



KFIR

Klagenemnda for industrielle rettigheter

DECISION

Case: 16/00148, 16/00149, 16/00150, 16/00151,
16/00153 and 16/00154

Date: 13th November 2017

Appellant: The Municipality of Oslo (Oslo Kommune)
("Oslo Municipality")

Represented by: Advokatfirmaet Grette DA

The Board of Appeal for Industrial Property Rights, composed of:

Ole Andreas Rognstad, Elisabeth Ohm, Lill Anita Grimstad, Toril Melander
Stene og Haakon Aakre

Gives the following

DECISION

1 **Brief summary of the case:**

- 2 The case at hand concerns appeal of the decisions of 5th August 2014, where the Norwegian Industrial Property Office refused registration of six marks comprising a depiction, segment or silhouette of artworks by Gustav Vigeland.
- 3 The marks were applied for a number of goods and services in classes 3, 6, 14, 16, 19, 20, 21, 24, 25, 27, 28, 30, 32, 33, 41 and 43.
- 4 In the decisions from the Industrial Property Office, the Applications were partly refused and the refusals based on different grounds, hereunder lack of distinctive character, cf. the Trade Marks Act section 14 first paragraph last sentence, consisting of a shape adding substantial value to the goods, cf. the Trade Marks Act first paragraph first sentence, cf. section 2 second paragraph last option, or that they were considered descriptive of the kind or quality of the goods, cf. the Trade Marks Act section 14 second paragraph litra a.
- 5 The appeals were received on 3rd October 2014. The appeals have been reviewed by the Industrial Property Office, which did not find it obvious that an appeal would be successful. On 23rd October, the appeals were referred to the Board of Appeal for further consideration, cf. the Trade Marks Act section 51 second paragraph.
- 6 During the proceedings, the Board of Appeal decided to refer the following questions to the EFTA Court for an advisory opinion:
 - 1 May trade mark registration of works, for which the copyright protection period has expired, under certain circumstances, conflict with the prohibition in Article 3(1)(f) of the Trade Marks Directive on registering trademarks that are contrary to ‘public policy or ... accepted principles of morality’?
 - 2 If Question 1 is answered in the affirmative, will it have an impact on the assessment that the work is well-known and of great cultural value?
 - 3 If Question 1 is answered in the affirmative, may factors or criteria other than those mentioned in Question 2 have a bearing on the assessment, and, if so, which ones?
 - 4 Is Article 3(1)(e)(iii) of Directive 2008/95/EC applicable to two-dimensional representation of sculptures?
 - 5 Is Article 3(1)(c) of Directive 2008/95/EC applicable as legal authority for refusing trademarks that are two or three-dimensional representations of the shape or appearance of the goods?

- 6 If Question 5 is answered in the affirmative, is Article 3(1)(b) and (c) of Directive 2008/95/EC to be understood to mean that the national registration authority, in assessing trademarks that consist of two or three-dimensional representations of the shape or appearance of the goods, must apply the assessment criterion of whether the design in question departs significantly from the norm or customs of the business sector, or may the grounds for refusal be that such a mark is descriptive of the shape or appearance of the goods?
- 7 The EFTA Court gave an Advisory Opinion on 6th April 2017:
 - 1 The registration as a trade mark of a sign which consists of works for which the copyright protection period has expired, is not in itself contrary to public policy or accepted principles of morality within the meaning of Article 3(1)(f) of Directive 2008/95/EC.
 - 2 Whether registration for signs that consist of works of art as a trade mark shall be refused on the basis of accepted principles of morality within the meaning of Article 3(1)(f) of Directive 2008/95/EC depends, in particular, on the status or perception of the artwork in the relevant EEA State. The risk of misappropriation or desecration of a work may be relevant in this assessment.
 - 3 Registration of a sign may only be refused on basis of the public policy exception provided for in Article 3(1)(f) of Directive 2008/95/EC, if the sign consists exclusively of a work pertaining to the public domain and registration of this sign would constitute a genuine and sufficiently serious threat to a fundamental interest of society.
 - 4 Article 3(1)(e)(iii) of Directive 2008/95/EC may apply to two-dimensional representations of three-dimensional shapes, including sculptures.
 - 5 Article 3(1)(c) of Directive 2008/95/EC must be interpreted as being applicable to two-dimensional and three-dimensional representations of the shape of a good.
 - 6 Article 3(1)(b) of Directive 2008/95/EC must be interpreted as meaning that where a sign is descriptive within the meaning of Article 3(1)(c), that sign necessarily lacks distinctiveness under Article 3(1)(b). Should the referring body find that the sign at issue is not descriptive, it may assess its distinctiveness for the purposes of Article 3(1)(b) in relation to the goods and services covered by that mark and to the presumed expectations of an average consumer of the category of goods and services in question, who is reasonably well-informed, observant and circumspect.
- 7 Regarding the reasons for the decision made by the Industrial Property Office, the Board of Appeal refers to the case files, all available through the Industrial Property Office's website.
- 8 **The arguments made by the appellant are summarised as follows:**

