

Multimedia & trademarks – old or new rules for the digital world?

Dirk Spacek of CMS examines the rules for trademarks in a multimedia setting.

In the last decade, stationary trade has become of stagnating relevance, whereas online-generated business has won a substantial increase. Almost all major businesses in the traditional manufacturing sector have meanwhile built up secondary distribution channels, namely internet-based purchase entrance gates (like websites and online-stores) and/or extended to the launch of so called “Apps” (smaller applications downloadable on one's mobile device) as a further distribution channel for displaying goods and processing orders (even offline on an app). **Increased presence in the digital world creates new questions on the future deployment of trademarks and how to sustain brand presence in the virtual world.** The following article attempts to shed light on a few legal considerations worth taking when using new types of trademarks in the virtual multimedia world.

Multimedia trademarks

Trademark law statutes all over the world have been restrictive when it comes to admitting non-traditional trademarks not in line with the traditional notion of a sign identifying goods or services. Examples of such non-traditional trademarks are for instance trademarks for forms/shaping, positioning (e.g. a stripe positioned on a particular spot of a shoe), abstract colors, sounds or even movements. In the past, more liberal local trademark admission practices have evolved and permitted such trademarks under certain conditions.

In 2017, the European Union Intellectual Property Office (“HABM”) has loosened its’ requirement on “graphic presentation” of a trademark (which caused obvious problems for registering unconventional trademarks such as audio or animated movement trademarks). This stems from recent legislation under the new EU Trademark Directive of 2017/1001 of June 14, 2017. Pursuant to article 4 of the directive, trademarks must now only be presented “*in a manner that the competent authorities and the public*

can clearly determine the scope of protection granted to the trademark holder”. Pursuant to this provision, **new options of presenting a trademark are permitted** and the European executive regulation to the respective directive (EU-Regulation 2018/626) in article 3 explains that new, innovative trademarks must be presented in a “*generally accessible technology format*”, in particular, **sound trademarks** (audio-features like melodies), **movement trademarks** (changing positions of a trademark) and **multimedia trademarks** (combination of audio-features and movement) **can be filed with a MP3 (sound) or MP4 (audio/video)-file attached**. This being said, local intellectual property register offices of EU-member states have meanwhile implemented these new rules into their local legislations as well (such as e.g. the Benelux states on March 1, 2019 or Germany on January 14, 2019).



*Source: EU-Multimedia Trademark 017451816 available online under <https://euipo.europa.eu/ohimportal>.

The possibility of filing trademarks in electronic form is the result of a more liberal registration approach accepting the changed realities of the digital age. It is likely to increase the number of registered multimedia trademarks since rightholders will be keen to take advantage of the increased flexibility of this new regime. Based on publicly available information, more than 20 multimedia trademarks have meanwhile been registered in the European Union¹. This offers **huge opportunities to businesses in the IT, music, film, gaming and marketing industries**. In particular, multimedia trademarks are likely to be used as an attempt to compensate gaps of other intellectual property rights. For instance, in the field of computer games “gameplay mechanics” are notoriously difficult to protect because they tend to fall through the gaps of traditional intellectual property statutes. Whereas patents can be very powerful, they have stringent requirements as to novelty, an inventive step of technical nature and can be expensive and long to obtain. Copyright is also suitable to protect source

¹ For reference examples see e.g. Multimedia Trademarks EUTM 017451816 or EUTM 017635293.



code, images, videos, text, music and other creative elements within a game, but it does not extend to protecting e.g. movement mechanics. Trademarks are quick and cheap to register, easier to enforce and protect against confusingly similar trademarks and can potentially last forever (if renewal fees are paid at the end of each term). A trademark covering a video of an essential gameplay mechanic (e.g. a particular movement feature) could be a powerful tool in the intellectual property armory of any developer or publisher of computer games.

