5.2 Qualitative Scope of Protection: Distinctiveness, Non-descriptiveness and Graphical Representation

5.2.1 Introductory Remarks

A sign is protectable as a trade mark if it is distinctive (in both an abstract and a concrete sense), non-descriptive and graphically representable.⁶²⁷

The issues of distinctiveness and non-descriptiveness are central points in the realm of trade mark protection. They allude to the core function and raison d'être of every mark: the origin function, i.e. the ability to distinguish goods or services of one source from those of a different one, thereby signalling the specific origin of the marked products or services.

Graphical representation has been introduced in order to provide legal certainty, especially for competitors and others, with regard to what exactly is covered by the registered trade mark in question.⁶²⁸ In contrast to distinctiveness and non-descriptiveness, it is a formal criterion.

All trade mark offices examine absolute grounds for refusal of trade mark protection, including the qualitative scope of protection, in the course of the registration procedure. This examination, however, does not constitute a guarantee that these points will never again be questioned once the trade mark is registered. It merely offers a rebuttable presumption of validity of the mark with respect to the examined grounds. For this reason, the proprietor enjoys some degree of but not full legal certainty with regard to the non-existence of absolute grounds for refusal of trade mark protection.

Each of these absolute grounds listed in Art. 7(1) CTMR is independent and must therefore be examined separately.⁶²⁹ In the course of such examination, they are to be interpreted in light of the respective underlying general interest.⁶³⁰ In case of Art. 7(1)(b)-(e) CTMR (wich include non-distinctiveness

- 627 Strictly speaking, the law distinguishes between abstract distinctiveness as part of eligibility for trade mark protection and lacking concrete distinctiveness as an absolute ground of refusal of protection. However, from a valuation point of view, this difference does not significantly influence value or the valuation process. Rather, it seems expedient to combine these issues under the heading of qualitative scope of protection. Hereby, two thematically related issues are dealt with under the same heading.
- 628 Ströbele/Hacker, Markengesetz, § 3 no. 12.
- 629 ECJ, above fn. 125 DAS PRINZIP DER BEQUEMLICHKEIT, para. 39.
- 630 ECJ, judgment of 16 September 2004, Case C-329/02 P, [2004] ECR I-8317, SAT.1

and descriptiveness), this public interest is to keep the comprised signs free for all to use.⁶³¹ In order to prevent the proprietor from obtaining an undue competitive advantage, thus balancing public and private interests, such signs shall only be allocated an exclusive right in case the relevant public has in fact come to perceive them as designations of a commercial origin, Art. 7(3) CTMR.⁶³² The law thus tries to define those instances in which the proprietor's efforts are worth being rewarded.⁶³³

5.2.2 Abstract Distinctiveness

5.2.2.1 The Law in General

The criterion of distinctiveness can be found twofold, both in German and European law: both as an issue of general ability of a sign to constitute a trade mark (Art. 4 CTMR, § 3(1) MarkenG) and as an absolute ground of refusal of registration upon its absence (Art. 7(1)(b) CTMR, § 8(2) no. 1 MarkenG).

This dichotomy is being interpreted to the effect that distinctiveness in the course of trade markability is an abstract one, meaning that any sign is capable of constituting a trade mark provided it is theoretically able to distinguish any goods or services of one undertaking from those of another.⁶³⁴ Although this constitutes a mandatory prerequisite for trade mark protection,

- Satelliten Fernsehen GmbH v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) – SAT.2, para. 25.
- 631 This has to be seen in the light of fact that European trade mark law is concerned with ensuring free movement of goods and services within the internal market, cf. Recital one CTMD, Recital one CTMR.
- 632 CFI, judgment of 2 July 2002, Case T-323/00, [2002] ECR II-2839, SAT.1 Satelliten-Fernsehen GmbH v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) SAT.2, para. 36.
- 633 Hence, the concept of reward cannot only be found in patent law. As the CFI observed in August Storck, judgment of 10 November 2004, Case T-402/02, [2004] ECR II-3849, August Storck KG v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), para. 76, a case dealing with an application for trade mark protection of a sweets wrapper, "... the fact that the sign which constitutes the mark in question is actually perceived by the relevant section of the public as an indication of the commercial origin of a product or service is the result of the economic effort made by the trade mark applicant. That fact justifies putting aside the public-interest considerations underlying Article 7(1)(b) to (d), which require that the marks referred to in those provisions may be freely used by all in order to avoid conceding an unjustified competitive advantage to a single trader ...".
- 634 Cf. e.g. Fezer, Markenrecht, § 3 no. 203 et seq.; Ingerl/Rohnke, Markengesetz, § 3 no. 9, § 8 at no. 2 et seq.

the threshold for reaching an affirmative view on abstract distinctiveness is extremely low. Any communicative, or perceivable, sign can be distinctive in abstracto, as it is possible that there exists a recipient who attaches a meaning to it. Hence, the requirement of abstract distinctiveness can be practically neglected. It is highly unlikely that a valuator or a legal practitioner will have to deal with a sign which is not abstractly distinctive.

