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Issues surrounding  
registration of colour trade marks

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## Riga Graduate School of Law

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## SUMMARY

The subject matter of the present research paper is the acquisition of legal rights over a particular type of non-traditional trade marks, namely a colour mark. The main objective of the research was to determine general trends in treatment of colour marks and the scope of protection afforded to them both in the EU and the U.S. Bearing in mind all the implications brought by the special nature of colour, the paper analyses the procedure of registration and common problems faced by brand owners wishing to obtain protection for a colour.

Colour is something so common and widespread that at first sight it is difficult to understand how traditional rules on registration of trade marks can be applied to it; moreover, how someone could be allowed to possess a colour as an object of intellectual property. Our life cannot be imagined without colours. The world, and especially the world of marketing and advertising to which trade marks belong, is full of colourful objects, goods, experiences and decorations. Nevertheless, debates as to whether colour can perform the function of a trade mark and be registered accordingly are now over. The majority of jurisdictions, including the EU, are taking for granted that despite its special nature, in limited circumstances abstract colour can become an independently registered trade mark.

The legal provisions governing registration are the same for all types of mark. Still, in case of colour marks they are interpreted very restrictively, making registration an extremely difficult task to perform. While such a restrictive approach to registration is justified by the need to maintain sound operation of justice, it can be influenced by certain considerations that can limit the scope of protection of colours even further. These considerations involve the limited number of available colours and the need to protect free competition in the market.

The law grants the proprietor of a registered trade mark exclusive rights to use it and exclude others from using it, which is clearly problematic in the case of colours. For this reason, the courts are not always willing to enforce the monopoly over a colour *per se*, because when protection and enforcement of non-traditional trademarks is an issue, it may be very difficult to determine the boundary between the owner's right and hindering competition in the market. Thus, it is still arguable how far protection can extend and where the limit should be set.

The research revealed that although the law on trade marks has expanded over the last

two decades to include non-traditional trade marks, colours being among them, a colour mark can be registered only in limited circumstances. With all the hurdles to overcome, registration and successful enforcement of a colour mark seem to be a victory of a brand, proving its success and recognition in the market, rather than a usual thing. Furthermore, while the law on trade marks is set and harmonised, uncertainty remains and considerations for acceptance or refusal of registration of a colour trade mark vary from case to case.

# INTRODUCTION

Our life is surrounded by brands – we recognise a fast food restaurant from a quick look at the golden arches on the red background. We drink coffee at “Starbucks” coffeehouses and it is not just coffee anymore, it is “Starbucks” with a mermaid on the cup. We don’t call our Smartphone a “phone”, but call it “iPhone” or “BlackBerry” and very well understand that “Apple” is not a fruit. And behind this diversity of recognised logotypes and brand names stands a developed system of law, which ensures that recognised and distinctive brands are worth creating and investing money in their protection. That is the law of trade marks.

A trade mark is a unique sign, a property of an undertaking, which function, according to the Court of Justice of the European Union (CJEU) is to

guarantee the identity of the origin of the market 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.<sup>1</sup>

Moreover, a trade mark informs the consumer that the origin of all goods or services bearing it is attributable to the particular undertaking that is responsible for their quality.<sup>2</sup>

Indeed, a trade mark is one of the most valuable assets<sup>3</sup> of every well known company. Although the original purpose of a trade mark is an indication of ownership over a particular good or service,<sup>4</sup> this purpose has extended to advertising, with trade marks becoming indicators of the source of goods or services.<sup>5</sup> They serve as an identity sign, both to consumers who purchase a good or service and to other members of the society, signifying the style, status and preferences of a person who chooses to buy this particular good or service. A Louis Vuitton handbag, sports shoes with a Nike Swoosh or a Mini Cooper car can say a lot about their owners. This is why trade marks have a unique power of immediately creating an association in people’s minds between the label, its origin, and value and quality.<sup>6</sup>

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<sup>1</sup> Case C-39/97 Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc., [1998] ECR I-05507, para. 28.

<sup>2</sup> Ibid.

<sup>3</sup> L. Bently, B. Shreman, Intellectual Property law, 2<sup>nd</sup> edition, Oxford, Oxford University Press, 2004, p. 694.

<sup>4</sup> Preamble to Directive 2008/95/EC of 22 October 2008 to approximate the laws of the Member States relating to trade marks [2008] L 299/25; Bently and Shreman, supra note 3, p. 693.

<sup>5</sup> Bently and Shreman, supra note 3.

<sup>6</sup> W. Cornish, D. Llewelyn, Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights, 6<sup>th</sup> ed. London, Sweet & Maxwell, 2007, p. 603.

Due to this power, and because competition in the market does not permit any break and requires constant activity in traders' race for consumer preferences, the concept of a trade mark has expanded to include fields that were not originally covered, such as shapes, sounds, colours, holograms, and even scents and tastes. These types of trade mark are commonly known as non-traditional or non-conventional trade marks. Technological development has enabled<sup>7</sup> such marks to be valid and protected, making the system of trade mark registration and enforcement much more liberated. This is, no doubt, an encouraging trend for all traders who are happy to make their production or services stand out, be original and recognisable.

On the other hand, new developments raise many questions, the first of them being: what is the extent of afforded protection, and how to avoid total and absurd monopolisation of every possible sign. The law constantly attempts to respond to the changing nature of trade marks and balance the interests of the parties involved. However, this is not an easy goal to achieve.

Most successful among non-traditional marks (in terms of the number of marks registered) so far has been a colour mark.<sup>8</sup> But despite the fact that colour is easier to register than all other types of non-traditional trade marks, many obstacles have to be overcome for such a mark to come into existence, and only few marks have succeeded in doing so.

Those brand owners who were lucky to obtain rights over a colour seek to protect their colour marks in the same way and with the same persistence as traditional marks. This is understandable because, as a matter of fact, colour can make a brand widely recognised and truly international. For instance, according to surveys, the colour purple is recognised by consumers as the colour of Cadbury Chocolate even though the words "Cadbury Chocolate" are written in any language of the world.<sup>9</sup> Martin Lindstrom suggests that colour can even contribute to the "smashability" of a brand, and argues that even if a successful brand like a glass bottle of Coca-Cola is 'smashed', "consumers would still recognise the brand from its

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<sup>7</sup> V.K. Ahuja, "Non-traditional trade marks: new dimension of trade marks law", E.I.P.R.(European Intellectual Property Review) 2010, 32(11), 575-581, 575.

<sup>8</sup> OHIM, Statistics of Community Trade Marks on 03/04/2012, SSC009, at [p. 47]. Available at: [http://oami.europa.eu/ows/rw/resource/documents/OHIM/statistics/ssc009-statistics\\_of\\_community\\_trade\\_marks\\_2012.pdf](http://oami.europa.eu/ows/rw/resource/documents/OHIM/statistics/ssc009-statistics_of_community_trade_marks_2012.pdf). Last visited on 25 April 2012.

<sup>9</sup> "Single Colour Mark: Its Registrability in the United States and the United Kingdom". Available at: [http://www.legalserviceindia.com/articles/collour\\_marks.htm](http://www.legalserviceindia.com/articles/collour_marks.htm). Last visited on 12 December 2012.

pieces".<sup>10</sup>

At the same time, colour is everywhere around, and unlike figurative marks and logotypes, can not be avoided, being present, literally, on every surface. Research shows that over 80% of visual information is related to colour.<sup>11</sup> Moreover, colour has a powerful and unique ability to affect peoples' minds, emotions and perception of what is seen. This effect is extensively used by all traders in advertising and marketing. The aim is to attract consumers' attention,<sup>12</sup> create certain associations even before the brand logotype is seen, by providing additional information about the goods or services (for instance, green is usually associated with eco-friendly or organic goods,<sup>13</sup> pink with products for girls and women, and so on).

Taking those facts into account, questions arise: should anyone be entitled to obtain a monopoly over a particular colour? If yes, in what circumstances? Or is colour a common heritage, and should it belong to each and everyone? Finally, what about the future? If possession of colour becomes a norm, rather than the exception, could it be possible that at some point the confusion will become overwhelming? In the light of the latest judgments of various courts, this research paper analyses possible answers to those questions and explains the issues that surround registration and protection of colour marks.

Different jurisdictions treat colour trade marks in different ways. For the sake of clarity this paper focuses on the EU approach to these questions.<sup>14</sup> Parallels are also drawn with the U.S. system, as in both jurisdictions the law allows colour to become a trade mark. Still, no extensive research of the U.S. system is undertaken. Instead, U.S. case law is relied on to provide examples or to support certain arguments and propositions.

The paper compares and contrasts the case law of the EU institutions, namely, the Court of Justice of the European Union (CJEU), the General Court and the Board of Appeal of the

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<sup>10</sup> C. Elliott, "Colour<sup>tm</sup>. Law and the Sensory Scan", M/C Journal (Journal of Media and Culture), 8(4) (2005).Aug.2005, at [3]. Available at: <http://journal.media-culture.org.au/0508/06-elliott.php> Citing Lindstrom, M., Brand Sense (2005).

<sup>11</sup> "Colour & trademarks", [para. 1]. Available at: <http://www.colormatters.com/color-and-marketing/color-and-trademarks>. Last visited on 18 April 2012.

<sup>12</sup> S. Sreepada, "The new black: trademark protection for color marks in the fashion industry", 19 Fordham Intell. Prop. Media & Ent. L.J. 1131, 1133.

<sup>13</sup> UK IPO Trade Mark Manual, [para 16.2; p. 41]. Available at: <http://www.ipo.gov.uk/tmmanual-chap3-exam.pdf>. Last visited on 17 April 2012.

<sup>14</sup> For instance, in such countries as Canada, Argentina, Mexico Japan and some other, colour per se cannot be registered as a trade mark.

Office for the Harmonization of the Internal Market (OHIM). Because of the binding nature of EU law, the rulings of those courts are cited as an authority and followed by national courts in all Member States of the Community. On the other hand, it is settled law that a decision of one national court can be persuasive, but is not decisive regarding the decision of a court in another Member State.<sup>15</sup> Moreover, a substantial amount of case-law analysed in this paper concerns the Community Trade Mark regime, which is an autonomous system,<sup>16</sup> and neither OHIM nor Community courts are bound by decisions of national courts on registrability of a sign as a trade mark.<sup>17</sup> For those reasons, national court decisions (mainly those of the UK courts) are referred to in this paper only to provide examples of the lines of reasoning and considerations that are taken into account when arriving at one or the other conclusion.

One should also note that the present paper covers mainly registration procedure and issues related to registration of colour marks and does not examine in detail enforcement and infringement issues which present another challenge to trade mark owners and could be a topic of separate research.

The research paper is divided into five chapters. The first chapter explains the concept of colour trade mark, its historical development, and the special nature of colour that is a main reason for the restricted approach towards registrability of colour marks. Chapter two deals with the issues surrounding registration of colour marks in the EU, in particular, legal requirements and the way they are applied to colour marks. Chapter three introduces the issue of free competition and the way it is related to and can affect colour trade marks. Chapter four surveys the question of how colour marks are approached in the U.S., focusing on current trends and comparing them with trends in the EU. Finally, the Conclusion suggests that registration of colour marks remains a challenge for brand owners, and that the law still needs to be clarified by court decisions.

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<sup>15</sup> UK IPO Trade Mark Manual, *supra* note 13, at [p.6], citing Case C-218/01, *Henkel KGaA v Deustches Patent und Markenamt* [2004] ECR I – 1725.

<sup>16</sup> Case T-32/00 *Messe München v OHIM* [2000] E.C.R. II-3829, para. 47.

<sup>17</sup> D.I. Bainbridge, “Smell, sound, colour and shape trade marks: an unhappy flirtation?”, *J.B.L (Journal of Business Law)* 2004, Mar, 219-246, citing Case T-32/00 *Messe München v OHIM* [2000] E.C.R. II-3829, at para. 47.

# 1. COLOUR TRADE MARKS – EUROPEAN PERSPECTIVE

As will be explained below, a colour mark is treated and defined by law in the same way as all other types of trade mark, and, as every trade mark, grants its proprietor rights to use and preclude others from using it. Still, it possesses certain features and qualities that make it significantly different from traditional marks and that became a reason for more demanding rules applicable to it.

## 1.1. Legal definitions

The TRIPS Agreement<sup>18</sup> that is applicable to all WTO members<sup>19</sup> defines a trade mark as:

Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks.<sup>20</sup>

EU Directive<sup>21</sup> 2008/95/EC (the Directive), the main piece of legislation harmonising the law on trade marks within the EU, in Article 2 provides the following definition:

A trade mark may consist of any signs 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.

Council Regulation (EC) No 207/2009 on the Community trade mark<sup>22</sup> (the CTMR) that governs registration and enforcement of Community trade mark (CTM) and allows traders to obtain EU-wide protection of their trade marks by a single registration is drafted very similarly to the trade marks Directive. The wording of Article 4 of the CTMR that defines a CTM is identical to that of the Directive.

The TRIPS definition contains express reference to combinations of colours, but not to a

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<sup>18</sup> Agreement on Trade-Related Aspects of Intellectual Property Rights (1994). Available at: [http://www.wto.org/english/docs\\_e/legal\\_e/27-trips.pdf](http://www.wto.org/english/docs_e/legal_e/27-trips.pdf). Last visited on 29 March 2012.

<sup>19</sup> WTO, Frequently asked questions about TRIPS. Available at: [http://www.wto.org/english/tratop\\_e/trips\\_e/tripfq\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/tripfq_e.htm). Last visited on 18 April 2012.

<sup>20</sup> Article 15(1), TRIPS Agreement.

<sup>21</sup> Directive 2008/95/EC of 22 October 2008 to approximate the laws of the Member States relating to trade marks [2008] L 299/25.

<sup>22</sup> Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark [2009] L78/1.

single colour. However, it does not restrict the concept of trade mark to signs, listed as examples and in no way excludes a single colour from the scope of its protection.<sup>23</sup> The same approach is adopted by EU legislation. Although neither the Directive nor the CRMR mention colour in the definition, it is established that lists within definitions are not exhaustive<sup>24</sup> and represent only examples of signs which may constitute a trade mark.<sup>25</sup> As a consequence, any sign, including colour, satisfying the legal requirements stated in the Directive and Regulation can become a trade mark.<sup>26</sup> For this reason some national trade mark laws that have implemented the EU Directive expressly list colour marks in the definition: examples would be German and Latvian laws.<sup>27</sup>

## 1.2. Ways of protecting colour

In order to explain the scope of the colour trade mark, it should be noted that there are several possibilities to obtain legal protection for it.

Firstly, a colour can be protected as a part of a traditional mark (indirect protection<sup>28</sup>) that may consist of a combination of signs, like letters, words, shapes and colours that create a recognisable image: for instance, the McDonald's trade mark consisting of golden arches on a red background.

Certain colours can also be protected as a single feature of a get-up of a product. In this case it is always attached to the same place of a product<sup>29</sup>. An example would be Christian Louboutin's red outsole of women's high heeled shoes.

Finally, the most controversial way of protection is registration of a colour *per se* or, as it

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<sup>23</sup> D. Gervais, *The TRIPS Agreement: Drafting History and Analysis*, 2<sup>nd</sup> edition, London, Sweet&Maxwell, 2003, p. 167, para. 2.160.

<sup>24</sup> Case C-273/00 *Ralf Sieckmann v Deutsches Patent- und Markenamt* ('Methylcinnamat'), [2002] ECR I-11737, para. 44.

<sup>25</sup> The eighth recital in the preamble to the trade marks Directive 2008/95/EC.

<sup>26</sup> Case 299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd.* [2002] ECR I – 5475, para. 32.

<sup>27</sup> German Trade mark Act 1994 (Markengesetz) s. 3 (1), Latvian Law on Trade Marks and Geographical Indication (Likums par preču zīmēm un ģeogrāfiskās izcelsmes norādēm) s. 3(2), expressly refer to colours and colour combinations.

<sup>28</sup> M.C. Caldarola, "Questions relating to abstract colour trade marks: recent developments in Germany", *E.I.P.R. (European Intellectual Property Review)* 2003, 25(6), 248-255, 248.

