goods.

55. The French Government submits that the third question should be answered in the affirmative. The distinctive character required by Article 3(3) of the Directive may perfectly well be constituted by the fact that, as a result of use, a substantial proportion of the relevant trade and public associate the shape of the goods with a given trader and no other undertaking and believe that goods of that shape come from that trader.

56. In the Commission's view, whether the distinctive character was acquired in a monopoly situation or in some other way, the requirements of Article 3(3) are satisfied as long as a substantial proportion of the relevant public believes that goods bearing the mark in question come from a particular undertaking.

#### **Findings of the Court**

57. In that regard, it must first be observed that if a shape is refused registration pursuant to Article 3(1)(e) of the Directive, interpretation of which is the subject of the fourth question, it can in no circumstances be registered by virtue of Article 3(3).

58. However, Article 3(3) of the Directive provides that a mark which is refused registration under Article 3(1)(b), (c) or (d) may acquire, following the use made of it, a distinctive character which it did not have initially and can thus be registered as a trade mark. It is thus through use that the mark acquires the distinctive character which is the precondition of registration.

59. The distinctive character of a mark, including that acquired by use, must be assessed in relation to the goods or services in respect of which registration is applied for.

60. As is clear from paragraph 51 of the judgment in *Windsurfing Chiemsee*, in assessing the distinctive character of a mark in respect of which registration has been applied for, the following may inter alia also be taken into account: 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 class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

61. The Court has also held that if, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must in any event hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied (*Windsurfing Chiemsee*, paragraph 52).

62. However, it must first be pointed out that the Court has made clear that the circumstances in which the requirement under Article 3(3) of the Directive may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data, such as predetermined percentages (*Windsurfing Chiemsee*, paragraph 52).

63. Second, the distinctive character of a sign consisting in the shape of a product, even that acquired by the use made of it, must be assessed in the light of the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect (see, to that effect, the judgment in [Case C-210/96 Gut Springenheide and Tusky \[1998\] ECR I-4657, paragraph 31](#)).

64. Finally, the identification, by the relevant class of persons, of the product as originating from a given undertaking must be as a result of the use of the mark as a trade mark and thus as a result of the nature and effect of it, which make it capable of distinguishing the product concerned from those of other undertakings.

65. In the light of those considerations, the answer to the third question must be that, where a trader has been the only supplier of particular goods to the market, extensive use of a sign which consists of the shape of those goods may be sufficient to give the sign a distinctive character for the purposes of Article 3(3) of the Directive in circumstances where, as a result of that use, a substantial proportion of the relevant class of persons associates that shape with that trader and no other undertaking or believes that goods of that shape come from that trader. However, it is for the national court to verify that the circumstances in which the requirement under that provision is satisfied are shown to exist on the basis of specific and reliable data, that the

presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect, are taken into account and that the identification, by the relevant class of persons, of the product as originating from a given undertaking is as a result of the use of the mark as a trade mark.

#### **The fourth question**

66. By its fourth question the referring court is essentially asking whether Article 3(1)(e), second indent, of the Directive must be interpreted to mean that a sign consisting exclusively of the shape of a product is unregistrable by virtue of that provision if it is established that the essential functional features of the shape are attributable only to the technical result. It also seeks to know whether the ground for refusal or invalidity of the registration imposed by that provision can be overcome by establishing that there are other shapes which can obtain the same technical result.

67. In that regard, Philips submits that the purpose of that provision of the Directive is to prevent the obtaining of a monopoly in a particular technical result by means of trade mark protection. However, the registration of a mark consisting of a shape which has a technical result imposes no unreasonable restraint on industry and innovation if that technical result can be obtained by other shapes which are readily available to competitors. According to Philips, there are many alternatives to the shape constituting the trade mark at issue which would achieve the same technical result in shaving terms at an equivalent cost to that of its products.

