

Expanding Range of Trademarks – A Comparative Study

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I. INTRODUCTION

Although the most traditional arrangement of a trademark is a two-dimensional word mark, if a trademark consists of a word that is not a coined word, the meaning or connotation of the mark is often associated with the culture of the relevant country. Therefore, when a company seeks a new mark in advance of the launch of a worldwide business, a preliminary search is conducted in order to select the most suitable mark by taking into consideration the cultural background of each target country.

In addition to traditional trademarks, non-traditional trademarks such as three-dimensional trademarks, olfactory marks, color marks, sound marks or even movable trademarks have proliferated recently especially in e-commerce on the Internet. In fact, when we access the home page of a company, we can see a well-known trademark arranged in the three-dimensional way, rotating, shrinking and expanding, twinkling, etc. With such visual effects, the owner of the home page tries to catch the audience's eyes instantly.

In e-commerce, the use of color to identify or "tag" products, packaging or advertising for consumer reference may perhaps make the strongest impression since marks that consist of a single color can have a practical advantage in today's global economy due to the ability of color to overcome the language or cultural barriers faced by more traditional word marks. However, actually, not many countries have accepted marks consisting of a single color.

If irregular or non-traditional trademarks have the same functions of indicating the origin of goods or services, guaranteeing quality and advertising as the more traditional trademarks do, why can they not receive the same treatment and recognition? Are the traditional requirements for registration enough or are additional ones needed?

Under Japanese Trademark Law, three-dimensional trademarks as well as traditional two-dimensional trademarks are accepted since the revision of the Trademark Law, which took place in 1997. Some countries are more advanced and have accepted non-traditional trademark of other kinds.

This paper is intended to provide a brief overview of the current situation in protection for non-traditional trademarks in the U.K., in the EU and U.S.A. as well as a review of the latest trend in Japan.

II. COMPARATIVE STUDY

1. *Examples in the U.K.*

a) *The Concept of a Trade Mark*

Under the Trade Marks Act in the U.K., a trademark is defined in the following way:

“any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings”.¹

The definition is very broad and a mark may be words, personal names, designs, letters, numerals or the shape of goods or their packaging on condition that it is capable of distinguishing one's goods and services from those of others. Also, a mark must fulfil the requirement of graphical representation.

b) *How non-traditional trademarks are protected*

In the U.K., irregular trademarks such as smell marks and color marks have already been accepted as miscellaneous type marks. Please refer to the following examples:

(1) Trade Mark:

The mark comprises the strong smell of bitter beer applied to flights for darts.

(Class 28) Registration No. 2000234

(2) Trade Mark

The trade mark is a floral fragrance/smell reminiscent of roses as applied to tyres.

(Class 12) Registration No. 2001416

(3) Trade Mark

The scent of aldehydic-floral fragrance product, with an aldehydic top note, from aldehydes, bergamot, lemon and neroli; an elegant floral middle note, from jasmin, rose, lily of the valley, orris and ylang-ylang; and a sensual feminine base note, from sandal, cedar, vanilla, amber, civet and musk. The scent also being known by the written brand name No. 5. (Class 3)

1 1994 Trade Marks Act, Section 1 (1).

Fragrance preparations for application to the skin, scalp, hair or nails; soaps; perfumes; eaux de cologne; toilet waters.

Application No. 2000786

(4) Trade Mark

The smell of rotten eggs, decaying fish and meat, and sour milk. (Class 5)

Preparations for attracting and destroying insects.

Application No. 2121334

Among the above examples, Trade Marks (1) and (2) have been registered, while (3) and (4) have been rejected by the Registry.

Although each description is rather simple, smells are represented graphically in examples (1) and (2), and the smell does not relate to the nature of the goods themselves. The U.K. Registrar does not allow the applicant to submit a sample of the smell and it is normally difficult to provide a satisfactory description of the smell to fulfil the requirement of graphical representation.

