

TRADEMARKS

The European Court of Justice (ECJ) has rendered a decision in Case C418/02 concerning the concept of services of retail sale.

In its judgement of 7 July 2005, the ECJ came to a conclusion about the possibility of protecting, by way of mark, the services accompanying the retail sale of products. This decision will make it possible to harmonize the practices of the national offices and the OHIM. It also will affect the practice of the INPI and the OHIM.

I- The situation before the decision rendered on 7 July 2005.

Until the decision of 7 July 2005, the practices of the Trademarks Offices of the Member States of the European Union and OHIM were very diverse concerning the acceptance of the wording "services of retail sale".

Thus, since a communication of the President of the OHIM of 12 March 2001, the Community Office accepted the wording "service of retail sale", provided that either specified, or the sphere of activity, by using expressions such as "services of detail in the field of the foodstuffs and drinks", or the specific nature of the provided service, by the means of expressions such as "services of retail sale of a department store".

The French Trademark Office as for him refused the registration of marks designating "services of retail sale", by considering that the retail sale did not constitute by a service, but which it constituted an activity being attached to the sale of products. The French trademark Office however accepted the wording "the bringing together, for the benefit of others, of a variety of goods ... enabling customers to conveniently view and purchase those goods". This formulation appears under class 35 of the classification of Nice.

II- The decision rendered on 7 July 2005.

By its decision of 7 July 2005, the ECJ seems to consider that the retail sale in itself does not constitute a service within the meaning of the directive harmonizing the right of the Member States on the marks. However, the Court estimates that the trade includes "*... in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. That activity consists, inter alia, in selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to conclude the abovementioned transaction with the trader in question rather than with a competitor.*" The Court then considers that the trader has the right to obtain for these services accompanying the sale, a protection by the registration

of its mark. Consequently, the Court concludes that *“the concept of ‘services’ within the meaning of the directive includes services provided in connection with retail trade in goods”*.

Concerning the drafting of the wording to indicate such services the Court considers that it is not necessary to specify in detail the services for which that registration is sought. According to it *“...is sufficient to use general wording such as ‘bringing together of a variety of goods, enabling customers to conveniently view and purchase those goods’”*. One can consider that the wording such as "services provided in connection with retail trade in goods " or "services provided within the framework of the retail trade in goods" should also be accepted.

However, the Court estimates that the applicant must be required to specify the goods or types of goods to which those services relate by means (for example foodstuff, clothing, articles of do-it-yourself...).

III-) Consequences of the decision of 7 July 2005 on the practice of the French Trademark Office and the OHIM.

1) Consequence on the practice of the French Trademark Office

As one saw previously, the French Trademark Office admitted already the possibility of protecting by way of mark the services provided within the framework from the retail sale and admitted the wording "the bringing together, for the benefit of others, of a variety of goods enabling customers to conveniently view and purchase those goods", without no precision as for the nature of the products concerned with these services. However he refused the wording "services of retail sale".

The decision of the ECJ should logically modify the practice of the French Office on two aspects:

- in addition to the wording " bringing together, for the benefit of others, of a variety of goods enabling customers to conveniently view and purchase those goods", the French office should from now accept general wording such as " services provided in connection with retail trade in goods " or "services provided within the framework of the retail trade in goods",
- the French Office will have from now on to require applicants to specify in these wording the products or the type of products provided under these services.

2) Consequence on the practice of the OHIM

Since 2001, the OHIM accepts trademarks designating “services of retail sale”, provided that are specified either the products concerned with these services, or the type of stores in which they are purposed.

The judgment of the Court should modify the practice of the OHIM concerning the precision of the type of stores in which these services are provided. This type of wording should logically from now on be refused by the Community Office.

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