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GUEST EDITORIAL PREFACE

The challenges and opportunities of food and the role of IP

Food is a subject that all of us can relate to. While reading this you might be thinking about where to go for lunch or what to make for dinner. Maybe you remember those perfectly matched tastes of your favorite dish—a dish that might have been composed by a star chef or by your own mother. Food, and well-matched drinks, is truly a source of great value and enjoyment. At the same time we all know that everyone does not have sufficient access to food, even though few of us can fully comprehend the individual and global tragedies of starvation.

Developed nations spend a decreasing share of their income on food. In the United States the share has decreased from roughly 25% of disposable personal income to roughly 10% over the last century.1 In Sweden, the share has dropped from roughly one third in the 1950s to roughly 17% today.2 So while some of us spend a decreasing share of our income on food due to a combination of personal income growth and agricultural productivity growth, others struggle to find enough to eat in order to survive. In 2018 an estimated 820 million people did not have enough to eat, according to WHO.3

There are other challenges as well. While the productivity growth of the industry has on the one hand helped to lead the way out of poverty, it has on the other hand been enabled by the use of pesticides, antibiotics, and additives in agriculture and food production, with consequences for nature, wildlife, antibiotics resistance, and health. The productivity growth has also led to an increasing consumption of what has historically been expensive food, such as beef meat, which is related to a relatively large CO2 footprint. And despite all of this, local farmers struggle to compete and reap sufficient returns due to the concentration of trade, while consumers struggle with food-related health issues such as obesity, type 2 diabetes, and increased risks of various types of cancer.

Thus, while food is the source of many valuable consumer experiences, it is also related to large individual, business, and societal challenges, meaning that there are ample opportunities for improvement on various levels. For example, Stanford Food Design Lab conducts research and teaching to address the interaction between food and human via technology and innovation. In particular, the lab explores innovative ways of reducing food waste and negative environmental impact by introducing the concept of upcycling, or in other words creating quality products from what was previously considered waste.

Now, even though food is clearly a relevant subject area for society at large, is it really relevant for this journal focusing on intellectual property (IP)? We believe that it is. For example, California-based Impossible Foods has several patents on its plant-based Impossible Burger and the related production process. The company has researched what makes meat taste like meat, and been able to invent around the actual use of animal products and replace it with plant-based ingredients. After trying it at the faculty club at UC Berkeley we can confirm that the result is a very tasty and meat-like burger. Investors seem to agree, with a $300 million funding round this spring, partly driven by the company’s IP position, which thereby also functions as an enabler of the transition from meat-based to plant-based food products. A more well-known case is Coca-Cola. Coca-Cola’s competitiveness is highly dependent on one of the most valuable trade secrets (the Coca-Cola formula) and one of the most valuable trademarks (with an estimated value of $6 billion in 2009), and it has maintained its competitiveness over decades despite several strong competitors and imitations.

Some other examples are provided in this issue. The articles by Tsirtou and Sfrenos both focus on the use of trademarks and geographical indications and their role for tracing the origin of products and goods, an issue that is of growing interest to consumers as a reaction to the increasing distance between consumers and food producers. These articles are focused on the cases of Cyprus (and halumi cheese) and Macedonia, respectively. The article by van der Merwe takes a totally different approach, focusing on fine dining and asking the question if IP law offers protection for signature dishes and novel plating. He studies the case of the internationally acclaimed restaurant Alinea in Chicago, where Mike Beagle created a unique and edible balloon that quickly rose to fame on social media, in turn leading to several imitations.

This issue is not only about food, however. The article by Ghidini examines the intricacies of IP law relating to products that are both useful and aesthetically beautiful, involving both design rights and copyrights. The article by Gerrish and Molander Skavlan analyzes the recent Digital Single Market (DSM) directive in the European Union and its implications for text and data mining, possibly inhibiting the European data science and artificial intelligence industry. Finally, the case note by Ljungblad covers the invalidation of European Union trademarks due to applicants having acted in bad faith. More specifically the case note describes a case involving the word mark ‘MONOPOLY’, re-judged by the Court.

With this short appetizer we hope that we have raised your interest for the rest of this issue. Enjoy the read.

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2 These numbers include spending on food away from home (restaurant food and similar) (accessed on 2019-11-18).
Sequential cumulation of copyright with protection of products of industrial design. A critique, and an alternative proposal

By Gustavo Ghidini

ABSTRACT

Until the second half of the twentieth century, copyright protection of works that at the same time had a practical use and an aesthetic appeal was based on the premise of ‘separability’, meaning different sets of rules for protecting its aesthetic and utilitarian features. This premise was coherent with the typical mode of production consisting of artistic elements added to the functional ones. This approach evolved in a more organic functionalist conception of the aesthetics of material goods. Nothing that is not practical can ever be beautiful, Otto Wagner said.

This concept was developed with particular coherence in early XX century Germany by the Bauhaus movement. This approach at the same time and as a side effect lowered the costs associated to ‘ornamental’ tinseling of creations “protected as artistic works” (emphasis added). This approach, even though in the different context of product design, which could favour dynamic competition and ultimately benefit the majority of consumers, still results in a parallel (but not cumulative) coexistence of the two types of protection, each with its own specific scope to be determined on the basis of the difference in the objective market use of the work of design, which could favour dynamic competition and ultimately benefit the majority of consumers.

1. INTRODUCTION: FROM APPLIED ART TO INDUSTRIAL DESIGN.

In the dominant paradigm which lasted until the second half of the twentieth century, copyright protection of works of practical use having also an aesthetic appeal was based on the premise of the ‘separability’ of the (perception of the) aesthetic from the utilitarian features. This premise was coherent with the typical mode of production consisting of artistic elements added (therefore, also in this second sense, called art) to the functional ones. Just think of statuettes of nymphs enveloping the stem of an abat-jour, goat hooves at the bottom of table legs, angels’ heads at the end of a headboard and other memories from the homes of our grandparents. The aesthetic element being as such copyrightable, the latter were memories from the homes of our grandparents. The aesthetic profile is merged into one. This rendered the activity of industrial design, i.e. series production, i.e. series production of objects for practical use, where functional and aesthetic profiles are merged into one. This rendered the activity of industrial design, i.e. series production of objects for practical use, where functional and aesthetic profiles are merged into one.

In this different creative and industrial scenario the ‘splitting’ of the aesthetic element from the functional one as the basis for separate legal protection became problematic, in particular with reference to forms, typically the three-dimensional – of design products, and for that very reason: both values are merged as one whole.

The difficulty was overcome by a legislative approach that, in harmony with the express provisions of the Berne Convention (Article 7.4), circumscribed copyright protection (attributable for not less than 25 years) to applied art creations “protected as artistic works” (emphasis added). Not, therefore, as industrial products manufactured in series for the consumption market (that of furniture items, basically).

This approach, even though in the different context of national laws (to which Article 2.7 of the Berne Convention left ample discretion as regards the forms and limits of protection), was adopted in many legal systems. In the Italian legal system, that approach was also reinforced by a formal preemption of recourse to copyright in the presence of a 15 years ‘ornamental model’ patent.1

Implicitly, but clearly, the aforementioned legislative orientation recognized – indeed, postulated – the existence of two distinct markets – and corresponding types/level of protection. That of industrial (i.e. mass produced) design in the strict sense, and that of art design. As such, that normative line put itself at the service of a legal-political objective in favour of competition. In particular, it preempted the ‘horizontal’, sequential cumulation of registration and copyright regimes. Thus it averted the risk that, much like in a relay race, upon patent expiry, copyright could be sought immediately after the registration’s expiry and the exclusivity regime ‘recuperated’ for (near) eternity. Aiy, there’s the rub. Intense pressures were notoriously exerted by leading furniture industries on EU and national lawmakers to extend to registered industrial design creations the 25-year minimum copyright protection afforded by Berne Convention to design creations “as artistic works”. This was intrinsically reasonable, since aesthetic novelties, unlike the merely technological ones, often require long time to emerge in the public taste, so that a short protection – like the 10 years granted to ‘ornamental models’ in Italy – would expose designers, industries and related investors to the mocking risk of seeing the protection against free riding elapse just before or just when the new design has ‘taken off’ in the public’s appreciation. The creations of the Bauhaus architects-designers met with wide success when their authors were of old age, or had already left this valley of tears. But more was asked by the leading business circles, well aware of, and understandably eager of exploiting, another characteristic of the social perception of aesthetic (at large) creations. When these are ‘good’, they last very long in the public favour, and are not displaced – as the technological ones–by subsequent novelties. Stockhausen has not supplanted Beethoven, nor Anish Kapoor has overshadowed Bernini... And so happens, with all due proportions, for many ‘classics’ of design: think, ex multis, to the creations, some almost centennial, of Breuer, van der Rohe, Le Corbusier, etc.-: creations that lead furnishing industries keep ‘exclusively’ producing and selling, decade after decade, under the umbrella of copyright – at prices affordable by the upper classes.

Thus, understandably (and quite legitimately) the leaders of the furnishing industry addressed their pressures also to the recognition of a straight, sequential cumulation of the two forms of protection. These pressures eventually prevailed over the original approach, defended by Small and medium-sized enterprises (SMES), bearers of a ‘practical necessity’ to follow the market leaders. (A tale of two lobbies, one might say. Yes, as usual. But that of SMES defends an objectively pro-competitive stance and pro-consumers, too, vis à vis the level of prices often associated with exclusive protection of long duration).

1. Dominant, not universal. France, in particular, since the times (XVI century) it dominated as known, always applied copyright protection to industrial products; for its tapistry – had acquired copyright protection across the board under the ages of the ‘principato’ of ‘arise de l’art’.

2 A 2-dimensional design can be used both as a practical object (fabric design) and as an artistic object (picture).

3 Article 5.2 of Royal Decree No. 141171940 and Article 2593 of the civil code.
2. SYSTEMIC INCONSISTENCIES, AND ANTICOMPETITIVE IMPACT, OF THE SEQUENTIAL CUMULATION OF REGISTRATION AND COPYRIGHT PROTECTION AS ADMITTED EVEN BY THE CJUE WITH REFERENCE TO DIRECTIVE 98/71/EC.

In its attempts at harmonization, Directive 98/71/EC on the legal protection of designs has ambiguously (save the ‘intention’ of the legislator, famously prone to big business arguments) in relation (also4) to the question of cumulability of registration with copyright protection of industrial design works. Article 47 of the Directive states that registered models and designs ‘shall be eligible for protection under the law of copyright of that State’, which ‘may “determine” (i.e. is free to choose in keeping with the intention of the legislator, famously prone to big business arguments) in relation (also4) to the question of cumulability of registration and copyright protection as admitted even by the CJUE with reference to Directive 98/71/EC.

In some jurisdictions, such as Germany and Italy, that condition lies in artistic value and creative nature, in other words, a particular and differentiating aesthetic merit that departs from the general standard of mere ‘individuality’ (originality in subjective/personal nature) that characterizes the copyright paradigm.

That line is open to criticism in many respects, especially from the standpoint of its systemic coherence and the adverse impact on competition.

a) Think to the situation that the criticized view puts a firm in when the latter, seeing that the period of protection of another’s design registration is about to expire, makes investments and preparations to enter into the market after that expiry hence actually enters the market (if there is any sense to a time limit on exclusivity, it is this). But the firm will risk that the former registrant, alleging the “artistic nature and aesthetic value” (always a subjective assessment: see shortly below) will return wearing a copying hat and order the unlucky follower to stop production, destroy inventory and pay huge damages, hence departing the scene as a potential competitor.

I doubt that such an outcome can be reconciled with full respect of the constitutionally enshrined (effective) freedom of economic enterprise. What of the reliance exhibited by the firm that enters a market in view of the imminent expiry of the exclusivity of another? That 25-year monopoly granted by registration which – it is worth stressing – is the specific protection paradigm chosen by the European legal system for supporting the industrial (production of design). Moreover, from the standpoint of the administration of justice, the acceptance of the criticized approach would give rise to uncertain, arbitrary and possibly manipulability applications of the law that lays down the conditions for access to copyright protection. How would courts decide on ‘differential artistic merit’? On the basis of the judge’s personal tastes or relying on an art expert witness, again based on her/his own opinion? On the basis of inclusion in an art exhibition, that too is dependent on the taste (and in case of commercial insight) of the gallery owner? What really affordable scope is there for appealing decisions inevitably based on subjective assessments?

b) The possibility of sequential cumulation of the two types of protection (registration, financial/copyright) strikes a balance between the various interests involved that ends up with a systemic contradiction that, moreover, negatively impacts on the competitive structure of the market for industrial products. Indeed, the limit on the period of exclusive protection offered by registration would be circumvented by the latter being passed, so to speak, to the longer period of protection offered by copyright. This is a consumption unequivocally not to be wished, given both its systemic incoherence, and its clear pro-monopolistic bias, with effects on prices that are already under everyone’s eyes.

Thus, in substance there would remain room only for differentiation divorced from new trends in functional aesthetics: in the final analysis, room for aesthetic models superseded by contemporary tastes. Producers of modest financial means – among other so-called ‘necessary followers’, financially incapable of developing and imposing new trends would have to endure (together with their low income customers) a lengthy, often centennial ‘purgatory’ before they could respectably offer and acquire products reflecting patterns established by evolutions in style.

Functional beauty as ‘class’ luxury good? Gropius and his colleagues of Bauhaus who created for the working classes revolve in their graves...

I stress that the anti-competitive effect does not arise only as regards third parties. On closer examination such an effect can concern even the copyrightholder. And indeed, a very long period of exclusory protection can easily encourage the design owner to rest on the laurels rather than rolling up the sleeves to continue to innovate. In this sense, therefore, the anti-competitive effect is also an anti-innovation one: in a word, it weakens dynamic competition (competition stimulated by innovation/innovation stimulated by competition).

i) that modest variations would however risk of constituting ‘infringement’, which is not just limited to slavish copying;

ii) more marked changes could well constitute derivative works (a category which includes modifications and additions constituting a substantial remodelling of the original work). As such, even these more robust reshapings would be subject to the rightholder’s power to block them. Checkmate.

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The wound to dynamic competition (and the interest of consumers) also arises under a different aspect, often evoked by supporters of the criticized
3. PROPOSAL FOR AN INTERPRETATION THAT PREEMPTS THE SEQUENTIAL CUMULATION OF REGISTRATION AND COPYRIGHT PROTECTION.

Certain points on which indirect effects are not a sufficient basis to reject a solution imposed by law and currently backed up by the European Court of Justice. But is this really the case? Is sequential amassing of IP protection "the" mandatory inescapable solution? I believe not, with all due respect for CJEU (however, even Homer sometimes dozes, as Horace remarked). I believe it is possible to attempt a different interpretation than that which entails a more sequential cumulation (summing) of the two forms of protection. An interpretation that draws inspiration from the working (and approach) of both the Berne Convention (article 7a) and UK law. See Sec 52 Copyright Designs and Patent Act (Sec 52 being repealed in April 2013, but still transitionally in force) according to which copyright protection concerns to works of applied art "protected as artistic works" (Berne Convention) and "insofar as they are protected as artistic works" (UK Design Act). Not therefore as industrial products. In light of these observations and the considerations expressed above on the rationale underlying the differences between patents and copyright, I believe that the Directive can be construed in a way that avoids both the previously mentioned systemic contradiction and the monopolistic effect that would arise from an essentially indiscriminate application of sequential cumulation of protection and the shorter and certain term form of protection under registration (envisaged by EU and domestic law). In particular, I believe that the Directive can be interpreted to allow for the parallel coexistence of the two types of protection, each with its own specific scope to be determined on the basis of the difference in the objective market use of the work of design. This would be done by distinguishing the type of market – of industrial products or of artefacts – to which the work of design is channelled. In order to clarify this interpretative proposal, let us consider a couple of examples of works of modern design, such as, for instance, Henry Dreyfuss’ doughnut-shaped portable radio and Philip Starck’s spider juicer designed for Alessi. These practical objects, are – or have been – sold as utilitarian products, but are also enjoyable at the aesthetic level. In different circumstances, they might well also be sold and copied as objects d’art through distribution channels typical of the so-called “art market”. In fact, a classic example is the fact that the Whitney Museum of Contemporary Art in New York displayed a work by Jeff Koons, consisting of a plain glass framework containing four ordinary Hoover vacuum cleaners. To my mind this forms the empirical basis of the differentiation that allows for the parallel but not cumulative application of copyright protection and patent law, without mutually contradictory overlaps. Let us go back to the two examples of Dreyfuss and Starck. As practical products sold on the market of portable radios and household items, those items would be covered under patent protection arising from their registration (at the Community and/or national level), and therefore, for a period of 20 years. On the other hand, as individual or multiple facts possibly sold on the market, their shape could not be reproduced by third parties for works of figurative art (and as such, also marketed or to be launched on the art market) for the statutory period of 70 years following the designer’s death. It must be pointed out that this distinction between types of exclusive protection of the same product on the basis of its different markets of destination (not to mention the way, in the system of intellectual property law) would not create any difficulties or uncertainty as regards concrete identification.

Firstly, the art market and especially the art design market has specific technical characteristics in view of the limited number of examples offered (often and typically one-off items: see the Warhol and Koons examples) and the type of outlet (art galeries). Secondly, and above all, the type of applicable protection is objectively and precisely ‘certified’ by the type of infringement, or rather, the type of market targeted by the infringement. In other words, if Starck’s spider is imitated, even on a different scale, by a sculptor to produce works offered on the art market through its typical channels, the designer and/or her assignee would be entitled to bring action against the sculptor or the art gallery precisely on the basis of copyright law. Vice versa, in the case where the shape is copied by a manufacturer of household products and offered for sale on that market, the only exclusive protection should be the one afforded under the registration regime (thus, not beyond 25 years).

This position can be easily reconciled with the aforementioned provision of article 17 of the Directive, under which Community registration of design does not preclude copyright protection. In harmony with aforementioned Berne Convention’s specific reference (Art.7a) to design works “protected as artistic works”, Article 17 of the Directive ought to be read: “should the infringement of a design product arise on the art design market, registration of the shape as a design pursuant to the Directive or domestic legislation shall not in itself preclude recourse to copyright protection in accordance with the conditions in that regard laid down by law”. I realize full well that this proposal for interpretation goes against the currently dominant view exposed by most interpreters and shared by the European Court of Justice. But I respectfully insist on prioritizing a view that is systematically consistent with the need for dynamic competition and the interests of consumers. Whereas that dominant view ultimately translates into the granting of rent-seeking positions to the leading furniture industries.1–10
Food for thought
Considering intellectual property protection for signature dishes and plating

ABSTRACT
The purpose of the article is to assess which areas of IP law, if any, and under which criteria, offer legal protection for signature dishes and plating arrangements that are identified and commonly associated with a specific chef or restaurant. The two main concepts explored in the article are: (i) the question whether food can be considered as art for purposes of copyright; and (ii) whether the avenue of trade dress as suggested by scholars in the U.S. hold equal promise under EU trade mark and design law.

The outcomes within the respective spheres of copyright, trade mark and design law have proven in the affirmative; i.e. in principle protection is available for concepts explored in the article are: (i) the question whether food can be considered as art for purposes of copyright; and (ii) whether the avenue of trade dress as suggested by scholars in the U.S. hold equal promise under EU trade mark and design law. The above referred incident has prompted the following question which forms the point of departure: does intellectual property (IP) law offer protection for signature dishes and novel plating? This article aims to address this question within the spheres of copyright, trade mark and design law.

1. INTRODUCTION
The internationally acclaimed restaurant Alinea in Chicago, is renowned for its unique and technology forward ideas. One such unique creation is an edible toffee-like balloon (figure 1) offered as a dessert option. The balloon is reported to be one of the most famous – and most Instagram posted – courses on the tasting menu.1

The balloon was originally created by Alinea’s Mike Beagle, whom during an interview reportedly described the dish as “a step forward in cuisine; this is actually something that hasn’t been done before”.2

However, in May 2017 it became apparent through media reports that a Toronto-based company started manufacturing machines that produce balloons which, allegedly, look uncannily like the toffee-based balloons that have been on Alinea’s menu since 2012.3 In an interview with the publication Eater, Alinea’s managing partner Nick Konos responded to say: “We get a constant stream of copycats but this one seems unusually identical. I guess it’s flattering”.

The above referred incident has prompted the following question which forms the point of departure: does intellectual property (IP) law offer protection for signature dishes and novel plating? This article aims to address this question within the spheres of copyright, trade mark and design law.

