



**To: National IP Offices of EU Member States
Benelux Office for Intellectual Property (BOIP)**

Cc: Office for Harmonisation in the Internal Market (Trade Marks and Designs)

4 July 2012

Interpretation of the judgement of the Court of Justice of the European Union in Case C-307/10 “IP-Translator”

Dear Sirs,

MARQUES is the European association representing brand owners' interests. Our mission is to be the trusted voice for brand owners.

The Court of Justice of the European Union (hereinafter CJEU) has handed down its judgement in Case C-307/10 - generally referred to and known as the “IP Translator” case - on 19 June 2012.

Discussions have arisen soon thereafter on how the CJEU’s ruling has to be interpreted, notably in connection with the CJEU's third answer relating to the *“extent of protection resulting from the use of all the general indications of a particular class heading”* of the Nice Classification.

By the present letter, we would like to explain how **MARQUES interprets the judgement of the CJEU and the reasons for our interpretation.** In fact, not only we consider that our understanding would truly reflect a correct interpretation of the CJEU’s ruling, but we also fully believe that this is the interpretation that best reflects the interests of the brand owners, i.e. the users of the trademark registration system.

The answers given by the CJEU in response to the questions referred to it are:

*1. Directive 2008/95 must be interpreted as meaning that it requires the goods and services for which the protection of the trade mark is sought to be identified by the applicant **with sufficient clarity and precision** (emphasis added) to enable the competent authorities and economic operators, **on that basis alone** (emphasis added), to determine the extent of the protection conferred by the trade mark;*

2. Directive 2008/95 must be interpreted as meaning that it does not preclude the use of the general indications of the class headings of the Nice Classification to identify the goods and services for which the protection of the trade mark is sought, **provided that such identification is sufficiently clear and precise** (emphasis added);

3. An applicant for a national trade mark who uses all the general indications of a particular class heading of the Nice Classification to identify the goods or services for which protection of the trade mark is sought must specify whether its application for registration is intended to cover all the goods or services included in the alphabetical list of that class or only some of those goods or services. If the application concerns only some of those goods or services, the applicant is required to specify which of the goods or services in that class are intended to be covered.

At a *prima facie* analysis, the above third answer would seem to indicate that the CJEU would consider it acceptable that, if an applicant wants to cover all goods or services of a particular class, the applicant must simply recite all general indications of the respective class heading along with a declaration that, by reciting the particular class heading, the applicant intends to cover all those goods/services that (at the time of filing) belong to the corresponding alphabetical list of that particular class.

However, looking at this answer more attentively, the CJEU does not say this. The CJEU merely states that an applicant, who recites an entire class heading in the specification, has to specify the goods or services if he does not wish that all the goods or services of that class are otherwise meant to be covered. The CJEU does not positively state in the third answer what the applicant has to do when he really intends that all the goods or services of that class are meant to be covered.

Clearly, the third answer must not be interpreted in a manner that would contradict the first or second answer. Thus, if the third answer was interpreted to represent that - by reciting all general indications of a class heading and by submitting a declaration to the extent that with such recitation all goods or services of that particular class are intended to be covered – such interpretation would not obviously respect the condition as represented in first answer given by the CJEU, namely that there must be a clear and precise identification of the goods or services that would allow the competent authorities and any third parties to determine the extent of protection conferred by the trade mark, especially in those cases where the class heading terms are not literally covering all the goods or services of that particular class (e.g. in class 41, any of the class headings would not literally cover translation services). Accordingly, such an explanation cannot be regarded as the right interpretation of the CJEU's third answer, as it would clearly contradict the CJEU's first answer.

Hence, what is the right interpretation of the CJEU's ruling?

The CJEU itself gives express clarification in the very last paragraph of its judgement, by stating that:

63 Thus, in the case in the main proceedings, it is for the referring court to determine whether, when it used all the general indications of the heading of Class 41 of the Nice Classification, CIPA *specified in its application* whether or not it covered all the services in that class and, *in particular, whether or not its application was intended to cover translation services* (emphasis added).

Thus, according to the CJEU, the applicant has to “*particularly specify in the application*” the specific goods or services that would have to be covered (in this case “translation services”) if such coverage is not sufficiently clear and precise by making use of the general indications of that particular class heading(s) alone.

MARQUES fully supports the above mentioned explanation of the CJEU and strictly interprets the IP Translator judgement according to the clarity and precision requirements, because only such interpretation provides an explanation which does not contradict the CJEU’s ruling in its first answer and also in its entirety. Moreover, it would fully be in the interest of the brand owners, and we would like to remark that it is the brand owners’ interest which should be warranted in interpreting this ruling, as brand owners are the users of the registration trade mark system.

Why is the interpretation supported by **MARQUES in the brand owners’ interest?**

There are many reasons and among these, a very striking and explanatory reason takes its justification from the following facts.

