



FENCER

THE RULE OF NEUTRALISATION IN TRADE MARK LAW

paul.maeyaert@fencerlaw.eu

6 October 2023



content

1. the birth of the rule of neutralization
2. rule of neutralisation or counteraction theory
3. famous persons/characters → no LOC
4. word with clear and specific meaning → no LOC
5. rule of neutralisation and well known marks
6. case law
7. conclusion

1. birth of the rule of neutralisation

- GC 14 oktober 2003, T-292/01, Phillips-Van Heusen/EUIPO-Pash Textilvertrieb und Einzelhandel, par. 54

PASH

vs.

BASS

class 18 and 25

voice of
a singer

or



1. the birth of the rule of neutralisation

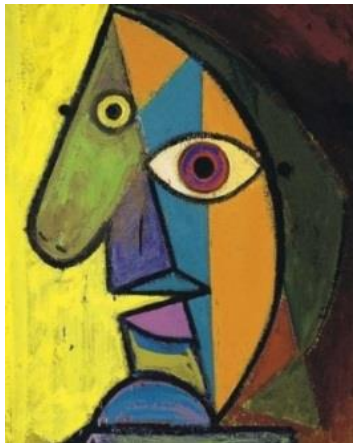
- GC 22 June 2004, T-185/02, Ruiz-Picasso and others/EUIPO – Daimler Chrysler; confirmed by CJEU 12 January 2006, C-361/04 P

PICASSO

vs.

PICARO

class 12



1. the birth of the rule of neutralisation

- Advocate-General D. Ruiz-Jarabo Colomer

“It is sad to note that the most outstanding mythical figure of the twentieth century, part of the common heritage of mankind, has been reduced to an article of commerce, a piece of merchandise. Of course, it is perfectly legitimate to protect such a name against harmful attacks, but its widespread use for purely commercial ends outside the field in which gained its renown could be detrimental to the respect which his extraordinary personality deserves.”

1. the birth of the rule of neutralisation

- confronted with the word sign PICASSO, the relevant public inevitably sees in it a reference to the painter and that, given the painter's renown with that public, that particularly rich conceptual reference is such as greatly to reduce the resonance with which, in this case, the sign is endowed as a mark, among others, of motor vehicles (para. 27)



2. rule of neutralisation or counteraction theory

- conceptual differences may counteract or neutralise the visual and phonetic similarities between the signs
 - **one of the signs** at issue must have, from the point of view of the relevant public, **a clear and specific meaning** so that the public is capable of grasping it immediately
 - the other mark must not have such a meaning or an entirely different meaning
 - the clear and specific meaning of the sign is not affected by the fact that that meaning has no connection with the goods concerned
- **no likelihood of confusion**

2. rule of neutralisation *or* counteraction theory

- the theory of neutralisation only applies when
 - one sign has a fixed meaning and the other sign has no meaning or an entirely different meaning
- the theory of neutralisation does not apply when
 - both signs have a similar conceptual meaning

2. rule of neutralisation or counteraction theory

- first step/phase when assessing likelihood of confusion/association:
 - is there similarity between the signs (visual, phonetical and/or conceptual)?
- first define relevant public on territorial level (language!)

2. rule of neutralisation or counteraction theory

- CJEU, 4 March 2020, Equivalenza Manufactory/EUIPO-ITM Enterprises/ C-328/18P



vs.

class 3
(perfumes)



➤ CJEU:

- the neutralisation theory should be applied in the first phase
- if no similarity between the signs: **game over**
- in this case: similarity between the signs (“label” has no fixed meaning <-> GC, T-6/17)

2. rule of neutralisation or counteraction theory

- does not play a role in the first phase (assessment of similarity between the signs):
 - level of attention of the relevant public
 - identity or similarity of the products/services (2nd phase)
 - reputation or (enhanced) distinctive character of the earlier mark (CJEU 24 March 2011, C-552/09 P, Ferrero/Tirol Milch para 58; GC 20 October 2016, T-407/17-5, Monster Energy Cy/EUIPO; CJEU 4 March 2020, C-328/18 (EUIPO/ Equivalenza Manufactory, para 60)
 - marketing circumstances (CJEU 4 March 2020, C-328/18, EUIPO/Equivalenza Manufactory para 70-73)
- if one word has a fixed meaning: *no global* assessment of the similarity between the signs

