The IP TRANSLATOR case – CJEU decision leads OHIM to change its practice

The long awaited decision of the Court of Justice of the European Union (CJEU) in Case C-307/10 Chartered Institute of Patent Attorneys v Registrar of Trade Marks ("IP TRANSLATOR") has provided guidance on how trade mark owners in the EU are required to specify the goods and services covered by their trade mark applications, and may lead to a reduction of the difference in practice between OHIM (the EU body responsible for registering Community Trade Marks) and various national trade mark registries.

Background

The IP TRANSLATOR case concerned the scope of protection conferred by trade mark registrations which use ‘class headings’ in their specifications of goods and services. According to the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Marks, goods and services are each assigned to one of 34 classes of goods and 11 of services. Each class is designated by its ‘class heading’ which indicates the nature of the goods or services in that class. For example, the class heading for Class 41 is "Education; providing of training; entertainment; sporting and cultural activities". The Nice Classification, in addition to the class headings, also includes an alphabetical list of approximately 12,000 examples of goods and services assigned to the various classes. In some classes, not all of these items may fall within the scope of the class heading (when the words thereof are considered to have their ordinary meaning).

The specification of goods and services is important because it defines the scope of protection; this is relevant to deciding whether a trade mark registration has been infringed, and also the extent to which the trade mark is valid (e.g. whether it is descriptive in relation to certain goods/services, or whether the use of the mark in relation to certain goods/services suffices to maintain its validity after it has been registered for five years or more).

According to the practice of OHIM as published in 2003, if a specification of goods for a trade mark application included the class heading, the resulting registration was deemed to cover all the goods or services included in that class. This practice was also adopted by the national trade mark offices in some EU member states, whilst others (such as the UK IP Office) took the position that any words in a specification of goods had their ordinary meaning, whether or not those words happened to be the same as the class heading. In the context of the EU Directive (2008/95/EC) to approximate the trade mark laws of member states, this divergence of practice was widely felt to be unsustainable, but it nevertheless remained unresolved – that is, until the UK Chartered Institute of Patent Attorneys (CIPA) sought to engineer a referral of the issue to the CJEU.

Facts of the case

In October 2009, CIPA lodged an application at the UK IPO to register the mark IP TRANSLATOR for the class heading of class 41. The Examiner decided to interpret the application in accordance with OHIM practice and it was refused, for the reason that class 41 includes translation services and the mark was therefore descriptive and lacking distinctive character for those services. CIPA appealed to the Appointed Person (an alternative appellate tribunal to the UK High Court for trade mark matters), on the basis that its application did not mention translation services and therefore – in line with UK practice hitherto – did not include those services.
Noting the divergence in practice, the Appointed Person referred the following questions to the CJEU in June 2010:

“1. Is it necessary for the various goods or services covered by a trade mark application to be identified with any, and if so what particular, degree of clarity and precision?

2. Is it permissible to use the general words of the class headings of the [Nice Classification] for the purpose of identifying the various goods or services covered by a trade mark application?

3. Is it necessary or permissible for such use of the general words of the Class Headings of [the Nice Classification] to be interpreted in accordance with Communication No 4/03 ...?”

The Decision of the CJEU

On 19 June 2012 the Court gave its answers as follows:

1. The goods and services for which the protection of a trade mark is sought must be identified by the applicant with sufficient clarity and precision to enable the competent authorities and economic operators, on that basis alone, to determine the extent of the protection conferred by the trade mark.

2. It is permissible to use the wording of the class headings of the Nice Classification to identify the goods and services for which the protection of a trade mark is sought, provided that such identification is sufficiently clear and precise.

3. An applicant who uses all the general indications of a particular class heading must specify whether its application is intended to cover all of the goods or services included in the alphabetical list for that class or only some of them. If the latter, the applicant is required to specify which of the goods or services in that class are intended to be covered.

Comment

At first sight the CJEU's combined answers 1 and 2 appear to duck the main issue by leaving it up to the national trade mark offices to decide whether the words used by an applicant (whether or not they comprise terms in the class heading) are sufficiently clear and precise. The court opined that some of the general indications in the class headings fulfil this requirement whereas others do not, but did not give any examples! In practice, however, the uncertainty may find early resolution by co-operation among the various European trade mark offices. Indeed OHIM, together with the EU National Offices, has declared its intention to work towards adopting a common practice on the acceptability of each of the general indications of the Nice Agreement class headings, and has already convened a meeting with the national trade mark offices to discuss the harmonisation of the classification of goods and services.

In contrast, by its answer 3 the Court has given a clear direction that the use of all the general indications of a class heading must be accompanied by an indication whether the applicant intends to cover all the goods and services in the alphabetical list for that class.
Although the decision formally concerned national trade marks governed by the Directive rather than CTMs (which are governed by a separate EU Regulation), the day after the decision OHIM issued a communication (effective from the following day, 21 June 2012) revising its practice. Henceforth CTM applications which cover the class headings will be considered by OHIM on a case-by-case basis. However, unless the applicant includes an explicit declaration stating that the application is intended to cover all the goods and services in the alphabetical list, OHIM will assume the applicant is applying to protect only the items included in the class heading. In either case OHIM will adopt a literal approach, which seeks to give the terms used their natural and usual meaning.

In future, therefore, some CTM applicants who routinely applied for the class headings will need to exercise greater care in specifying the goods and services for which they seek protection.

In relation to existing CTM Registrations, OHIM will assume that the intention of the applicant, in view of its practice as published in 2003, was to cover all the goods or services included in the alphabetical list of that class in the edition in force at the time when the filing was made. This may be felt to respect the reasonable expectation of applicants at the time of filing, although it does not do so fully because not all the goods or services in the class are deemed covered – only those in the relevant alphabetical list. However, OHIM’s approach does potentially complicate the task of those who assess the availability of marks for use based on the results of clearance searches: such persons will need to have regard to the filing date of any CTM Application found in the search, as well as the alphabetical list in force at that date.

Whilst OHIM has reacted swiftly to the CJEU’s decision to make its position clear, it remains to be seen whether national offices in the EU countries will adopt the same solution as OHIM. Trade mark owners will surely be hoping that they do, otherwise a referral that sought to clarify this aspect of trade mark practice in the EU could result in yet further complexity.

Philip Towler, Partner & Elizabeth Dunn, Trade Mark Attorney