JUDGMENT OF THE COURT
6 April 2017

(Directive 2008/95/EC – Trade mark – Copyright – Public policy – Public domain – Distinctiveness – Descriptiveness – Signs consisting exclusively of the shape which gives substantial value to the goods)

In Case E-5/16,

REQUEST to the Court pursuant to Article 34 of the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice by the Norwegian Board of Appeal for Industrial Property Rights (*Klagenemnda for industrielle rettigheter*), in the case of

Municipality of Oslo

concerning the interpretation of Directive 2008/95/EC to approximate the laws of the Member States relating to trade marks, and in particular Article 3(1)(b) to (f) thereof,

THE COURT,

composed of: Carl Baudenbacher, President and Judge-Rapporteur, Per Christiansen and Páll Hreinsson, Judges,

Registrar: Gunnar Selvik,

having considered the written observations submitted on behalf of:

- the Municipality of Oslo (*Oslo kommune*) ("Oslo Municipality"), represented by Felix Reimers and Vincent Tsang, advocates;

- the Norwegian Government, represented by Ida Thue, advocate, Office of the Attorney General (Civil Affairs), and Linn Edvartsen, Senior Adviser, Ministry of Foreign Affairs, acting as Agents;

- the EFTA Surveillance Authority ("ESA"), represented by Carsten Zatschler, Øyvind Bø and Marlene Lie Hakkebo, Members of its Department of Legal & Executive Affairs, acting as Agents;

- the European Commission ("the Commission"), represented by Julie Samnadda and Tibor Scharf, Members of its Legal Service, acting as Agents;

- the Czech Government, represented by Lucie Březinová and Jiří Vláčil, Ministry of Foreign Affairs, acting as Agents;

- the German Government, represented by Thomas Henze and Mathias Hellman, acting as Agents; and

- the United Kingdom Government, represented by Julia Kraehling, Cabinet Office European Law Division, Treasury Solicitor's Department, acting as Agent, and by Nicholas Saunders, Barrister,

having regard to the Report for the Hearing,

having heard oral argument of Oslo Municipality, represented by Felix Reimers and Vincent Tsang; the Norwegian Government, represented by Ida Thue; ESA, represented by Marlene Lie Hakkebo and Øyvind Bø; the Commission, represented by Julie Samnadda and Tibor Scharf; the German Government, represented by Jan Techert, acting as Agent; and the United Kingdom Government, represented by Clare Brodie, acting as Agent, and Nicholas Saunders, at the hearing on 12 October 2016,

gives the following

Judgment

I Legal background

EEA law

1 The first and second paragraphs of Article 34 of the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice ("SCA") read as follows:

> *The EFTA Court shall have jurisdiction to give advisory opinions on the interpretation of the EEA Agreement.*
>
> *Where such a question is raised before any court or tribunal in an EFTA State, that court or tribunal may, if it considers it necessary to enable it to give judgment, request the EFTA Court to give such an opinion.*

2 Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25, and EEA Supplement 2015 No 3, p. 342) ("the Trade Mark Directive") was made part of the EEA Agreement by Joint Committee Decision No 146/2009 of 4 December 2009 (OJ 2010 L 62, p. 43, and EEA Supplement

2010 No 12, p. 42), and is referred to at point 9h of Annex XVII (Intellectual Property) to the EEA Agreement. The decision entered into force on 5 December 2009, and the time limit for the EFTA States to implement the Trade Mark Directive expired on the same date.

3 Recital 13 in the preamble to the Trade Mark Directive reads:

> *All Member States are bound by the Paris Convention for the Protection of Industrial Property. It is necessary that the provisions of this Directive should be entirely consistent with those of the said Convention. The obligations of the Member States resulting from that Convention should not be affected by this Directive. Where appropriate, the second paragraph of Article 307 of the Treaty should apply.*

4 Article 2 of the Trade Mark Directive reads:

> *A trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.*

5 Article 3(1) of the Trade Mark Directive includes the following grounds for refusal or invalidity:

> *1. The following shall not be registered or, if registered, shall be liable to be declared invalid:*
>
> *...*
>
> *(b) trade marks which are devoid of any distinctive character;*
>
> *(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods or services;*
>
> *(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;*
>
> *(e) signs which consist exclusively of:*
>
> > *(i) the shape which results from the nature of the goods themselves;*
> >
> > *(ii) the shape of goods which is necessary to obtain a technical result;*
> >
> > *(iii) the shape which gives substantial value to the goods;*

(f) trade marks which are contrary to public policy or to accepted principles of morality;

…

6 Article 3(2) of the Trade Mark Directive reads, in extract, as follows:

2. Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that:

(a) the use of that trade mark may be prohibited pursuant to provisions of law other than trade mark law of the Member State concerned or of the Community;

…

(d) the application for registration of the trade mark was made in bad faith by the applicant.

7 Article 3(3) of the Trade Mark Directive reads as follows:

3. A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character. Any Member State may in addition provide that this provision shall also apply where the distinctive character was acquired after the date of application for registration or after the date of registration.

8 Article 4(4)(c)(iii) of the Trade Mark Directive reads as follows:

4. Any Member State may, in addition, provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:

…

(c) the use of the trade mark may be prohibited by virtue of an earlier right other than the rights referred to in paragraph 2 and point (b) of this paragraph and in particular:

…

(iii) a copyright;

9 Directive 2006/116/EC of the European Parliament and the Council of 12 December 2006 on the term of protection of copyright and certain related rights (OJ 2006 L 372, p. 12, and EEA Supplement 2010 No 38, p. 150) ("the Copyright Directive") was made part of the EEA Agreement by Joint Committee Decision

No 56/2007 of 8 June 2007 (OJ 2007 L 266, p. 17, and EEA Supplement 2007 No 48, p. 13), and is referred to at point 9f of Annex XVII (Intellectual Property) to the EEA Agreement. The decision entered into force on 9 June 2007, and the time limit for the EFTA States to implement the Directive expired on the same date.

10 Recital 11 in the preamble to the Copyright Directive reads as follows:

> *The level of protection of copyright and related rights should be high, since those rights are fundamental to intellectual creation. Their protection ensures the maintenance and development of creativity in the interest of authors, cultural industries, consumers and society as a whole.*

11 Article 1(1) of the Copyright Directive reads as follows:

> *1. The rights of an author of a literary or artistic work within the meaning of Article 2 of the Berne Convention shall run for the life of the author and for 70 years after his death, irrespective of the date when the work is lawfully made available to the public.*

12 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society (OJ 2001 L 167, p. 10, and EEA Supplement 2007 No 16, p. 298) ("the Infosoc Directive") was made part of the EEA Agreement by Joint Committee Decision No 110/2004 of 9 July 2004 (OJ 2004 L 376, p. 45, and EEA Supplement 2004 No 65, p. 30), and is referred to at point 9e of Annex XVII (Intellectual Property) to the EEA Agreement. The decision entered into force on 1 August 2005, and the time limit for the EFTA States to implement the Directive expired on the same date.

13 Recital 2 in the preamble to the Infosoc Directive reads as follows:

> *The European Council, meeting at Corfu on 24 and 25 June 1994, stressed the need to create a general and flexible legal framework at Community level in order to foster the development of the information society in Europe. This requires, inter alia, the existence of an internal market for new products and services. Important Community legislation to ensure such a regulatory framework is already in place or its adoption is well under way. Copyright and related rights play an important role in this context as they protect and stimulate the development and marketing of new products and services and the creation and exploitation of their creative content.*

14 Recital 4 in the preamble to the Infosoc Directive reads as follows:

> *A harmonised legal framework on copyright and related rights, through increased legal certainty and while providing for a high level of protection of intellectual property, will foster substantial investment in creativity and innovation, including network infrastructure, and lead in turn to growth and increased competitiveness of European industry, both in the area of content provision and information technology and more generally across a*

wide range of industrial and cultural sectors. This will safeguard employment and encourage new job creation.

