

Wrocław, 26.05. 2023

mgr Martyna Mielniczuk-Skibicka
Research Centre for Legal and Economic
Issues of Electronic Communication
Faculty of Law, Administration and
Economics
University of Wrocław

ABSTRACT OF THE DOCTORAL DISSERTATION

„SHAPE WHICH GIVES SUBSTANTIAL VALUE TO THE GOODS AS AN ABSOLUTE GROUND FOR REFUSAL OF TRADE MARK REGISTRATION”

The dissertation entitled "Shape which gives substantial value to the goods as an absolute ground for refusal of trade mark registration" focuses on the absolute ground for refusal of trade mark registration set out in Article 4(1)(e)(iii) of Directive 2015/2436 and, in relation to EU trade marks, in Article 7(1)(e)(iii) of Regulation 2017/1001. According to this provision, signs that consist exclusively of a shape or other characteristic which gives substantial value to the goods shall not be registered. If they are registered, they may be declared invalid on the same grounds. The above-mentioned absolute ground for refusal, referred to in this thesis as the "substantial value ground", like the other two functional grounds contained in Article 4(1)(e) of Directive 2015/2436 and Article 7(1)(e) of Regulation 2017/1001, cannot be overcome by proving that the sign has acquired distinctive character through use.

The aim of the dissertation is to examine the justification and the scope of application of the substantial value ground for refusal or invalidity of trade mark registration, as well as the criteria for test of this ground for refusal. Moreover, in this dissertation I analyse if the substantial value ground should constitute an independent ground for refusal of registration or invalidity in the EU trade mark protection system, and formulate *de lege ferenda* postulates in this regard.

In this thesis it is argued that the substantial value ground set out in Article 4(1)(e)(iii) of Directive 2015/2436 and, in relation to EU trade marks, in Article 7(1)(e)(iii) of Regulation 2017/1001 should be removed from the catalogue of absolute grounds for refusal of trade mark

registration. In that case, its pro-competitive role could effectively be fulfilled by the ground of lack of distinctive character indicated in Article 4(1)(b) of Directive 2015/2436 and, in relation to EU trade marks, in Article 7(1)(b) of Regulation 2017/1001, taking into account the possibility of its acquisition through use of the sign in the course of trade (acquired distinctiveness). If, on the other hand, the substantial value ground were to remain an absolute ground for refusal of trade mark registration unchanged - its application should reflect a pro-competitive ratio legis by taking into account the perception of the relevant public and a test of alternative forms or characteristics of the goods as the criteria for assessing a sign against this ground.

The dissertation consists of six chapters. Chapter I serves as an introduction to further considerations and is devoted to the regulation of the protection of the shape of goods as a trade mark in European trademark law systems. The analysis of the subject of the dissertation began by outlining the specificity of the trade mark as an intangible good, taking into account the evolution of the role it plays in the modern world, and presenting the justification for its protection. Subsequently, the EU-harmonised definition of a trade mark was examined in terms of signs consisting of the shape of goods, taking into account the changes introduced by the 2015 reform. The need to protect the shapes of goods as trade marks is also justified and the doubts that this protection raises, related to the overlap of intellectual property rights and the negative impact on competition, are described. The absolute grounds for refusal of trade mark registration that are key to preventing the identified risks, i.e. grounds related to lack of distinctiveness and functional grounds for refusal, are presented. The chapter concludes by presenting the key issues related to the three functional grounds.

Chapter II is devoted to another preliminary issue for the problem considered in this thesis and concerns the cumulative protection of visually attractive shapes of goods, which are assumed to be subject to the substantial value grounds. In this chapter I first analyse the prerequisites of the protection of the shape of a good as an industrial design and as a work. I also take into account the provisions of the delimiting institutions contained in industrial design law and copyright law, similar to the functional exclusions in trade mark law. Next, I focus on the phenomenon of simultaneous and sequential overlap of other intellectual property rights with trade mark rights related to signs consisting exclusively of a shape which gives substantial value to the goods.

Chapter III contains an analysis of the justification of the substantial value ground as an absolute ground for refusal of trade mark registration in the EU trade mark protection regime and its evolution. The chapter first examines whether the justification of this ground for refusal by the need to separate the trade mark law regime from design law and copyright law stands the test of time. Subsequently, Chapter III focuses on the second justification for the substantial value grounds, which is the protection of competition against the monopolisation of an attractive product shape. The ratio legis thus formulated is examined against the background of the CJEU case law and then confronted with market realities on the one hand and doctrinal views on the other. The analysis of the justification of the obstacle examined in Chapter III allows to conclude this chapter by presenting my own position, preceded by an analysis of the doctrinal views.