Signature dish
A “signature dish” is a dish that is closely identified with a chef or a restaurant and stands out as a prime example of that person’s or establishment’s cuisine.4 A signature dish can be either an entirely new creation or an original interpretation of a classic.5 It has become typical of many high-profile restaurants to have a signature dish which forms part of the establishment’s allure. These signature dishes form a rhetoric amongst gastronomes and motivate most first visits. As such, they are a valuable tool in attracting customers. Even in restaurants that regularly change their offerings, a signature dish will remain on the menu year after year because it helps establish identity and continuity.6 A good illustration hereof is the legendary Pressed Duck at La Tour d’Argent (Paris). The dish was first introduced by Frédéric Dairelia at the end of the 19th century, during which time the restaurant had become internationally well-known.7 Notwithstanding numerous changes of ownership and the passing of more than two centuries, the iconic Pressed Duck still today is celebrated and referred to as the restaurant’s signature dish.8

Plating
“Plating” refers to the visual composition of food on a plate.9 Scholars in aesthetics and gastro-physics refer to the “art of plating.”10 In general, plating styles are guided by fashions and trends.11 However, innovative food plating is a powerful instrument in the hands of a chef seeking to thrive in the inherently competitive restaurant space, by continually transforming diners’ perception of what their food is supposed to look like, often resulting in an indelible mark of association in the consumer’s mind between the dish and its source restaurant.12

IP’s negative space
Raustitla and Sprigman,13 who coined the term IP’s negative space, define the term as encompassing any “substantial area of creativity” which IP laws do not penetrate or provide only very limited proprietary.14 Put differently, IP industries in IP’s negative space exist in a “low-IP equilibrium” where IP protection is absent, or largely so, but creation continues.15 The premise of IP’s negative space is that the absence of strong IP protection not only fails to hinder low-IP industries, but actually helps them thrive.16 Rosenblatt and George, amongst other scholars, provide that cuisine is such an industry.17

Footnotes
1 Title: acknowledgment to author and philosopher Elizabeth Tefler’s book Food for Thought. Philosophy And Food (Psychology Press 1996) 42-43.


3 Ibid.


5 Ibid.

6 Ibid.

7 Ibid.

8 The research is limited to the protectability of the aesthetic and technical aspects of signature dishes and plating. It does not refer to, or include, the taste (gustation) of the relevant cuisine.

9 Ibid.

10 Ibid.

11 The research is limited to the protectability of the aesthetic and technical aspects of signature dishes and plating. It does not refer to, or include, the taste (gustation) of the relevant cuisine.


13 E.g. the Waldorf Salad created at New York’s Waldorf-Astoria Hotel by the maitre d’hotel, Oscar Tietchart.


15 Ibid.

16 Ibid.

17 George op. cit. 3.

18 Ibid.


21 Mike Beagle, Alinea’s managing partner Nick Konos responded to say: “We get a constant stream of copycats but this one seems unusually identical. I guess it’s flattering”.


23 Ibid.

24 E.g. the Waldorf Salad created at New York’s Waldorf-Astoria Hotel by the maitre d’hotel, Oscar Tietchart.


26 Ibid.

27 Ibid.


29 George op. cit. 3.

30 Ibid.

The few copyright cases that do exist about food have focused on recipes rather than on restaurant dishes or chef’s artistic works. Recipes have generally proved ineligible for copyright protection, as they are considered ideas or methods of operation, or are just too standardized to leave room for personal expressions that are required under copyright law. Cookbooks, however, are copyrightable as compilations or combinations, i.e. as databases. U.S. courts have also awarded copyright to individual recipes in cookbooks that incorporated elements of storytelling or historical and cultural descriptions. The aim of this section is to investigate whether the phenomenon of signature dishes and plating constitutes subject matter susceptible to copyright protection.

As a starting block, Article 2(1) of the Berne Convention for the protection of literary and artistic works includes copyright protection for every production in the artistic domain whatever may be the mode or form of its expression. The first question to be addressed in this section is whether food can be considered art? Thereafter, the originality criteria for copyright protection on the EU level is considered. On a national level, the established categories of artistic works under U.K. law are explored and examples of signature dishes and plating constitute subject matter susceptible to copyright protection.

2.1 Philosophical perspective

The question whether culinary art is indeed a recognized expression of the human mind, as stated under Article 2(1) of the Berne Convention, is a subjective question and a matter of perception. Perhaps it was pronounced best in the 20th Chancery Division judge of Lucyfilm Ltd v Ainsworth wherein it was stated that the arts is an unanswerable question. Norwithstanding the aptly phrased dictum by Justice Mann, the social sciences also provide a number of theories advocating for and against the recognition of food as art (and consequently being protectable). Arguments from both sides are presented hereunder.

Food philosopher Elizabeth Teller describes a piece of art as an object capable of eliciting a “disinterested” or “non-instrumental” reaction via the human senses. These “aesthetic reactions” or “judgments” may be neutral, pronounced best in the 2008 Chancery Division judge - Strauss v. Korsmeyer, 53 F. App’x 658 (6th Cir. 2006) in which the court held that the limited representation capacity to portray anything other than what they are, unlike literature, paintings, or sculptures. Finally, Korsmeyer argues, “Food cannot express emotion(s)” in that flavors, unlike sights and sounds, arguably have no expressive connections with emotions like love, hate, grief, joy, suffering, or yearning, for example.

Considering the above philosophical views, it is proposed herein that Teller’s theory, that food can be art at when it is “intended or used wholly or largely for aesthetic consider-ation” is a more accurate reflection of the status quo in the culinary industry in the context of the phenomena of signature dishes and plating. When chefs intend for their dishes to be savoured, appraised, thought about, and discussed and not just the stomachs of their patrons, these dishes can be art if patrons actually contemplate them in the manner suggested by Teller.

Aesthetics philosopher Carolyn Korsmeyer holds a different view. She argues to the contrary, that culinary dishes can only represent a “minor art”. Korsmeyer holds that the art of that culinary dishes represent is simple compared to symphonies, buildings, poems, or paintings because, as an expressive medium, food has four limitations. First, the formal arrangements and expressive range of food are more restricted than in fine art. Secondly, foods are a transient medium that either determines their existence, or is consumed. This temporal limitation eliminates, according to Korsmeyer, the possibility of studied appreciation over generations that could serve to elevate the culinary art. Third, foods do not have meaning in a childhood day at the beach. Fourth, foods do not have meaning in a childhood day at the beach. Fifth, foods do not have meaning in a childhood day at the beach. Fifth, foods do not have meaning in a childhood day at the beach.

2.2 Originality requirement

Originality is an indispensable condition for copyright protection. While the notion of originality is only harmonized partially by the legislature in Europe for certain categories of works, i.e. computer programs, databases and photographs, the CJEU has begun a more thoroughgoing harmonization of originality than in fine case law in the cases Infopeak (infringement) and Rebez&Novotni softwarov asociace (subsistence), the CJEU has held that the criterion for originality in the Directive on the Legal Protection of Databases (96/9/EU) and also the Directive on the Legal Protection of Computer Programs (2001/29/EC), i.e. “author’s own intellectual creation” is applicable to all works of authorship. An attempt to establish the plausibility of a signature dish and plating fulfilling the criteria of “an author’s own intellectual creation” decisions from the CJEU, interpreting this criteria, will be applied to an example from practice. The Sound of the Sea (figure 2) was created by Heston Blumenthal (The Fat Duck in London) more than a decade ago. It consists of a small portion of sashimi, garnished with hijiki, red tonka, ice plant, pickled seaweed, and a salmon slice placed on a bed of “sand” made up of tapioca, miso oik, panko breadcrumbs, grape and cod liver oil. The aforementioned is then served on a glass-covered box filled with white sand from Las Rocas Beach, Venezuela. Patrons can be given a sea shell in which an ipod (playing the sound of crashing waves) is hidden, allowing them to eat the dish while listening to the sounds of the sea on the headphones. In an interview with the Telegraph UK (Heston Blumenthal) has been harmonized, although limited to the categories of works, appears to indicate a uniform understanding at the meaning of originality, the Sound of the Sea, for the enjoyment and enjoyment of its favorite childhood holiday beach. This tailored personal experience is achieved by allowing guests to fill in a ques-tionnaire when making a reservation.

20 Naomi Strauss “Trade Dress Protection for Cuisine: Monetizing Creativity in a Low-IP Industry” 18 U.S. Copyright Exp. L. J. 182 (2015). 21 Ibid; the U.S. Copyright Office, for example, extend to the recipes themselves, a list of ingredients was “merely a factual statement, and not copyrightable” (Barbour v Head case text is available at https://www.cocustest.com/ cannabinoid-v-head-2304.pdf (accessed 20 April 2019)). 22 Strauss op. cit. 116 at footnote 40, with reference to Barbour v Head 178 F. Supp. 2d at 764, in which the Court elaborated that recipes may not earn copyright protection in a variety of circumstances, such as where the recipe includes “suggestions for presentation, advice on wines to go with the meal, or hints on place settings with appropriate music,” or where the recipes are “tainted by their historical or ethnic origin” (Barbour v Head case text is available at https://www.cocustest.com/cannabinoid-v-head-2304.pdf (accessed 20 April 2019)). 23 350 U.S.C. § 201(c). 24 Telfer holds that food can elicit “aesthetic reactions” or “judgments” may be neutral, pronounced best in the 2008 Chancery Division judge - Strauss v. Korsmeyer, 53 F. App’x 658 (6th Cir. 2006) in which the court held that the limited representation capacity to portray anything other than what they are, unlike literature, paintings, or sculptures. Finally, Korsmeyer argues, “Food cannot express emotion(s)” in that flavors, unlike sights and sounds, arguably have no expressive connections with emotions like love, hate, grief, joy, suffering, or yearning, for example.

The Sound of the Sea (figure 2) was created by Heston Blumenthal (The Fat Duck in London) more than a decade ago. It consists of a small portion of sashimi, garnished with hijiki, red tonka, ice plant, pickled seaweed, and a salmon slice placed on a bed of “sand” made up of tapioca, miso oik, panko breadcrumbs, grape and cod liver oil. The aforementioned is then served on a glass-covered box filled with white sand from Las Rocas Beach, Venezuela. Patrons can be given a sea shell in which an ipod (playing the sound of crashing waves) is hidden, allowing them to eat the dish while listening to the sounds of the sea on the headphones. In an interview with the Telegraph UK (Heston Blumenthal) has been harmonized, although limited to the categories of works, appears to indicate a uniform understanding at the meaning of originality, the Sound of the Sea, for the enjoyment and enjoyment of its favorite childhood holiday beach. This tailored personal experience is achieved by allowing guests to fill in a ques-tionnaire when making a reservation.
To establish whether this signature dish and plating is protected by copyright, the question is if it is an original work in the sense that it is the author’s own intellectual creation. In an attempt to answer this question, it is necessary to determine the concept given to the said concept by the CJEU. In Infopaq60 the Court explained that: “Words... considered in isolation, are not such as an intellectual creation of the jurist who employs them. It is only through the choice, sequence and combination of those words that the author may express his creativity in an original manner and achieve a result, which is an intellectual creation.” Similar to the Painer case,61 in Football Dataco Ltd v Yahoo! UK and Others,62 the CJEU stated: “...the criterion of originality is satisfied when, through the selection or arrangement... the author expresses his creative ability in an original manner by making free and creative choices... and thus stamps his ‘personal touch.’” In Rezepčností softwarové asociace, the Court has also indicated that originality will not be present where expression is dictated by function explaining that “the criterion of originality is not met since the different methods of implementing an idea are so limited that the idea and the expression become indiscernible.”

When applying the above stated jurisprudence of the CJEU to the Sound of the Sea created by Heston Blumenthal, it can be convincingly argued that the dish and plating is original in the sense that it is the authors own intellectual creation. Considering the case in Infopaq60 and Football Dataco Ltd v Yahoo! UK and Others,62 Heston Blumenthal clearly expressed his creativity by transporting the customer to his or her childhood, through his choice and combination of the elements used in the dish and its plating. Furthermore, when considering the criteria in Rezepčností softwarové asociace63 it can convincingly be argued that Heston’s creative choices in the presentation of the dish are not dictated by the function of preparing the food, and as a result he achieved an individualized result which reflects his personal touch. Support for the latter reasoning is also found in literature, as Fucciafasco suggests that “it is easy to conceptually separate the functional "elements (the basic need to provide calories) from the "artistic merits."”

Changing view, one might argue that all that Heston Blumenthal did was to exert a considerable amount of pecuniary effort in the creation of his dish, and therefore, is not an intellectual creation. However, this argument is unconvincing, as one would have to disregard Heston’s reason and purpose for creating the dish, i.e. his artistic ambition,64 as well as his choices and combinations used in the presentation thereof reflecting his personality.

2.3 U.K. perspective

A definition or list of the different categories of protected works under the Berne Convention, is a matter for national legislation. The U.K. perspective

Notwithstanding the aforementioned CJEU criteria for copyright protection, this section will proceed to consider copyright protection on national level to investigate how the subject matter of signature dishes and plates might fit into national copyright law. The U.K. is elected for this consideration being a country which has considered and implemented the aforementioned copyright directives.65 The following section will endeavour to investigate if signature dishes and plates as such would possibly qualify as artistic works,66 and in certain instances dramatic works, under the U.K. Copyright, Designs and Patents Act c. 48 of 1988 (hereafter referred to as CDPA of 1988).

2.3.1 Paintings

Chef Yann Bernard Lejard (executive chef of the Ritz-Carlton, Bahrain) initially expressed himself “through street art, taking inspiration from the likes of modern art legend Jackson Pollock (1912-1956)” but eventually it was food he found to be a catalyst for his artistic expression. Lejard is renowned for his signature style of drawing sauce on a plate.67 Lejard is regarded as an “artist” in the culinary in
dustry who is “leading the way in the visual presentation of food.”68 His early work, using a black background and a white plate (figure 3) is frequently copied.69 All of Lejard’s dishes have a story. When he plates, he calls the plate by name and never uses the name of the item on the plate (e.g. Alice, figure 4).70 But would Lejard’s work qualify as a painting under section 4(1)(a) of the CDPA of 1988? The answer to this question might be evident from the case Marchandising Corp. v Harpoon,71 in which it was argued that the facial make-up of the pop star Adam Ant was protected by copyright.72 The Court of Appeal rejected this submission, Lord Justice Lawton holding that printing required a surface and that Adam Ant’s face did not qualify as such, stating that “a painting is not an idea: it is an object; and paint without a surface is not a painting.”73 Bently states that the matter of whether a painting is abstract, for it is difficult to see why Adam Ant’s face is less of a surface than a piece of canvas.74 Bently provides that the decision could be justified on the ground that a painting must be intended to be permanent. However, classification would only provide useful in jurisdictions where fixation is a requirement, such as the U.S. Alternatively, Bently states that the decision could be seen as a case of merger of idea and expression for which no protection is granted.75 Thus, based on the decision in Marchandising Corp. v Harpoon it is doubtful that a plate painted by Lejard would qualify as a “painting.” However, in terms of Metis (UK) Ltd v GH Maughan (Plastics) Ltd76 the temporal nature of the work would not disqualify the work from copyright protection.
2.3.2 Drawings and diagrams

It has been reported that a number of decorated cakes begin their creations at the drawing board. An example of such a sketch can be seen in figure 5, showing a sketch by Chef Grant Achatz (Alinea) that gave rise to one of his famous dishes. The question however is, if such a sketch could be protected under section 41(1a) of the CDPA of 1988? Protection has been granted to architects’ plans distinct from the buildings themselves and also to sketches for dress designs.44 Accordingly, no evident reason appears why protection would not be afforded to the drawing of a chef. If a chef should enjoy protection in this regard, it would help in preventing the copying of the dish and plating itself.45

2.3.3 Sculptures

This paragraph aims to investigate whether signature dishes and plating can qualify as sculptures. A practical example would be to ask whether the centerpiece with frozen eucalyptus and lime (figure 6) previously served at Alinea would qualify as a sculpture. In an interview with Saveur magazine, chef Grant Achatz explained his creation as follows: “Last spring, we set out to create a new centerpiece to aesthetically imitate the seasonal change from winter to spring. We are always interested in courses that transform in front of the guest, and after brainstorming we decided on the concept of the ‘spring thaw’. A fresh eucalyptus branch arrives at the table, frozen with a branch suspended over a glass. As the meal progresses, the guest watches the ice melt and drip off the leaves. The melted liquid collects at the bottom of the glass, and mixes with a lime ice cube. Eventually, the service staff removes the branch. The guest is then presented the resulting lime-eucalyptus cocktail as a refreshing palate cleanser mid-meal.”

Considering appropriate tests from case law, it is evident that there are limits to what can be a sculpture. A distinction was made by Justice Mann in Lucasfilm Ltd v Ainsworth46 between Carl Andre’s bricks in the Tate Modern and an identical pile of bricks left at the end of a drive for a forthcoming building project.47 The former was a sculpture because an artist made it for artistic purposes whilst the latter was not a sculpture because a builder made it for building purposes.48 Mann J provided nine guiding factors (approved by the Court of Appeal in 2000, Ch 90, para 54) to assist in determining whether a particular object is a sculpture for purposes of the CDPA 1988.49 For purposes of this discussion, factors (ii), (vi) and (vii) are of particular significance:

(ii) “The concept (sculpture) can be applicable to things giving beyond what one normally expect to be art in the sense of the sort of things that one would expect to find in art galleries.”

(vi) “It is of the essence of a sculpture that it should have, as part of its purpose, a visual appeal in the sense that it might be enjoyed for that purpose alone, whether or not it might have another purpose as well. The purpose is that of the creator. This reflects the reference to ‘artist’s hand’ in the judgment of Laddie J in Metix, with which I respectfully agree.”

(vii) “The fact that the object has some other use does not necessarily disqualify it from being a sculpture, but it still has to have the intrinsic quality of being intended to be enjoyed as a visual thing.”

A further decision that is of value in this discussion is the case of Metix (UK) Ltd v GH Maughan (Plastics) Ltd.,50 which held that “something which has a transient existence may nevertheless be a work of sculpture.” In Metix, Laddie J approved of the example that an ice sculpture is no less a sculpture because it will melt, assuming that the chef is an artist. Therefore, as with all artistic or literary works, it is not a requirement that a creation be permanent to qualify as a sculpture.

In applying the above principles from case law to the question of a signature dish and plating, such as Alinea’s centerpiece with frozen eucalyptus and lime can qualify as a sculpture, the result seems to be in the affirmative:

• Chef Grant Achatz said that it was their aim “to create a new centerpiece to aesthetically imitate the seasonal change from winter to spring” and that the guests will get to see how the white frost melts away to reveal the green eucalyptus branch. Thus, it is clear that chef Grant Achatz intended to create something that has visual appeal and that it should be enjoyed inter alia for that purpose.51

• The fact that the creation has another purpose, i.e. as a palette cleanser between meals, does not disqualify it from being a sculpture because it holds the “innate quality of being intended to be enjoyed as a visual thing” and

• Finally, the fact that the creation is intended to diffuse and be consumed, i.e. not being permanent, does not disqualify it from being a sculpture.52

2.3.4 Artistic craftsmanship

In order for a work to fall within this category, it is necessary to show that the work is “artistic” and that it is a work of “craftsmanship”.53 Bently states that this approach is unusual to copyright law because it requires the courts to consider whether the work satisfies the qualitative threshold of being artistic.54

2.3.4.1 Artistic

The question of what is meant by a work of artistic craftsmanship was discussed by the House of Lords in Hanzer v Restawhile,55 in which case all their Lordships agreed that the subject matter was not artistic but differed in their reasoning.56 In subsequent case law there has been little consistency as to the approach to be taken when assessing artistry.57 For purposes of considering whether signature dishes and plating can qualify as “artistic” (the different tests provided in Hanzer (as opposed to later case law) will be employed, for the reason that the diverging tests in Hanzer provide the opportunity to assess the “artistic” criteria at a larger view.

• Lord Reid said that the test to decide whether a work was artistic was whether “any substantial section of the public genuinely admires and values a thing for it’s appearance and gets pleasure or satisfaction, whether emotional or intellectual from looking at” and that the author’s intention that the resulting product is artistic is neither necessary nor conclusive.58

• Lord Morris said that a court should look to see if there is a general consensus of opinion “among those whose views command respect” thus the court would be guided by the author’s intention to produce something that the public would consider to be a work of art.59

• Lord Simon emphasized that it was the craftsmanship rather than the work that must be artistic, and included hand-painters of tiles as an example of artistic craftsmen.

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45 Figure 5: a sketch of a dish of roasted melon made with mushrooms, toasted vegetables and autumnal aroma; in an interview with Saveur magazine, Achatz stated the following regarding this sketch: “During a brainstorming meeting we started asking ourselves the touchstones of the upcoming fall season. Halloween, and hayrides were common answers, followed by the inevitable question: ‘what does a hayride smell like?’ For me, the combination of hay, apples, cinnamon, and crisp autumn air. In order to recreate the hayride, we had to carefully balance each of the elements. Too much cinnamon or apple yield a result like apple pie. Too much hay or leaf material overpowers the pumpkin and as such not disqualified as being regarded as a sculpture.”


47 Bently op. cit. 74.

48 Image downloaded from www.pinterest.com/foodandhealth/aldo-designs-tuttle-designs (as opposed to later case law).

49 Lucasfilm and others v Andrew Ainsworth and another (2008) EWHC 1797 (Ch) para 118.

50 David Bainbridge, Intellectual Property (9th edition, 2011) para 116, with reference to Metix and as such not disqualified as being regarded as a sculpture.