National law

15 The Directive was implemented in Norway by Act No 8 of 26 March 2010 on protection of trade marks (the Trade Marks Act) and Regulation of 25 June 2010 No 937 (the Trade Marks Regulation).

16 Section 2 second paragraph of the Trade Marks Act reads:

Trade mark rights may not be attained for signs that consist exclusively of a shape that results from the nature of the goods themselves, is necessary to obtain a technical result or adds substantial value to the goods.

17 Section 14 first paragraph second sentence reads:

[In order to be registered, a trade mark] must have a distinctive character as a token for the kind of goods or services it represents.

18 Section 14 second paragraph (a) of the Trade Marks Act reads:

A trade mark may not be registered if it exclusively or subject to only minor changes or additions consists of signs or indications that serve to …

a) designate the kind, quality, quantity, purpose, value or geographical origin, … or other characteristics of the goods or services, …

19 Section 15 first paragraph (a) of the Trade Marks Act reads:

A trade mark cannot be registered if it:

a) is contrary to law, public order or accepted principles of morality;

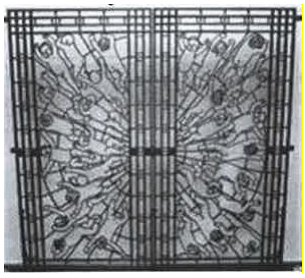
II Facts and procedure

20 In view of the actual or imminent lapse of intellectual property protection for copyright protected works by some Norwegian artists, Oslo Municipality, which manages several of these rights, applied for trade mark protection for a number of artworks that will become freely available under the Norwegian Copyright Act. Oslo Municipality applied for trade mark protection with regard to several artworks of the oeuvre of Gustav Vigeland, one of the most eminent Norwegian sculptors. The following works of art are mentioned in the request as examples.

21 *The Angry Boy* (Sinnataggen) by Gustav Vigeland:



22 Cast iron gate by Gustav Vigeland:



23 Section of cast iron gate by Gustav Vigeland:



24 The statute *Egil Skallagrimsson* by Gustav Vigeland:



25 *The Monolith* (Monolitten) by Gustav Vigeland:



26 A sculpture by Gustav Vigeland:



The dispute before the Board of Appeal

27 In the case at hand, the Board of Appeal is called upon to decide on the appeals brought by Oslo Municipality against the refusal of the Norwegian Intellectual Property Office ("NIPO") to register certain trade marks. The refusals were based, respectively, on Section 14 first paragraph of the Trade Marks Act on lack of distinctive character, Section 14 second paragraph (a) of the Trade Marks Act on descriptive marks and Section 2 second paragraph third alternative of the Trade Marks Act on trade marks that consist of a shape that adds substantial value to the goods. These provisions implement points (b), (c) and (e) of Article 3(1) of the Trade Mark Directive. With regard to some of the trade marks, registration was granted for certain types of goods and services.

28 The Board of Appeal takes the view that, in addition to the grounds considered by NIPO, other grounds may exist on which to refuse the registration of the trade marks. In particular, the Board of Appeal considers that the rule in Section 15 first paragraph (a) of the Trade Marks Act, which implements Article 3(1)(f) of the Trade Mark Directive, may be applicable.

29 The Board of Appeal questions whether the decision of the German Federal Patent Court in *Mona Lisa* can set a precedent in European law (reference is made to the Decision of 25 November 1997 of the German Federal Patent Court (*Bundespatentgericht*) in Case 24 W (pat) 188/96, GRUR 1998, p. 1021). The Board of Appeal observes that if trade mark protection of well-known works of art could only be refused on grounds of lack of distinctiveness, this would leave open the possibility for distinctiveness to be achieved through use thus qualifying the work for registration at a later stage. Consequently, any undertaking could, in principle, achieve trade mark protection for copyrighted works that become freely available, regardless of the cultural value of such works.

30 The Board of Appeal also refers to the Opinion of Advocate General Ruiz-Járabo Colomer in *Shield Mark* in which he found "it more difficult to accept ... that a creation of the mind which forms part of the universal cultural heritage, should be appropriated indefinitely by a person to be used on the market in order to distinguish the goods he produces or the services he provides with an exclusivity which not even its author's estate enjoys" (C-283/01, EU:C:2003:197, point 52). The Board of Appeal inquires whether this view could have a bearing on the application of Article 3(1)(f) of the Trade Mark Directive.

31 The Board of Appeal referred the following questions to the Court:

> *1. May trade mark registration of works, for which the copyright protection period has expired, under certain circumstances, conflict with the prohibition in Article 3(1)(f) of the Trade Marks Directive on registering trade marks that are contrary to 'public policy or ... accepted principles of morality'?*

2. If Question 1 is answered in the affirmative, will it have an impact on the assessment that the work is well-known and of great cultural value?

3. If Question 1 is answered in the affirmative, may factors or criteria other than those mentioned in Question 2 have a bearing on the assessment, and, if so, which ones?

4. Is Article 3(1)(e)(iii) of Directive 2008/95/EC applicable to two-dimensional representations of sculptures?

5. Is Article 3(1)(c) of Directive 2008/95/EC applicable as legal authority for refusing trade marks that are two or three-dimensional representations of the shape or appearance of the goods?

6. If Question 5 is answered in the affirmative, is Article 3(1)(b) and (c) of Directive 2008/95/EC to be understood to mean that the national registration authority, in assessing trade marks that consist of two or three-dimensional representations of the shape or appearance of the goods, must apply the assessment criterion of whether the design in question departs significantly from the norm or customs of the business sector, or may the grounds for refusal be that such a mark is descriptive of the shape or appearance of the goods?

32 Reference is made to the Report for the Hearing for a fuller account of the legal framework, the facts, the procedure and the written observations submitted to the Court, which are mentioned or discussed hereinafter only insofar as is necessary for the reasoning of the Court.

III Admissibility

Arguments submitted to the Court

33 The Norwegian Government has argued that the case is inadmissible since the referring body does not constitute a court or tribunal within the meaning of Article 34 SCA. By contrast, ESA has submitted that the case is admissible. Oslo Municipality shares this view.

34 The Norwegian Government submits that the referring body does not fulfil the requirement of independence necessary for the purposes of Article 34 SCA. Admitting the present case would be contrary to the principle of homogeneity, as the Court of Justice of the European Union ("ECJ") dismissed a reference by a similar appeal board in *TDC* (C-222/13, EU:C:2014:2265). The same reasoning was more recently applied in *MT Højgaard and Züblin* (C-396/14, EU:C:2016:347). Furthermore, it is not necessary to declare the request admissible since it is, in any event, likely that the case will be heard by an ordinary Norwegian court, which would then be entitled to make a reference to the Court. Finally, the Norwegian Government contends that the various administrative appeal boards in Norway generally lack the requisite skill, knowledge and practice necessary for

the concise formulation of a reference, as they do not receive the same training as courts in this regard.

