LEGAL ASPECTS OF TRADEMARKS PROTECTION BEFORE CIVIL COURTS

ABSTRACT

The evolution of trademark law, from the time of the earliest trademark laws till today, is characterized by a continuous effort by courts and legal literature to extend the civil protection provided to trademarks. These efforts resulted in supplementing the legal concept of ‘likelihood of confusion’ with the concepts of ‘likelihood of association’, ‘unfair resemblance’ and ‘dilution’. This conceptual expansion is readily explained by the increasing significance of the advertising and informational functions of the trademark which is evident in contemporary economy; it is also explained by the inadequacy of the concept of “likelihood of confusion” and the “indication of origin” function to provide sufficient legal protection to trademarks.

1. Introduction

The first court judgments on illegal use of trademarks date back to 1656, and the number of such judgments constantly increases until the mid 19th century, when the first trademarks protection laws were enacted by national parliamentary bodies. These early court judgments were based on the

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1 Dr. Christos S. Chrissanthis, attorney at law, visiting lecturer at the Law School of the University of Athens and at the University of Economics and Business, Athens, Greece.
notion of likelihood of confusion, which was adopted by the legislator as
criterion to determine the range and volume of civil protection afforded to
trademarks.\(^2\)

According to early and traditional legal theory in many jurisdictions, the
legal right over a trademark is an “absolute” one, i.e. it is protected \textit{erga omnes},
in the sense that it can be infringed by anyone, more or less in the same way as
property rights.\(^3\) This absolute character, though, appears to be qualified by the
concept of likelihood of confusion, which is the basic trademark law concept.
Likelihood of confusion presupposes use of conflicting (confusingly similar)
marks in competitive goods, only. In this sense, there is no likelihood of confusion
if identical or similar marks are used in connection to non-competing goods\(^4\)
and although the trademark right is an “absolute” one \textit{(erga omnes)}, it can only be
infringed by a competitor and not everybody, that is by use of a similar mark in
competing goods. Thus, absolute trademark protection is limited within the range
of the concept of likelihood of confusion. It is interesting to note that the EEC
Directive 89/104 on the approximation of laws of the member states regarding
trademarks has clearly adopted the view that “\textit{the protection afforded by the
registered trademark, the function of which is in particular to guarantee the
trademark as an indication of origin, is absolute in the case of identity between
the mark and the sign and goods or services; whereas the protection applies also
in case of similarity between the mark and the sign and the goods or services}”.\(^5\)

This seems to be an inherent contradiction of trademark law since the
time it was born. This contradiction was identified in German jurisprudence as
early as in 1925, in the court judgments on “\textit{Odol}” case.\(^6\) In this case the court

\(^2\) Frank Schechter, \textit{The historical foundations of the law relating to trade-marks}, Columbia
4 seqq, and Edward Rogers, \textit{Goodwill, trademarks and unfair trading}, A. W. Shaw & Co.,

\(^3\) For an early discussion of similarities between trademarks and property rights see: Frank
Schechter, \textit{The historical foundations of the law relating to trade-marks}, op. cit., pp. 5-6 and 150-
175 and pp. 181-5.

\(^4\) Save for the case of famous marks, which are exceptionally protected against use by third parties
in non competing products.

\(^5\) See the 10th recital of the Directive’s preamble. The European Court of Justice has upheld this
view in a number of cases, see: Sabel/Puma, C-251/95, 11.11.97, European Court Reports 1997 I-
6191 in paras 20-21; Canon, C-39/97, 29.9.98, European Court Reports 1998, I-5507, para 15;
Arsenal, C-206/01, 12.11.02, European Court Reports 2002, I-10273, para 52.

\(^6\) Landesgericht, Elberfeld, 25 Juristische Wochenschrift 502, XXV Markenschutz und Wettbewerb
264, 11.9.1925, reported and discussed by Tony Martino, \textit{Trademark Dilution}, Clarendon Press,
ruled that protection can be provided regardless of likelihood of confusion and that a famous mark can be infringed if used by a third party in connection to non-competing products. To understand fully the impact of this judgment, one has to bear in mind that, by the time it was delivered, a coherent theory on famous marks had not been developed yet. Shortly after the “Odol” case in Germany, a number of judgments delivered by U.S. courts granted legal protection to trademarks against infringement by non-competing goods. The legal ground for such protection was either fame of the senior mark, or possible affiliation, or sponsorship, etc. These judgments represent attempts to extend trademark protection beyond infringement by competing goods. These attempts were due to the understanding that the basis for trademark protection should not be related to consumer interests only, but should mainly take into account the interests of trademark owners. Following the arguments introduced by the “Odol” case, Frank I. Schechter, a distinguished New York trademark attorney, pointed out explicitly “that the limitations set by the notion of likelihood of confusion can sometimes become extremely oppressive. The same is being suggested by modern science of marketing and branding that studies consumers’ conduct and influence upon them. This suggests that trademark law is being seriously questioned as far as its most basic principle is concerned – the likelihood of confusion – since birth.”

The above mentioned questioning has seriously influenced courts and legislators. The first trademark laws extending trademark protection beyond the limits of likelihood of confusion are enacted as early as in 1947 in the USA. Highlight of this legislative evolution is the US Anti-Dilution Federal Trademark Act of 1996, as well as the EEC trademark law Directive 89/104, which has embodied some form of the notion of dilution.

2. Historical evolution

Our knowledge of the historical evolution of trademarks’ use and the legislative and judicial approach towards it is mainly attributed to Frank I. Schechter, a distinguished NY trademarks attorney. In 1925 Schechter published


his PhD Degree at Columbia University on “The historical foundations of the law relating trademarks”. This study is mainly a historical research of the use of marks in trade in medieval and post-medieval times. Schechter also emphasizes on how the evolution of the use of marks in trade affected the development of law and judiciary approach in the field of trademarks. Schechter concludes that during medieval times the use of marks in trade was greatly dependent on the operation and regulation of merchant guilds. Two types of marks existed at that time, the “Liability” and the “Proprietary Mark”. Each type corresponded to a special function that marks were called to serve in trade. The function of the “liability mark” was twofold: (a) to allow the guild to identify the manufacturer of defective goods that were traced in the markets and did not meet quality standards of guilds and attribute liability to this manufacturer and (b) to allow the guild to identify and confiscate products that circulated in its geographical area and did not originate from its members. The function of the “proprietary mark” was to allow the merchant (owner of goods) to identify his goods and claim legal possession under special judiciary proceedings in case such goods were e.g. lost in a shipwreck and washed ashore.