51 Bently op. cit. 80.

52 In Merley v Mothercare (1994) RPC 117 Walton [1997] FSR (1997) 433, the court considered whether the question is whether the artist/craftsmen intended to create a work of art, if the intention was present and the creator had not “merely copied it”. In this regard, when the work was a work of art, in Vertematt v Benecreatov [2001] FSR 78 a different test was adopted, requiring not merely intention but actual evidence of creativity, in the sense of being produced by someone with creative ability and having aesthetic appeal. In Guild v Ekselber (2002) Ltd (2005) 1 FSR 238 the court considered whether the garment can fairly be regarded as satisfying the aesthetic emotions of a substantial section of the public.

53 Laddie J in Metix, with which I respectfully agree. In Merley v Mothercare (2001) 1 FSR 238 the court emphasized what is a “work of art”.

54 “The purpose is that of the creator. This reflects the reference to ‘artist’s hand’ in the judgment of Laddie J in Metix, with which I respectfully agree.”

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57 Lucasfilm and others v Andrew Ainsworth and another (2008) EWHC 1797 (Ch) para 118.


59 Lord Reid op. cit. 80.

60 Ibid. Lord Reid op. cit. 80.

61 Ibid. Lord Reid op. cit. 80.

62 Ibid. Lord Reid op. cit. 80.

63 Ibid. Lord Reid op. cit. 80.

64 Ibid. Lord Reid op. cit. 80.
If one would apply the above tests to signature dishes and plating, a cumulative criteria, formulated herein to define the strictest criteria for the investigated subject matter) could be phrased as follows:

- The particular dish and / plating should be admired by the public for its appearance;
- Experts in the culinary field should regard it as "artistic;
- The chef must have the desire to produce a thing of beauty when creating it;
- It must be "a work of art" according to the judge’s intuition;
- Culinary artists would have to be regarded as artistic craftsmen.

2.3.6 Craftsmanship

In addition to proving that the work is artistic, it is also required to show that it is a work of craftsmanship.109 In *Hershe v Restaurante* Lord Simon defined a work of craftsmanship as presupposing “special training, skill and knowledge” for its production and that it implied “a manifestation of pride in sound workmanship”.108 A different approach was given by Lord Reid, in the same case, who defined a work of craftsmanship as a “durable, useful handmade object”.107

Considering the criteria of artistic craftsmanship under section 4(1)(c) of the CDPA 1988, and the meaning thereof as provided in the above case law, it is submitted that a signature dish and plating would most likely have the ability to satisfy the artistic criteria. However, although it could be convincingly argued that gastronomy presupposes “special training, skill and knowledge” and that a signature dish and plating is “a manifestation of pride in sound workmanship”, the requirement of being durable seems to be detrimental to satisfying the craftsmanship criteria in this regard. Thus, it is doubtful whether a signature dish and plating would qualify as a work of artistic craftsmanship under U.K. law.

2.3.5 Dramatic works

In her research on the sociology of food and cuisine, Ferguson noted, “cuisine belongs with the performative arts”.106 In *Alinea Dessert Plating* (YouTube, 27 May 2018) a chef in Chicago, Achatz is reported to have created a dessert at the table, start by placing what appears to be a chocolate ball in the centre of the table, followed by a sequence of synchronized painting of chocolate and other elements of the dessert on the table surface. Finally, Achatz drops the chocolate ball that forms the centre piece and abruptly throws it breaking on the table, before walking away.110 This paragraph will analyse the plausibility of certain signature dishes and plating, such as Achatz’s dessert, of being protected as dramatic works under section 3(1) CDPA 1988. For a creation to qualify as a “dramatic work” it must be a “work of action” that is “capable of being performed”.111 Considering the first requirement, it must be a “work of action” it is accepted that it does not include static objects, sets scenery, or costumes.112 Applying this requirement to Achatz’s dessert the outcome seems to be twofold: in consequence of Achatz’s actions (his movements) clearly satisfy the first requirement, although the items compromising the dessert are static and as such will not form part of the dramatic work (however, these might be protected as artistic works).

The second requirement, that the work must be “capable of being performed” have been held to mean that the dramatic work must have significant unity for it to be capable of being performed.113 Considering that Achatz himself, and also other colleagues, are able to re-enact the dessert presentation numerous times, in an identical manner, suggests that the second criteria would be satisfied.

2.4 A recipe’s role

Accepting that a recipe, in general, is not susceptible to copyright, does not mean a recipe per se is totally irrelevant for purposes of copyright in the present study. In jurisdictions where the national law might prescribe some form of material fixation, as the U.S. and Canada, Buccafuso suggests that the recipe for the signature dish would be the means of fixation of the dish itself as an expressive medium would be the work.114 The means of fixation of signature dishes and plating would not have to be limited to recipes. It could also be in the form of inter alia a photograph or diagram (being works of authorship in their own right). The fixation of signature dishes and plating, and specifically the presentation of the signature dish, is well illustrated when considered in analogue to the following textbook example: A photograph of an ice sculpture (work of authorship in its own right) may fix the ice sculpture, thus preserving the record of the work after the original has melted, but the two works are as distinct as if the photograph had depicted a previously fixed sculpture, such as a statue in bronze.115 Although fixation is not required in the EU, this logic of reasoning helps to create a clear understanding of what role a recipe plays in the copyright protection of signature dishes and plating.

2.5 Fears of a chilling effect

Strauss provides that the most common arguments against extending copyright protection to dishes are that such protection would stifle creativity and grant certain chefs monopolies over dishes that belong to the community as a whole – resulting in a so called chilling effect.116 Brousard and Buccafuso each propose a different solution to this possible problem, both views are summarized hereunder with the addition of commentary by Strauss.

Brousard suggests that the fair use doctrine under U.S. law, in EU context, national exceptions in the similar vein117 would adequately prevent the chilling effects of possible copyright infringement litigation.118 However, Strauss provides that it is difficult to determine ex ante whether a particular use will be considered fair or not (or within the scope of a national exception in a Member State), consequently many people will choose not to offer dishes that are very similar to those of others to avoid claims of infringement.119 A further issue discussed by Strauss in this regard is that the culinary industry is known for development of skills through apprenticeship, consequently it might be difficult to distinguish between recreating another chef’s signature dish or plating for educational or commercial purposes, the latter requiring a license whilst the first mentioned would fall within one of the exceptions.

Buccafuso provides that the “culinary public domain” would provide a solution to the fears of a chilling effect.120 According to Buccafuso, the suggested culinary public domain would include those “recipes that (have) been produced for years, if not for generations, and (whose) original creators are unknown.”121 Copyright protection would not be afforded to restatements of these dishes because they would not satisfy the originality requirement.122 Buccafuso suggests that recognizing a culinary public domain would serve the important purpose of keeping available to all cooks and restaurants the right to keep preparing classic dishes.123 Innovative signature dishes and plating that have not garnered a precedential status, would fall outside the culinary public domain and enjoy copyright protection.124 Furthermore, signature dishes that are a chef’s personal take on one of the classics, but still creative enough that they are not simply re-creations of the classics and thereby satisfying the originality requirement, would also enjoy protection.125 However, when assessing Buccafuso’s proposition, it is to be noted that the granting of copyright under these special rules, would by implication weaken the area and thereby the acceptance of copyright protection.

2.6 Conclusion

The point of departure in this chapter was the question whether food can be considered as art? This has been found to be a subjective question with no apparent strict answer. As Mann J stated in the Lucasfilm case: “What is art? is an unanswerable question.”126 In support of an answer in the affirmative whether signature dishes and plating can be considered as art, Tetley’s thesis note that she argues that food can elicit aesthetic reactions visually, in tastes and smells, and humans can distinguish enjoying visual composition, tastes or smells apart from approving of them instrumentally, on the grounds that the food is nourishing. Departing from the above philosophical hypothesis that signature dishes and plating can be considered as art per se, the succeeding question, whether it is susceptible to copyright protection also proved to be in the affirmative. An analysis of the established categories of artistic works under U.K. copyright law and the respective criteria for each category, illustrates that signature dishes and plating could qualify as either paintings or sculptures but likely not works of artistic craftsmanship under section 4(1)(a) and (c) CDPA 1988 depending on the circumstances. The analysis of U.K. copyright law further proves that diagrams or drawings created by a chef during the creation process would also possibly be subject to copyright protection under the same section. The copyright in these drawings would extend protection for the dishes or against the copying of the signature dish and or plating arrangement itself, by another chef. It is also found that under certain circumstances, a signature dish and plating could also be protected as a dramatic work under section 3(1) CDPA 1988.
Notwithstanding the illustrative and practical use of the aforementioned exercise analyzing signature dishes and plating as subject matter of artistic works under U.K. copyright law, the final deductions and conclusions of the matter at hand is made to be in accordance with the harmonized system of European copyright law. To establish whether a signature dish and or plating arrangement is protected by copyright law, it is a standard analysis: if it is an original work in the sense that it is the author’s own intellectual creation? The concept of intellectual creation is explained in the cases of Infopaq,13 and Beazley’ssoftwareservice.14 In short the intellectual creation criteria requires that the author expresses his or her creative ability in an original manner by making free and choices (not dictated by function or rules) that reflects his or her personal touch.16 Thus, if a signature dish and or plating arrangement meets this criteria, it would be subject to copyright protection under EU law, without having any actual to its aesthetic merit. By copyright under the EU standard, the only question is not what is art an unanswerable question as previously held, but also an irrelevant question when considering copyright protection of signature dishes and plating.

3. TRADE MARK AND DESIGN PROTECTION FOR SIGNATURE DISHES AND PLATING

Signature dishes and plating styles stand at the forefront in representing a chef or establishment’s style, ethos, background and goals.17 In summary, it encompasses the identity of the establishment or chef. Signature dishes and plating arrangements have the ability to generate vast media attention, both in the print and social media sphere. In an era where consumers, more than ever before due to the advent of social media, are motivated by the association or identity of a brand, signature dishes and plating take prominence in distinguishing one competitor from another and inducing consumers. As an example, when one considers the phenomena of social media influencers, it’s become the norm when posting a photo of a restaurant setting to tag the name of the establishment and signature dish in a similar vein to tagging the designers of the featured influencers apparel and other accessories. Furthermore, consumers can identify signature dishes and plating of the dish through published photographs before making a reservation at the particular establishment. Thus, the dish’s appearance serves as a proxy for its culinary-quality: the more aesthetically pleasing the plating, the higher the presumed quality of the restaurant.18 Beyond serving as a proxy for quality, Strauss argues that attractive plating also contributes value to the dining experience, just as a pleasant ambiance increases the value of a restaurant meal.19

In considering viable avenues for protection of signature dishes and plating within the scope of IP law, a number of scholars from the U.S. argue that signature dishes provide the most suitable protection in this regard. In this line of reasoning, it is argued that a signature dish and plating can potentially constitute an indelible mark of association in the consumer’s mind between the dish and its source restaurant.20 Therefore the foods’ dress account for a legal mechanism whereby the public identifies in the trade dress the source of the product and or the establishment.21 Under design law, theories, trade dress which is new and has individual character is protected against copying and imitation because it promotes the contribution of individual designers to the sum of Community excellence in the field, and encourages innovation and development of new products and investment in their production.22 Trade dress protection for signature dishes and plating under trademark and design law will be considered in turn.

3.1 Trade dress under European law

Trade dress is a judicially-made notion originally stemming from the U.S. jurisdiction and refers to the overall image of a product or service as source indicator. In Europe, the term trade dress is not used explicitly, instead, the term “get-up” is used to identify the total look and feel of the product.23 The Trade Dress Protection in European law was prepared by the Europe Subcommittee of the Trade Dress Committee and by the Europe Subcommittee of the Non-Traditional Marks Committee (hereafter INTA report)24 articulates the concept of trade dress as follows: “Trade dress refers to the features of the visual appearance of a product or its packaging. It is gener- ally accepted both within the EU and outside the EU that trade dress can be divided into different categories of features of the visual appearance of a product, for instance the shape of a product, the shape of a packaging, just as a pleasurable and the even visual appearance of a shop front or the decor of a restaurant.”

The INTA report provides that the rationale behind the protection of trade dress depends on the legal basis under which protection is sought, and that trade dress protection is available both under trade mark and design law in Europe. Under trade mark law theories, trade dress having secondary meaning is protected against confusion, because the public identifies in the trade dress the source of the product and or the establishment.25 Under design law, theories, trade dress which is new and has individual character is protected against copying and imitation because it promotes the contribution of individual designers to the sum of Community excellence in the field, and encourages innovation and development of new products and investment in their production.26 Trade dress protection for signature dishes and plating under trademark and design law will be considered in turn.

3.2. European trade mark law

In the context of trade mark law and the culinary industry, it is evident that the names of restaurants, the names of individual dishes, and catchphrases may well serve as trade marks.27 Chefs may also trademark their own names, which they can then license to their own restaurant business entity, other restaurants, or diffusion lines of packaged food, cookware, or other forms of merchandise.28 Similarly, Strauss argues (from a U.S. perspective) that signature dishes and plating best qualifies in IP law as trade dress under trade mark law.29 This section aims to examine this argument in the context of EU trade mark law, with the focus on the shape of goods or of their packaging, as the proposed trade mark of signature dishes or plating.

Pursuant to Article 4 of the Council Regulation (EU) 2017/1001 on the European Union trade mark (the EUTM) shapes of goods or of their packaging are registrable as Community trade marks as long as they are capable of distinguishing the goods to which they apply from those of other undertakings and capable of being represented in the Register.30 The signs to be registered may be either inherently distinctive pursuant to Article 7(1)(b)(i) or have acquired distinctiveness through use pursuant to Article 7(1)(b)(ii) EUTMR. Furthermore, as three-dimensional trade marks a type that might conflict with public interest,31 protection of three-dimensional shapes as trademarks under EU trademark law is subject to special provisions i.e. it must not amount to one of the absolute grounds for refusal listed in Article 7(1)(e) EUTMR.

Within the context of signature dishes and plating as the proposed subject matter for trade mark protection, the following subsections consider the criteria for shapes under Article 7(1)(e) EUTMR and the absolute grounds for refusal listed in Article 7(1)(e) EUTMR.
3.2.1 Distinctiveness
Article 7(1)(b) EUTMR does not distinguish between different categories of trade marks in determining whether a trade mark is capable of distinguishing the goods or services of one undertaking from those of other undertakings. According to the CJEU, there is no stricter criteria for signs consisting of the shape of the goods themselves, however, it may be more difficult to come to a finding of distinctiveness, as such marks are not necessarily perceived by the relevant public in the same way as a word or figurative mark.

Shape marks are grouped into three categories: (i) shapes that consist of the shape of the goods themselves or part of the goods; and (ii) shapes that consist of the shape of the goods themselves or part of the goods; and (iii) the shape of packaging or containers.

The basic test for distinctiveness of the shape itself is whether the shape is so materially different from basic, common or expected shapes that it enables a consumer to identify the goods just by their shape and to buy the same item again if he or she has had positive experiences with the goods.

Frozen vegetables in the form of a crocodile are a good example of this. For purposes of this study, the distinctiveness criteria of the latter category two addresses hereunder.

3.2.1.1 Shape of the goods themselves or shapes related to the goods or services
For trade marks consisting exclusively of the shape of the goods or services¹⁶¹ themselves, the criteria for distinctive- ness found in the EUIPO Guidelines can be summarized as follows:

a. A shape is non-distinctive if it is a basic shape¹⁶² or a combination of basic shapes;¹⁶³
b. The shape must depart significantly from the shape that is expected by the consumer, and it must depart significantly from the norm or customs of the sector;¹⁶⁴

The EUIPO Guidelines provide that the same criteria (para 3.2.1.1 above) apply for the “shape of bottles or contain- ers” for the goods.¹⁶⁵ Accordingly, the shape applied for must be materially different from a combination of basic or common elements and must be striking.¹⁶⁶

Illustrative of the application of this criteria is the wrapping of the Lindt & Sprüngli chocolate bunny, commonly associated with German and Austrian tradition (Figure 8).¹⁶⁷ The bunny-shaped chocolate with gold wrapper was found to be a common phenomenon on the market corresponding to the industry concern.¹⁶⁸

In the context of the present study, the question arises whether plating could constitute as packaging? Strauss argues in the affirmative stating that when a restaurant serves a dish, the food would be considered the product, while its presentation and plating—on specific plates and with precise arrangements—constitute the packaging.¹⁶⁹ Consequently the packaging could then be protected as inherently distinctive trade dress.¹⁷⁰ In support of his position, Strauss emphasizes that plating is not merely the arrangement of the elements of a dish but also includes literally the choice of the plate on which the food will be served.¹⁷¹ Following this logic, an example of signature plating is considered to determine protectability as packaging.

Heston Blumenthal’s (The Fat Duck, London) signature dessert, “Sheets” consists of a small perfectly formed merinques made from coconut ice cream with a steamed sponge and panna cotta—constituting the product.¹⁷² The dessert is served on a pillow that is seemingly floating and spinning around in mid-air (magnets are employed to achieve the levitating effect) — arguably constituting the packaging.¹⁷³ Reportedly, this unique plating took 15 years to create.¹⁷⁴ Mindful of the distinctiveness criteria, the said example of “Sheets” apparently goes ““beyond” the shape that is expected by the consumer and the norm or customs of the sector”¹⁷⁵ and thus could prove its plating as being distinctive packaging and consequently susceptible to trademark protection as such.¹⁷⁶

3.2.1.2 Shape of the packaging
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163 Ibid.
164 The CJEU confirmed the refusal on the basis that the shape is not sufficiently different from the shapes and colors of those commonly used in the sweet and chocolate sectors.
165 Ibid.
166 The more closely the shape resembles the shape that is expected by the consumer and the norm or customs of the sector, the more difficult to come to a finding of distinctiveness, as such marks are not necessarily perceived by the relevant public in the same way as a word or figurative mark.
167 The CJEU confirmed the refusal on the basis that the shape is not sufficiently different from the shapes and colors of those commonly used in the sweet and chocolate sectors.
168 August Storck KG v OHIM, C-96/11 P, ECLI:EU:C:2012:397, paras 44–47; EUIPO Guidelines (Article 7(1) EUTMR) op. cit. ch. 25.
169 Ibid.
170 Ibid.
171 Image downloaded from https://www.chocolate.lindt.com/shop/lindt-goldbun-
172 Image downloaded from www.bloomberg.com/news/articles/2015-02-13/london-chef-hes-
174 August Storck KG v OHIM, C-96/11 P, ECLI:EU:C:2012:397, EUIPO Guidelines (Article 7(1) EUTMR) op. cit. ch. 25.
175 Ibid.
176 For example, for washing tablets, bevelled edges avoid damage to laundry, and layers of different active ingredients represent the presence of different active ingredients; EUIPO Guidelines (Article 7(1)(b) EUTMR) op. cit. ch. 20.
177 EUIPO Guidelines for Examination of European Union Trade Marks, Part B, Examination, Section 5, Absolute Grounds For Refusal, Chapter 3 (Article 7(1)(b) EUTMR) 16.
178 Mag Instrument Inc. v OHIM, Case C-13/02 P, ECLI:EU:2006:247 para 30; EUIPO Guidelines (Article 7(1) EUTMR) op. cit. ch. 20.
179 Strauss op. cit. 224.
180 Ibid.
181 Ibid.
182 Image downloaded from www.thetimes.co.uk/ article/3933886/the-top-100-sweetest-candy-on-
earth-divides-twitter-choco-grande-triple-doo-
 Hasten Blumenthal’s floating pillow dessert is revealed” [Mail Online, 31 July 2018 www.dailymail.co.uk/tvshowbiz/ article-6311111/Heston-Blumenthal-floating-pillow---divides-Twitter-choco-grande-triple-doo-
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183 Ibid.
184 Ibid.
185 Ibid.
186 Ibid.
187 Image downloaded from https://www.standardsforbeauty.com/pdf/2018-05-10-sla-
188 Strauss op. cit. 224.
189 Strauss op. cit. 224.
3.2.2 Absolute exclusions: Article 7(1)(e) EUTMR

Article 7(1)(e) EUTMR excludes from registration signs that consist exclusively of the shape or another characteristic of goods that is necessary to obtain a technical result; or (iii) the shape or another characteristic of the goods that gives substantial value to the goods.** The wording of this provision implies, in principle, that it does not apply to signs for which registration is sought in respect of services. The vision implies, in principle, that it does not apply to signs that consist exclusively of the shape or another characteristic of goods that is necessary to obtain a technical result. In Lago Juris the Court held that a sign consists “exclusively” of the shape of goods that is necessary to obtain a technical result, when all the essential characteristics of a shape perform a technical function, and the presence of non-essential characteristics with no technical function are irrelevant.** The Court in Lago Juris is similar to case C-299/99 Philips further held that the fact that there may be alternative shapes, with other dimensions or another design, capable of achieving the same technical result does not in itself preclude the application of this provision.**

Following Lago Juris, the EUIPO Board of Appeal in L&D v Julius Sliaumann** also provided “the test is whether if the respective element was absent, the technical result would not be obtained, and if the respective element was altered substantially, the technical result would also alter substantially.” In Nestlé v Cadbury** the question was whether “technical result” is broad enough to include how the goods are manufactured, instead of how they are to be used. The case concerned the shape of the KIT KAT wafer bar of which the grooves between each chocolate finger allowed consumers to easily separate them, while the angles of the sides and the grooves were determined by a specific chocolate moulding process. The CJEU found that the technical exclusion: “must be interpreted as referring only to the manner in which the goods are at issue and it does not apply to the manner in which the goods are manufactured.”**

3.3 European Design Law

The second avenue for trade dress protection in Europe is through design law.** To qualify for protection as a registered or unregistered design under the Regulation, a design must meet a set of basic requirements: (i) it must be new (i.e. novel); (ii) it must have individual character; (iii) it must not be functional, and (iv) certain designs must also be visible when in normal use.** These requirements are briefly examined below in a search to identify how signature dishes and plate can be (or is) protected under design law.