<sup>29</sup> *Ibid.*

is also called, abstract colour.<sup>30</sup> The representation of this type of mark is not limited by any boundaries and can be applied to any surfaces, changing the objects to which the colour is attached.<sup>31</sup> For example, the famous proprietor of a colour trade mark, BP Amoco, uses its shade of green on various objects, such as oil tankers, pumps, petrol station roofs, etc.<sup>32</sup> A trade mark consisting of a colour *per se*, while presenting the most comprehensive way of colour protection, is also the one that is most difficult to obtain, as its ability to satisfy the criteria for trade mark registration is limited.<sup>33</sup> The second and third categories of colour marks give rise to many issues and constitute the main research area of the present thesis.

### 1.3. Historical development

Developments in relation to colour trade marks, in most countries where their registration is now permissible, have begun quite recently, from the 1990s. Initially, the relevant authorities were reluctant to allow registration of colour marks mostly for reasons of certainty. As registration journals were printed in black and white, there was no technology to enable colour marks to be reprinted<sup>34</sup> and described appropriately. Nowadays, technology has made it possible to represent the most sophisticated shades of any colour; moreover, each shade is provided with its own unique code in order to minimise the risk of confusion.

In 1995 the Supreme Court of the U.S. was first to allow registration of colour trade marks by its ruling in the *Qualitex* case.<sup>35</sup> In the EU, Council Directive No. 89/104/EEC to approximate the laws of the Member States relating to trade marks<sup>36</sup> (predecessor of Directive 2008/95/EC) required Member States to bring into force laws necessary to comply with the provisions of the Directive not later than 28 December 1991.<sup>37</sup> But only some years later the courts started to interpret the laws in a manner allowing registration of colour marks. For

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<sup>30</sup> C. Schulze, "Registering colour trade marks in the European Union" (2003) E.I.P.R. 2003, 25(2), 55-67, 57.

<sup>31</sup> *Supra* note 28, at p. 249.

<sup>32</sup> *Ibid.*

<sup>33</sup> AIPPI Summary Report, Question 181, Conditions for registration and scope of protection of non-conventional trademarks, at [3.1]. Available at: <https://www.aippi.org/download/commitees/181/SR181English.pdf>. Last visited on 7 April 2012.

<sup>34</sup> Bently and Shreman, *supra* note 3, p. 771.

<sup>35</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159 (1995).

<sup>36</sup> Council Directive No. 89/104/EEC of 21 December 1988 to approximate the laws of the Members States relating to trade marks [1989] OJ L 040.

<sup>37</sup> *Ibid.*; Article 16(1).

instance, in Germany this happened in 1998, with the decision of the Federal Supreme Court in *Farbmarke Gelb-Schwarz*.<sup>38</sup>

In the same year the OHIM Board of Appeal in the *Orange Personal Communications* case confirmed that a colour *per se* may be protectable as a Community trade mark.<sup>39</sup> In 2002 the same was done by the Court of First Instance (the CFI, now the General Court) in the *KWS Saat AG v OHIM*<sup>40</sup> case, although the application was partly dismissed. The case concerned an application for registration of a shade of orange *per se* for seed treatment installations and certain agricultural, horticultural and forestry products and consultancy services in the area of plant cultivation.<sup>41</sup>

But only in 2003 did the first colour trade mark case come before the European Court of Justice (the ECJ, now the CJEU) to bring certainty to the way colour marks are treated within the EU. This was the *Libertel* case<sup>42</sup> which concerned registration of the colour orange as a trade mark for certain telecommunications goods and services.<sup>43</sup> The Court was asked whether a colour *per se* could satisfy the legal requirements for constituting a trade mark. And if so, in what circumstances it may happen.<sup>44</sup> The ECJ unequivocally confirmed that a color *per se* is capable of constituting a trade mark.<sup>45</sup>

Soon after that judgment, in the *Heidelberger*<sup>46</sup> case the Court ruled that a combination of colours may also be capable of distinguishing the goods or services of one undertaking from those of other undertakings<sup>47</sup> and of constituting a trade mark.

Nowadays, colour marks are becoming more and more popular. Despite this, a relatively small number of colour *per se* marks is being registered in comparison to word or figurative marks (in most cases the colour remains to be used in combination with other signs, such as words or letters). The actual figure amounts to only 0.03% of all registered trade marks in the

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<sup>38</sup> BGH GRUR 491, 30 IIC 809 (1999) - Farbmarke gelb/schwarz.

<sup>39</sup> Decision of the Third Board of Appeal of 12 February 1998 in Case R 7/97-3 (Orange).

<sup>40</sup> Case T-173/00 *KWS Saat AG v Office for Harmonisation of Internal Market (Trade Marks and Designs) (OHIM)*, [2002] ECR II-3847, para. 25.

<sup>41</sup> *Ibid*; paras 2-3.

<sup>42</sup> Case C-104/01 *Libertel Groep BV v Benelux-Merkenbureau*, [2003] I-03793.

<sup>43</sup> *Ibid*; para. 14.

<sup>44</sup> *Ibid*; para. 20.

<sup>45</sup> *Ibid*.

<sup>46</sup> Case C-49/02 *Heidelberger Bauchemie GmbH v Deutsches Patent- und Markenamt*, [2004] ECR I-6129.

<sup>47</sup> *Ibid*; para. 40.

world.<sup>48</sup> Still, if compared to other non-traditional marks, colours are much more popular than holograms, olfactory and even sound marks.<sup>49</sup>

#### 1.4. Changeable character of a colour *per se*

Colour trade marks have been a reality for more than 15 years. They are recognised by international organisations<sup>50</sup> and most jurisdictions. The same legislative provisions are applicable to traditional and non-traditional trade marks, including colours. Still, there are significant differences between word or figurative marks and colour marks that make it more difficult to obtain protection for a colour, especially for a colour *per se*.<sup>51</sup>

It is settled law that colour is able to fulfil the essential function of a trade mark by uniquely identifying the commercial origin of goods or services.<sup>52</sup> But along with this, it possesses a number of “inherent qualities”<sup>53</sup> that are able to contradict the goal and purpose of trade mark law. This fact creates a constant conflict between the desire for a liberalised system and the need for a restrictive approach to registration of colour marks.

A colour *per se* trade mark is in a certain sense unique and very dynamic, as it can be applied in a variety of different ways. Charlotte Schulze suggests that

unlike many other marks such as word marks, picture marks, or even sound marks, smells or shapes, abstract colour marks can appear in a potentially unlimited array of forms and shapes.<sup>54</sup>

It is true that application forms and registration certificate require specification to what part of a product and for what purpose the trade mark is applicable (usually the packaging, advertising materials, the surface of the good etc.). However, abstract colour marks are allowed to be applicable to an unlimited number of objects, which in addition can be continually changed and

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<sup>48</sup> OHIM, Statistics of Community Trade Marks on 03/04/2012, at [p. 47], *supra* note 8.

<sup>49</sup> *Ibid.*

<sup>50</sup> E.g. WIPO.

<sup>51</sup> INTA, Non-Traditional Trademarks in Europe – Shape and Colour Trademarks – Common Issues with Obtaining, Exploiting and Enforcing Rights, Report prepared by the 2004-2005 Europe Legislation Analysis Subcommittee, March 2005, [p.5]. Available at: <http://www.inta.org/Advocacy/Documents/INTAShapeColorEurope2005.pdf>. Last visited on 18 April 2012.

<sup>52</sup> “Single Colour Mark: It’s Registrability in the United States and the United Kingdom”, *supra* note 9.

<sup>53</sup> G. Labadie-Jackson, “Through the looking hole of the multi-sensory trademark rainbow: trademark protection of color *per se* across jurisdictions: the United States, Spain and the European Union”, 7 *Rich. J Global L.&Bus.* (Richmond Journal of Global Law and Business) 91 2008, p. 91.

<sup>54</sup> C. Schulze, *supra* note 30.

modified, leaving a trade mark without fixed and defined contours.<sup>55</sup> Companies possessing a colour mark for their goods or services are not restricted in its application and can use it not only for packaging (that could also be of various forms), but for any surfaces, such as sign boards, counters, building parts, staff uniforms, advertising materials, web pages, etc. This fact can cause significant confusion and even become an obstacle to registration. In the *Andreas Stihl*<sup>56</sup> case it was said that

the variety and irregularity of the shapes and sizes of the goods in question do not enable the colouring to reproduce, in a systematic way...the colour distribution scheme.<sup>57</sup>

The goods to which a colour mark was intended to be applicable in this case were various mechanical apparatus, such as motor saws, spraying, cleaning, and blowing apparatus etc. that clearly have different forms and shapes.

This changeable nature of a colour mark brings uncertainty as to whether such a dynamic sign can perform the function of a trade mark and appropriately identify the goods or services as originating from a particular undertaking, as is required by law. And do consumers really make associations between trademarked colour and a certain product or is registration of colours just a business game between competing brands? In this regard, even more potential problems can be caused by new types of colour marks, such as abstract colour marks whose contours and shades may be constantly changing.<sup>58</sup> Modern technologies allow for creation of such “mixed” colours, and the only obstacle to their registration would be the legal requirements for registrability.

Evidence suggests that in many cases coloured parts of a building or packaging are perceived by the public as a “decoration not as an indication of origin”.<sup>59</sup> And the debatable and confusing application of colour marks often becomes a starting point in seeing colour as being too broad for becoming a valid trade mark. As will be discussed below, those considerations are always taken into account by the relevant authorities in deciding whether the mark in question is eligible for registration.

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<sup>55</sup> Ibid; at p. 58.

<sup>56</sup> Case T-234/01 *Andreas Stihl AG & Co. KG v Office for Harmonisation of Internal Market (Trade Marks and Designs)* (OHIM), OJ 2001 C 348, (combination of colours orange and grey per se).

<sup>57</sup> Ibid; para. 38.

<sup>58</sup> C. Schulze, *supra* note 30, at p.58.

<sup>59</sup> M.C. Caldarola, *supra* note 28, at p. 252.

## 2. ISSUE OF REGISTRABILITY

EU legislation prescribes that a trade mark can obtain legal protection only through registration.<sup>60</sup> Thus, registrability becomes the first hurdle to overcome by trade mark proprietors, and in the case of colour marks, not the easiest one. Statistics suggest that many more colour marks are applied for than are actually registered. For instance, during the period from 1996 till 2012, 880 Applications for colour Community trade marks were received by OHIM, of which only 276 colour marks were in fact registered.<sup>61</sup>

For this reason, the requirements for registrability of colour marks, as prescribed by the Directive and the CTRM and interpreted by the courts, as well as the implications of those requirements, will be examined.

### 2.1. Conditions for registration of a trade mark

Initial conditions that a mark must satisfy in order to be registered are found in Article 2 of Directive 2008/95/EC and Article 4 of the CTMR and can be split into three parts,<sup>62</sup> namely a mark must be:

- 1) a sign;
- 2) capable of being represented graphically;
- 3) capable of distinguishing goods of one undertaking from those of other undertakings.

Requirements are the same for all categories of trade marks<sup>63</sup> and are explained in detail in the case law of the CJEU.

### 2.2. Sign

A trade mark must consist of a sign, and according to Article 3(1)(a) of the Directive, signs that can not constitute a trade mark can not be registered.<sup>64</sup> The purpose of this requirement, as stated by the CJEU, is “to prevent the abuse of trade mark law by obtaining an unfair

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<sup>60</sup> Article 1 of the Trade marks Directive and Article 6 of the Regulation on the Community trade mark.

<sup>61</sup> OHIM, Statistics of Community Trade Marks on 03/04/2012, SSC009. at [p. 47], supra note 8.

<sup>62</sup> Three step approach described in Case C-104/01 Libertel, para. 23.

<sup>63</sup> Case 299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd.* [2002] ECR I – 5475, para. 48.

<sup>64</sup> A similar provision is contained in Article 7(1)(a) of the CTMR.

competitive advantage”.<sup>65</sup>

Arguably, colour is not what most people imagine when they hear the word “sign”. Still, it is settled law that the definition of a trade mark provided in the Directive and CTMR is not limited to the traditional understanding of a sign as a symbol or letter. According to the *Dyson*<sup>66</sup> case, “the concept of a ‘sign’...covers any message which may be perceived by one of the five senses”.<sup>67</sup> In the *Libertel*<sup>68</sup> case, the ECJ noted that “normally a colour is a simple property of things”, but concluded that it nevertheless can constitute a sign for the purposes of the Directive.<sup>69</sup>

### 2.3. Graphic representation

Article 15(1) of the TRIPS Agreement provides that “Members may require, as a condition of registration, that signs be visually perceptible”. That is done by Community legislation, and in the EU inadequate graphic representation leads to refusal of registration of a trade mark.

The requirement of a sign being “represented graphically” was explained by the CJEU in the *Sieckmann*<sup>70</sup> case which concerned registration of another non-traditional trade mark, namely, the “methyl cinnamate” scent mark. The question to the Court was: could interpretation of the requirement be extended to cover signs that can not be perceived visually but can be reproduced indirectly using certain aids,<sup>71</sup> such as a chemical formula or description. The Court found that graphic representation must “enable the sign to be represented visually, particularly by means of images, lines or characters, so that it can be precisely identified”.<sup>72</sup> The Court also stated the criteria for acceptable graphic representation, namely, that it must be clear, precise, self-contained, easily accessible, intelligible, durable and objective.<sup>73</sup> The strict criteria are justified by the need to maintain sound operation of the trade mark registration system.<sup>74</sup> In

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<sup>65</sup> Case C-321/03 *Dyson*, para. 34, infra note 66.

<sup>66</sup> Case C-321/03 *Dyson Ltd. v Registrar of Trade Marks* [2007] 2 CMLR 14 (ECJ).

<sup>67</sup> *Ibid*; para. 30.

<sup>68</sup> Case C-104/01 *Libertel Groep BV v Benelux-Merkenbureau*, [2003] I-03793.

<sup>69</sup> *Ibid*; para. 27.

<sup>70</sup> Case C-273/00 *Ralf Sieckmann v Deutsches Patent- und Markenamt* (‘Methylcinnamat’), [2002] ECR I-11737.

<sup>71</sup> *Ibid*; para. 19.

<sup>72</sup> *Ibid*; para. 46.

<sup>73</sup> *Ibid*; paras 52 – 55.

<sup>74</sup> *Ibid*; para. 47.

particular, the trade mark register should be able to provide the fullest information about registered signs, their nature and scope.<sup>75</sup>

In the *Libertel* case, the *Sieckmann* criteria were found to be applicable to colour trade marks.<sup>76</sup> In the application form, Libertel Groep described the mark by the word “orange”, without reference to any colour code, supplementing the description by an orange rectangle.<sup>77</sup> The Court found that in order to satisfy the *Sieckmann* criteria, graphic representation of a colour trade mark should consist of a description in words, a sample of a colour combined with a description, and the “designation of a colour using an internationally recognised identification code”.<sup>78</sup> Thus, the mere sample of a colour would not suffice, because it is imprecise and durable, as it may deteriorate with time.<sup>79</sup>

In the OHIM Board of Appeal case, *Orange*,<sup>80</sup> an application for registration of a Community trade mark comprised a mere written description of a trade mark as the “colour orange” without any representation by code number or a reproduction of the colour shade. The Board of Appeal found such a representation not sufficiently precise, because

an uncountable number of different colour shades, ranging in the specific case from dark to light and from the yellowish to the reddish tones, are conceivable which would all fall under the wide generic term ‘orange’.<sup>81</sup>

As can be seen from those two decisions, allocation of a colour shade according to the standard internationally recognised colour identification system is useful and strongly recommended for successful registration.<sup>82</sup> Today the systems that are widely used are Pantone, RAL, Toyo, Focoltone and Munsell Color.<sup>83</sup> The main argument for providing each trade mark with a specific code number is certainty. Words may not be enough to describe the shade of colour precisely, as it was noted in the *Orange* case. Moreover, perception of colour is subjective and

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<sup>75</sup> Opinion of Advocate General Léger in Case C-104/01 *Libertel Groep BV v Benelux-Merkenbureau*, [2003] I-03793, para. 63.

<sup>76</sup> Case C-104/01 *Libertel*, supra note 68, para. 29.

<sup>77</sup> *Ibid*; para. 15.

<sup>78</sup> *Ibid*; paras 35-37.

<sup>79</sup> *Ibid*; paras 31 and 32.

<sup>80</sup> Decision of the Third Board of Appeal of 12 February 1998 in Case R 7/97-3 (*Orange*).

<sup>81</sup> *Ibid*; para. 12.