68. According to Remington, the clear meaning of Article 3(1)(e) of the Directive is that a shape that is necessary to achieve a technical result, in the sense that it performs a function in achieving that result but is not necessarily the only shape that can achieve that function, must be excluded from registration. The construction argued for by Philips would render the exclusion so narrow as to be useless and would require a technical evaluation of alternative designs, which would mean that the Directive could not ensure protection of the public interest.

69. The United Kingdom Government submits that registration must be refused if the essential features of the shape of which the sign consists are attributable only to the technical result.

70. According to the French Government, the purpose of the exclusion provided for in Article 3(1)(e), second indent, is to prevent the protection of technical creations, which is limited in time, from being circumvented by recourse to the rules on trade marks, the effects of which are potentially longer lasting.

71. Both the French Government and the United Kingdom Government take the view that the ground for refusal of registration under Article 3(1)(e), second indent, of the Directive cannot be overcome by establishing that there are other shapes capable of achieving the same technical result.

72. Given the legislative history of Article 3(1)(e), second indent, and the need to construe exceptions

narrowly, the Commission is of the view that the relevant criterion is the availability of alternative shapes to achieve the desired technical result.

#### Findings of the Court

73. It must first be observed in this regard that, under Article 2 of the Directive, a trade mark may, as a rule, consist of any sign capable both of being represented graphically and of distinguishing the goods or services of one undertaking from those of other undertakings.

74. Second, it must also be borne in mind that the grounds for refusal to register signs consisting of the shape of a product are expressly listed in Article 3(1)(e) of the Directive. Under that provision, signs which consist exclusively of the shape which results from the nature of the goods themselves, or the shape of the goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods cannot be registered or if registered are liable to be declared invalid. According to the seventh recital in the preamble to the Directive, those grounds for refusal have been listed in an exhaustive manner.

75. Finally, the marks which may be refused registration on the grounds listed in Article 3(1)(b), (c) or (d) of the Directive may under Article 3(3) acquire a distinctive character through the use made of them. However, a sign which is refused registration under Article 3(1)(e) of the Directive can never acquire a distinctive character for the purposes of Article 3(3) by the use made of it.

76. Article 3(1)(e) thus concerns certain signs which are not such as to constitute trade marks and is a preliminary obstacle liable to prevent a sign consisting exclusively of the shape of a product from being registrable. If any one of the criteria listed in Article 3(1)(e) is satisfied, a sign consisting exclusively of the shape of the product or of a graphic representation of that shape cannot be registered as a trade mark.

77. The various grounds for refusal of registration listed in Article 3 of the Directive must be interpreted in the light of the public interest underlying each of them (see, to that effect, *Windsurfing Chiemsee*, paragraphs 25 to 27).

78. The rationale of the grounds for refusal of registration laid down in Article 3(1)(e) of the Directive is to prevent trade mark protection from granting its proprietor a monopoly on technical solutions or functional characteristics of a product which a user is likely to seek in the products of competitors. Article 3(1)(e) is thus intended to prevent the protection conferred by the trade mark right from being extended, beyond signs which serve to distinguish a product or service from those offered by competitors, so as to form an obstacle preventing competitors from freely offering for sale products incorporating such technical solutions or functional characteristics in competition with the proprietor of the trade mark.

79. As regards, in particular, signs consisting exclusively of the shape of the product necessary to obtain a technical result, listed in Article 3(1)(e), second indent, of the Directive, that provision is intended to preclude the registration of shapes whose essential characteris-

tics perform a technical function, with the result that the exclusivity inherent in the trade mark right would limit the possibility of competitors supplying a product incorporating such a function or at least limit their freedom of choice in regard to the technical solution they wish to adopt in order to incorporate such a function in their product.

80. As Article 3(1)(e) of the Directive pursues an aim which is in the public interest, namely that a shape whose essential characteristics perform a technical function and were chosen to fulfil that function may be freely used by all, that provision prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (see, to that effect, *Windsurfing Chiemsee*, paragraph 25).