5.2.2.2 Value Implications

As this point is therefore not suitable for distinguishing trade marks according to their legal strength, it has no bearing on the value potential of the respective sign.

Hence, it is unimportant in connection with trade mark and brand value. For this reason, it is not advisable to list this aspect as an issue in the legal dimension of the SIM.

5.2.3 Concrete Distinctiveness

5.2.3.1 The Law in General

It follows from the abovementioned that affirmed abstract distinctiveness cannot act as an indicator in favour of or against approval of concrete distinctiveness. Furthermore, whereas absent abstract distinctiveness would inevitably result in negation of trade mark protection, a viable sign lacking concrete distinctiveness can nevertheless be registered if it has acquired distinctiveness through use on the filing date, persisting at the time of decision on registrability, with respect to the goods or services claimed. 636

635 Marx, Deutsches, europäisches und internationales Markenrecht, at no. 139.

636 Art. 7(3) CTMR; § 8(3) MarkenG; ECJ, judgment of 6 May 2003, Case C-104/01, [2003] ECR I-3793, Libertel Groep BV v. Benelux-Merkenbureau, — Libertel, para. 67. Such acquired distinctiveness exists when it is recognised by a sufficiently large part of the relevant public as belonging to one certain trader. It needs to be proven with respect to every country the trade mark is registered for or where an objection was raised respectively. In its landmark Windsurfing Chiemsee ruling (judgment of 4 May 1999, Joined Cases C-108/97 and C-109/97, [1999] ECR I-2779, Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v. Boots- und Segelzubehör Walter Huber and Franz Attenberger — WINDSURFING CHIEMSEE), the ECJ set forth the key parameters concerning the assessment of acquired distinctiveness of a mark. These requirements have since been approved of by both the ECJ itself (cf. e.g. above fn. 125 — Philips/Remington, para.s 60-61) and OHIM (Office for Harmonization in

Neither codified European nor German law can and does stipulate what distinctiveness in this sense 637 exactly means, as distinctiveness needs to be examined separately in each case for the specific goods and/or services for which protection is sought. 638 Courts have interpreted concrete distinctiveness to require the ability of the respective mark to distinguish goods or services from one undertaking from those of another in a concrete sense, thereby enabling the allocation of the goods or services to a specific corporate source. 639

the Internal Market (Trade Marks and Designs) (OHIM), Guidelines Concerning Proceedings before the Office for Harmonization in the Internal Market (Trade Marks and Designs) – Part B, Examination, at 8.9.). As a result, OHIM has persistently required the following conditions to be satisfied: (1) that a trade mark must be used in the European Community (EC) as a whole or, at least, in a substantial part thereof, or, at least, in those parts of the EC where the distinctive character is lacking, in such a way that (2) a sufficiently large part of the relevant class of persons recognise the sign as a distinctive trade mark at the time when the application is filed (Gold, The Community Trade Mark Handbook, para. 8-016). If these requirements are met, the mark in question has "gained a new significance and its connotation, no longer purely descriptive, justifies its registration as a trade mark" (ECJ in Windsurfing Chiemsee at no. 47). The Windsurfing Chiemsee decision, even though it was handed down regarding a geographical name, is valid for trade mark law in general and so central that it should be a starting point for every assessment of acquired distinctiveness. However, so far there seems to be no clear-cut OHIM case law establishing when the threshold for proving acquired distinctiveness has been met. It seems that originally generous decision making has now given way to a more restrictive practice (cf. e.g. for olfactory marks OHIM, decision of 11 February 1999, Case R 156/1999-2 - THE SMELL OF FRESH CUT GRASS on the one hand and OHIM, decision of 5 December 2001, Case R 711/1999-3 – DER DUFT VON HIMBEEREN on the other). The development of case law by the CFI and ECJ in the upcoming years will be of central importance in this area and thus needs to be closely monitored.