Nevertheless, the **future potential of multimedia trademarks remains vague**. One should bear in mind that **even new, innovative types of trademarks must always meet the general requirements of every trademark**, i.e., **distinctiveness** (the ability to distinguish goods and services of one undertaking from the goods and services of others). This means that consumers who see a multimedia trademark must be able to recognize the product or service to which it is applied as coming from a particular commercial source. Consequently, visuals which are already in widespread use by others in the industry are unlikely to be registrable (since most likely not distinctive) and such other participants would also have a statutory right to further use their mechanics previously deployed (which would significantly weaken the practical use of a registered multimedia trademark against third parties). Only the practice adopted by HABM and/or the respective national registration offices will show which multimedia trademarks will be registered. Finally, the **future will**



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also show to which extent multimedia trademarks can successfully be enforced through the traditional litigation path. The assessment whether a third party's multimedia sign infringes a registered multimedia trademark is subtler to assess. Depending on the degree of distinctiveness of a multimedia trademark, the scope of protection could range from average down to very low. What if somebody uses multimedia features which only cover 2 seconds of a 30 second-multimedia trademark video file? Will this be considered a substantial use of the registered trademark or would the overall differences suffice to avoid the inference of a multimedia trademark infringement? Until a few test-cases have been established, we will not know for sure. It is safe to

Résumé

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Dirk is in charge of the practice groups IP and TMC. He primarily deals with new business models arising in the media-, internet- and technology-sector, data protection and intellectual property law. He mainly advises clients from the media/technology, industry and financial services sectors on technology-savvy legal matters, in particular intellectual property law, IT-contract law and outsourcing, Internet of Things projects (IoT) and data protection law.

assume that the first takedown notices to online-platform providers based on a multimedia trademark are going to cause some puzzled faces to decide how they should be dealt with.

Switzerland slow to follow?

As most people know, Switzerland is not part of the European Union and therefore not obliged to follow the abovementioned EU-developments.

Furthermore, Switzerland has not taken any official voluntary steps to harmonize with the EU-trademark-developments.

As we will further see below, this creates certain problems from an international trademark filing perspective, in particular, since the World Intellectual Property Organization (WIPO) has its registered seat in Geneva, Switzerland.

The Swiss Federal Act on Trademarks of August 1992 (FATM) provides that trademarks may consist of “words, letters, numerals, figurative representations, three-dimensional shapes or combinations of such elements with each other or with colors”. The explanative regulation to the FATM (RFATM) provides that the Swiss Federal Institute on Intellectual Property (FIIP) can provide further forms of representation for particular types of trademarks. Unfortunately, up to this day, the FIIP has not provided any further guidance on the admissibility of other forms of representation for non-conventional trademarks. As of today, multimedia trademarks representable with the help of electronic files are not officially accepted by the FIIP.

For many companies, registering trademarks on a worldwide basis has been frequently undertaken by registering their base trademark in Switzerland with WIPO located in Geneva and applying for territorial extensions over the Madrid System (which often proves cheaper and quicker than applying in multiple local offices simultaneously). In this context, the Common Regulations under the Madrid Agreement and the Madrid Protocol provide in Art. 9, para. 4 lit. v that a “copy of the trademark” must be provided in a “box” on the respective application form. Without explicitly mentioning it, even the Madrid system implicitly requires a graphic presentation.

Thus, filing a multimedia trademark with WIPO as a basis trademark (accompanied by electronic mp3 or mp4-files) will not be possible. Consequently, it is not yet possible to file a multimedia trademark successfully in Switzerland (be it with the FIIP and/or WIPO) and to territorially expand from thereon into more multimedia-trademark-friendly jurisdictions.

For the moment, most businesses will favor registering multimedia trademarks outside of Switzerland (e.g. with HABM or local European member state offices) and wait for a hopeful adaptation of the Madrid System and/or guidance by the FIIP to expand into Switzerland as well.

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A further dimension: Multimedia, “Apps” and trademarks

As mentioned earlier, “Apps” (small software-based applications downloadable on one’s mobile phone) have gained foothold as a new, parallel distribution channel for multiple businesses – aside from their stationary trade- or online-distribution-channel. This new feature has triggered the development of new so called “app icons” which now play a pivotal role in the multimedia world to distinguish between a large number of rival apps on mobile phones. Some of these icons have gained a high level of recognition and fame which may have overpowered the existing trademark arsenal of undertakings (e.g., today, the visual app logos “in” or “whatsapp” have gained huge recognition and may even trigger stronger recognition effects for tech-savvy consumers than the housemarks “Linkedin” or “Whatsapp” of the respective companies). This circumstance also causes the need for companies to **optimize their app icon design** and to **consider registering new trademarks for their “app icons” in the multimedia world.**²




tanuha2001 / Shutterstock.com

When considering to shape new app icons as trademarks, legal considerations should be taken in advance. Many developers fail to plan the design and trademark applications of their app icon until they are ready to upload their application to the app store. An app icon as a trademark, however, should not be a mere afterthought. The following considerations should be given thought to:

- **Register your app icon as a trademark** (registration comes with low costs and in the digital economy, IP-rights, such as trademarks, often represent the company’s major assets, thus, registration is worth the investment);
- **Make sure to choose distinctive app icons.** Don’t let the icon describe the service itself as this will lack distinctiveness and pose impediments in the trademark registration process;

² Examples of widespread app icons frequently downloaded on mobile phones. Source: <https://www.sketch-appsources.com/free-source/2053-ultimate-app-icon-set-sketch-freebie-resource.html>.