The question is when, and for what, a work of art can act as a trade mark.

As a result of the continually declining requirements for artworks to be considered as works of art, trademarks which are also works of art will be increasingly common in the future.

Works that started out as works of art can undoubtedly also become trademarks.

Oslo Municipality is not a third party aiming to lay claims to a common cultural heritage, but rather the entity which has had the exclusive responsibility of managing the rights to Vigeland's art since 1921. Oslo Municipality can be equated to the artist himself.

The agreement with Vigeland has limited the ability of Oslo Municipality to commercially exploit Vigeland's artworks prior to the expiration of copyright protection.

The purpose of the trade mark applications filed by Oslo Municipality is threefold:

- A wish for reaping the benefits of extensive investments though several years.
- Protecting the reputation of Vigeland's art and prevent dilution and contamination of the goodwill generated by Oslo Municipality through their management.
- Securing their own rights to exploit Vigeland's art, cf. the Rosmersholm case concerning the Munch Museum.

The Industrial Property Office has based the decision on grounds for refusal that are either mutually exclusive or contrary to the Trade Marks Act.

The Industrial Property Office's application of law does not provide the predictability Oslo Municipality requires.

Three main grounds for refusal are employed by the Industrial Property Office, partially dependent on the different kinds of trade marks for which the applications have been filed:

Lack of distinctive character, cf. the Trade Marks Act section 14 first paragraph last sentence, is applied for the following applications:

- Application no. 201312320, figure *Egil Skallagrimsson*
- Application no. 201313456, figure section of wrought iron gate
- Application no. 201315782, figure wrought iron gate (Genieporten)
- Application no. 201315784, figure fountain 3D
- Application no. 201207491A, figure *The Angry Boy* (Sinnataggen) 2D
- Application no. 201207492A, figure *The Angry Boy* (Sinnataggen) 3D

Shape adding substantial value, cf. the Trade Marks Act section 14 first paragraph first sentence, cf. section 2 second paragraph last alternative, is applied for the following applications:

- Application no. 201312320, figure *Egil Skallagrimsson*
- Application no. 201207491A, figure *The Angry Boy* (Sinnataggen) 2D

- Application no. 201207492A, figure *The Angry Boy* (Sinnataggen) 3D

Descriptive of the kind or quality of the goods, cf. The Trade Marks Act section 14 second paragraph (a) is applied for the following applications:

- Application no. 201312320, figure *Egil Skallagrimsson*
- Application no. 201207490, figure *The Monolith* (Monolitten)
- Application no. 201207491A, figure *The Angry Boy* (Sinnataggen) 2D
- Application no. 201207492A, figure *The Angry Boy* (Sinnataggen) 3D

Questions regarding use of section 15 of the Trade Marks Act, cf. Directive 2008/95/EC Article 3(1)(f), have also been raised by the Board of Appeal.

Only the questions regarding well-known works of art and shape adding substantial value to the goods provide a basis for further evaluation. Lack of distinctiveness as decoration as well as the question regarding descriptive shape are clearly not applicable.

The Industrial Property Office's approach, where the marks being well-known as works of art is used to explain lack of distinctiveness, is problematic because differences and nuances within the term 'well-known' itself are not evaluated, or seen, by the Industrial Property Office. Well-known works of art are also able to identify commercial origin. The reasons for the works being well-known and whether this is linked to Oslo Municipality's management of Vigeland's art, are also not assessed by the Industrial Property Office. How should such a criterion be employed?