Chapter IV of the dissertation focuses on a test of the substantial value ground, taking into account its ratio legis. The discussion in this chapter begins with an analysis of the scope of application of the substantial value ground, that is, the definition of the shape or other characteristic of the goods within the meaning of Article 4(1)(e) of Directive 2015/2436 and Article 7(1)(e) of Regulation 2017/1001. This is followed by an outline of the stages of the functional grounds test common to the three of them. The final subsection examines what it should mean that the shape or other characteristic “gives substantial value to the goods”. The analysis is based on the evolution of the interpretation of this ground in practice, with particular reference to the preliminary rulings of the Court of Justice. Consideration is then focused on two key aspects for the interpretation of this obstacle. The first is the separation of circumstances external to the product affecting its value from the intrinsic value of the good itself. The second is the threshold beyond which the shape of the product should increase the intrinsic value of the good in order to fall within the scope of the obstacle of a substantial increase in the value of the good.

The above-mentioned interpretation of the concept of a shape giving “substantial value to the goods” makes it possible to consider in Chapter V which criteria should determine the need to refuse registration of a sign or to invalidate it on the basis of an absolute ground for refusal as referred to in Article 4(1)(e)(iii) of Directive 2015/2436 and Article 7(1)(e)(iii) of Regulation 2017/1001. To this end, the criteria for assessing the substantial value suggested in the CJEU case law are first examined. Since the elements of assessment of this ground suggested by the Court were considered to be inadequate for the purpose of the substantial value

ground and its interpretation, two criteria that should determine the application of this obstacle are then presented and analysed. Firstly, it focuses on the criterion of the perception of the sign under examination by the relevant public as being crucial for the assessment of the trade mark in terms of the substantial value ground. Subsequently, the second proposed criterion, the alternative shapes test, is analysed.

In chapter VI I examine the non-distinctiveness ground for refusal referred to in Article 4(1)(b) of Directive 2015/2436 and Article 7(1)(b) of Regulation 2017/1001 to determine whether it can fulfil the role envisaged for the substantial value ground in the catalogue of absolute grounds for refusal of trade mark registration. The role of the examination of the acquired distinctiveness of a trade mark consisting of a visually attractive shape of a good is also analysed. In order to confirm that by examining the inherent and acquired distinctiveness of the shape of the goods, the objectives envisaged for the substantial value ground can be effectively achieved, the relationship between their assessment in the past practice of the CJEU and the EUIPO is also analysed. The considerations in the last chapter are completed by an outline of the problems of the scope of protection of a trade mark consisting solely of the attractive shape of the goods. It analyses at what stages of the examination of trade mark infringement it is possible to take into account the interests of competitors in access to those elements of the attractive form of the product, the monopolisation of which would result in a distortion of competition on the market.

The dissertation closes with final conclusions, containing an optimal model for interpreting the substantial value ground and postulates *de lege ferenda*.

The considerations presented in the thesis take into account that the high degree of harmonisation of trade mark law in the EU Member States results, *inter alia*, in an identical catalogue of absolute grounds for refusal of registration in the key area of the subject matter of this thesis. The EU trademark protection system is based, on the one hand, on national trade mark registrations under the provisions implementing Directive 2015/2436, and on the other hand on EU trade mark registrations on the basis of Regulation 2017/1001, which contains a catalogue of the aforementioned absolute grounds for refusal of registration or invalidity analogous to Directive 2015/2436.

For the above reasons, this thesis is focused around the EU provisions of Regulation 2017/1001 and Directive 2015/2436. The research is based on the preliminary rulings of the

Court of Justice regarding the interpretation of this ground for refusal, as well as on the CJEU jurisprudence and EUIPO decisions. Moreover, case law from authorities and courts in proceedings for granting or invalidating trade mark protection, as well as case law from courts in trade mark infringement proceedings adjudicating counterclaims for trade mark invalidity, from selected EU Member States has been taken into account. In particular, the case law of Italy, France, Germany, the Benelux countries and the United Kingdom as a former member of the EU, which has also implemented successive directives harmonising trade mark law, has been taken into account.

Despite the fact that the title of this dissertation refers only to a “shape which gives substantial value to the goods” and most of the considerations focus on trade marks consisting exclusively of the shape of the goods, the analysis of the substantial value ground applies equally to its application to signs consisting of the shape as well as other characteristics of the goods, as well as the packaging of amorphous products, equated in the CJEU case-law with the shape of the goods. Intentionally, the thesis focuses on signs consisting of shape. In practice, the substantial value ground will continue to apply primarily to product shapes. Moreover, the title of this thesis is in line with the literature relating to functional obstacles which is focused on shape marks.

The scientific problem addressed in this dissertation has not yet been the subject of a comprehensive monographic study in the Polish or foreign legal literature.

The dissertation takes into account the legal status as of 04.05.2023.

Martyna Mielniczuk-Stibińska