The first court judgments that are known to deal with trademark issues approach trademark protection from the deceit point of view and with the purpose to protect consumers. The merchant who imitates the mark of another merchant is deemed to deceive consumers. Confusion at this early stage of development of trademark law is very much misapprehended with deceit. By that time, it was not yet clear whether there is a private legal right over a mark destined to protect a proprietary interest of its owner, or whether the purpose of the law was to protect the public alone and the operation of guilds that existed and dominated trade.9

The industrial revolution that followed was a landmark in both the operations of trade, the use of marks and legislative and judiciary approach towards it. Industrial revolution introduced a new economic regime: the free competition regime. This regime was contrary to the concept of guilds and the economic order that the latter had established. The main purpose of a guild was to safeguard non-competition for its members in its geographical area. This was mainly accomplished through the liability and proprietary function of marks, since the guild could identify if the goods that circulated in the market of each geographical area originated from members of the guild or not, as well as whether such goods complied with quality standards imposed by the guild to its members.

Industrial revolution led to mass production on quality standards. Quality of the goods was not so much dependent on personal skills of a manufacturer producing handmade goods. On the contrary, quality was mainly dependent on machinery and production methods. In addition, mass production led to the increase of the volume of sales and the creation of geographically extended distribution networks. The manufacturer of the goods (owner of means of production) was not anymore selling his handmade goods to consumers on a personal basis, from his own premises, and did not necessarily develop a personal contact or acquaintance with consumers. It was his trademark that created a direct line of communication, connecting him with consumers. And it was more on the face of the trademark that consumers recognized quality standards and other features of certain merchandise. As a result, the trademark became a means for the manufacturer to assure consumers that they will find in goods bearing his trademark the same features and quality they had enjoyed in the past, when they first purchased them. Under these circumstances the main function of a trademark was in effect to reassure identity of the goods themselves in terms of quality and features; simultaneously, however, it represented a crucial business value for the manufacturer, since he had a private interest to protect himself against trademark confusion. So, within the context of free competition the main function of a trademark is not to identify the person of the manufacturer, or the owner, or in other words the origin of the goods which was the function of the “liability” and “proprietary marks” of medieval times.

However, the legislature and the judiciary does not seem to have followed very much this evolution of the use and function of trademarks. Until today, the origin function is deemed to be the primary one for both the legislature and the judiciary and confusion is very much thought to be confusion as to the origin of the goods. This was criticized by Schechter since his aforementioned study dated back to 1925.

Two years later, in 1927, Schechter published a fifteen pages study in Harvard Law Review titled “The rational basis of trademarks protection.” It could hardly be disputed that his text is the most important, innovative, impressive and discussed ever written on trademarks law. Schechter argued that trademark infringement may appear in competitive as well as non-competitive forms. It follows that likelihood of confusion, which is associated to

10 See the European Court of Justice judgments in the cases of Hoffman-La Roche, C-102/77, 23.5.78, European Court Reports 1978 I-1139, Philips, C-299/99, 18.6.02, European Court Reports 2002, I-5475, Arsenal, C-206/01, 12.1.02, European Court Reports 2002, I-0000, paras 48-49, and Diffusion/Sadas, C-291/00, 20.3.03, European Court Reports 2003, I-2799, paras 44-45.


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infringement by competing goods, can not be the only legal ground for trademark protection. Nowadays, there is still very much discussion against the prevailing view that likelihood of confusion should be appreciated mainly in view of the indication of origin function of trademarks, which is proposed to be the main trademark function and the function which the law mainly protects. Hence, according to Schechter trademark infringement could occur even by imitation or copying of someone else’s mark for non-competitive goods (e.g. using the Kodak Mark for bicycles), the reason being that such use on non-competitive goods devalues (dilutes) the uniqueness of the mark which bears a value per se.

Schechter expressed these ideas in a time that dilution theory was not at all developed and understood as it is today. Hence, it is not clear in his study in Harvard Law Review whether he understood and believed protection to non-competitive goods to be attributed to famous marks only. He clearly believed this type of protection to be attributed to arbitrary (i.e. imaginary or fanciful) marks which are not commonplace. However, my personal understanding is that Schechter did not mean that any arbitrary mark is necessarily a famous one. So, I think that what he had in mind is that it is not only in connection to famous marks that dilution is prohibited.

3. Functions of Trademarks 12

There are, mainly, two factors through which a manufacturer may exercise influence and persuasion through a trademark. The first of these factors emanates from the contemporary methods of production. Thus, because production in our times does not take place through personal labor and skills, and especially not through that of the manufacturer himself, the latter relies on industrial processes to produce the goods he is placing on the market. That being the case, the end result is not a reflection of the manufacturer’s personal skills, but instead a reflection of applied industrial processes and methods, including the choice of raw materials used, methods of production, know-how and patents used, quality standards and quality controls applied, etc. Hence, from the consumer’s standpoint the personality of the manufacturer is usually not only

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unknown but also readily ignored. Even contemporary legal literature accepts that the origin function of the trademark (normally thought as the origin in terms of a specific manufacturer) does not truly reflect the reality, since in many occasions consumers are not aware of, or are not interested in differentiating between specific manufacturers producing specific products. On the contrary, it is increasingly understood nowadays that the origin function tends to denote not so much the undertaking from which the specific product originates, but mainly the fact that all products bearing the same trademark share the same quality standards. Therefore, it may be argued that the origin function overlaps with that of the quality guarantee function. Indeed, the first reason for which a manufacturer, through his trademark, may exercise influence over the consumer is because today’s industrial production is standardized. It follows that those products with the same trademark may, and usually do, share the same physical features and the same quality standards. Without the quality implication carried by the trademark, the latter would not be of any importance to the consumer, neither would it be capable of any influence or persuasion.

The second factor with which a manufacturer may exercise influence or persuasion through his/her trademark emanates from the rudimentary purpose of using a trademark in the first place, that is, naming the product. Essentially, the primary function of a trademark is the naming of the product. Thus, in the mind of any consumer the product ceases to be one of a generic type, lets say Virginia tobacco, and becomes Marlboro, Camel or Winston. This “naming function” has a dual connotation. First, it differentiates the product from other like and competing products. Second, the name of the product enables its manufacturer to advertise it by emphasizing the very name by which the product is known to the public. There could be no advertising for an anonymous product, and we all recognize today the importance of advertising in the shaping of consumer awareness, consumer opinion and consumer choice. As long as the trademark stands for a name for the product bearing it (an identifying and individualizing factor), it makes it possible to the manufacturer to communicate information to consumers regarding the product, i.e. its availability on the market, its features, its quality standards, the consumption needs it can meet, etc. This is the “informative function” of the trademark.