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** Article 7(1)(e) EUTMR

** EUIPO Guidelines (Article 7(1)(e) EUTMR) op. cit. 5.

** ECLI:EU:T:2011:575, para 73-77; Bently op. cit. 969.

** Société des Produits Nestlé SA v Cadbury UK Ltd, Case C-259/13, ECLI:EU:C:2012:395.


** Hauck GmbH & Co. KG v Stokke, Case C-259/13, ECLI:EU:C:2012:223, para 26, example of the third category under Article 7(1)(e) EUTMR.


** Société des Produits Nestlé SA v Cadbury UK Ltd, Case C-259/13, ECLI:EU:C:2012:395; EUIPO Guidelines (Article 7(1)(e) EUTMR) op. cit. 5.

** Société des Produits Nestlé SA v Cadbury UK Ltd, Case C-259/13, ECLI:EU:C:2012:395, para 52-57; EUIPO Guidelines (Article 7(1)(e) EUTMR) op. cit. 5.

** Bently op. cit. 969.

** Lego Juris A/S v OHIM, Case C-259/13, ECLI:EU:C:2012:223, para 26, Bently op. cit. 969.

** Société des Produits Nestlé SA v Cadbury UK Ltd, Case C-259/13, ECLI:EU:C:2012:395, para 52-57; EUIPO Guidelines (Article 7(1)(e) EUTMR) op. cit. 5.

** Bently op. cit. 969.


** Through the Community Design, introduced by the Regulation 6/2002 of December 12 2001 at national level, where individual designs are harmonised as a result of the Directive 89/104/EEC 1989, trade dress protection can be achieved by acquiring design rights over the trade dress, INTA Report op. cit. 6.

** Meaning that the overall impression it produces on the informed user differs from the overall impression produced on such a user by any other design which is made available to the public, article 6 CDR.

(i) it must be new (i.e. novel)

A design will qualify as new if that design is “identical” or different only in “immaterial details”207 has been made available to the public (in the case of unregistered designs, before the designee’s first public use of the design, or in the case of registered designs, before the filing date of the application for registration or before the priority date if the designer is claiming a priority date based on an application filed in another Paris Convention or WTO country).208

The Design Regulation establishes that novelty will not be extinguished by uses that “could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, within the Community.”209 Accordingly, geo­graphically or historically remote uses within the EU will not affect novelty.210 However, Dreyfuss provides that recent case law has persuasively challenged the logic of this provision with respect to uses in other sectors.211

The Court of Appeal of England and Wales in In Green Lane Products v PMS International Group, held that because exclusive rights in a community design extend to all goods, even those outside of the sector in which the design was used or in connection with which it is registered, “prior art available for attacking novelty should also extend to all kinds of goods.”212

The CJEU identified informed user in between his extensive knowledge of the sector in which the designee is active and, in any case, one firm could itself have been taken into account, then the design will not be excluded from protection on functional considerations, in which case the design was “solely dictated by its technical functionality.”213 By contrast, aesthetic considerations would also have been taken into account, then the design would not be eligible for protection on functional grounds, ibid. para 35-36.

(ii) it must have individual character

In terms of Article 6(1) CDR, a design will qualify as having “individual character” if “the overall impression produced on the informed user”214 differs from the overall impression produced on that user by any other design made available to the public before the same date used to assess the novelty of the design.215

The Regulation further provides that in assessing individual character, courts must take into consideration the “degree of freedom of the designee”216 in light of such constraints as the functional requirements of the product or a crowded prior art.217 The informed user is understood to recognize that where such constraints signifying a degree of freedom of the designee’s freedom, minor differences between the design and the prior art may enhance the difference of the overall impression of the design as against the prior art.218

(iii) it must not be functional

According to Article 8(1) CDR, a Community design shall not sub­mit in features of appearance of a product which are solely dictated by its technical functionality, a single person would be able to obtain several registrations as a Community design of different possible forms of a product incorpor­ating the same technical functionality of a product’s ap­pearance. That way, this person would benefit from exclusive protection for a product without fulfilling the (much stricter) conditions of patent or utility model law.219

Therefore, in order to determine whether the fea­tures of appearance of a product are solely dictated by its technical functionality, it must be established that the technical functionality was taken into account (which in theory is the predominant and definitive aim of plating in the context of this study) it would not be disqualified as on this basis.

(i) In the case of unregistered designs, before the designer’s first public use of the design, or in the case of registered designs, before the filing date of the application for registration or before the priority date; article 6(1) CDR.

208 Article 5(2) CDR.

209 Ibid; see also Dreyfuss and Pila op. cit. 14.

210 Article 7(1) CDR.

211 Article 7(1) CDR. But, where such constraints significantly limit the designer’s freedom of action, the Court held that “[t]he question is whether a design has sufficient individual character to be registrable as a Community design.221 This was because “all featu­res of the product appearance or its parts that give it a certain image of the design had to be present at the time” the product was purchased.222

212 Green Lane Products v PMS International Group, held that because exclusive rights in a community design extend to all goods, even those outside of the sector in which the design was used or in connection with which it is registered, “prior art available for attacking novelty should also extend to all kinds of goods.”213

213 Ibid.

214 Bently op. cit. 743, with reference to Przedsiebiorstwo Produkcji Lodow v Patent Office the Polish supreme Administrative Court held that an application to register a design of an ice cream which consisted of a solid ball-shape and contained filling of contrasting colors that was not visible until the ice cream was eaten, was not registrable as a design.215

215 This is because “all featu­res of the product appearance or its parts that give it a certain image of the design had to be present at the time” the product was purchased.216

216 The Lindner approach assesses, from the standpoint of the reasonable observer (other than from the subjective standpoint of the particular designer responsible for the design), whether only in “highly exceptional circumstances” in which case the design was “solely dictated by its technical functionality,” in which case the design was “solely dictated by its technical functionality.” By contrast, aesthetic considerations could have been relevant when the design was chosen and aesthetic considerations were “completely irrelevant” in which case the design was “solely dictated by its technical functionality.” By contrast, aesthetic considerations could have been relevant when the design was chosen and aesthetic considerations were “completely irrelevant” in which case the design was “solely dictated by its technical functionality.”

217 Dreyfuss and Pila op. cit. 14.

218 Ibid.

219 Dreyfuss and Pila op. cit. 16.

220 Ibid; PepsiCo Inc v Grupo Promer Mon Graphic SA, Case C-487/17 P (ECCLI:EU:C:2018:505).

In Biscuits Poult v Banketbakkerij Merva, the General Court held that the layer of filling inside a biscuit (figure 13) was only visible after the biscuit was broken open and could not be taken into consideration for the purpose of determining the individual character.233

3.4 Conclusion

The INTA Report provides that “at the EU level, double protection is currently available for trade dress under trade mark and design law. However, each one has its advantages, limits and problems when considering the protectability of signature dishes and plating. In order to achieve trade mark protection the trade dress must be distinctive enough to pass the quite elevate standards set by the CJEU.”234 Also, if such a mark were to be applied for as a service mark, it would evidently spring free the exclusions under Article 7(1)(e) EUTMR. Design rights, on the other hand, does not require distinctiveness, but in turn requires novelty. Obtaining an unregistered design is affordable and suitable to establishments where signature dishes and plating styles are cyclically reimagined. However, in certain instances, where the development phase of a dish has been reported to exceed 15 years, unregistered designs would not suffice in equal measure, and as such disregards the identified affordability advantage.

To qualify as a design, on the other hand, the signature dish or plating does not require distinctiveness, but in turn requires novelty. Obtaining an unregistered design is affordable and suitable to establishments where signature dishes and plating styles are cyclically reimagined. However, in certain instances, where the development phase of a dish has been reported to exceed 15 years, unregistered designs would not suffice in equal measure, and as such disregards the identified affordability advantage.

Thus, it is found that in theory IP offers protection for signature dishes and plating. The relevant domain of IP protection (i.e. copyright, trade mark, design or patent) would depend on the particular dish and plating itself more toward the intrinsic requirements and away from the exclusions under each of the said fields of IP. Finding that IP protection in principle is available for signature dishes in conjunction with the initial premise that there exists a problem in the unauthorized copying of signature dishes and plating, the logical deduction would be the apparent presence of a problem and a solution. However, the research outcome suggests contrary to this logical deduction. Based on the scarcity of CJEU case law, trade mark, and design applications within the culinary scope, potential IP right owners probably elect not to pursue IP protection but instead see it as a compliment and/or motivation to come up with an even more creative signature dish or plating, or even to continue serving their original offering assured in the knowing the quality offered by them is unsurpassed, even though a copy of the dish may be offered at another establishment.

This finding strengthens the point of view of Raustiala and Sprigman (advanced by inter alia Rosenblatt) that the culinary industry exists in IP’s negative space: a “low-IP environment” where IP protection is absent, or largely so, but creation continues. The premise of IP’s negative space, coined by Raustiala and Sprigman, is that the absence of strong IP protection not only fails to hinder low-IP industries, but actually helps them thrive – this premise proves to hold water in the present study where it is found that chefs are motivated to continuously innovate as a countermeasure to copycat chefs, rather than to pursue IP protection.

As far as the future is concerned, it is to be noted that the research finds that IP, in its various spheres, theoretically offer sufficient protection for signature dishes and plating. However, development and legal certainty will only be accomplished when the creators of such signature dishes and plating decide to formally acquire and enforce their rights. Until such time, signature dishes and plating remain in IP’s negative space – seemingly by choice of the potential right holders.

4 CONCLUSION

The purpose and aim of the research were to assess which areas of IP law, if any, and under which criteria, offer legal protection for signature dishes and plating arrangements that are identified and commonly associated with a specific chef or restaurant. The research outcomes within the respective IP spheres of copyright, trade mark, design and patent law have proven in the affirmative, subject to certain qualifications set out hereafter.

To establish whether a certain signature dish and or plating arrangement is protected by copyright under the EU standard, the only question is if it is an original work in the sense that it is the author’s own intellectual creation. Thus, if a signature dish and or plating arrangement meets this criterion, it would be subject to copyright protection under EU law, without having any regard to its aesthetic merits.

The possibility for a chef or establishment to obtain a word mark for its name is well established. However, in order for a signature dish or plating itself to achieve trade mark protection for its shape, it must be distinctive enough to pass the quite elevate standards set by the CJEU in this regard. However, if such a mark were to be applied for as a service mark (which a restaurant arguably can qualify for), it would evidently spring free the exclusions under Article 7(1)(e) EUTMR.

To qualify as a design, on the other hand, the signature dish or plating does not require distinctiveness, but in turn requires novelty. Obtaining a registered design is affordable and suitable to establishments where signature dishes and plating styles are cyclically reimagined. However, in certain instances, where the development phase of a dish has been reported to exceed 15 years, unregistered designs would not suffice in equal measure, and as such disregards the identified affordability advantage. However, the research finds that IP, in its various spheres, theoretically offer sufficient protection for signature dishes and plating. However, development and legal certainty will only be accomplished when the creators of such signature dishes and plating decide to formally acquire and enforce their rights. Until such time, signature dishes and plating remain in IP’s negative space – seemingly by choice of the potential right holders.
Unravelling the story behind the Intellectual property of Halloumi Cheese; a ‘State Affair’ for Cyprus

By Kalia Tsouroudi

1. HALLOUMI CHEESE AND THE NEED FOR INTELLECTUAL PROPERTY PROTECTION

Halloumi cheese is one of the most reputation traditional delicacies reminiscent of Cyprus1, and is in fact characterized as the flagship of Cyprus’s authentic cuisine. Due to its high melting point, 2 Halloumi cheese is also known as the Turkish Cypriot name ‘Hellim.’

The cheese can be consumed in a range of food dishes, such as salads, not only raw, but also grilled, fried or in the oven. The European Union (EU), the United States (USA), Australia and the Arab world are the major markets of the Cypriot cheese.2 As reiterated, Halloumi cheese incarnates a vital factor for the enhancement of the country’s economy and an inseparable piece of its agricultural heritage and promotion of culture. It is also of central importance for the reputation of high-quality products in the context of an authentic traditional heritage in the Mediterranean gastronomy and the Europeanisation of the country as an active Member State.3 However, IP protection for the traditional cheese of Cyprus is inadequate, mainly due to internal problems and confusion regarding the intellectual property (IP) of the cheese.4

1.1. The Role of TM in Halloumi Protection

Figure 1 below presents a non-exhaustive list of these TM owners. The TM owners are not only the Ministry of Commerce and the Ministry of Agriculture but also the ‘Foundation of Origin. This TM - which has been renewed and is still valid in 20195 - is of utmost importance because the US approach to the protection of traditional products is based merely on TMs to the detriment of GIs which are, contrary, far more favoured at an EU level.6

1 In Greek language: ‘Χαλλούμι’
2 Ibid.
3 Ibid. no 16, p 102.
4 Although it was granted in 1990, in 1991 the Danish Dairy Board challenged it with a descriptive of a type of cheese, but instead was a distinctive product which is indigenous to Cyprus. This has certified that the Halloumi cheese that was imported and marketed in the US and Canada could only be of Cyprus origin. This TM - which has been renewed and is still valid in 2019 is of utmost importance because the US approach to the protection of traditional products is based merely on TMs to the detriment of GIs which are, contrary, far more favoured at an EU level.
It is also notable that at the national level, the Cyprus Registry has allowed registration of several individual TM applications brought by separate entities producing the product, without posing any disclaimer (‘exclusivity clause’) regarding the use of the term ‘Halloumi’. A disclaimer would circumscribe the use of this term only to the ‘original’ product. Without it, the term, Halloumi, was unrestrictedly applied for all kinds of products and in all TMs, resulting in losing its aptitude as a TM. Some of these registrations consist of the type ‘Halloumi’ along with the company’s name such as ΧΑΛΛΟΥΜΙ της Χαλλούμης – saniτрιάς & ΧΑΛΛΟΥΜΙ – το Χαλλούμη της Χαλλούμης, owned by ΛΑΝΙΤΙΣ ΒROS LTD. Arguably, such actions have a direct consequence, the risk that ‘Halloumi’ will become descriptive of a prototype of cheese originating from Cyprus.

The national certification marks ‘ΧΑΛΛΟΥΜΙ – ΗΛΛΟΥΜΙ’ TMs constituted the subject-matter of countless applications brought by separate entities producing the Halloumi cheese. The UK TM grants an economic advantage, such as a PDO label or a fair-trade certificate existed for the Cypriot cheese, to support the origin claim, GARMO AG could not be prevented from using the Turkish equivalent for Halloumi, nor from using the same recipe for its product. Hence, this decision clearly indicates that TM law does not impose any restriction to someone wishing to exploit the cultural heritage of a country, for economic purposes. This incident highlights the insufficiency of the protection under TM law for agricultural products. A summary of the main challenges in TM law follows.

3. CHALLENGES UNDER TRADEMARK LAW

Despite the existing TM protection of Halloumi Cheese, there were barriers which toughened the protection of the IP rights of the product. Firstly, any attempt by the Government to protect the word Halloumi was sabotaged by the Cattle Farmers’ association and other entities who have endeavoured to register countless EUTMs containing a slightly different version of the word Halloumi, or its combination with other words and a shape, forming a figurative or a combined TM. While some of the applications were rejected by the EUIPO, other applications have been judged as not infringing the earlier Halloumi TMs and they were accepted and registered.

The second main challenge is the loss of the UK Halloumi TM, after Cyprus failed to respond in time to the revocation application of the British Company John & Pascalis Ltd. This has rendered the future of the 2014 PDO application unambiguous, as well as the protection of Halloumi under TM law.

3.1. Infringements of existing Halloumi TMs

Halloumi’s 23 refused EU wordmark applications

Firstly, the cattle farmers have created their own company named ‘Halloumi POC Farmers Milk Industry Ltd’ or Halloumi (POC), incorporating 157 members, which corresponds to approximately 75% of the total number of Cypriot producers of cow milk. It is the biggest cow milk producer used in producing Halloumi. The motive behind their reaction was the decision of the Cyprus Government to designate that Halloumi should contain at least 50% sheep and goat milk and less than 49% of bovine milk. Since a large percentage of the cheese manufacturers have been producing Halloumi with more than 50% bovine milk, the new regulation would render this action illegal and their cheese ‘non-traditional’.

HALLOUMI PROTECTED UNDER THESE TMs

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<tr>
<th>TM owner</th>
<th>Trade Mark</th>
<th>Type of TM, Registration No</th>
<th>Trade Mark</th>
<th>Registration Date - expiration Date</th>
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<td>EUIPO</td>
<td>Collective Community Word Mark 29.10.2015</td>
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</tbody>
</table>

In June 2012, this company, or its wholly owned subsidiary named Papouis Dairies Ltd, filed 23 EUTM applications reminiscent of the earlier national and European Halloumis TMs disclosed above. As opined by Mr Pittas, a well-known Cypriot cheese maker, this is a ‘drity trick’, ‘It’s like having ‘Champagne’ and ‘Champagnes’. The TMs applied for were composed of the word ‘HALLOUMIS’ and a second and sometimes a third word, related to the word ‘CHEESE’, at the end. Some examples of the TMs are the following: HALLOUMIS LOW FAT CHEESE, HALLOUMIS LIGHT CHEESE, HALLOUMIS VILLAGE CHEESE, HALLOUMIS BIO CHEESE, HALLOUMI BURGER CHEESE. The 23 applications were sought for ‘cheese’, ‘rennet’ under class 29 of Nice Classification.43

Despite the submission of the applicant that HALLOUMI is the name of the founder of the company, Mr Xenis Halloumis, and hence it cannot be considered as a descriptive term, the Office submitted that the final “S” does not detract from the meaning of the word, being ‘Halloumi’ as defined by the Office and reflected in the Oxford English Dictionary.44

PAPOUIS DAIRIES AND POFC APPLYING FOR EU FIGURATIVE MARKS

The actions of Papouis Dairies to acquire 23 EUTMs, describing the product of Halloumi, failed. Nevertheless, during September and October 2012, the same company and its mother company applied for the registration of figurative marks within the EUIPO for goods of class 29 of the Nice Classification (see figure no 3). The TM applications were basically opposed by the Halloumi Foundation and the Permanent Secretary of the Ministry of Energy, Commerce, Industry and Tourism based on the grounds of likelihood of confusion and the reputation of the earlier mark under article 8(1)(b) and 8(5) of Regulation No. 207/2009. The earlier TMs relied on for the oppositions were the HALLOUMI UK Certification TM no. 1451888 and EU Collective Mark No. 3088695.45

The oppositions were dismissed by the Opposition Division finding no breach of articles 8(1)(b) and 8(5). The opponents appealed against the decisions which were rejected by the Fourth Board of Appeal. Lastly, the opposing party brought actions to annul the BOA’s decision.

Regarding the ‘Cowboys Halloumi’ and ‘Fallas Halloumi’ marks, the Office concluded that there was no likelihood of confusion. Following the reasoning of the GC in ‘Gazi Hellin’, in the eyes of the Cypriot public the word designated a particular type of cheese produced in Cyprus. The same was concluded for the UK public which would perceive Halloumi word as describing the characteristics and composition of the product or even the origin of the goods46 and not as a reference to any certification or certified quality.47 Despite the goods being identical and the similarity of the conflicting signs due to the common presence of ‘Halloumi’ word, the weak distinctive character and the descriptive meaning of Halloumi mark concluded in no likelihood of confusion.48 Regarding the Papouis Halloumi and ‘Fino Cyprus Halloumi cheese’ cases, the GC annulled the contested decisions, finding a low degree of phonetic, visual and conceptual similarity between the two marks and the Halloumi TM. Yet these marks are still pending in the EUIPO.

HALLOUMAKIS & HALLOUMITSA TM; REGISTERED TMS

On 26 October 2012, POFC decided to apply for the registration of the figurative EUTMs HALLOUMAKIS and HALLOUMITSA as appearing in figure no 4 for the class of goods 29 and 30 of the Nice Classification. The applications were basically opposed by the Halloumi Foundation and the Permanent Secretary of the Ministry of Energy, Commerce, Industry and Tourism based on the grounds of likelihood of confusion. The oppositions were dismissed by the Fourth Board of Appeal. Lastly, the opponents appealed, with the Court concluding as below: “There is a lack of visual, aural or conceptual similarity between the contested marks and the earlier Halloumi Marks as the word HALLOUMITSA is unlikely to be pronounced and the public will perceive the contested mark as mere cartoon character and not as a female cheese”49. Hence, since no similarity or identity between the marks exist, article 8(5) is unnecessary to be examined.

