

ExCo Helsinki
Adopted resolution
10 September 2013

Resolution

Question Q234

Relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation

AIPPI

Noting that:

- 1) In previous questions, AIPPI has studied issues relating to the extended protection of certain marks, such marks being characterized in different terminology, such as “well-known marks” protected without registration under the 1883 Paris Convention (as amended) (“PC”); “marks with a reputation” protected under European Union trademark law; and “famous marks” protected against dilution in unrelated product fields under US law.
- 2) These studies led to the adoption of
 - a) The resolution of the Congress of London in 1960 (Q29) calling for a further study on the protection of marks that are well-known within the meaning of Article 6bis PC, as regards protection against use to distinguish any product whatsoever;
 - b) The resolution of the Congress of Berlin in 1963 (Q29) that marks enjoying high reputation should be protected against use or registration by third parties, even in respect of different goods or services and even if they are not used in the country where protection is sought, when such registration or use is liable to be harmful to the proprietor of the mark;
 - c) The Resolution of the Executive Committee of Barcelona in 1990 (Q100) regarding the protection of unregistered but well-known trademarks (Art. 6bis PC) and protection of highly renowned trademarks, whereby it was resolved that
 - (i) the protection of well-known marks (Art. 6bis PC) should conform to certain minimum standards, including

- The concept of a well-known mark: a mark which is known to a large part of those involved in the production or trade or use of the goods concerned, and is clearly associated with such goods as coming from a particular source.
 - The mark should be well-known in the aforementioned sense in the jurisdiction where protection is sought. However, in deciding whether a mark is well-known, it is right to take into consideration the fact that the mark is well-known internationally.
 - No condition of use in the jurisdiction where protection is sought should be required.
 - These provisions should apply to service marks *mutatis mutandis*.
- (ii) marks having a reputation should be protected against detriment to the distinctive character or reputation of the mark and
 - (iii) marks having a high reputation (“marques de haute renommée” in French; “berühmte Marke” in German) should be protected against use or registration without the need to prove any detriment to the distinctive character or reputation of the mark; such marks are those which are known to a large part of the public in general and which are of such a nature and repute that there does not appear to be any justification for the use or registration of the mark by others. Since such marks are known to a large part of the public they are also necessarily well known in the sense of Article 6bis PC.
- a) The Resolution of the Congress of Paris in 2010 (Q214) (“Protection against the dilution of a trademark”)
- (i) considering inter alia that trademark dilution is a departure from the traditional trademark law principle of specialty (under which marks are protected only with respect to the particular or similar goods or services for which they are used and/or registered);
 - (ii) calling for recognition of dilution by blurring (impairment or reduction of the distinctiveness of the mark) and by tarnishment (harm to a mark’s reputation); and
 - (iii) stating in pertinent part that certain trademarks should be eligible for protection against dilution irrespective of the identity, similarity or dissimilarity of goods and services, subject to the following conditions:
 - Such trademarks being defined as having recognition or fame among a significant part of the relevant public. In determining such recognition or fame, all relevant factors will be taken into account, e.g. the intensity, geographical extent and duration of the use of the trademark, the amount of sales under the trademark, the size of the investment made by the undertaking in advertising and/or promoting the trademark and

the market share held by the trademark, while distinctiveness will also be a requirement to be determined according to normal principles of trademark law; and

- The relevant public in determining the recognition or fame of a mark being dependent on the goods and services in question, i.e. the public concerned by the products or services covered by the trademark, which can be a limited product market (“niche”).

3) However, in the working committee Q214 in Paris, it became clear that the issue of the relevant public required further study and should be made the subject of a separate question, leading to this question Q234.

Considering that:

- 1) The varying terminology and legal history of this subject are very complex, differing widely from country to country, and making harmonization very difficult. However, there is broad agreement on the basic policy that certain marks should be given extended protection beyond the general regime of deception-based protection and the specialty rule applicable to trademarks registered or used in the country where protection is sought. This extended protection can be in the form of protection, inter alia, against unauthorized use or registration of identical or similar trademarks in countries where the trademark is not used or registered, and/or unauthorized use or registration of such trademarks in unrelated product or service fields (“dilution”);
- 2) The marks considered to be eligible for extended protection are given names and characterizations in different countries and treaties including, but not limited to, “famous marks”, “well-known marks” and “marks with reputation,” and there is great diversity in the conditions for eligibility, the scope of such extended protection, and the relevant public in which to determine whether the mark qualifies for an extended protection;
- 3) Article 6bis PC provides, in pertinent part,

“ (1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.”

