

EUIPO refuses position mark for footwear

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- A position mark is distinctive when it deviates significantly from the sector's customary practices or usages
- The average consumer does not usually assume the origin of goods based on the shape and/or position of a sign, in the absence of further graphic/textual elements
- Market customs, the existence of counterfeiters and previous EUIPO practice are irrelevant for the purpose of determining the distinctiveness of a position mark

On 26 April 2024 the EUIPO [rejected](#) a trademark application pursuant to Article 7(1)(b) of [Regulation 2017/1001](#) due to a lack of distinctive character. The decision is interesting in that it defines guiding principles and limits to the registrability of position marks.

Background

Position marks are atypical distinctive signs consisting of a word, graphic motif and/or three-dimensional figure for which registration is sought in a certain position on a certain product in order to distinguish it from others.

In the present case, applicant Loro Piana SpA, which operates in the luxury goods sector, filed an application for a position mark consisting of a combination of a band with a knot and ribbons as well as metal pendants, one in the shape of a padlock and the other in the shape of a ring nut, applied to the upper part of the shoe, closer to the tongue than to the toe (as shown in the following graphic representation), for footwear in Class 25:



The EUIPO raised an objection of lack of distinctiveness. The applicant, in response, filed arguments which can be summarised as follows:

- The mark has been used globally by the company for many years and is therefore recognised and appreciated by consumers;
- There is a well-established market practice in the footwear industry of affixing recognisable position marks, with respect to which the luxury fashion consumer has a particularly high degree of attention;
- There are several position marks registered with the EUIPO in the relevant sector;
- The individual elements of the padlock and ring nut have already been separately registered, together with additional word elements; and
- There are several counterfeiters of the position mark in question, demonstrating that it is a distinctive sign that is easily recognisable by the public.

Decision

The EUIPO found all the defences put forward by the applicant to be irrelevant, stating that the level of consumer attention, the existence of counterfeiters and market practices are not relevant elements for assessing the distinctiveness of a sign, but rather whether it is appreciated for its decorative value.

The EUIPO, in line with previous case law of the Court of Justice of the European Union, pointed out that it is not customary for the average consumer to presume the origin of goods on the basis of the shape or position of a sign, in the absence of further graphic or textual elements. In these cases, only a sign that deviates significantly from the norm or from the customs of the sector, and thus fulfils its essential function as an indication of origin, would not be devoid of distinctiveness.

The EUIPO thus held that no concrete indication of the inherent distinctiveness of the mark in question had been provided - without however specifying which additional elements could be considered relevant and a sufficient proof of distinctiveness.

With regard to the earlier registrations for similar position marks, the EUIPO noted, as already reiterated in various rulings (especially on atypical marks), that its competence is not discretionary and must be assessed solely on the basis of the regulation, rather than on the basis of its previous practice. Accordingly, if the EUIPO granted the registration of similar marks in previous cases it only means that it committed an error of law.

Further, it observed that, in several similar precedents (including the previous registrations mentioned by the applicant), the registered marks included - albeit in a reduced size - a word element: such a circumstance, which the EUIPO considered significant in the assessment of distinctiveness, may be a noteworthy indication for those who intend to register position marks in the future.

The EUIPO concluded that the sign in question was composed of decorative and non-distinctive elements, which would not allow the consumer to identify the origin of the goods. It thus rejected the trademark application.

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