637 The notion of distinctiveness as regulated by Art. 7(1)(b) CTMR is – in the case of its absence – a so-called absolute ground of refusal of trade mark protection of the respective sign. As all other such absolute grounds, (these grounds are listed exhaustively in Art. 3 CTMD and Art. 7 CTMR respectively) Art. 7(1)(b) CTMR is a public interest ground for denial of trade mark protection (Ingerl/Rohnke, Markengesetz, § 8 no. 1) and is examined ex officio. This provision relates exclusively to signs pending for trade mark registration, which means e contrario that it has no effect on signs accruing protection as a trade mark through use, § 4 no. 2 MarkenG (in German: Benutzungsmarke mit Verkehrsgeltung), or notoriety, § 4 no. 3 MarkenG, Art. 6^{bis} Paris Convention.

638 Other than in German law (this can be deduced from the wording of § 8(2) no. 1 MarkenG, which mentions the concrete goods or services directly. Additionally, the German Federal Supreme Court (BGH) recognises this in its settled case law, cf. e.g. IIC 1998, 337 – PROTECH), this does not result from the exact wording of the above European provisions, but can be deduced from the systematic context in which these provisions stand and is undisputed today. The related provision of Art. 7(3) CTMR for example, which deals with acquired distinctiveness, speaks of distinctiveness "in relation to the goods or services for which registration is requested". See also Ingerl, Die Gemeinschaftsmarke, p. 57.

639 Settled case law of the European Court of Justice (ECJ) and national courts, cf. e.g.

This definition shows that it needs to be established in each case whether the particular sign is seen by the relevant public as reference to the commercial origin of the respective goods or services, i.e. whether it is distinctive with the ability to exercise the origin function. In other words: The trade mark needs to make the goods or services primarily distinguishable by origin, not by their quality or designation. Thereby, all relevant facts of the case need to be taken into account, relating to the sign itself, the relevant target audience and the goods and/or services in question. 42

In terms of the relevant part of the public, i.e. the portion of the public which is addressed by the respective sign, 643 the mark must be recognised as distinctive by the majority. Hereby, the assumed perception of this audience in the form of the "average consumer, who is reasonably well informed and

- ECJ, above fn. 125 Canon, para. 27; ECJ, above fn. 125 Philips, para. 30; ECJ, judgment of 29 April 2004, Joined Cases C-456/01 P and C-457/01 P, [2004] ECR I-5089, Henkel KGaA v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Henkel, para. 48; BGH IIC 2001, 584 St. Pauli Girl. This shows that the origin function of trade marks (as explained above at 2.1.2.1.3) is essential for the assessment of distinctiveness.
- 640 ECJ in *Canon* (supra fn. 125) at no. 27; *PRINZIP DER BEQUEMLICHKEIT* (above, fn. 125, para. 42.
- 641 This does not mean, however, that the person of the applicant is primarily important for the assessment of this issue, for example with regard to his or her identity or position in the market (Ströbele/Hacker, Markengesetz, § 8 no. 50). The respective sign must be able to individualise a certain product or service by name and at the same time refer to a certain commercial source, which itself does not have to be known (Marx, Deutsches, europäisches und internationales Markenrecht, at no. 412).
- ECJ, above at fn. 636, Libertel, para. 76; judgment of 12 February 2004, Case C-369/99, [2004] ECR I-1619, Koninklijke KPN Nederland NV v. Benelux-Merkenbureau Postkantoor, para. 37; judgment of 7 October 2004, Case C-136/02 P, [2004] ECR I-9165, Mag Instrument Inc. v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) Maglite, para. 48.
- Ingerl, Die Gemeinschaftsmarke, p. 58. In case of litigation, this may be assessed by means of market research. The examining office, however, has no obligation to consult market or demoscopic research (BGH, judgment of 13 May 1991, Case I ZB 8/91 MICRO CHANNEL; Ingerl/Rohnke, § 8 no. 19). In the course of assessment of concrete distinctiveness as part of an evaluation of the legal dimension of the SIM, it would also be too costly and time-consuming to conduct market research. This would however not be necessary since the approach to IP evaluation as exercised through the SIM relies on thorough experts' appraisals rather than on costly collection of raw data. In addition, it is in most cases relatively straightforward to judge who the relevant part of the public consists of. For example, in the case of a trade mark for fast moving consumer goods such as washing detergent, it will have to be proven that the general consuming public as a whole or at least a substantial part of it recognises the respective sign as a trade mark. On the other hand, if for example a mark being in connection with customised software for law firms is under scrutiny, the perceived view of attorneys and paralegals would be key.

reasonably observant and circumspect" ⁶⁴⁴ ⁶⁴⁵ applies as a basic rule in case the respective goods or services are intended for all consumers.