Freedom of competition, present in our current economic system, signifies the presence of many like, and consequently competing, products in the market that aim at the fulfillment of identical consumer needs. Within this environment, a manufacturer’s need to inform the consuming audience about his/her product and elaborate on its advantages is not only self-evident, but also vital. This informational process takes place through various advertisement methods, as well as through the trademark itself, which thus performs an informative function. At
this point, it should be noted that in some instances consumers might be interested
only in the external characteristics of the product becoming, thus, the determining
factor for the purchase, that is characteristics that can be easily and readily
understood through the senses, i.e. vision, touch, smell etc. In these instances, the
influence of the trademark itself over its potential purchasers may be trivial.
However, and in most of the times, the attributes and characteristics of a product
cannot be empirically realized before the purchase and use of the said product but
following it. This applies in particular with respect to the durability of the goods
and their respective ability to sustain heavy use, wear and tear. It is in these
instances that a trademark becomes highly influential and its informative function
is in effect. This is because a consumer who recognizes a specific trademark
expects that upon purchase, he will experience the same attributes, qualities and
pleasure he experienced in the past with a product carrying the same trademark.
This is, again, part of the “informative function” of the trademark, which is closely
related to the function of quality guaranteeing.

The most determinative factor for the acquisition, preservation and even
increase of the market share of a product is the advertising function of a trademark.
The gist of this function lies on the exercise of influence and persuasion over
consumers with the purpose of tampering the consumers’ buying will. This
‘tampering’ succeeds with the formation, within a consumer’s mind, of certain
positive, inner, psychological or cognitive representations that associate the
product’s trademark with a number of messages or values prescribed by the
manufacturer himself. These representations may allusively point to a number of
attributes such as the high quality standard of the product, its sturdy structure, its
modern design, the product’s approval/recognition by certain social classes, the
manufacturer’s personality or even to the purchaser’s personality and so on. For
example, for a possessor of a Rolex watch we would expect him to be of a mature
age, professionally successful and financially affluent. Admittedly, it would be
difficult for us to imagine a civil servant or a young secretary wearing a Rolex
watch (at least under ordinary and ethically acceptable course of things). On the
contrary, a Swatch purchaser would linger in our minds as an individual of youth
with an amiable and not demure personality. We would also suppose that a Rolex
watch is sturdily build, made of expensive and durable material as opposed to the
‘lighter’ Swatch. To give another example, a spouse would reasonably appreciate
very much a Rolex watch as a present by her husband to celebrate, let us say, their
first decade of marriage; but it would probably made no good impression as a
present by a teenager to his girlfriend. Instead, a Swatch would be better received
in the latter case. These are some of the representations cultivated in the public’s

13  Phillip Kotler, Marketing Management, 9th ed. Northwestern University, Prentice Hall, Upper
mind by the advertising campaigns of respective manufacturers. The way these representations are created falls beyond the ambit of legal scholarship, but what is important for the lawyer is to understand that through advertising a manufacturer aims to reinforce not only the informative but also the advertising function of his trademark. To a great extend, it is because of the latter function that a product acquires and maintains a certain market share.

Recapitulating, we may assert that a trademark performs primarily a naming and informative function, a differentiating – from other competing products- function, a quality-guaranteeing function and an advertising function, while secondarily, it performs the origin function. All these functions are carried out for the benefit of the manufacturer and for this reason the use of a trademark by a manufacturer creates a private right whose use and protection can be thought of as being equal to the protection of private interests. Only in a complimentary and an inadvertent way the legal protection of the trademark contributes to the protection of consumer expectations with respect the quality standards of the product. In contrast to the contemporary situation, under the pre-industrial revolution regime (that is the guilds’ regime) a trademark served as a sectional control device and the protection of guilds’ privileges, rather than a communication channel between the manufacturer and consumers.

The signs that may comprise the trademark may be visual, sonic, verbal, artistic or devices etc. Regardless of the signs used, trademarks are distinguished between those with conceptual meaning and those without. If a trademark has a conceptual meaning, it can possibly be either generic or descriptive of the type of products on which it is attached, their quality and their other attributes, or it can be (directly or indirectly) complimentary of the quality of the products, that is, let us say, ‘laudatory’. The degree of descriptiveness may vary. As a general rule, the law does not permit the registration of generic and descriptive signs, while it deals with laudatory signs (such as DE LUXE, MASTER, CLASSIC, EXTRA, GLORIA, VICTORIA, SPECIAL, TRIUMPH, ALPHA-A, SELECTED, EXCLUSIVE, MEGA, EXTRA, SUPER, GOLDEN, BRAVO, EASYBANK, DOUBLEMINT, VITALITE, etc.) more leniently – wrongfully according


15 Court of First Instance, T-87/00, 5.4.01, European Court Reports 2001, II-1259.

16 Court of First Instance, T-193/99, 31.1.01, European Court Reports 2001, II-417, which was reversed by the European Court of Justice, C-191/01, 23.10.03, European Court Reports 2003, I-0000.

17 Court of First Instance, T-24/00, 31.1.01, European Court Reports 2001, II-449.

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to the present writer – and seems to accept their registration.  

Descriptive signs provide direct information with regard to the type of product, its nature, its attributes and so forth. Laudatory signs provide indirect information, because such signs operate as positive insinuations. It is possible that a sign has a specific conceptual meaning or points indirectly to a specific conceptual meaning, which, however, is irrelevant with the corresponding product. In that case, informing the consuming audience through the trademark takes place in an indirect way. Where the sign has no conceptual meaning, that is, the sign is imaginary, then the informing process through the trademark is again indirect. 

From the above we may conclude the following:

a. Trademarks that tend to be descriptive (to the extend that are registrable under the law as it currently stands), in other words trademarks that provide direct information, should be entitled to a different (lesser) legal protection than those providing indirect information. This is so because direct information requires no additional time, work or expenses from the manufacturer, in order for his product to be established or publicly recognized, as opposed to trademarks providing indirect information about the product and where the establishment/recognition process is gradual and incremental.

b. Interference with and frustration of either the informative or advertising function of a trademark should amount to an infringement of the pertinent right, since it impoverishes the marketing function/capability of the trademark. Since the trademark operates as a communication channel between the manufacturer and the consumers, it follows that its use by any third person disrupts the trademark’s informative function and, therefore, it infringes the pertaining right. It is an infringement regardless of whether the products are competing or not. In other words, the affront of a trademark can take place either by methods creating confusion with respect to the product’s origin, i.e. manufacturing company, quality standards etc., or by methods that, while create no confusion, they interfere, nonetheless, with the trademark’s informative function. Furthermore, the entitlement of legal protection should be granted irrespective of the level of the