Findings of the Court

35 The Court recalls that it has repeatedly ruled on the issue of admissibility of cases referred to it by public bodies. Specifically, the Court has found the following entities to constitute a court or tribunal for the purposes of Article 34 SCA: the Appeals Committee at the Finnish Board of Customs (*Tullilautakunta*) (Case E-1/94 *Restamark* [1994-1995] EFTA Ct. Rep. 15); the Norwegian Market Council (*Markedsrådet*) (Joined Cases E-8/94 and E-9/94 *Mattel and Lego* [1994-1995] EFTA Ct. Rep. 113 and Case E-4/04 *Pedicel* [2005] EFTA Ct. Rep. 1); the Norwegian Appeal Board for Health Personnel (*Statens helsepersonellnemnd*) (Case E-1/11 *Dr. A* [2011] EFTA Ct. Rep. 484); the Liechtenstein Appeals Board of the Financial Market Authority (*Beschwerdekommission der Finanzmarktaufsicht*) (Case E-4/09 *Inconsult* [2009-2010] EFTA Ct. Rep. 86 and Joined Cases E-26/15 and E-27/15 *Criminal Proceedings against B and B* v *Finanzmarktaufsicht*, judgment of 3 August 2016, not yet reported); and the Norwegian Tax Appeals Board for the Central Tax Office for Large Enterprises (*Skatteklagenemnda ved Sentralskattekontoret for storbedrifter*) (Joined Cases E-3/13 and E-20/13 *Olsen and Others* [2014] EFTA Ct. Rep. 400). In all of these cases, except with regard to the *Markedsrådet* and the *Beschwerdekommission der Finanzmarktaufsicht*, the Norwegian Government argued that the bodies in question did not constitute a court or tribunal within the meaning of Article 34 SCA and that the Court should therefore dismiss the requests.

36 The notion of court or tribunal in Article 34 SCA must be given an autonomous interpretation. It cannot be decisive how the body is defined under national law (see *Restamark*, cited above, paragraph 24). The purpose of Article 34 SCA is to establish cooperation between the Court and national courts and tribunals. The procedure is, in particular, a means of ensuring the homogenous interpretation of EEA law. It is established so as to provide assistance to the courts and tribunals in the EFTA States in cases in which they have to apply provisions of EEA law. The Court has repeatedly held that the purpose of Article 34 SCA does not require a strict interpretation of the notion of court or tribunal (see, for example, *Dr. A*, cited above, paragraph 34, and *Olsen and Others*, cited above, paragraph 59 and case law cited).

37 The principle of homogeneity is intended to ensure equal conditions of competition and respect of the same rules in the EEA. This is important when EEA rules are identical in substance to EU rules. The Court has, as a matter of principle, also recognised the concept of procedural homogeneity (see Case E-14/11 *DB Schenker* v *ESA* [2012] EFTA Ct. Rep. 1178, paragraph 77 and case law cited). The reasoning which has led the ECJ to its interpretations of the term court or tribunal is relevant, although the Court is not required by Article 3 SCA to follow that reasoning when interpreting the main part of the SCA (see *Restamark*, cited above, paragraph 24).

38 When assessing whether a body is to be qualified as a court or tribunal under Article 34 SCA the Court takes account of a number of factors. Such elements can also be found in the case law of the ECJ when that court considers the admissibility of a request for preliminary ruling under Article 267 TFEU (compare, for example, *TDC*, cited above, paragraph 27). These include, in particular, whether the referring body is established by law, has a permanent existence, exercises binding jurisdiction, applies the rule of law and is independent, and, as the case may be, whether its procedure is *inter partes* and similar to a court procedure (see, *inter alia*, *Fred. Olsen and Others*, cited above, paragraph 60 and case law cited).

39 Thus, elements, such as the lack of rules on dismissal of the members comparable to those applicable to judges, which have been relied on by the Norwegian Government, are just one part of the overall examination of the factors characterising the independence of the referring body. The rules relating to the referring body must be considered as a whole in order to determine if that body fulfils the necessary prerequisites to be considered independent.

40 In the present case, the Board of Appeal fulfils to a sufficient degree the factors established in the Court's case law. It is established by law, has a permanent existence, exercises binding jurisdiction and applies the rule of law. On the question of its independence, the Court observes that the chair and the deputy chair qualify as judges and have permanent positions. The rules of administrative and employment law against unlawful dismissal protect all of the members. Finally, in the assessment of complaints, the Board of Appeal cannot be given instructions. It is therefore independent.

41 The argument that the present case is likely to come before an ordinary Norwegian court that could, in any event, make a reference to the Court cannot of itself be decisive for the assessment of admissibility. Furthermore, it appears that the matter would not proceed if the Board of Appeal upholds the present complaint or Oslo Municipality decides not to pursue the matter any further. In any event, a finding that the case is admissible does not prevent a national court from referring further questions under the procedure of Article 34 SCA at a later stage, should that need arise.

42 As regards the assertion that public bodies, such as the Board of Appeal, do not have the necessary knowledge required for the concise formulation of a reference, the Court notes that this point is not pertinent for the determination of whether the referring body is a court or tribunal within the meaning of Article 34 SCA. In the Court's own experience, obstacles of this nature have not caused difficulties. Furthermore, the fact that there are different appeal boards in administrative law in Norway only suggests that each such board must be assessed individually, which is in accordance with the Court's established approach.

43 The Court therefore holds that the Board of Appeal constitutes a court or tribunal within the meaning of Article 34 SCA. Thus, the request must be held admissible.

IV Answers of the Court

Introductory remarks

44 The grounds for refusal set out in Article 3(1)(b) to (f) of the Trade Mark Directive are essentially identical to the grounds of refusal referred to in Article 7(1)(b) to (f) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) ("Old Trade Mark Regulation"). This latter instrument was replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1). Thus, due account must be paid to the principles laid down in the case law of the ECJ and the General Court relating to those regulations, in addition to the relevant rulings on the Trade Mark Directive itself, when interpreting the Trade Mark Directive in the case at hand.

45 The various grounds for refusal listed in Article 3 of the Trade Mark Directive must be interpreted in light of the public interest underlying each of them (compare the judgment in *Philips*, C-299/99, EU:C:2002:377, paragraph 77 and case law cited).

Questions 1 to 3

46 By its first question, the Board of Appeal asks if trade mark registration of works, for which the copyright protection period has expired, may, under certain circumstances, conflict with the prohibition in Article 3(1)(f) of the Directive on registering trade marks that are contrary to "public policy or accepted principles of morality". If the first question is answered in the affirmative, the Board of Appeal seeks to ascertain, by its second and third questions, which criteria and circumstances may be relevant in refusing the registration of a trade mark in such a case. In particular, the Board of Appeal raises the question whether the fact that the work protected by copyright is well-known and has great cultural value has an impact on that assessment. It is appropriate to consider these three questions together.

Observations submitted to the Court

47 *Oslo Municipality* considers, with regard to the first question, that works of art may, in principle, be registered as trade marks. The case at issue concerns shapes that are unique and well suited to distinguish goods and services and all of the shapes have been exclusively connected to Oslo Municipality. Many of these shapes are well known and valuable, in particular, due to the efforts and investments made by Oslo Municipality. Further, the present case does not concern a trade mark that is claimed, in itself, to be "contrary to public policy". It is merely the registration of the mark, leading to the exclusion from the public domain, which is allegedly contrary to "public policy". However, the matter to be assessed must be the sign itself. Thus, protection afforded under the trade mark regime should be based on whether the shape is capable of distinguishing the goods and services of one undertaking from those of another, irrespective of whether those shapes are also pieces of art or any lapse of copyright protection has occurred.

48 As regards the second question, Oslo Municipality submits that an interpretation of Article 3(1)(f) of the Trade Mark Directive that takes account of whether the work of art is well-known and of great cultural value must be rejected. This would raise difficulties related to the assessment of the work's fame.

49 On the third question, Oslo Municipality argues that the assessment pursuant to Article 3(1)(f) of the Trade Mark Directive should also take account of the underlying reasons for the cultural and commercial value of the work of art in question. Moreover, that assessment should also take into account whether the shape in question is merely known as a work of art or is considered an identity bearer of one trader.