The assessments made by the Industrial Property Office regarding shape adding substantial value are practically and legally challenging, and do not harmonise with recent practice from the Court of Justice of the European Union, cf. C-205/13 Stokke.

The grounds on which the Industrial Property Office base the refusal and section 14 first paragraph last sentence of the Trade Marks Act – well-known as art rather than trade mark:

In principle, the shape of all marks concerned must be considered as having distinctive character.

The refusal is supposedly built on the assumption that a well-known work of art will be associated with its identity as intellectual property, rather than communicating commercial origin.

Well-known works of art can also have the ability to identify other entities, or communicate commercial origin.

Regarding the exclusive relationship between the Municipality of Oslo and the works of Vigeland, all rights to the works in question were transferred to the Municipality in 1921. A strict requirement of exclusivity was already established in the transfer agreement. Vigeland's wishes have been respected by Oslo Municipality, and the copyrights have been

firmly protected, e.g. through the Norwegian visual arts copyright society, BONO. The sculpture *The Angry Boy* (Sinnataggen) was created in conjunction with the establishment of the Vigeland Park, which is owned and operated by the Municipality of Oslo. No other entities have had a justified expectation of commercially exploiting *The Angry Boy* without consent from Oslo Municipality. The works in question have become identifiers of the Vigeland Park and Oslo Municipality.

A potential question is whether or not the situation would have been different if Oslo Municipality was replaced e.g. by an applicant like Warner Bros. and the Vigeland Park became Vigeland Land.

The marks in question must be regarded as having distinctive character regardless of their status as well-known works of art.

Regarding lack of distinctiveness as grounds for refusal based on the assumption that the mark will only be perceived as decoration, it should be noted that decorations can be subject to protection, provided that they are sufficiently distinctive and deviate from what is common and devoid of distinctive character.

Equating the marks in question with the marks subject to refusal in C-445/02 P is peculiar.

Thus, the marks in question cannot be regarded purely as decorations lacking distinctive character.

In regards to the Trade Marks Act section 15 first paragraph (a), it is necessary to base the evaluation on the Advisory Opinion of the EFTA Court.

Consequently, trade mark registration can only be refused on the grounds that a mark is contrary to public policy (cf. Directive 2008/95/EC Article 3(1)(f)) in exceptional circumstances.

Furthermore, refusal of registration should only occur where the “registration is regarded as a genuine and serious threat to certain fundamental values, or where the need to safeguard the public domain, itself, is considered a fundamental interest of society”, cf. the statement of the EFTA Court, paragraph 96.

Which societal interests could arguably be at stake?

The copyright protection has lapsed, which by itself leads to the public having considerable freedom to use the works.

Trade mark protection will only lead to entities with no investment in Vigeland’s art and no contribution to the promotion of his works, being able to benefit from using his art as trademarks.

The Industrial Property Office's application of section 14 second paragraph (a) is contrary to the prerequisite pursuant to section 2, that the shape of a product can also function as a trade mark.

The primary purpose of this ground for refusal is to safeguard a public domain for words and expressions of a language which has its limits.

The evaluation of the EFTA Court in regard to question 6 does not necessarily reflect the underlying realities and considerations of the provision.

None of the marks in question can be regarded as descriptive pursuant to section 14 second paragraph (a).

In regard to section 2 second paragraph last alternative, cf. section 14 first paragraph, the assessment of the Industrial Property Office appears to be wrong, as it is built on relatively diffuse criteria and emphasis is only placed on the attractiveness of the mark.

The problematic relationship with Article 3(1)(f) and the requirement of deviation from industry standards is a 'catch 22' of trade mark law. On what grounds should the assessment be made? Is the purpose of trade mark law to exclude what is commercially valuable and protect what is worthless? The determining factor is not the aesthetical features of a mark, but rather the potentially negative impact on competition.

The applications concern classes of goods and services in which a large variety of shapes already exists on the market and many shapes have distinctive character. The marks in question will simply join the ranks of such shapes.