3. famous persons/characters → no LOC

- Picasso (painter)
- Obelix (cartoon character)
- Messi

Picaro
Mobilix

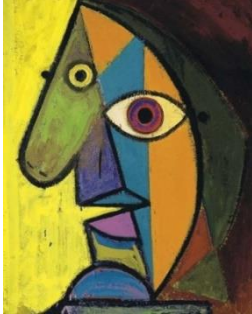
cars
telecom

T-185/02; C-361/04
T-336/03; C-16/06P

Messi
(football player)

sports goods

T-554/14; C-449/18P
C-474/18P



3. famous persons/characters → no LOC

- CJEU 17 September 2020, C-449/18P & C-474/18P, Lionel Andrès Messi Cuccittini/EUIPO-J-M.-E.V. e hijos

MASSI

vs.



MESSI

EUTM application



classes 9 and 28



classes 9, 25 and 28

3. famous persons/characters → no LOC

– likelihood of confusion on the part of the relevant public

- phonetical similarity: high
- visual similarity: average
- but conceptually different

→ no LOC

3. famous persons/characters → no LOC

➤ hypothetical conflicts:



MESSi

vs.

MOSSI

no LOC

MASSI

vs.

MOSSI

LOC

3. famous persons/characters → no LOC

- GC 16 June 2021, T-368/20, Smiley Miley vs Cyrus Trademarks

CYRUS

classes 09 and 20



MILEY CYRUS

classes 09, 16, 28 and 41




vs.

3. famous persons/characters → no LOC

- likelihood of confusion on the part of the relevant public
 - a phonetical similarity: average
 - visual similarity: average
 - but conceptually different: *“Miley Cyrus is well known as a singer and actress; is a public figure of international reputation”*
- no LOC

4. word with a clear and specific meaning → no LOC

- pash bass clothing T-292/01
(singing
voice, music
instrument)
-  Zihr cosmetics T-355/02; C-206/04 P
- kiowa (ES) cohiba tobacco T-207/08
(Indian/Native
American)

4. word with a clear and specific meaning → no LOC

| | | | |
|--------------|-------------|---------------|--------------------|
| • Champion | chempioil | motor oil | C-34/15; C-437/16P |
| • black jack | black track | gaming | T-257/14 |
| • LEMA | LENAH C | class 5 | T-802/14 |
| • A.MEN | âme | class 18 & 25 | T-442/20 |
| • Cody's | CODE - X | class 32 | T-198/21 |

5. rule of neutralisation and well known marks

➤ quid famous designers?

- Tommy Hilfiger
- Hugo Boss
- Christian Dior
- Louis Vuitton
- ...

= also a clear and specific meaning? cfr. Pablo Picasso, Lionel Messi, Miley Cyrus

5. rule of neutralisation and well known marks

- most opposition cases before EUIPO did also involve other marks (not only the full name of the designer):
 - Tommy and Tommy Hilfiger vs. Tommy Lee (classes 18, 25, 35) – 26 July 2007 – B 902 652
 - Tommy vs. Tomming (classes 9, 14, 25, 35 – 22 January 2020 – B 3 050 377
 - Boss vs. BiBoss (classes 3, 12, 28) – 3 October 2022 confirmed by the BoA on 31 March 2023 – R 1990/2022-5
 - Dior vs. Victoriadior (class 3) – 24 February 2020 – B 3 074 520
 - Dior vs. Royaldior (class 14) – 26 June 2023 – B 3 172 959
 - Vuitton vs. Vhiton (class 25) – 10 March 2022 – B 3 137 477

LOC

5. rule of neutralization and well known marks

- Bundesgericht Switzerland 10 October 1995, Hugo Boss / Reebok Int.

BOSS

vs.

BOKS

- phonetical similarity : high
- visual similarity: average
- **but conceptually different** : BOSS has a specific meaning = gentleman or leader, while BOKS has no specific meaning

no LOC

5. rule of neutralization and well known marks

APPLE



vs.

IPPLE

class 9

?