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18 It is, however, interesting to note that recent development of the European Court of Justice jurisprudence may have substantially altered the position of EEC law towards laudatory signs. For example, the European Court of Judgment in its judgment C-191/01, 23.10.03 rejected registration of the sign Doublemint for chewing gum on the basis that it is descriptive. Similarly, the European Court of Justice has on the same basis rejected registration of the marks Streamserve (C-150/02, 5.2.04) for digital recording products, Postkantoor (C-363/99, 12.2.04), Biomild (= biological + mild, C-265/00, 12.2.04) for food products. All these marks were strongly laudatory of the features and quality of the respective products. Although the Court did not discuss the issue of registrability of laudatory marks, one could argue that the above judgments in effect disapproved registrability of such marks.
trademark’s repute; it suffices to have a trademark that is slightly recognizable. It follows that the likelihood of confusion should not be the central concept in the law of trademarks and should not form the sole legal ground of their civil protection.

c. The subject matter of trademark protection is the mark’s capacity to communicate information to consumers and to be communicated as such and to be promoted among consumers as a reliable mark used in trade by a reliable or otherwise highly esteemed manufacturer. This is the quintessence of the mark’s informative and advertising functions. One could even go as far as to assert that the essence of a trademark is the identity attached to the product after it has entered the market and has been used and established within the market.

d. Trademark law should aim at protecting private interests of the trademark owner. Consumer protection against confusion is not the core or the purpose of trademark law. Trademark law should be interpreted in view of this purpose.

e. It is worth emphasizing that while our legal system bluntly accepts that the law of trademarks protects the private right of the trademark owner, it uses as a criterion for the granting of legal protection the consumer. Thus, in determining whether the trademark owner is entitled to legal protection the law considers the average consumer and the potential confusion he might experience. In other words, legal protection is granted not according to the trademark owner’s interests, but those of the average consumer. Even if we accept that the above is not an example of legal contradiction, it is not, in the least, consonant with what common sense dictates. This critique is not a new one; on the contrary, it dates back to the beginning of the 20th century when trademark legislation was in its infancy.19

4. Likelihood of Confusion

“Likelihood of confusion” is the central legal concept in both trademark law and this part of unfair competition law which deals with infringement of other marks used in the course of trade. Likelihood of confusion is the test which is applied by courts, in order to identify whether there is an infringement of trademark, corporate name, design, or other trade name or mark used in the course of trade. It is also the test applied by the Patent Office or any other appropriate administrative body, in order to identify whether there is any relative ground for refusing registration of a trademark or corporate name, due to prior rights. It is also the test used in any opposition or cancellation proceedings.

The conjecture as to the existence of a likelihood of confusion comes mainly from a combination of two factors: (a) a comparison of the conflicting marks themselves in terms of sight, sound and meaning and (b) a comparison of the goods and/or services in connection to which the marks are used and registered. Some other factors are also taken into account (see part 3e).

A. FORWARD CONFUSION

Forward confusion is the classic and usual type of consumers’ confusion in trade. Forward confusion is caused when we have a senior user of a certain trademark, as well as a junior user of a confusingly similar mark. Consumers by mistake believe that the goods of the junior user originate from, or are affiliated in any way to the goods of the senior user. So consumers buy the goods of the junior user believing that they originate from the senior.

B. REVERSE CONFUSION 20

Reverse confusion is the opposite of forward confusion. In reverse confusion we have a senior user whose trademark, although senior, has not become a famous one and has not developed a strong reputation. We also have a junior user who uses a confusingly similar trademark or other mark; but this junior user enters the market with so strong advertisement and promotion, that achieves to make his junior (confusingly similar) mark well known and established within a short period of time. This is to the detriment of the senior user, for consumers, influenced by the mass advertisement of the junior, tend to believe that it is the senior user who is an infringer and that the senior user’s goods are infringing and counterfeit goods. Reverse confusion is equally prohibited to forward confusion.

C. AFTER SALES CONFUSION 21

Confusion usually affects consumer at the point of sale and at the time of sale, that is when he is deciding to purchase a certain item of trade. However, confusion may affect other consumers as well, at a later stage in time. So, post sale confusion is the confusion of others than the purchaser; the purchaser himself may have been confused at the time of purchase, but may have been not also. For example, luxury “Rolex” watches sold for, let us say, 1 $ at an


open fair market are clearly not genuine “Rolex” watches originating from the well known Swiss manufacturer. The purchaser of an IS “Rolex” watch can hardly believe that he is buying a genuine “Rolex”, which is sold exclusively in selected luxurious stores and at extremely high prices. However, other consumers who see the purchaser to wear the IS Rolex, may well be confused in thinking that this is a genuine “Rolex”. This confusion is again actionable, because it causes detriment to the owner of the trademark and devalues the value of his mark.

D. AFFILIATION

Some times two or more marks may not seem so similar so as to cause a likelihood of confusion with respect to the origin of the respective goods from a certain undertaking. However, they may resemble one another in a way that a consumer may reasonably tend to believe that there is some form of affiliation between their owners. This situation is described as likelihood of affiliation and is legally treated in the same way as likelihood of confusion. Such likelihood of affiliation may arise from the goods or services offered by the trademark owners. For example if a bank uses the mark ALPHA for banking services and then appears an insurance company using this same mark, consumers will usually and reasonably believe that there is some sort of affiliation between the two. In the States affiliation occurs even if consumers are likely to believe that certain goods bearing an (infringing) junior mark are sponsored, or approved, or certified by a certain undertaking associated to the senior mark, although they (consumers) understand that such infringing goods do not originate from this undertaking, but from another one. So, in the States, affiliation is not related to the indication of origin function. The position as to affiliation seems to be substantially different in Europe. Under EEC trademark law (the EEC 89/104 Directive) likelihood of affiliation is understood in a more narrow way, in the sense that it is believed to be ancillary and supplementary to the likelihood of confusion. The ECJ in its judgment dated 11.11.97 in case C-251/95, Sabel/Puma clarified that it is not the likelihood of any sort of affiliation that it is actionable under EEC trademarks law, but only the likelihood of such an affiliation that is likely to lead to confusion. In this sense, affiliation is actionable only when it somehow leads to confusion, or, in other words, the likelihood of affiliation can not stand alone and independent from the likelihood of confusion, but it is understood to be a form of confusion.

