

Nadiya Farah

Harmful Trademarks

Towards a New Understanding of Moral Bars
in GCC Registration



Nomos

MIPLC

Munich
Intellectual
Property
Law Center

Augsburg
München
Washington DC



Universität
Augsburg
University



TECHNISCHE
UNIVERSITÄT
MÜNCHEN

THE GEORGE
WASHINGTON
UNIVERSITY

WASHINGTON, DC

MIPLC Studies

Edited by

Prof. Dr. Christoph Ann, LL.M. (Duke Univ.)
TUM School of Management

Prof. Robert Brauneis
The George Washington University Law School

Prof. Dr. Josef Drexl, LL.M. (Berkeley)
Max Planck Institute for Innovation and Competition

Prof. Dr. Michael Kort
University of Augsburg

Prof. Dr. Thomas M.J. Möllers
University of Augsburg

Prof. Dr. Dres. h.c. Joseph Straus
Max Planck Institute for Innovation and Competition

Volume 36

Nadiya Farah

Harmful Trademarks

Towards a New Understanding of Moral Bars
in GCC Registration



Nomos

MIPLC

Munich
Intellectual
Property
Law Center

Augsburg
München
Washington DC

The Deutsche Nationalbibliothek lists this publication in the Deutsche Nationalbibliografie; detailed bibliographic data are available on the Internet at <http://dnb.d-nb.de>

a.t.: Munich, Master Thesis Munich Intellectual Property Law Center, 2017

ISBN 978-3-8487-5283-6 (Print)
 978-3-8452-9456-8 (ePDF)

British Library Cataloguing-in-Publication Data

A catalogue record for this book is available from the British Library.

ISBN 978-3-8487-5283-6 (Print)
 978-3-8452-9456-8 (ePDF)

Library of Congress Cataloging-in-Publication Data

Farah, Nadiya

Harmful Trademarks

Towards a New Understanding of Moral Bars in GCC Registration

Nadiya Farah

103 pp.

Includes bibliographic references.

ISBN 978-3-8487-5283-6 (Print)
 978-3-8452-9456-8 (ePDF)

1st Edition 2019

© Nomos Verlagsgesellschaft, Baden-Baden, Germany 2019. Printed and bound in Germany.

This work is subject to copyright. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or any information storage or retrieval system, without prior permission in writing from the publishers. Under § 54 of the German Copyright Law where copies are made for other than private use a fee is payable to "Verwertungsgesellschaft Wort", Munich.

No responsibility for loss caused to any individual or organization acting on or refraining from action as a result of the material in this publication can be accepted by Nomos or the author.

Abstract

This thesis examines how Arab Gulf states that have Islamic law as the main source of legislation and large expatriate communities, apply moral bars to trademark registration. It considers whether the particular social and moral norms in these Islamic countries lead to stricter standards being applied at the trademark offices and courts. The main research questions this thesis seeks to explore are: i) to what extent are immoral trademarks proceeding to registration in conservative Islamic countries that apply trademark law in conformity with Sharia, compared with Western jurisdictions, ii) what reasoning and principles are being employed to shape decisions, and iii) can a concept of 'harm' improve our understanding of the latent power of trademarks to normalise behaviour and therefore our understanding of the moral bar thresholds that states set. The thesis is in five parts. Chapter I discusses the main problems with efforts to prohibit trademarks that are contrary to morality or public order. Chapter II presents the theoretical and legal foundations of trademark law. Chapter III explores the foundations of the GCC trademark system and the role of the Shari'a (Islamic religious law). Chapter IV investigates the main reasons why countries apply moral bars to trademark registration and seeks to identify differences in the reasoning between the Gulf and Western jurisdictions. Chapter V illustrates a selection of cases of trademark rejections and interprets them in order to derive insights.

The thesis shows that moral bars operate differently and that trademark law is imbued with cultural norms; this implicitly supports the territoriality principle in intellectual property law.¹ The thesis also shows that a harm-based model offers a useful lens through which to consider the influence of trademarks on society. Further research is needed.

¹ The principle of territoriality provides that IP rights are territorially limited, such that the scope of protection for right owners is the territory of the state granting the right. In considering the granting of the right and its scope, the national granting authority resorts to its own domestic requirements for protection, which are respected as a function of state sovereignty. Accordingly, members of the Madrid system in trademark law can still reject an International Registration under the particularities of their domestic law, such as on morality grounds.

Table of Contents

Acronyms and Abbreviations	9
Introduction	11
1. Background	11
2. Scope and geographical focus	12
3. Legal focus	12
4. Methodology	13
5. Chapter outline	13
I. Challenges of regulating immoral trademarks	15
A. A concept of harm	15
B. Appropriation of trademarks	20
1. Are trademarks property?	22
2. Are trademarks tools of expression?	23
C. The uncertainty of legal certainty	26
II. The legal system for trademarks	32
A. Development of trademark law	32
B. Legal system	35
1. Sources of trademark law	35
a) Paris Convention	35
b) National laws	36
2. Trademark functions	37
3. Registering trademarks	37
C. Moral exclusions	39
1. Legal origins	39
2. Understanding ‘morality’ and ‘public order’	44
3. Tackling the terminology	46

Table of Contents

III. The trademark system of the Gulf Cooperation Council (GCC)	51
A. Legal system, Shari'a law	51
B. GCC IP Treaty Memberships	54
C. Harmonisation	57
D. Boycotts and banned goods	60
1. Boycott ("prohibition to deal") clause	60
2. Banned items: products and services that cannot be trademarked	61
E. Prospects for registrability in the GCC	63
IV. Dominant rationales in applying moral exclusions	68
A. Rationales	68
1. Concern that the public would be offended by the mark	69
2. Direct application of the law	70
3. A deeper concern about the power of a mark to erode the morals of society	72
4. The government should not provide official sanction to offensive marks	73
5. The government should not expend its time or financial resources to support marks that are contrary to the values of society	76
B. The problem of deceptively innocuous marks: trademarks accepted in error	77
V. Moral thresholds – case law	82
A. Harm taxonomy	82
1. Inciting trademarks	85
2. Offensive, Debasing or Erosionary trademarks	85
3. Divisive trademarks	87
B. Case examples – marks refused on morality or public order grounds in the GCC	88
Conclusion	93
Appendix 1 – Survey of GCC law firms	95
List of Works Cited	97

Acronyms and Abbreviations

CJEU	Court of Justice of the European Union
ECHR	European Convention on Human Rights
ECtHR	European Court of Human Rights
EU	European Union
EUIPO	European Union Intellectual Property Office
GCC	Gulf Cooperation Council
IP	Intellectual Property
MA	Madrid Agreement
MENA	Middle East and North Africa
MP	Madrid Protocol
OHIM	Office for Harmonization in the Internal Market
TRIPS	Trade-Related Aspects of Intellectual Property Rights
UAE	United Arab Emirates
UKIPO	United Kingdom IP Office
U.S.	United States
USPTO	United States Patent and Trademark Office
WIPO	World Intellectual Property Organisation