On the other hand, in example (3), the applicant seems to have given chemical constituents of the smell to try, in vain, to represent the smell graphically. In the rejected examples, the smell relates to the nature of the goods, thus they have been rejected as being indistinctive as a trademark.

A similar situation is seen in the color mark examples of which are shown below:

(5) Trade Mark

The mark consists of the colour purple, as shown on the form of application, applied to the whole visible surface, or being the predominant colour applied to the whole visible surface, of the packaging of the goods (Class 30)

Registration No. 2020876

(6) Trade Mark

The mark consists of the colour green as represented by Pantone PMS No. 354

(Class 1) Electricity

(Class 39) Distribution of electricity within North Yorkshire and South Yorkshire, Humberside, Derbyshire, Nottinghamshire, Lincolnshire and Lancashire.

Application No. 2140194

When compared to smell marks, the requirement for graphic representation for color marks seems to be much more easily met, because the color can be defined on the application form by means of the appropriate Pantone number.

The Registry requires a very precise specification of the color, and will not normally allow a single entity to monopolize a color alone as a trademark by way of registration. Such applications are only successful upon presentation of an overwhelming amount of evidence showing beyond a doubt that color has acquired distinctiveness in relation to the goods in question for the applicant concerned. Further, the applicant has to narrow the specification of goods and services as much as possible.

In the U.K., the definition of a trademark thus seems to be broad enough to embrace non-traditional trademarks other than those consisting of words and devices. However, we must pay attention whether non-traditional trademarks can be represented graphically and the non-traditional trademarks are inherently distinctive when used in relation to the specification of goods and services or have become distinguishable as a trademark through extensive use. In conclusion, non-traditional trademarks may be protected by the law on condition that they satisfy the above requirements.

2. *Examples in the Community Trade Mark*

a) *The Concept of a Trade Mark*

The Community Trade Mark System (CTM) came into effect on April 1, 1996. The system promises a unity of right that covers all the member states (15 at the present time). The system is being used by increasing numbers of applicants from all over the world and according to the statistics, more than 140,000 applications were filed and 60,000 registrations came into effect by the end of 1999.

There are eleven official languages, and some of the member states have an examination system while others do not. The examination standard regarding the distinctiveness of a mark varies from state to state. Generally speaking, the examination standards are relatively lax because the principal object of the CTM system is to encourage applications, not to prevent them under the multi-cultural and multi-lingual circumstances.

Under the CTM system, as is the case in the U.K., a trademark is defined in a broad way:

“any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.”²

The Board of Directors that adopted the Community Trade Mark System gave a trademark which functions to indicate the origin and to guarantee the quality a broad range, and implied that it will accept not only word marks and device marks but also three-dimensional marks, color marks and smell marks if they are distinctive enough.³

2 The Law Relating to Trade Marks, Section 1, Definition of a Community Trade Mark: Obtaining a Community Trade Mark (Article 4).

3 JAPAN INTELLECTUAL PROPERTY ASSOCIATION, *Kyôdô-tai shôhyô-hô Q&A* [Community Trade Mark Q & A] (1995) 12.

b) *How non-traditional trademarks are protected*

The following smell mark has been accepted in relation to tennis balls by the Community Registrar:

Trade Mark:

The smell of fresh cut grass (Class 28)

CTM Registration No. 428870

Although simple, the smell is represented graphically and does not relate to the nature of the designated goods, thus it has been admitted.

There is another example of the color trade mark "Pink" since the color was regarded "strange" when used in relation to the goods "insulators". According to the examination standards, when a trademark consists of a single color, it may not be accepted except when the mark has acquired distinctiveness through long and extensive use.⁴

According to the examination standards, when a three-dimensional trademark consists exclusively of the shape commonly used or the packaging commonly adopted, such application will be rejected by Article 7 (1) b and 7 (1) e. However, a three-dimensional trademark may be accepted on the basis of acquired distinctiveness. The acceptance of three-dimensional trademarks on this basis influenced Japanese Trademark Law. We will return to this later.