50 As regards the first question, the *Norwegian Government* takes the view that a sign that consists of a work of art is not as such excluded from registration, nor is dual protection under copyright and trade mark law prohibited. A sign must fulfil, however, the requirements of Article 3(1) of the Trade Mark Directive, in particular, the requirement of distinctiveness. It may be in practice more difficult to substantiate a finding of distinctive character for certain categories of marks. This applies for known works of art, as the mark is likely to be perceived by consumers as the artwork, and not as an indication of commercial origin. Furthermore, the ground of refusal for shape marks provided for in Article 3(1)(e)(iii), which cannot be overcome by the mark acquiring distinctive character, may be of particular relevance for marks consisting of works of art. As regards Article 3(1)(f), the Norwegian Government submits that the rationale behind this provision is to preclude the registration of trade marks that would contravene basic principles and values of society or be perceived by the relevant public as going directly against the basic moral norms of society. The threshold for denying registration on the basis of Article 3(1)(f) is generally high. The mere fact that a trade mark consists of a work of art that is no longer protected by copyright does not suffice to invoke Article 3(1)(f).

51 On the second question, the Norwegian Government submits that the more renowned and culturally significant a work of art is, the greater the probability that the public would be offended by a trade mark registration representing a misappropriation of the work. This may be relevant for the assessment.

52 As regards the third question, the Norwegian Government considers that there are no factors other than the renown and cultural significance of the work mentioned in the request of relevance for the assessment. Furthermore, it would not be possible to provide an exhaustive list of other factors that could be relevant in any individual case, since each case must be assessed on its own merits.

53 Concerning the first question, *ESA* submits that the fact that the copyright protection period has expired cannot in itself lead to the conclusion that registration of the work at issue is precluded. However, not every work that has previously been protected by copyright can be registered as a trade mark as soon as the protection period has expired. The work must fulfil the criteria set out in Article 3 of the Trade Mark Directive, and in particular the criterion of distinctiveness. In

addition, Article 3(1)(e)(iii) may be applicable to famous works of sculpture as their substantial value necessarily lies in the form itself. In the case at hand, it may be particularly difficult to establish distinctiveness, as well as an indication of commercial origin for some works.

54 ESA considers the applicable test for denying registration under Article 3(1)(f) of the Trade Mark Directive within its analysis of the third question. In this regard, it submits that for a trade mark to be contrary to this provision, it must be either contrary to public policy or clearly offensive to a reasonable consumer with average sensitivity.

55 On the second question, ESA maintains that the request does not identify any public policy reason why the registration of a well-known work or a work of great cultural value should be precluded. There appears also to be no provision of EEA law substantiating such a conclusion. The desire to ensure greatest possible public access to such work could serve as a public policy ground for refusing registration should the Court be minded to extend the public policy concept in the specific trade mark context. This would have to be limited to an assessment carried out on a case-by-case basis of the work's cultural value. As regards "accepted principles of morality", it is questionable whether the registration of a work of great cultural value would be able to offend the reasonable consumer of average sensitivity.

56 According to the *Commission*, the notions of "contrary to public policy" and "contrary to accepted principles of morality" in Article 3(1)(f) of the Trade Mark Directive must each be considered on their own merits. Registration of a trade mark may be considered "contrary to public policy" although the trade mark is not offensive on any moral ground as such. Such an interpretation allows for the consideration of a ground based on allowing the free use of any particular subject matter, and not the grant of an exclusive property right, or of a cultural ground particular to the Member State concerned.

57 In the Commission's view, the mere fact that a mark consists of, or includes, an artistic work that is protected by copyright does not in itself justify a refusal. However, the effect of granting a trade mark right would, in certain circumstances, be to perpetuate exclusive rights over the work of art, which should normally be in the public domain and capable of being freely used by any person including any economic operator. To appropriate a work of art for an indefinite period through the registration of a trade mark contradicts the very purpose and logic of the time limits established for copyright. It would also grant the trade mark owner more extensive rights than those enjoyed by the author's estate. Hence, once copyright protection of the work has expired, the work of art should be able to be freely used by any person.

58 The Commission argues further that the better known the work of art is, the more likely the author or artist will be known to the general public. In this case, the possibility cannot be excluded that registration as a trade mark could also be considered as the desecration of a work. Therefore, the cultural value of a well-known work of art may also be taken into account.

59 On the first three questions, the *Czech Government* argues that public policy grounds can only be relied on if there is a genuine and sufficiently serious threat to a fundamental interest of society and, moreover, those grounds must not only serve purely economic ends. As regards a famous piece of art forming part of the universal cultural heritage, there is a fundamental interest of society at stake, namely the interest of enabling access to these outstanding creations of the mind for everyone. This interest cannot be achieved if an individual can gain an exclusive right resulting from the registered mark.

60 The *German Government* contends that the decision whether a trade mark should be denied registration on the basis of Article 3(1)(f) of the Trade Mark Directive must always be made by reference to the goods and services for which the trade mark registration was sought, while also giving consideration to the public interest underlying this provision. The existence of copyright, or expired copyright, is not relevant for the assessment under Article 3(1)(f). Moreover, even if a trade mark contravenes a statutory provision, this only constitutes a violation of public policy if the provision in question actually serves to protect public policy. In the assessment whether a trade mark violates "accepted principles of morality" copyright plays no part. Thus, registering a work that previously enjoyed copyright protection as a trade mark cannot be regarded as a contravention of public policy or accepted principles of morality within the meaning of Article 3(1)(f).

61 The *Government of the United Kingdom* submits that Article 3(1)(f) of the Trade Mark Directive cannot be relied upon to prevent registration of the trade mark sought, if there is nothing inherently offensive or immoral encompassed in the mark in the form for which registration is sought. The notion of public policy should be applied restrictively. There are three situations that might trigger an application of Article 3(1)(f): first, trade marks with criminal connotations; second, those with offensive religious connotations; and third, those which are considered explicit or taboo. It is, furthermore, unnecessary to stretch the scope of Article 3(1)(f) in order to prevent the monopolisation of famous works of art from occurring. It is likely that famous cultural works will fail to satisfy the requirement of distinctiveness in Article 3(1)(b). Registration may also be denied under the "bad faith" provisions pursuant to Article 3(2)(d), if registration is sought merely to obtain a monopoly.

Findings of the Court

62 The protection of copyright and the protection of trade marks pursue different aims, apply under distinct legal conditions and entail different legal consequences. In particular, Article 2 of the Trade Mark Directive makes no distinction as to the legal nature of the sign of which a trade mark may consist. Thus, in principle, nothing prevents a sign from being protected under both trade mark and copyright law.

63 The legal regime affording protection of copyright serves, as can be inferred from recital 2 in the preamble to the Infosoc Directive, to stimulate the development and marketing of new products and services, as well as the creation and exploitation of

their creative content. According to recital 4 in the preamble to that Directive, a high level of protection of intellectual property will foster substantial investments in creativity and innovation. According to recital 11 in the preamble to the Copyright Directive, the protection of copyright ensures the maintenance and development of creativity in the interest of authors, cultural industries, consumers and society as a whole.

64 In other words, copyright protection provides for an incentive to contribute to the enrichment of the economy and of society at large. The principle of a limited term of copyright protection is furthermore internationally recognised by a majority of countries, which have signed the Berne Convention of 1886.

65 The lapse of copyright protection also serves the principles of legal certainty and protection of legitimate expectations, by providing a pre-determined time frame after which anyone can draw from ideas and creative content of others without limitation. The considerations relating to the public domain also serve, to some extent, the general interest in protecting creations of the mind from commercial greed (compare the opinion of Advocate General Ruiz-Járabo Colomer in *Picasso*, C-361/04 P, EU:C:2005:531, point 69) and in ensuring the freedom of the arts.