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22 See also the European Court of Justice judgements in cases Adidas, 22.6.00, C-426/00, European Court Reports 2000, I-4861, Quattro, 30.11.93, C-317/91, European Court Reports 1993, I-6227 and Cannon, 29.9.98, C-39/97, European Court Reports 1998, I-5507.
E. TESTS FOR LIKELIHOOD OF CONFUSION

i. The classic approach

a. Sight, sound and meaning similarity. The classic test for identifying whether there is, or there is not, a likelihood of confusion is the “sight, sound and meaning similarity”, which is always appreciated in view of the similarity of the products or services upon which such marks are used. According to this test, the two conflicting marks, senior and junior are compared in terms of sight, sound and meaning. The volume of resemblance and the conclusion whether there is or there is not a likelihood of confusion is made bearing into account the similarity of the products or services upon which the conflicting marks are used. Some textbooks of the early ‘60s held that the “sound impression” was more important over the “sight and meaning impression”, because consumers were usually offered goods from sellers orally and also they themselves ask for goods orally when they wish to purchase. It is true that by that time purchase of consumer goods was mostly concluded on an oral basis. However, nowadays the type, form and manner in which consumers come into contact with merchandise is not at all stable and predicted. The expansion of large supermarket stores, as well the reinforcement of advertisement has made “sight impression” equally important. In case of trademarks that are not totally imaginary, but have some particular meaning, direct or implied, or can be associated with a certain meaning, the “meaning impression” is more crucial, even if the marks seem, or sound different. If conflicting marks are found to be similar in terms of either sight, sound, or meaning, then likelihood of confusion is established, provided always that they are also used in similar (competitive) products/services; in other words, it is not necessary to prove similarity in terms of both sight and sound and meaning.

b. Products/services similarity. Similarity as to products/services upon which conflicting marks are used is also required, so that the prerequisite of likelihood of confusion be fulfilled. Similarity as to products/services is examined in view of their respective nature and use and on the basis of the understanding of the average consumer; that is products/services are similar, if the average consumer so believes and if he could be deceived that such similar products/services (bearing identical or similar marks) originate from the same business enterprise. It is not necessary that the respective products/services be directly competing one another. For example yogurt and milk do not directly compete one another, in the sense that a customer wishing to buy yogurt will probably never be deceived to buy milk instead. However, milk and yogurt are deemed to be similar in terms of likelihood of confusion, because they closely relate one another and accordingly it is highly probable that the average consumer may be deceived to believe that milk and yogurt bearing visually or
orally similar marks originate from the same enterprise. Products/services are
usually found to be confusingly similar, if they are addressed to the same
prospective consumers. Thus clothes, hygiene products and perfumes have been
found to be similar by many courts. Computers have also been found to be
confusingly similar with telecommunications products, while it is possible that
products be confusingly similar with services rendered for such products, as has
been held in connection to computer hardware products and software services.

ii. USA approach: additional factors

The US Restatement of Torts dated 1938, in its paragraph numbered 731,
provided for additional factors to be taken into account in determining whether
there is a likelihood of confusion. These factors are considered in conjunction
with “sight, sound and meaning similarity” on the one hand, and similarity of
goods/services on the other. These factors have as follows:

• The likelihood that the actor’s goods, services or business will be
  mistaken for those of the other;
• The likelihood that the other may expand his business so as to compete
  with the actor;
• The extent to which the goods or services of the actor and those of the
  other have common purchasers or users;
• The extent to which the goods or services of the actor and those of the
  other are marketed through the same channels;
• The relation between the functions of the goods or services of the actor
  and those of the other;
• The degree of distinctiveness of the trademark or tradename;
• The degree of attention usually given to trade symbols in the purchase of
  goods or services of the actor and those of the other;

In France: CA Paris, 26.2.97, Gazette du Palais 1997, 1 som. 253 – 27.5.83, Revue internationale
documentaire, Institut national de la propriété industrielle (INPI), PIBD 1989, no 462-III-480,
TGI Paris, 8.3.90, Bulletin documentaire, Institut national de la propriété industrielle (INPI),
Todo Imports Ltd, 544 F. 2d 1167, 192 USPQ 289 (2d Cir. 1976), In re Arthur Holland Inc., 192
USPQ 494 (TTAB 1976), In re Cosmetically Yours Inc., 171 USPQ 563 (TTAB 1971).

In France: CA Paris, 29.11.94, Gazette du Palais 1995, 2 som. 505 with note by M.-E. Haas; also
in the U.S. Communications Satellite Corp. v. Comset Inc., 429 F.2d 1245, 166 USPQ 353 (4th
Cir. 1970).

CA Paris, 30.10.86, Cliper Bulletin documentaire, Institut national de la propriété industrielle
(INPI), PIBD 1987-III-174.
• The length of time during which the actor has used the designation;
• The intent of the actor in adopting and using the designation.

The 1995 US Restatement (Third) of Unfair Competition (para. 20-23) reallocated these factors as follows:

• The degree of resemblance between the conflicting designations;
• The similarity of the marketing methods and channels of distribution;
• The characteristics of the prospective purchasers and the degree of carefulness they exercise;
• The degree of distinctiveness of the senior user’s mark;
• Where the goods or services are not competitive, the likelihood that prospective buyers would expect the senior user to expand into the field of the junior user;
• Where the goods or services are sold in different territories the extent to which the senior user’s designation is known in the junior’s user’s territory.
• The intent of the junior user; and
• Evidence of actual confusion.

The concepts of “reverse” and “after sales” confusion, as well as “affiliation” were first developed and applied in the U.S. to broaden legal protection against trademark infringement to cases that could no be easily dealt with by the traditional forward confusion doctrine. “Affiliation” in the U.S. is understood in a broader sense as in some European jurisdictions, since it may also include “sponsorship” of certain products/services, or approval, or certification, etc. of such products/services by a source different that the manufacturer.26 So, likelihood of affiliation may occur, even though there may be no likelihood of confusion as to origin. This is not, however, the case under the EEC Directive 89/104, where association, or affiliation are deemed to be some form of confusion. Factors additional to similarity of signs on the one hand and products/services on the other, were also developed with the aim to reinforce and broaden trademark protection. These developments highlighted the understanding by academicians and jurists that likelihood of confusion alone was inadequate to provide the legal protection that was reasonably required in view of the impact of trademarks and their use in the market. However, although in the U.S. the use of likelihood of confusion factors, other than similarity of signs and products/services, was commonly accepted as early as 1938,27 many European union jurisdictions, in assessing likelihood of confusion, relied solely on similarity of signs and similarity.

