SUMMARY OF CONCLUSIONS

of: 42nd meeting of the Working Party on Intellectual Property (Trade Mark)
on: 23 and 24 September 1986

Subject: - Amended proposal for a first harmonizing Directive
  = Article 8 to 19
  = amended proposal for a Regulation on the Community trade mark
  = Articles 6 and 7
- further proceedings


A. Amended proposal for a Directive

2. The Working Party concentrated on both days on Articles 8 to 19 of the amended Commission proposal for a first Council Directive to approximate the laws of the Member States relating to trade marks (4090/86 PI 4) thus concluding the first reading of the amended proposal for a Directive.
Several delegations were, moreover, anxious that the text be given a second reading in due course; this was all the more necessary, in their view, since in many places the proposed Directive had to be aligned on the latest version (the "consolidated" text) of the proposal for a Regulation on the Community trade mark (4788/86 PI 13).

The Secretariat was asked to set out in a single document the result of the proceedings at both the 42nd meeting and the 41st meeting on 17 and 18 July 1986 (1) taking account - where appropriate - of the most recent version of the proposal for a Regulation on the Community trade mark. This consolidated version of the proposal for a Directive is set out in 9377/86 PI 57.

B. Amended proposal for a Regulation

3. The Working Party also discussed a German delegation proposal for reformulating Articles 6 and 7 of the amended proposal for a Regulation (2), as well as a proposal from the Danish delegation regarding Article 6(2)(a) (3).

4. With regard to Article 6 of the proposed Regulation, the Working Party accepted the German delegation's proposal for a simpler version of this provision without any substantive change to the text. The resulting new version of Article 6 is set out in Annex I.

(1) 8653/86 PI 49.
(2) 4788/86 PI 13, Annexes I and II.
(3) 8080/86 PI 44.
5. The Working Party also discussed the aforementioned Danish
delegation proposal which is aimed at providing that shapes of goods
(which normally cannot be registered as trade marks) (formerly
paragraph 2(a), now paragraph 1(e)) may exceptionally be registered
if they have become distinctive.

Since no delegation supported this proposal, the Danish
delegation withdrew it.

6. In its place the Danish delegation suggested that, for reasons
of clarity, paragraph 2(a) (now paragraph 1(e)) be worded more
restrictively. It accordingly submitted an alternative proposal (4)
which is set out in Annex II.

The Working Party said it would examine the proposed alternative
at one of its next meetings.

7. During discussion of Article 6, the Portuguese delegation said
it agreed with those delegations which felt that the existence of
an identical national or Community trade mark should be an absolute
and not a relative ground for refusal of registration. It therefore
asked to be cited accordingly in the relevant footnote to
Article 6 (5).

8. On Article 7 of the proposal for a Regulation, the Working
Party briefly discussed the German delegation's proposal of
October 1984 (6).

(5) The footnote has been amended accordingly; see Annex I,
footnote 1.
(6) 4788/86, Annex II.
Seeing that the German delegation's suggestion no longer corresponded to the latest version of Article 7, that delegation stated its readiness to redraft its suggestion in accordance with the consolidated version of the proposal for a Regulation.

The Working Party reserved the right to examine the suggestion in question at one of its future meetings.

C. Further proceedings

9. With a view to concluding proceedings on the Commission proposals to date regarding trade marks (Regulation, implementing Regulation and Directive) as soon as possible, the Chairman suggested that an accelerated procedure be used for the examination of the implementing Regulation (4677/86 PI 11); delegations should accordingly submit any comments on the Commission proposal in writing to the Secretariat by 16 January 1987. Discussion would concentrate on these comments.

The delegations could go along with this procedural suggestion provided that other questions were not excluded from the discussions.
10. Delegations were reminded that they had been asked to supply details with a view to establishing whether Articles 1, 2 and 8 of the proposal for a Directive should be supplemented (see 8653/86 PI 49, p. 7, footnote 1 and p. 11, footnote 7). They were given an extension until 31 October 1986.

11. The representative of the Legal Service reported to the Working Party on progress with the consultation of the European Court of Justice on a number of the provisions of the proposed Regulation ('). Following a first meeting of the Court of Justice sitting as an administrative organ in July 1986, that body set up a committee which is expected to report back before the end of 1986.

() see 7868/86 of 10 July 1985.
The presentation of the legal defense regarding the

motion to strike no longer applies. The opposition to the

complaint is based on a desire to make the allegations in the

complaint irrelevant. The following is a letter requiring the

compliance with an order to modify the preliminary

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New version of Article 6

Article 6

Absolute grounds for refusal

(1) The following shall not be registered: (1)

(a) signs which do not conform to the requirements of Article 3,

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, (2) in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service,

(d) trade marks which consist exclusively of signs or indications which have become customary to designate the goods or service in the current language or in the bona fide and established practices of the trade,

(e) the shape of goods which results from the nature of the goods themselves, or which has a significant (3) technical consequence, or which affects the intrinsic value of the goods, (4)

(1) Six delegations (DK, GR, IRL, IT, PO and UK) asked for the inclusion in Article 6(1) of a provision to the effect that, in addition, a trade mark would not be registered if an identical registered national or Community trade mark already existed, which would mean the relative ground for refusal at present contained in Article 7, paragraph 1, would become an absolute ground for refusal. Five delegations (BE, DT, FR, LUX and NL) opposed this request on the ground that the existence of a trade mark should remain a relative ground for refusal as proposed by the Commission.

