

There exists no fixed threshold determining when a sign has reached enough high profile to achieve protection as a use mark. Rather, this depends on the facts of each case. To that effect, the BGH constantly accepts sufficient recognition in case a non-irrelevant part of the involved audiences perceives the sign as an indication of origin.<sup>764</sup> In general, however, sufficient high profile of signs with average distinctive power can be accepted at a degree of 20-25%.<sup>765</sup> This percentage will have to rise with declining distinctive power of the sign at issue.

A trade mark acquired through use may not be confused with distinctiveness acquired through use. Even though both terms deal with origin of trade mark protection as a result of increased publicity, distinctiveness through use only plays a role in the course of prosecution of trade mark registrations, where missing distinctiveness can be overcome in case the respective sign has acquired a distinctive character over time by means of its use in trade or commerce.

#### 5.7.4 Relation to Brand Value

In analogy to registered trade marks, the value-related factor here is whether the respective sign has accrued trade mark protection as a use mark or as a well-known mark respectively. The effort to determine this will, in general, be considerably higher than with respect to registered marks, as no official trade mark office document proving trade mark protection can be relied upon. Building a trade mark without registration is generally considerably more costly than obtaining a registration, as substantial assets need to be invested into marketing, communication, distribution etc. Such cost, as well as the cost for determining whether the sign in question has developed sufficient high profile, e.g. by means of market research, will have to enter the value computation as value detractors.

Hence, protection as a registered trade mark is usually preferable (even though cost for marketing, distribution etc. also accrue regarding goods and services marked with a registered trade mark). Proprietors tend to only rely on protection outside of the trade mark register in case they have missed to apply for a registration or in case there exists use leading to protection as a

<sup>764</sup> BGH, decision of September 4, 2003 – I ZR 23/01 – *Farbmarkenverletzung I*.

<sup>765</sup> *Ströbele/Hacker*, Markengesetz, § 4 no. 37.

well-known or as a use mark which entails a more favourable priority than a registered mark would do.<sup>766</sup>

## 5.8 Use

### 5.8.1 The Law in General

In Europe, the proprietor has the obligation to use the trade mark in trade or commerce within five years after registration. Additionally, he may not suspend the use of the trade mark at any time during its lifetime for an uninterrupted period of five years or more, unless there are proper reasons for doing so.<sup>767</sup> In case of failure to use the trade mark as described, the mark does not instantly become invalid. However, once the proprietor legally enforces it vis-à-vis others, these persons may hold the lack of use against him.<sup>768</sup> In addition, any natural or legal person may submit an application for revocation to OHIM, Artt. 55(1)(a) and 50(1)(a) CTMR.

Correct use must be “genuine” as opposed to a mere pseudo- or token use. This means that the proprietor is obliged to utilise the trade mark on the market with its product- or service-related functions and not merely in order to maintain the mark.<sup>769</sup>

### 5.8.2 Findings – Relation to Brand Value

Like registration, correct trade mark use is a yes or no issue. Failing use after lapse of the grace period or for any period of more than five years during the lifetime of the trade mark does not automatically render the mark invalid yet jeopardises it. Hence, it must be assessed in a given case whether others have already taken action against the mark. In this context, again, the negative side has stronger adverse effects on brand value than the positive side (correct use) has beneficial ones. Affirmed genuine trade mark use is no more than an enabler for brand value generation.

766 Marx, Deutsches, europäisches und internationales Markenrecht, at no. 385.

767 Art. 15 CTMR.

768 Art. 43(2) CTMR; Art. 56(2) CTMR; Artt. 95(3) and 92(a) and (c) CTMR; Artt. 50(1)(a), 95(1) CTMR.

769 Marx, Deutsches, europäisches und internationales Markenrecht, at no. 1348.