In any event, a considerable amount of the commercial value of marks in question, does not come from the shape alone, but is largely a result of efforts made by Oslo Municipality.

It is peculiar that the Industrial Property Office puts emphasis on the average consumer perceiving the mark in question as the name of a well-known work of art, while also finding a likelihood of confusion between the mark and registrations that do not create this association, cf. the Trade Mark Act section 16 (d).

In regard to the importance of use pursuant to the Trade Mark Act section 3 third paragraph, Oslo Municipality's use must be considered as sufficient to have acquired unregistered rights to the marks. There is no reason to assume that municipal activity should be subject to different standards than purely commercial entities.

9 **Reasons:**

10 **The Board of Appeal has applied other grounds for its result than the Industrial Property Office.**

- 11 The trade mark applications comprised in the joint case, were refused by the Norwegian Industrial Property Office based partly on the marks lacking distinctive character pursuant to the Trade Marks Act section 14 first paragraph, partly on the grounds that the marks are descriptive, cf. section 14 second paragraph, and partly due to the marks consisting exclusively of a shape which gives substantial value to the goods, cf. section 2 third paragraph.
- 12 During the proceedings, the Board has referred questions to the EFTA Court, including whether trade mark registration of works of art for which the copyright protection period has expired (the works have reverted to the public domain), in certain circumstances could conflict with the prohibition against registration of trade marks which are contrary to “public policy or ... accepted principles of morality”, cf. Directive 2008/95/EC (the Trade Marks Directive) Article 3(1)(f). This provision is implemented in section 15 first paragraph a) of the Trade Marks Act, which states that a trade mark cannot be registered if it is contrary to public order or morality.
- 13 In the decision of 6th April 2017 in case E-5/16, the EFTA Court asserts that registering a trade mark containing artworks for which copyright protection has lapsed, is not in itself contrary to public policy or accepted principles of public morality (section 1 of the Advisory Opinion and paragraph 88 of the Judgement). The Court also finds, however, that refusal on this basis can occur in exceptional circumstances. As regards the alternative concerning marks which are contrary to accepted principles of morality, the Court emphasises that for works of art, a subjective assessment must be carried out. At the core of this assessment is the status the artwork holds and how it is perceived in the EEA State concerned. Of particular relevance is also the risk of the artwork being misappropriated or desecrated (section 2 of the Advisory Opinion and paragraphs 89-93 of the Judgement). As for the question of whether a trade mark registration may be contrary to public policy, the Court emphasises that “the notion of ‘public policy’ refers to principles and standards regarded to be of a fundamental concern to the State and the whole of society” (paragraph 94). The Court points out that registration of a sign should be refused on this basis only in “exceptional circumstances”, for instance “under the circumstances that its registration is regarded as a genuine and serious threat to certain fundamental values or where the need to safeguard the public domain, itself, is considered a fundamental interest of society” (paragraph 96). The Court also describes circumstances where there is no threat to the need to safeguard the public domain (paragraphs 97-99). In this regard, the Board highlights that no such threat exists if a sign consisting of a work of art can be refused based on alternative grounds included in the Trade Marks Directive (paragraph 99).
- 14 The Board has considered whether registration of the trade marks in question should be refused based on section 15 first paragraph (a) of the Trade Marks Act, in particular as

contrary to public order. This is partly due to the signs depicting works of art which hold considerable cultural value to Norwegian society, and partly because the temporal limitation of the copyright protection period pursuant to the Copyrights Act is meant to safeguard fundamental societal considerations.

