

availability of colours for the other traders who offer for sale goods or services of the same type” as those with respect to which the mark is claimed.⁶⁶⁵

Correspondingly, inherent distinctiveness of abstract colours and colour combinations *per se* was denied in most of the cases decided recently.⁶⁶⁶ Registrability is, in most cases, only possible in case the sign has acquired distinctiveness through use.⁶⁶⁷

5.2.3.4 Vowel-free Marks

A new development based on traditional word marks, but with a potentially significant impact on the protectability of the signs is worth mentioning: the trend of omitting vowels in words, slogans etc. This trend, originating to a large extent in the fact that many people were and are leaving out vowels to write SMS more quickly, is now widely used in branding and advertising. *Motorola* was one of the first multi-national companies availing itself of this possibility, naming one of its mobile phones ‘SLVR’ (meaning ‘sliver’).

The important implication of this trend is that it can actually help businesses find brand names which are satisfactorily distinctive – a task which becomes increasingly difficult nowadays since numbers of trade mark registrations and brands soar. In the case of *Flickr*, the popular online picture sharing service, it even enabled the business to go online at all: the service was planned to be called ‘Flicker’, but that domain name had already been registered.⁶⁶⁸

5.2.3.5 Value Implications

Concrete distinctiveness, both inherent and acquired, is a central characteristic to each trade mark, accounting for its ability to perform its main function – to act as a source identifier. Thereby, together with all other elements of a brand, it provides for risk reduction on both proprietors’ and consumers’

⁶⁶⁵ ECJ, above fn. 636 – *Libertel*, para.s 52-56; fn. 661 – *Heidelberger Bauchemie*, para. 41.

⁶⁶⁶ Cf. e.g. BPatG, judgment of 26 January 2005, Case 32 W (pat) 353/03 – *Yellow Pantone 123 U; Ströbele/Hacker*, § 8 at no.s 157 et seq.

⁶⁶⁷ ECJ, *supra* fn. 636 – *Libertel*, para. 67. For instance, the BPatG denied inherent distinctiveness of the colour ‘BROWN Pantone Nr. 4625U’ for a parcel delivery service yet accepted acquired distinctiveness on the basis of a demoscopic report showing a degree of attribution of the sign to the proprietor by 71.9% of the relevant public, cf. BPatG, judgment of 14 February 2007, Case 26 W (pat) 15/00.

⁶⁶⁸ *Abelson*, Merchants X out A, E, I, O and U.

sides⁶⁶⁹ and enables commercial exchange to take place, which secures revenue streams. Distinctiveness of a trade mark is therefore not merely an important point of scrutiny in the legal dimension because it is part of the system turning a theoretically free sign into legally secured property, but also due to the fact that it is strongly linked to the value building potential of the respective brand.

As this link between distinctiveness of the sign and value of the corresponding brand is purely qualitative and dependent on the situation, it cannot exist as a fixed statistical or mathematical relation. Rather, statements in this regard must be made on a case by case basis.

Two general rules can be laid down at this point. Firstly, a lack of abstract and concrete (inherent and acquired) distinctiveness means failing trade mark protection, which entails considerable negative consequences for the marketability of the respective product or service and therefore for the value of the brand, particularly at early stages.⁶⁷⁰ Hence, missing distinctiveness is a clear value detractor.

Secondly, in case distinctiveness is affirmed, it can be located on a qualitative scale anywhere between ‘barely distinctive’ and ‘highly distinctive’. It is not merely a ‘yes or no’ issue. As mentioned above,⁶⁷¹ a highly distinctive mark has a stronger scope of protection than a mark at the bottom end of the scale – an important factor in case the trade mark has to be defended vis-à-vis others. However, strong marks always bear the risk of becoming generic in that, due to their frequent use, their source identification function gradually disappears and is being replaced by a generic usage.⁶⁷²

It follows that the issue of concrete distinctiveness should best be evaluated in the course of the SIM by setting out from the question whether the respective mark shows an average degree of distinctiveness. To this average degree the average point score should be assigned. Deviations to the top or bottom of the distinctiveness scale could for example be indicated by either an originally high or low degree of distinctiveness, by frequent or infrequent use of the sign in the relevant market or by a strong or weak visual impression the sign leaves

669 See above at 2.1.2.2.3 for more detail.

670 See above at 5.1.

671 At 5.2.3.1.

672 ÖOGH GRUR Int. 2003, 358 – *Sony Walkman II*. This is why a trade mark surveillance strategy is important, cf. below at 5.12.

in the minds of the audience respectively.⁶⁷³ Failing distinctiveness does not necessarily mean a zero point score, as this score is reserved for deal breakers and a mature brand may well be able to survive without underlying trade mark protection.

In this context it shall be briefly mentioned that the degree of distinctiveness is not an end in itself. The more a mark tends to be descriptive, the easier it is for the audience to associate it with the respective goods or services due to the content-related link, i.e. the less marketing effort is necessary. Hence, the proprietor's interests of achieving a high degree of distinctiveness and thereby a strong legal scope of protection of the trade mark and of not spending too much on the marketing budget need to be balanced. The decision-making process depends on many factors such as the respective market segment and is a strategic one ideally co-performed by legal and marketing professionals.

5.2.4 Non-Descriptiveness

From a trade mark proprietor's point of view, a mark which describes his goods or services is often deemed to be the most attractive one, e.g. 'Supacote' for paint.⁶⁷⁴ However, from a legal perspective, such a sign may be rendered descriptive and therefore lack legal protection. It is seen as inept to perform the main function of a trade mark, i.e. to identify the commercial source of the respective good or service.⁶⁷⁵ The signs which entail the strongest legal protection are those which are invented or fanciful, like 'KODAK' or 'XEROX'.

5.2.4.1 The Law in General

On the European level, descriptiveness is dealt with by Art. 7(1)(c) CTMR. This provision excludes from trade mark protection all those signs which can, in ordinary linguistic use and according to the relevant consumers' view, describe the respective goods or services, either directly or by allusion to one of their intrinsic characteristics.⁶⁷⁶ If this is the case, the interest of others

⁶⁷³ Trade marks frequently utilised and known in the market have a high degree of distinctiveness, cf. ECJ, above fn. 125 – *Canon*, at no. 18.

⁶⁷⁴ *Murphy*, Brand Strategy, p. 130.

⁶⁷⁵ Above at 2.1.2.1.3. CFI, judgment of 27 February 2002, Case T-219/00, [2002] ECR II-753, *Ellos AB v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) – ELLOS*, para. 28.