More importantly, the Court emphasised that ‘Halloumi’ is descriptive as a generic term for a specific type of Cypriot cheese and that the earlier mark and the common elements ‘Halloumi’ of the applied marks have low distinctiveness. These marks are registered in 2017 and 2016 respectively, and they are valid until 2022.

In 2014, the Republic of Cyprus and the Halloumi Foundation decided to file an action before the GC against the Bulgarian Company M.J. Dairies EOOD which sought to register BBOUIMI TM for class of goods 29, 30 and 43, relying on the same plea of law, namely an infringement of article 8(1)(b) EUTMR.

Firstly, the GC emphasised that all the marks (the contested mark and the two earlier marks ‘HALLOUMI’) aimed at the average consumer who is reasonably informed, observant and circumspect.50 The relevant public of the earlier TMs understood the characteristics of the origin of the goods and

OPPOSITIONS TO THE APPLICATIONS FOR FIGURATIVE MARKS FILED IN THE EUIPO

Case T-626/16*

Case T-625/16*

Cases T-702/17, T-703/17*

Cases T-416/17, T-417/17*

Figure no 2.

Figure no 3.

54 Ibid. no 54, para 83.

53 Nina Goodyear, ‘HALLOUMI cases fail in the Court of Appeals’ (Wall Street Journal, 2 November 2015) The Fourth BOA.

52 It does not refer to whether the use of the earlier mark belongs to a group of licensees authorised to use the mark.

51 The Fourth BOA.

50 Ken J. Goodyear, ‘HALLOUMI cases fail in the Court of Appeals’ (Wall Street Journal, 2 November 2015) The Fourth BOA.


48 Sandra Kasperiunaite, ‘Office for Harmonisation in the Internal Market: Operations in the Field of Trademarks’ (Alicante, 31/10/2012).

47 These TMs are identical. For this reason, the Office submitted that the final “S” does not detract from the meaning of the word, being ‘Halloumi’ as defined by the Office and reflected in the Oxford English Dictionary.44

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44 Sandra Kasperiunaite, ‘Office for Harmonisation in the Internal Market: Operations in the Field of Trademarks’ (Alicante, 31/10/2012).

43 It has been replaced by the EUTMR (see above, page 15).


40 Case T-2676/16, Republic of Cyprus v EUIPO (Pallas Halloumi cheese) [2018], EU:T:2018:482.

39 Case T-702/17, Republic of Cyprus v EUIPO (Papouis Dairies (Papouis Halloumi) [2018], EU:T:2018:832.

38 Case T-416/17, Foundation for the Protection of the Traditional Cheese of Cyprus named Halloumi v EUIPO-Papouis Dairies (Papouis Halloumi) [2018], EU:T:2018:832.

37 Case T-416/17, Foundation for the Protection of the Traditional Cheese of Cyprus named Halloumi v EUIPO-Papouis Dairies (Papouis Halloumi) [2018], EU:T:2018:832.


34 Case R 2628/2014-4 Permanent Secretary, Ministry of Commerce, Industry and Tourism v Halloumis (2 November 2015) The Fourth BOA.

33 TM No 5112859.

32 TM No 5112416.

31 TM No 5112416.

30 TM No 5112416.

29 TM No 5112416.

28 TM No 5112416.

27 TM No 5112416.

26 TM No 5112416.

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4 TM No 5112416.

3 TM No 5112416.

2 TM No 5112416.

1 TM No 5112416.

0 TM No 5112416.
3.2. The invalidation of the UK mark; the biggest challenge
The second incident that to a large extent weakened the TM position of the product was the loss of the UK Certification mark ‘HALLOUMI’ due to the failure of the Ministry of Commerce to respond timely to cancellation applications, made by the British company John & Pascalis Ltd. Since 22 February 2010, the UK TM no. 1456889 has been long considered as one of the two most robust ‘cards’ of the Republic of Cyprus in the game of protection of the traditional cheese. This is partly because the UK is the biggest market for the popular Halloumi cheese.

More specifically, on 22 December 2007, John & Pascalis Ltd filed three separate actions to invalidate or revoke the UK TM of Cyprus. The Ministry of Commerce acknowledged that by a letter on 26 January 2008, but no response of counter statement was filed before the two months’ deadline. In April, a second letter was sent but upon the failure of the Ministry to oppose the invalidation application and to provide a written statement, counter-statement or to request a hearing on or before 19 April, the Court reached its decision to cancel the UK TM on the 2nd of May 2008. The April letter was only received to the correct authority on 9 May 2008. Following an unsuccessful request for a time extension for filing the required documents and an appeal against the Cancellation Decision, on 28 November 2008, the High Court rejected it and decided the cancellation of Cyprus’ registration of the UK TM. In the Court’s words, ‘evidence simply demonstrates that the Ministry was the author of its own misfortune.’ The Ministry’s intervenors’ procedures were so disorganised that the letter enclosing the application was passed from official to official after receipt on 9 February 2008, but no action was taken. In 2011, the Ministry changed its address for service of documents from UK solicitors, Clifford Chance LLP, to the Ministry’s offices in Nicosia, without providing the IPO with an email address for correspondence.

THE AFTERMATH
On 19 December 2018, the Ministry filed an appeal to reverse the High Court’s ruling of 28th November, albeit unsuccessfully. Hence, the Ministry has reapplied to register Haloumi, as a certification mark with the UK IPO.

Despite warnings that this effort was the last chance of the Government to regain the UK TM, this is doubtful, since the High Court awarded a commercial licence to John & Pascalis Ltd to use Halloumi as a TM in the UK as well as three countries” where it is doing business.”

Despite that, the competent authorities did not seem particularly worried as long as the EUTM Halloumi remains in force across the EU, including Cyprus, being sufficient to fight against any non-Cypriot and unregistered firm producing Halloumi “without conforming to the prototype.” Accordingly, under the EU collective TM, Halloumi is protected only in Cyprus and specifications, with the producers being registered in Cyprus’ Registry.

With respect to the complications Brexit may bring, the Ministry reimbursed that based on the clause 54(a)(i) of the Withdrawal Agreement between the UK and the EU, the EUTM Halloumi will automatically become a registered and enforceable TM in the UK, with the same effects as in present. This is rather unambiguous because according to recent reports, John & Pascalis is also trying to annul the EUTM and cancel the national HALLOUMI- ΧΑΛΛΟΥΜΙ TM of Cyprus. It is submitted that this will render Halloumi product unprotected by usurpations and TM violations. The act of the British company’s director appealed against the PDO application (it is still subject to ECJ’s decision) was ‘the cherry on top’ of Halloumi’s endangered position. According to the company, this was the result of the ministries unwillingness to meet and negotiate the company’s claims.

MOTIVE BEHIND THE BRITISH COMPANY’S ACTIONS AND RESULT
John and Paschalides Ltd alleges that its actions aimed to enhance the Cyprus’ export market rather than to restrict it. It particularly claims that the 2014 PDO application contains specifications it had formed appropriate, without any requirement by the European Regulations for such a specification. As the company submits, there are patented products that contain all three types of milk, with the referred to milk percentages, something which benefits both the exporting activities of Cyprus and the consumers with plenty of choices. Further, it stated that “such a specification” by the former Minister of Agriculture, about “monkey Halloumi”, have brought financial problems to the company in tandem with a negative impact on its customers who believed that the imported Haloumi is not the ‘real one’. The pursuit of litigation was for them to walk the way to ensure the truth and avoid the risk of being sued by major UK supermarkets.

The British company expressed its willingness to withdraw its petition if the Republic of Cyprus agreed to accept a wider range of Halloumi specifications such as the traditional method that does not need the milk to be heated to 65 degrees, non-pasteurized milk, different percentages of milk and different shapes and production methods. With the current PDO application, some of their products which are out of the specifications such as Chili Halloumi cheese or Cheese blocks weighing over 300 gr are prohibited and precluded from the Halloumi label. These products have been imported to the UK for years and the intention is to continue being imported by having them included in the PDO application.

In its files submitted to the UK, European and Cypriot Courts, John & Pascalis argued that the actions of the Cypriot authorities indicate a lack of control of the TM Halloumi so that after a certain period, Halloumi, acquired a generic designation. On the one hand, the Ministry of Agriculture filed the PDO application with strict specifications as to what is Halloumi and its ingredients, shape and weight, and on the other hand, it has approved products such as Halloumi with crushed pepper, chilli or basil. Halloumi Round, Halloumi Light and Halloumi in burger shapes to be sold and exported under the Halloumi TM. Figure no. 5 contains some examples from the products’ catalogue of Papouis Dairies Ltd, proving the contradiction in the Ministry’s actions.

The cases analysed above are only a sample of TM regi- strations that were refused and there are others that are used by national, EU and international companies. It is submitted that the methods used in these cases are the desire of each and every company to have its own economic interests secured, due to the high exporting demand and reputation of Halloumi cheese as a specialty product.

Not as an indication of its certified quality. Thusly, the term acquired a low degree of distinctive character with no enhanced distinctive character proven. It was reiterated that the article 81 EUTMR defining the certification mark was not satisfied; no link was established between the word Halloumi and any certification mark, or even to a certified cheese. Nor was a link found between the term ‘Halloumi’ and its Collective TM (now ‘Halloumi’ as a ‘generic name’ of a specialty cheese from Cyprus.

SWEDISH EUTM APPLICATIONS: GRILLOUMI MARKS
Since 2009, the Swedish company Fontana Food AB has owned a EUTM GRILLOUMI for the goods of class 29 and 30. On 25 October 2016 it applied for registration of the same trademark for goods of class 43 and also for the EUTM GRILLOUMI BURGERS for goods of class 29, 30 and 43. These applications were unsuccessfully opposed by Cyprus’ Halloumi Foundation and the Permanent Secretary relying on their earlier TMs, under the same grounds as above. Indeed, the GC came to the same conclusion of the BIOLUOMI cases, merely that Halloumi was neither reputed as a collective nor as a certification marks, but rather as a generic name, incapable of distinguishing the goods of one undertaking from those of another.

Remarkedly, it is added that the registration of GRIL- LOUMI and BIOLUOMI marks by foreign companies (M Jalesi EOOD and Fontana) indicates the practice of allowing the use of a slightly different version of Halloumi name in derivative products such as cheese dips, processed cheese, crackers flavored with cheese and others.

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Despite the outcome of these cases regarding the likelihood of confusion, the result of all these TM cases of companies producing a typology of a product or a foodstuff, even though it relates to the place or the region where it is originally produced or marketed. However, evidence shows that this Court is very lenient when considering whether a name is generic. The cases of ‘Tata’ ‘Parma’ and ‘Bovaria’ are used as examples, where the CJEU ruled that these names shall not be excluded from protection on the basis that they are generic, if it is proved that the name still able to evoke the protection and place of origin. This is a positive factor for the case of Halloumi Cheese being PDO-labelled.

4.1. First effort of protecting Halloumi Cheese as a PDO

In 2009, the Cypriot Government submitted its first application to the EC, in its attempt to secure a PDO status for the origin-product Halloumi. This application had many delays and obstacles in its way to filing in the EC. For example, by 2011 not even the publication of the product specifications in the Official Journal of the EU had been completed, which was the very first step of the process. In the end, the Cypriot Cheese Maker’s Association (CCMA) withdrew the application in 2012. The main reasons for the failure of the application to reach an EU level are mostly internal. The most important obstacles are analysed in the following sections.

4.1.1. Challenges of the 2009 PDO application

First obstacle: the name of the protected PDO label

On 11 May 2004, the Cyprus’ Dairy Producers’ Association applied to register Halloumi cheese as a PDO, claiming that Halloumi is uniquely and exclusively Greek Cypriot. In February 2007, the application was published in the Cyprus’ Official Gazette. When its right of opposition, in March 2007, the Cyprus Turkish Chamber of Industry (CTCI) and the Turkish Co-Operative Dairy Factory known as ‘KOOPSOOT ORTAKOY’, located in the Turkish-controlled northern Cyprus, brought a joint opposition asking for ‘Hellim’ to be added in the application for the PDO of Halloumi, since the same product is also produced by the Turkish Cypriot under the name ‘Hellim’. The Ministry rejected the opposition and published the PDO decision. Upon an unsuccessful action and appeal, Cyprus’ Supreme Court rejected the appeal, reiterating the decision of publishing the PDO application.96

It is argued that both the first barrier was surpassed, the quality revealed the opposite. This raised concerns also to the EU Commission, with Members of the European Parliament launching official enquiries at the EC, implying that the approval of the designation of Halloumi as an exclusively Greek Cypriot product would ‘contradict the European spirit of integration and inclusiveness that the PDO/PGI programme should be infused with.’97 However, the failure of this application to proceed was due to the conflicts over ethnicised cultural property, and more due to internal conflicts concerning the product specification of the application.98

The real problem; the composition of the Cheese Halloumi is the most important agricultural export product for Cyprus. Therefore, it is of paramount significance for the Greek Cypriot dairy sector. Due to the high demand, the applicants were using cow milk in the product’s manufacturing because of its high availability, cheaper price compared to sheep or goat milk and its high availability.99 This practice is permitted by the National legislation 195/85 and CYS 94 which sets out the standards of the milk percentage in Halloumi; it specifies that ‘a substantial amount of goat’s and/or sheep’s milk’ must be included in Halloumi cheese, but allows for up to 50% of the milk to be of bovine origin.100 However, old submissions refer to the traditional Halloumi being produced by a mixture of sheep and goat milk, or from goat’s milk exclusively.101 This is supported by the majority of Cypriot family-run producers who submit that there were few cows on the island, until high-yielded dairy cows have been introduced on a large scale by the British in the 1960s, when the British Rule was about to end in Cyprus.102

It is argued that the liberal interpretation of the composition of Halloumi cheese is linked to its increasingly high export value and it was for the benefit of the economy to privilege the industrial product with the admixture of cow’s milk, over the artisanal product. Statistics indicate the immense increase of the export revenue of the industrial cheese-makers from €60 million in 2012 to €100 million in 2018.103

Hence, the dairy producers applied considerable pressure on the government bodies to ensure that the PDO application would include cow milk, having thus their cheese valorised and covered by the sought-after quality label.104 Accordingly, the product specification of the application to the EC specified that the cheese would need to be made from at least 51% sheep and/or goat milk or otherwise from up to 49% cow milk in order to carry out the label Halloumi. The commentator Gisela Welz characterises this derogation from tradition, which is in line with the established legislation, an ‘adulterated’ tradition.105
4.1.2. Deadlock of the 2009 PDO application

Despite the countless efforts of the Ministry to gratify the desires of all stakeholders of Halloumi cheese, a ‘civil war’ was initiated in Cyprus, according to the cheese maker Yiannis Pitta.94 The battle was between traditional cheese makers, consisting of small family-run businesses (farmers, shepherds) and industrial cheese producers (cattle farmers) who are part of the Dairy Products’ Association (CCMA).

In 2010, owners of large flocks of goats and sheep protected in the capital, demanding that goat and sheep milk should be managed to become a prominent ingredient in the future production of the EU certified cheese.95 As a matter of fact, the majority of cattle farmers and large Halloumi producers were making the cheese with more than 90% of cow’s milk. This practice obviously breaches the ‘105% standard’. Mr. Aletraris, the Agriculture Minister, called cow-milk-heavy Halloumi “plastic cheese”.96 On the other side of the fence, in 2012, the CCMA were protesting that the volume of sheep and goat milk available was far too small to support their export activities and thus were unable to meet the standard or even the domestic regulations.97 Deputies and members of the parliament made serious threats from the cattle farmers who were furious by the law being passed, as it would cost them millions (due to the tonnages of unused cow milk).98 The PDO application submitted by the Ministry of Agriculture was not restricted to the traditional product made of sheep and goat milk, but also included an important percentage of cow’s milk, in an endeavour to satisfy the big manufacturers’ interests to secure the entire output of industrially produced Halloumi as a PDO. Nevertheless, the powerful dairy corporations which were the applicants, were still unhappy.99 Both parties were trying to sabotage the PDO application process. After months of intense negotiations between the parties, they did not manage to reach any measure of compromise. Consequently, in April 2012 the CCMA quit the process, leaving the Ministry of Agriculture with no other choice than to withdraw the application.100

The withdrawal of the application for the protection of Halloumi in Europe as a PDO was regarded as an immi- nent danger for the Halloumi industry. Having to face incursions and usurpations by competitors from other countries, under article 13 of Quality Schemes Regulation, registered names of GIs are legally protected against ‘misuse, imitation or evocation’.101 This is the case even if the origin of the product is indicated or the name is translated or accompanied by expressions such as ‘style’, ‘type’, ‘method’, ‘imitation’ or similar, including the use of the product as an ingredient.102 Despite the inclusion of both names, the application was welcomed positively by the EC as an instrument of building the relations between the North–occupied part and the Greek-Cypriot government.103 The product specification is the same as in the previous application, expressly:

‘The proportion of sheep or goat’s milk or the mixture thereof must always be greater than the proportion of cow’s milk. In other words, when cow’s milk is used in addition to sheep or goat’s milk or a mixture thereof, the cow’s milk in the Halloumi must be greater than the proportion of sheep or goat’s milk or the mixture thereof.’104

However, the industrial cheese makers have refrained from shutting down the process, despite their objections in the product specification.

The rest of the application analyses all the characteristics of the geographical area of Cyprus are analysed. The terrain of Cyprus, the climate and the animals used for the production are also described to produce the ‘original’ Halloumi.105

4.2. Second effort: 2014 PDO application

In July 2014, the new Greek-Cypriot Government initiated the second effort to apply for a PDO status for halloumi cheese. The applicants were the Pan-Cypriot Organisation of Cattle-Farmers (POA). On 17 July 2014, the Greek Cypriot Government submitted its PDO application to the EC along with its decision to ban a plant on any other country from producing a cheese named Halloumi or ‘Helli’ until the application is processed.106 In July 2015, the official application was published in the EU’s Official Journal. In November 2015, the cross-border opposition phase of the registration.

This application provides protection of both ‘Halloumi’ (Χαλλούμι) and ‘Helli’ (Χαλλούμι), covering the producers from the whole Republic. Nevertheless, it shall be noted that the Turkish Cypriot producers do not have access to the European Markets due to the failure of the divided island to reunite in 2004 with the EU accession. Since the Acquis Communauteaire is still suspended in the North of the Island, the Turkish Cypriot are unable to apply for GIs in the EU or engage in trade activities across the Green Line as their production facilities do not comply with the EU regulations.107 Due to the inclusion of both names, the application was welcomed positively by the EC as an instrument of building the relations between the North–occupied part and the Greek-Cypriot government.108 The product specification is the same as in the previous application, expressly:

“The proportion of sheep or goat’s milk or the mixture thereof must always be greater than the proportion of cow’s milk. In other words, when cow’s milk is used in addition to sheep or goat’s milk or a mixture thereof, the cow’s milk in the Halloumi must be greater than the proportion of sheep or goat’s milk or the mixture thereof.”109

However, the industrial cheese makers have refrained from shutting down the process, despite their objections in the product specification.

The rest of the application analyses all the characteristics of the geographical area of Cyprus are analysed. The terrain of Cyprus, the climate and the animals used for the production are also described to produce the ‘original’ Halloumi.110

4.2.1. Challenges

Despite the increased value given to this application as a vehicle of reunification of Cyprus island and the expectation that it will officially give the traditional product the protection it deserves as a valuable Cypriot product, parties residing in the northern and south part of Cyprus have objected to it.

NATIONAL LEVEL: TURKISH- CYPRIOT PARTIES’ OBJECTIONS

Eleven objections were brought under the national opposition procedure which were initiated with the publication of the application in the Official Gazette in 12 November 2014. Eleven objections were brought by companies residing in the northern part of Cyprus. Among others, the CTC, the Organisation of Goat and sheep farmers in Turkey, the KOOP SUT Ltd as well as other legal and natural persons relating to the aforementioned companies, in North Cyprus. In their opposition they argued that the Ministry of Agriculture, which is the only competent authority nominated in the PDO to provide the financial control over the production, is unable to control the Turkish Cypriot producers since it does not have effective control in the North.111 The Turkish Cypriot Chamber of Commerce writes in its Newsletter that the application fails to provide Regulation, be it and impartial compliance verification mechanism in the North, leading to the Turkish Cypriot producers being excluded from the benefits of the possible PDO registration. These oppositions were dismissed on 9 July 2014.112

The same parties have tried to file oppositions under the cross-border opposition procedure. Relying on art 53 of the Quality Schemes Regulation, they argued that the PDO application originated and they could only oppose at the national level.113 The last Cypriot actions indicate that although the inclusion of the name ‘Helli’ in the Cyprus PDO application is welcomed, the issue of the control mechanism was still a barrier to their interests being satisfied, calling for a “flawed” PDO application. It is reassure that their oppositions have mainly a political character, according to the press and academics’ articles. Nevertheless, according to some sources, the application is unhappy with the control mechanism issue but also with the fact of having the Greek Cypriot side unilaterally making a PDO application on their behalf for Helli.114

The remaining three out of eleven national oppositions were filed by the POCF or ‘HALLOUMI’ for the same reason it had applied for the ‘Ms’, relating to the ratio of cow milk in the cheese production. All the oppositions were dismissed by the Ministry of Agriculture by way of a decision of 29 July 2014.115 The next step of HALLOUMI company was to bring an action against the EC, asking for the annulment and suspension of the decision to publish the PDO application. The opposition procedure was for in article 51 of the Quality Schemes Regulation. Essentially, they were arguing that the decision would cause the company financial damage because its production was perceived as the ‘traditional’ ones by the consumers.116 The Commission contended that the main action is inadmissible as it is not produce any legal effects capable of affecting the applicants’ interests. The GC therefore declared the action as inadmissible, agreeing with the contents of the EC.