As examples of other non-traditional trademarks, sound marks will be accepted when they are graphically represented in musical notation.⁵ Graphic representation can be given by sheet music with the indication of speed. On the one hand, only one or two notes will be too short to be distinctive and, on the other, a sound mark that is too long will not be distinctive, either.⁶ Theoretically, tastes, gestures and concepts can also be non-traditional trademarks, but they are generally considered to be objectionable on the basis that they are not graphically represented.⁷

In comparison with some countries that have a substantial examination system, the Community Registrar is, generally speaking, more relaxed about the acceptability of word marks. For example, even a slogan may be accepted if it is considered to have a minimum of distinctiveness. Even when the applicant tries to obtain registration for non-traditional trademarks under the CTM system, one must satisfy the requirements of graphic representation and existence of inherent registrability or acquired distinctiveness.

4 OHIM, Principles Relating to Evaluation of Distinctiveness, General Practices and Examples 4.

5 *Ibid.*

6 *Ibid.*

7 *Ibid.*

3. *Examples in the U.S.A.*

a) *The Concept of Trademark*

Unlike Japan and many other countries, a trademark right arises from use and not from registration in the U.S.A. The trademark law stems from the common law doctrine prohibiting unfair competition and defines a trademark as follows:

“any word, symbol, slogan, or combination that identifies and distinguishes goods”.⁸

The above definition is broad enough to cover words, symbols, devices, signs, three-dimensional marks and trade dress. Trade dress indicates the total image and overall appearance of a product or service and its coverage is very wide. Trade dress may include the shape, size, color or color combinations, texture, graphics, or even particular sales techniques. Trademarks are also included in the range of trade dress.

b) *Status of protection of non-traditional trademarks*

(1) *How to identify non-traditional trademarks*

As stated above, under the Lanham Act, graphical representation is not clearly required for a trademark unlike in the U.K. and under the CTM system. Even though, it is difficult in the U.S. to verbally identify non-traditional trademarks other than words and devices upon filing a new application with the United States Patent and Trademark Office (USPTO). As a first step, applicants confront various requirements of regulations.

For example, an applicant filing a three-dimensional mark must provide a drawing that “presents the mark in three dimensions.” (TMEP 807.03 (a)), but only one drawing four inches in height and width is allowed to represent all sides of a mark (37 C.F.R. 2.51 (d), 2.52 (c)). With these limitations, the applicant must submit different applications with drawings from different angles when a single drawing cannot represent fully the characteristics of a three-dimensional trademark.⁹

On the other hand, the applicant does not need to file a drawing to represent sound and smell marks. In general, the identification of sound marks are made by using a musical score or verbal expression as given below:¹⁰

“The mark consists of the spoken letters ‘AT&T’”

Federal Registration No. 1761724

“The mark consists of the notes ‘C, D, E, C, D, G,’ accompanied by the words ‘Radio Variedates’”

Federal Registration No. 1471674

8 Lanham Act, 1946.

9 TH. P. ARDEN, *Developments in the protection of product designs, sounds and colors: identification requirements and protection of patented features* (2000).

10 *Ibid* 40.

“The mark comprises a lion roaring”
Federal Registration No. 139550

For applications for color marks received after October 30, 1999, the USPTO will only require a written description of the color and an identification of where on the product the color appears. As in the U.K., the USPTO will accept Pantone Matching System to identify the color for example, “The orange color is approximately equivalent to Pantone 165C” (Federal Registration No. 2256226).¹¹

Among federal courts, the Second Circuit Court has often requested applicants the precise identification of non-traditional marks in order to enable the court to determine the unique and unexpected aspects of the design elements in the relevant market and to shape injunctive relief (*Landscape Forms, Inc. v. Columbia Cascade Co.*, 113 F.3d 373, 381, 42 U.S.P.Q. 2d 1641 (2d. Cir. 1997)). It is reasonable to expect that higher standards for identification of non-traditional marks will be set in the future when one claims trademark rights in the design, sound or color of a product.¹²