5. rule of neutralisation and well known marks

➤ BoA EUIPO 23 February 2021, R- 134 / 2020 - 1

APPLE

vs.



class 35 & 45 (lobbying services)

- opposition rejected (apple has a fixed meaning: the conceptual differences between the signs outweigh their similarities)

5. rule of neutralisation and well known marks

➤ BoA EUIPO 29 November 2022, R 473 / 2022-2

APPLE

vs.



class 9

- the signs are conceptually different, but – contrary to the Opposition Division – no application of the rule of neutralisation
- opposition well founded (art. 8 (5) EUTMR)

6. case law

- GC 5 February 2015, T-78/13, Red Bull/OHIM – Sun Mark

BULL (AT)
RED BULL (EU)

vs.

BULLDOG
EUTM application



class 32

- ‘bull’ has no specific meaning for a large part of the non-English speaking public + “bull” and “bulldog” are conceptually similar (“both are animals from which a concentrated force emanates... towards fellow creatures or human beings”) → LOC

6. case law

- Court of appeal The Hague, 14 March 2017, IEPT 2017-0314



vs.

class 32

THE BULLDOG



- “bull” and “bulldog” have an entirely different meaning : neutralisation of the visual and phonetical similarities → no LOC

6. case law

- Opposition division EUIPO, B 3 105 605 Cerveceria Modelo de Mexico / Fengwei Shi



vs.

Chitanco

class 32 (beer)

LOC



6. case law

- GC 8 September 2010, T-112/09, Icebreaker/EUIPO – Gilmar

ICE (IT)
ICEBERG (IT)

vs.

ICEBREAKER
EUTM application

class 25

LOC (same concept)

↔ Tribunal Superior de Justicia (High Court of Justice) Spain, 3 May 2007

6. case law

- GC 28 January 2015, T-123/14, BSH Bosch und Siemens Hausgeräte / OHIM - Arçelik

waterPerfect

vs.

AquaPerfect

EUTM application

class 7

LOC (same concept)

6. case law

- Liège 28 March 1991, BIE 1992, 326



vs.



LOC (same concept)

6. case law

- GC 9 March 2005, T-33/03



SHARK

vs.

HAI

German mark

energy drinks

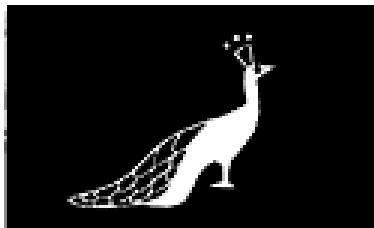
EUTM application

no LOC (same concept neutralised by visual and phonetic differences)

6. case law

- GC, 21 April 2010, T-361/08, Peek & Cloppenburg/EUIPO - The Queen Sirikit Institute of Sericulture (Thai Silk), par. 73

Peek en Cloppenburg



clothing

vs.



class 24

clothing made of silk

no LOC (same concept neutralised by visual and phonetic differences)

6. case law

- GC, 4 March 2009, T-168/07, PTR Professional Tennis Registry



REGISTRO PROFESIONAL
DE TENIS

vs.



no LOC (same concept neutralised by visual and phonetic differences)

6. case law

- BoA EUIPO 14 June 2011, R 1588/2009-4
- Italian Trademark Office (Opposition division), 2019

APPLE



vs.

PINEAPPLE



LOC

6. case law

- GC 31 January 2019, T-215/17, Pear Technologies/EUIPO



vs.

class 9

no LOC



PEAR

“you cannot compare apples with pears”

6. case law

- GC 9 February 2017, T-106/16, zero v EUIPO - Hemming (ZIRO)

zero

vs.

ZIRO

class 25



LOC (conceptual differences do not counteract the degree of visual similarity = important for clothing)

6. case law

- Court of Appeal Brussels 27 June 2022, AR 2021/204



vs.



LOC (conceptual differences do not counteract the degree of visual similarity) – no copyright infringement

6. case law

- German Federal Patent Court 20 October 2021 (case 29W (pat.) 517/19)

Hotspur

vs.

HotSpot

boilers, heating pumps, etc...