81. As to the question whether the establishment that there are other shapes which could achieve the same technical result can overcome the ground for refusal or invalidity contained in Article 3(1)(e), second indent, there is nothing in the wording of that provision to allow such a conclusion.

82. In refusing registration of such signs, Article 3(1)(e), second indent, of the Directive reflects the legitimate aim of not allowing individuals to use registration of a mark in order to acquire or perpetuate exclusive rights relating to technical solutions.

83. Where the essential functional characteristics of the shape of a product are attributable solely to the technical result, Article 3(1)(e), second indent, precludes registration of a sign consisting of that shape, even if that technical result can be achieved by other shapes.

84. In the light of those considerations, the answer to the fourth question must be that Article 3(1)(e), second indent, of the Directive must be interpreted to mean that a sign consisting exclusively of the shape of a product is unregistrable by virtue thereof if it is established that the essential functional features of that shape are attributable only to the technical result. Moreover, the ground for refusal or invalidity of registration imposed by that provision cannot be overcome by establishing that there are other shapes which allow the same technical result to be obtained.

85. The referring court makes clear that consideration of the questions relating to the infringement would not be required if its interpretation of Article 3 were to be upheld by the Court of Justice. As the answer to the fourth question confirms that interpretation, there is no need to reply to the fifth, sixth and seventh questions.

#### Costs

86. The costs incurred by the French and United Kingdom Governments and by the Commission, which have submitted observations to the Court, are not recoverable. Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court.

**On those grounds,**  
THE COURT,

in answer to the questions referred to it by the Court of Appeal (England and Wales) (Civil Division) by order of 5 May 1999, hereby rules:

1. There is no category of marks which is not excluded from registration by Article 3(1)(b), (c) and (d) and Article 3(3) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks which is none the less excluded from registration by Article 3(1)(a) thereof on the ground that such marks are incapable of distinguishing the goods of the proprietor of the mark from those of other undertakings.

2. In order to be capable of distinguishing an article for the purposes of Article 2 of the Directive, the shape of the article in respect of which the sign is registered does not require any capricious addition, such as an embellishment which has no functional purpose.

3. Where a trader has been the only supplier of particular goods to the market, extensive use of a sign which consists of the shape of those goods may be sufficient to give the sign a distinctive character for the purposes of Article 3(3) of Directive 89/104 in circumstances where, as a result of that use, a substantial proportion of the relevant class of persons associates that shape with that trader and no other undertaking or believes that goods of that shape come from that trader. However, it is for the national court to verify that the circumstances in which the requirement under that provision is satisfied are shown to exist on the basis of specific and reliable data, that the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect, are taken into account and that the identification, by the relevant class of persons, of the product as originating from a given undertaking is as a result of the use of the mark as a trade mark.

4. Article 3(1)(e), second indent, of Directive 89/104 must be interpreted to mean that a sign consisting exclusively of the shape of a product is unregistrable by virtue thereof if it is established that the essential functional features of that shape are attributable only to the technical result. Moreover, the ground for refusal or invalidity of registration imposed by that provision cannot be overcome by establishing that there are other shapes which allow the same technical result to be obtained.

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OPINION OF ADVOCATE GENERAL

RUIZ-JARABO COLOMER

delivered on 23 January 2001 (1)

Case C-299/99

Philips Electronics NV

v

Remington Consumer Products Limited

(Reference for a preliminary ruling from the Court of Appeal (England and Wales))

(Trade Marks Directive - Signs capable of constituting a trade mark - Signs consisting exclusively of the shape of the goods)

1. In this case, the Court is requested to rule on the scope of the exclusion from trade mark registration of 'signs which consist exclusively of the shape of goods which is necessary to obtain a technical result', provided for by the second indent of Article 3(1)(e) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating to trade marks. (2)

**Background**

2. According to the order for reference and other documents in the file, the facts of the main dispute may be summarised as follows.

3. Since 1966, Philips Electronics NV ('Philips') has marketed a shaver comprising three rotary heads arranged in the shape of an equilateral triangle.