Many of the economic operators who make use of the registration trade mark system and other related tools are SMEs. In general, business people or managers, notably those running SMEs, have little or even no focused knowledge of the Nice Classification system but for the strict basics. When they are supposed to monitor the registers and/or assess trade mark rights of either particular competitors or any other third parties, they would simply avail themselves of the information as obtained from the publication of trade mark applications or registrations in the pertinent registers. If these users had to peruse any statements made in a trade mark application or registration to the effect that all goods or services of a particular class are intended to be covered (according to the alphabetical list of that particular class), they would not reasonably understand the extent of any such statement on that basis alone. Even in case they could understand it, they would have to engage themselves into a burdensome process, in order to retrieve the Nice Classification, assess its general aims and class scopes and further find out what the alphabetical list of goods or services for that particular class would actually include.

Based on the fact that the Nice Classification has been subject to revision and update over the years, if the trade mark concerned by the assessment was 20 or even only 5 years old, they would have to know that account must be had to the alphabetical list in force at that time. Supposed that it could be found, the entire list of terms of that alphabetical list of goods or services ought to be carefully studied to hopefully find out which the scope of protection of the trade mark for that particular class would actually be. As a trade mark application or registration may cover more than one class, the same exercise ought to be equally repeated for any other of the classes that were identified in that application or registration in the same or similar indefinite

ways. It is self evident that this is not something that users, in particular SMEs, can afford for or work with. To the extent that users cannot work with such a practice, the system would not provide the legal certainty and consistency that it is expected and supposed to warrant. Moreover, such a practice would clearly conflict with the CJEU's ruling in its first answer ("...with sufficient clarity and precision ... on that basis alone"), as set out above.

Is there any way to cover in a specification of goods and services all the goods or services of a particular class in a clear and precise manner?

Before answering this question, it should be considered whether and to which extent there is any need for an applicant to cover all the goods or services of a particular class of the Nice Classification. In fact, it is **MARQUES'** opinion that applicants should be encouraged to specify in the list of goods and services only those particular goods or services in which they are really interested and that would ensure appropriate coverage of any reasonable future developments of their business including possible future developments, rather than attempt to cover an entire class irrespective of its specific contents and any fair need.

In this frame, **MARQUES** appreciates the initiative put forward by the OHIM under the Convergence Programme with a view to harmonise the practices of Classification and the use of Class Headings, on the grounds of a set of principles for a new common practice based on the so-called Taxonomy.

The Taxonomy provides a hierarchical structure of basically all goods and services of the Nice Classification with the most specific terms defined at the bottom and the most general terms identified at the top of the hierarchy. Applicants can make use of these general terms, whenever broad coverage is needed.

The Taxonomy is expected to be implemented by the end of this year. On the basis of the Taxonomy, applicants will even be able to select and make use of identified groups of terms of the hierarchy (the groups of terms defining so-called "class scopes") that are acceptable for classification purposes and will ensure a comprehensive coverage of the goods or services that would fall within a particular class of the Nice Classification.

MARQUES would not in principle object to the adoption of the Taxonomy for the purpose of harmonising the classification system, to the extent that the groups of terms defining the class scopes under the Taxonomy are intended to meet the requirements of clarity and precision as now referred to in the CJEU's ruling in the IP Translator case and so far that it is made clear that those groups of terms defining class scopes should only be used if and to the extent that broad protection is really needed, e.g. by those economic operators who actually provide diversified goods or services.

However, as a rule and in the general interest of all users, **MARQUES** maintains its view that applicants should always specify the goods and services in a manner as would be required to make it possible to establish which goods or services the application is intended to cover.

Under the above circumstances, **MARQUES** would encourage all national offices not to adopt any other different approach, notably any other approach that would contradict the CJEU's ruling in the IP Translator case.

In conclusion, we would like to remark that the CJEU's ruling in the IP Translator case does not address the question of how the scope of protection of already registered trade marks ought to be interpreted, in cases where those trade mark registrations make use of class headings. As this is an entirely different matter, we do not intend to address the same here.

Yours sincerely,



Nunzia Varricchio
Chair of **MARQUES** Council



Jochen Höfeld
Chair of **MARQUES** Trade Mark Law
and Practice Team



About **MARQUES**

MARQUES is a European association of pan-industry brand owners worldwide. Established in 1986 and later incorporated in the United Kingdom as a not-for-profit company limited by guarantee, **MARQUES** unites European and international brand owners across all product sectors to address issues associated with the use, protection and value of IP rights, as these are vital to innovation, growth and job creation, which ultimately enhance internal markets. Its membership includes brand owners and IP professionals in more than 80 countries.

MARQUES is an accredited organisation before the Office for Harmonisation in the Internal Market (OHIM), appointed observer at the OHIM Administrative Board and Budget Committee, an official non-governmental observer at the World Intellectual Property Organisation and a registered interest representative organisation (ID 97131823590-44) in the Transparency Register set up by the European Parliament and the European Commission, which extends and replaces the former Register of Interest Representatives, opened by the commission in 2008.

More information about **MARQUES** and its initiatives is available at www.marques.org.