(2) *Protection of trade dress*

Federal and state unfair competition laws protect trade dress under principles similar to trademark law, separately from trademark law. Trade dress itself does not necessarily require registration, but recently, litigation for the purpose of protecting one’s distinctive trade dress from that of others has been increasing. In the trade dress area, there are three primary issues: whether the trade dress is functional (if the product or packaging performs the function that it was intended to perform), whether the trade dress has inherent registrability or acquired distinctiveness as required for a trademark, and whether there is a likelihood of confusion between the related parties.¹³ Further, it appears different standards are applied to trade dress when the object is the product itself or packaging thereof (for example, bottle shape for perfume). The following are main issues in trade dress cases.

– *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 112 S. Ct. 2753# (1992)

The United States Supreme Court protected the distinctive trade dress of a chain of Mexican restaurants. In this case, the U.S. Supreme Court confirmed there is really no difference between a word trademark and a visual trademark except that a word mark may be spoken while trade dress and color per se must be seen to make a commercial impression. It further held that inherently distinctive trade dress is protectable without proof of secondary meaning.

The trade dress in this case, restaurant décor, is treated as product packaging rather than the shape of the product.

11 *Ibid* 41.

12 *Ibid* 42.

13 C. C. WEBER, *Trade Dress Basics*; cited from the website of Sughrue, Mion, Zinn, Macpeak & Seas, PLLC (1996-2001).

- *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 115 S. Ct. 1300# (1995)
The Ninth Circuit Court of Appeals had held that color per se is not registrable as a trademark, but the Supreme Court reversed holding that under the right circumstances the Lanham Act permits registration of a trademark that consists, purely and simply, of a color. That is, secondary meaning in a color per se must be shown to be entitled to a trademark registration.
- *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 120 S. Ct. 1339, 54 USPQ2d 1065 (2000)
Last spring, the Supreme Court made a decision in a trade dress which relates to the product design (children's clothing), following the *Qualitex* case. Namely, the Supreme Court held that secondary meaning in the product design must be shown to be entitled for protection, reversing the Second Circuit Court of Appeals.

In light of these cases, in the U.S., trade dress of product packaging may be protected as a trademark when it is inherently distinctive and indicates the source of origin, while trade dress relating to a color or product design per se is regarded a mere refinement of a commonly-adopted and well-known form of ornamentation and secondary meaning through extensive use must be shown to be entitled for protection.

In this connection, the following decision by the Third Circuit Court on a product configuration may be taken into consideration; namely, a product configuration is inherently distinctive if it is:

- unusual and memorable
- conceptually separable from the product; and
- likely to serve primarily as a designator of origin of the product
(*Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.* 32 U.S.P.Q. 2D 1724, 1725 (3d. Cir. 1994)).¹⁴

In the meantime, if a product configuration is not accepted as it is lacking inherent distinctiveness, the applicant for the Principal Register can obtain registration by shifting to the Supplemental Register. The applicant will be able to change from the Supplemental Register to the Principal Register by proving acquired distinctiveness through long and extensive use by showing the length of time the product configuration has been in use, the amount and number of sales under the product configuration and the amount of advertising featuring the product configuration. This kind of flexible treatment can be enjoyed under the U.S. practice where use has significant meaning.

14 *Ibid.*

III. THE CURRENT SITUATION IN JAPAN

1. *The Concept of a Trademark*

In Japan, trademarks relating to goods have been protected only since Japanese Trademark Law was established in 1884. Service mark registration system was introduced on April 1, 1992. This revision took place to satisfy increasing demand in the market where the service industry has matured and needed a certain measure of protection.

Further, on April 1, 1997, Japanese Trademark Law started to protect three-dimensional trademarks in addition to ordinary two-dimensional trademarks, thus actually expanding the range of a trademark. This revision was taken place to cope with the international harmonization protecting three-dimensional trademarks.