66 The public domain entails the absence of individual protection for, or exclusive rights to, a work. Once communicated, creative content belongs, as a matter of principle, to the public domain. In other words, the fact that works are part of the public domain is not a consequence of the lapse of copyright protection. Rather, protection is the exception to the rule that creative content becomes part of the public domain once communicated.

67 The Court observes that the essential function of a trade mark is to guarantee the identity of the origin of the marked product to enable the consumer, without any possibility of confusion, to distinguish the product or service from others which have another origin (see Case E-3/02 *Paranova* [2003] EFTA Ct. Rep. 101, paragraph 36). Thus, the protection of trade marks ensures market transparency and assumes an essential role in a system of undistorted competition.

68 In order to attain these aims, it is essential that the term of protection for trade marks is, in principle, indefinite, provided that the mark is renewed every ten years. A temporal limitation would render it impossible for a consumer to rely on a trade mark as a source of origin as competitors could easily draw on the repute of the mark, established through the temporary exclusive link of an undertaking with its mark.

69 However, in light of the potentially everlasting exclusivity afforded to the proprietor of a trade mark, there are several conditions that must be fulfilled in order for the trade mark to be registered. Article 3(1) of the Trade Mark Directive lays down eight mandatory grounds for refusal of registration or declaration of invalidity. In the present case, NIPO has denied registration of several of the marks on the basis of them lacking distinctiveness (point (b)), being descriptive of the goods or services (point (c)) and consisting exclusively of the shape which gives

substantial value to the goods (point (e)(iii)). With regard to some of the trade marks, registration was granted for certain types of goods and services. The Board of Appeal queries whether registration of the marks at issue may also be denied on the basis of public policy or accepted principles of morality (point (f)), referring to the fact that the marks incorporate well-known artworks for which the copyright protection has expired.

70 The protection afforded by a trade mark grants its proprietor the exclusive right to use it in the course of trade and, allows him, in certain circumstances, to prevent others from using the mark. Thus, a trade mark based entirely on copyright protected work carries a certain risk of monopolisation of the sign for a specific purpose, as it grants the mark's proprietor such exclusivity and permanence of exploitation which not even the author of the work or his estate enjoyed (compare the opinion of Advocate General Ruiz-Járabo Colomer in *Shield Mark*, cited above, point 52).

71 In addition to those mentioned above in paragraph 67, trade marks serve other functions, in particular that of guaranteeing the quality of goods or services in question and those of communication, investment protection and advertising. The proprietor of a mark is, under certain circumstances, even entitled to prohibit not only such use which is liable to have an adverse effect on the mark's function of indicating origin, but also uses which are liable to have effects on one of the other functions (compare the judgment in *Google France*, C-236/08 to C-238/08, EU:C:2010:159, paragraphs 77 and 79; compare also the judgments in *L'Oréal and Others*, C-487/07, EU:C:2009:378; and *Arsenal*, C-206/01, EU:C:2002:651).

72 The interest in safeguarding the public domain, however, speaks in favour of the absence of individual protection for, or exclusive rights to, the artwork on which the mark is based.

73 Article 3(1)(b) to (e) of the Trade Mark Directive acknowledges a certain need to keep a trade mark available for general use (compare the opinion of Advocate General Ruiz-Járabo Colomer in *Adidas*, C-102/07, EU:C:2008:14, point 33 et seq.).

74 However, as regards Article 3(1)(b) and (c) of the Trade Mark Directive on the lack of distinctiveness and the descriptiveness of the sign, the Court notes that these initial obstacles for registration may subsequently be overcome. Indeed, Article 3(3) of the Trade Mark Directive provides that a sign may, through use, acquire the distinctive character that it initially lacked. Therefore, these provisions provide merely a basis on which to keep works in the public domain for a limited period.

75 The possibility of acquiring distinctiveness through use provided for in Article 3(3) of the Trade Mark Directive may lead undertakings, which seek to transfer the appeal of formerly copyright protected works to their goods or services, to try to appropriate the work through targeted marketing campaigns. In order to acquire distinctiveness, a strong link must be created between the work and the goods and

services so that an averagely informed, reasonably aware and perceptive consumer would recognise the work not as an expression of the creativity of the author or as part of the public domain common to all mankind, but merely as an indication of commercial origin (compare the opinion of Advocate General Ruiz-Járabo Colomer in *Picasso*, cited above, point 69).

76 Furthermore, both the notions of distinctiveness and descriptiveness which underlie Article 3(1)(b) and (c) of the Trade Mark Directive must be assessed by reference to the goods and services in respect of which the application for trade mark registration has been made (compare the judgments in *Audi* v *OHIM*, C-398/08 P, EU:C:2010:29, paragraph 34, and *Trautwein* v *OHIM (representation of a horse)*, T-386/08, EU:T:2010:296, paragraph 28 and case law cited). Accordingly, a sign may be refused registration with regard to one category of goods or services, while being granted registration for another category.

77 As regards Article 3(1)(d) of the Trade Mark Directive, the Court notes that this provision overlaps to a certain extent with Article 3(1)(c) (compare the judgment in *Merz and Krell (Bravo)*, C-517/99, EU:C:2001:510, paragraph 35). For the former provision to apply, it must be demonstrated that the phrase concerned is commonly used in business communications and, in particular, in advertising (compare the judgment in *OHIM* v *Erpo Möbelwerk (Das Prinzip der Bequemlichkeit)*, C-64/02 P, EU:C:2004:645, paragraph 38). There may be doubts whether an application for a trade mark registration for the art works at issue would qualify for assessment under this provision. However, even if the application were to fall within its scope, a sign initially refused under this provision may also acquire distinctiveness in accordance with Article 3(3).

78 Consequently, points (b) to (d) of Article 3(1) of the Trade Mark Directive do not ensure that a particular sign is, in general, kept free for use. Thus, these provisions do not guarantee that the work remains within the public domain.

79 As regards Article 3(1)(e) of the Trade Mark Directive, it is clear that this ground for refusal cannot be overcome by acquired distinctiveness (compare the judgment in *Philips*, cited above, paragraph 57). Moreover, the public interest underlying Article 3(1)(e) is to prevent the exclusive and permanent right which a trade mark confers from serving to extend the life of other rights which the legislature has sought to make subject to limited periods (compare the judgment in *Bang & Olufsen* v *OHIM (representation of a speaker)*, T-508/08, EU:T:2011:575, paragraph 65).

80 The rationale for the grounds of refusal embodied in points (i) to (iii) of Article 3(1)(e) of the Trade Mark Directive is to prevent trade mark protection from granting its proprietor a monopoly over characteristics of a product which a user is likely to seek in the products of competitors (compare the judgment in *Philips*, cited above, paragraph 78). Thus, it overwhelmingly seeks to protect competition (compare the opinion of Advocate General Mengozzi in *Lego Juris* v *OHIM*, C-48/09 P, EU:C:2010:41, point 74).

81 An assessment of whether a sign consists exclusively of the shapes listed in points (i) to (iii) of Article 3(1)(e) of the Trade Mark Directive is carried out in relation to the classes of goods for which registration is applied. Consequently, Article 3(1)(e) will, for example, prevent an undertaking from monopolising reproductions of the works. However, if the sign is applied for in relation to a class of goods unrelated to its initial context, Article 3(1)(e) may not apply. Furthermore, according to its wording, Article 3(1)(e) does not apply to signs for which registration is sought in respect of services. Thus, this provision also does not ensure that works, in general, are kept within the public domain.