EU LEVEL

In the EU level, nine objections were brought before the deadline of 29 February 2016. The British Government was the only nation that brought an opposition, with the British Government objecting on behalf of private companies, such as the John & Pascalis Ltd. Additionally, a group of European Dairy producers cooperating with the British Retail Consortium, a UK trade association also opposed the PDO application.117 The other eight objections were brought by companies residing in the USA (3),118 New Zealand (3), Australia (2), Kuwait (1) and Turkey (1).119

94 Ibid 99, 3.
95 Ibid 99, 105, 105.
97 Ibid.
98 Ibid 106, 105, 105.
100 Ibid 109, 109.
101 Gabriele Steinhauser, ‘In Cyprus, New Cheese edictgets the Goat of Dairy Farmers – As world Hungers for Halloumi, Officials Lies-to-protect-halloumi/ .
102 United Kingdom, Ministry of Agriculture, Fisheries and Food, The ‘method’, ‘imitation’ or similar, including the use of the product as an ingredient, are also described to produce the ‘original’ Halloumi.103
103 Greek Law 3084/2000 (Supreme Court Decision) 1. Turkish Co-operative Dairy Factory KOUSPUT ORTAMAK, 2. Turkish Cypriot Chamber of Industry 1. the Republic of Cyprus, Ministry of Agriculture through the.
106 European Commission- Press Release, ‘Commission adopts the Halloumi ‘method’ , ‘imitation’ or similar, including the use of the product as an ingredient, are also described to produce the ‘original’ Halloumi.104
107 European Commission, Press Release, ‘Commission adopts the Halloumi
classification of cultural Property 2011/581 EC 2011/581 GETTINING STUDIES IN CULTURAL PROPERTY, 32.
108 European Commission- Press Release, ‘Commission adopts the Halloumi 
109 ‘method’, ‘imitation’ or similar, including the use of the product as an ingredient, are also described to produce the ‘original’ Halloumi.104
110 Ibid 99, 106.
111 Ibid 99, 106.
113 Ibid 109, 109.
4.2.2. Endevours in overcoming the challenges

The Republic of Cyprus in coordination with the EC have been trying to find solutions to the main problems: (1) with the implementation of the Turkish-Cypriot and (2) the struggle of the industrial producers of the Halloumi cheese in meeting the sheep and goat’s milk demand, as specified in the PDO application and the ‘1985 standard’.

Regarding the ‘control system’ problem, the European Commission announced that a common understanding was reached in finding a temporary solution to the problem of finding an appropriate control mechanism for inspecting the Turkish Cypriot Producers of the ‘Halloumi’ product. On 16 July 2015, the EC president Jean Claude announced the appointment of the Bureau Veritas, an independent body to perform the official control tasks in the Northern part of Cyprus.124 The reports made by the Bureau Veritas will be sent to competent authorities of the Republic of Cyprus and to the Commission.125

In addition, on the 26th of April of the publication of the official PDO application, the Commission adopted a proposal to amend the Green Line Regulation for the purposes of facilitating trading activities on the island. This amendment is expected to provide an organised outline on the manner of functioning of the control mechanisms applied for goods in the north-part of Cyprus.

The government viewed this as a step forward in the commitment of both communities to work together on projects unifying the whole island, as Juncker has highlighted. The two leaders’ understanding on the issue is highlighted by the symbolism of the “shared heritage of the island of Cyprus” as well as the link of both communities in Cyprus.126 The EC Phil Hogan demonstrated the potential of the GI on creating new jobs and boosting farm incomes across the EU.127

In turn, the European Commission and the Cyprus Government has taken the above measures to deal with the problem of the failure of the cheese producers to meet the product specification. Firstly, by way of the Ministerial Orders No. 356/2014 and No. 355/2014, the Minister granted a ten-year transition period, aiming to help the cheese and goat farmers to reach the product specification goals set by the European Union.

Moreover, more recently, the government has created a ten-year transition period, aiming to help the cheese and goat farmers to reach the product specification goals set by the European Union.128 Meanwhile, he entered in a series of measures in order to enable producers and animal farmers to adapt their businesses into conforming to the new official standard. He has started to subsidize live-stock farmers, by giving the amount of €26 per animal so that they can increase the necessary quantities of sheep and goats milk to reproduce the current milk and industrial production. Also, by 2016 “the Government had secured 35 million euros” from the EC in order to implement the new policies aiming to achieve greater goats’ and sheep’s milk production.129 Cypriot observations concerning this problem of the Green Line Regulation and the Cyprus problem.130 This is arguably true, since if the situation with the island division was finally resolved, Halloumi would probably already have been granted a PDO status.

On the other hand the delays and his inaction relating to the PDO application causes legal uncertainty in relation to the rights and obligations deriving from the use of the name Halloumi and contradicts the principles of good administration, legal assurance and sincere cooperation which should underpin the EU actions.131

A direct consequence of the delay is the encouragement of new applications by third parties at a national, EU and international level. In this regard, the same name in goat farmers in Cyprus have faced enormous difficulties. It is in fact those farmers that have made significant investments in recent years to modernise their units so that they can meet the expectated demand and satisfy the product specifications on the 2014 PDO application.132

Daniel Rosario, a spokesperson representing the EU, announced that Brussels is in the process of examining objections submitted against the application of Cypriot Halloumi.133 On PDO, on the basis of the understanding reached on the issue in 2015 after the relevant meetings with Nicos Anas-tasiades and the Turkish-Cypriot ‘leader’ of the TRNC.134 However, no answer was given on how the process would be speeded up.

The minister of Agriculture, Costas Kadis blamed the lack of progress on the problems concerning the Green Line Regulation and the Cyprus problem.135 This is arguably true, since if the situation with the island division was finally resolved, Halloumi would probably already have been granted a PDO status. On the contrary, several newspaper reported that the delay over the process is due to the disagreement between the Government and the EC with the latter flirting with the idea of direct trade of the product for Turkish Cypriots.136

Despite the temporary solution reached between Juncker and the two leaders, Nicosia has overturned the agreement framework reached by putting forward a set of conditions to its implementation.137 Cypriot observations concerning the particular problems that were subsequently made known to the government and were deemed to downgrade the sovereignty rights of the Republic of Cyprus.138 Firsty, Nicosia requeste a modification of the Green Line regulation similarly to that agreed with the approval of Halloumi as a PDO, so that the product produced by the Turkish-Cypriot Community can be exported from legal ports and airports of the Republic of Cyprus. In the same vein, assurances were requested that the current procedure followed by the Commission on the Halloumi PDO, will not be repeated for any PDO application submitted by Cyprus since Cyprus would enter into a complex process of debating with the TRNC every time Cyprus would file a PDO application. Additionally, Nicosia objected to the executive role which the Greek administration Halloumi has had in the proposal in the implementation of the acquis Communitaire.

The last objection concerned the fact that the EC has requested that the annual reports be sent to it by the Bu- reauc Veritas.139 According to the Cyprus Government this is another encroachment against Nicosia since normally the reports should be sent directly to the Government as the proper and relevant recipient and not to Brussels.140

5. CONCLUSION

This article provides a thorough analysis of the current protection for Halloumi cheese under the trademark and geographical indications of origin ‘umbrella’, along with the challenges that halt the process of Halloumi cheese being sufficiently protected by intellectual property. Several observations are made at this stage, taking into account the cases of infringement, the loss of the UK as well as the challenges faced under the endeavours to acquire a PDO label. Subsequently, possible future steps or solutions to the problems identified are discussed, in the pursuit of establishing a more effective protection for Halloumi cheese in these fields of IP law.

5.1. Challenges under Trademark Protection: observations

All the parties’ oppositions had the common ground of refusal of article 8 (c), regarding the reputation of the earlier marks ‘HALLOUMI’. As it was established in the previous analysis, for a TM to be regarded as reputed, the proprietor needs to prove that the sign is used in a TM sense, viz. indicating a particular commercial origin or, in case of collective marks distinguishing the goods of the members of the association from those of other undertakings.

Based on the analysis of relevant case-law, my conclusion is that the Halloumi TMs do not satisfy the definition of a certification or a collective mark. The certification mark has been proven incapable of distinguishing goods which are certified in terms of quality, materials and other characteristics from goods that are not so certified. Instead, only the geographical origin was distinguished, as the majority of the GC’s decisions indicated the perception of the mark as a description of a specific cheese from Cyprus. In the same vein, the Collective mark has failed to distinguish goods of its origin another undertaking. It is concluded that the term Halloumi has not been proven as a sign used in a TM sense. Hence, it fails to fulfill the requirement of relative ground of refusal of article 8 (b). As such, it is incapable of indicating in short form ‘valuable information’ about the origin of the product.141

As deduced by the Court decisions, Halloumi TMs do not adequately function as a TM. In contrast, the word is presumed as denoting a description of a kind of a product since the majority of the relevant public perceives Halloumi cheese in a generic context, merely as a description of a generic cheese from Cyprus. This is demonstrated by the evidence submitted by Cyprus to the TM’s reputation. The articles regarding dairy production in Cyprus, export figures of Halloumi cheese and various Cyprus Official records as well as advertisements and online newspaper extracting regarding Halloumi indicate the increasing popularity and the longstanding use of the term as a peculiar cheese with specific characteristics coming from Cyprus.
Under article 9(1) (b) EUTMR, a TM must not be generic. Specifically, a TM shall be revoked if, from the consumers’ perception it is designating a genus of type of product rather than from a specific source. This must be a result of the proprietors’ actions or inactions. Therefore, through this section’s analysis it is apparent that the Halloumi marks are capable of revocation under this ground. In addition to this, the Halloumi marks can be invalidated under article 9(1) (b) EUTMR, for lacking distinctive character (descriptive) and under article 7(1)(d) EUTMR as a result of the proprietors’ actions or inactions. Therefore, a TM shall be revoked if, from the consumers’ perspective, the hallmarking is no longer capable of serving its function as a vehicle of communication, “providing with various kinds of information on the goods identified by them.”

Nevertheless, in the review mirror, the Halloumi TMs were arguably a good first step by the Republic of Cyprus towards establishment of sufficient protection for the traditional product. The UK Certification mark and the EU collective mark were solutions to Halloumi being IP protected as these were registered in the mark to authorized users who were complying with the specific quality and product-related requirements. However, these were misappropriated by the registration of slightly different TMs from those of the Republic of Cyprus (Government and the Halloumi Foundation), or the inclusion of such TMs in figurative ones and the labeling of different cheese products with varying flavors, shapes and qualities. Such extensive use of the name Halloumi has resulted in the genericness of the name. Such practice alongside the invalidation of the UK mark illustrates the weakness of TM protection of Halloumi cheese. Moreover, concerns are raised by actions of foreign companies such as GARMO AG for making use of the Turkish equivalent term of Halloumi as a marketing ploy for their products. TM protection does not cover such acts of unfair advantage and exploitation of cultural heritage. Hence, protection of Halloumi cheese under TM law substantial loopholes, with the product being prone to violations and its name acquiring a generic nature.

5.2. Challenges under Geographical Indications of Origin: Observations

Due to the limitations of TM protection, the registration of Halloumi cheese as a PDO in the EU became a priority. Acquiring a protected designation of origin for the Halloumi cheese is likely the right way to secure the value and history of Halloumi cheese, establishing sufficient IP protection. A successful PDO registration is expected to secure a tool of marketing strategy, fair competition and rural development and as supported by Tunisia State, it is eligible for relief from acts of infringement. In essence, it is easier to take legal action against any producer outside of Cyprus who unfairly calls his/her product ‘Halloumi’ or ‘Helli’. Likewise, the producers themselves will be closely monitored so that the production process and the ingredients conform to the product specification of the application.

Despite the several advantages combined with the PDO registration, the PDO label Halloumi is still likely to face the problem of genericness, as the same problem was being addressed by the GC in relation to the Halloumi TMs. In the same article 98 EUTMR prohibits registration of a generic name as a TM, under articles 6 and 10 of Quality Schemes Regulation, generic names are prohibited from registration as PDO or PGI and it is also a ground for opposition. Article 3 of the Quality Schemes Regulation defines ‘a name that has become generic’ as the name of an agricultural product, which, ‘although relating to the place or the region’ of production or marketing, has become the common name of an agricultural product.

Solution to the ‘Genericness problem’

Nevertheless, in PDO and PGI protection, despite that in principle, registration is not refused to geographical names that have become generic under article 3 of the Quality Schemes Regulation, fewer obstacles exist to recovering exclusive use of a name under PGI than under TM. In the cases of “Feta”, “Parmesan” and “Bayerisches Biere,” the CJEU has given a restrictive interpretation to the exclusion of generic names. To that effect, it is established that if the name reserves the ability of protection, it will likely be accepted for registration. The closest example is the Feta case, where the court rejected claims that ‘Feta’ became the generic name for a type of soft, white cheese and gave exclusive rights in the name to producers residing in Greece to market their products throughout the EU.

In establishing whether a name has become generic or not, the CJEU considered, inter alia, the following criteria: firstly; the determination of the degree of historic connection between a specific place and the origin of the product in question; secondly, the presence of specific indications stating that the product is made under specific conditions; the size of the market is considered, in the sense that the country’s government enacts legislation to protect the name, the traditional practices and locally sourced raw materials, as it was the case in respect of “Parmesan” in Italy. Thirdly, the characteristic features of the product and the size of the market are important factors, as in Feta case, 85% of Community consumption of Feta, per capita, took place in Greece with 40 kilos per person in a year. The pattern, character and duration of production, the consumption, the perception and marketing of the product were also taken into consideration.

Taking all factors into account, it is likely that the name Halloumi will carry a geographically and non-generic geographical indication. This notation is supported by these submissions; The biggest consumer of Halloumi cheese is Cyprus, followed by the UK, the Ministerial orders enacted by the Cyprus Government aiming to reach the desirable product specification which would be closer to the traditional mixture; the perception of the relevant public as a type of cheese, the produced in Cyprus is suggested also by the Cyprus Court. Ultimately, one may say that Halloumi is cheese what Feta is to Greece: nothing more than a part of the country’s fabric and national history, worthy of protection.

6. PROPOSED FUTURE STEPS/ALTERNATIVES

Alternatives were proposed by several commentators, academics, and even interested parties to resolve the problems of product specification concerning the ingredients and the percentage of each type of milk contained in the product. An alternative solution has been suggested by George Petrou, the President of the Cyprus Dairy Producers’ Association. That is, for the rubbery cheese to be registered as a PGI, the UK’s, the Ministerial orders enacted by the Cyprus Government aiming to reach the desirable product specification which would be closer to the traditional mixture; the perception of the relevant public as a type of cheese, the produced in Cyprus is suggested also by the Cyprus Court. Ultimately, one may say that Halloumi is cheese what Feta is to Greece: nothing more than a part of the country’s fabric and national history, worthy of protection.

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THE “MACEDONIAN” SAGA

What does the future hold for the “Macedonian” products of Greece and North Macedonia after the Prespa Agreement?

By Anna Stletsiou

ABSTRACT
Rights about the commercial use of the name “Macedonia” have been the object of an ongoing dispute between Greece and North Macedonia for almost three decades. The issue was partially settled on 12 June 2018, when both countries agreed upon the terms of the Prespa Agreement. However, despite representing a long-awaited improvement, core aspects of the commercial use of the name “Macedonia” as trade mark and geographical indication are yet to be discussed. Even though the dispute between Greece and North Macedonia for the name “Macedonia” has been the focus of attention in the international community for over 28 years, the two countries have been unable to agree on mutually acceptable solutions on the issues arising as a result of products from both countries being marketed using the name “Macedonia”. The analysis is based on the professional reference “the former Yugoslav Republic of Macedonia”, a solution was finally found. On 12 February 2019, the Prespa Agreement entered into force. According to Article 1(a) of the Prespa Agreement, the official name of the Second Party shall be “The Republic of North Macedonia” and the short name shall be “North Macedonia”.

1. INTRODUCTION
Heather Ann Forrest stated that “it is entirely possible that one State might choose to be identified in the same or similar way as another.” This is what triggered the major conflict between Greece and the country constitutionally referred to as the “The Republic of Macedonia” (nowadays the Republic of North Macedonia). The naming dispute was reignited after the breakup of Yugoslavia and the former Socialist Republic of Macedonia’s newly gained independence in 1991. Since then, it has been an ongoing issue in bilateral and international relations until it was settled with the Prespa Agreement between the two countries in 2018. The Agreement was reached between the former Greek Prime Minister Alexis Tsipras and his Macedonian counterpart Zoran Zaev, on 12 June 2018. On 12 February 2019, and after the Agreement was ratified by both sides, it entered into full force.

During the 28 years of this ongoing dispute, various issues have arisen concerning the use of the name “Macedonia”. The ratification of the Agreement as well as the upcoming entry of the Republic of North Macedonia into the European Union (EU) brought forward serious concerns regarding the use and the registration of the name “Macedonia” as a geographical indication (GI) and as a trade mark (TM) for several products and companies from both countries. The greatest concern for the entrepreneurs and producers of the two countries has been the confusion caused by the use of the same name “Macedonia” as an indication of their goods and services. Article 1(c) of the Prespa Agreement states that as far as TMs and brand names are concerned, the two sides agree to support and encourage their business communities in institutionalizing a structured and in good faith dialogue, in the context of which [they] will seek to reach mutually acceptable solutions on the issues deriving from commercial names, TMs, brand names, and all relevant matters at a bilateral and international level. For the implementation of the above-mentioned provisions, the Prespa Agreement further states that an international group of experts with representatives from both States will be established, in the context of the EU with the appropriate contribution of the United Nations (UN) and the International Organization for Standardization (ISO). The team of experts shall be established in 2019 and conclude its work within three years.

The purpose of this article is to analyse the legal issues which arise as a result of products from both countries using the name “Macedonia”. The analysis is based on the TM and GI legislation as it has been formulated at international, EU and national level with the relevant articles being used for the overall assessment of the topic. A brief historical background is provided administered for reasons of clarity and precision of the topic. 2. HISTORICAL BACKGROUND

The dispute first arose in 1991 between North Macedonia, then known as the Republic of Macedonia and the Greek region of Macedonia. Both parties claimed their ancestry from the ancient Greek kingdom of Macedon and Alexander the Great, who expanded the kingdom to Asia. However, what is left of the kingdom is the ancient Greek region of Macedonia, nowadays called Macedonia. Greece opposed the use of the name “Macedonia” due to historical, territorial and irredentist concerns. As millions of Greeks identify as Macedonians, unrelated to Slavs, Greece further objected to the use of the term “Macedonian” for the neighbouring country’s ethnic group and language. Greece also reacted strongly to the appropriation of symbols and figures that are historically considered part of Greek culture such as the Vergina Sun and Alexander the Great. They also objected to the country promoting the concept of a United Macedonia, which involved territorial claims on Greece, Bulgaria, Albania, and Serbia. In 1995, the two countries established bilateral relations and committed themselves to starting negotiations on the naming issue under the auspices of the UN. Until a solution was found, the provisional reference “the former Yugoslav Republic of Macedonia” (FYROM) was used by multiple international organizations and states.

Contrary to this situation, by January 2017, 137 countries had recognized The Republic of Macedonia under its constitutional name. On the other hand, attempts by the Republic to persuade international organizations to drop the provisional reference have been met with limited success. After 28 years of negotiations, proposals for the name, constitutional amendments, and strategic policies (“Interim Accord”, “Antimacedonian policy”, etc.), a solution was finally found. On 12 February 2019, the Prespa Agreement entered into force. According to Article 1(a) of the Prespa Agreement, the official name of the Second Party shall be “The Republic of North Macedonia” and the short name shall be “North Macedonia”.

3. “THE MACEDONIAN PRODUCTS”

The ratification of the Prespa Agreement and the establishment of the name “North Macedonia” for the neighbouring country brought light various concerns about the future of the Greek Macedonian products. Even though the Agreement states that North Macedonia is required to change the name of all official government and government-related institutions, this is not the case regarding the use of the name “Macedonia” for private companies. When it comes to the use of the name as a TM and as a GI the Agreement states that such issues will be settled through negotiations between the two parties (inter partes).