4. In 1985, Philips filed a trade mark application consisting of a picture of a shaver having those characteristics. That mark was registered under the Trade Marks Act 1938.

On the basis of Schedule 3 of the Trade Marks Act 1994, (3) which repealed the former legislation, Philips's trade mark now has the same effects as if it had been registered under the new Act.

5. Philips has advertised its shavers in the United Kingdom extensively and they are very well known in that country. In particular, the three-headed rotary shaver is well known as a product manufactured by Philips and widely recognised as such.

6. In 1995, Remington Consumer Products Limited ('Remington') began to manufacture and sell in the United Kingdom its DT55 shaver, a three-headed rotary shaver whose blade heads are arranged in an equilateral triangle, a layout similar to that used by Philips.

7. On 4 December 1995, Philips brought an action against Remington claiming, inter alia, infringement of its trade mark. Remington counterclaimed for revocation of the Philips trade mark.

8. The High Court of Justice, Chancery Division, Patents Court, which heard the case at first instance, upheld the counterclaim and revoked Philips' trade mark on the ground that it was incapable of distinguishing the goods concerned and was devoid of any distinctive character. It also held that the trade mark consisted exclusively of a sign which served in trade to designate the intended purpose of the goods and of a shape which was necessary to obtain a technical result and which gave substantial value to the goods. It went on to hold that, even if the trade mark had been valid, it had not been infringed.

Philips appealed against that decision, claiming that the trade mark was valid and that its trade mark had been infringed.

**The questions referred for a preliminary ruling**

9. The Court of Appeal decided to stay proceedings and to refer the following seven questions on the interpretation of the Directive to the Court:

'1. Is there a category of marks which is not excluded from registration by Article 3(1)(b) to (d) and Article 3(3) of the Council Directive 89/104/EEC ("the Directive"), which is none the less excluded from registration by Article 3(1)(a) of the Directive (as being

incapable of distinguishing the goods of the proprietor from those of other undertakings)?

2. Is the shape (or part of the shape) of an article (being the article in respect of which the sign is registered) only capable of distinguishing for the purposes of Article 2 if it contains some capricious addition (being an embellishment which has no functional purpose) to the shape of the article?

3. Where a trader has been the only supplier of particular goods to the market, is extensive use of a sign, which consists of the shape (or part of the shape) of those goods and which does not include any capricious addition, sufficient to give the sign a distinctive character for the purposes of Article 3(3) in circumstances where as a result of that use a substantial proportion of the relevant trade and public

(i) associate the shape with that trader and no other undertaking;

(ii) believe that goods of that shape come from that trader, absent a statement to the contrary?

4. (i) Can the restriction imposed by the words "if it consists exclusively of the shape of goods which is necessary to achieve a technical result" appearing in Article 3(1)(e)(ii) be overcome by establishing that there are other shapes which can obtain the same technical result or

(ii) is the shape unregistrable by virtue thereof if it is shown that the essential features of the shape are attributable only to the technical result or

(iii) is some other and, if so, what test appropriate for determining whether the restriction applies?

5. Article 3(1)(c) of the Directive applies to "trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose ... of the goods or service". Article 6(1)(b) of the Directive applies to the use by a third party of "indications concerning the kind, quality, quantity, intended purpose ... of goods or services". The word "exclusively" thus appears in Article 3(1)(c) and is omitted in Article 6(1)(b) of the Directive. On a proper interpretation of the Directive, does this omission mean that, even if a mark consisting of the shape of goods is validly registered, it is not infringed by virtue of Article 6(1)(b) in circumstances where

(i) the use of the shape of goods complained of is and would be taken as an indication as to the kind of goods or the intended purpose thereof and

(ii) a substantial proportion of the relevant trade and public believe that goods of that shape come from the trade mark proprietor, absent a statement to the contrary?

6. Does the exclusive right granted by Article 5(1) extend to enable the proprietor to prevent third parties using identical or similar signs in circumstances where that use was not such as to indicate origin or is it limited so as to prevent only use which wholly or in part does indicate origin?