As mentioned above, concrete distinctiveness can only be assessed in light of the specific goods or services for which the trade mark shall be registered. A sign may merely have lexical meaning for a certain group of goods but be seen as a reference to a specific commercial origin with respect to another. Hence, the catalogue of goods and services needs to be diligently put together for each mark to be registered. 646

The question of concrete distinctiveness is one of law and not of fact, which the offices and courts have to assess by way of own appraisal.⁶⁴⁷ In the course of a trade mark application procedure, the assessment of concrete distinctiveness can therefore only be carried out by means of prognosis.

Any degree or type of distinctiveness is sufficient in order to reach an affirmative view in this regard.⁶⁴⁸ A trade mark which shows a degree of distinctiveness near the bottom end of what is protectable will, however, have a weaker scope of protection than a sign which is highly distinctive. This is not a question of meeting the requirement of concrete distinctiveness but rather of strength of the trade mark and barring effect vis-à-vis other marks. The degree of distinctiveness becomes particularly important for the assessment of likelihood of confusion: the higher the degree of distinctiveness of the older mark, the greater the likelihood of confusion.⁶⁴⁹ For the discussion of concrete

- 644 ECJ, above fn. 630 SAT.2, para. 24; judgment of 30 June 2005, Case C-286/04 P, [2005] ECR I-5797, Eurocermex SA v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Eurocermex, para. 31. The ECJ had originally developed this general consumer model for the assessment of likelihood of deception in competition law, cf. the landmark Gut Springheide decision (judgment of 16 July 1998, Case C-210/96, [1998] ECR I-4657, para. 31) and ECJ, decision of 13 January 2000, Case C-220/98, [2000] ECR I-117 Estee Lauder/Lancaster, para. 27. However, the model is valid for competition law in a wider sense, which includes trade mark law, and therefore has been adopted for trade marks by the ECJ in Lloyd Schuhfabrik Meyer (judgment of 22 June 1999, Case C-342/97, [1999] ECR I-3819, Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV).
- This shall not preclude that as an exception to the rule special knowledge needs to play a role in certain cases, cf. ECJ, above fn. 642 *Maglite*, para. 49.
- 646 Marx, Deutsches, europäisches und internationales Markenrecht, no.s 421, 422.
- 647 This means they are not bound by expert advice or evidence produced by the parties, but may accept these at own discretion, cf. ECJ, above fn. 642 *Maglite*, para. 67.
- 648 Cf. Art. 7 (1)(b) CTMR "devoid of any distinctive character"; CFI, judgment of 27 February 2002, Case T-34/00, [2002] ECR II-683, f Logistik GmbH v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) EURO-COOL, para. 39; BGH IIC 2002, 883 RATIONAL SOFTWARE CORPORATION.
- 649 CFI, judgment of 19 October 2006, Joined Cases T-350/04 to T-352/04, [2006] ECR II-

distinctiveness here, it is sufficient to know that any degree of distinctiveness of the sign meets the requirements, be it suggestive, arbitrary or fanciful.⁶⁵⁰

Even though the criteria and standard test for distinctiveness are the same with respect to all categories of signs, ⁶⁵¹ it may de facto be more difficult for certain signs to reach affirmed distinctiveness or acquired distinctiveness respectively, as not every category of signs is being perceived by the relevant public as possible references to a commercial origin. The 'classical' word and figurative marks as well as combinations thereof are not problematic in this regard whereas non-traditional signs such as three-dimensional marks and colours per se tend to bring about more factual issues. Therefore, these categories of signs shall be briefly introduced in the following. ⁶⁵²

5.2.3.2 Three-dimensional Marks

The fact that three-dimensional signs are generally able to be protected as trade marks is expressed by Art. 4 CTMR ("A Community trade mark may consist of ... the shape of goods or of their packaging ..."). This provision

