

Kit Kat decision sets high bar for proving acquired distinctiveness of shape marks
European Union - Cooley LLP

**Examination/opposition
Registration
Non-traditional marks**

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In *Mondelez UK Holdings & Services Ltd v European Union Intellectual Property Office* (EUIPO) (Case T-112/13, December 15 2016), the General Court has ruled that the EUIPO must re-examine whether Nestlé's three-dimensional trademark for the shape of its four-fingered Kit Kat chocolate-covered biscuit bar had acquired distinctiveness in all EU member states in respect of all the goods covered by the trademark.

Nestlé filed an application to protect as a three-dimensional trademark the shape of its four-fingered Kit Kat chocolate-covered biscuit bar. The mark was registered for sweets, bakery products, pastries, biscuits, cakes and waffles in 2006.

In 2007 Cadbury (now part of Mondelez) applied for a declaration of invalidity in respect of all the goods covered by the trademark.

The mark was initially declared invalid by the EUIPO in 2011 but this [decision was annulled by the Board of Appeal](#) in 2012. The Board of Appeal held, amongst other things, that the results of surveys conducted in 10 EU member states (Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden and the United Kingdom), whose combined population represented almost 90% of the total population of the European Union, were sufficient for a finding that the mark had acquired distinctiveness throughout the European Union in respect of all the goods covered by the trademark.

Mondelez appealed to the General Court, arguing, among other things, that the mark was not used for all the goods in respect of which it was registered and had not acquired distinctive character throughout the European Union.

The General Court ruled in favour of Mondelez on both of these issues.

On the issue of whether the mark had acquired distinctive character throughout the European Union, the General Court held that, when a mark is held to not have inherent distinctive character throughout the European Union (as was the case here), it is necessary for the applicant to show that distinctive character had been acquired through use in all of the EU member states. As a result, the Board of Appeal had erred in law in concluding that the mark had acquired distinctive character through use in 10 EU member states, even though the combined population of those member states represented almost 90% of the population of the European Union, without analysing the evidence and coming to a conclusion in respect of the perception of the mark in the other EU member states.

On the issue of whether the mark had been used for all the goods in respect of which it was registered, the General Court held that, within the category of confectionery products, there are sub-categories capable of being viewed independently, including those for which the applicant had claimed use of the mark, namely sweets, bakery products, pastries, biscuits, cakes and waffles. The Board of Appeal had erred in law when it considered that evidence that showed use of the mark for a product that could reasonably be classified as a sweet or a biscuit was sufficient to conclude that the mark had been used for the other categories of goods, namely bakery products, pastries, cakes and waffles.

The General Court therefore annulled the decision of the Board of Appeal and ruled that the EUIPO must re-examine whether the mark had acquired distinctiveness in all EU member states in respect of all the goods covered by the trademark.

The General Court's ruling that the applicant for a mark that does not have inherent distinctive character throughout the European Union must show that distinctive character had been acquired through use in all of the EU member states will not be welcomed by applicants for three-dimensional 'shape' marks.

An applicant for such a mark faces the prospect of incurring significant costs in compiling evidence that its mark has acquired distinctiveness through use in all 28 EU member states only to have the application refused if the evidence is not considered sufficient in just one EU member state. This would be the case even if the member state in question is one of the smaller member states (there are eight EU member states that each account for less than 1% of the total EU population).

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