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GCEU, T-235/20: The GCEU rules on the distinctive character of a slogan

On 20 January 2021, the General Court of the European Union (“GCEU”) issued a decision in case T-253/20 on the assessment of registrability of advertising slogans as trademarks under Art. 7 (1)(b) of the Regulation (EU) 2017/1001 of 14 June 2017 on the European Union trade mark (the “EUTMR”)¹.

Background

Oatly AB (the “Applicant”) is a Swedish company which offers liquid oat foods and various organic products.

By an application filed on 14 March 2019, the Applicant sought to register with the European Union Intellectual Property Office (“EUIPO”) the word mark “IT'S LIKE MILK BUT MADE FOR HUMANS” (the “Mark”) for classes 18, 25, 29, 30 and 32.

The EUIPO, however, refused to register the Mark at issue for some goods included in classes 29, 30, 32², taking the view that the Mark was devoid of any distinctive character, under Artt. 7(1)(b) and 7(2), EUTMR. More precisely, the EUIPO held that the Mark would be perceived by the relevant public as a promotional message, which indicates that the Applicant’s goods, being of plant origin, are very similar to milk, and that, in contrast to “real” milk, they are specifically made for human consumption (e.g. in terms of nutrition and digestibility).

In turn, the Applicant filed an appeal against the aforementioned decision before the Board of Appeal of EUIPO (the “Board of Appeal”), requesting to accept the application for all goods applied for, including those refused.

The appeal was dismissed by decision of 7 February 2020 (the “Decision”), which confirmed the lack of distinctive character of the Mark, in accordance with Art. 7(1)(b) of EUTMR. The Board of Appeal found, *inter alia*, that: (i) as the Mark consists of English words, account should be taken of the public in the English-speaking territory of the European Union for the assessment of its eligibility for protection; (ii) the Mark, as a whole, is simply perceived by the relevant public as a laudatory promotional slogan, the function of which is to communicate a value statement (i.e. the idea that the goods at issue in class 29, 30, 32 have the same characteristics as milk but they are specifically made for humans); thus, (iii) the Mark does not perform the function to enable the relevant public to distinguish the Applicant’s goods from those of others companies.

In this context, the Applicant resorted to the GCEU, claiming the annulment of the Decision for infringement of Art. 7(1)(b) EUTMR.

¹ Art. 7(1)(b) EUTMR provides that trademarks which are devoid of any distinctive character are not to be registered.

² Class 29, 30, 32 respectively include, *inter alia*, foodstuffs and dairy products substitutes; foodstuffs of plant origin, oat-based products; preparations for making beverages.

Findings of the GCEU

The GCEU overturned the previous decisions, stating the following.

Preliminary, the Court recalled that, according to settled case-law: (i) the marks referred to in Art. 7(1)(b) of EUTMR are those which are regarded as incapable of identifying the commercial origin of the goods or services; (ii) a minimum degree of distinctive character is sufficient to preclude the application of the absolute ground for refusal set out in Art. 7(1)(b) of EUTMR; (iii) while the criteria for the assessment of distinctive character are the same for all categories of marks, the relevant public's perception could prove more difficult to establish distinctiveness in relation to marks of certain categories (e.g. mark consisting of advertising slogan) as compared with marks of other categories; however, (iv) a trademark consisting of an advertising slogan must be recognised as having distinctive character if, apart from its promotional function, it may be perceived by the relevant public as an indication of the commercial origin of the goods and services at issue.

In the light of the principles above, the GCEU explained that, on account of the conjunction "but" in the middle of the sign, the Mark conveys not only the idea that the goods at issue are similar to milk and are intended for human consumption, but also the idea that milk itself is not.

Moreover, in the GCEU's views, it must be taken into consideration the fact that the Mark calls into question the commonly accepted idea that milk is a key element of the human diet. As such, the Mark is capable of setting off a cognitive process in the minds of the relevant public which is such as to enable consumers to distinguish the Applicant's goods from those having another commercial origin.

In view of the above, the GCEU concluded that the Mark has the minimum degree of distinctive character required by Art. 7(1)(b) EUTMR and, thus, that the Board of Appeal erred in finding that it was devoid of any distinctive character.