



SHAPES CAN SPEAK A THOUSAND WORDS

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The London Taxi Company has had its UK trade mark registration of the shape of its black cab declared invalid and its claims of trade mark infringement and passing off against a new cab company, Metrocab, rejected by the England and Wales Court of Appeal on the grounds that the shape of the traditional black cab lacks distinctive character.



Earlier this year the same court ruled that Nestlé's UK trade mark application, seeking registration of the shape of its four finger KitKat chocolate bar, cannot be granted since the four finger shape lacks distinctive character.

The UK court's seemingly hard stance on what is distinctive character serves as a reminder of several important factors concerning trade marks, two of which are briefly discussed below:

1. WHAT CAN BE REGISTERED AS A TRADE MARK?

A trade mark must be capable of being represented graphically. This means that not only words and names can be registered as trade marks, it is also possible to register numbers, shapes, configurations, colours, smells or any combination of these and others as trade marks.

The condition is that the mark for which registration is sought must be capable of distinguishing the goods and services for which registration is sought from those of others. The owner has the exclusive right to use and authorise third party use of its mark in relation to the goods and services for which it is registered.

Once a trade mark is registered it can be renewed in perpetuity on payment of a renewal fee on expiry of the requisite term in the relevant territory. In most countries a trade mark registration is renewable every ten years calculated from the date of application. Unless a cancellation action is initiated by an interested third party a maintained trade mark registration can last forever.

2. WHAT IS DISTINCTIVE CHARACTER?

Nestlé and Cadbury (now Mondelez) have been embroiled in this trade mark dispute in the UK since 2010. Although Nestlé submitted results of a consumer survey showing that over 90% of those surveyed regarded the four finger shape of the chocolate bar as distinctive, the Court of Appeal regarded this evidence as insufficient.

It concluded this by asking whether the public associated the four finger shape itself with KitKat removing all other branding (including the KitKat logo) and further whether the public sees the shape as a badge of origin.

The Court found that while the public may - and clearly do- associate the shape of KitKat with Nestlé, they do not use the shape of the chocolate bar alone to conclude that it is a KitKat.

BEST PRACTICE

Nestlé's demise in the UK should not be seen as a deterrent to protecting and registering shapes and other distinctive marks that are not word marks. Customer surveys can be difficult in trade mark cases, not only because they are extremely expensive but the more complex the legal argument the more challenging it is to show results with necessary impact.

Nestlé has in any event been successful in registering its shape mark in numerous jurisdictions including France, Australia, Canada, Germany and South Africa – with the South African Court of Appeal ruling in 2014 that the four finger shape had become distinctive through use.

Nestlé may well take this UK ruling on appeal.

A shape mark can be relied on to prevent imitations and infringement and in addition to your name can be extremely valuable. Perhaps Nestlé's KitKat case best illustrates the importance of incorporating the inherent distinctiveness of a shape mark, on its own, in marketing.

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