The definition of a trademark under the latest Trademark Law reads as follows:

“Trademark means characters, signs, three-dimensional shapes or any combination thereof, or any combination thereof with colors (hereinafter referred to as ‘mark’):

- (i) which are used in respect of goods by a person who produces, certifies or assigns such goods in the course of trade;
- (ii) which are used in respect of services by a person who provides or certifies such services in the course of trade (other than as in (i) above).”¹⁵

Japan has thus expanded the concept of a trademark within the frame of the Trademark Law step by step.

We would like to explain how non-traditional trademarks are protected in Japan by referring to the newly adopted three-dimensional trademark system.

2. *The Current situation for protection of three-dimensional trademarks*

The Japanese Trademark Law defines a three-dimensional trademark as:

“a trademark consisting of three-dimensional shapes including their combination with characters, figures, signs or colors or any combination thereof.”¹⁶

In advance to the introduction of three-dimensional trademark registrations, many expected that lantern-shaped indication adopted by private taxis, various mascot dolls or characters used by pharmaceutical companies, confectionery manufacturers and product packaging would be filed as a three-dimensional trademark. According to the statistics of the Japanese Patent Office (JPO), the total number of applications for a three-dimensional trademark was 1,000 at the time of introduction of the new system, and the total number to the present reached 2,000.

15 Japanese Trademark Law, *Shōyō-hō*, Law No. 127/1959, Article 2 (1).

16 Japanese Trademark Law, Article 5 (2).

Three years have passed since the three-dimensional trademark system started in 1997. It has been found that a lot more numbers of product configuration or product packaging were filed as a three-dimensional trademark.¹⁷ Have these applications consequently enlarged the concept of a trademark in Japan? Not surprisingly, almost all the three-dimensional trademarks accepted so far relate to mascot dolls or the combination of a product configuration or its packaging with a pronounceable word mark. Three-dimensional trademarks relating to product configuration or packaging per se have been, in most cases, rejected according to the guidelines for three-dimensional trademarks. Namely, when a three-dimensional trademark consists of a product shape, it will be rejected “as consisting only of the shape that traders and consumers recognize as the shape of the goods or the shape of the packaging.”¹⁸ However, in some cases, a three-dimensional trademark can be protected if an applicant proves distinctiveness has been acquired by submitting ample evidence of use under Article 3 (2). This treatment follows the example of the examination standards of the CTM.

When a three-dimensional trademark consists only of a shape that is indispensable to the performance of its intended function, it will be rejected even though the mark has acquired distinctiveness through actual use. If JPO accepts such a trademark and allows a certain party to use it exclusively in commerce, it will contravene fair trade.¹⁹ This treatment corresponds to the protection of trade dress that is found to be functional in the U.S.A.

3. *Examples*

At the end of 2000, we heard the first decision of the Tokyo High Court regarding protection of a three-dimensional trademark in Japan (Tokyo High Court, H12 (Gyo-Ke) No. 406, December 21, 2000). In this case, the plaintiff filed a new application for a three-dimensional trademark in relation to writing materials (more precisely, a golf score pen with a rectangular clip in the end of the body, to which one can attach score cards).

The judges accepted that “the pen as a whole has, to some extent, characteristics of a well-balanced shape,” but denied the distinctiveness and the uniqueness of the shape, pointing out that “the shape does not give traders and consumers the unexpected or unusual impression that writing materials originate with their purposes of use and functionality.” Thus the court determined that the shape remains within the range where ordinary traders and consumers recognize commonly-adopted functionality and aesthetic

17 K. KUDO, *Trademark Practice in the light of recent trial decisions*, S-CIP Lecture on Intellectual Property (2000).

18 INTELLECTUAL PROPERTY BOARD, Q & As relating to the revision of the Trademark Law (December 13, 1995).

19 *Ibid.*

element. It found that the shape of the golf score pen itself does not function as a trademark, distinguishing one's goods from those of others.

