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Luxury and Glamour win: KENZO ESTATE for wines and other goods misappropriates reputation of KENZO

Verena von Bomhard (BomhardIP) · Monday, June 4th, 2018

CJEU, 30 May 2018, C-85/16 P, C-86/16 P – Kenzo Tsujimoto v. EUIPO / Kenzo [KENZO ESTATE]

The fame of the fashion brand KENZO is such that it can be held against the registration of KENZO ESTATE as an EUTM for wines and "western liquors" and for services that are or could be ancillary to those, including advertising, retail services for food and beverages, sommelier courses, catering, and accommodation services, because they convey luxury and glamour. However, the use of KENZO ESTATE in relation to olive oil, canned fruit and vegetables, confectionary, as well as fresh fruit and olives, would not ride on the coattails of Kenzo's reputation, as these are not luxury goods.

This somewhat random differentiation by the General Court (in T-522/13) has been confirmed by the CJEU to be in line with the law. The General Court had held that use of a mark as similar as KENZO ESTATE for any goods or services "part of the luxury sector" was highly likely to take unfair advantage of the "sophisticated and iconic image" of the earlier mark KENZO. However, it had confirmed the Board of Appeal's findings whereby goods in classes 29 to 31 were "not typically regarded as luxury goods" nor "invariably associated with the world of glamour or fashion". One may wonder about this. Taking the example of olive oils and wines – both can be

really inexpensive, every-day consumer goods, and both can be quite luxurious. To say that wines are “invariably associated with the world of glamour or fashion” while olive oils “can never be regarded as sophisticated luxury goods” might be seen as a generalization (on both sides) that is not entirely accurate.

The trademark applicant also argued that his first name was Kenzo, and that this allowed him to use the name as a trademark. Art. 8(5) EUTMR, whereby the owner of a mark with a reputation can prevent the registration of a mark the use of which would take unfair advantage of the reputation, states that such use must be “without due cause”. In this respect, the CJEU repeated from its earlier *Leidseplein Beheer and de Vries v. Red Bull* judgment (C-65/12) that the concept of due cause “may not only include objectively overriding reasons but may also relate to the subjective interests of a third party using a sign which is identical or similar to the mark with a reputation” (para. 86) but went on to say that the “mere fact that the term ‘kenzo’ which is a component of the mark KENZO ESTATE corresponds to the appellant’s forename is irrelevant to the issue of whether the use of that term constitutes due cause” (para. 94). The assessment of due cause involved a balancing of interests which, apparently, had to be made without regard to the fact that the mark (or part of it) corresponded to the applicant’s forename.

Kenzo Estate is a winery in Napa Valley. Whether Kenzo would prevail before a court of law in the EU in an infringement action against the use of KENZO ESTATE on wines in the EU, and whether, if so, this would indeed be different for (luxurious?) olive oils, remains an open question. In such a dispute, the “name” issue would be discussed not only in the context of “due cause” but also under the concept of fair use. The question is – will it ever come to that, or has this just been another decade-long war concerning only the state of the register at the EUIPO but not affecting real life?

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