

Intellectual Property - Austria

Descriptive versus distinctive – trademark battle reloaded

Contributed by **Graf & Pitkowitz**

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In *EXPRESSGLASS*,⁽¹⁾ the Supreme Court had to decide whether the international trademark in question was distinctive and was thus eligible for protection under Austrian trademark law, or whether, due to its descriptive nature, it could not be granted protection (pursuant to Article 5 of the Madrid Agreement Concerning the International Registration of Marks).

Facts

The claimant – a company specialising in glass installation, replacement and repair – was the holder of the international trademark EXPRESSGLASS pursuant to the Madrid Agreement. Austria, a party to the Madrid Agreement, was included in the claimant's registration. In 2010 the Austrian Patent Office legal department informed the claimant that the trademark EXPRESSGLASS could not be granted protection in Austria because it was not distinctive pursuant to Section 4(1)(3) of the Trademark Act, as the relevant public would consider EXPRESSGLASS to be a description for quickly installed glass. The claimant argued that:

- the word was a neologism with no immediately clear or plausible meaning; and
- the trademark had been granted protection in other Madrid Agreement countries.

Decisions

The Patent Office legal department was not convinced by this argument and issued an official decision in 2011 denying trademark protection. The Patent Office complaint department confirmed this decision in 2013.

Due to a legal reorganisation of appeal procedures in 2014 (for further details please see "[Amendment of IP-related statutes will come into force shortly](#)"), the claimant's appeal was brought before the Supreme Court.

In February 2014 the Supreme Court also confirmed that the trademark EXPRESSGLASS could not be protected under Austrian trademark law due to its descriptive nature. According to the Supreme Court, the main function of a trademark is to indicate commercial origin. A trademark that is not distinctive cannot fulfil this function. Trademarks are devoid of any distinctive character if, among other things, the relevant public regards them as an indication of the characteristics of the goods or services for which they are used (eg, type, quality and purpose (descriptive trademark)). Such descriptiveness is presumed when the relevant public can easily deduce the descriptive meaning of the word or sign without first drawing complicated conclusions. If this is the case, even a neologism or a compound word consisting of foreign terms cannot be protected as a trademark.

In *EXPRESSGLASS*, the word 'expressglass' (consisting of the term 'express', which is identical to the German word *express*, and the term 'glass', which is unisonous to its German equivalent *glas*) led the relevant public to think of it as a specific property of the goods and services in question, not as a commercial origin-indicating trademark. Without putting too much thought into the conclusion, the relevant public would likely assume that 'expressglass' stood for quickly installed glass, notwithstanding that the word was a neologism. Therefore, the Supreme Court denied trademark protection for the trademark EXPRESSGLASS.

Comment

Authors

Ferdinand Graf



Marija Križanac



This decision confirms that trademarks will be determined as distinctive or descriptive after a subjective and interpretive case-by-case analysis. The Supreme Court had no doubts that EXPRESSGLASS was a descriptive term for the goods and services in question, whereas the German Patent and Trademark Office (the same language and the same understanding of the words express and glass) reached the opposite conclusion. In its reasoning, the Supreme Court stated as follows:

"The grant of protection in other countries is not binding in the present proceedings... The Madrid System provides the possibility of divergent assessment of the registrability of a mark in the states named by the applicant. Thus, the grant or denial of protection in other countries can only be considered in Austrian proceedings pursuant to the power of persuasion the reasoning of the foreign decision has. The decision of the German Patent- and Trademark Office that the applicant referred to presumes that EXPRESSGLASS does not show any 'close descriptive relatedness' but that it is rather 'vague and open to interpretation'. The senate [of the Austrian Supreme Court] does not agree to that opinion for the reasons given above."

In this case, the Supreme Court – which normally follows German legal viewpoints – explicitly distanced itself from the German Patent and Trademark Office's decision.

However, trademark holders can potentially register a descriptive trademark on the basis of market recognition among the relevant public.⁽²⁾

For further information on this topic please contact [Ferdinand Graf](#) or [Marija Krizanac](#) at Graf & Pitkowitz by telephone (+43 1 401 17 0), fax (+43 1 401 17 40) or email (graf@gpp.at or krizanac@gpp.at). The Graf & Pitkowitz website can be accessed at www.gpp.at.

Endnotes

(1) OGH 17.02.2014, 4 Ob 11/14t.

(2) Section 4(2) of the Trademark Act.

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