

Hudson Bay's iconic multi-stripe mark found inherently distinctive by
OHIM
European Union - Casalunga & Associés

Design
Examination/opposition
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International procedures

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In *Faribault Woolen Mill Company LLC v Hudson's Bay Company*, Faribault filed an application for a declaration of invalidity against Hudson's Bay's Community Trademark Registration 5592241 in connection with all goods and services for which the latter was registered, on the basis of Article 52(1)(a) of the Community Trademark Regulation in conjunction with Article 7(1)(b). This mark appears as below:



The applicant argued that the mark was devoid of distinctive character as it did not depart significantly from the norms in the sector, and that it would be perceived by consumers as a mere decoration on the products and not as an indication of origin. In this respect, it provided a number of documents with images of the products, mainly striped blankets in Class 24.

In response, Hudson's Bay argued that the sign was distinctive as the arrangement of stripes was distinguishable from the appearance of the goods themselves and appeared on a variety of goods with different three-dimensional appearances. Further, it argued that the contested Community trademark consisted of a precise depiction of colours, which were not abstract and without contours but were rather organised and presented in a precise manner, consisting of four evenly spaced horizontal parallel lines in, from top to bottom, green, red, yellow and blue, which could be perfectly retained in the consumer's mind. Further, it argued that the fact that a sign may have a decorative function does not preclude it from being distinctive, and quoted the judgments in *Standbeutel* (C-173/04 P) and *Smiley* (T-139/08).

Finally, Hudson's Bay provided a number of documents demonstrating the manner in which the mark had been used and alternatively claiming acquired distinctiveness pursuant to Article 7(3) of the Community Trademark Regulation.

The application for invalidity was rejected by the Cancellation Division of the Office for Harmonisation in the Internal Market (OHIM), which stated that the subject of the proceedings was the mark as registered and that therefore it was decisive to consider that the mark had been filed as a figurative sign in colour.

The Cancellation Division confirmed that, according to the representation submitted by Hudson's Bay when filing the application, the sign consisted of a rectangle displaying a combination of four evenly spaced horizontal parallel lines in, from top to bottom, green, red, yellow and blue on a white background.

In respect of all the arguments raised by the parties regarding colour marks, the Cancellation Division stated that the sign was not just a colour mark, but a figurative mark, displaying a combination of colours duly specified in a specific frame, order and depiction. It therefore held that the sign could perfectly serve as an indication of origin, and that the eventual decorative function of the sign did not automatically make it non-distinctive, as had been claimed by the Community trademark owner and as was supported by case law.

Therefore, the declaration of invalidity was rejected insofar as it was based on Article 7(b) of the Community Trademark Regulation. Since the trademark was considered inherently distinctive, there was no need to assess on the evidence of acquired distinctiveness pursuant to Article 7(3).

This decision is not yet final and an appeal may still be filed before OHIM's Boards of Appeal.

If this decision becomes final, it will be one more decision in support of the case law maintaining that a trademark can perform a distinctive function while also being perceived by consumers as a decorative element.

Cristina Bercial, Casalunga Avocats, Paris

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