26 Richard Kirkpatrick, Likelihood of confusion in trademark law, op. cit., para 1.4.B&D and 4.10.F.
27 The date of the 1st Restatement of Torts.
of products/services. As discussed below, the EEC Directive 89/104 on the approximation of laws of the member states on trademarks, as interpreted by the ECJ, introduced the multi factor test used in the U.S. This was a substantive legislative reform of trademark law of such member states jurisdictions that did not use to take into account multiple factors, such as channels of distribution, business expansion to other markets, purchasers’ expected sophistication and carefulness, etc. It is to be noted that in many cases, such reform leading to a multi factor likelihood of confusion test caused increased uncertainty as to the current position of the law and as to how particular types of infringement would be dealt with by the courts. Additional factors can be used to establish likelihood of confusion in the absence of signs’ and/or products or services similarity. Alternatively, they can be used to establish absence of likelihood of confusion, even though similarity of signs and/or products or services is present; finally, such additional factors can be used to reinforce the likelihood of confusion already established on the basis of similarity among signs and products/services. Predictability in trademark litigation was always problematic in comparison to other fields of law; however, the acceptance of a multi factor test reinforces legal uncertainty even further.

iii. EEC approach: additional factors

The European Court of Justice has rendered a number of judgments construing the notion of likelihood of confusion as set out in the EEC Directive 89/104. What derives from the Court’s jurisprudence could be outlined in the following points:

The Sabel/Puma case

Likelihood of confusion includes likelihood of association, so that the latter is not to be understood as a separate legal concept. The same view was adopted by the ECJ in the “Lloyd/Loint’s” and the “Quattro” cases. The greater the recognition of the trademark on the market, the greater the risk of confusion. This view was confirmed by the ECJ in the “Lloyd/Loint’s”, “Canon”,

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28 Reference is made again to the 10th recital of the Directive, according to which “...likelihood of confusion, the appreciation of which depends on numerous elements and, in particular, on the recognition of the trademark on the market, of the association which can be made with the used or registered sign, of the degree of similarity...”.

29 Reference is made to the European Court of Justice cases of “Sabel”, “Lloyd” and “Canon”, which are cited below.

30 European Court of Justice, 11.11.97, C-251/95, SABEL BV v. PUMA AG, Rudolf Dassler Sport, European Court Reports 1997, p. I-06191.

31 Citations below.
“Adidas”, “Toshiba” cases.32 In determining whether there is a likelihood of confusion the overall visual, oral, or conceptual impression given by the marks in question must be taken into account. However likelihood of confusion on the part of the public must also be appreciated globally, taking into account all factors relevant to the circumstances of the case.33 The likelihood of confusion is mostly dependant on the indication of origin function of the trademark.34 The global appreciation of the marks is based on their respective distinctive and dominant components and not on the basis of descriptive, generic, or commonly used elements that the marks may include.

*The Lloyd/Loint’s case*35

For the purposes of global appreciation the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect. However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks, but must place his trust in the imperfect picture of them that he has kept in his mind. It should also be born in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question. It is possible that mere aural similarity between a trademark and a sign, used for identical or similar products, may be sufficient to establish likelihood of confusion. In making the assessment whether there is likelihood of confusion or not, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered as well as the market share held by the mark.36 In assessing the distinctive character of a mark the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been carried out in the past; the amount invested in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular

32 Citations below and for the Toshiba case: European Court of Justice, 25.10.01, C-112/99, European Court Reports 2001, I-7945.
33 See also the 10th recital in the preamble to Directive 89/104/EEC as well as the “Lloyd/Loint’s” and “Canon” cases.
34 See also the European Court of Justice judgments in the cases “Lloyd/Loint’s”, “Canon” and “Windsurfing Chiemsee”; the citation for this last case is European Court of Justice, 4.5.99, C-108-9/97, Windsurfing Chiemsee Productions und Vertiefs GmbH v. Boots und Segelzubehoer Walter Huber and Franz Attenberger, European Court Reports 1999, I – 2779.
36 Thus held in the “Sabel” and “Windsurfing Chiemsee” cases also.
undertaking (that is market searches as to the likelihood of confusion); and statements from chambers of commerce and industry or other trade and professional associations regarding likelihood of confusion.\footnote{37}

\textit{The Quattro case}\footnote{38}

A trademark is considered to have gained acceptance in trade, if the mark is perceived by the public as an indication that the goods to which it applies originate from a particular business undertaking. This occurs only if the great majority of consumers have that impression. This degree of recognition must be higher than usual, if the symbol is one which ought to remain available for use by everybody, i.e. if the mark tends to be descriptive, or commonly used or can be conceptually associated with descriptive or commonly used terms. The same rules apply to descriptive designations. The concept of likelihood of confusion must be strictly interpreted, in order to avoid obstructing the free movement of goods, more than is necessary for the protection of trademarks. The specific subject-matter of trademark rights consists in protecting the proprietor of the mark against the risk of confusion, such as to allow third persons to take unlawful advantage of its reputation.\footnote{39} Likelihood of confusion includes likelihood of association.

\textit{The Davidoff/Gofkid case}\footnote{40}

Protection against unfair resemblance and dilution relates to situations in which the goods or services in question are both similar, or non similar, to those for which the (earlier) trademark is valid. So, unfair resemblance and dilution constitute a legal ground against trademark infringement when such infringement is caused by either competing or non competing goods. It is remarkable that in this case the Court rejected the opinion of Attorney General, who concluded that, on the basis of the literal phrasing of the Directive, unfair resemblance and dilution grant legal protection against non competing goods only, while protection against competing goods can be sought on the basis of confusion only.

\footnote{37} Thus held in the “Chiemsee” case also.\footnote{38} European Court of Justice \ 30.11.93, C-317/91, Deutsche Renault AG v. AUDI AG., European Court Reports 1993, p. I-6227.\footnote{39} Thus also held in the cases of Arsenal, European Court of Justice, C-206/01, 12.11.02, European Court Reports 2002, I-10273, para 50 and Diffusion/ Sadas, European Court of Justice C-291/00, 20.3.03, European Court Reports 2003, I-2799, para. 46.\footnote{40} European Court of Justice, 9.1.03, C-292/00, European Court Reports 2003, I-389.
The Adidas case41

In case of trademarks that enjoy reputation, likelihood of association must also be appreciated as inherent in the likelihood of confusion and not separately from it. The reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in the strict sense.

The Dior/Evora case42

The advertising function of trademarks in cases where the luxurious and prestigious image of the trademark is damaged, falls within the scope of protection of the Directive, just as the indication of origin function falls within the same scope of protection. In other words, the indication of origin function is not the only trademark function protected by the law; the advertising function is equally protected.

The GM/Yplon case43

In order to satisfy the requirement relating to reputation, a trademark must be known to a significant part of the public dealing with the products or services in question. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trademark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting the mark.44 Territorially, the condition is fulfilled when the trademark has a reputation in a substantial part of the territory of a member state since, failing closer definition of requirements under Community law on this point, a trademark cannot be required to have a reputation throughout the territory of the member state. When the condition as to the existence of reputation is fulfilled, as regards both the public concerned and the territory in question, a second condition laid down in article 5(2) of the Directive must then be examined, i.e. the earlier trademark must be detrimentally affected without due cause. Here it should be observed that the stronger the earlier mark’s distinctive character and reputation, the easier it will be to accept that detriment has been caused to it.