The protection of a well-known mark under that provision does not require that the mark be registered in the country where such protection is sought. Use of the mark in such country should also not be required. Such extended protection under Art. 6 bis PC was meant to be mandatory, but still limited by the specialty principle.

- 4) TRIPS Article 16, in 1995, refers to Article 6bis PC in three respects:
- a) its paragraph 2 declares said Art. 6bis applicable, *mutatis mutandis*, to services;
 - b) the same paragraph states: “In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.”;
 - c) its paragraph 3 provides that said Art. 6bis “shall apply, *mutatis mutandis*, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods and services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use.” The mandatory minimal protection under Art 6bis PC of well-known trademarks is thereby extended against dilution.
- 5) NAFTA Article 1708(6), 1992, also incorporates Article 6bis and provides: “No party may require that the reputation of the trademark extend beyond the sector of the public that normally deals with the relevant goods or services”.
- 6) The Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization in 1999 provides:
- a) In Article 2(2)(a) that when considering the degree of knowledge or recognition of the mark in the relevant sector of the public in determining whether the mark is a well-known mark, at least three categories will be regarded as “relevant sectors of the public”:
 - (i) actual and/or potential consumers of the type of goods and/or services to which the mark applies;
 - (ii) persons involved in channels of distribution of the type of goods and/or services to which the mark applies;
 - (iii) business circles dealing with the type of goods and/or services to which the mark applies.

It also provides in Art. 2(3)(a)(iii) that a Member State shall not require, as a condition for determining whether a mark is a well-known mark, that the mark is well-known by the public at large in the Member State.

The Joint Recommendation further provides in Art. 2(2)(b) that “where a mark is determined to be well known in at least one relevant section of the public in a Member State, the mark shall be considered by the Member State to be a well-known mark.”

- b) The Recommendation calls for protection of well-known marks irrespective of the goods and/or services at stake. In this respect, it distinguishes three types of uses conflicting with the well-known mark. For two of them, the Member States may require the well-known mark be well known by the public at large : Art. 4(1)(b)and(c). This applies when the use of the mark is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark or would take unfair advantage of that distinctive character. On the other hand, such limitations by a Member State are not allowed when the use of the mark would indicate a connection between the goods (or services) for which the conflicting mark is used and the owner of the well-known mark, and such use would be likely to damage the interests of the said owner.

The Recommendation suggests a link between the extent and/or type of extended protection sought, on the one hand, and the definition of the sector of the public in which the knowledge/recognition of the mark is relevant to the qualification as well-known mark, on the other hand.

The comparative law overview resulting from the reports of the National Groups indicates that such a link seems to exist in many national statutes and cases.

- c) However, the Recommendation allows a mark to be considered a well-known mark even if none of the specific listed factors applies, including the degree of knowledge or recognition of the mark in the relevant sector of the public, and the decision may be based on other factors applicable in the particular case: Art. 2(1) (c) , 4th sentence and 2(2)(d).
- 7) “Well-known marks” is therefore a legal term of art originating in Article 6bis of the Paris Convention. But it is also a term often used in traditional trademark cases in its “dictionary sense” simply to mean a mark with an existing marketplace impact and recognition resulting from significant use and promotion. Even in traditional trademark cases, which do not involve the question of extended protection, the marketplace impact and recognition of a mark are considered as relevant factor.
- 8) “Marks with a reputation” (or “reputed marks”) is a legal term of art in European Union trademark law, and is used in certain other countries as well, although sometimes with different meanings or consequences under different national legal regimes. Most (but not all) of the EU countries follow the relevant public definition in the leading CJEU case of General Motors/YPLON. In that case, a court action for an injunction, General Motors asserted its registered CHEVY trademark for vehicles to stop the unauthorized use of CHEVY for detergents and cleaning products. General Motors based its claim on the dilution provisions of European trademark law. The CJEU held that the relevant public consists of those who are concerned with the earlier trademark, which in turn depends on the particular type of goods or services sold under the earlier trademark. The relevant sector of the public must be considered and determined on a case-by-case basis.
- 9) “Famous marks” is a legal term of art in the U.S. Trademark Act, meaning a category of marks eligible for protection against dilution, and is recognized in the laws of certain other countries as well, although sometimes with different

meanings or consequences under different national legal regimes. The relevant public for “famous marks” depends on the legal consequences that follow from that classification. In the United States, the term “fame” is used in at least two different contexts. First, the “fame” of the plaintiff’s mark, in its dictionary sense, is one of the standard list of non-exclusive factors to be considered in determining infringement. But “famous” is also a defined statutory term of art, which must be established in order for a mark to be eligible for dilution protection. This is the pertinent definition here, and the relevant public for such extended protection is defined by statute: “a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner.” In amending the US dilution statute, the US Congress specifically rejected the proposal that a mark should be considered famous if it is widely recognized only within the limited segment of the public involved with the mark (“niche market”).