7. Is use of an allegedly infringing shape of goods, which is and would be seen as an indication as to the kind of goods or the intended purpose thereof, none the

less such as to indicate origin if a substantial proportion of the relevant trade and public believe that goods of the shape complained of come from the trade mark proprietor, absent a statement to the contrary?'

#### **Analysis of the questions**

##### **Definition of the issue in the main proceedings**

10. It is appropriate to define, from the outset, the issue in the main proceedings for the purposes of Community law.

I will start from the national court's finding in the order for reference that Philips' trade mark, for the purposes of the second indent of Article 3(1)(e) of the Directive, is nothing more than a 'combination of technical features produced to achieve a good practical design'.

11. As counsel for Philips acknowledged at the hearing, the relative complexity of this reference for a preliminary ruling is due more to the manner in which the questions have been drafted than to the inherent difficulty in interpreting the Directive in the present case.

12. Furthermore, I have the impression that there is a certain amount of confusion in the order for reference - or, rather, a certain overlap - between the *raisons d'être* of each of the absolute grounds of invalidity in subparagraphs (b) to (d) of Article 3(1) and that contained in subparagraph (e).

13. According to subparagraph (b), trade marks which are devoid of any distinctive character are not be registered or if registered are liable to be declared invalid. Signs which do not fulfil the primary purpose of distinguishing the goods and which, therefore, do not make it possible to identify their origin, that is to say their manufacturer, are not covered by the exclusive protection conferred on trade marks.

14. Subparagraphs (c) and (d) of Article 3(1) exclude from registration certain signs on account of their generic nature (inasmuch as they serve to designate the kind, quality, intended purpose, value, geographical origin, or the time of production of the goods) or because they have become customary. They contain, therefore, a partial legal definition of the concept of distinctive character.

15. The legislature acknowledged the basic similarity of those three grounds of exclusion in providing, in Article 3(3), that they do not apply if, before the date of application for registration and following the use which has been made of it, it has 'acquired a distinctive character'.

16. Subparagraph (e), however, is not of the same legal nature. It applies to three-dimensional signs which arise solely from the nature of the goods themselves, seek to obtain a technical result or give substantial value to the goods. This exclusion is based not on the lack of distinctiveness of certain natural, functional or ornamental shapes - in which case it would only serve to define the scope of subparagraph (b) - but reflects the legitimate concern to prevent individuals from resorting to trade marks in order to extend exclusive rights over technical developments.

17. Consistent with that logic, the legislature did not include subparagraph (e) among the grounds for refusal which may be 'overcome' by virtue of Article 3(3).

Natural, functional or ornamental shapes are incapable, by express intention of the legislature, of acquiring a distinctive character. It is altogether otiose - as well as contrary to the scheme of the Directive - to consider whether or not such shapes have acquired distinctiveness.

18. The ground for refusal provided for at subparagraph (e) resembles, so far as concerns the scope of its effects, those provided for in, for example, subparagraphs (f) or (g) of Article 3(1) of the Directive. Subparagraph (f) refuses registration for trade marks which are contrary to public policy, while subparagraph (g) likewise refuses registration for trade marks which are of such a nature as to deceive the public. Thus, if an application were made to register the trade mark 'Babykiller' for a pharmaceutical abortifacient, there is no doubt that it would not be necessary to analyse the distinctive character - which, in any event, it is likely to possess - of that word. Merely by virtue of being contrary to public policy it would have to be barred from registration.

19. In my view, for the purpose of resolving the present case, only the second indent of subparagraph (e), which excludes from registration 'signs which consist exclusively of the shape of goods which is necessary to obtain a technical result', is relevant.

20. A trade mark having the characteristics of that at issue in the main proceedings, that is to say consisting of an overhead view of a shaver with three rotary heads arranged in the shape of a triangle, seems to be the perfect example of a merely functional shape. Indeed, at least in appearance, its essential features fulfil a function and are there only in so far as they perform that function.