LOC (hotspot has several meanings, not a fixed meaning)

6. case law

- Court of Appeal of Liège, 20 march and 6 june 2018, confirmed by Court of Cassation, 6 March 2020, c18.0366.F/1
- GC 13 July 2022, T-251/21, Tigercat Int. / EUIPO - Caterpillar



vs.

TIGERCAT

Class 7



LOC (same concept of a 'cat')

6. case law

- Commercial Court Brussels, 25 October 2005



vs.

EVIDENCE



underwear

LOC (not a fixed meaning in the Dutch speaking part of the Benelux)

6. case law

- Court of Appeal Brussels 17 January 2023, n° 2021/AR/429 (infringement action) **LOC**
- BOIP 27 January 2023, n° 3000230 and n° 3000231 (invalidity action) **no LOC**

MALHEUR



vs.

MAJEUR



**FORCE
MAJEURE**



6. case law

- BOIP 16 December 2022

WeWork

vs.

WeWood

classes 35, 37, 41 & 42

no LOC

- BOIP 24 April 2023

 **Boom**
BOOM

vs.

BOOMER

classes 9, 16, 35, 38, 41, 42 & 43

no LOC

6. case law

- Benelux Court of Justice 20 July 2022, C-2021/7

FIDELITY

vs.



FIDELIAS

class 36

LOC (same concept)

6. case law

- Benelux Court of Justice 28 June 2023, C-2022/5/6 and C-2022/6/6



vs.

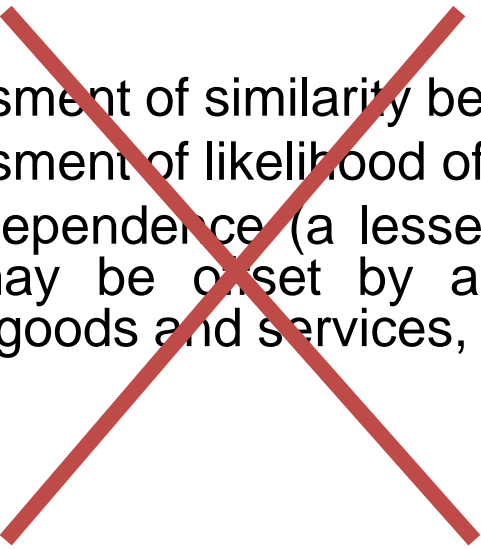
Freed

FREED

class 3

LOC

7. conclusion

- 
- global assessment of similarity between signs
 - global assessment of likelihood of confusion
 - rule of interdependence (a lesser degree of similarity between the signs may be offset by a greater degree of similarity between the goods and services, and vice versa)

7. conclusion

the rule of neutralisation

- serves as a guillotine, excluding any overall similarity and disregarding the degree of visual and phonetic similarity, let alone the identity or similarity between the goods and services
- is contrary to a global assessment of the likelihood of confusion (including the rule of interdependence) (art. 10 (2) (b) EUTMD – art. 9 (2) (b) EUTMD and art. 16 TRIP's Agreement)
- and *de facto* amounts to a type of expropriation in violation of Article 1 of Protocol No 1 of the European Convention on Human Rights and article 52, 1 ju. Article 17 of the EU Charter of Fundamental Rights (the right to peaceful enjoyment of (intellectual) property)
- does not exist in the USA

berichten industriële eigendom

4/2023

• TERUGBLIK

Merkenrecht 2022-2023
– Rutger de Boer en Julie Visser

• RECHTSPRAAK

Merkenrecht
Nr. 9: EUIPO 25 oktober 2022, Nelenman
Just Packing Good Wine, IEF 21196
– met noot van Lotte Anemzet

Auteursrecht

Nr. 10: HR 31 maart 2023, Kwantum/
Vina, IEF 21332; ECLI:NL:HR:2023:506
– met noot van Mireille van Techoud

The European Commission's proposal for a SEP Regulation

Wouter Pors

Gebruiksmodellen – een rechtsvergelijkende verkenning

Marc van der Burg

De neutralisatietheorie in het merkenrecht: quo vadis?

Paul Maeyaert

deLex

Questions?

THANK YOU

paul.maeyaert@fencerlaw.eu
+32 (0) 2 221 03 80