- 10) It appears from the above that defining the relevant public for determining whether a mark is eligible for extended protection as a “famous mark,” or a “well-known mark” or a “mark with a reputation” should not aim at a single harmonized regime and should include consideration of the intended type of extended protection against non-confusion infringement in each national case and could lead to different conclusions depending on the national legal regime.
- 11) Therefore this resolution will focus primarily on the definition of the relevant public in the case of well-known marks under Art. 6bis PC and Art. 16 TRIPS, which are now ratified by most countries, and certain limited points concerning the other legal terms of art, “famous marks” and “marks with a reputation,” which tend to be more regional concepts even though they are within the scope of Q234.

Resolves that:

- 1) The relevant public for assessing whether or not the mark deserves the pertinent protection must always be determined on a case-by-case basis, in light of the goods and services to which the mark applies.
- 2) In the determination of the relevant public, all relevant circumstances regarding their contact with, exposure to, or interaction with the mark or goods or services to which the mark applies should be taken into consideration, such as:
 - a) age, gender, profession, geography, culture, special interests, education, sophistication/skills, special needs and income of the purchaser or user, and the intended market; and
 - b) the way the goods or services are advertised, marketed and sold, including but not limited to ecommerce, the Internet, and other aspects of global advertising, marketing and sales.

A) Well-known marks under Art. 6bis of the Paris Convention and Art. 16(2) and (3) TRIPS

- 3) The Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization (doc. WIPO n° 833) should be adhered to in its general approach to the determination of whether a mark is a well-known mark in a given country (part I) and the scope of protection (part II) to be accorded against conflicting marks (art.4).
- 4) The relevant public for determining whether a mark is a “well-known mark” should be that segment of the general public involved with the goods or services to which the mark applies rather than the general public. At least the three following factors should be considered, one or more of which could apply in a particular case, in determining the relevant segment of the public, though these are not to the exclusion of other possibly applicable factors:
 - a) actual and/or potential purchasers and/or users of the type of goods or services to which the mark applies;
 - b) persons involved in channels of distribution of the type of goods or services to which the mark applies; and
 - c) business circles dealing with the type of goods or services to which the mark applies.
- 5) If the goods or services to which the mark applies are purchased, recognized, or used by the general public, then the relevant public should be the general public.
- 6) In establishing that a mark is a well-known mark in the segment of the general public that is involved with the goods or services to which the mark applies, evidence that the mark is well-known to the general public should be taken into consideration.
- 7) There should not be a quantified threshold for the number of people constituting the relevant public.
- 8) This resolution is without prejudice to any more extensive protection that may be enacted in any country for well-known marks as defined in Art. 6bis PC and Art. 16(2) and (3) TRIPS.

B) Regimes of non-confusion protection

- 9) Terminology should be recognized as a challenging but important variable in dealing with famous marks, well-known marks, and marks with a reputation, variations that incorporate the terms “notoriety,” “recognition,” and others, as well as variations of these terms in different languages. These terms are often used interchangeably, loosely or with varying meanings, but they have different places in the structure of trademark law.

For the sake of clarity, the term “well-known marks” should be used as a legal term of art by legislators and courts only for marks as referred to in Art. 6*bis* PC and Art. 16 (2) and (3) TRIPS without prejudice to conferring upon such marks a broader protection than provided by these provisions.

- 10) Countries should remain free to enact statutes and decide cases involving extended protection to marks they deem appropriate, utilizing terminology of their choice. Examples include protection against non-confusion infringement of “marks with a reputation” in the European Union and other countries, and “famous marks” in the United States and other countries. Countries should also remain free to define the relevant public in such cases, for example the segment of the general public involved with goods or services under the mark in the case of “marks with a reputation,” and the general public in the case of the US dilution statute.