21. Philips, which describes its design as 'minimalist', seems to accept that its trade mark lacks any arbitrary or capricious addition, although it contends in its defence that the registered mark in question reflects but one of the various ways of achieving the same technical result. As I shall explain below, I do not think that any account should be taken of this fact.

22. In the order for reference, the national court observes that the essential features of Philips' trade mark are attributable to a particular function.

23. In those circumstances, I consider that it would be appropriate to look at the distinguishing capacity of Philips' trade mark only if it were accepted that the only shapes having a functional purpose, for the purpose of subparagraph (e), are those necessary to obtain a technical result.

24. On the basis of the foregoing, I consider it appropriate to analyse first the fourth question referred by the United Kingdom court.

#### **Question 4**

25. By this question, the referring court seeks to ascertain the criteria for assessing the exclusion from registration of 'signs which consist exclusively of the shape of goods which is necessary to obtain a technical result' to be applied under Article 3(1)(e).

26. As I said above, the fact that the national court considers - rightly, in my opinion - that Philips' trade mark is nothing more than a 'combination of technical fea-

tures produced to achieve a good practical design' renders the fourth question the only relevant one in approaching the issue in the present case. The other questions refer to different aspects of possessing or acquiring through use a distinctive character, matters which do not require to be analysed in the present case.

27. The national court seeks to ascertain, in particular, whether a merely functional shape is caught by the exclusion provided for in subparagraph (e) even when it can be shown that the same technical result can be achieved by other different shapes.

28. 'Merely functional' is to be understood - as suggested by the national court - as any function whose essential features are attributable to the achievement of a technical result. Use of the phrase 'essential features' means that a shape containing an arbitrary element which, from a functional point of view, is minor, such as its colour, does not escape the prohibition.

There is nothing in the wording of subparagraph (e) of Article 3(1) which makes it possible to conclude that a merely functional shape could be registered if another shape, capable of achieving a comparable result, exists. It suffices that the signs of which the trade mark consists should comprise exclusively features which are necessary in order to achieve a particular technical result.

29. This literal interpretation can just as easily be applied to the other main language versions of the Directive. (4)

I arrive at the same conclusion by applying a teleological interpretation to the provision.

30. The immediate purpose in barring registration of merely functional shapes or shapes which give substantial value to the goods is to prevent the exclusive and permanent right which a trade mark confers from serving to extend the life of other rights which the legislature has sought to make subject to limited periods. I refer, specifically, to the legislation on industrial patents and designs. (5)

31. Were it not for the existence of subparagraph (e) of Article 3(1), it would be easy to overturn the balance of public interest which must exist between rewarding innovation fairly, by granting exclusive protection, and encouraging industrial development, which entails placing time-limits on such protection, with the purpose of making the goods or the design freely available once the time-limit expires.

32. In the case of the second indent of subparagraph (e), the interpretation of which is at issue, it is clear that the Community legislature sought to delimit the scope of protection of a trade mark from that of an industrial patent. Likewise, it distinguishes between the scopes of patents and designs respectively. It is therefore highly significant that the directive on the legal protection of the latter instruments (6) granted no exclusive rights in features of appearance of a product which are solely dictated by its technical function (Article 7(1)). Similarly, the proposal for the related regulation (7) provides that Community design rights are not to be granted in features of appearance solely dictated by their technical function (Article 9(1)).

33. Reference to the Community legislation on designs serves not only to clarify the ratio of the ground for exclusion contained in subparagraph (e) of Article 3(1) of the Trade Marks Directive but also to grasp the exact scope of that ground, which is precisely the purpose of the fourth question.

34. The wording used in the Designs Directive for expressing that ground for refusal does not entirely coincide with that used in the Trade Marks Directive. That discrepancy is not capricious. Whereas the former refuses to recognise external features 'which are solely dictated by its technical function', the latter excludes from its protection 'signs which consist exclusively of the shape of goods which is necessary to obtain a technical result'. In other words, the level of 'functionality' must be greater in order to be able to assess the ground for refusal in the context of designs; the feature concerned must not only be necessary but essential in order to achieve a particular technical result: form follows function. (8) This means that a functional design may, none the less, be eligible for protection if it can be shown that the same technical function could be achieved by another different form.

