

Trademarks & revocation for non use

Evolution of French case law regarding the revocation for non use of two similar registered trademarks

When a proprietor registered two similar trademarks, does he have to prove use of each of these trademarks or may evidence of use of one of these trademarks be sufficient to avoid any risk of revocation for non use?

The European Court and the French Supreme Court adopted opposite positions on this issue.

1. Trademark holders often choose to register similar trademarks either to encompass the minor variation of his sign over a period of time or to prevent competitors from registering similar trademarks. These registrations are referred to as defensive trademarks.

Issues might arise when a trademark holder does not genuinely use each of his trademarks as they are registered; indeed, a concerned person might legally request revocation of the non-used trademark.

In order to defend his trademarks, the holder will generally argue that evidence of use of one of the trademarks must be regarded as proof of use of the other trademark, the latter bearing only negligible variation from the former.

This claim is based on provision of article 15(2)(a) of the Community Trademark Regulation which provides that: "Use of a trademark by the proprietor in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered is deemed to constitute use of that mark"

When a French trademark is concerned, the proprietor of the trademark relies on article L. 714-5 al 2b of the French IP Code which contains similar provisions.

However the interpretation of this provision differs according to whether the issue arises before the French Courts or before the European Court, as the French Supreme Court recently reversed its case law.

2. In a 1992 case,¹ the French Supreme Court decided that the above mentioned provision could only be applied in relation to unique registration of a sign.

In the case at issue, the Court found that use of the trademark "LOTUS" could not be proved by use of the later registered trademark "AU LOTUS".

French Judges justified their position by stating that if trademarks holders decided to register each sign, it was because they considered each sign to be distinctive from one another.

The French Court overturned its case law with three decisions issued in March 2006 and confirmed in November 2006.²

French Supreme Court Judges underlined that article 714-5 of the French IP code only specifies that the used mark shall differ from the earlier unused trademark only with elements which do not alter the distinctive character of this mark, no matter if the modified mark has been registered or not.

¹ C. Cass. Ass. Plen July 16, 1992

² Cass. Com., March 14, 2006, PLAYBOY ENTERPRISES INTERNATIONAL Inc. / Ets. LAPORTE; Cass. Com., March 14, 2006, Sté RADER c/ Sté CENTRALE DIRECTE; Cass. Com., March 14, 2006 LOUFRANI c/ PIER IMPORT; Cass. Com., November 14, 2006.

This new position of the French Courts allowed French trademark holders to widen the scope of their marks and to register different signs, provided the variation between those signs were very slight and did not alter their distinctive character.

European case law however adopted a different position.

3. Indeed, a few days before the French Supreme Court reversed its position on this issue, the Court of First Instance issued a decision, known as the BAINBRIDGE decision, ratifying the French Supreme Court 1992 position.

According to the First Instance Court: "Article 15(2) does not allow the proprietor of a registered trade mark to avoid his obligation to use that mark by relying in his favour on the use of a similar mark covered by a separate registration".³

The ECJ confirmed the position of the First Instance Court in a decision issued on September 13, 2007: "In any event, while it is possible, to consider a registered trade mark as used where proof is provided of use of that mark in a slightly different form from that in which it was registered, **it is not possible to extend, by means of proof of use, the protection enjoyed by a registered trade mark to another registered mark, the use of which has not been established, on the ground that the latter is merely a slight variation on the former.**"⁴

Moreover, the ECJ clearly stated "**that the concept of defensive trade marks is incompatible with Regulation No 40/94**".

4. No decision has yet been issued by the French Supreme court on this matter since this decision of the ECJ in the BAINBRIDGE case. However, the Court of Appeal of PARIS already adopted the ECJ position and ruled that the holder of a registered trademark, for which revocation for non use is claimed, cannot rely on the use of another registered trademark to prove genuine use of the former sign. The second registered trademark generated distinctive rights.

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³ CFI, FEBRUARY 26, 2006, case T – 194/03

⁴ ECJ, C-234/06 P, September 13, 2007