For years, the undertakings of both countries have registered or used TMs with the term “Macedonia” to distinguish their products and services from others. According to the Chamber of Commerce and Trade of Thessaloniki, the name “Macedonia” features in the brands of Greek companies of all sectors and 30 companies of the food and agriculture sector. Additionally, over 4,000 Greek businesses use the term “Macedonia” to identify and describe their products. Regarding the food products, some of the most famous and well known under the name “Macedonia” are the Macedonian (Flouria) peppers, the Macedonian Halva and other food products such as tahini (sesame paste), jams, spoon sweets, stewed fruits, etc. Similarly, there are a great number of companies such as “MEVGAL, the Macedonian Milk Industry”, “HALVATZIS Makedoniki”, “MAKAL” Macedonian asparagus, etc. In recent publications in the Greek press, the former Deputy Minister of Development and Economy,
countries receiving the wine exports across northern Croatia (17%), Bosnia and Herzegovina (7%) and Slovenia. Macedonia are, by value, Serbia (29%), Germany (21%), two countries is the biggest fear. The size and the reputation of markets in an EU and international level will play a decisive role in the confusion. The likelihood of confusion of the products and secure them under the current legislation within the Agreement, is not without due cause. Furthermore, of foremost concern is the existence and use of unregistered TMs from Greek Macedonian businesses and the need to secure them under the current legislation within the markets. The likelihood of confusion between products and services between the countries and enterprises of two the countries is the biggest fear. The size and the reputation of the enterprises as well as their activity within the markets in an international level will play a decisive role in the confusion.

As far as it concerns PGIs (Protected Geographical Indications) and PDOS (Protected Designations of Origin), Greece has granted protection within the EU for the GI “Macedonia” for wines and for spirits such as “Tipouros” (Grape marc spirit or grape marc) and “Ouzo” (Distilled anise). Furthermore, one of the most famous and reputed brands from previous publications of the Food and Agriculture Organization of the United Nations is the Association “Wines of Macedonia” and the Macedonian Ministry of Agriculture, Fisheries and Water Economy were instrumental to reach this important break-through in Macedonia’s wine sector.

Similarly, wine production all over the Greek Macedonian region (Drama, Thessaloniki, Kozani, Naousa, Halkidiki, etc.) has flourished since the nineties. A great number of Macedonian wines, derived from North Macedonia, are produced by 20 wineries within the zone and by the Macedonian products” (Greek Article), the Association “Wines of Macedonia” and the Macedonian “Macedonian Ajvar” is a paprika salad made with red peppers and garlic. North Macedonia has also paid great attention to the protection and promotion of wines at a national, EU and international level. At this point it is worth mentioning that wine is one of North Macedonia’s main agricultural exports – after tobacco, fresh fruits and vegetables – and the main source of income for 15,000 rural households. According to some statistics, the top countries receiving the wine exports across northern Macedonia are, by value, Serbia (29%), Germany (21%), Croatia (17%), Bosnia and Herzegovina (7%) and Slovenia (6%).

Although the EU has always been reluctant to protect the products (especially wines) of North Macedonia due to existing protection for Greek Macedonian wines in the EU, the latest incident raised concerns regarding the GI protection of the Greek Macedonian wines not only within the EU but also internationally. In particular, the association Wines of Macedonia (WoM) participated in the international wine fair trade ProWein in Düsseldorf with wines featured only as “Macedonian” and not using the indication ‘North’. The association stated that they have been selling wines from Macedonia for decades and they hope that they will still be able to do so for another 20 years. This caused a reaction from the Greek Macedonian wine producer Stelios Bourtzis, one of the best-known winemakers in Greece, who said that “what Greek Macedonian producers want is for the wines from North Macedonia to be called just that, and for Greek wines to be called Macedonian wines, which is ‘now they have been patented’ in the EU for 20 years now.”

4. GI PROTECTION FOR THE NAME “MACEDONIA”

As previously stated, both countries have registered the term “Macedonia” as GIs for their products, especially for wines. Particularly in the past, when the constitutional name of the Republic of North Macedonia was “The Republic of Macedonia”, many local wine producers have been using and promoting the term “Macedonia” for their wines as national GIs.

On the 25 of May 2019 the first GI in North Macedonia was registered, leading the way to the protection of the promising wines of the Vardar River Valley. According to previous publications of the Food and Agriculture Organization of the United Nations, the Association “Wines of Macedonia” and the Macedonian Ministry of Agriculture, Fisheries and Water Economy were instrumental to reach this important break-through in Macedonia’s wine sector.

The definition “Macedonia” is spelled and pronounced similarly but refers to previous publications of the Food and Agriculture Organization of the United Nations (FAO), the Association “Wines of Macedonia” and the Macedonian Ministry of Agriculture, Fisheries and Water Economy were instrumental to reach this important break-through in Macedonia’s wine sector.

As the EU both regulate the protection of GIs for wines and the national legislation of North Macedonia are for the most part coherent with each other, mutual protection between the two countries could be found regarding the GI protection for wines. This could be possible if efficient distinctions are drawn between the homonymous GIs in a way that confusion by consumers would be avoided. In that spirit, the use of the indication “North” in the name brought forward by the Prespa Agreement, is the term the Greek side wishes to be included from now on in all of the PGIs and PDOs registrations, for products deriving from North Macedonia, including wine. With the upcoming entry of North Macedonia in the EU, the problem becomes even more intense since the producers from North Macedonia seem unwilling to change the use of “Macedonia” under which their products are known, protected, and promoted globally.

Once the Republic of North Macedonia enters the EU, all of the above-mentioned national GIs will be registered and protected under the EU Regulations. This has been the case in the Budvački Busvar case (C-478/07) where the Court of Justice of the European Union (CJEU) ruled that the aim of Regulation No 520/2006 is not to establish, alongside national rules which may continue to exist, an additional system of protection for qualified GIs, but to provide a uniform and exhaustive system of protection for such indications. In this regard, the CJEU takes a conservative view regarding the future of these GIs since they could possibly be rejected under the rules of homonymous GIs.

As both the EU Regulation regarding the protection of GIs for wines and the national legislation of North Macedonia are for the most part coherent with each other, mutual protection between the two countries could be found regarding the GI protection for wines.
Michael Blakeney states that “conflicts typically arise where products on which homonymous GIs are filed into the same market. The problem is accentuated where the homonymous GIs in question are used on identical products. Honest use of such GIs should be possible, because the indica-
tion serves the true geographical origin of the products on which they are used. However, concurrent use of homonymous GIs in the same territory may be problematic where the products on which a GI is used have specific qualities and characteristics which are absent from the products on which the homonym of the GI is used.”

In this case, the use of the homonymous GI would be mis-
leading, since expectations concerning the quality of the products on which the homonymous GI is used are not met.

According to the Prespa Agreement, both parties agree that their strategic cooperation shall extend to all sectors such as trade, economy, agriculture, etc. In conjunction with that, it must not be forgotten that the two countries are neighbouring and thus there are many geomorpholo-
gical commonalities which could be of relevance when it comes to the different grape varieties of the wines produced.

On the other hand, North Macedonia has been actively filing applications for registrations of TMs with the term “Macedonia” for products and services in both a national and an international level under the EU trademark system. A number of them were refused, such as the combined national marks “Cabernet Sauvignon Macedonia” and “Chardonnay Macedonia” for wines while others, such as the combined mark “Macedonia” for the services in class 39 and 41 of the Nice classification system, were registre-
d. Under these circumstances, questions arise regarding the validity of such marks in relation to the absolute grounds for refusal, both on a national and on the EU level. Will a TM with the term “Macedonia” be registerable or will it be refused? This legal position was formulated by the General Court as follows: “In the EU, it is established that it is in the public inte-
rest not that geographical indications remain available not least because they may be an indication of the qua-
lity and other characteristics of the categories of goods or services concerned, and may also, in various ways, influence consumer tastes by, for example, associating a particular place with the goods or services with a place that may give rise to a favourable response.”

Under the EUTMR, TMs consisting of geographical terms are considered to be descriptive as well as not inherently distinctive and thus cannot be registered as TMs. Such is the case also in the national legislation for the protection of TMs in both countries, where accordingly TMs with geographical names fall under the scope of the absolute grounds for refusal. Similarly, according to the EUPO Guidelines for Examination (Trade Marks and Designs), descriptive terms can consist of geographical terms, which are described as existing name of a place, for example a country, city, lake or river. This list is not ex-
haustive. Adjectival forms are not sufficiently different from the original geographical term to cause the relevant public to think of something other than that geographical term. In assessing the registration of a geographical term as a mark, the assessment is whether the term describes objective characteristics of the goods or services.

The first step in assessing a geographical term is to de-
termine whether it is understood as such by the relevant public. Article 7(1)(c) EUTMR does not in principle preclude the registration of geographical names that are unknown to the relevant public — or at least unknown as the designation of a geographical location. Whether or not this is the case will be determined by taking as a basis a reasonably well-informed consumer who has sufficient common knowledge but is not a specialist in geography. For an objection to be raised, the Office must prove that the geographical term is known by the relevant public as designating a place. Additionally, under the provisions of the EUTMR and national laws, TMs consisting of or containing geographical terms such as the name “Macedonia” can be registered only when they are considered to be distinctive. In parti-
cular, distinctiveness for this category of TMs could either be acquired through use or when the geographical term is accompanied by other distinctive terms such as figurative marks, other words, slogans, etc. A lucid example of such practice is the figurative TM “Haitoglou, Macedonian Halva” which has been successfully registered in the EU-
PO and other national offices (France, Sweden, Italy and the United Kingdom). The TM is considered to be distin-
ctive since the term “Macedonia” is accompanied by other terms which are inherently distinctive when assessed in relation to the perception of the average consumer. The TM also contains a figure of a woman wearing a traditional costume indicating that the product derives from the Greek region Macedonia. The figure is characteristic in a way that the average consumer would directly link the mark with the product. Additionally, Macedonian Halva has been intensely marketed and advertised in various countries within the EU; therefore, acquired distinctive-
ness could be a tenable argument when assessing the validi-
ty of the TM.

At this point it is worth stating that in establishing acquired distinctiveness, account may be taken of, inter alia, the following factors: “the market share held by the mark with regard to the relevant goods or services; how intensive, geographi-
cally widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark for the relevant goods or services; and the proportion of the relevant public who, because of the mark, identifies the goods or services as origina-
ting from a particular undertaking.”

5. TM PROTECTION FOR “MACEDONIA”

5.1 Descriptive character

For years, the protection of TMs under the term “Macedo-
nia” from Greek Macedonian producers has been more or less neglected, even though the dispute between the two countries has been pending. There have been only a few national and EU registrations of TMs compared to the number of unregistered TMs. Af-
ter the breakup caused by the ratification of the Prespa Agreement, great attention was paid to the importance of registering and protecting TMs with the name “Macedonia” from the Greek Macedonian producers and entrepre-
neurs. The Greek government encouraged the producers to proceed to the filing of applications at the EUPO (European Union Intellectual Property Office) and the national office for the registration of TMs. Given the Greek Macedonian producers’ fear of losing the right to use the term “Macedonia” to designate their products and the need for Greece to expand their commercial activities within the EU, the Greek government stated that it will support the Greek Macedonian producers who wish to promote their products under the name “Macedonia”. Also the use of the designation “Central” for Greek Mace-
donian TMs was suggested in order to create a distinction between the country and the Greek region. That was the case in a recently filed application for a national TM under the name “AG| CLUSTER Agri-food Cluster of Central Macedonia”. In addition, a number of campaigns started with the aim of raising awareness of the brand name “Macedonia” and advertising the Greek region. For that purpose, a new logo has been created consisting of the Greek letter “μ” and the phrase “Macedonia, the divine great land”.

Under the EUTMR, TMs consisting of geographical terms are considered to be descriptive as well as not inherently distinctive and thus cannot be registered as TMs. Such is the case also in the national legislation for the protection of TMs in both countries, where accordingly TMs with geographical names fall under the scope of the absolute grounds for refusal. Similarly, according to the EUPO Guidelines for Examination (Trade Marks and Designs), descriptive terms can consist of geographical terms, which are described as existing name of a place, for example a country, city, lake or river. This list is not ex-haustive. Adjectival forms are not sufficiently different from the original geographical term to cause the relevant public to think of something other than that geographical term. In assessing the registration of a geographical term as a mark, the assessment is whether the term describes objective characteristics of the goods or services. The first step in assessing a geographical term is to determine whether it is understood as such by the relevant public. Article 7(1)(c) EUTMR does not in principle preclude the registration of geographical names that are unknown to the relevant public — or at least unknown as the designation of a geographical location. Whether or not this is the case will be determined by taking as a basis a reasonably well-informed consumer who has sufficient common knowledge but is not a specialist in geography. For an objection to be raised, the Office must prove that the geographical term is known by the relevant public as designating a place. Additionally, under the provisions of the EUTMR and national laws, TMs consisting of or containing geographical terms such as the name “Macedonia” can be registered only when they are considered to be distinctive. In particular, distinctiveness for this category of TMs could either be acquired through use or when the geographical term is accompanied by other distinctive terms such as figurative marks, other words, slogans, etc. A lucid example of such practice is the figurative TM “Haitoglou, Macedonian Halva” which has been successfully registered in the EU-PO and other national offices (France, Sweden, Italy and the United Kingdom). The TM is considered to be distinctive since the term “Macedonia” is accompanied by other terms which are inherently distinctive when assessed in relation to the perception of the average consumer. The TM also contains a figure of a woman wearing a traditional costume indicating that the product derives from the Greek region Macedonia. The figure is characteristic in a way that the average consumer would directly link the mark with the product. Additionally, Macedonian Halva has been intensely marketed and advertised in various countries within the EU; therefore, acquired distinctive-ness could be a tenable argument when assessing the validi-
ty of the TM.

At this point it is worth stating that in establishing acquired distinctiveness, account may be taken of, inter alia, the following factors: “the market share held by the mark with regard to the relevant goods or services; how intensive, geographi-
cally widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark for the relevant goods or services; and the proportion of the relevant public who, because of the mark, identifies the goods or services as origina-
ting from a particular undertaking.”
5.2 Geographical indications vs. trade mark protection

As previously mentioned in Section 4, both countries have put great emphasis on the protection of the geographical indication “Macedonia” for agricultural products and wines. On that basis, questions arise regarding the future of TMs consisting of or containing PGIs and PDOs of the name “Macedonia”.

Under the Article 7(1)(i) of the EUTMR, TMs consisting of or containing PGIs and PDOs cannot be registered for goods identical or comparable to the products protected under the PGI or PDO. The provision concerns only PGIs and PDOs which have been registered in the EU or have been registered in a national office of a non-EU country which has signed a trade agreement with the EU. National non-EU PGIs and PDOs enjoy protection only on a national level and thus only national TMs applications could be refused under similar provisions. Nevertheless, such TMs may be considered descriptive and/or deceptive under Article 7(1)(e) and (g) of the EUTMR as seen above.

In 2001, North Macedonia signed a Stabilisation and Association Agreement with the EU which regulates the protection and control of wine names. In particular, according to Article 6 in Annex II of the Additional Protocol of the Interim Agreement, the registration of a TM for wine which contains or consists of a protected name under the Agreement shall be refused or at the request of the party concerned, invalidated. The Agreement concerns wines originating from the two contracting parties, namely the EU and the Republic of North Macedonia.

In addition, according to the Article 177(1)(b) of the Law on Industrial Property of North Macedonia, "[A] TM which contains or consists of a geographic sign which serves to signify wines or other strong alcoholic drinks, if the reported sign refers to wines or alcoholic drinks which are not from that geographical area shall be refused."

In 2018, following these provisions, a national application for the word mark “WINES OF MACEDONIA” for wines was refused by the national office of North Macedonia. As mentioned previously, the TMs “Cabernet Sauvignon Macedonia” and “Chardonnay Macedonia” for wines have also been refused. Under these circumstances it becomes clear that TMs containing the PGI or PDO “Macedonia” for wines will be refused or invalidated either as national marks or within the EU even now that North Macedonia’s accession to the EU is pending.

As far as concerns other agricultural products, the provisions of the EU Regulations would cover only PGIs and PDOs which identify identical or comparable goods can be registered in the EUIPO.

5.3 “Macedonia” as a country name

One of the intriguing issues when it comes to TMs with the term “Macedonia” is that, first and foremost, the term constitutes part of the official name of the “Republic of North Macedonia” under Article 177(1)(e) of the Prespa Agreement. As stated above, before the Agreement the constitutional name of the country “The Republic of Macedonia” had been recognized by a significant number of countries. Furthermore, many used the short term “Macedonia” to describe the country, contrary to the provisional reference FYROM. Although there are no provisions under the EUTMR and the international agreements providing specific grounds for the refusal and invalidation of TMs consisting or containing country name, such provisions are found in the national laws of the two countries, namely Greece and North Macedonia.

 Article 177(10)-11(1) of the Law on Industrial Property of the Republic of North Macedonia states that:

"[A] sign which contains name or abbreviated name of a country shall not be protected by a TM, except with authorization from the competent authority of the country. In addition to that, a sign which contains the name or abbreviation of that name, of the Republic of Macedonia, as well as their imitations, shall not be protected by a TM, except with authorization from a competent state administrative body."

A similar provision is found in Article 123(3)(a) of the Greek Law No 4052/2012, in which it is stated that names of States shall be refused from registration as TMs:

“This prohibition includes in practice, not only the official or formal name, but also the common name, the translation, transliteration of that name, as well as the abbreviated name of the State.”

In addition, the Greek office refuses ex officio TM applications which consist solely or are comprised of a country name, based on an absolute ground of refusal. Nonetheless, governments officially represented can oppose or request cancellation of possible accepted TMs including their country names.

It is common knowledge in most jurisdictions that the relevant time for the assessment of the validity of a TM under the absolute grounds for refusal is the time of application of the TM. Consequently, the evaluation of validity must be based on the existing name of the country at the time of application and thus the former versions of it before the Prespa Agreement.

It follows that the two countries will face difficulties when it comes to the registration and validity of national TMs containing the term “Macedonia”. Taking into account the commercial collaboration of the two countries and the number of Greek Macedonian companies trading in the markets of North Macedonia, national TM registrations are common practice. In particular, the economic relations and cooperation of the two countries have resulted to such an extent that Greece is now considered one of the Republic’s most important foreign economic partners and investors. Even though up until today, there is no evidence of a “Macedonia” national TM invalidation or refusal under the aforementioned provisions, this is not an unlikely scenario in the future.

6. TRADE MARK CONFLICTS BETWEEN THE COUNTRIES

One of the biggest concerns after the Prespa Agreement is the possible TM conflicts between the two countries, mostly after the entrance of the Republic of North Macedonia in the EU. In view of that, lawyers and legal practitioners in Greece encourage entrepreneurs to file applications in the EUIPO in order to secure their priority in relation to upcoming registrations from North Macedonian businesses. As long as the three years’ time-period is pending, priority will play a detrimental role when it comes to TM conflicts since both parties will try to claim their priority first for TMs with the term “Macedonia”.

The right to priority is found in Article 4 of the Paris Convention:

“[a]ny person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a TM, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed.”

Similarly, the right to priority is found in Article 8(2) of the EUTMR.

“Where earlier TMs are defined as TMs with a date of application for registration which is earlier than the date of application for registration of the EUTM. Such TMs could be:

(i) EUTMs;

(ii) TMs registered in a Member State, or, in the case of Belgium, the Netherlands or Luxembourg, at the Benelux Office for Intellectual Property;

(iii) TMs registered under international arrangements which have effect in a Member State;

(iv) TMs registered under international arrangements which have effect in the Union.”

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40 Interim Agreement between the European Communities and the former Yugoslav Republic of Macedonia, on reciprocal, recognition, protection and control of wine names and the reciprocal recognition, protection and control of designations for spirits and aromatised drinks (Annexes I, II).
41 Article 177(1)(8), Law on Industrial Property of Greece.
42 Agreement on the recognition, protection and control of wine names and the value of Trademarks (Smirnoff, Hiram Walker & Sons, Canadian Club, Jameson, Dewar’s, Captain Morgan, Havana Club, Cristal, Bacardi, Jack Daniel’s, Crown Royal). Article 177(1)(b) of the Law on Industrial Property of the Republic of North Macedonia.
45 The COUNTRIES
Furthermore, the EUIPO, when assessing a TM application, recognizes not only a priority claim but also a seniority claim and an exhibition priority claim. In particular, a TM proprietor can claim the seniority of the TM when the proprietor already holds a prior national or international TM registration with effect in one or several Member States for identical goods or services. The proprietor can raise the claim even if the earlier TM has not been renewed. In addition, a TM proprietor can claim priority when he/she has displayed goods or services under the mark applied for at an officially recognized exhibition.45

From the aforementioned, it becomes clear that when an earlier TM is similar or identical to a later mark for goods and services that are similar or identical, the earlier mark will prevail. This is also found in Article 60(1)(a) of the EUTMR where it is stated that a EUTM shall be declared invalid on the Office or on the basis of a counterclaim in infringement proceedings where there is an earlier TM as referred to in Article 8(2) and the conditions set out in paragraph 1 or 5 of that Article are fulfilled.46

Once the Republic of North Macedonia becomes a Member State of the EU, the proprietors of national TMs could claim their seniority from the TM registrations in the national office. This could constitute an obstacle taking into consideration the amount of Greek “Macedonian” unregistered TMs contrary to the number of national TM registrations from North Macedonian entrepreneurs. Besides that, likelihood of confusion between the marks and the goods and services must be established when it comes to infringement cases.

