

Clarity and precision: who decides what they mean?

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As we all know, the EUTM Regulation 2017/1001 now requires the applicant to indicate the goods and services for which the protection of the trademark is sought with sufficient clarity and precision to enable the competent authorities and economic operators, on that sole basis, to determine the extent of the protection sought. But what if the language used in goods specifications lends itself to diverging interpretations? The General Court (GC) judgment of 17 October 2019, Case T-279/18, Alliance Pharmaceuticals Limited v. EUIPO, deals precisely with this situation. The result does not really seem convincing.

Alliance Pharmaceuticals Ltd (ALLIANCE) opposed an EUTM application for AXICORP ALLIANCE based on two EUTMs for "ALLIANCE" dating back to 2003 and 2006, which both covered "*Pharmaceutical preparations but not including infants' and invalids' foods and chemical preparations for pharmaceutical purposes*" in class 5.

After a request for proof of use, ALLIANCE only proved use for "*chemical preparations for pharmaceutical purposes*". The EUIPO rejected the opposition for lack of use because it interpreted the exclusion in "*Pharmaceutical preparations but not including infants' and invalids' foods and chemical preparations for pharmaceutical purposes*" as referring to everything that follows "but not including", in the absence of any commas. In other words, Alliance had not shown use for the goods for which the marks were registered, but for other goods for which they had no protection. The Board of Appeal confirmed this.

Before the GC, ALLIANCE argued that the specification should have been

interpreted as excluding from pharmaceutical preparations only “infants’ and invalids’ foods” but not “preparations for pharmaceutical purposes”. EUIPO argued instead that it was the responsibility of the applicant to draft the list of goods and services clearly and precisely and that an unclear list of goods or services should be interpreted narrowly, to avoid that a trademark owner gained from a lack of clarity and precision.

The GC did not agree with the EUIPO. While it recognized that the wording of the specification could give rise to two possible literal interpretations, it emphasized that, when interpreting a trademark specification, the actual intention of the proprietor of the marks concerned needed to be taken into account. Moreover, the interpretation had to avoid an absurd result for the proprietor.

The GC cited § 60 of the IP Translator case (C-307/10) which held that if “*the extent of the protection conferred by a trademark depends on the approach to interpretation adopted by the competent authority and not on the actual intention of the applicant*” there was a risk of undermining legal certainty both for the applicant and for third party economic operators. However, § 60 of IP translator did not deal with interpretation of a specification, but rather with the effect of the EUIPO granting protection for all goods and services in a certain class, while national offices did not.

As regards the avoidance of absurd results, the GC held that while it was true that the interpretation of EU law provisions was based first and foremost on the text, if the text was ambiguous or the literal meaning would lead to a nonsensical result, that meaning had to be reappraised. For the GC, following the Board’s approach, the registrations of the earlier EUTMs would cover only “natural” preparations (i.e. non-chemical), i.e. goods that “*were not even contemplated by the applicant neither referred to in the specification of those marks*”. However, the GC did not explain why it believed that the applicant did not contemplate such “natural” goods or why such goods were not referred to in the specification, when a literal reading of the specification still included them. If someone designated, say, “hamburgers, not-meat based”, would it be absurd to say that it was the applicant’s intention to sell “veggie” hamburgers?

Interestingly enough, Advocate General Tanchev has recently issued his opinion in Case C-371/18 (Sky v. Skykick), regarding inter alia the possibility to invalidate a trademark whose specification is not sufficiently clear and precise. The AG

concluded that although a registered trademark may not be declared wholly or partially invalid on this sole ground, a lack of clarity and precision in the specification may nevertheless be taken into account when assessing the scope of protection to be given to such a registration. This opinion would seem to give room for reconsideration of the GC's findings in the ALLIANCE case.