- 15 The trade marks in question consist either of depictions of sculptures and wrought iron works which have undoubtedly been protected by copyright until the death of Gustav Vigeland (the figure marks) or the sculptures themselves (the three-dimensional marks). In other words, the case concerns works of art which reverted to the public domain on 1st January 2014. According to the approach taken by the EFTA Court, copyright protection is an exception to the rule that intellectual property, as a matter of principle, belongs to the public domain once communicated (paragraph 66). Consequently, creative content reverts to the public domain with the lapse of copyright protection. The public must therefore have the ability to freely use the works, as the considerations justifying limitations to this freedom no longer apply.
- 16 As mentioned above, the fact that works of art revert to the public domain and therefore are without protection pursuant to the Copyrights Act, does not preclude signs depicting the works from being registered as trademarks. Works of art may function as trademarks, and it could be argued that entities wishing to exploit this function, by using works of art as trademarks, are merely taking advantage of the lack of restrictions following the lapse of copyright protection. This is, however, dependent upon the possibility of obtaining trade mark protection, in order to safeguard the essential functions of the trade mark. Consequently, a conflict does not necessarily exist between the lapse of protection pursuant to the Copyrights Act and the possibility of obtaining trade mark protection for marks depicting works of art which pertain to the public domain.
- 17 On the other hand, trade mark registration of works of art could, in exceptional circumstances, potentially conflict with the considerations on which the temporal limitation of copyright protection is based. In this regard, a core consideration is the need to protect competition, in part to enable recovery of costs – in a broad sense – related to the creation of works of art. This need, however, is considered to be exhausted once copyright protection has expired, and the copyright holders, or more correctly their heirs, are not meant to maintain a competitive advantage exceeding this fairly generous time limit, cf. the EFTA Court, paragraph 65. At the same time, there is no reason to grant such competitive advantages to third parties not having been involved in the creation or maintenance of the artwork. Public access to cultural heritage might be counteracted if they are placed under potentially unlimited trade mark protection after the copyright protection has expired. In addition to this comes the moral interests in not harming the reputation of the artist or the artwork. These considerations are safeguarded by section 48 of the Copyrights Act, but might also be relevant in the question of whether the intellectual property is suitable for trade mark registration, and in particular whether registration is contrary to public morality.

- 18 In this regard, situations may occur, in which trade mark registration of intellectual property pertaining to the public domain conflict with the considerations justifying the temporal limitations to copyright protection. Firstly, particularly well-known artworks or works by well-known artists, might be attractive trademarks due to the association between the marks and the artwork and the artist's oeuvre of works. It may be argued that in such situations, there is a risk that the trade mark holder will effectively exploit the value of the work as a work of art and thus exploit functions that are meant to return to the public domain with the lapse of copyright protection. Hence, the trademark holder may gain an unjustified competitive advantage. Secondly, the copyright holder might be inclined to seek alternative legal protection as works revert to the public domain, in order to ensure that actions previously prohibited by the Copyrights Act may still be barred. In light of this, trade mark registration could seem like a relevant alternative means of protection. To the extent that trade mark protection serves this function, it exceeds what is intended by trade mark law and instead safeguards functions intended to revert to the public domain with the lapse of copyright protection.
- 19 It could be argued that the regular requirements for trade mark protection and registration prevent potential conflicts between the Trade Marks Act and the considerations safeguarded by the temporal limitation to copyright protection pursuant to the Copyrights Act. The grounds on which the decisions of the Industrial Property Office are built – the requirement of distinctive character, prohibition against registration of descriptive marks and the exemption from trade mark protection where the shape of the goods adds substantial value – ensures partly that only marks fulfilling a trade mark function can be registered, and partly that the feature adding substantial value to the artwork is exempt from trade mark protection. In this regard, the Board also refers to the remarks of the EFTA Court in paragraph 99, that no threat exists to the need to safeguard the public domain if a sign consisting of an artwork can be refused on other grounds included in the Trade Marks Directive.
- 20 The Board notes, however, that the requirement of distinctive character does not preclude registration of the mark when distinctiveness is acquired through use, cf. the EFTA Court's remarks in paragraphs 74-75. It could be argued that when distinctiveness is acquired, it is because the artwork is perceived as a trade mark and not solely a work of art. Consequently, registration is effectively recognition of the mark having a function as a trade mark, and not merely a *de facto* extension of the copyright protection period. On the other hand, registering artwork of significant cultural value could still provide the holder with a competitive advantage not caused by the mark's inherent characteristics, but linked to the artwork as a work of art and thus also to features justifying the temporal limitation to copyright protection. In certain situations, the considerations relating to the public domain could therefore suggest that registration of the sign should be refused regardless of the identity of the applicant.
- 21 Application of the regular grounds for refusal could also create complicated demarcation issues, occurring with the registration of marks depicting works of art pertaining to the