<sup>82</sup> OHIM Official web page. Questions on the application procedure. [2.B.6.]. Available at: <http://oami.europa.eu/ows/rw/pages/CTM/FAQ/CTM2.en.do#600B> Last visited on 30 March 2012.

<sup>83</sup> UK IPO Official web page, ‘Filling the Application Form’, [Section2]. Available at: <http://www.ipo.gov.uk/types/tm/t-applying/t-apply/t-fillform.htm>. Last visited on 28 March 2012.

two persons do not necessarily see the same shade in the same way,<sup>84</sup> and that is already a ground for dispute. As was noted by Advocate General Léger in his Opinion in the *Libertel* case, “shade can easily change with intensity of light, the distance from which it is seen and the individual eyes”.<sup>85</sup>

The question of adequate representation and description of a combination of colours was addressed in *Heidelberger*.<sup>86</sup> The case concerned registration of the colours blue and yellow “in every conceivable form”, for certain products used in the building trade, in particular on packaging and labels.<sup>87</sup> The Court explained the *Sieckmann* criteria by saying that

a graphic representation consisting of two or more colours, designated in the abstract and without contours, must be systematically arranged by associating the colours concerned in a predetermined way.<sup>88</sup>

Reference to colours “in every conceivable form” does not satisfy these requirements, as it would allow numerous different combinations.<sup>89</sup> The case shows that use of a recognised colour code may not be enough to satisfy registration criteria, if colours themselves or the way they are used are not precisely defined.<sup>90</sup>

Indeed, there are numerous ways of allocating even two shades (including various geometric figures like circles or stripes),<sup>91</sup> not to mention combinations consisting of more colours. Taking this into account, a liberal approach to the requirement of graphic representation in regard to colour marks is clearly not permissible, as it would result in legal uncertainty and possibilities to abuse the rights conferred by the trade mark. In other words, it would allow the proprietor of a mark to claim too much protection, while in reality consumers would not be able to remember the exact combination, hence, would not associate colours with a brand.<sup>92</sup>

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<sup>84</sup> A. Bartow, “The True Colors of Trademark Law: Greenlighting a Red Tide of Anti Competition Blues”, 97 KY. L.J. (Kentucky Law Journal) 263 (2009), 266. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1314951](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1314951). Last visited on 15 April 2012.

<sup>85</sup> Opinion of Advocate General Léger in *Libertel*, para. 43.

<sup>86</sup> Case C-49/02 *Heidelberger*, supra note 46.

<sup>87</sup> *Ibid*; paras 2 and 10.

<sup>88</sup> *Ibid*; para. 33.

<sup>89</sup> *Ibid*; para. 35.

<sup>90</sup> “Guidance from ECJ on registration of colour trade marks”, July 2004, [Practical Implications]. Available at: <http://www.out-law.com/page-369>. Last visited on 26 February 2012.

<sup>91</sup> P. Strobele, “The registration of new trademark forms”, *IIC* (International Review of Industrial Property and Copyright Law) 2001, 32(2) 161-182, 177.

<sup>92</sup> Decision of the First Board of Appeal of 1 July 2005 in Case R 799/2004-1 (*IKEA, Blue & Yellow*), para. 21.

Thus, if a mark consists of more than one shade, its description should be as accurate as possible and contain the attribution and the exact proportion of each colour. For example, O2 mobile company's Registration Certificate for colour CTM contains the following description:

a graduation of colours from dark blue (CMYK combinations C97 M97 Y45 K56), through mid blue (CMYK combinations C85 M50 Y6 K2), to the colour light blue (CMYK combinations C46 M9 Y2 K3).<sup>93</sup>

**Picture 1: O2 Colour CTM**



On the other hand, the requirements of the description being easily accessible and intelligible mean that it should be understandable and not too complex. As it was put by Advocate General Léger in the *Libertel* Opinion, "it should not be necessary to go to inordinate lengths to ascertain what sign the applicant will actually use".<sup>94</sup>

In the UK Intellectual Property Office's (IPO) *Ty Nant Spring Water Ltd's* case<sup>95</sup> a mark to be used in relation to bottled water was defined as

a blue bottle of optical characteristics such that if the wall thickness is 3mm the bottle has, in air, a dominant wavelength of 472 to 474 nanometres, a purity of 44 to 48%, an optical brightness of 28 to 32%.<sup>96</sup>

The application for registration was rejected on the ground that the wording of the representation would require use of a spectrophotometer to ascertain whether a particular colour was or was not covered by the description. At the same time, the application did not mention the colour cobalt blue (in which bottles were in fact coloured) and did not include a graphic example of the colour. It was concluded that "it was not possible to determine from the representation...precisely what sign the Applicant was seeking to protect".<sup>97</sup>

Finally, it is important that the application for registration and supporting

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<sup>93</sup> Information obtained from OHIM CTM Online Database. Available at: [http://oami.europa.eu/CTMOnline/RequestManager/en\\_DetailCTM\\_NoReg](http://oami.europa.eu/CTMOnline/RequestManager/en_DetailCTM_NoReg). Last visited on 14 April 2012.

<sup>94</sup> Opinion of Advocate General Léger in *Libertel*, para. 64.

<sup>95</sup> IPO Application BL O/241/99 *Ty Nant Spring Water Ltd's* Application (BL O/241/99). Download available at: <http://www.ipo.gov.uk/o24199.pdf>. Last visited on 18 April 2012.

<sup>96</sup> *Ibid*; at [p. 7].

<sup>97</sup> *Ibid*; at [p. 9].

documentation that may be provided by the applicant (for instance, evidence of use and recognition) consistently refer to the exact shade. In one of the OHIM cases, the Board of Appeal criticised pictures presented as evidence of use by the furniture company IKEA, applying for registration of a combination of colours blue and yellow.<sup>98</sup> The reason for criticism was that the shades of colours that were represented as applicable to different surfaces, such as bags or façades were different from one to the other to the extent that it was unclear which shade exactly was sought for protection.<sup>99</sup>

## 2.4. Distinguishing the goods

There are no doubts that the requirements of a trade mark being a sign and capable of being represented graphically must be given due attention, and each applicant must be careful to comply with them. However, the third requirement is the one that is clearly most difficult to satisfy and problematic for colour marks. As a consequence, lack of distinctiveness is the most common ground for refusal of registration. Even in comparison to other non-traditional trade marks, such as sounds or shapes, colour marks are very often found not to be sufficiently distinctive<sup>100</sup> to become a property of one particular undertaking.<sup>101</sup>

The requirement of a sign being capable of distinguishing the goods or services of one undertaking from those of other undertakings stated in Article 2 of the Directive is supported by Article 3(1)(b) of the Directive, which provides that trade marks which are devoid of any distinctive character cannot be registered or, if registered, are invalid. The CJEU case of *Phillips*<sup>102</sup> explains that two provisions, although drafted in slightly different wording, refer to the same requirement, thus the phrases “the ability to distinguish goods and services” and “distinctive character” bear the same meaning.<sup>103</sup> As to interpretation of the provisions, as in the case with all EU legislation, these have to be interpreted according to the common European standard,

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<sup>98</sup> Decision of the First Board of Appeal of 1 July 2005 in Case R 799/2004-1 (IKEA, Blue & Yellow).

<sup>99</sup> *Ibid*; para. 30.

<sup>100</sup> D. I. Bainbridge, “Smell, sound, colour and shape trade marks: an unhappy flirtation?” J.B.L. (Journal of Business Law) 2004, Mar, 219-246, 232.

<sup>101</sup> J. Phillips, A. Firth, *Introduction to Intellectual Property Law*, 4<sup>th</sup> edition, London, Butterworths, 2001, p.310.

<sup>102</sup> Case 299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd.* [2002] ECR I – 5475.

<sup>103</sup> *Ibid*; para. 39.

and not the Member States' national traditions.<sup>104</sup>

In *Linde*<sup>105</sup> the CJEU said that in order to possess a distinctive character, the mark “must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking”<sup>106</sup> and that

distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought, and, second, the perception of the relevant persons, namely the consumers.<sup>107</sup>

The important point is that a sign must be used by its proprietor as a trade mark, and not for other purposes. As was noted in *BCS SpA v OHIM*<sup>108</sup> (John Deere's green and yellow mark for tractors), “not every use of a sign, in particular the use of a combination of two colours, necessarily constitutes use as a trade mark”.<sup>109</sup> The sign is used as a trade mark when it serves for “the purposes of the identification, by the relevant class of persons, of the product or service as originating from a given undertaking”,<sup>110</sup> thus satisfying the criterion of distinctiveness. In the case of John Deere, use of the mark was not “purely stylistic”, but was able to indicate the commercial origin of the goods bearing a combination of colours green and yellow.<sup>111</sup>

The requirement of distinctiveness can be explained as a question whether a trade mark causes immediate associations with the source of the goods or services, that is, the company which produces or provides them; in other words, whether the brand is the first association that comes to the minds of reasonably observant consumers<sup>112</sup> when they see the mark. Such requirement is clearly problematic in the case of colour marks.<sup>113</sup> It is generally acknowledged

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<sup>104</sup> OHIM, Guidelines Concerning Proceedings Before the Office for Harmonisation in the Internal Market (Trade Marks and Designs), Part B, Examination, April 2008, [para 7.1.3., p.18]. Available at: [http://oami.europa.eu/ows/rw/resource/documents/CTM/guidelines/examination\\_en.pdf](http://oami.europa.eu/ows/rw/resource/documents/CTM/guidelines/examination_en.pdf). Last visited on 26 April 2012.

<sup>105</sup> Joined cases C-53/01 to 55/01 *Linde AG (C-53/01), Winward Industries Inc. (C-54/01) and Rado Uhren AG (C-55/01)*, [2003] E.T.M.R. 78.

<sup>106</sup> *Ibid*; para. 40.

<sup>107</sup> *Ibid*; para. 41.

<sup>108</sup> Case T-137/08 *BCS SpA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, ECR II – 04047. The case concerned an application for declaration of invalidity of a CTM consisting of a combination of colours green (for the vehicle body) and yellow (for the wheels) for various agricultural and forestry machines, in particular, tractors. The application was rejected, as the proprietor succeeded in proving the distinctive character.

<sup>109</sup> *Ibid*; para. 35.

<sup>110</sup> *Ibid*; para. 26.

<sup>111</sup> *Ibid*; para. 37.

<sup>112</sup> *Ibid*; para. 29.

<sup>113</sup> M.E. Roth, “Something old, something new, something borrowed, something blue: a new tradition in

by the courts that, unlike traditional marks like words or symbols, colour is not usually perceived as a “sign identifying the commercial origin”.<sup>114</sup> To illustrate the point, it is not self-evident that when people see a light green colour on the shelves of a store they will immediately think of Wrigley’s Doublemint chewing gum. As we do not live in a black and white world, colour is an inevitable feature of almost every product and its packaging, and it may even be indistinguishable from the appearance of the product itself”.<sup>115</sup>

For instance, in *Procter & Gamble*<sup>116</sup> the court noted that consumers are used to seeing different colours in detergent preparations and perceive it as “a suggestion that a product has certain qualities, and not as an indication of its origin”.<sup>117</sup> And “the fact that consumers may nevertheless get into the habit of recognising the product from its colours is not enough” for identifying a product’s origin and acquiring distinctiveness.<sup>118</sup> Therefore, when the mark consists of features (colours) typical for that kind of product, such features should not be treated as indicating a product’s origin.

Another point of confusion is that colours rarely appear on the product, its packaging or advertising materials without word or figurative trade marks (logotypes, brand names) attached to them. Therefore, in most cases they are seen by consumers as a part of an overall product’s appearance (trade-dress). This fact is often used as an argument against recognition of colour marks.<sup>119</sup> Ann Bartow argues that “people do not view colours alone as independent source identifiers”.<sup>120</sup> Anne Gilson LaLonde and Jerome Gilson support this view by arguing that “it is highly unusual, if not impossible, for a marketer to identify its products with *only* a non-traditional trade mark”.<sup>121</sup>

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non-traditional trademark registrations”, (2005) 27 Cardozo L. Rev. (Cardozo Law Review) 457, 457.

<sup>114</sup> Case C-104/01 Libertel, supra note 68, para. 65.

<sup>115</sup> Joined Cases C-468/01 P to C-472/01 P, *Procter & Gamble v OHIM*, [2004] E.T.M.R. 88, para. 56. (The case concerned an application for registration as a CTM of a three-dimensional shape of a tablet for washing machines or dishwashers, in combination with the arrangement of the tablet’s colours. Registration was denied on the ground of lack of distinctiveness.)

<sup>116</sup> Joined Cases C-468/01 P to C-472/01 P, *Procter & Gamble v OHIM*, [2004] E.T.M.R. 88.

<sup>117</sup> *Ibid*; para. 61.

<sup>118</sup> *Ibid*.

<sup>119</sup> For instance, in A. Bartow, “The True Colors of Trademark Law: Greenlighting a Red Tide of Anti Competition Blues”, 97 KY. L.J. 263 (2009), p. 266.

<sup>120</sup> *Ibid*.

<sup>121</sup> A. Gilson LaLonde, J. Gilson “Getting real with non-traditional trademarks: what’s next after red oven knobs, the sound of burning methamphetamine, and goats on a grass roof?” (2011) 101 Trademark Rep.

It is true that colour marks are secondary to other trade marks of a brand.<sup>122</sup> However, they are still able to be found distinctive even if they appear on the product as a part of a trade-dress. This was confirmed in *Société des produits Nestlé SA v Mars UK Ltd*,<sup>123</sup> where the CJEU ruled that a trade mark is not required to be used independently in order to be registered,<sup>124</sup> but can exist “as a part of or in conjunction with a registered trade mark”.<sup>125</sup> Although the case concerned registration of a slogan mark (“Have a break” slogan as a part of the registered mark “Have a break ... Have a Kit Kat”<sup>126</sup>), the reasoning is likely to apply also to colour marks.

On the other hand, if colour is never used without a brand name on it, it may perfectly suffice for a trader to register a colourful figurative mark in order to obtain sufficient protection of its brand<sup>127</sup>. Arguably, only very well known companies who invested a lot in making the colour of their brand unique and distinctive really have a need to protect the colour *per se* by registration.

Taking these points into consideration, the test of distinctiveness presents a major hurdle for registration of a colour mark. Moreover, it is a main reason for ambiguity and differentiation of opinions among the relevant authorities. In most cases, colour marks fail registration due to lack of distinctiveness. That is understandable, as the main function of protection of a trade mark is to guarantee that it operates as an indication of origin,<sup>128</sup> which, in the case of colour, is very difficult to attain.

It is argued that the requirement “capable of distinguishing” generally sets a relatively low test of distinctiveness.<sup>129</sup> This is definitely not so in relation to colour marks. In the *KWS Saat*<sup>130</sup> case the applicant even tried to argue that the CFI applied a more stringent criterion for

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186, 192.

<sup>122</sup> A. Bartow, “The True Colors of Trademark Law: Greenlighting a Red Tide of Anti Competition Blues”, *supra* note 119, p. 267.

<sup>123</sup> Case C-353/03 *Société des produits Nestlé SA v Mars UK Ltd* (‘Have a break’), [2005] ECR I-6135.

<sup>124</sup> *Ibid*; para. 27.

<sup>125</sup> *Ibid*; para. 32.

<sup>126</sup> *Ibid*; para. 14.

<sup>127</sup> See, for instance, OHIM Board of Appeal Decision in the IKEA case (blue & yellow), para. 30, *supra* note 98, where it was said that as the IKEA sign appears on every picture of a colour, establishment of acquired distinctiveness becomes irrelevant.

<sup>128</sup> The eleventh recital in the preamble to the trade marks Directive 2008/95/EC.

<sup>129</sup> J. Phillips and A. Firth, *Introduction to Intellectual Property Law*, 4<sup>th</sup> ed., London, Butterworths, 2001, p. 313.

<sup>130</sup> Case C-447/02 P *KWS Saat AG v OHIM*, [2004], ECR I-10107. The case concerned refusal to register the

colour trade marks than it normally does for other marks.<sup>131</sup> Proving distinctiveness for colour marks is and will always be more difficult than for traditional marks, due to the nature of colour and its peculiarities. Still, it is settled law that in certain limited circumstances colours can possess a distinctive character,<sup>132</sup> and that it can be of two kinds – inherent and acquired.