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41 European Court of Justice, 22.6.00, Marca Mode CV v. Adidas AG and Adidas Benelux BV, European Court Reports 2000, p. I-04861.
44 See also the “Lloyd” and “Chiemsee” cases.
5. Unfair resemblance and dilution

Before the implementation of the EEC Directive 89/104 on the harmonization of the laws of the member states regarding trademarks, the legal literature and court jurisprudence of certain member states had developed the concepts of “unfair resemblance” and “dilution”. The concept of “dilution” was also developed in the United States where it was first legislatively adopted in 1996 by virtue of the U.S. Federal Dilution Trademarks Act, while some U.S. member states had implemented national anti-dilution legislation as early as 1947.45

“Unfair resemblance” is to be found in cases where the junior mark resembles the senior to such an extent that it could lead to weakening of its distinctive value, but in a way that does not cause likelihood of confusion. For example, this is the case where marks consisting of both words and devices, especially product labels, are copied only as to the devices which are accompanied by different words, so that likelihood of confusion may hardly arise. “Dilution” is the case where a famous mark is used for non – competitive products. For example, in Greece, we had a dilution case when FIAT, the Italian car manufacturer, commenced marketing its car models “bravo” and “brava”, for there was a senior coffee brand named “bravo” which enjoys utmost reputation in the country for more than three decades now. Greek courts, however, preferred not to find dilution, for the word “bravo” is so laudatory, that competitors should not be prohibited from using it in trade. My opinion is that this approach was wrong, for the reputation of the local coffee brand “bravo” was clearly proved to be so strong and recognizable, that local consumers automatically link the word “bravo” to this particular coffee brand.46

The U.S. concept of “dilution” is broader than its European equivalent and includes both “unfair resemblance” and “dilution” as these concepts are understood in continental Europe. In the States, “dilution” may occur either as “blurring”, or as “tarnishment”. “Blurring” occurs when “customers and prospective customers will see the plaintiff’s mark used by other persons to identify other sources on a plethora of different goods and services. The unique and distinctive significance of the mark to identify and distinguish one source may be diluted and weakened. But no confuse as to source, sponsorship, affiliation or connection has occurred”.47 The traditional example of “dilution by blurring” in the US is the case of Tiffany v. Boston Club,48

45 See: Tony Martino, Beverly Pattishall, Frederick Mostert, Gerhard Schricker and Geert Seelig as cited in bibliography list.
were the brand TIFFANY (the well know New York jewelers) was used by a Boston restaurant. “Tarnishment” occurs when the senior mark is degraded, weakened or devalued in any other possible way which does not lead to confusion.\textsuperscript{49} This occurs when the senior mark is used by an (infringing) junior user in a way that, although causes no confusion as to source, however, creates to the minds of consumers direct, implied, or psychological negative associations with respect to the senior mark, whose reputation is thus degraded and devalued. The majority of US court cases where “tarnishment” was established referred to famous trademarks that were used by third parties on sexual products or services that were ethically disapproved.\textsuperscript{50} It is also proposed that a modern form of “dilution” is “cybersquatting”,\textsuperscript{51} that is unauthorized use of a third party’s famous mark as an internet website. Article 43(c)(1) of the US Lanham Act, as amended, expressly provides for protection of famous marks against dilution.

Many issues of interpretation arise in connection to the matter whether the EEC directive adopted the legal concept of “dilution” as developed in the US, or whether it has opted for a new “European” legal concept, that is “unfair resemblance”. Article 4 para. 3 of the Directive reads:

“A trademark shall furthermore not be registered or, if registered, shall be liable to be declared invalid, if it is identical with, or similar to, an earlier Community trademark within the meaning of para. 2 and is to be, or has been, registered for goods or services which are not similar to those for which the earlier Community trademark is registered, where the earlier Community trademark has a reputation in the Community and the use of the later trademark without due cause would take unfair advantage of or be detrimental to, the distinctive character or the repute of the earlier Community trademark”.

Further, article 5 para. 2 states:

“Any member state may also provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trademark in relation to goods or services which are not similar to those for which the trademark is registered, where the latter has a reputation in the member state and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trademark”.

\textsuperscript{49} Thomas J. McCarthy, \textit{On Trademarks and Unfair Competition}, op. cit., para. 24:69

\textsuperscript{50} An example of “tarnishment” is the U.S. “enjoy cocaine” case, where the defendant had copied the “enjoy coca cola” logo with script and color [346 F.Supp. 1183, 175 U.S.P.Q. 56 (E.D.N.Y. 1972)].

One can hardly support that the above articles are well drafted. First of all, the terms “unfair resemblance” and “dilution”, which are the concepts that had been developed in most European jurisdictions to supplement trademarks protection beyond the limits of confusion, are not at all mentioned in the above provisions. So, it is a matter of interpretation whether the Directive supports these concepts or not. In addition, the above articles refer to trademarks with reputation. It is not clear whether this term stands for famous or well known marks or, alternatively, refers to marks with some other degree of establishment in the market. The term “marks with reputation” used in the English text of the Directive has been translated as “famous marks” in some member states, but in some others it has not. Furthermore, the above articles refer to “marks with reputation” “in the member state”. This may lead to the conclusion that a trademark which is a famous one in a number of countries, but it is not marketed at all in a particular member state, does not qualify for protection under the above articles. However, the law of some member states, as it existed before the EEC Directive, has developed the idea that it is possible for a mark to be famous and well known on the national market, even if it is not marketed within this market. In this sense, protection of famous trademarks was not necessarily impeded by the territoriality principle. One could also raise the issue that it is not clear whether the phrase “without due cause” refers to the pre-existing phrase “use of that sign”, or whether it refers to the phrase immediately following, that is, “takes unfair advantage of or is detrimental to”. In other words, it is not clear whether the meaning of the Directive is: “use of that sign without due cause”, or “without due cause takes unfair advantage etc.”. Some member states seem to support the second view, which inevitably leads to the question whether there is a possibility that a sign may take unfair advantage of another with due cause. Another point to be raised is that, according to articles 4.3 and 5.2 of the Directive, it is a prerequisite for the application of such articles that the infringing mark be “…identical or similar to…” the earlier famous (well known or the like) mark for which protection is sought. However, these articles provide no further guidance as to how such “similarity” will be appreciated. Will one use the same criteria that are employed in connection to the likelihood of confusion, that is sight, sound and concept similarity? But in such a case the Directive’s concept of dilution would be “diluted” by the confusion concept. One should not appreciate dilution on the basis of confusion criteria, because the concept of dilution was developed to provide broader legal protection beyond the limits of confusion. Finally, it should also be emphasized that although article 5 para. 2 refers to a “sign” in general, article 4 para. 3 refers to a Community trademark only, thus being not lenient for national trademarks and other not registered marks. Hence, it seems that, at least in this respect, the EEC Directive has
limited the protection afforded to famous trademarks to famous Community Trademarks only.\textsuperscript{52}