- 4255, Bitburger Brauerei Th. Simon GmbH v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Bud.
- This terminology originates from US case law but is generally useful for a systematisation of in-depth assessment of the degree of distinctiveness of a sign.
- As no type of sign is prima facie excluded from possible trade mark protection, this is logical. It is also constantly affirmed by the ECJ in its case law, cf. e.g. above fn. 639 Henkel; above fn. 125 DAS PRINZIP DER BEQUEMLICHKEIT.
- 652With respect to combination marks, it is important to note that, since the relevant part of the public, whose opinion is decisive for the question of concrete distinctiveness, perceives the sign as a whole, key object of scrutiny can only be the sign as a whole as well. This means that composite marks may generally not be divided up into their respective parts (BGH IIC 2002, 883 - RATIONAL SOFTWARE COR-PORATION (regarding word marks); BGH IIC 1996, 734 – U-KEY (for combination marks); BPatG, judgment of 4 July 2001, Case 29 W (pat) 11/00 – BiC-Kugelschreiber (regarding combinations of words and three-dimensional marks). Distinctiveness may be examined separately for each part of the sign, but must, at any rate, depend on assessment of the sign in its entirety. The reason for this is that each part of the sign per se not being distinctive does not mean that the sign as a whole lacks distinctiveness as well, cf. CFI, judgment of 12 December 2007, Case T-117/06, [2007] ECR II-174, DeTeMedien Deutsche Telekom Medien GmbH v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) – suchen.de, para. 31. This does not preclude, however, that an interplay between different parts of the sign may decide for or against registrability of the sign as a whole. Take for example a situation in which the trade mark pending contains at least one non-marginal element which is itself protectable (whereas the rest by itself would not be): in this case, the sign as a whole will be registrable, unless it becomes unprotectable specifically due to the combination of its parts, which would be an extremely rare case (Ingerl/Rohnke, § 8 no. 55).

refers to the so-called 'product dependent' three-dimensional signs. In addition, there are product independent three-dimensional trade marks, such as Daimler's star-shaped bonnet ornament. ⁶⁵³ Contrary to the latter, the former bring about peculiarities with respect to distinctiveness due to the fact that they consist of the shape of the respective product or of its packaging. Therefore, the relevant public may not perceive them as references to a commercial origin but rather as part of the marked product itself.

Hence, whereas the law stipulates the requirement of having to be "capable of distinguishing the goods or services of one undertaking from those of other undertakings" (Art. 4 CTMR) for all categories of signs, this may be difficult to establish for a product dependent shape due to the fact that it is not being perceived as a reference to a certain commercial source. However, concrete distinctiveness has been affirmed in cases in which the respective shape contains fancy, prominent elements which allow the respective target audiences to memorise and recognise the form.

Not being questions of distinctiveness yet connected to the issue of trade mark protection of product-related shapes are the further absolute grounds for refusal of trade mark protection listed in Art. 7(1)(e) CTMR (they are important points which are usually scrutinised in cases in which distinctiveness of a shape is problematic and shall therefore be mentioned at this point as well). This provision states that the form of three-dimensional signs may not merely be contingent on technical requirements, the nature of the respective goods or the shape giving substantial value to the goods. This does not mean, however, that only fanciful forms, such as *Rolls-Royce*'s hood ornament 'Emily', are capable of constituting a three-dimensional trade mark. With respect to the exclusion of mere contingency on technical requirements, for example, product dependent shapes can be protected as trade marks,

⁶⁵³ Marx, Deutsches, europäisches und internationales Markenrecht, no. 190.

⁶⁵⁴ However, as the existence of a number of product dependent three-dimensional marks shows, this is not impossible. For example, the bottle of the 'Odol' mouthwater is protected as a three-dimensional mark (file number 004361069, registered with OHIM in the name of *SmithKline Beecham Consumer Healthcare GmbH* on May 17, 2006 for Nice classes three, five, 10 and 21.).

⁶⁵⁵ OHIM, decision of 4 August 1999, Case R 139/1999-1, - Granini bottle.

⁶⁵⁶ Art. 7(1)(e) CTMR is seen as protecting a 'need to keep free', which would be undermined if the outer appearance of a product, for the protection of which patent, design and utility model protection (which are all temporally limited) can be resorted to, would be protected by trade mark law (which can be done over an unlimited time span). Cf. Kur, MarkenR 2000, 1, 3; Ingerl/Rohnke, Markengesetz, § 3 no. 41.

even if they are at the same time to some extent functional.⁶⁵⁷ The decisive question is whether the form in question provides for non-technical elements which reach above the technically contingent basic shape.⁶⁵⁸