#### 2.4.1. Inherent distinctiveness

The CJEU, unlike, for instance, the U.S. courts, has admitted the possibility of a colour being inherently distinctive; however, it considers this to be possible only in exceptional circumstances. Moreover, such circumstances are more likely to occur when protection is sought for a colour as a feature of a getup of a product, rather than for the colour *per se*.<sup>133</sup> As was noted in *Libertel*, “a colour *per se* is not normally inherently capable of distinguishing the goods of a particular undertaking”<sup>134</sup> and this may happen only “where the number of goods or services... is very restricted and the relevant market (is) very specific”.<sup>135</sup> Similarly, in *Orange*, it was said that only “a very specific colour shade for very specific goods or services”<sup>136</sup> can be inherently distinctive.

What exactly is meant by “very specific” is not entirely clear. Up to date, even articulated robots that clearly do not belong to the category of products for everyday use were considered as not representing a “specific market”.<sup>137</sup> Some commentators are of the opinion that inherent distinctiveness could be found only in relation to services, but never in relation to goods, while others consider it not to be possible at all.<sup>138</sup>

Indeed, analysis of the case-law shows that although in theory the Directive and the CTMR make no distinction between different categories of trade marks with regard to the test of

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colour orange *per se* as a CTM for treatment installations for seeds and certain agricultural products.

<sup>131</sup> Ibid; para. 77.

<sup>132</sup> Case C-104/01 *Libertel*, para. 41.

<sup>133</sup> For instance, the colour red applied to the outsole of high heeled shoes was found to possess an inherent distinctive character, see Decision of the Second Board of Appeal of 16 June 2011 in Case R 2272/2010-2 (*Christian Louboutin, Red Sole, Figurative trade mark*).

<sup>134</sup> Case C-104/01 *Libertel*, para. 65.

<sup>135</sup> Ibid; para. 67.

<sup>136</sup> Decision of the Third Board of Appeal of 12 February 1998 in Case R 7/97-3 (*Orange*), para. 16.

<sup>137</sup> See Case T-97/08, *KUKA Roboter GmbH v Office for Harmonisation of Internal Market (Trade Marks and Designs) (OHIM)*, [2010] 2010/C 301/41, para. 46.

<sup>138</sup> AIPPI Summary Report, Question 181, Conditions for registration and scope of protection of non-conventional trademarks, at [3.5].

distinctiveness,<sup>139</sup> in practice it is more difficult, if not impossible, to prove inherent distinctiveness in relation to non-traditional marks,<sup>140</sup> including colour *per se* marks. For this reason, most traders wishing to register a colour mark would have to prove that the mark has become distinctive through actual use and the “process of familiarising the relevant public”.<sup>141</sup>

#### 2.4.2. Acquired distinctiveness

Article 15(1) of the TRIPS Agreement provides that when a sign is not inherently distinctive, “Members may make registrability depend on distinctiveness acquired through use.”

According to Article 3(3) of the trade marks Directive, a trade mark shall not be refused registration or be declared invalid if it has acquired distinctiveness before the date of application.<sup>142</sup> The Article also leaves it open for the Member States to allow registration, if a distinctive character was acquired at a later date.

As stated in *Windsurfing Chiemsee Productions*,<sup>143</sup> distinctiveness is acquired by a mark when

the relevant class of persons, or at least a significant proportion thereof, identify the goods as originating from a particular undertaking because of the trade mark.<sup>144</sup>

However,

the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.<sup>145</sup>

Therefore, acquired distinctiveness is evaluated through the eyes of the relevant public to whom the good or service is addressed. That public, of course, may comprise a different class of persons, such as reasonably informed and observant average consumers,<sup>146</sup> professional

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<sup>139</sup> Joined cases C-53/01 to 55/01 *Linde AG (C-53/01), Winward Industries Inc. (C-54/01) and Rado Uhren AG (C-55/01)*, [2003] E.T.M.R. 78, at para. 42.

<sup>140</sup> AIPPI, UK Group Report Q181 by Jane Mutimear, Kathrin Vowinckel, Richard Abnett, Conditions for registration and scope of protection of non-conventional trademarks, [Question 11]. Available at: <http://www.aippi.org.uk/docs/Q181.UK%20Group.Response.pdf>. Last visited on 26 April 2012

<sup>141</sup> Case C-104/01 *Libertel*, para. 67.

<sup>142</sup> Corresponding provision in relation to CTM is contained in Article 7(3) of the CTMR.

<sup>143</sup> Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee Produktions und Vertriebs GmbH (WSC) v. Boots- und Segelzubehör Walter Huber and Franz Attenberger*, [1999] ECR I-2779, (dispute in regard to use of the geographical name Chiemsee (a lake in Bavaria) as part of a trade mark, and the issue of associations in the mind of the relevant public between the geographical origin and the goods in question).

<sup>144</sup> *Ibid.*; para. 52.

<sup>145</sup> *Ibid.*

<sup>146</sup> Joined Cases C-468/01 P to C-472/01 P, *Procter & Gamble v OHIM*, [2004] E.T.M.R. 88, para. 57.

purchasers, farmers,<sup>147</sup> technical staff and undertakings that purchase goods or services,<sup>148</sup> or end users.<sup>149</sup>

In order to prove acquired distinctiveness, the applicant would have to present evidence of recognition of the mark by the relevant public. For example, in the *Whiskas* case<sup>150</sup> the applicant presented evidence of a survey, according to which „58% of the interviewees spontaneously associated the colour purple with the ‘Whiskas’ brand and 40% of those mentioned ‘Whiskas’ as the first brand they associated the colour with”.<sup>151</sup> Moreover, it showed that the „percentage of interviewees who associate the colour purple with Whiskas is between 53% and 75%”.<sup>152</sup>

An important observation in regard to the mark’s recognition by the public was made in the *Lloyd*<sup>153</sup> case. Namely, that the “average consumer’s level of attention is likely to vary according to the category of goods or services in question”.<sup>154</sup> For instance, in the case of a Ferrari Formula 1 car, the relevant public initially expects the car to be red, but the same public may not actually pay much attention to the packaging of chewing gum or washing powder. In *IKEA* (the blue and yellow) case,<sup>155</sup> the OHIM Board of Appeal noted that the relevant public would be attentive, as furniture is not bought in a hurry.<sup>156</sup> On the other hand, in *Procter & Gamble*<sup>157</sup> the Court decided that the level of attention of an average consumer to the shape and colour of dishwasher tablets cannot be high. Also, there is evidence that because a combination of number of colours (three or more) and the sequence of those colours can be difficult to

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<sup>147</sup> E.g. when the goods in question are tractors, such as in Case T-378/07 *CNH Global NV v OHIM*, 29 September 2010. Available at: <http://curia.europa.eu/juris/liste.jsf?language=en&num=T-378/07>. Last visited on 10 April 2012.

<sup>148</sup> For instance, in case of articulated robots, such as in Case T-97/08 *KUKA Roboter GmbH v Office for Harmonisation of Internal Market (Trade Marks and Designs) (OHIM)*, [2010] 2010/C 301/41, paras 37 and 38.

<sup>149</sup> Decision of the Fourth Board of Appeal of 28 August 2002 in Case R 785/2000-4 (Colour Mark (Light Green/ Leaf Green), para. 13.

<sup>150</sup> Decision of the Second Board of Appeal of 4 May 2007 in Case R 1620/2006-2 (Purple).

<sup>151</sup> *Ibid*; para. 4.

<sup>152</sup> *Ibid*; para. 24.

<sup>153</sup> Case C-342/97 *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [1999] ECR I-3819 (trade mark infringement proceedings between two shoe manufacturers that concerned the issue of likelihood of confusion between word/picture marks “Lloyd” and “Loint’s”).

<sup>154</sup> *Ibid*; para. 26.

<sup>155</sup> Decision of the First Board of Appeal of 1 July 2005 in Case R 799/2004-1 (*IKEA, Blue & Yellow*).

<sup>156</sup> *Ibid*; para. 18.

<sup>157</sup> Joined Cases C-468/01 P to C-472/01 P *Procter & Gamble v OHIM*, [2004] E.T.M.R. 88.

memorise, recognition by the relevant public would be more difficult to prove.<sup>158</sup>

Furthermore, it is settled law that in examination of whether a mark has acquired distinctiveness, the relevant authorities must take into account not only the opinion of the public, but also the actual situation and the relevant circumstances,<sup>159</sup> making an “overall assessment of the evidence”.<sup>160</sup> In particular, according to the *Windsurfing Chiemsee Produktions* case,

the following may 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.<sup>161</sup>

In applying the *Windsurfing* evidence list, the Court in *BCS SpA v OHIM* case noted that large market shares, although presenting evidence of acquired distinctiveness, are not a necessary condition. A “strong and long-lasting presence in the market” is, therefore, sufficient.<sup>162</sup>

It should be noted that the factors listed may not by themselves be used to prove acquired distinctiveness, but are relied upon as secondary evidence that supports primary evidence, which is the opinion of the relevant public.<sup>163</sup>

#### **2.4.3. Application of Windsurfing Chiemsee evidence list**

In most cases that address the issue of acquired distinctiveness, analysis of additional evidence supporting acquisition of distinctive character does take place and in some cases this is very careful and detailed. The relevant authority would pay attention to all details pointing to the steps taken by the brand owner to attain the necessary level of distinctiveness, and, of course, whether those efforts were successful.

In *Glaxo Group Application*,<sup>164</sup> in deciding whether the colour trade mark for asthma inhalers had obtained a distinctive character, the UK Registrar took into account the facts that

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<sup>158</sup> OHIM, Guidelines Concerning Proceedings Before the Office for Harmonisation in the Internal Market (Trade Marks and Designs), Part B, Examination, April 2008, [para. 7.6.4.3., p.41].

<sup>159</sup> Case C-104/01 Libertel, para. 76.

<sup>160</sup> Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee Produktions*, para. 51.

<sup>161</sup> *Ibid.*

<sup>162</sup> Case T-137/08 *BCS SpA v OHIM*, para. 44.

<sup>163</sup> Case T-378/07, *CNH Global NV v OHIM*, 29 September 2010, para. 54.

<sup>164</sup> *Glaxo Group Ltd's Trade Mark, Riker Laboratories Inc's Application for a Declaration of Invalidity*, U.K. Trade Marks Registry, [2001] E.T.M.R. 9.

the mark has a significant proportion of the market and was actually used for 5 years prior to application (it was also noted that use in itself does not equal distinctiveness,<sup>165</sup> and that the colour mark was always used together with a distinctive letter mark).<sup>166</sup> The Registrar also pointed out that no reference to the colours in question was made in advertising.<sup>167</sup>

Another recent case of the UK Intellectual Property Office (IPO) concerned an application for registration of colour purple (Pantone 2685C) as a trade mark applicable to the surface of the packaging of the goods (chocolate products) by famous confectionery company Cadbury Ltd.<sup>168</sup>

**Picture 2. Cadbury Ltd's colour purple** (applied to the whole visible surface, or being the predominant colour applied to the whole visible surface, of the packaging of the goods.<sup>169</sup> Registered for goods in class 30 (chocolate in bar and tablet form, chocolate- and cocoa-based beverages, preparations for chocolate- and cocoa-based beverages).



The decision contains detailed analysis of factors that contributed to the distinctiveness acquired by the colour purple in relation to Cadbury's goods. Namely, the fact that Cadbury first used purple in relation to chocolate back in 1914,<sup>170</sup> and that there are very "few milk chocolate products which are not sold in packaging with much purple".<sup>171</sup> The facts that Cadbury Ltd. is one of the top leading UK companies and that Cadbury's Dairy Milk chocolate bar was the best

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<sup>165</sup> Although, according to Article 6 quinquies (C)(1) of the Paris Convention, the length of time the mark has been in use is a factor that must be taken into account in assessing whether a mark is eligible for protection.

<sup>166</sup> *Glaxo Group Ltd's Trade Mark*, supra note 164, paras 38 and 39.

<sup>167</sup> *Ibid*; paras 40 and 42.

<sup>168</sup> UK IPO Case O-358-11 of 20 October 2011, *Application no 2376879 by Cadbury Ltd and Opposition 97819 by Societe des Produits Nestlé S.A.* Available at: <http://www.ipo.gov.uk/types/tm/t-os/t-find/t-challenge-decision-results/o35811.pdf>. Last visited on 18 April 2012.

<sup>169</sup> *Ibid*; [1].

<sup>170</sup> *Ibid*; [9].

<sup>171</sup> *Ibid*; [13].

selling confectionery product in the UK<sup>172</sup> were taken into account. The company's marketing strategies and advertising techniques also became important evidence of acquired distinctiveness. In particular, significant investment in promotion of the colour purple as an identifying sign of Cadbury chocolate (use "for branding purposes even more prominently than the name Cadbury"<sup>173</sup>), certain advertising tricks, such as grouping Cadbury products on store shelves to create a "splash of purple" telling the consumer where the Cadbury products are,<sup>174</sup> use of purple on vending machines etc. Taking the presented evidence into account, Cadbury's use of the colour was found to be "consistent with the use of the colour as a distinguishing sign for chocolate in bar and tablet form"<sup>175</sup> and chocolate drinks.

#### 2.4.4. *BP Amoco case*

In *BP Amoco plc. v John Kelly Ltd*<sup>176</sup> the Northern Ireland court presented an example of detailed application of *Windsurfing Chiemsee* criteria. BP Amoco, the owner of colour green mark (Pantone shade 348C), brought an action for colour trade mark infringement, as it found out that the defendant was using a similar shade of green on the exterior of its petrol stations.<sup>177</sup> The green colour was extensively and successfully used by BP to create its distinctive style. A re-imaging project and expensive advertising campaigns were undertaken to strengthen association and recognition. The idea behind reliance on colour was to facilitate recognition of the brand by drivers and motorists "in natural conditions", namely, on the roads and in rural areas, while driving at speed.<sup>178</sup> The project was very successful, as according to market research BP was the best recognised brand in the UK, the reason being colour.<sup>179</sup> It was noted in the case that the policy of BP

was to achieve a position whereby the public perception is that 'BP=Green=BP', so that BP 'owned' green in the same way as Coca-Cola owns red.<sup>180</sup>

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<sup>172</sup> Ibid; [103].

<sup>173</sup> Ibid; [104].

<sup>174</sup> Ibid; [16].

<sup>175</sup> Ibid; [111].

<sup>176</sup> *BP Amoco plc v John Kelly Ltd* [2002] FSR 5.

<sup>177</sup> Ibid; [1].

<sup>178</sup> N. Dawson, "The power of colour in trade mark law" E.I.P.R. (European intellectual Property Review) 2001, 23(8), 383-388,384.

<sup>179</sup> *BP Amoco plc v John Kelly Ltd* [2002] FSR 5, [4].

<sup>180</sup> Ibid; [5].

The defendant tried to argue that the trade mark in question lacked distinctiveness because it served to designate geographical origin (Ireland) or a quality or characteristic of the goods (environmental friendliness).<sup>181</sup> However, the Court found such associations “minor and incidental”.<sup>182</sup> The validity of the BP trade mark was upheld and acquired distinctiveness proved.

In this case, the whole concept of distinctiveness was brilliantly summarised by Carswell L.S.J. in one phrase: “the question to be asked is whether the colour green on its own signifies BP when the logo is removed”.<sup>183</sup>

**Picture 3. BP (Pantone 348C) together with BP logo and as applied to a petrol station.**



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<sup>181</sup> N. Dawson, “The power of colour in trade mark law” E.I.P.R. 2001, 23(8), 383-388,386.

<sup>182</sup> BP Amoco plc v John Kelly Ltd [2002] FSR 5, [31].

<sup>183</sup> Ibid.

## 2.5. Issue of territoriality - Community colour marks

Applications for colour CTM are examined in the light of the same rules as national marks in the EU. Still, court decisions show that under otherwise equal conditions, it is more difficult to obtain registration for a colour CTM<sup>184</sup> than for a national colour trade mark. The majority of applications that are considered by OHIM are rejected, some of them on the grounds of the special character of the Community trade mark.

The reason for this is directly related to the scope of the CTM. According to Article 1 of the CTM Regulation, the CTM has an equal effect throughout the EU. Apart from granting geographically extensive protection, this provision also has some other implications. Protection of exclusive rights of use over a certain colour for particular goods or services in all EU Member States clearly has more serious consequences than that for only one State. As a result, the possibility of registration of a colour mark is restricted even further.

