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NEWSLETTER

/ The „Event Mark" - exemplified by „WM 2006" / Decision of the Federal Supreme Court: inventive step = inventive activity

January 2007

| The Event Mark – exemplified by "WM 2006"

I. Introduction

The term "event mark" has come up more and more frequently recently, in particular in connection with the 2006 World Cup in Germany. Sponsoring and merchandising of such mass events gains ever increasing importance so that appropriate trademark protection assumes a prominent role.

copyright FIFA

The wrangles over World Cup trademarks have in this respect become a public spectacle. Ahead of the World Cup the International Football Association FIFA (Fédération internationale de football association) arranged for several trademarks to be registered with the German Patent and Trademark Office (GPTO) including the national word marks "FUSSBALL WM 2006" and "WM 2006". The latter was furthermore also registered with the European trademark authorities (Office for the Harmonisation of the Internal Market, OHIM) in Alicante. The trademark registration was for a multitude of goods and services and covered virtually all the goods' and services' catalogues of classes 1, 3 to 12, 14 to 16, 18, 20, 21 and 24 to 42.

On the basis of recent court rulings in connection with the above-mentioned FIFA World Cup marks the meaning and implications of the term "event mark" will be examined in more detail below.

II. Concept of an event mark

The holder of a so-called "event mark", as organiser of an event, is able to authorise those companies who financially sponsor the event in question to make use of the trademark. The trademark is therefore supposed to identify the goods and services of the sponsors of an event and distinguish them from the goods and services of those not sponsoring the event.

III. Registrability of a trademark

1. At EU level

OHIM in Alicante decided in October 2005 that the FIFA trademark "WM 2006" could be registered for all the applied-for categories of goods and services. The application of confectionery manufacturer Ferrero for the trademarks to be cancelled on the basis of a lack of distinctiveness was therefore rejected.

OHIM's decision is valid throughout Europe and therefore includes Germany. In this respect the European authority is not tied to decisions made in Germany on German trademarks for - as will be seen below - the Federal Patent Court and later the Federal Supreme Court were of a different opinion concerning registrability.

Even though trademark law is to a large extent harmonised in the EU Member States, the European trademark authority OHIM is independent in its decision-making and this can result – as the present case reveals – in diverging decisions on the European and national levels. OHIM's decision

is however not yet final and absolute as Ferrero has lodged an appeal. The matter remains a cliff-hanger as the next decision is awaited on the European level.

2. In Germany

The German Federal Supreme court decided on 27.04.2006 that the trademark "FUSSBALL WM 2006" should not have been allowed to be registered. The grounds given were that "FUSSBALL WM 2006" is a typical term for the 2006 World Football Championship which is constantly connected in people's minds with this event on account of its widespread publicity as well as its clarity of concept. The trademark does not therefore possess distinctiveness of any kind.

In parallel proceedings dealing with the German trademark "WM 2006", the Federal Supreme Court confirmed the cancellation of goods and services already judged by the Federal Patent Court to be non-registrable. The Federal Supreme Court referred back to the Federal Patent Court the matter of the remaining goods and services covered by the trademark "WM 2006" which bore no direct relation to the event but were considered in particular to be merchandising goods and for which the Federal Patent Court had not affirmed absolute impediments to protection.

The Federal Patent Court was requested to examine whether the market might not consider the still remaining goods and services to be descriptive terms as far as the sports event is concerned.

Conclusions of the Federal Supreme Court

The Federal Supreme Court considers a conceptual categorisation such as "event mark" to be of no relevance. Such a categorisation cannot result in a lowering of the demands on the general protective requirements of trademarks. Such trademarks must, as in the case of all other trademarks too, fulfil the general conditions of registration and in particular possess sufficient distinctiveness.

IV. Results

Even though the 2006 World Football Championship is now over, the dispute over the FIFA World Cup trademarks continues and the next decision at the European level is awaited with some anticipation.

Since the decision of the Federal Supreme Court, registration of such "event marks" has been vigorously restricted in Germany. However there is also some movement here as revealed by a recent decision of the District Court in Hamburg on 28.06.06 (not yet final and absolute) according to which the FIFA's trademark "WM 2006" is now to be allowed trademark protection on the basis of its acquired capacity to distinguish.

An end to the discussion on "event marks" is nowhere in sight. Indeed FIFA has already applied for registration of the Community Trademark "WM 2010". Similarly, UEFA has arranged for the trademark "EM 2008" to be registered with OHIM.

The inventive step in utility model protection is equivalent to the inventive activity in patent protection

In its decision of June 20, 2006 (X ZB 27/05 "Demonstrationschrank" = demonstration cupboard) the Federal Supreme Court clarified that as far as "inventiveness" is concerned, the same standards apply for inventions open to utility model protection and for patentable inventions involving an inventive activity. It will therefore not be possible in future for inventions which - within the meaning of patent law - are obvious and therefore unable to justify an inventive activity to be open to any legally valid utility model protection on the basis of their possessing a still adequate inventive step. This represents a move away from recent Federal Patent Court rulings which still allowed this.