82 In comparison, the denial of registration of a trade mark provided for in Article 3(1)(f) of the Trade Mark Directive is irrespective of the classes of goods and services in relation to which the sign is used (compare, by analogy, the judgment in *PAKI Logistics* v *OHIM*, T-526/09, EU:T:2011:564, paragraph 18) and cannot be overcome by acquired distinctiveness.

83 The public interest underlying the mandatory ground for refusal laid down in Article 3(1)(f) of the Trade Mark Directive is to ensure that signs that are contrary to public policy or to accepted principles of morality are not registered.

84 It is evident from the wording of Article 3(1)(f) of the Trade Mark Directive that this provision covers two alternatives, which may each serve as a ground for refusal. Namely, it refers to trade marks that are contrary to public policy or such trade marks that are contrary to accepted principles of morality.

85 The Court notes that, whilst these two limbs may in certain cases overlap (compare, inter alia, the judgment in *Couture Tech* v *OHIM*, T-232/10, EU:T:2011:498), it is possible to consider each on its own merits.

86 In this regard, refusal based on grounds of "public policy" must be based on an assessment of objective criteria whereas an objection to a trade mark based on "accepted principles of morality" concerns an assessment of subjective values.

87 In the present case, the question seems to be whether a removal from the public domain of the signs and the artworks at issue – which would be the necessary consequence of a registration – may be contrary to public policy or to accepted principles of morality.

88 In this regard, the Court notes, at the outset, that according to Article 4(4)(c)(iii) of the Trade Mark Directive, EEA States may lay down rules in national law to refuse trade mark registration to the extent that the use of the trade mark may be prohibited by virtue of a copyright. However, as in the present case, the fact that an artwork has previously enjoyed copyright protection may not in itself form the basis for refusing trade mark registration.

89 As far as the question relates to refusal of registration on the basis that the sign is contrary to accepted principles of morality, the Court notes that the subjective values, which are relevant for the assessment of this ground of refusal, are

determined by reference to the perception of the sign by the relevant public (compare the judgment in *Cortés del Valle López* v *OHIM (¡Que buenu ye! HIJOPUTA)*, T-417/10, EU:T:2012:120, paragraph 12). The perception of whether a mark is contrary to accepted principles of morality is influenced by the circumstances of the particular EEA State in which the consumers who form part of the relevant public are found (compare the judgment in *Couture Tech* v *OHIM*, cited above, paragraph 33).

90 The corresponding provision in Article 7(1)(f) of the Old Trade Mark Regulation has been applied to signs that in and of themselves are considered offensive by reasonable consumers with average sensitivity and tolerance thresholds (compare, for example, the judgments in *PAKI Logistics* v *OHIM*, cited above, paragraph 12, *Cortés del Valle López* v *OHIM*, cited above, paragraph 21, and *Efag Trade Mark Company* v *OHIM*, T-52/13, EU:T:2013:596, paragraph 18).

91 The signs at issue do not appear to be offending by their nature a reasonable consumer with average sensitivity and tolerance thresholds.

92 However, certain pieces of art may enjoy a particular status as prominent parts of a nation's cultural heritage, an emblem of sovereignty or of the nation's foundations and values. A trade mark registration may even be considered a misappropriation or a desecration of the artist's work, in particular if it is granted for goods or services that contradict the values of the artist or the message communicated through the artwork in question. Therefore, the possibility cannot be ruled out that trade mark registration of an artwork may be perceived by the average consumer in the EEA State in question as offensive and therefore as contrary to accepted principles of morality.

93 Consequently, the assessment of whether trade mark registration of a sign that consists of an artwork would be contrary to accepted principles of morality must be carried out on a case-by-case basis. This assessment must take into account the status or perception of the artwork in the relevant EEA State and, where relevant, the nature of the goods or services for which registration as a trade mark has been applied, such that registration must be refused if the work is being misappropriated. It may also be necessary to consider the extent to which the sign contains elements, which may lead to a desecration of the work.

94 As regards the second alternative of Article 3(1)(f) of the Trade Mark Directive, which concerns signs that must be refused registration when they are contrary to public policy, the notion of "public policy" refers to principles and standards regarded to be of a fundamental concern to the State and the whole of society.

95 As the circumstances justifying the recourse to public policy can vary from one EEA State to another and from one time to another, it is necessary to grant the competent national authorities some discretion within the limits imposed by the EEA Agreement (compare the judgment in *R* v *Bouchereau*, 30/77, EU:C:1977:172, paragraph 34). In that regard, the Court recalls that according to established case law, grounds of public policy, such as the exception provided for

in Article 3(1)(f) of the Trade Mark Directive, may only be relied on if there is a genuine and sufficiently serious threat to a fundamental interest of society (Case E-12/10 *ESA* v *Iceland* [2011] EFTA Ct. Rep. 117, paragraph 56 and case law cited).

96 Accordingly, registration of a sign as a trade mark may only be refused as contrary to public policy in accordance with Article 3(1)(f) of the Trade Mark Directive in exceptional circumstances. An artwork may be refused registration, for example, under the circumstances that its registration is regarded as a genuine and serious threat to certain fundamental values or where the need to safeguard the public domain, itself, is considered a fundamental interest of society. It is for the referring body to determine whether those requirements are met, in light of the relevant matters of fact and law.

97 The Court notes, however, that there would be no threat to the need to safeguard the public domain resulting from works that were primarily created to serve as signs to be registered as trade marks. The protection afforded to such signs under copyright law is merely incidental. In such circumstances, the purpose behind the sign's creation is to indicate commercial origin only. The same may be true in cases where the rights to a work were sold for the mere purpose of serving as a trademark. In these instances, it would, in turn, be irreconcilable with the purpose of the Trade Mark Directive if a sign solely created or purchased in order to qualify for the protection afforded by the Trade Mark Directive were to be denied precisely that protection.

98 The same is true in the case of signs which, albeit based on a work pertaining to the public domain, contain additional elements that are likely to transform or diffuse the original work (compare the judgment in *Couture Tech* v *OHIM*, cited above, paragraph 65). For these additional elements to be relevant, the sign must depart significantly from the original creative content such as to avoid confusion between the sign and the work in the eyes of an averagely informed, reasonably aware and perceptive consumer.

99 Furthermore, no threat exists to the need to safeguard the public domain if a sign consisting of an artwork can be refused registration on other grounds included in the Trade Mark Directive.

100 Accordingly, registration of a sign may only be refused on basis of the public policy exception provided for in Article 3(1)(f) of the Trade Mark Directive if the sign consists exclusively of a work pertaining to the public domain and the registration of this sign constitutes a genuine and sufficiently serious threat to a fundamental interest of society.

101 Finally, and for the sake of completeness, the Court recalls that refusal of registration of a trade mark does not prevent an applicant from using the sign in question in the course of trade (compare the judgment in *Efag Trade Mark Company* v *OHIM*, cited above, paragraph 44 and case law cited). Also, there is, in principle, a limitless pool of potential signs on which an applicant can freely

draw (compare the opinion of Advocate General Szpunar in *Hauck*, C-205/13, EU:C:2014:322, point 31).

102 In light of the above, the answer to the first three questions is that the registration of a sign that consists of works for which the copyright protection period has expired as a trade mark is not in itself contrary to public policy or accepted principles of morality within the meaning of Article 3(1)(f) of the Trade Mark Directive. Whether registration for signs, that consist of works of art, as a trade mark shall be refused on the basis of accepted principles of morality, under Article 3(1)(f) of the Trade Mark Directive, depends in particular, on the status or perception of the artwork in the relevant EEA State. The risk of misappropriation or desecration of a work may be relevant in this assessment. Registration of a sign may only be refused on basis of the public policy exception provided for in Article 3(1)(f) of the Trade Mark Directive if the sign consists exclusively of a work pertaining to the public domain and if registration of this sign would constitute a genuine and sufficiently serious threat to a fundamental interest of society.