Case *CNH Global NV v OHIM*<sup>185</sup> (which concerned a combination of colours red, black and grey as applied to the exterior surfaces of a tractor<sup>186</sup>) expressly dealt with this issue. The Court said that due to the fact that a CTM must “have a unitary character” and “equal effect throughout the Community,” the distinctive character must be proven to exist in the whole of the EU.<sup>187</sup> Thus, the applicant is required to provide evidence of acquired distinctiveness, supported by the opinion of a significant proportion of the relevant public in all Member States.<sup>188</sup> In *CNH Global NV* the Court found that the applicant had failed to “show that distinctive character has been acquired in the 10 new Member States”<sup>189</sup> (the application for registration was filed in 2004, soon after the enlargement of the EU, when ten new States joined). This fact became the main obstacle to registration of the CTM.

Similarly, in *Bamford Excavators Limited (Yellow, Colour mark)*<sup>190</sup> the Board of Appeal

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<sup>184</sup> Jenkins Trade Mark Newsletter, “Make your mark”, Spring 2011, [p.17]. Available at <http://www.jenkins.eu/my-uploads/mym-spring-11-.pdf>. Last visited on 20 April 2012.

<sup>185</sup> Case T-378/07 *CNH Global NV v OHIM*, 29 September 2010.

<sup>186</sup> *Ibid*; para. 5.

<sup>187</sup> *Ibid*; para. 45.

<sup>188</sup> *Ibid*; paras 30, 48, 49.

<sup>189</sup> *Ibid*; para. 50.

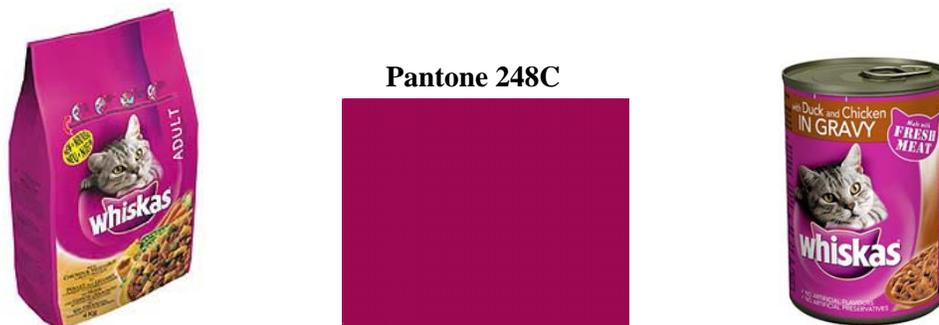
<sup>190</sup> Decision of the Second Board of Appeal of 6 October 2005 in Case R 255/2004-2 (*J.C. Bamford Excavators Limited, Yellow colour mark*), (the case concerned refusal of registration of colour yellow for

pointed to the fact that the “applicant’s market share and turnover are very high in the United Kingdom and Ireland”, but are significantly lower in other Member States, so that the evidence provided was insufficient to show acquired distinctiveness.<sup>191</sup>

Still, proving acquired distinctiveness throughout the Community is not an impossible task to perform, bearing in mind the globalised character of modern trade. In *BCS SpA v OHIM* it was said that it is not necessary to bring the same type of evidence in respect of each Member State.<sup>192</sup>

OHIM Board of Appeal Case R 1620/2006-2 (Whiskas Purple)<sup>193</sup> is an example of successful registration of a CTM. Mars Ltd succeeded in proving acquired distinctiveness of the colour purple *per se*, applicable to the packaging of the famous cat food Whiskas, by demonstrating high recognition of the colour mark in the EU. Mars Ltd. showed a “substantial presence” in all Member States,<sup>194</sup> by providing evidence of recognition, “many years presence in the market, significant market share and considerable investment in market and advertising”.<sup>195</sup>

**Picture 4. Whiskas cat food packaging examples with registered CTM consisting of the colour purple (Pantone 248C).**



Other famous and recognised colour CTMs are colour lilac for Milka confectionery packaging, colour magenta for T-Mobile mobile phone services or the orange label of Veuve Cliquot

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various diggers and tractors).

<sup>191</sup> Ibid; para. 30.

<sup>192</sup> Case T-137/08 *BCS SpA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, ECR II – 04047, para. 39.

<sup>193</sup> Decision of the Second Board of Appeal of 4 May 2007 in Case R 1620/2006-2 (Purple).

<sup>194</sup> Ibid; para. 20.

<sup>195</sup> Ibid; para. 26.

champagne<sup>196</sup> (see Annex 1).

## 2.6. Other grounds for refusal

Apart from satisfying the three step criteria of Article 2 of the Directive, the trade mark has to comply with some other requirements, or it will be refused registration. The grounds for refusal or invalidity are stated in Articles 3 and 4 (grounds concerning earlier rights) of the trade marks Directive, and Articles 7 (absolute grounds for refusal) and 8 (relative grounds for refusal) of the CTMR, which correspond to the provisions of Article 6 *quinquies* (B) of the Paris Convention. Some of those grounds are of particular relevance and importance to colour trade marks and are often asserted together with lack of distinctive character:<sup>197</sup> these are descriptiveness and genericness.

### 2.6.1. Descriptive marks

Articles 3(1)(c) of the Directive and 7(1)(c) of the CTMR provide that

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 services<sup>198</sup>

must be refused registration or, if registered, declared invalid. This provision is essentially aimed at precluding registration of marks that do not indicate the origin of goods or services, but instead describe their characteristics and provide information about them.<sup>199</sup> The underlying rationale of the provision is to leave descriptive and informational signs available for use by all traders and not to reserve them for a single trader.<sup>200</sup> As in the case of lack of distinctive

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<sup>196</sup> Kraft Foods, CTM 31336; Deutsche Telekom AG, CTM 212753; Moët Hennessy, CTM 747949. OHIM CTM Online Database, available at [http://oami.europa.eu/CTMOnline/RequestManager/en\\_SearchBasic\\_NoReg](http://oami.europa.eu/CTMOnline/RequestManager/en_SearchBasic_NoReg). Last visited on 28 April 2012.

<sup>197</sup> E. Gastinel, M. Milford, *The Legal Aspects of the Community Trade Mark*, Hague, Kluwer Law International, 2001, p. 71.

<sup>198</sup> The wording is the same as in Article 6 *quinquies* (B)(2) of the Paris Convention for the Protection of Industrial Property.

<sup>199</sup> Case C-383/99 P *Procter & Gamble Company v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) [2001] ECR I-6251, para. 37. See also OHIM, *Guidelines Concerning Proceedings Before the Office for Harmonisation in the Internal Market (Trade Marks and Designs)*, Part B, Examination, April 2008, [para. 7.3.1., p.24].

<sup>200</sup> Case C-191/01 P *Office for Harmonisation in the Internal Market (Trade Marks and Designs) v Wm. Wrigley Jr. Company*, [2003] ECR I – 12447, para. 31.

character, descriptiveness will not preclude registration if the acquired distinctiveness of a sign is proven.

The prohibition of monopolisation of descriptive signs is further strengthened by Article 6(1)(b) of the Directive (and Article 12(b) of the CTMR), which state that even if a trade mark is registered, this does not entitle its proprietor to prohibit a third party from using descriptive signs.

In relation to colour marks, a mark is most likely to be found descriptive when it reproduces the natural colour of the good to which it is applicable. For example, colour orange for orange juice, colour white for milk or yogurt, etc.<sup>201</sup> Applications for registration of these signs will be refused by the relevant authorities, as descriptive colours should be kept available for all traders in the relevant field. Moreover, such marks are likely also to be refused registration on the ground of lack of distinctive character.<sup>202</sup>

In Case T-234/01 *Andreas Stihl*,<sup>203</sup> the General Court considered colour grey applied to various machines and mechanical apparatus to be “perceived as the result of a manufacturing process or as simply a coloured casing”.<sup>204</sup> Similarly, in the *Viking*<sup>205</sup> case, where the juxtaposition of colours green and grey *per se* to be applied on gardening equipment was examined, it was found that colour grey would be perceived as the natural colour of the material, or a finish.<sup>206</sup> This led the Court to conclude that the combination would not be seen by the consumer as a sign indicating a particular undertaking.<sup>207</sup>

Registration, however, may be refused not only where the sign corresponds to the natural colour of the product. The relevant authorities will also consider whether the colour is commonly used in this particular market area. For instance, colours red and blue are commonly used for hot and cold water, and in this regard perform the essential function of sending a

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<sup>201</sup> AIPPI Summary Report, Question 181, Conditions for registration and scope of protection of non-conventional trademarks, at [3.6].

<sup>202</sup> Case C-191/01 P OHIM v Wm. Wrigley, *supra* note 200, paras 31 and 37.

<sup>203</sup> Case T-234/01 *Andreas Stihl AG & Co. KG v Office for Harmonisation of Internal Market (Trade Marks and Designs)* (OHIM), OJ 2001 C 348.

<sup>204</sup> *Ibid*; para. 34.

<sup>205</sup> Case T-316/00 *Viking -Umwelttechnik GmbH v Office for Harmonisation of Internal Market (Trade Marks and Designs)* (OHIM), [2002] ECR II-3718.

<sup>206</sup> *Ibid*; para. 30.

<sup>207</sup> *Ibid*; para. 37.

message understood by all people.<sup>208</sup> All over the world, colour red is also applied to fire extinguishers and is used by fire services.<sup>209</sup> Everybody knows that the combination of colours black and yellow indicates danger, and yellow alone or orange are used to attract attention and for safety purposes,<sup>210</sup> e.g. in case of repairs on the roads or dangerous technical devices. For instance, in Latvia, the Patent Office has refused registration of colour yellow for electrical measurements, as it indicates safety.<sup>211</sup>

When it comes to eco-friendly goods or services, green is used most often<sup>212</sup> to signify to the consumer the ecological and environmental nature of those goods or services. In the OHIM Board of Appeal case *Light Green/Leaf Green*<sup>213</sup> the company attempted to register a colour trade mark intended to be used in relation to cleaning agents and polishing compounds. The applicant failed to register the colour mark not only because the shades of green were found to serve a decorative function,<sup>214</sup> but also because green is commonly used to signify “freshness” and protection of the environment.<sup>215</sup>

Likewise, in the *Wrigley (Light Green)* case<sup>216</sup> distinctiveness was not found as the Board of Appeal considered that the colour light green “is fashionably and commonly used to denote freshness and proximity to nature”<sup>217</sup> and may also be used to indicate apple, lime or peppermint flavour.<sup>218</sup> However, it was said that the decision would be different if a colour acquired distinctiveness through use “over a long period following various advertisements and sales campaigns”.<sup>219</sup>

Most cases coming before the courts are decided similarly to those examined above. Arguably, such an approach even further restricts the possibility of a colour acquiring a

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<sup>208</sup> Supra note 201.

<sup>209</sup> OHIM, Guidelines Concerning Proceedings Before the Office for Harmonisation in the Internal Market (Trade Marks and Designs), Part B, Examination, April 2008, [para. 7.6.4.3., p.41].

<sup>210</sup> Decision of the Second Board of Appeal of 6 October 2005 in Case R 255/2004-2 (J.C. Bamford Excavators Limited, Yellow colour mark), para. 17.

<sup>211</sup> Supra note 201.

<sup>212</sup> UK IPO Trade Mark Manual, [para. 16.2; p. 41].

<sup>213</sup> Decision of the Fourth Board of Appeal of 28 August 2002 in Case R 785/2000-4 (Colour Mark (Light Green/Leaf Green)).

<sup>214</sup> Ibid; para. 15.

<sup>215</sup> Ibid; para. 16.

<sup>216</sup> Decision of the Third Board of Appeal of 18 December 2000 in Case R 122/1998-3 (Light Green).

<sup>217</sup> Ibid; para. 24.

<sup>218</sup> Ibid; para. 27.

<sup>219</sup> Ibid; para. 32.

distinctive character. Paul Strobele provides the example of a chocolate whose natural colour implies that a prospective mark consisting of colours brown or white would lack distinctiveness and be refused. But as chocolate is sold in packaging of various colours, the trader will not be able to register his colour mark<sup>220</sup> unless able to prove that the mark has acquired distinctiveness through use.

Moreover, it should be noted that a colour can be descriptive in a number of ways, as it is capable of indicating such characteristics of the goods as, for instance, taste, or even point to the scent of the product. Colour yellow is commonly associated with lemon, banana and vanilla taste or scent, depending on the goods in question. Colour pink may indicate strawberry or raspberry taste,<sup>221</sup> colour green – mint taste,<sup>222</sup> and light purple – the scent of lavender. Such widespread capabilities further limit the possibility of a colour being registered as a trade mark, and that fact should be taken into consideration by traders wishing to obtain registration.

### **2.6.2. Generic marks**

Article 3(1)(d) of the Directive and Article 7(1)(d) of the CTMR prohibit registration of marks that “have become customary in the current language or in the bona fide and established practices of the trade”. Signs that fall within the definition of the stated articles are commonly called generic. Unlike descriptive signs, generic signs are those that over time have come to designate the whole category or type of the product or service, rather than just a “particular product originating from a particular source”.<sup>223</sup> Such signs might at some point have been distinctive, but due to widespread use have become so common and usual that they can no longer distinguish the goods or services from those of the other undertakings.<sup>224</sup> In relation to colour marks the obvious example would be colour yellow when applied to postal services,<sup>225</sup> and, probably, colour red for fire services.

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<sup>220</sup> P. Strobele, “The registration of new trademark forms”, IIC 2001, 32(2) 161-182, 180.

<sup>221</sup> Supra note 209.

<sup>222</sup> Such as in OHIM Board of Appeal Case R 122/1998-3 (Light Green), see supra note 216.

<sup>223</sup> L. Bently, B. Shreman, *Intellectual Property law*, 2<sup>nd</sup> edition, Oxford, Oxford University Press, 2004, p. 833.

<sup>224</sup> E. Gastinel, M. Milford, *The Legal Aspects of the Community Trade Mark*, Hague, Kluwer Law International, 2001, p. 71.

<sup>225</sup> Supra note 209.

## 3. ISSUE OF FREE COMPETITION

### 3.1. Rights over colour v. free competition

There are no doubts that colour trade marks can be registered and enforced in the EU, providing that they satisfy certain legal requirements described above. Although this has been clearly established for many years, debates over whether colour trade marks should be eligible for protection continue. The main argument involved by those who think that the possibilities of colours becoming trade marks should be restricted is the need to safeguard free competition.

#### 3.1.1. Concept of free competition

The Preamble to the trade marks Directive expressly states that the Directive does not exclude application to trade marks of provisions relating to competition.<sup>226</sup>

Free competition is a fundamental principle and “driving force”<sup>227</sup> of the functioning of the internal market. It is afforded such a high level of protection within the system of Community law that it can even be called “artificial”.<sup>228</sup> The Treaty on the Functioning of the European Union<sup>229</sup> (TFEU), in particular, Articles 101 to 106 is designed to preserve it. According to Article 102,

Any abuse by one or more undertakings of a dominant position within the internal market or in a substantial part of it shall be prohibited as incompatible with the internal market in so far as it may affect trade between Member States.

Such abuse may, in particular, consist in:

- (b) limiting production, markets or technical development to the prejudice of consumers;
- (c) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage.

If intellectual property rights threaten or restrict competition, the rules protecting competition will come into play.<sup>230</sup> Moreover, trade mark law is not applied by the courts in a vacuum.

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<sup>226</sup> Preamble 7 to the trade marks Directive.

<sup>227</sup> O. Kolstad, “Competition law and intellectual property rights – outline of an economics-based approach”, in J. Drexel (ed.), *Research Handbook on Intellectual Property and Competition Law*, Edward Elgar Publishing Ltd, 2008, p. 5.

<sup>228</sup> J. Phillips and A. Firth, *Introduction to Intellectual Property Law*, 4<sup>th</sup> ed., London, Butterworths, 2001, p. 408.

<sup>229</sup> Consolidated Version of the Treaty on the Functioning of the European Union [2008] OJ C 115/47.

<sup>230</sup> S. Anderman, A. Ezrachi (eds), *Intellectual Property and Competition Law: New Frontiers*, New York,

Instead, market and business considerations, including those of competition, play a significant role in judicial decisions.<sup>231</sup>

### 3.1.2. Colour trade marks in the light of free competition

According to Article 5(1) of the Directive (and Article 9(1) of the CTMR), a registered trade mark confers exclusive rights on its proprietor to prevent third parties from using identical or confusingly similar signs in the course of trade, or, as it was put in *Libertel*, “to monopolise the sign...for an unlimited period”.<sup>232</sup> This provision is a cornerstone of trade mark protection and is applicable to all types of trade marks, whether traditional or not.