35. The Trade Marks Directive excludes all shapes necessary (in the sense of ideally suited) to achieve a technical result. That is to say, in so far as the essential features of a shape are necessary in order to fulfil a function, trade mark protection must not be granted without investigating whether that function could also be achieved by other features.

36. It is logical that the bar for assessing whether a ground for excluding a functional form applies is set higher for designs than for trade marks: the nature and scope of their protection are completely different from one another.

37. First, a trade mark seeks to protect the identity of the origin of the goods and, therefore, indirectly, the goodwill which the goods attract, whereas designs - like patents - seek to protect the goods, in their own right, as an economic factor: their substantial value (in the case of designs) or the value which derives from their technical performance (in the case of patents). In that sense, it is entirely logical that the legislature is less concerned by the strict delimitation between designs and patents than by that which ought to exist between the latter and trade marks. Moreover, this makes it easier to give protection to designs that combine functional and aesthetic features.

38. Secondly, whereas trade marks enjoy protection unlimited in time, rights in designs - like rights in patents - are limited in time. From that viewpoint, too, it is appropriate to use a stricter test for excluding functional or ornamental shapes from registration as trade marks than that to be used in separating designs from patents.

39. If we were to accept Philips' argument, which consists in accepting evidence of the existence of other shapes capable of achieving the same technical performance with the aim of preventing the exclusion of a merely functional mark, nothing would stop an undertaking from registering as trade marks all imaginable

shapes which achieved such a result, thus obtaining a permanent monopoly over a particular technical solution. Furthermore, the trade mark court would have to carry out a comprehensive assessment concerning the equivalence of the performance of the different technical processes.

40. Thirdly, even if it should be accepted that the restrictive test for the ground for refusal put forward by Philips carries only a slight risk that trade mark rights might unduly encroach on the field of patents, I cannot see why the public interest should tolerate such a risk, since there are other effective ways available to owners of a product to protect their commercial asset, such as adding arbitrary features.

41. The main objections to the interpretation I propose are historic and have been expressed, in the course of the proceedings, by the Commission and, of course, by Philips. I shall merely say that its explanations as to how the provision at issue came about - as a means of ascertaining the intention of the legislature - are not particularly helpful nor, in any event, can they supplement the higher considerations on which I base my arguments. Philips' contention that the reference to the 'essential features' of a shape does not correspond to the terminology of the directive is not any more persuasive. Furthermore, the Directive does not take up the test put forward by Philips, either. It is for the judicature to supplement legislation in compliance with the legislative purpose.

42. In summary, I agree with the national court that it is appropriate to bar from registration, as signs which consist exclusively of the shape of goods which is necessary to obtain a technical result, those signs the essential features of which are attributable only to the aim to achieve that technical result.

#### **Questions 1, 2, 3, 5, 6 and 7**

43. By its first question the Court of Appeal essentially seeks to ascertain whether there is a category of marks which possess a distinctive character, so that they are not excluded under Article 3(1)(b) to (d) of the Directive, or which have acquired it by use, as provided for by Article 3(3), and which, none the less, are invalid under subparagraph (a), which itself refers to Article 2.

44. According to the Directive, the reply must be in the negative: a sign which is incapable of distinguishing cannot logically have a distinctive character. Contrariwise, I do not think that the different language used in each of those provisions ('capable of distinguishing' in one and 'distinctive character' in the other) and the undeniable semantic difference thus arising (between potentiality and actuality) necessarily suffices in order to assert that there exists a category of signs which are, by their nature, incapable of acquiring a distinctive character. That is how the Court appears to have understood it in its judgment in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* (9) in accepting that the distinctive nature of the trade mark acquired through use means that it is capable of identifying the goods and that, consequently, it is capable of distinguishing the goods from those of other undertakings.

