**GTI - descriptive or not?**

In a recent decision\(^1\), the European General Court has rejected an appeal by Volkswagen AG ("VW") against a decision by an OHIM Appeal Board\(^2\) confirming dismissal of an opposition filed by VW against a Community Trademark application for the mark SWIFT GTi. This had been filed in October 2003 by Suzuki Motor Corporation ("Suzuki") in class 12.

**Facts:**

VW filed opposition to the Suzuki application for the SWIFT GTi mark. Opposition was based on VW's German registration of the mark GTI alone in class 12 dating from September 1995, and a similar International registration dating from June 1999 and effective in fourteen other territories then in the EU. The relevant goods were for all purposes identical.

The applicants Suzuki requested proof of use of the VW mark in the territories and VW did provide some evidence. The sufficiency of this was contested in argument by Suzuki, as was the likelihood of confusion. Evidence relating to this and the nature of the marks was also filed.

The Opposition Division at OHIM rejected the opposition on the sole ground that the evidence of use submitted by VW was insufficient to establish genuine use of their GTI mark in any of the territories claimed. In particular, it was noted that there was no independent evidence of the use claimed. There was no examination of any of the other aspects of the case\(^3\).

VW appealed, not least because there was also some dispute about what the dates of the relevant use period should be. This followed an administrative glitch when the Suzuki mark had to be republished after an initial publication error. Further evidence of use was submitted, as was further argument regarding the likelihood of confusion.

Suzuki had filed strong evidence which they claimed illustrated the descriptive nature of the letters GTI. They also filed evidence which showed that marks that included the letters GTi as a descriptive element were registered and in common use by numerous different car manufacturers in various European countries, including Germany, during the 1980s and 90s. This was both before and after the dates of the German and other registrations of the mark GTI on which VW had relied in opposition.

Ignoring the technicalities regarding the dates of the 'proof of use' period (which was resolved), and some regarding the validity of the territorial extent of some of the prior rights relied on (some of the territories had only relatively recently joined the EU and hence the Community Trademark system), the OHIM Appeal Board believed the evidence clearly to show that even average consumers were

"unlikely to perceive it (the letter combination GTI) as anything more than it really is, namely a letter combination indicating certain technical characteristics of the car or its engine"
In the Board's view, the letters (representing Gran Turismo injection) were evidently widely used in the vehicle trade and, in the perception of the average European consumer, were endowed only, at the very most, with an extremely low degree of distinctiveness. There was no evidence on file to support any specific circumstances affecting the distinctiveness of the mark in the German or any other national market.

At the levels of both car professional and average consumer, the Board did not believe the initials GTI likely to distinguish Volkswagen cars over those of any other manufacturer. In comparing the marks, although the word 'SWIFT' did have some descriptive characteristic, they took the view that it was also 'fanciful' and dominant so that (distinguishing over THOMSON LIFE) the combination "SWIFT GTi" as applied for by Suzuki was unlikely to cause confusion with GTI alone. The Appeal at OHIM was therefore dismissed.

VW appealed to the General Court, where all aspects of the OHIM Appeal Board decision were reviewed at some length. During the Hearing, Volkswagen additionally claimed (in response to questioning and for the first time) that in relation to vehicles, the German public associated the letters GTI principally or even exclusively with them. They also claimed that no other manufacturers had recently been selling cars bearing the mark GTI in Germany. However, they had not provided any evidence to this effect in the case and it was now too late to admit any. The General Court agreed with all aspects of the OHIM Appeal Board's decision and dismissed VW's Appeal.

Analysis and significance:
The fact that other major car manufacturers such as Peugeot and Citroen had registered and used the initials "GTI" as a descriptive combination with their names before VW applied to register them alone was always going to render the mark prima facie weak and this has proved important to the determination of the case. If, as VW claimed verbally, their use in Germany of the GTI mark by October 2003 really had rendered it de facto distinctive of them, evidence to this effect should have been provided (though such evidence needs great care in its gathering and the time and cost factor may have been a deterrent). It would then have been an interesting (and more difficult) judgment as to whether the distinctiveness acquired thereby would have outweighed the descriptive element, thus rendering greater the likelihood of confusion in Germany. More attempts at enforcement on the part of VW in Germany might also have assisted their cause. As it was there was only one instance of enforcement referred to in evidence and this was brought after the opposition proceedings had started.

It will be interesting to see if Suzuki now go ahead and use the SWIFT GTi mark in Germany, and even more interesting to see if Volkswagen seek to stop them based on their German registration.
Notes:
3. Decision of 27/03/2007 on Opposition No. B762544
5. Case T-115/03, Samar SpA v OHIM - Grotto (GAS STATION)

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