The judges also commented that the shape of the designated goods is used in an ordinary way, and that the three-dimensional trademark applied for remains within the range of the product shape, falling under the provisions of Article 3 (1) (iii). This judgment naturally follows the examination standards of the JPO concerning a three-dimensional trademark.

The plaintiff attempted to prove acquired distinctiveness in vain. Under Japanese Trademark Law, acquired distinctiveness is limited to those cases in which the trademark and goods in the application are identical with those in actual use (Article 3 (2)). But the three-dimensional trademark applied for bore no letters, and the golf score pens in actual use included pronounceable words "OKAYA" and "Pencil" on the front side and "JAPAN" on the back side. Therefore, the judges pointed out the differences and did not agree that the trademark as filed has become well-known as one originating from the plaintiff.

From the trial decisions made at the JPO and the above-mentioned ruling by the Tokyo High Court, we believe that in Japan, a three-dimensional trademark will not be accepted unless its characteristics are unique and extremely unusual and it has acquired distinctiveness through long and extensive use.

Lastly, we would like to introduce another example handled by ourselves. In this case, an American applicant filed a new application for a three-dimensional trademark in relation to a shoe lace in Class 26 (Application No. H09-159733, Appeal No. H11-2957).

The appellant's shoe lace is made of cotton but has protrusions or nubs at the constant intervals on both sides. These nubs have never appeared in any other shoe lace and are particularly distinctive in the following points:

- (1) these nubs are mounted on both sides at the same intervals
- (2) the diameter of each nub is 5 millimeters
- (3) the materials of these nubs are acryl latex

The appellant also stressed that although the shoe lace must retain its basic shape of being a long cord to fasten shoes (unlike confectionery or bottled liquors which can be easily modified into various motifs such as animals, plants), the nubs mounted on the shoe lace are unique and so impressive that they make traders and consumers recognize the origin of goods separately from the shoe lace of others.

Despite the above arguments, the trial examiners denied the distinctiveness of the three-dimensional trademark stating that the appellant's trademark still functions as shoe lace with the nubs adding aesthetic elements to the appearance and that the characteristics remain within the range of usually adopted means. They rejected the application under the provisions of Article 3 (1) (iii).

Meanwhile, the appellant filed the same three-dimensional trademark in other countries, with the following results:

USA	Redagistered under the Supplemental Register (rejected under the Principal Register) (Federal Registration No. 2048260)
CTM	rejected due to absolute grounds, due to lack of inherent registrability (CTM Application No. 608455)
Australia	Registered (Registration No. 740854)
Mexico	Registered (Registration No. 563784)
China	Registered (Registration No. 1246568)
Korea	Registered (Registration No. 426361)

Based on the above results, we believe that a three-dimensional trademark relating to product configuration cannot be registered in countries with highly sophisticated traders and consumers unless the design is unique and unexpectedly impressive.

Although the definition of a trademark has been expanded by recent revisions, under the Japanese Trademark Law, one cannot obtain a registration for a three-dimensional trademark as a non-traditional trademark unless it has unique and extremely impressive characteristics. When we review recent trial decisions and the above judgment of the Tokyo High Court, we expect that the JPO will carefully examine proposed three-dimensional trademarks for inherent registrability and that this approach to non-traditional trademarks will often be observed in other countries irrespective of differences in the expression of the respective provisions.

On March 14, 2000, Japan acceded in the Madrid Protocol of 1989 (Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks), but the latest examination standards clearly stipulate that JPO will reject an international trademark application via the Madrid Protocol designating Japan when an applicant seeks registration for non-traditional trademarks such as sound marks, olfactory marks and color marks. Such application will be rejected as falling under the provisions of Article 3 (1)²⁰. Perhaps, because of the difficulty in conducting preliminary searches and defining the range of a right, the JPO thinks it is still too early to accept these irregular, non-traditional trademarks in Japan.

20 JPO, *Shōhyō shinsa kijun* [Examination Standards for Trademarks] (7th edition 2000) 2.