

Tough break for KitKat – no trade mark in bar

By David Dennis, Shepherd and Wedderburn LLP, United Kingdom

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Nestlé, the owner the UK's favourite confectionery brand, has been thwarted in its attempt to register the shape of Kit Kat bars for trade mark protection in the UK. Cadbury successfully stepped in with opposition proceedings to ensure that protection was not granted to its confectionery competitor. This article takes a quick look at what happened and why it is interesting.

What is at stake?

A successful trade mark registration gives the owner the right to restrict competitors from using the same or similar mark for same or similar products. One thing that makes trade marks more useful than copyright or patents is that trade marks can be renewed indefinitely, thereby giving the owner of the mark indefinite protection against other firms looking to take advantage of the mark. The Kit Kat trade mark has been registered since 1911, so this longevity is clearly important to the mark owner, Nestlé. The present matter arose when Nestlé tried to extend the trade mark protection it already enjoyed for "Kit Kat", "Have a Kit Kat" and "Have a break... Have a Kit Kat" to the shape of the Kit Kat bar itself. If successful, this would have allowed Nestlé to prevent anyone from selling chocolate bars in a similar shape to Kit Kats. Nestlé applied for this shape to be protected in relation to goods including chocolate products and chocolate confectionery to pastries, cakes and biscuits.

Trade marks for three dimensional shapes are nothing new or controversial. Indeed, the shapes of a number of other chocolate bars (such as Toblerone and Hersheys) have been successfully registered as trade marks in various jurisdictions. Rather than give its rival this competitive advantage, Cadbury intervened and launched an opposition to Nestlé's trade mark application.

Why did Nestlé lose?

The decision by the UK Intellectual Property Office (IPO) to refuse Nestlé's trade mark application focussed on two points. The first was whether the shape of the Kit Kat bar was dictated by technical considerations, for example the manufacture of the bar. The second was whether the bar shape had distinctive character that consumers would associate with Nestlé. These two factors were critical, because one of the essential functions of a mark is to allow consumers to identify the producer of the goods in question. If the mark is solely the result of technical considerations, or does not have any distinctive character to allow consumers to identify the product with the producer, trade mark protection will not be granted.

The IPO found that the shape of the Kit Kat bars was dictated by technical considerations and was not distinctive. The technical considerations included the over-all shape of the bar, the 'fingers' in the bar and the nature of the breaking grooves between the fingers. All of these were found to be determined by technical considerations. As for whether the bar was distinctive, the shape was found to be standard for chocolate bars. Nestlé also did not manage to prove the shape had acquired distinctiveness. Accordingly, their trade mark application failed in relation to chocolate products, chocolate confectionery and biscuits. However, it succeeded in relation to pastries and cakes where

the shape could not be said to be dictated by technical considerations (although this is likely to be of limited consolation to Nestlé).

What are the implications?

The initial implication is that companies producing 'own brand' versions of the chocolate wafer bars can breathe a sigh of relief. That said, it is anticipated that Nestlé will appeal this decision.

As a cautionary note, when products are being designed care should be taken to ensure that design elements are sufficiently distinctive and not dictated by technical considerations, if the intention is to seek trade mark protection for the product in question. The same issues arose in the long fought Lego brick three dimensional shape trade mark cases.

Some would query whether Nestlé is being over-ambitious in trying to protect the shape of its bars, when it already has a suite of trade marks to protect the product. However, no one can blame them for trying to use intellectual property rights to their fullest to protect the UK's favourite confectionery brand. If you have any queries regarding the content of this bulletin, please contact a member of the Shepherd and Wedderburn Media and Technology team.

For more information, please contact:



David Dennis
Assistant
Shepherd and Wedderburn LLP
david.dennis@shepwedd.co.uk
www.shepwedd.co.uk

David is a solicitor with broad commercial experience, including advising on a wide range of trade mark, branding and media matters. He is part of our Media and Technology team and works with a variety of private and public sector bodies.