Question 4

103 By its fourth question, the referring body seeks guidance on the interpretation of Article 3(1)(e)(iii) of the Trade Mark Directive according to which registration must be denied for signs which consist exclusively of the shape which gives substantial value to the goods.

Observations submitted to the Court

104 *Oslo Municipality* argues that neither the wording nor the history of Article 3(1)(e)(iii) of the Trade Mark Directive supports an interpretation of that provision that covers not only three-dimensional shapes but also images of shapes.

105 The *Norwegian Government* takes the view that two-dimensional marks that exclusively give faithful and naturalistic depictions of a shape relevant to the shape of the goods should be assessed in the same manner as three-dimensional marks reproducing such shape.

106 *ESA* contends that Article 3(1)(e)(iii) of the Trade Mark Directive applies to two-dimensional and three-dimensional representations of goods such as sculptures, as in certain cases they may consist exclusively of the shape which gives substantial value to the goods.

107 The *Commission* submits that the reference to "shape" in Article 3(1)(e)(iii) of the Trade Mark Directive cannot be construed as meaning that the two-dimensional representation of an object, including a sculpture, would necessarily fall outside the scope of application of that provision. The "shape of goods" refers to their outward appearance and not necessarily to their volume. A two-dimensional sign may therefore represent the "shape" of a product. Thus, Article 3(1)(e)(iii) must be interpreted as applying also to two-dimensional representations of objects, such as sculptures.

108 The *Czech Government* argues that a trade mark which is a two-dimensional representation of a sculpture can hardly serve to identify the goods or services covered by that trade mark, as required by Article 3(1)(b) of the Trade Mark Directive. It is more likely that the relevant group of consumers would be tempted to consider the trade mark on the products only as a reproduction of the relevant piece of art. Therefore, the requirement of distinctiveness, as specified in Article 3(1)(b) in conjunction with Article 3(1)(e)(iii), is in relation to sculptures not fulfilled.

109 The *Government of the United Kingdom* submits that Article 3(1)(e) of the Trade Mark Directive is applicable to two-dimensional representations of sculptures, provided that the shape depicted in the representation gives substantial value to the goods.

Findings of the Court

110 Under Article 3(1)(e) of the Trade Mark Directive, signs consisting exclusively of the shape which results from the nature of the goods themselves, or the shape necessary to obtain a technical result, or the shape which gives substantial value to the goods must not be registered.

111 Article 3(1)(e) of the Trade Mark Directive constitutes a preliminary obstacle liable to prevent a sign consisting exclusively of a product from being registrable. The result is that if any one of the criteria listed in Article 3(1)(e) is satisfied, a sign consisting exclusively of the shape of the product cannot be registered as a trade mark (compare the judgment in *Bennetton*, C-371/06, EU:C:2007:542, paragraph 26 and case law cited).

112 Article 3(1)(e) of the Trade Mark Directive does not define the signs which must be considered as shapes within the meaning of that provision. It makes no distinction between three-dimensional shapes, two-dimensional shapes or two-dimensional representations of three-dimensional shapes (compare the judgment in *Yoshida Metal* v *OHIM*, T-331/10 RENV and T-416/10 RENV, EU:T:2015:302, paragraph 36). Accordingly, the provision may apply also to two-dimensional representations of three-dimensional shapes.

113 Furthermore, the Court recalls that a particular design may be an essential element of branding which increases the appeal of the product at issue, that is to say, its value (compare the judgment in *Bang & Olufsen* v *OHIM*, cited above, paragraph 74).

114 Finally, it is important to bear in mind that, in the context of an application for the registration of a sign consisting exclusively of the shape of goods, it must first be ascertained that there is no obstacle under Article 3(1)(e) of the Trade Mark Directive which may preclude registration, before going on to analyse, as appropriate, whether the sign at issue may have acquired distinctive character within the meaning of Article 3(3) (compare the judgment in *Société des Produits Nestlé (Kit Kat)*, C-215/14, EU:C:2015:604, paragraph 40).

115 In answer to the fourth question referred, the Court finds that Article 3(1)(e)(iii) of the Trade Mark Directive may apply to two-dimensional representations of three-dimensional shapes, including sculptures.

Question 5

116 By its fifth question, the referring body seeks clarification on the interpretation of Article 3(1)(c) of the Trade Mark Directive, which provides for a ground of refusal if the sign is descriptive.

Observations submitted to the Court

117 *Oslo Municipality* contends that a refusal to register a trade mark pursuant to Article 3(1)(c) of the Trade Mark Directive cannot be based on the mere fact that the mark in question is shaped as a product covered by the classes in respect of which the application is made. Consequently, a refusal to register trade marks shaped as products covered by the classes for which the application is made may only be based on Article 3(1)(c) where the shape in question does not significantly depart from the norm or customs of the business sector concerned.

118 The *Norwegian Government* submits that the public interest underlying Article 3(1)(b) and (c) of the Trade Mark Directive is to preclude signs that are not capable of fulfilling the function of origin. These provisions thereby prevent signs from being registered as trade marks which are descriptive for characteristics of the goods or services, and signs that should be kept free for all traders to use. As is the case under Article 3(1)(b) and Article 3(1)(e)(iii), the assessment under Article 3(1)(c) must be the same whether the mark is in two-dimensional or three-dimensional form.

119 *ESA* submits that Article 3(1)(c) of the Trade Mark Directive applies to two-dimensional and three-dimensional representations of goods such as sculptures, as in certain cases they are merely descriptive of the goods or services provided.

120 The *Commission* submits that, in principle, a work of art does not convey direct and concrete messages, as, by its very nature, art is open to subjective interpretation. A work of art is also by its nature disconnected from products or services for which it may serve in trade within the meaning of Article 3(1)(c) of the Trade Mark Directive. A trade mark consisting of, or including, the two-dimensional representation of a sculpture could be descriptive in respect of any good or service which has, or would be expected by the public to have, the sculpture or its author as a main object.

121 The *Czech Government* argues that a sculpture, as a unique result of an artist's creativity, can never be considered a descriptive sign as specified in Article 3(1)(c) of the Trade Mark Directive.

122 The *Government of the United Kingdom* submits that the rationale for refusing to register a trade mark in accordance with Article 3(1)(c) of the Trade Mark Directive is that descriptive signs should be available to all traders, unless the mark

has acquired distinctiveness. Thus, Article 3(1)(c) may be applicable to a shape mark that is a two-dimensional representation of the shape or appearance of the goods. The shape of a product is capable of performing a descriptive function where the shape is descriptive of a characteristic of the goods.

Findings of the Court

123 The signs and indications referred to in Article 3(1)(c) of the Trade Mark Directive are those which may serve in normal usage, from a consumer's point of view, to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought (compare the judgment in *Naipes Heraclio Fournier* v *OHIM (representation of a sword)*, T-160/02 to T-162/02, EU:T:2005:167, paragraph 40 and case law cited).

124 Accordingly, for a sign to be caught by the prohibition set out in that provision, there must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned to perceive, without further thought, a description of the goods and services in question or one of their characteristics (compare the judgment in *Metso Paper Automation* v *OHIM (PAPERLAB)*, T-19/04, EU:T:2005:247, paragraph 25 and case law cited).

125 It is further evident that, with the exception of Article 3(1)(e) of the Trade Mark Directive, the provisions of Article 3(1), such as point (c), make no explicit distinction between different categories of trade mark (compare the judgment in *Apple (representation, by a design, of the layout of a retail store)*, C-421/13, EU:C:2014:2070, paragraph 24).

