

The shape of a bottle with characteristics that are distinctive, but predominantly functional, cannot be registered as a three-dimensional trademark

It is now common knowledge that the shape of a product can be protected as a registered trademark, but whether such a shape may actually achieve this level of protection is a completely different matter.

The registration of three-dimensional trademarks is, in fact, permitted both by the Italian Patent and Trademark Office (UIBM) and by the European Intellectual Property Office (EUIPO), but the hopes of trademark applicants are often dashed by two obstacles: (1) a perceived lack of distinctive character, and (2) the correspondence of the shape with that imposed by the nature of the product, or with a form that gives substantial value to the goods or, again, with a shape that is necessary to obtain a certain technical result.

More precisely, even where a three-dimensional trademark is recognized as distinctive, to be successfully registered the sign must fulfil precise criteria. In the case of a European trademark, these criteria are established by EU Reg. 2017/1001, art. 7.1(e)(i), (ii) and (iii) while, for an Italian trademark, they are covered by art. 9 of the Intellectual Property Code. In both scenarios, the lawmaker has established that absolute grounds for refusal include those cases in which the sign is "exclusively" constituted by:

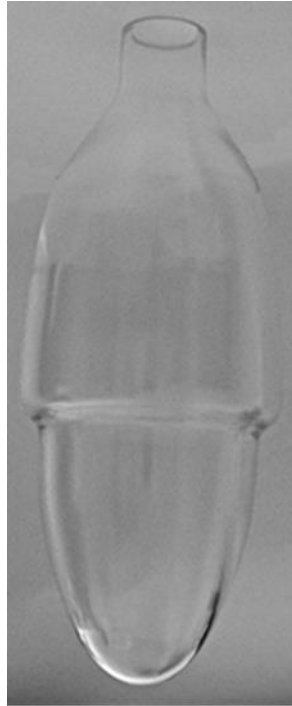
- 1) the shape, or other characteristic, which results from the very nature of the product itself;
- 2) the shape, or other characteristic, of the product that is necessary to obtain a technical result;
- 3) the shape, or other characteristic, which gives substantial value to the product.

Within the framework outlined above, a recent ruling by the European General Court on the three-dimensional shape of a European trademark provides an opportunity to focus on the ground of refusal indicated in point (2). Preliminarily, it should be remembered that, as mentioned above, only a shape that is capable of being recognized by the consumer as distinctive will be protectable. In other words, we refer to those non-trivial forms that can be perceived as an element that is separated from the products themselves and capable of performing the typical function of a trademark, i.e. identifying the "commercial source" of the product.

For example, in the bottle production sector, the three-dimensional shape of a rectangular bottle created to commercialize vodka and characterized by colourful details in different shades of copper, brown and gold has been successfully registered as a trademark (see EUIPO Board of Appeal in case R1839/2021-5 of June 3, 2022). Likewise, the Court of Milan held that the well-known bottle for Amaretto Disaronno could be protected as a valid three-dimensional trademark (i.e. a bottle crowned by a parallelepiped-shaped cap with a square base and resembling the shape of a brick with rounded edges, and vertical faces characterized by a slight central notch; see decision n. 4716/2018).

Decision T-10/22

In the recent decision of the EU General Court (case n. T-10/22 of 5 July 2023) fits into the framework described above, the Court was called upon to decide on whether the bottle displayed below was eligible for registration as an EU trademark.



As can be inferred by the title of this article, Court ultimately decided that the bottle did not satisfy the requirements for registration. However, this decision offers food for thought, since the Court's reasoning unfolded on two different levels: on one side, an analysis of the distinctiveness of the shape of the applied-for mark and, on the other side, an analysis of the functional characteristics of the shape itself.

