

## The Lego “manikin” is a trademark... with a "dual spirit"

Among the more interesting decisions of the EU General Court from the last year is the decision in case T-297/22 issued on 6 December 2023, addressing the registrability of the three-dimensional shape of a human-like figure, known as the Lego “manikin” or “minifigure”.

To risk a spoiler, the Court confirmed the conclusions of the EUIPO Board of Appeal holding that the 3D mark for the Lego minifigure is valid, but nevertheless clarified that the assessment of the characteristics of three-dimensional figures must be carried out through a logical analysis, with a rigorous application of the relevant provisions of trademark law to the three-dimensional form at issue.

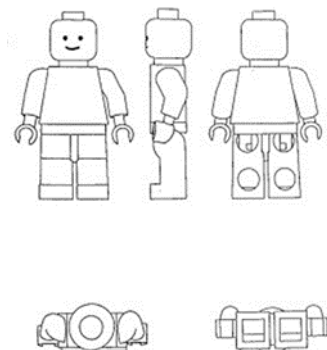
As a starting point, the general principle applicable to all trademarks is that a sign can only enjoy protection when it is distinctive, meaning that it is recognizable by consumers. With this in mind, such principle is applied to three-dimensional forms.

First of all, a form is protectable as a three-dimensional mark only when that form it is non-trivial, is distinguished from the products that it characterizes and is capable of performing the typical function of the trademark, i.e. identifying the "commercial origin" of the product (for more details see also the comment available in Italian at <https://www.jacobacci.com/pubblicazioni/come-tutelare-la-forma-di-un-prodotto-con-i-marchi-tridimensionali-e-il-diritto-dautore>).

In addition to these requirements, article 7(1)(e)(i), (ii) and (iii) of Regulation (EU) 2017/1001 sets forth a series of absolute grounds for rejection of a trademark application. In particular, a sign is not eligible for registration if it 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.

In the case at issue, the trademark proprietor had obtained a trademark registration for the figure of the Lego minifigure. This trademark was challenged before the EUIPO, citing the grounds of refusal referred to in points 1 and 2 above (i.e. those set out in article 7 (1)(i) and (ii) above, however referring to the text as formulated in Regulation (EC) No 40/94, since the proprietor filed the application giving rise to the challenged trademark in 1996). The form protected in the challenged trademark correspond to the three-dimensional figure of a toy, and is represented as follows:



The dispute before the General Court arose in mid-2020, when a competitor of the well-known manufacturer of Lego bricks filed a request to the EUIPO Cancellation Division to declare Lego's trademark invalid.

Both the Cancellation Division and the EUIPO Board of Appeal rejected the request, leading the competitor to challenge the decision before the EU General Court. As indicated above, while the General Court sided with the EUIPO's analysis and confirmed the validity of the contested 3D trademark, it also corrected some interpretative passages of the challenged decision.

Before entering into the details of the reasoning of the European judges, it should be noted that the EUIPO Cancellation Division and Board of Appeal had been called upon to examine the validity of the three-dimensional trademark in relation to two legal provisions, i.e. article 7(1)(e)(i) and (ii). In other words, at issue was whether the trademark is null and void on the grounds that the shape resulted exclusively from the nature of the product, and/or that the shape is necessary to obtain a technical result.

#### The observations of the General Court on art. 7(1)(e)(i)

To start, the Court clarifies that in order to establish whether the shape of a product is exclusively dictated by the nature of the product itself, it is first necessary to identify the essential characteristics of the sign. This means taking account not only of the sign's graphic representation, but also the essential characteristics inherent to the generic function or functions of the product. The judges also specified that this process must also encompass all additional elements relating to the function of the product, regardless of whether they are visible in the graphic representation.

On this point, the Court addresses the Board of Appeal's evidentiary finding that the nature of the Lego product at issue was undoubtedly that of a "toy figure", and not of an "interlocking building figure". With regards to the position that the nature of the form at issue is that of a "toy figure", the Board of Appeal and the Court seem to agree, as the decision states that the figure was certainly created "*to encourage role-play and storytelling*". However, the Court adds that the small human figure can also be considered as an "interlocking building figure", adding that the Board of Appeal erred in failing to take account not only of the graphic representation of the trademark, but other useful information as well, such as an extract from a Lego book filed by the applicant showing that the presence of connectors on the body of the small figure are compatible with Lego bricks and other elements. This point is further supported by a well-known fact, namely the public's knowledge of the nature of Lego products corresponding to a modular building system.

In reaching this conclusion, the Court considered that the so-called "essential characteristics" of the figure were not only those capable of evoking human traits (head, torso, arms and legs) and decorative and imaginative elements (the cylindrical shape of the head, the rectangular shape of the neck and the trapezoidal shape of the bust), but also those consisting of the protrusion of the head, the hook on the hands and the holes under the feet and on the back of the legs (which the Board of Appeal had instead deemed non-essential, also noting that the function of these elements could not be inferred from the representation of the trademark).