45. Nevertheless, for the reasons set out above, I do not believe that this question is relevant in resolving the matter.

46. By its second question, the referring court seeks to ascertain whether the definition of 'trade mark' contained in Article 2 of the Directive, when applied to shapes, means, in so far as it requires that they must be capable of distinguishing, that they must contain some arbitrary addition, such as an embellishment with no functional purpose.

47. Whether or not there are functional features in a three dimensional trade mark must be examined in the light of subparagraph (e) of Article 3(1), so that I would refer to the analysis of the fourth question of the national court. Moreover, as I explained above, that provision, contrary to what happens in relation to the cases provided for in subparagraph (b) to (d), does not have as its purpose the protection of the distinctive character of a trade mark. To that extent, the question is irrelevant.

None the less, if 'arbitrary addition' means any element the essential features of which do not seek to achieve a technical result, the answer must be in the affirmative. Only if a shape contains an addition of this type will it be appropriate to consider whether it has a distinctive character, assuming that it is not a shape dictated by its nature or which gives substantial value to the goods.

48. By the third question, the referring court again asks about the consequences, this time in relation to Article 3(3), of a merely functional shape or, as that court puts it, which does not include any capricious addition.

49. For the reasons already set out above, it is also not necessary to examine the possibility of a merely functional, three-dimensional sign acquiring a distinctive character through use. Indeed, Article 3(3) refers exclusively to subparagraph (b) to (d) of paragraph (1).

50. By its fifth question, the court making the reference seeks clarification of the term 'exclusively', as contained in Article 3(1)(c) of the Directive.

51. By its sixth question, the national court asks the Court of Justice for guidance on the existence of identity as required by Article 5(1) of the Directive.

52. Lastly, by its seventh question, the national court inquires how the capacity of goods, sold in infringement of trade mark rights, to make people identify them with the trade mark proprietor is to be assessed.

53. Those three questions concern, from different angles, the question of the distinctive character of a trade mark. As I have argued, it is sufficient that the essential features of a particular sign should serve the achievement of a technical result in order for registration to have to be refused. Since the court making the reference in the present case takes that view, it is not appropriate to analyse, for merely hypothetical purposes, the potential difficulties in assessing the distinctive character of a shape having those characteristics.

#### Conclusion

54. The second indent of Article 3(1)(e) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating

to trade marks must be interpreted as meaning that any shape the essential features of which serve the achievement of a technical result must be regarded as a sign which consists exclusively of the shape of goods which is necessary to obtain such a result, irrespective of whether it is possible to achieve that result using other shapes. If a sign meets those conditions, there is no need to consider whether it has any distinctive character.

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1: Original language: Spanish.

2: - OJ 1989 L 40, p. 1.

3: - 'An Act to make new provision for registered trade marks, implementing Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks.'

4: - The French text reads 'signes constitués exclusivement par la forme du produit nécessaire à l'obtention d'un résultat technique', the Spanish text 'signos constituidos exclusivamente por la forma del producto necesaria para obtener un resultado técnico', the Italian text 'segni costituiti esclusivamente dalla forma del prodotto necessaria per ottenere un risultato tecnico', and the German text 'Zeichen, die ausschließlich bestehen aus der Form der Ware, die zur Herstellung einer technischen Wirkung erforderlich ist'. No italics in the original texts.

5: - By way of illustration, the European patent, as governed by the Convention of 5 October 1973, protects inventions susceptible of industrial application for a period of 20 years, whereas Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs (OJ 1998 L 289, p. 29) provides for a term of protection which may be renewed up to a total term of 25 years (Article 10). Article 13 of the amended proposal for a Council Regulation on Community designs (Com 00) 660 final) is to the same effect.

6: - Cited in footnote 4, above.

7: - Ibidem.

8: - The semantic contrast which exists in the German version between the adjectives 'erforderlich' and 'bedingt' is particularly telling.

9: - [1999] ECR I-2779.

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