It is often argued that due to the special nature of a colour not restricted by a certain shape or logotype on it, exclusive rights of the owner of this colour may be extended too far. For this reason, the threshold for acquiring distinctiveness for colour marks is higher in comparison with traditional trade marks.<sup>233</sup>

At first sight, only the fashion industry should be concerned about the possibility that a single trader can monopolise certain colours, but in reality the issue of balancing privileges of trade mark owners and rights of other traders in the market arises in virtually all fields of business, from pharmaceuticals to oil and petrol, from confectionery to technical devices. The issue is of relevance not only to Europe, but to all States where colour marks are eligible for protection. In fact, issues of competition have even been known to preclude colours from being recognised as trade marks at all. One reason why colour *per se* can not be a trade mark in Canada is that “because it could be seen as a monopoly of the colour in a particular industry”.<sup>234</sup>

Equally important is the duration of the exclusive rights conferred by a trade mark. A trade mark can be renewed for an unlimited number of times, and the protection conferred on the proprietor can last for a very long time.<sup>235</sup> The question then arises whether granting

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OUP, 2011, p. 5, citing Case 102/77, *Hoffman La Roche v Centrafarm* [1978] ECR 1139 para. 16.

<sup>231</sup> V. Liakatou; S. Maniatis “Red soles, gas bottles and ethereal market places: competition, context and trade mark law”, E.I.P.R. 2012, 34(1), 1-3, 1.

<sup>232</sup> Case C-104/01 *Libertel Groep BV v Benelux-Merkenbureau*, [2003] I-03793, para. 49.

<sup>233</sup> M.C. Caldarola, “Questions relating to abstract colour trade marks: recent developments in Germany”, E.I.P.R. 2003, 25(6), 248-255, 253.

<sup>234</sup> *Wampole & Co v Hervay Chemical Corp. of Canada* (1929) Ex. C.R. 78, *aff’d* (1930) S.C.R. 336.

<sup>235</sup> S. Enchelmaier, “Intellectual property, the internal market and competition law”, in J. Drexler (ed.), *Research Handbook on Intellectual Property and Competition Law*, Edward Elgar Publishing Ltd, 2008, p.

exclusive rights over colour, virtually forever, is fair to newcomers in the market, and to what extent it could restrict free competition.

There could not be a clear answer to those questions, as intellectual property rights and rights conferred on traders by rules on competition are in a constant state of encounter, as well as a search for balance. The reason for this is the “overlap between the aims of the two fields of law”.<sup>236</sup>

On the one hand, extensive rights granted by trade marks “artificially restrict competition”,<sup>237</sup> because they are capable of limiting rights of other traders to market their product or service in competition with the trade mark owner.<sup>238</sup> For this reason, there is a need for competition rules to limit exercise of intellectual property rights in turn.<sup>239</sup>

But on the other hand, both areas of law have a common goal – promotion of innovation and commercial activity.<sup>240</sup> Competition is not possible without protection of intellectual property, as a reliable and proper system of protection induces traders to develop new brands and take an active part in business development, therefore driving competition in the market.

### **3.1.3. Balancing colour marks and free competition: in favour of colour**

As argued by Katerina Shaw, trade mark law does not preclude competitors from producing the same goods or providing the same services as another trader; it just requires not selling them under the same mark.<sup>241</sup> However, when this mark is a colour, the situation may not be so straightforward.

Still, the CFEU has stated that reliance on considerations of protection of free competition should be limited. According to the *Windsurfing Chiemsee* case,<sup>242</sup> the test of

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<sup>236</sup> S. Anderman, A. Ezrachi (eds), *Intellectual Property and Competition Law: New Frontiers*, New York, OUP, 2011, p. 4.

<sup>237</sup> K. Shaw, “Likelihood of coexistence: a comparative analysis of the interplay between European Trademark law and free competition”, (2009) 18 *U.Intell. Prop. L.J.* 51.

<sup>238</sup> O. Kolstad, “Competition law and intellectual property rights – outline of an economics-based approach”, in Josef Drexl (ed.), *Research Handbook on Intellectual Property and Competition Law*, 2008, Edward Elgar Publishing Ltd, p. 3.

<sup>239</sup> *Supra* note 236.

<sup>240</sup> *Ibid*; p. 61.

<sup>241</sup> K. Shaw, “Likelihood of coexistence: a comparative analysis of the interplay between European Trademark law and free competition”, (2009) 18 *U.Intell. Prop. L.J.* 51.

<sup>242</sup> Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee Produktions*, *supra* note 143.

distinctiveness should not include considerations of availability of a sign to other undertakings.<sup>243</sup> The approach was accepted in relation to a colour CTM in the OHIM Case *Light green/Leaf green*.<sup>244</sup> The Board of Appeal said that the “need for free availability or the (supposed) risk of certain colours being monopolised need not to be taken into consideration” as this is not required by Article 7(1)(b) of the CTMR, which interpretation is influenced by the interpretation of distinctiveness under Article 3(3) of the Directive.<sup>245</sup> According to those decisions, the general interest of keeping colours free for use should not be relevant when deciding on distinctiveness of a colour as applicable to a particular good or service. In spite of this, evidence suggests that the issue of availability of colour is taken into account as a factor contributing to lack of distinctiveness and sometimes becomes the main obstacle to registration of colour trade marks.

#### **3.1.4. Balancing colour marks and free competition: against colour**

The emphasis in arguments that colour trade marks violate competition is placed mainly on the nature and the abilities of colour and can be summarised as follows.

Firstly, use of colour is inevitable in trade. All traders use colour for their logotypes, packaging, advertising material, and containers.<sup>246</sup> Rights conferred by a registered colour mark to one brand owner (who is usually the biggest and most well known in the industry) could interfere with rights of other traders to use this particular colour in their advertising or on packaging.<sup>247</sup>

Secondly, colour is not only inevitable; it may be advantageous and helpful. Sunila Sreepada argues that “[c]olour not only attracts attention, but also plays a role in whether consumers choose to purchase the item”.<sup>248</sup> Colour is capable of affecting consumers’ minds, creating associations, and making people like a particular good more than others. People can even unconsciously choose to buy the item because they liked its colour or the colour of its

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<sup>243</sup> *Ibid*; para. 48.

<sup>244</sup> Decision of the Fourth Board of Appeal of 28 August 2002 in Case R 785/2000-4 (Colour Mark (Light Green/Leaf Green)).

<sup>245</sup> *Ibid*; para. 10.

<sup>246</sup> D.I. Bainbridge, “Smell, sound, colour and shape trade marks: an unhappy flirtation?” *J.B.L.* 2004, Mar, 219-246, 232.

<sup>247</sup> *Ibid*.

<sup>248</sup> S. Sreepada, “The new black: trademark protection for color marks in the fashion industry”, 19 *Fordham Intell. Prop. Media & Ent. L.J.* 1131, 1144.

packaging. It is sometimes argued that there can be a lack of desirable colours within a particular industry,<sup>249</sup> and if all attractive colours were registered, new traders would find themselves in a disadvantageous position, as they would have to choose a less attractive colour for their business.<sup>250</sup>

Thirdly, it should not be forgotten that one of the most important qualities of colour is the one for which it can obtain protection as a trade mark, namely, the ability to individualise the goods or services of a particular undertaking.<sup>251</sup> According to marketing research, colour can increase brand recognition up to 80 percent<sup>252</sup> and make a good or service stand out.

All those features are valuable in trade. And, taking into account traders' constant fight for every consumer by all possible means, the objections to monopolisation of colours seem logical. To a certain extent registration of rights over a particular colour does mean denial of availability of the colour to other traders in this field and, as a consequence, limitation of tools to attract consumers. However, as will be argued below, nowadays those objections have a tendency to extend too far.

The issue of trade mark protection versus competition in the market is further complicated by the argument of limited availability of colours, or as it is called in the U.S., colour depletion theory.<sup>253</sup> The argument is based on the idea that the number of colours is limited and monopolisation can lead to lack of available colours for traders in the same field, particularly newcomers. Moreover, it is suggested that although a significant number of colours, their shades and combinations can potentially be used by traders, the ability of the average consumer to distinguish between them, remember and associate with a particular brand, is restricted.<sup>254</sup>

Already in *Libertel*, the first CFEU case that confirmed the capability of colour to be a trade mark, the Court expressed concern over the fact that

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<sup>249</sup> G. Labadie-Jackson, "Through the looking hole of the multi-sensory trademark rainbow: trademark protection of color per se across jurisdictions: the United States, Spain and the European Union", 7 Rich.J Global L.&Bus. 91 2008, p.108.

<sup>250</sup> Ibid; p.109.

<sup>251</sup> UK IPO Trade Mark Manual, [p.69].

<sup>252</sup> J. Morton, "Why color matters", 2010, [Color and Brand Identity, at para 1]. Available at: <http://www.colormatters.com/color-and-design/why-color-matters>. Last visited on: 15 April 2012.

<sup>253</sup> See *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159 (1995).

<sup>254</sup> C. Schulze, "Registering colour trade marks in the European Union" (2003) E.I.P.R. 2003, 25(2), 55-67, 59.

the number of colours which...public is capable of distinguishing is limited, because it is rarely in a position directly to compare products in various shades of colour.<sup>255</sup>

Similar concerns were expressed in the *William Wrigley Junior*<sup>256</sup> case, where the OHIM Board of Appeal said that

casual acceptance of basic and compound colours could, because of the limited nature of colour spectrum, prevent competitors from using indefinitely certain colours they might wish to use for a variety of reasons in connection with their products or services...It cannot be the purpose of a trade mark protection to deprive the market of its rich diversity of colours.<sup>257</sup>

It should be noted that the treatment of a particular colour mark by the relevant authorities often depends on the colour itself and how widely it is used. For instance, in relation to the fashion industry, it is suggested that the “aesthetic appeal of certain colours is greater than that of others”.<sup>258</sup> The same reasoning can be applied to every other industry. Clearly, most attractive, or as they are also called – basic<sup>259</sup> or primary<sup>260</sup> colours are the ones that are used most extensively and the ones that most often become a matter of disputes and court proceedings.

Therefore, competition issues are more likely to be involved and become decisive in relation to trade marks (or potential trade marks) that consist of colours that are “basic” for the industry. The scope of “basic” colours is not entirely clear, but such colours as red, green or blue could be considered “basic” virtually in every industry. In *Wrigley*, colour light green was found to be basic in relation to chewing gums as it is not “exceptionally unique or unusual” and is “fashionably and commonly used”.<sup>261</sup>

Likewise, furniture company IKEA was not allowed to register a mark consisting of a combination of colours blue and yellow, one of the considerations for refusal being that the shades in question were not

perceptibly different enough from the primary colours blue and yellow, since the relevant public will keep in their mind an imperfect memory of the shades.<sup>262</sup>

The underlying rationale of this approach is the importance of preventing unnecessary

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<sup>255</sup> Case C-104/01 *Libertel Groep BV v Benelux-Merkenbureau*, [2003] I-03793, para. 47.

<sup>256</sup> Decision of the Third Board of Appeal of 18 December 2000 in Case R 122/1998-3 (*Light Green*).

<sup>257</sup> *Ibid*; para. 30.

<sup>258</sup> S. Sreepada, “The new black: trademark protection for color marks in the fashion industry”, 19 *Fordham Intell. Prop. Media & Ent. L.J.* 1131, 1153.

<sup>259</sup> *Light Green* case, *supra* note 256, para. 24.

<sup>260</sup> Decision of the First Board of Appeal of 1 July 2005 in Case R 799/2004-1 (*IKEA, Blue & Yellow*), para. 20.

<sup>261</sup> *Supra* note 259.

<sup>262</sup> *Supra* note 260.

monopolisation and avoidance of putting competitors at a disadvantage,<sup>263</sup> which is especially easy in the case of basic colours. If that line of reasoning is followed, it can be argued that unusual and less attractive shades would contradict competition to a lesser extent and be easier to register. Similarly, there is evidence that in the UK single colour marks are under more scrutiny, especially when used on packaging or the surface of goods, because the limited number of colours “reduces the likelihood of the public viewing a single colour as distinctive of one trader’s goods”.<sup>264</sup>

To sum up, limited registrability of colour trade marks is directly related to competition issues that arise in most cases concerning registration or enforcement of colour marks. In *Libertel* the CJEU expressly stated that there is a public interest in protection of competition in the market and not restricting the availability of colours,<sup>265</sup> and for this reason the number of colours that can potentially become trade marks is limited.<sup>266</sup> By its ruling the Court summarised and established a general restrictive approach influenced by the fear of “unjustified competitive advantage for a single trader”.<sup>267</sup> The approach is followed, as the majority of colour trade marks are refused registration, and only few have succeeded in proving their distinctive character.

However, it can be argued that nowadays courts tend to rely on public interest considerations too much. Such an approach can result in unnecessary additional limitations to registration of colour marks. Namely, trade mark owners would be required to satisfy not only the test of distinctiveness, but also to prove the absence of “unjustified competitive advantage”.<sup>268</sup>

Recent case T-97/08 *KUKA Roboter*<sup>269</sup>, presents an example of direct reference to the argument of availability of colours. In this case the applicant was unable to prove the distinctive character of his mark and the fact that registration would not create an unjustified competitive

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<sup>263</sup> Supra note 258.

<sup>264</sup> AIPPI, UK Group Report Q181 by Jane Mutimear, Kathrin Vowinckel, Richard Abnett, Conditions for registration and scope of protection of non-conventional trademarks, at [question 3.6]. Available at: <http://www.aippi.org.uk/docs/Q181.UK%20Group.Response.pdf>. Last visited on 26 April 2012.

<sup>265</sup> Case C-104/01 *Libertel*, supra note 255, para. 55.

<sup>266</sup> *Ibid*; para. 47.

<sup>267</sup> *Ibid*; para. 54.

<sup>268</sup> Case T-97/08 *KUKA Roboter*, infra note 269, para. 46.

<sup>269</sup> Case T-97/08 *KUKA Roboter GmbH v Office for Harmonisation of Internal Market (Trade Marks and Designs) (OHIM)*, [2010] 2010/C 301/41.

advantage in his favour.<sup>270</sup> The appeal from OHIM concerned registration of colour orange *per se* for articulated robots and their advertising (see Annex 2, point 3). In its reasoning, the General Court pointed to “public interest in not unduly restricting the availability of colours for the other operators”.<sup>271</sup> It went even further and expressed fear that registration of a particular shade of orange “would tend to prohibit competing undertakings from using any shade of orange...or other similar colours”.<sup>272</sup> Moreover, the Court alleged that “the requirement of availability of colours...tends to constitute, except in exceptional situations, a *bar to registration* of a mark consisting of a colour”<sup>273</sup> (emphasis added).

This statement, as well as the reasoning of the Court in general, is clearly controversial and raises many questions. Why was the *Windsurfing Chiemsee* guidance disregarded by the Court? Should the ruling be understood as another limitation to registration of colour marks? Was it really necessary to adopt such a restrictive approach?

As Patricia Kelly suggests, this decision “again made clear that obtaining a trade mark registration for a colour *per se* is almost impossible without providing evidence of distinctiveness acquired through use”.<sup>274</sup>

### 3.2. Need for balance and clear approach

In regard to the issue of keeping signs available to other traders, the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications is of the opinion that non-traditional marks should face the same approach as traditional marks.<sup>275</sup> Still, in the case of colour marks, this may not always be possible, as there are quite few colours from which brand owners can choose in comparison to the number of possible word or figurative marks. The current situation is such that there is no clear approach as to what extent competition considerations should be relied upon in colour mark cases.

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<sup>270</sup> *Ibid*; para. 46.

<sup>271</sup> *Ibid*; para. 35.

<sup>272</sup> *Ibid*; para. 45.

<sup>273</sup> *Ibid*; para. 44.

<sup>274</sup> P. Kelly, Case Comment in ITMA Review Issue No. 380 November 2010, at[ p.29]. Available at [http://www.drakopoulos-law.com/pdf/ITMA%20Review\\_November\\_2010.pdf](http://www.drakopoulos-law.com/pdf/ITMA%20Review_November_2010.pdf) (download available). Last visited on: 5 April 2012.