Despite finding flaws with the reasoning of the Board of Appeal's decision, the Court nevertheless concluded, in line with the contested decision, that the essential characteristics of the figure incorporated decorative and imaginative elements that enjoy a broad freedom of design (e.g. the cylindrical or "barrel" shape of the head) and, therefore, are not inherent to the generic function of a toy figure or interlocking building figure. Therefore, the Court agreed with the Board of Appeal and held that the contested mark was not invalid in light of article 7 (1)(e)(i).

#### The observations of the General Court on art. 7(1)(e)(ii)

The Court then examined the second ground of appeal, which contained two parts: first, that the Board of Appeal's decision is incorrect for failing to conclude that the Lego trademark violated article 7(1)(e)(ii) because it consists exclusively of essential characteristics having a mere technical function, and secondly, that the Board of Appeal failed to specify which of the identified essential characteristics would be those considered to be an element that is imaginative, and not merely linked to a technical function.

In this respect, the Court first recalled that the process of identifying the essential characteristics that have a technical function must be carried out taking into account all *"(...) the additional elements relating to the nature of the actual goods, even if they are not visible in the graphic representation"*. In this sense, the judges clarified that it is necessary to take into account not only the graphic representation but also the elements of the actual goods, such as the rotation mechanism of the "Rubik's Cube" (T-601/17) or the underside of the "Lego brick" (T-270/06).

Secondly, the judges recalled that considering a shape necessary to obtain a technical result does not mean that the shape must be the only one that is capable of obtaining that result. In other words, a shape can be qualified as necessary even if the same result can be achieved by adopting other shapes, because the legislator's intent was to avoid that one subject is permitted to own a monopoly over a purely functional product shape and thus prevent competitors from using the same shape or similar shapes. However, if the shape also incorporates a major non-functional element (such as a decorative or imaginative element that plays an important role), then it is eligible for registration.

In applying these principles, the Court confirmed the Board of Appeal's determination that the "toy figure" was intended for playing and suitable to be used for recreational purposes only, without involving any "technical result". However, also here, the Court disagreed with part of the Board of Appeal's analysis, holding that it erred in suggesting that, for it to have technical function, playing with the toy figurine would have to depend on interlocking and modular characteristics. In essence, the Board of Appeal was wrong to state that the option to play with the figure without necessarily having to fit it together with other figures was a demonstration of the absence of technical functionality of the shape (in this sense, the Board of Appeal was of the view that the shape of a toy figure *"[did] not have lines or models that clearly and unambiguously reveal its stickability and modularity in the context of the building system (...)"* created by Lego).

The EU General Court then stressed that the Board of Appeal wrongly excluded the essential characteristics of the protrusion on the head, the hooks on the hands and the holes under the feet and on the back of the legs, because their functionality could have been inferred from the information available (including the public's knowledge of Lego's modular building system).

As a last point, taking into account that the ground of refusal set out in article 7(1)(e)(ii) does not apply if there is at least one essential characteristic of the shape that is not necessary to obtain a technical result, the Court also observed – confirming the reasoning of the Board of Appeal – that the decorative and imaginative elements of the figure (the cylindrical shape of the head, the rectangular neck, etc..) go beyond the interlocking functionality and can be modified; therefore, as they are not necessary to achieve this technical purpose, the trademark was also considered to be valid from the point of view of art. 7(1)(e)(ii).

## **Conclusions**

With this decision, the EU General Court has highlighted what could be defined as the "dual spirit" of the Lego minifigure: a "toy figure" with human traits and an "interlocking building figure", both attributable to the idea of a "interlocking toy figure" (in this sense, as noted in the blog "The IPKat" at <https://ipkitten.blogspot.com/2023/12/general-court-maintains-validity-of.html> *"(...) the Lego minifigures are different from the sole Lego brick that was invalidated as a 3D EUTM in the seminal Lego Juris case [i.e. case C-48/09]"*

Within the framework of a line of case-law that tends to be rather restrictive in allowing the registration of three-dimensional trademarks (as observed in the previous comment "*The shape of a bottle with predominant functional characteristics, although distinctive, cannot be registered as a three-dimensional trademark*" available at <https://www.lexology.com/library/detail.aspx?g=25cbd781-a50d-41e4-8b0a-6fca7d16e820>), this decision is instead one that has confirmed the registrability of 3D signs, supporting similar decisions by the Italian national Courts, for example in relation to the trademarks depicting the box for "*Tic-Tac*" candies (Court of Turin, decision no. 5140/2019) and the Longchamp "*le Pliage*" bag (Court of Milan, decisions dated 10280/2021 and 1679/2022) and, at the European level, in decisions regarding the "*Kit Kat*" chocolate bar (CJEU, 25 July 2018 in joined proceedings C-84/17 P, C-85/17 P and C-95/17 P), as well as more recently regarding the form of the iconic "*Vespa*", the distinctive character of which was demonstrated to have been acquired through use (decision T-19/29 of 11/29/2023, see comment at <https://www.lexology.com/library/detail.aspx?g=99a755db-a254-4b5d-b2c8-71b975764a9f> ).