- **Use distinctive colors.** However, be aware that certain colors have become common identifiers for particular categories, e.g., green for communication apps or yellow for taxi apps etc.;
- **Limited space is a constraint for app icon design** since brand names are often too long to include. On the most relevant App Stores, i.e. “Google Play” and/or “IOs App Store”, names of apps may not exceed thirty-five (35) characters. Therefore, one should consider using **slightly adapted/shortened versions of the housemark together with a remarkable graphic element.** However, don't fall for the “initials-trap”: The idea to use a housemark's first or two initials in a specific font or style for an app icon is not a wise strategy, since the registered housemark (i) does not protect the initials alone and (ii) trademarks offices in many countries may refuse registering trademarks for single letters. Also, be aware that even successful one- or two-initial app icon trademarks like e.g.  are rare exceptions of hugely known players (like e.g. Facebook, LinkedIn, Twitter etc.) with a substantial degree of famousness. Not everyone can benefit from such market positions and so shouldn't one trust upon it;
- If and to the extent possible, **use your existing company brand and adapt it to the needs of your app icon.** Some companies have developed a stand-alone-e-commerce-branding with separate, deviating app icons which, is not ideal for brand coherence. Under an **omni-channel strategy** point of view, it is more sensible to **align branding in order to strengthen the overall perception of your brand;**
- **Beware of prior rights by conducting availability searches to avoid cumbersome disputes.** Not only must one be cautious on triggering potential trademark opposition proceedings, but more importantly, the **relevant App-platforms** (such as Google Play or the IOS App Store) **impose own trademark requirements.** For example, Apple Inc. advises for the use of an app name that if it is a registered trademark of another party or is already in use this can result in its removal under Apple's sole discretion;
- **Stick to your app icon trademark design.** Trademarks only remain valid if they are substantially used in the same form as they are registered. Therefore, in the digital world one should stick to its app icon trademark in the same way as companies remain faithful to their housemarks in stationary trade;
- **Timing: File a trademark application first, i.e., before uploading the app to Google Play or the IOS App Store:** While e.g. Apple allows developers to secure their app name before the app is ready for use, once an app is added and in the “Prepare for Upload” or “Waiting for Upload”



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state, the name can't be changed anymore and a developer only has 180 days (6 months) from the date of creation on “*iTunes Connect*” to deliver the object code to Apple. If the deadline is missed, the app is deleted from “*iTunes Connect*”, the developer is barred from reusing the app name and the app name may be used other developers.

- **Alignment: Make sure to align your app-“settings” in the relevant App Stores** (Google Play or iOS App Store) **with the registered trademark protection obtained.** For example, when uploading, a developer has the option of selecting countries electronically in which the app will be sold. Such territorial selection should be aligned with the trademark registrations obtained in the relevant jurisdictions. Practice shows that app-developers (more close to the IT department) and intellectual property professionals (more close to the legal department) do often not interact in a desirable manner on such topics.

Summary: What to make sure when considering trademarks in the new multimedia world?

Internet-based multimedia distribution channels provide for new options and needs to deploy trademarks. However, to maintain strong brand presence and coherence, the rules for the game have not changed. What was applied in stationary trade will also apply in the multimedia world. Distinctiveness, brand coherence and substantially identical use are key. However, new considerations must be taken into account. Options to file for so called “multimedia trademarks” (embodied in electronic mp3 and mp4-files) provide for new technical horizons.

Furthermore, new internet-based distribution channels as e.g. mobile apps channeled through large app stores like Google Play and/or the iOS App Store also provide for constrictions on how to use app icons as new trademarks due to impediments imposed in their terms and conditions.

Navigating the new realities of the online-world and maintaining the old rules for optimal trademark protection and strengthening is a challenge faced and requires diligent legal management before embarking on a planless “multimedia adventure”.

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