In this respect, it is interesting to note that in the first phase of the dispute, and contrary to what was initially decided by the EUIPO Opposition/Cancellation Division and the Board of Appeal, the EU General Court found that the shape was distinctive. More specifically, the Court held that the shape of the bottle had a distinctive capacity since the combination of the elements that made up the trademark were rather specific and not common. The aesthetic result produced by the combination of these elements was therefore considered sufficiently different from the aesthetic impression produced by the shape of the other bottles on the market, because the consumer would not be accustomed to the shape of containers which present a strongly curved line in the central part. In particular, the EU Court, challenging the conclusions reached in the administrative phase and sending the matter back to the Board of Appeal to consider the second part of the analysis, clarified that: "*although, as observed by EUIPO, the bulge that separates the wider upper part from the narrower lower part is a feature that can be described as having a technical and functional nature, it remains the fact that this feature also adds aesthetic value to the trademark applied for*" (see para. 22 of the Decision).

The case was then re-examined by the Board of Appeal which again rejected the arguments of the trademark applicant, finding that even if it were distinctive, the shape of the bottle did not comply with the provisions set out in article 7(1)(e)(ii) because it corresponded to a shape that is exclusively necessary to satisfy a particular function of the object. Therefore, allowing the trademark application to proceed to registration would mean preventing the use of the same technical solution by third parties, thus interfering with the balance of competition on the market. In fact, as indicated in paragraphs 36 and 37 of the Decision of the Board of Appeal, the terms "exclusively" and "necessary" used by the lawmaker must be interpreted in the sense that those shapes of the product that incorporate only a technical solution must be excluded from registration otherwise such technical solution would not be available to competitors (in this sense, the Decision echoes the European Court of Justice *Lego* judgment C-48/09, which clarified that by using the terms

"exclusively" and "necessary", the legislator has duly taken into account the fact that all shapes, to a certain extent, are functional, and that it would not be appropriate to exclude the shape of a product from registration only because it has functional characteristics).

Furthermore, the General Court added that even if there are other technical solutions available to competitors to achieve the same result, this is not in itself relevant. Likewise, the presence of minor aesthetic elements on one or more main functional parts of the sign are irrelevant. Conversely, if the shape of a product incorporates a prevailing non-functional element, such as an ornamental or fancy characteristic capable of playing an important role in that shape, then registration cannot be denied pursuant to art. 7.1.(e)(ii) (see *Yoshida Metal Industry/EUIPO*, C-421/15, 11 May 2017).

In this respect, the Court rejected the applicant's argument that the aesthetic contribution of the technical and functional characteristics (the bulge that separates the upper, wider part from the lower, narrower one) would be such as to allow the consumer to be able to clearly distinguish the bottle from the others on the market, and that these shapes could not therefore be considered as exclusively necessary from a technical point of view. This time, however, the Court confirmed the Board of Appeal's analysis establishing that the essential characteristics of the shape that are intended exclusively to satisfy precise technical requirements are the following:

- 1) a neck with a regular shape which, on the one hand, facilitates the pouring of the contents and, at the same time, prevents or hinders the spillage of the contents during the movement of the bottle;
- 2) a rounded top that tapers up and down to hold the contents;
- 3) a swelling of the upper part (wider than the lower one) which would facilitate insertion into a hole of, for example, a shelf specially made for this purpose.

It is interesting to observe that the Court also indicated that, in any case, the impediments to the registration listed above could not be overcome even if (as claimed by trademark applicant) the technical functional elements, assessed as a whole, were such as to bring an overall aesthetic value. This is due to the fact that the "sum" of purely functional elements, even if capable of contributing to the creation of a shape with an ornamental character, has no impact on the ground for refusal to registration envisaged by article 7.1 (e) (ii).

Conclusions

This decision confirms the particularly strict interpretative approach of the jurisprudence in allowing three-dimensional trademarks to proceed to registration. In particular, as to the ground for refusal constituted by the functional characteristics of the shape, one must bear in mind that in order to be able to open a gap between the finely woven mesh covered by art. 7(1)(e)(ii), to be registered, the three-dimensional shape must also have a significant aesthetic gradient with no functional contribution that is capable of playing an important role in the shape (and not a minor one as in the case examined so far).