The difficulties of interpretation that these articles raise are evidenced by dissenting opinions between the Attorney General and the Court in the case of Davidoff/Gofkid.\textsuperscript{53} Attorney General Jacobs in his Opinion dated 21.03.2002 took the view that the protection afforded by these provisions to trademarks with reputation in a certain member state exists only in connection to non similar goods and cannot be extended to similar goods as well. Thus, if the goods or services of the conflicting marks are identical or similar, legal protection is afforded on the basis of confusion only. The ECJ, however, disagreed with the AG Opinion on this issue and held that article 5 para 2 of the Dir. 89/104 applies to both non-competing and competing goods, although competing goods are not expressly mention.

6. Conclusion: Why likelihood of confusion alone is inadequate?

The reasons that make likelihood of confusion alone an inadequate basis for trademark protection lies with the modern theories for marketing and branding. Ph. Kotler, in his authoritative marketing textbook, ”Marketing Management”\textsuperscript{54} points out that a trademark identifies the goods of one seller and differentiates them from the goods of competitors (origin function), but, in addition to this, it can convey to potential consumers up to six levels of meaning with respect to the product in question; that is:

\textit{a. Attributes:} a trademark assures the purchaser that the goods marked have certain attributes.

\textit{b. Benefits:} as a result of the guaranteed attributes, the trademark assures the purchaser that he will enjoy certain benefits that arise from these attributes.

\textit{c. Values:} the trademark implies certain production values to which the manufacturer adheres.

\textit{d. Culture:} the trademark may also express the culture of the manufacturer.

\textit{e. Personality:} the trademark may describe the personality of the purchaser.

\textit{f. Purchaser:} sometimes the trademark describes the purchaser himself, that is, it connotes and implies certain aspects of the purchaser’s status.

\textsuperscript{52} For issues of interpretation arising from articles 4 para 3 and 5 para 2 of EEC Dir. 89/104, see: Tony Martino, \textit{Trademark Dilution}, op. cit., p. 86 seqq.

\textsuperscript{53} European Court of Justice, 9.1.03, C-292/00, European Court Reports 2003, 1-389.

\textsuperscript{54} Phillip Kotler, \textit{Marketing Management}, op. cit., p. 443.
Likelihood of confusion as a basis for trademark protection seems to be adequate regarding the indication of origin function. It may also adequately protect the “attributes” and “benefits” meaning that a trademark may convey; but it is self evidently inadequate to protect other conveyed meanings, such as “values”, “culture”, “personality” and “purchaser”. In a well known mark that has been heavily advertised and represents a substantial investment for its owner these meanings are equally important as the origin function. Dilution theory contributes substantially towards legal protection to this effect.

Since the implementation of the first national laws on trademark protection, legal literature and court jurisprudence is trying to supplement the basic trademark law concept, that is likelihood of confusion as to origin, with concepts like affiliation, unfair resemblance, or dilution, so as to achieve broader trademark protection. For the same reason, a multi factor test for confusion has been developed and the indication of origin function has been interpreted so as to denote to the quality guaranteeing function. This evolution evidences the need for broader trademark protection.

However, broader trademark protection is very much prevented by concerns that it may lead to unequivocal monopoly rights over signs that tend to be commonly used in the market, or should be retained for common use. Such a concern is justifiable, because legal literature and court jurisprudence has been more elastic than necessary with the registration of descriptive, laudatory and commonly used terms, particularly under the secondary meaning theory. Reinforcement of civil protection of trademark rights will be very much facilitated by more strict registrability criteria, which will favor purely imaginary marks, and should go along with the implementation of such more strict criteria, so as to prevent any undesirable restraints of trade due to trademark exclusivity rights.

Original in English

Literature


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DR CHRISTOS S. CHRISSANTHIS

PRAVNI ASPEKTI ZAŠTITE ŽIGA PRED CIVILNIM SUDOVIIMA

REZIME

Autor na početku rasprave ukazuje da razvoj zakonodavstva o zaštiti prava na žig karakterišu stalni napori sudova i stručnjaka za ovu problematiku da se proširi civilna zaštita prava na žig. Vremenom se došlo do zaključka, kaže autor, da prvobitno poimanje zaštite žiga pomoću pojmov “verovatnoću zabune” (“likelihood of confusion”) i “naznačavanja originala” (“indication of origin”) nije dovoljno da obezbedi zakonsku zaštitu vlasnicima prava na žig, pa se pristupilo dopunjavanju ove koncepcije pojmovima “verovatnoća asocijacije” (“likelihood of association”), “nekorektna sličnost” (“unfair resemblance”) i “razvodnjavanje” (“dilution”). Ove konceptualne promene proistekle su kao odgovor na probleme koji se javljaju usled sve većeg značaja reklamnih i informativnih funkcija u savremenoj privredi. Autor detaljnije objašnjava smisao ovih pojmov, ukazuje na različite funkcije žigova opisane od strane pravnih i ekonomskih stručnjaka, i daje veoma upečatljive konkretnе primere kršenja prava na žig manje poznatih, i “ilegalnih”, ali i u svetu veoma istaknutih proizvođača. Autor iznosi tezu da je cilj regulative prava na žig da zaštiti privatne interese vlasnika žiga, te da zaštita potrošača od različitih oblika dovođenja u zabludu pri prodaji proizvoda nije suština niti svrha zakon o zaštiti žiga.

Deo svojih istraživanja autor je posvetio predstavljanju pravne prakse zaštite prava na žig i pristupu ovoj problematički stručnjaka u SAD i Evropskoj uniji. On navodi da se u procesu dogradnje zaštite prava na žig upravo u ovim zemljama najviše postiglo u nastojanjima da se ova zaštita proširi izvan prvobitnih granica koncepcije o “verovatnoći zabune”, ali da je, između ova dva srodna pristupa, američka interpretacija koncepcije “razvodnjavanja” ta koja je dovoljno široko postavljena da obezbjeđuje dosta dobru zakonsku zaštitu prava na žig. Autor zaključuje da savremene teorije marketinga i njegov razvoj u praksi dovodi do potrebe da se još temeljitije razmišlja o daljem širenju pravne regulative kojom bi se bolje zaštitili interesi vlasnika prava na žig.