(2) Reservation by the German delegation which wants instead of the expression "may serve" used in Article 6 quinquies 8.2 Paris Convention the expression "are requisite or may be requisite".

(3) Reservation pending examination by the German and Netherlands delegations of the word "significant".

(4) The Danish delegation proposed on 24/9/86 two alternative wordings for subparagraph (e) (see Working Document No. 6 of 25/9/86).
(f) trade marks which are contrary to public policy or to accepted principles of morality,

(g) trade marks which are of such a nature as to deceive the public, (5) for instance as to the nature, quality or geographical origin of the goods or service,

(h) trade marks which have not been authorized by the competent authorities and are to be refused pursuant to Article 6 ter of the Paris Convention, (6)

(i) trade marks which include badges, emblems or escutcheons /specified in the Implementing Regulation/ other than those covered by Article 6 ter of the Paris Convention and which are of particular public interest, unless the consent of the appropriate authorities to their registration has been given.

(2) Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community.

(3) Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.

(5) The Danish delegation asked that the term "public concerned" be used wherever there is reference to the deceptive nature of a trade mark.

(6) The Working Party wishes to deal, in the Implementing Regulation, with the eventuality of one or several, but not all Member States refusing to register a trade mark in accordance with Article 6 ter of the Paris Convention.
22 September 1986

DANISH PROPOSAL ON ARTICL£ 6 (2) (a)
OF THE PROPOSED REGULATION

In a note of 1 July 1986 (doc. 8080/86) the Danish delegation proposed amendments to Article 6, amendments which influence the scope of Article 6 (2) (a).

In case the Danish proposal of 1 July 1986 is not sufficiently supported by the other delegations, the Danish delegation requests the Working Group to decide on the following proposals:

Primary proposal

The first part of Article 6 (2) is formulated as follows:

(2) In addition, the following shall not be registered:

a) a shape if the technical functions of the goods can be obtained by means of that shape only;

Comments:

The primary proposal does not mention the terms "the nature of the goods themselves" and "intrinsic value" simply because these terms have not been defined or explained by means of examples.

Apart from that, the primary proposal is formulated in such a way that it does not totally exclude the registration of a shape which has a (significant) technical consequence. The registration of the shape is not excluded if the technical consequence can be obtained by means of other shapes. An example:

The shape of a Toblerone bar of chocolate has the technical consequence that the bar is easy to break. This technical function, however, can be obtained by means of many other shapes. In cases like that, the only reason for competitors to use exactly that shape seems to be the lucrative possibilities of being a parasite on the goodwill connected with the familiar shape.

The trade mark registration of a shape which has a technical consequence does not put unreasonable restraint on industry if the technical consequences can be obtained by means of other shapes.

.../...
In this connection one must bear in mind that already Article 3 of the proposed regulation limits the possibility to register a shape as a Community trade mark - and rightly so.

Secondary proposal

The first part of Article 6 (2) is formulated as follows:

(2) In addition, the following shall not be registered:

a) a shape if the nature of the goods themselves or their technical functions or their intrinsic value can be obtained by means of that shape only;

Comments:

This proposal is made on the condition that the terms "the nature of the goods themselves" and "intrinsic value" are defined or explained to the Working Group and in the recitals of the regulation. Furthermore on the condition that after the explanation the result seems to be acceptable.

Apart from that, the secondary proposal has been formulated in the same way as the primary proposal and for the same reasons mentioned above.
DANISH PROPOSAL ON ARTICLE 2 (2) (a) OF THE PROPOSED DIRECTIVE

Today the Danish delegation has presented a note on Article 6 (2) (a) of the regulation.

As it is important that the regulation and the directive contain identical provisions as far as possible, Article 2 (2) (a) of the directive should be amended along the same lines as the regulation.

Consequently, the Danish delegation makes the following proposals:

Primary proposal

The first part of Article 2 (2) of the directive is formulated as follows:

(2) Trade marks shall also not be registered or shall be invalidated if, on the date of application therefor,

   a) they consist of a shape if the technical functions of the goods can be obtained by means of that shape only; this provision is relevant to the extent that, in the Member State concerned, a shape may constitute a trade mark;

Secondary proposal

The first part of Article 2 (2) is formulated as follows:

(2) Trade marks shall also not be registered or shall be invalidated if, on the date of application therefor,

   a) they consist of a shape if the nature of the goods themselves or their technical functions or their intrinsic value can be obtained by means of that shape only; this provision is relevant to the extent that, in the Member State concerned, a shape may constitute a trade mark;

Comments:

The reasons for the proposals are explained in the note on Article 6 (2) (a) of the regulation.

9400/86 (ANNEX II)