126 Consequently, the reference to trade marks which consists exclusively of signs or indications which may serve to designate characteristics of the goods or service other than those expressly referred to in Article 3(1)(c) of the Trade Mark Directive is sufficiently broad to cover a wider variety of trade marks, including a three-dimensional trade mark consisting of the shape of a product or a two-dimensional representation thereof (compare the judgment in *Linde and Others*, C-53/01 to C-55/01, EU:C:2003:206, paragraph 69).

127 Thus, in answer to the fifth question referred, the Court finds that Article 3(1)(c) of the Trade Mark Directive must be interpreted as being applicable to two-dimensional and three-dimensional representations of the shape of goods.

Question 6

128 By its sixth question, the referring body asks, in essence, which criteria are relevant under Article 3(1)(b) and (c) of the Trade Mark Directive in the assessment of an application to register a trade mark.

Observations submitted to the Court

129 *Oslo Municipality* contends that the grounds for refusal specified in Article 3(1)(b) and (c) of the Trade Mark Directive should be reserved for common shapes that

do not depart significantly from the norm or customs of the business sector concerned, for example a heart shape for jewellery.

130 The *Norwegian Government* maintains that the shape or appearance of a mark must depart significantly from the norms and customs in the sector to fulfil the requirement for a distinctive character. The average consumer is not used to drawing conclusions on the origin of products based on their shape. The requirement that the mark "departs significantly from the norms and customs" is only an interpretation of the requirement of distinctiveness applied to certain types of marks. This requirement will not be of much guidance in the assessment of distinctiveness as regards marks consisting of works of art, as there are no relevant norms or customs for comparison. Instead, by virtue of Article 3(1)(c) of the Trade Mark Directive, it must be assessed whether the shape indicated by the mark is descriptive for characteristics of the goods and services.

131 According to *ESA*, both points (b) and (c) of Article 3(1) of the Trade Mark Directive are applicable to signs that consist of two-dimensional and three-dimensional representations of the shape or appearance of the goods. Therefore, both the distinctiveness of the sign pursuant to Article 3(1)(b) and the descriptiveness of the sign pursuant to Article 3(1)(c) have to be examined before a sign can be registered as a trade mark.

132 The *Commission* limits its assessment, in light of its observations made with regard to the fifth question, to Article 3(1)(b) of the Trade Mark Directive. In the case at hand, a relevant factor is whether the characteristics of a sign are, in the public's perception, purely attributable to the ornamental and decorative nature of the goods, rather than indicating the commercial origin of these goods. If this is the case, the sign is devoid of any distinctive character and falls within Article 3(1)(b).

133 The *Czech Government* considers that, in light of the answers proposed to the previous questions, it is not necessary to provide an answer to the sixth question.

134 The *Government of the United Kingdom* submits that in relation to particular artistic articles, such as sculptures, shapes necessarily vary a great deal as a result of their artistic purpose. As a consequence, it is more difficult to show that any particular shape is outside the norms and customs of that particular sector. A mark may also, or alternatively, be refused under Article 3(1)(c) of the Trade Mark Directive if it is descriptive.

Findings of the Court

135 The Court notes that the assessment criterion of whether "the design in question departs significantly from the norm or customs of the business sector", referred to in the Board of Appeal's sixth question, relates to an assessment under Article 3(1)(b) of the Trade Mark Directive (compare the judgment in *Louis Vuitton Malletier* v *OHIM (representation of a lock)*, C-97/12 P, EU:C:2014:324, paragraph 52 and case law cited).

136 However, a mark which is descriptive of characteristics of goods or services for the purposes of Article 3(1)(c) of the Trade Mark Directive is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services within the meaning of Article 3(1)(b) (compare the judgment in *Koninklijke KPN Nederland*, C-363/99, EU:C:2004:86, paragraph 86).

137 In addition to what has been stated above on the fifth question, the Court recalls that a sign's descriptiveness can only be assessed by reference to the goods or services concerned and to the way in which it is understood by the relevant public (compare the judgment in *JanSport Apparel* v *OHIM (BUILT TO RESIST)*, T-80/07, EU:T:2009:332, paragraph 21 and case law cited).

138 As such, an assessment that the mark is not to be considered descriptive under Article 3(1)(c) of the Trade Mark Directive does not prevent that mark from being assessed under Article 3(1)(b), for it may still lack distinctiveness under that provision (compare the judgment in *Koninklijke KPN Nederland*, cited above, paragraph 86).

139 In this regard, the distinctive character of a mark must be, according to established case law, assessed in relation, on the one hand, to the goods and services covered by that mark and, on the other, to the presumed expectations of the relevant class of persons, that is to say, an average consumer of the category of goods and services in question who is reasonably well-informed, observant and circumspect.

140 It is for the Board of Appeal, in applying Article 3(1)(b) and (c) of the Trade Mark Directive, to determine, according to established case law and in particular with reference to the public interest underlying these provisions, whether the ground for refusing registration in one of these provisions applies to the case at hand (compare the judgment in *Linde and Others*, cited above, paragraph 75).

141 Thus, in answer to the sixth question referred, the Court finds that Article 3(1)(b) of the Trade Mark Directive must be interpreted as meaning that where a sign is descriptive within the meaning Article 3(1)(c), that sign necessarily lacks distinctiveness under Article 3(1)(b). Should the referring body find that the sign at issue is not descriptive, it may assess its distinctiveness for the purpose of Article 3(1)(b) in relation to the goods and services covered by that mark and to the presumed expectations of an average consumer of the category of goods and services in question, who is reasonably well-informed, observant and circumspect.

V Costs

142 The costs incurred by the Norwegian Government, ESA, the Commission, the German Government, the Czech Government and the United Kingdom Government, which have submitted observations to the Court, are not recoverable. Since these proceedings are a step in the proceedings pending before the national court, any decision on costs in those proceedings is a matter for that court.

On those grounds,

THE COURT

in answer to the questions referred to it by the Norwegian Board of Appeal for Industrial Property Rights hereby gives the following Advisory Opinion:

1. **The registration as a trade mark of a sign which consists of works for which the copyright protection period has expired, is not in itself contrary to public policy or accepted principles of morality within the meaning of Article 3(1)(f) of Directive 2008/95/EC.**

2. **Whether registration for signs that consist of works of art as a trade mark shall be refused on the basis of accepted principles of morality within the meaning of Article 3(1)(f) of Directive 2008/95/EC depends, in particular, on the status or perception of the artwork in the relevant EEA State. The risk of misappropriation or desecration of a work may be relevant in this assessment.**

3. **Registration of a sign may only be refused on basis of the public policy exception provided for in Article 3(1)(f) of Directive 2008/95/EC, if the sign consists exclusively of a work pertaining to the public domain and registration of this sign would constitute a genuine and sufficiently serious threat to a fundamental interest of society.**

4. **Article 3(1)(e)(iii) of Directive 2008/95/EC may apply to two-dimensional representations of three-dimensional shapes, including sculptures.**

5. **Article 3(1)(c) of Directive 2008/95/EC must be interpreted as being applicable to two-dimensional and three-dimensional representations of the shape of a good.**

6. **Article 3(1)(b) of Directive 2008/95/EC must be interpreted as meaning that where a sign is descriptive within the meaning of Article 3(1)(c), that sign necessarily lacks distinctiveness under Article 3(1)(b). Should the referring body find that the sign at issue is not descriptive, it may assess its distinctiveness for the purposes of Article 3(1)(b) in relation to the goods and services covered by that mark and to the presumed expectations of an average consumer of the category of goods and services in question, who is reasonably well-informed, observant and circumspect.**

Carl Baudenbacher Per Christiansen Páll Hreinsson

Delivered in open court in Luxembourg on 6 April 2017.

Gunnar Selvik
Registrar

Carl Baudenbacher
President