<sup>275</sup> WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, New Types of Marks, Sixteenth Session (Nov. 13-17, 2006), at [63]. Available at: [http://www.wipo.int/edocs/mdocs/sct/en/sct\\_16/sct\\_16\\_2.pdf](http://www.wipo.int/edocs/mdocs/sct/en/sct_16/sct_16_2.pdf). Last visited on: 29 April 2012.

Taking into account the small number of applications (in comparison with traditional trade marks), restricted possibilities of a colour to satisfy the requirements of registrability, and the fact that unfair competition may also be used against traders whose colour has acquired distinctiveness through use, it can be argued that currently there is no need for such a restrictive approach as was adopted in *KUKA Roboter*. Careful analysis of distinctiveness is sufficient to establish whether a trade mark is eligible to be registered. Colour trade marks do not currently possess a threat to competition in the internal market. In fact, the issue does not seem to affect trade as a whole and the internal market in particular. On the contrary, it is likely to be largely theoretical.

Moreover, extensive reliance on competition arguments is a dangerous tendency, as it could result in complete impossibility to register and protect colour trade marks. The purpose of a trade mark is to identify the source of goods or services, and some colour marks, with the help of expensive and time-consuming activities such as advertising campaigns, become capable of doing so. It would generally be unfair to their proprietors to deny protection on the grounds of lack of availability of colours. This view is supported by a statement of the INTA (International Trademark Association), which argues that the issue of availability of colours should not be paid too much attention, “because of the vast number of colours available” and because of rules on functionality (prohibiting registration of descriptive and generic marks) that effectively limit possibilities of registration of colour marks.<sup>276</sup>

The case law of various Community courts suggests a lack of uniformity towards the issue of balancing the desire of traders to ensure full protection of their colour marks and the need to protect competition. Monopoly considerations were expressly rejected in the OHIM decision *Light Green/Leaf Green* that followed guidance of the CFEU in *Windsurfing Chiemsee*. But completely opposite considerations were dominating in *KUKA Roboter*. Therefore, there is a need for more precise explanation of the situation.

It can also be argued that lack of a clear approach characterises not only the EU system but is a current trend also for the U.S. system. And despite the fact that the U.S. was a pioneer in granting protection to colour marks, one of the latest court decisions on colour marks seems to

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<sup>276</sup> INTA, Board Resolutions, Protectability of Color Trademarks, November 20, 1996. Available at: <http://www.inta.org/Advocacy/Pages/ProtectabilityofColorTrademarks.aspx>. Last visited on 26 April, 2012.

raise more questions than it answers.

## 4. SITUATION IN THE UNITED STATES

### 4.1. Legal requirements and differences from the EU system

The definition of the trade mark is provided in s. 45 of the U.S. Lanham Act:

The term "trademark" includes any word, name, symbol, or device, or any combination thereof-(1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this Act, to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

Just as in the EU, the law does not expressly mention colour trade marks, and initially colour was treated as not generally eligible for protection.<sup>277</sup> Most applications for registration of colour marks were rejected on the ground of colour depletion theory that is based on the presumption of the limited number of available colours. In the opinion of the courts, the choice of available colours would soon be depleted if companies were allowed to monopolise a colour and all of its shades.<sup>278</sup> Another theory that precluded recognition of colour marks was the so-called shade confusion theory, according to which various factors, such as lightening, because of their ability to influence the perception of colour, would put competitors and courts in a constant state of uncertainty as to whether a particular shade does or does not infringe an existing colour mark.<sup>279</sup>

Both theories were rejected by the decision in the famous *Qualitex*<sup>280</sup> case. The case concerned a trade mark consisting of colour green gold used on dry cleaning press pads (see Picture 5). The decision provided that a trade mark may be "almost anything at all that is capable of carrying meaning", including a single colour and that "the Lanham Act permits the use of colour, pure and simple",<sup>281</sup> as a trade mark. The Court said that depletion theory is not a valid argument for rejecting registration of a colour mark, as alternative colours would always be available for other traders. Still, if this issue arises, the functionality doctrine (that precludes

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<sup>277</sup> "Single Colour Mark: It's Registrability in The United States And The United Kingdom" Dec 30th, 2010 by mohansca, [Phase I: Position Before The Qualitex Decision].

<sup>278</sup> M. C. Caldarola, "Protection Of A Color Under The Law Of The United States, Germany, And Japan", CASRIP Newsletter - Autumn 1999, Volume 6, Issue 2.

<sup>279</sup> Glenda Labadie-Jackson, "Through the looking hole of the multi-sensory trademark rainbow: trademark protection of color per se across jurisdictions: the United States, Spain and the European Union", 7 Rich.J Global L.&Bus. 91 2008. , p.98; See also *Qualitex*, at 167.

<sup>280</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159 (1995).

<sup>281</sup> *Ibid*; 159.

appropriation of features that are “essential to the use or purpose of the article or affect its cost or quality”) would be able to successfully resolve it.<sup>282</sup> As to the shade confusion theory, it was said that the courts are used to comparing confusingly similar trade marks and would be able to successfully resolve disputes related to colour marks.<sup>283</sup>

The case also establishes two requirements for registrability of a colour trade mark. The first one is secondary meaning<sup>284</sup> (that corresponds to the European acquired distinctiveness) that arises when “in the minds of the public, the primary significance of a product feature... is to identify the source of the product rather than the product itself”.<sup>285</sup> And the second requirement is that the trade mark must not be functional, despite the Court having noted that the functionality doctrine, designed to protect competition, does not create an absolute bar to colour being trademarked.<sup>286</sup>

**Picture 5. Qualitex green gold press pad.**



The Lanham Act definition and *Qualitex* case show that colour trade marks in the U.S. are treated very much like those in the EU. One difference is that while in the EU it is accepted that colour can be inherently distinctive, in the U.S. such possibility is rejected, and it is always necessary to show acquired secondary meaning.<sup>287</sup> However, that does not constitute a great difference, as the possibility of a colour being inherently distinctive is allowed in the EU only in extremely limited circumstances, and the great majority of trade marks will always obtain their status by acquiring their distinctive character through use.

A more significant distinction is the absence of the requirement of allocating colour marks according to the colour code systems in the U.S. The application for registration,

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<sup>282</sup> Ibid; 169.

<sup>283</sup> Ibid; 167-168.

<sup>284</sup> Ibid; 161.

<sup>285</sup> Ibid; 163.

<sup>286</sup> Ibid; 164.

<sup>287</sup> *In re Owens – Corning Fiberglass Corporation* 774 F.2d 1116 (Fed.Cir. 1985), 1124.

therefore, is required to contain only a colour drawing and a written explanation of the mark,<sup>288</sup> while in the EU the precise allocation of the shade, according to one of the recognised colour identification systems, is required by the registrars.<sup>289</sup> The reason for this difference is that in the U.S. the rights over a trade mark are acquired through use, while in most European countries, and in OHIM through registration.<sup>290</sup> The precise representation requirements are particularly important in relation to non-traditional marks, and their presence in the EU system indicates that the system of registration ensures more certainty, both in examination and protection of trade marks.<sup>291</sup> In comparing the EU and U.S. systems, Melissa E. Roth comes to the conclusion that “only the European Union’s registration requirements guarantee specificity and uniformity”<sup>292</sup> to colour marks. As will be discussed below, the absence of attribution of a colour according to a colour code can play a role in trade mark enforcement disputes.

#### 4.2. Red Sole Mark case

Nowadays, one of the most famous and controversial legal battles for rights over a colour is taking place in the United States. This shows that although it is usually assumed that once the mark is registered, its proprietor is in a strong position<sup>293</sup> (especially if a mark is famous and well-known), no trade mark owner can be sure that their rights will be enforceable after registration. The case is *Christian Louboutin SA v Yves Saint Laurent America*<sup>294</sup> and concerns the so-called “Red Sole Mark”, Christian Louboutin’s trade mark for a lacquered red sole on women’s footwear.

According to the materials of the case, Christian Louboutin was the first who started to colour all the outsoles of his fashion shoes red, and has invested a considerable amount of money and effort in attaining world-wide recognition, good reputation and perception of a red

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<sup>288</sup> M.E. Roth, “Something old, something new, something borrowed, something blue: a new tradition in non-traditional trademark registrations”, (2005) 27 *Cardozo L.Rev.* 457.

<sup>289</sup> M. C. Caldarola, “Protection Of A Color Under The Law Of The United States, Germany, And Japan”, *CASRIP Newsletter* - Autumn 1999, Volume 6, Issue 2.

<sup>290</sup> *Supra* note 288, p. 459.

<sup>291</sup> *Ibid*; p. 457.

<sup>292</sup> *Ibid*.

<sup>293</sup> D.I. Bainbridge, “Smell, sound, colour and shape trade marks: an unhappy flirtation?” *J.B.L.* 2004, Mar, 219-246, 223.

<sup>294</sup> *Christian Louboutin S.A. v Yves Saint Laurent Am., Inc.*, 778 *F.Supp.2d* 445 (2011).

sole as the “signature” of Louboutin in the fashion world.<sup>295</sup>

To protect the distinctive feature of his fashion house, in 2008 the “Red Sole Mark”, which consisted of a lacquered red footwear sole, was registered with the U.S. Trademark and Patent Office (PTO). In 2011, as a response to use by another famous fashion house, Yves Saint Laurent (YSL), of the same or a confusingly similar colour on its footwear models (monochrome red shoes with red soles), Christian Louboutin filed an action for trade mark infringement, trademark dilution and unfair competition and asked the Court for a preliminary injunction that would prevent YSL from marketing any shoes with the same or a similar shade of red on the outsole.

**Picture 6. Christian Louboutin “Pigalle” Pumps (left) v YSL “Tribtoo” Monochrome Red Suede Shoes from 2011 Cruise Collection (right).**



In deciding on the matter of a preliminary injunction, the District Court acknowledged that “the red outsole became closely associated with Louboutin”,<sup>296</sup> and accepted its worldwide recognition. Despite this, the preliminary injunction was denied, as the Court was of the opinion that Louboutin’s success in the forthcoming litigation is unlikely.

The considerations taken into account by District Judge Marrero to a significant extent related to the nature of colour and its impact on the market. Colour red on outsoles was found to be functional and lacking the characteristics of a trade mark, as it “aims to please or to be useful, not to identify and advertise a commercial source”.<sup>297</sup>

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<sup>295</sup> Ibid; at p. 447.

<sup>296</sup> Ibid; at p. 448.

<sup>297</sup> Ibid; at p. 452.

Moreover, the mark was found to possess a threat to fair competition,<sup>298</sup> as it could interfere with the right of other designers to achieve their stylistic goals. The fact that a red sole increased the costs of the shoes further amounted to the conclusion that protection of a trade mark hinders competition. In addition, Judge Marrero expressed concerns that if the trade mark is upheld, the rights conferred could expand over time and cover other shades of red or other shoes or items of clothes.

Although colour depletion theory was rejected in the U.S. long ago by the *Qualitex* decision, it can clearly be seen behind the reasoning in the present case. Such reasoning seems to disregard the fact that the trade mark consists of a particular shade of colour red and was registered as applicable only to the footwear outsole.

#### **4.2.1. Fashion industry**

An interesting aspect of this decision is the emphasis placed by the Judge on the fact that the mark was operating within the fashion industry. The line of reasoning in this case suggests that the fashion industry was treated as a completely special field. The Judge compared the work of designers to the work of painters, as having both artistic and commercial aspects.<sup>299</sup>

It was said that “fashion is dependent on colours”,<sup>300</sup> and that “in the fashion industry colour serves an ornamental and aesthetic function”<sup>301</sup> and therefore can be trademarked only “in distinct patterns or combinations of shades that manifest a conscious effort to design a uniquely identifiable mark”.<sup>302</sup> The examples provided were Louis Vuitton’s monogram “LV” and Burberry check.

According to the reasoning of the Court, it could be assumed that if protection was sought elsewhere than in the field of fashion, the trade mark could be upheld. But, bearing in mind the need for legal certainty, the reasons for differentiation are not entirely clear.

In fact, some commentators share the view that the fashion business is different from others, thus, should be treated differently. Sunila Sreepada suggests that

colour marks used in the fashion industry are distinguishable from marks that have arisen in many

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<sup>298</sup> Ibid; at p. 454.

<sup>299</sup> Ibid; at p. 452.

<sup>300</sup> Ibid; at p. 454.

<sup>301</sup> Ibid; at p. 449.

<sup>302</sup> Ibid; at p. 451.

other contexts because the aesthetic appeal of the design, particularly the colour, often drives sales and because the industry is driven by trend cycles.<sup>303</sup>

She also argues that distinctive character is very difficult to obtain in the fashion market, due to its “seasonal nature”, as “fashion is constantly changing, and fashionable colours change season to season”.<sup>304</sup>

However, it can be argued that in the Louboutin case it is not only a mere fashionable colour that is an issue. The red sole was used on all Christian Louboutin’s women’s shoes for years and became a sign that signals to the consumer who is the producer of this good. If to follow the line of reasoning adopted in *BP Amoco Plc v John Kelly Ltd*,<sup>305</sup> this would exactly be the case where colour on its own signifies the producer when the logo is removed.<sup>306</sup> As to the changing nature of fashion, it can be seen as strengthening Louboutin’s position, because notwithstanding new trends and seasons, the outsole of the shoes remained red for years. Isn’t it evidence of a mark perfectly serving a source-identifying function? Famous jewelry manufacturer and retailer Tiffany & Company in its support brief<sup>307</sup> to the case answers this question in the affirmative and supports the argument against treating the fashion industry as something unique and special. Indeed, it can be argued that treating a particular industry differently is a dangerous trend, because it can seriously compromise legal certainty.

#### **4.2.2. Support of Louboutin**

The response to the judgment of the District Court was emotional and critical, and in the forthcoming appeal proceedings Christian Louboutin has strong supporters. *Amicus curiae* briefs in support of Louboutin were submitted by the INTA and Tiffany & Company.

In the opinion of both “friends of the court” the District Judge has erred in interpretation and application of the law. INTA suggests that there are two legal errors in the Court’s analysis.

Firstly, in INTA’s opinion the Court has adopted a too broad construction of a trade mark as a colour red applicable generally to women’s shoes, and by this error has “mischaracterised”

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<sup>303</sup> S. Sreepada, “The new black: trademark protection for color marks in the fashion industry”, (2009) 19 *Fordham Intell. Prop. Media & Ent. L.J.* 1131, 1155.

<sup>304</sup> *Ibid*; 1165.

<sup>305</sup> *BP Amoco Plc v John Kelly Ltd* [2002] FSR 5.

<sup>306</sup> *Ibid*; [31].

<sup>307</sup> Brief for Tiffany (NJ) LLC and Tiffany and Company as Amici Curiae, *Christian Louboutin SA v Yves Saint Laurent America, Inc et al.*, No 11-cv-3303, (2d. Cir. Oct. 2011), ECF. No. 63.

the mark,<sup>308</sup> which in turn has led to denial of its distinctive character. INTA notes that it should not be forgotten that registration concerns only “a lacquered red sole on footwear”,<sup>309</sup> and insists that it must be evaluated in this particular and limited form. In INTA’s view, the Red Sole Mark does not prevent other designers from using colour red on their fashion items, thus does not hinder competition. Moreover, INTA argues that no sufficient deference was given to the “presumption of validity afforded to registered trademarks” under the Lanham Act.<sup>310</sup> INTA also disagrees with the argument that the mark in question is functional, and finds that this error flows from the first (treating the mark as monopolising colour red in general). In addition, INTA fears that the decision such as at present can make it easier for third parties to use recognised brands and their reputation to mislead consumers, causing damage to brand owners.<sup>311</sup>

Tiffany & Company in its brief as *amici curiae* expresses concerns about its own colour trade mark “Tiffany’s blue” for boxes, shopping bags and cover of catalogs, which even has a Pantone number (1837) named in its honour<sup>312</sup> (see Annex 1, point 5). The reason for concern is the possibility of the ruling being understood as denying protection “to any single colour that is used on any ‘fashion item’, even when the colour has achieved secondary meaning.”<sup>313</sup> Tiffany is clearly against generalising and adopting rules applicable not to a particular trade mark, but to the whole fashion industry. It criticises the Court’s reasoning by which it was not analysing the enforceability of a Red Sole Mark, but discussing general protection of a colour trade mark for fashion items.

Whether the arguments of the “friends of the court” will be taken into account by the Court of Appeal and affect the outcome of the case remains to be seen.