The subject-matter of the Federal Supreme Court ruling of June 20, 2006 was a demonstration cupboard for science education which, in view of two US printed patent specifications, turned out to be too close to the state-of-the-art.

RSW news

We are pleased to inform you that our team has grown again.

VERA Dalichau

Attorney at Law

is an experienced specialist for international trademark law and the laws on labeling as well as for infringement and registration proceedings, and is now supporting our trademark department.

Arnd Buschhaus

(Dipl.-Ing.)

is now supporting our technical departments with his expertise in mechanical engineering, in both laser and conversion technology as well as in the theory of design.

In its decision the Federal Supreme Court explained that the assessment of inventive activity and inventive step are legal questions which cannot be answered quantitatively – for example by the presentation of a certain level of inventiveness – but which represent rather a qualitative criterion. It is quite impossible to specify a quantity for an inventive achievement. As a matter of consequence the same standards are to be applied in the case of both utility model and patent inventions.

In the past the accepted view was that an invention could enjoy protection as a utility model if it were on the one hand recognisable as being close to the state-of-the-art by a person skilled in this art, but on the other hand this person could not invent it easily on the basis of his general expertise or by means of routine consideration of the state-of-the-art (5W (Pat) 434/99 in Mitt. - Information Bulletin - 2002, 46). The inventive step was therefore to consist of a technical theory which the person skilled in this art is able to find outside of his working routine.

Whereas German Patent Law allows patents to be granted for inventions which are new, are based on an inventive activity and possess industrial applicability, and also determines that there is adequate inventive activity if the state-of-the-art is not obviously described, German Utility Model Law merely states that inventions which are new, are based on an inventive step and are industrially applicable are open to utility model protection.

Historically, utility models were created at the beginning of the 20th century for so-called simpler inventions in order to provide protection for technical developments which were easy to understand but not eligible for patent protection. In those days utility models were to protect simple, easily understandable inventions with everyday applicability. Technically more demanding and complicated inventions were to be sub-

ject to patent protection in the form of an examined industrial right. The creation of the utility model was therefore not altogether aimed at introducing a protective right which in terms of inventive achievement is lower in rank than that for patentable inventions, but rather at providing a means of granting suitable protective rights to less complex utility inventions without going through the time-consuming patent granting procedure. For this very reason working methods and manufacturing processes remain excluded from utility model protection.

Patents and utility models differ further in their maximum lifetime (20 years for patents, 10 years for utility models) and in the requirement for the state-of-the-art to be taken into consideration when judging the inventive achievement.

In the case of the utility model, the state-of-the-art is more narrowly conceived as verbal disclosures and prior public use are only taken into consideration if they occur in the territory of the Federal Republic of Germany and furthermore there is a six-month period of grace. The situation can therefore still arise that an invention is no longer patentable but can still be protected as a utility model.

Moreover, protection comes into effect as soon as a utility model is recorded in the Register of Utility Models whereas claims for compensation from a patent can only evolve after the latter has been laid open for public inspection (usually 18 months after the date of filing for registration).

The following territories and organizations provide utility model protection in addition to Germany: African Regional Industrial Property Organization (ARIPO), African Intellectual Property Organization (OAPI – Organisation africaine de la propriété intellectuelle), Argentina, Armenia, Australia, Austria, Belarus, Belgium, Brazil, Bulgaria, China, Columbia, Costa Rica, Czech Republic, Denmark, Estonia, Ethiopia Finland, France, Georgia, Greece, Guatemala, Hungary, Italy, Japan, Kazakhstan, Kenya, Kirgizia, Malaysia, Mexico, Moldavia, the Netherlands, Peru, The Philippines, Poland, Portugal, Russia, Slovakia, South Korea, Spain, Tadzhikistan, Trinidad and Tobago, Turkey, Ukraine, Uruguay and Uzbekistan (see homepage of the World Intellectual Property Organization, WIPO). Belgian, French and Hungarian Utility Model Laws in particular provide no alleviation in comparison with a patent as far as the inventive achievement is concerned. This has now been established by the Federal Supreme Court for the German utility model as well.

	Patent	**Utility model**
maximum protection period from filing date	**20 years**	**10 years**
substantive examination by patent office	**YES**	**NO**
grace period	**No**	**6 months**
protectability of subject matter	**apparatus, methods**	**apparatus, chemical compositions, electrical circuits**
relevant prior art	**☑ written descriptions anywhere** **☑ oral description anywhere** **☑ public use anywhere**	**☑ written descriptions anywhere** **☑ public use only in Germany**

The contents of this Newsletter are intended to inform on recent developments in national and international industrial property protection. We have taken considerable care in the preparation of the contents, cannot however assume responsibility for the correctness and completeness of the information given. Should you have any questions on the topics dealt with in the Newsletter, please contact us by email at the address given below.

Vera Dalichau
Attorney at Law
of
REINHARD · SKUHRA · WEISE & PARTNER GbR
Vera.Dalichau@isarpatent.com
Ref.:
| The event mark

Glyndwr Charles
(Dipl.-Ing.)
Patent attorney and partner of
REINHARD · SKUHRA · WEISE & PARTNER GbR
Glyndwr.Charles@isarpatent.com
Ref.:
| Inventive step