5.2.3.3 Colours and Colour Combinations

Like shapes, mere colour combinations or compositions of abstract colours, without contours, are nowadays widely accepted as being both eligible as a trade mark and of being capable to be inherently distinctive. This was much disputed yet clarified by the ECJ in *Libertet* and affirmed in *Heidelberger Bauchemie*. 661

Unlike figurative or combination marks (which may be designed in colour), abstract, shapeless colours per se can be deployed in an unlimited variety of contours. In addition, colours can not be memorised as easily as can words and figures. Most importantly, they are widely utilised for aesthetic reasons, which means that the relevant part of the public is not used to perceiving them as allusions to a commercial origin but rather, as a general rule, as characteristics of the respective product or its packaging. These aspects cause distinctiveness of abstract colours and colour combinations, without any prior use, to be affirmed merely in exceptional cases, aminly in which the number of goods or services for which the trade mark is sought to be registered is very limited and the relevant market is very specific, for instance in the telecommunications sector. In addition, regard must be had to the 'need to keep free', i.e. the "general interest in not unduly restricting the

- 657 Ingerl/Rohnke, Markengesetz, § 3 no. 32.
- 658 ECJ, above fn. 125 Philips/Remington; OHIM, above fn. 655 $Granini\ bottle$; BGH IIC 2002, 886 Stabtaschenlampen.
- 659 Unlike shapes, they are not listed in Art. 4 CTMR. However, this provision is not exhaustive.
- 660 Cf. fn. 636.
- Judgment of 24 June 2004, Case C-49/02, [2004] ECR I-6129, Heidelberger Bauchemie GmbH. Note that the ECJ paved the way for recognising distinctiveness of abstract colours by accepting graphical representability of such marks. For example, a single abstract colour can be registered if the application contains a colour sample, an objective specification of the colour (e.g. by means of the Pantone scale) and a verbal description.
- 662 ECJ, cf. fn. 636 *Libertel*, para. 65; *Marx*, Deutsches, europäisches und internationales Markenrecht, at no. 179.
- 663 This does not preclude the possibility of such colours to develop distinctiveness through use, cf. ECJ, above fn. 636 *Libertel*, para. 67.
- 664 ECJ, *supra* fn. 636 *Libertel*, para. 66.

availability of colours for the other traders who offer for sale goods or services of the same type" as those with respect to which the mark is claimed.⁶⁶⁵

Correspondingly, inherent distinctiveness of abstract colours and colour combinations per se was denied in most of the cases decided recently. 666 Registrability is, in most cases, only possible in case the sign has acquired distinctiveness through use. 667

5.2.3.4 Vowel-free Marks

A new development based on traditional word marks, but with a potentially significant impact on the protectability of the signs is worth mentioning: the trend of omitting vowels in words, slogans etc. This trend, originating to a large extent in the fact that many people were and are leaving out vowels to write SMS more quickly, is now widely used in branding and advertising. *Motorola* was one of the first multi-national companies availing itself of this possibility, naming one of its mobile phones 'SLVR' (meaning 'sliver').

The important implication of this trend is that it can actually help businesses find brand names which are satisfyingly distinctive – a task which becomes increasingly difficult nowadays since numbers of trade mark registrations and brands soar. In the case of *Flickr*, the popular online picture sharing service, it even enabled the business to go online at all: the service was planned to be called 'Flicker', but that domain name had already been registered.⁶⁶⁸

5.2.3.5 Value Implications

Concrete distinctiveness, both inherent and acquired, is a central characteristic to each trade mark, accounting for its ability to perform its main function – to act as a source identifier. Thereby, together with all other elements of a brand, it provides for risk reduction on both proprietors' and consumers'

- 665 ECJ, above fn. 636 *Libertel*, para.s 52-56; fn. 661 *Heidelberger Bauchemie*, para. 41.
- 666 Cf. e.g. BPatG, judgment of 26 January 2005, Case 32 W (pat) 353/03 Yellow Pantone 123 U; Ströbele/Hacker, § 8 at no.s 157 et seq.
- 667 ECJ, supra fn. 636 Libertel, para. 67. For instance, the BPatG denied inherent distinctiveness of the colour 'BROWN Pantone Nr. 4625U' for a parcel delivery service yet accepted acquired distinctiveness on the basis of a demoscopic report showing a degree of attribution of the sign to the proprietor by 71.9% of the relevant public, cf. BPatG, judgment of 14 February 2007, Case 26 W (pat) 15/00.
- 668 Abelson, Merchants X out A, E, I, O and U.