public domain. Firstly, deciding for which goods and services registration should be allowed can be problematic in these situations. Secondly, as pointed out by the Municipality, the criterion of assessment pursuant to section 2 third paragraph of the Trade Marks Act – which is intended to ensure that the trade mark owner does not gain an unjustified advantage – is not straightforwardly applied for artwork, as arguing that the outer shape in itself adds substantial value to the goods can be challenging. To this end, as stated by the EFTA Court in paragraph 81, this provision is not applicable for classes of goods not related to the context of the artwork. Competitive advantages attributable to the cultural value of an artwork could, however, manifest themselves regardless of the class of goods. With regard to public access to cultural heritage, the trade mark owner could, in certain circumstances, deny not only use liable to impair the mark's function as identification of commercial origin, but also use which is liable to affect one of the remaining functions, cf. the EFTA Court in paragraph 71. The regular grounds for refusal largely precludes the registration of trade marks consisting of artworks. However, registration of an artwork for which copyright protection has expired, even for certain goods and/or services, does necessarily lead to the work being removed from the public domain, cf. the EFTA Court, paragraph 87.

- 22 Even though the entirety of Vigeland's oeuvre is not equally well-known, and the applicant – Oslo Municipality – has filed applications for a wide variety of his works, it is the opinion of the Board that this case represents exceptional circumstances, as the works in question must be considered to hold significant cultural value. Both the artist Gustav Vigeland and the Vigeland space (park and museum) must be considered as belongings of the Norwegian cultural heritage. Vigeland is one of the most eminent Norwegian sculptors. He completely dominated his field in Norway during the first half of the 1900s. Exemplifying Vigeland's importance, is the fact that he was appointed Knight of St. Olav's order in 1901, only 32 years old, and awarded the Grand Cross in 1929. He has portrayed numerous Norwegian icons such as Henrik Ibsen, Bjørnstjerne Bjørnson, Knut Hamsun, Edvard Grieg, Jonas Lie and Fridtjof Nansen. The Vigeland Park is one of the most visited cultural attractions in Norway, with an estimated 1,5 million visitors each year.
- 23 The connotations to the Vigeland area are solely positive in the Norwegian population. By acquiring exclusive rights to the works in the park for the unforeseeable future, a significant competitive advantage will be gained over other enterprises. Not only are there no costs in connection with development of a trademark, but the sign is in itself already known as a work of art and connected to something positive. As a result, there is no need to build consumer recognition of the mark or to generate the positive associations required for reoccurring purchases. Furthermore, registering the works of art as trademarks, even for specific goods or services, would entail removing them from the public domain, and could potentially limit public access to the works in question.
- 24 The seeking of trade mark protection is an indication that Oslo Municipality is attempting to maintain control over Vigeland's artworks as works of art, inter alia because of the investments made in the promotion of the cultural heritage of Gustav Vigeland. This wish or interest is understandable, and could possibly mitigate the risk of others using the works of

Gustav Vigeland in a manner contrary to public morality, cf. the EFTA Court, paragraph 92. On the other hand, such a wish does not safeguard any legitimate interest protected by the Trade Marks Act. On the contrary, the Board finds that trade mark registration on these grounds would contradict the considerations and fundamental societal interests justifying the limitation of the term of copyright protection of Vigeland's works. To that end, the determining factor, from the Board's point of view, is the Oslo Municipality's systematic attempts to register practically all works found in the Vigeland Park and Museum as trademarks. On these grounds, the Board finds that trade mark registration must be refused based on the consideration of public order pursuant to section 15 first paragraph (a) of the Trade Marks Act. In the Board's opinion, the exceptional circumstances of the case justify an exception from the regular provisions.

- 25 Consequently, the Board concludes that registration of the marks in question must be refused based on section 15 first paragraph (a), as registration must be considered as contrary to public order.

On those grounds, the Board gives the following

Order

- 1 The appeal is dismissed.
- 2 Registration of applications no. 201312320, 201313456, 201315782, 201315784, 201207491A and 201207492A is refused for all goods and services.

Ole Andreas Rognstad
(sign.)

Elisabeth Ohm
(sign.)

Lill Anita Grimstad
(sign.)

Toril Melander Stene
(sign.)

Haakon Aakre
(sign.)