#### **4.2.3. Possible litigation in the EU**

The outcome of the Red Sole Mark case, at least at the moment, is not only unexpected, but highly unfavourable to Louboutin. Not only was the injunction sought not granted, but the

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<sup>308</sup> Brief for International Trademark Association (INTA) as Amici Curiae, at p.10, *Christian Louboutin SA v Yves Saint Laurent America, Inc et al.*, No. 11-cv-3303 (2d. Cir. Nov. 2011), ECF. No. 82.

<sup>309</sup> *Ibid*; at p.2.

<sup>310</sup> *Ibid*; at p.6.

<sup>311</sup> *Ibid*; at p.3.

<sup>312</sup> Brief for Tiffany as Amici Curiae, *supra* note 307, at p. 3

<sup>313</sup> *Ibid*.

existence of the famous trade mark itself was threatened, as it can now be declared invalid.

In the light of the EU approach to registration and enforcement of colour marks, the questions could then be asked, was the choice of the forum made by Christian Louboutin correct? Should Europe and not the U.S. be the place of litigation, and if it were, could the outcome of the case be different? As discussed above, the differences between the EU and the U.S. approaches to non-traditional marks are not so considerable. But it is still possible that the case might be decided differently in the EU, even though the approach of the Community towards non-traditional trade marks is still restrictive.

Apart from being very well known in Europe, Louboutin's Red Sole is a registered Community trade mark (CTM No. 8845539, for high heel shoes),<sup>314</sup> therefore, is protected in all EU Member States. It is also registered as a national mark, for instance in the UK (Registration No. 2472368).<sup>315</sup>

As a CTM, the Red Sole has recently been under attack in the EU, but was upheld by the OHIM<sup>316</sup>. In 2011 the Board of Appeal issued a decision that concerned an appeal by Louboutin against refusal of registration by the examiner on the ground of the lack of distinctive character. It was acknowledged that because the sole of a high heel shoe is normally black or beige, colour red on the sole is unique and memorable, as it would be "perceived as fantasy, surprising and unexpected".<sup>317</sup> This fact, together with evidence of use and recognition in the market presented by Louboutin, as well as evidence of successful fighting against counterfeiting (in particular ads on eBay), were found sufficient to prove the distinctive character of the trade mark.<sup>318</sup>

Such a recent acknowledgment of the validity of the mark would strengthen Louboutin's chances of success if the litigation had taken place in Europe. Moreover, one of the arguments of the U.S. District Court against the validity of Louboutin's trade mark concerned its broad nature and possible application to other fashion items or extension to other shades of red. The OHIM decision has also dealt with those issues, and it was found that they do not affect the validity of

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<sup>314</sup> Copy of the Community Trade Mark Application and trade mark information available at: [http://oami.europa.eu/CTMOnline/RequestManager/en\\_Detail\\_NoReg](http://oami.europa.eu/CTMOnline/RequestManager/en_Detail_NoReg). Last visited on: 26 April 2012.

<sup>315</sup> Certificate of Registration available at: <http://www.ipo.gov.uk/types/tm/t-os/t-find/t-find-number?detailsrequested=C&trademark=2472368>. Last visited on: 30 April 2012.

<sup>316</sup> Decision of the Second Board of Appeal of 16 June 2011 in Case R 2272/2010-2 (Red Sole, Figurative trade mark).

<sup>317</sup> Ibid; paras 20-21.

<sup>318</sup> Ibid; paras 22-24.

the mark. In particular, it was noted that the mark does not concern colour red *per se*, but is limited by the contours of the high heel shoe sole.<sup>319</sup> And the approach of the EU towards colour marks applicable to a particular part of a product is generally less restrictive than towards colour *per se* marks. Furthermore, both in the UK national register and the OHIM, the mark is described with reference to Pantone No. 18.1663TP, therefore, covers only that particular shade of red. Those two points significantly clarify the position of Louboutin's mark in comparison with the U.S. judgment and could have played an important role if the dispute with YSL was decided in the EU. The U.S. PTO Registration Certificate of the Red Sole Mark does not contain reference to the code of any recognised colour identification system.<sup>320</sup> Bearing in mind the reasoning of the U.S. District Court in this particular case, the absence of allocation of the shade of red according to the code system might have contributed to the failure of Louboutin.<sup>321</sup>

Taking these facts into account, Louboutin would have good chances of success if the case were brought in the EU.<sup>322</sup> However, it should not be forgotten that in order to win the case Louboutin would also have to show infringement of his mark by the YSL red shoe design<sup>323</sup> according to the provisions of the CTMR.

On the other hand, by now there could be no certainty as to the destiny of the Red Sole mark. It is unlikely that anyone could predict the outcome of *Christian Louboutin v YSL* in the District Court, and for many it was a surprise. The recent decisions of the EU courts on colour marks show that surprising and inconsistent decisions can occur in the EU as well. *KUKA Roboter* was one of them, and its reasoning is dangerously similar to the one presented by Judge Marrero in *Louboutin* (namely, competition considerations prevailing over exclusive rights to own a colour).<sup>324</sup> After the judgment of the U.S. Court of Appeal is rendered, it will finally be seen whether there will be a need to change the forum and continue the battle in Europe. And if

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<sup>319</sup> Decision of the Second Board of Appeal of 16 June 2011 in Case R 2272/2010-2 (Red Sole, Figurative trade mark), paras 16-17.

<sup>320</sup> U.S. PTO Registration Certificate available at: <http://tarr.uspto.gov/tarr?regser=serial&entry=77141789>. Last visited on 26 April 2012.

<sup>321</sup> Argument proposed in D. E. Gorman, "Protecting Single Colour Trademarks in Fashion After Louboutin", 30 *Cardozo Arts and Ent. LJ* (May 2012), p.135.

<sup>322</sup> S. Bennett, R. Cook, "Battle of the red-soled shoes", *I.P.M. (Intellectual Property Magazine)* 2011, Oct, 81-82, p. 81.

<sup>323</sup> *Ibid*; p. 82.

<sup>324</sup> S. Bennett, R. Cook, "Battle of the red-soled shoes", *I.P.M. (Intellectual Property Magazine)* 2011, Oct, 81-82, 82.

so, what will be the result.

### 4.3. Concluding observations

In *Owens Corning Fiberglass*, a case from 1985, the Court said that even if colour is considered to be ornamental, it still can function as a trade mark.<sup>325</sup> The current case of *Christian Louboutin v YSL* seems to reject this view. Moreover, the case can be seen as a return to the colour depletion theory that was rejected by the Supreme Court years ago. For the State that first allowed registration of colour trade marks,<sup>326</sup> the U.S. now presents a tendency to limit, or at least to balance, the protection afforded to colour marks. The reasons for such limitation are not entirely clear, especially since the number of colour mark applications is not considerably high.

It is also unclear whether it is really necessary to deny protection for famous trade marks, such as Louboutin's Red Sole, just because its features and characteristics differ from traditional trade marks; especially when a colour mark has achieved such a significant degree of distinctiveness that it can indicate its origin even better than the word "Louboutin" itself.<sup>327</sup>

Moreover, enforcement of all trade marks, including colours, is directly related to protection of the interests of consumers who value the distinctive elements of brands. As D. E. Gorman argues, "(i)n the case of Louboutin's, what consumers actually seek to purchase is the red outsole itself",<sup>328</sup> thus, lack of adequate protection for the mark can confuse, mislead, and even deceive them.<sup>329</sup> Despite this, the lesson that the *Louboutin* case is providing to brand owners is that even a well-known and distinctive trade mark may not be able to survive attack.

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<sup>325</sup> In re Owens – Corning Fiberglass Corporation 774 F.2d 1116 (Fed.Cir. 1985), para. 33.

<sup>326</sup> 1985 Registration for pink fiberglass insulation: Owens-Corning Fiberglass 227 USPQ 417 (1985).

<sup>327</sup> D.E. Gorman, "Protecting Single Colour Trademarks in Fashion After Louboutin", 30 Cardozo Arts and Ent. L.J (Cardozo Arts and Entertainment Law Journal) (May 2012), p.122.

<sup>328</sup> Ibid.

<sup>329</sup> WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, New Types of Marks, Sixteenth Session (Nov. 13-17, 2006), at [59]. Available at: [http://www.wipo.int/edocs/mdocs/sct/en/sct\\_16/sct\\_16\\_2.pdf](http://www.wipo.int/edocs/mdocs/sct/en/sct_16/sct_16_2.pdf). Last visited on: 29 April, 2012.

## CONCLUSION

The main aim of this research paper was to examine the issues that surround the acquisition of legal rights over colour trade marks, and hurdles that have to be overcome by brand owners wishing to register and be able to enforce their colour marks.

A number of considerations, legal requirements and theories were analysed. The research started from an explanation of the special nature of colour, in particular its incapability of independent existence, various possibilities of its application, subjective perception by different people, and general lack of ability to indicate the origin of the goods or services. It went on by examining the legal requirements for registration of trade marks and their application to colour marks with particular emphasis on the concept of distinctive character as the most challenging requirement for colour marks. The principle of free competition, its influence on registration of colour marks and the issue of limited availability of colours were then described. Finally, the U.S. approach towards colour marks was compared and contrasted to that in the EU, using the case of *Christian Louboutin v YSL* as an example and basis for presumptions.

After analysis of the stated issues, it becomes apparent that at the moment registration and effective protection of a colour mark, especially a colour *per se*, is not an easy task that sometimes can even be “virtually impossible”<sup>330</sup> to perform. Although colour marks are treated by law in the same way as traditional marks, their proprietors have more obstacles to overcome. Not many colour mark registrations are applied for, even less have succeeded and are able to survive opposition.

First of all, traders must be careful during the application procedure and ensure that the mark complies with detailed and numerous representation requirements. The main hurdles, however, are related to the “universal criterion”<sup>331</sup> of trade mark registration, namely distinctive character, as well as to the issue of free competition.

The requirement of proving inherent or acquired distinctive character seems to demand much more effort and resources from prospective owners of colour marks, if efforts are

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<sup>330</sup> Jenkins Trade Mark Newsletter, ‘Make your mark’, Spring 2011, [p.17]. Available at <http://www.jenkins.eu/my-uploads/mym-spring-11-.pdf>. Last visited on 20 April 2012.

<sup>331</sup> D. Gervais, *The TRIPS Agreement: Drafting History and Analysis*, 2<sup>nd</sup> edition, London, Sweet&Maxwell, 2003.p. 167, para. 2.160.

compared with those needed to register a traditional mark. It is evident from the court decisions analysed that only companies who made significant investments in promotion of a colour mark as a brand identifier were able to achieve the necessary level of recognition among the relevant public. As only top level companies have succeeded in obtaining exclusive rights over a colour, such a mark remains a luxury.

In addition, colour for a prospective trade mark must be chosen carefully, making sure that it is either very unusual for a particular market area, not functional or commonly used by other traders, or became so closely associated with the producer of goods or services that it is able to indicate its origin even when no other signs point to it.

To a large extent due to this fact, registration of colour marks has never been and probably will never be widespread. Trade mark rights over colour are enforced in exceptional cases, when colour becomes an integral part of a brand, like, for instance, colour purple for the Cadbury chocolate bar. Restrictive registration requirements, however, can not be called unfair, as they are in line with the aims and purposes of trade mark law.<sup>332</sup>

Operation of the colour mark in the market is further complicated by competition considerations that often come into play. The main goal of the courts in this regard is to ensure that protection of trade mark rights of one trader does not contradict the rules on competition and does not deny certain benefits (like free use of an appealing colour) to other traders in the field. This goal can hardly be achieved without losses, as one of the parties will always find itself in a less favourable position. In this paper, it was argued that free competition should not be protected at the expense of colour marks, especially the most famous ones, because due to their limited numbers and restrictive registration requirements, they do not possess a serious threat to free competition. It can also be added that the possibility to protect a colour that has become distinctive is a further means of distinguishing a brand from its competitors,<sup>333</sup> thus, in itself serves the function of preventing unfair competition. Moreover, colour marks are more vulnerable than other types of mark, because due to their nature, they can not be replaced so

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<sup>332</sup> M.E. Roth, "Something old, something new, something borrowed, something blue: a new tradition in non-traditional trademark registrations", (2005) 27 *Cardozo L.Rev.* 457, 458.

<sup>333</sup> S. Sreepada, "The new black: trademark protection for color marks in the fashion industry", 19 *Fordham Intell. Prop. Media & Ent. L.J.* 1131, 1134.

easily as, for instance, word, figurative, or even sound marks.<sup>334</sup> Despite this, evidence suggests that competition issues are capable of seriously limiting the protection that can be afforded to colour marks, sometimes making considerations of limited availability of colours decisive.

Notwithstanding all the difficulties surrounding registration of colour marks, well-known brands continue to attempt to acquire protection and fight for enforcement of their existing colour marks. As the number of brands owing or wishing to own a colour continues to grow, an adequate and consistent legal response becomes ever more urgent. Unfortunately, it can be asserted that while all the legal rules were set a long time ago, court practice on the matter still lacks consistency. This trend is present both in EU and U.S. systems, although it can be argued that Europe has now taken the lead. The latest evidence of this is the treatment of the Christian Louboutin Red Sole mark. Still, uncertainty and unpredictability in approaches towards colour marks remain in place in both systems, and many issues related to colour marks are still unresolved.

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<sup>334</sup> P. Strobele, "The registration of new trademark forms", IIC 2001, 32(2) 161-182, 181.

## ANNEX 1. EXAMPLES OF REGISTERED COLOUR TRADE MARKS

Below are examples of registered colour trade marks *per se* and as applied to particular goods or used in advertising. Trade marks may appear on the pictures together with word or figurative marks. Pictures are displayed for informational purposes only and may not represent exact samples of trade marks from the Registration Certificates.

**1. Milka chocolate bar.** CTM 31336 for colour lilac/violet (between Pantone numbers E 176-4 and E 176-3) for Milka chocolate and confectionery. Owner: Kraft Foods Schweiz Holding GmbH.



**2. Champagne Veuve Cliquot.** CTM 747949 for colour orange for alcoholic beverages. Owner: MHC



3. **T-Mobile logo.** CTM 212753 for colours magenta and grey for telecommunication services.

Owner: Deutsche Telekom AG.



4. **John Deere's tractor.** CTM 6258131 for colours green ((Munsell 9.47 GY3.57/7.45) for the vehicle body and yellow (Munsell 5.06 Y7.63/10.66) for wheels for various agricultural and forestry machines. Owner: Deere & Company.



5. **Tiffany's robin egg blue boxes.** Trade mark (U.S. Reg.No. 2,359,351) for "Tiffany's Blue" colour *per se* (Pantone 1837) as used on boxes. Owner: Tiffany & Company.



**6. Orange Brand Services logo.** CTM 1079169 for colour orange as a characteristic element of the trade mark for telecommunication services. Owner: Orange Brand Services Limited.



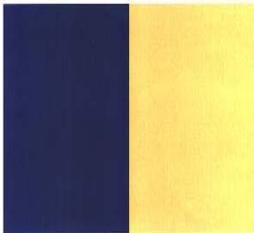
## ANNEX 2. EXAMPLES OF REJECTED COLOUR TRADE MARKS

Below are examples of goods and brand logos bearing colours that were refused registration. Colours may appear on the pictures together with word or figurative marks. Pictures are displayed for informational purposes only and may not represent exact shades of colour marks from the application forms.

**1. Wrigley's Doublemint chewing gum.** Application for specific hue of the colour light-green *per se* for chewing gums.



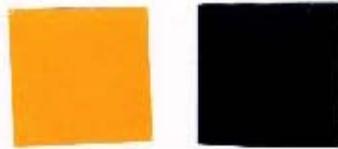
**2. IKEA logo.** Application for colours blue and yellow *per se* for various goods and services, including furniture, advertising, retail services, façades of the stores etc.



3. **KUKA Roboter articulated robot.** Application for colour orange *per se* mark as applicable to articulated robots to handle, treat and weld.



4. **J.C. Bamford Excavators Limited excavator.** Application for colour mark yellow and black for power operated machines and apparatus, vehicles, agricultural vehicles, tractors, as well as for repair and maintenance services.



5. **Viking-Umwelttechnik lawn mower.** Application for juxtaposition of colours green (Pantone 369c) and grey (Pantone 428u) *per se* to be applied on gardening equipment.