As means of defence and possible grounds for opposition, Greek Macedonian producers who use the term “Macedonia” in the course of trade, but have not yet registered their marks at a national or international level, could still claim protection. In particular, under Article 8(4) of the EUTMR “upon opposition by the proprietor of a non-registered TM or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to Union legislation or the law of the Member State governing that sign: (a) rights to that sign were acquired prior to the date of application for registration of the EUTM, or the date of the priority claimed for the application for registration of the EU trade mark; (b) that sign confers on its proprietor the right to prohibit the use of a subsequent TM.”47

In other words, Greek Macedonian producers who use un-registered TMs could oppose the registration of an EUTM when priority is established and when such marks could be protected under Greek TM law, namely Article 142 (3) (a) of the Law No. 4072/2012 on Trademarks.

In conjunction with that, one of the most prominent requirements of Article 8(4) of the EUTMR is the existence of prior use of the TM in the course of trade where there is more than mere local significance. According to the guidelines of the EUIPO the criterion of “more than mere local significance” is more than just a geographical examination. The economic impact of the use of the sign must also be evaluated. For such evaluation various factors such as the intensity of use (sales made under the sign), the length of use, the spread of the goods (location of the customers) and the advertising under the sign and the media used for that advertising, including the distribution of the advertising are taken into account.”48

For Greek Macedonian producers who have already established a strong and stable presence in the Greek markets and more specifically in Macedonia, reaching the threshold of the criterion would be feasible. Great examples of well-known Greek Macedonian companies are “MEVCAL” and the famous wine producer “BOUTARIS” whose products are sold and exported not only in Greece but also in EU countries. Following that, increasing the advertising campaigns and sales of Greek Macedonian companies as well as raising awareness about unregistered TMs would be beneficial alongside their registration at the EUIPO.

7. CONCLUDING REMARKS

According to Heather Ann Forrest, “the naming dispute was a unique constellation as it has highlighted the importance of a country’s sovereignty which gives the State not only the authority to choose a name, but also to limit others’ use of the selected name within its territory.”49

In this case, a fair balance had to be made between the two countries. After the Prespa Agreement and the final solution of the naming dispute, a new conflict arose regarding the products of the two countries and the use of the name “Macedonia” to identify them.

In a series of recent upcoming new items and opinions regarding the future of these products, some of the important aspects of TM and GI law regarding the aforementioned conflict have been highlighted; the difficulties of reaching the threshold of coexistence between the homonymous GIs; the problem of assessing the validity of TMs consisting of or containing the geographical name “Macedonia”; the possible ways of avoiding refusal under the absolute grounds for refusal; and the importance of priority when TMs are in conflict. With that in mind, it is not much to suggest that the “Macedonian” products conflict has been a great example of the importance of IP rights in our lives. TM and GI protection play a significant role not only in the economic and commercial development of a country but also its need to secure social, cultural, and historical values that lay under one name, in this case the name “Macedonia”. In addition, given the number of agricultural products designated by the name “Macedonia”, one can see the intrinsic connection between TM and GI protection on the one hand and the food and agricultural production of a country, on the other. As in any other TM or GI dispute, the assessment of the conflicting factors will be on a case by case basis. During this process, it is possible for both parties to aim for mutually beneficial solutions based on the common need for a distinction between the “Macedonian” products of each country. Even though no safe conclusions can be drawn since the dispute is pending, the analysis provides a solid framework of the application of legal IP rules in “Macedonia” conflict between the two countries and the difficulties that may arise.

Lately, the Greek Prime Minister Kiriakos Mitsotakis has made clear to the Prime Minister of North Macedonia, Zoran Zaev, that the biggest priority after the Prespa Agreement is to find a solution regarding the TMs and GIs with the name “Macedonia”.50 In the meantime, the entrance of North Macedonia to the EU is still pending with the Greek Prime Minister reluctant in absence of safe solutions regarding the future of the “Macedonian” products. Also, given France’s veto to North Macedonia’s accession to the EU, one could easily notice the important role of the TM and GI conflict in the future of a whole country.51 Could TM and GI protection have a bigger role from a political perspective as well? What would the team of experts bring to the table regarding the “Macedonian” products conflict? Will the two countries still be able to use the term “Macedonia” to identify their products or will the right to use and register the term be granted to only one of them? Lastly, could this conflict between the two neighbouring countries be the cause of new amendments in TM and GI legislation? The outcome of the conflict is yet uncertain and only the future will tell if the conclusions of this article were drawn correctly and in the right direction.

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European copyright law and the text and data mining exceptions and limitations

In light of the recent DSM Directive, is the EU approach a hindrance or facilitator to innovation in the region?

By Charlotte Gerrish and Anders Molander Skavlan

ABSTRACT

The newly adopted European Union (EU) Directive on copyright and related rights in the Digital Single Market1 (DSM Directive) provides for text and data mining (‘TDM’) exceptions for the first time at an EU legislative level. The TDM provisions are a step in the right direction, but the situation remains uncertain for innovators and researchers alike.2 The DSM Directive’s TDM provisions demonstrate the EU legislature’s lack of understanding of the technical realities of TDM, and the financial and contractual limitations which are faced by those performing such processes, especially companies etc. in the start-up phase. Through these provisions, the EU has made it difficult for valuable TDM output to originate from European-based operators. To drive innovation in the EU and further the commitment to the digital single market, it would have been more desirable for the EU to implement a broad, all-encompassing TDM exception, not been capable of being overridden3 nor subject to caveats, as is the case in other key innovative jurisdictions. By creating and maintaining a restrictive environment for TDM, which is often a key component of Artificial Intelligence (‘AI’) and machine learning, the EU runs the risk of losing a foothold in a growing industry, and causing an exodus of key talent to other TDM-friendly jurisdictions. However, the TDM provisions contained in the DSM Directive are at least one step in the right direction and one can hope that future legislative development in Europe and a sensible approach by Member States will take place in the foreseeable future.

1. INTRODUCTION

We are in a digital age with big data at the heart of our global, digital environment. Exploiting big data by manual means is virtually impossible, meaning that we need to rely on innovative methods such as machine learning and AI to allow us to fully harness the value of big data which is available in our digital society. One of the key processes allowing us to innovate using new technologies such as machine learning and AI is through the use of TDM carried out on large volumes of big data.

While there is no single definition of TDM, it is universally acknowledged that TDM involves the automated analytical processing of raw and unstructured data sets through sophisticated technological tools in order to obtain valuable insights for society or to enable efficient machine learning and AI development. Such TDM processes include extraction and reproduction of source text, some of which is likely to be protected by copyright. This of course creates tension between the exclusive rights of copyright holders4 and the interests of innovators developing TDM technologies and performing TDM. This has caused the relevant players to either avoid TDM activities and the development of and investment in the relevant technology, or has obliged them to resort to licensing solutions. They therefore shoulder the administration and transaction costs of the licenses to avoid widespread copyright infringement claims5 when performing TDM on big data.

1.1 Can “big data” be protected by copyright?

Arguably, one of the “basic and fundamental principles of copyright law is that data is not protected, as copyright only protects the creative form, not the information incorporated in the protected work.” Indeed, on this basis, perhaps TDM operators should not be concerned by any intellectual property rights, whether copyright or otherwise, as TDM activities potentially fall outside the scope of any intellectual property right monopoly. On this basis, the risk of copyright infringement in respect of TDM processes carried out on data is a non-issue; data in itself is simply not capable of copyright protection.

However, in the context of big data, and given the three Vs (volume, velocity and variety)6 applicable to it, mere “data” must be distinguished from big data. As such, it is likely that literary copyright subsists in documents, publications, research and analysis, as well as in any technical documents, software and IT architecture which constitute big data, and which is ultimately subject to TDM activities. Copyright within a database (so-called “database copyright”) may apply to big data in some instances, aside from any independent database right. Indeed, by way of example, the CJEU confirmed in the Infopaq case7 that the threshold for copyright protection (and the risk of infringement) can occur when there is reproduction of text extracts comprising at least of eleven words of copyrightable material, AI and machine learning, which are developed through TDM, rely on processing masses of data, so it is likely that this de minimis threshold will often be met, meaning that when TDM is carried out on big data, a risk of wide scale copyright infringement exists.

Accordingly, given the rapid pace at which technology is developing, there is no doubt that the legal framework needs to adapt in order to avoid becoming redundant, and more importantly, to prevent outdated legal regimes from hindering innovation. Until the DSM Directive entered into force on 7 June 2019, there was no specific TDM exception at an EU level and innovative firms had to rely on a patchwork of limitations and exceptions to a copyright holder’s exclusive rights,8 which were not adapted to the realities of TDM activities. Furthermore, the majority of provisions existing prior to the DSM Directive are not mandatory, unfortunately resulting in a patchwork approach to exceptions and limitations across the EU, including their application to TDM, creating uncertainty for stakeholders.

It was therefore generally hoped that the provisions in the DSM Directive which relate to specifically to TDM would provide the solution which has thus far been absent within the EU. Regrettably, Articles 3 and 4 of the DSM Directive which govern exceptions to copyright infringement when TDM is conducted on copyrighted works are fraught with caveats and limitations. These provisions also create an undesirable distinction between TDM conducted for research on one hand, and for other purposes (i.e. commercial) on the other hand. As drafted, the DSM Directive arguably does little to reduce uncertainty for copyright holders and innovators alike, which risks having an impact on innovative TDM-based developments in Europe. Indeed, firms may simply relocate to jurisdictions offering more legal certainty in the field of innovation and TDM specifically, such as Japan9 or the US.10

3 Ibid.
8 Judgment of the Court (Fourth Chamber) of 14 July 2009, Case C-59/04 - Infopaq International, ECLI:EU:C:2009:460.
9 For example, Article 5, InfoSec Directive.
10 See Articles 3 and 4 of the DSM Directive.
12 Where innovators can rely on the doctrine of Fair Use, including for commercial purposes, as recently confirmed in the Google Books saga – see e.g. the US District Court Southern District of New York, Opinion 09 Civ. 8136 (SJC) (22 March 2011).

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2. DISCUSSION

2.1 The Proposal - Introducing TDM exceptions in EU law

Issues surrounding the scope of the TDM provisions in the DSM Directive were apparent at its inception. Article 3 of the Proposal for the DSM Directive ("Proposal") initially envisaged a mandatory exception for TDM activities, which extended only to "reproductions and extractions made by research organisations in order to carry out text and data mining of works or other subject-matter to which they have lawful access for the purposes of scientific research."^13

Taking the TDM exception as initially provided for in the Proposal, therefore, was clearly not reflecting the European Commission's intention to drive innovation within the EU, especially in the area of TDM used on big data for commercial purposes. Indeed, whilst the initial drafting of Article 3 at the Proposal stage imposed a mandatory exception on Member States, which is a positive aspect when compared to the majority of optional exceptions contained in EU legislation to date, and whilst certainty is provided to TDM actors in that the scope of the legal provision is not being overridden by contract, the extent of the Proposal's TDM exception was highly limited. The scope of the exception not only required operators to have "lawful access" to the copyrighted works, which presumably meant either via open access channels, licence to obtain or subscription agreements, but it also limited the scope of the TDM exception to academic, and notably to "scientific research," which is to the exclusion of start-ups and innovators which carry out TDM for commercial purposes.

Furthermore, the wording of the Proposal expressly permitted the application of Technical Protection Measures ("TPMs") to copyright protected works, which means that if there would have been possible to technically prevent reproduction and extraction of copyrighted works, even when a lawful exception permits such actions. The text of the Proposal was therefore highly criticized by academics and innovators alike. ^14

2.2 The DSM Directive - Creation of two regimes

Given the modifications to the final text of the DSM Directive, it appears the EU legislators took these criticisms on board when drafting the final version of the DSM Directive, at least to a certain extent. However, turning to the wording of the final TDM provisions of the DSM Directive, Article 3 remains materially unchanged from the wording of the Proposal. There remains a mandatory exception for research organisations for scientific research.

Indeed, the important change contained in the DSM Directive as compared to the Proposal is the inclusion of Article 4 which expressly provides for a mandatory exception or limitation to be implemented by Member States for TDM activities beyond the previous narrow provisions solely limited to scientific research by research organisations as initially laid down in the Proposal. This means the EU has now gone some way to resolve the issues related to commercial TDM activities and thus drive innovation in the region.

We now have two regimes for TDM exceptions and limitations - one for scientific research and another for all other TDM activities. The rights and obligations for each TDM purpose are not aligned, and this is to be criticised - the playing field is not level between different actors and purposes, and the environment for commercial TDM therefore remains unfavourable in Europe and constitutes a potential hindrance to innovation in the region. Despite the improvements made to the final text compared to the initial drafting of the Proposal, it has nonetheless been argued that the "project to allow Europeans to conduct TDM, which is crucial for modern research and the development of AI, has been obstructed with too many caveats and requirements", particularly since we are now faced with two differing regimes for research and "other" TDM operations.

2.3 The limited scope of Article 4

The broader TDM exception is arguably devoid of function due to the possibility for contractual override at Article 4(3) of the DSM Directive. This provision results in a scenario whereby holders of copyrightied works are entitled to expressly disapply Article 4 for all TDM activities, save those related to scientific research (which is solely governed by the provisions of Article 3). It is appropriate to criticize the practical application on Article 4 in light of this flexibility, since this wider provision is so easy to disapply, either by technical means or indeed by contract or unilateral declaration. ^15 This is confirmed by recital 18 and Article 7(1) of the DSM Directive which do not include Article 4 in the express protection against contractual override; there can be no uncertainty as to the ability of rightsholders to override Article 4 at their discretion.

Practically, we envisage that rightsholders in an online environment will disapply Article 4 42 in the FR Aviation/ RyanAir case through the application of exclusions to screen-scraping TDM activities in website terms and conditions or website notices.

Of course, such practices are inherently difficult to monitor, TDM operated by AI is generally unable to ascertain when such contractual restrictions have been applied to a website, and of course, depending on the status of the TDM operator (i.e., a research organization or otherwise) the legal application of such terms will vary meaning that in some instances the contractual override will be valid, and in other circumstances, not. The difficult application of contractual overrides or unilateral notices is akin to the application of technological restrictions, as are discussed further below, and also potentially creates further confusion for TDM operators. This is depending on the aim of the IP rights protecting the source content - for example, when screen scraping activities include copyrighted works or covered by the Database Directive, for which a permissible contractual override is not permissible,^16 or when a notice or contractual restriction does not take into account activities which do not require consent of the relevant rightsholder.

In light of the foregoing, we consider that Article 4 essentially acts as an optional exception for broader TDM activities not falling within the scope of Article 3. This is evidence of the EU simply playing lip-service to the industrial potential of the source of the initial TDM exception as contained in the Proposal, or just evidence of a failure to understand the realities of TDM and the likelihood of harm suffered by rightsholders? Either way, it is regrettable that despite much negotiation and effort, the DSM Directive still fails to provide non-research TDM operators with certainty as to their activities and their protection against copyright infringement actions. Such exposure being dependant on an individual rights-holder’s reservation – something which is almost impossible to monitor and check as data mining analytics processes huge volumes of information, often coming from thousands of source resources – means that such organisations may find themselves in the precarious position of relying on the provisions of Article 5 of the InfoSec Directive, which are insufficient. As it stands, the ability of rightsholders to exclude Article 4 by various means effectively renders the provision devoid of function, leaving Europe an uncertain environment for TDM actors.

2.3.1 Article 4(2) creates legal uncertainty

Furthermore, the scope of the broader TDM exception remains unclear. On reading Article 4 of the DSM Directive, there is likely to be confusion about the extent of the exception or limitation for non-research purposes. Article 4(2) states that: "Reproductions and extractions made pursuant to paragraph 1 may be retained for as long as is necessary for the purposes of text and data mining."

In our view, "necessary for the purposes of TDM" may lead to uncertainty as it could be argued by rightsholders that "necessity" is simply limited to the time required to complete the technical process, whereas operators might wish to extend that time frame to purposes which go beyond the mere technical processes.

This is to be contrasted with the provisions in the DSM Directive regarding scientific research which are not subject to the satisfaction of "necessity". Indeed Article 5(1) of the DSM Directive states that: "Copies of works or other subject matter made in compliance with paragraph 1 shall be stored with an appropriate level of security and may be retained for the purposes of scientific research, including for the verification of research results."

It is therefore undesirable for the DSM Directive to create stark differences regarding the retention of source data depending on whether such data is for commercial TDM activities or for research or other purposes. Unfortunately, yet again, the EU has failed to provide certainty for TDM activities across the board and the retention rights of source data is therefore very much subject to the identity of the TDM operator and the purpose that the operator seeks to achieve.

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16 Judgment of the Court (Second Chamber) of 15 January 2015, Case C-307/14 - Ryanair, ECLI:EU:C:2015:10. See Articles 631, 85 and 15 of Directive 96/9/EC.
18 Recital 18 of the DSM Directive.
19 Judgment of the Court (Second Chamber) of 15 January 2015, Case C-307/14 - Ryanair, ECLI:EU:C:2015:10.
20 See Articles 631, 85 and 15 of Directive 96/9/EC.
The current austerity climate in which public funding and for profit making firms remain neutral and independent from industry, in the overall quality and value of the AI development and TDM output is likely to be put at risk whenever there is a requirement for lawful access which results in payments being made or costly subscriptions being taken out, as budget restrictions take over.

2.4 Article 3 – TDM for scientific research from selected research organisations

Whilst recital 12 of the preamble to the DSM Directive provides for a wide notion of scientific research which extends to both natural and human sciences, and provides certainty for specific categories of beneficiaries of the exception contained at Article 3 by listing potential organisations falling within the provisions, Articles 2(a)(a) and (b) restrict the scope of qualifying for the exception contained at Article 3 by providing a narrow interpretation of research organisations. Indeed, these provisions provide that research organisations must operate on a not-for-profit basis, or reinvest all its profits into its scientific research or pursue a public interest mission funded by public funds or public contracts, in order to qualify with certainty as to their TDM activities. As such, the scope of the DSM Directive is prohibitively narrow when defining the nature of a research organisation.

This essentially restricts commercially-backed research organisations from being able to benefit from Article 3, even if they are ultimately carrying out “scientific research” for the purposes of the DSM Directive, and therefore excludes certain research organisations, such as private universities. While on one hand, the EU clearly wished to ensure that scientific research carried out for TDM purposes remains neutral and independent from industry, in the current austerity climate in which public funding and investment is scarce and where regard must be had to the private sector to obtain budget for the most cutting edge research, the restriction to qualification for this exception is perhaps unwittingly a move by the EU, which will result in stunted innovation through research in the region.

2.4.1 Requirement of “lawful access”

The DSM Directive provides that for both research and non-research TDM, the relevant limitation/exception shall only apply to operators which have “lawful access” to the copyrighted content. If access to the volume of source data is limited in any way, or is subject to unnecessary risk (i.e. of copyright infringement), then not only would the TDM output be less thorough and thus less valuable, the reduced amount of source data processed by machines could also have a negative impact on the development of AI as such technology requires significant amounts of data for machine-learning.

From a research perspective, it has been argued that subjecting TDM to lawful access will make TDM research projects harder to run by raising related costs, meaning that publishers of content are more likely to consider how the Member States approach this dilemma from a national perspective once the provisions have been implemented and are applied to concrete cases.

Ultimately, as with other aspects of the TDM provisions in the DSM Directive, the drafting of the text as regards TDMs means there is a risk of inconsistent implementation across national jurisdictions which might effectively curtail harmonised enjoyment of the new mandatory exceptions, thus limiting the effectiveness of the DSM.

The result of this may indirectly encourage innovators away from the EU to regions where such restrictions are less likely to impact on their TDM activities or indeed which are less likely to hinder reliance on lawful exceptions or limitations, which would ultimately restrict TDM innovation across Europe.

2.5 Not all bad…

Despite the issues surrounding Articles 3 and 4 of the DSM Directive, the legislation does go some way towards creating a stable environment in Europe for TDM operations. For example, a key benefit of the DSM Directive’s provisions related to TDM is that for both scientific and non-scientific TDM activities, the provisions impose a mandatory generalisation or limitation for TDM activities on Member States. It is therefore hoped the drafting of the DSM Directive will reduce fragmentation in the approach and application of national laws for TDM activities from one Member State to another which would not only create much-welcomed certainty for the relevant actors, but would also promote the EU’s policy goals for its Digital Agenda, namely to provide a normalised, consistent level playing field across Europe to legally carry out TDM projects.

A further positive aspect of the DSM Directive’s provisions on TDM is that it is the first occasion, at an EU-level, that TDM has been expressly recognized and codified. This evidences a recognition by the EU of innovative and valuable technological tools and mechanisms within the world of data analytics and raises awareness of TDM as a process of harnessing the value of big data. This encourages innovative investment in AI and machine-learning development and encourages TDM in the region, given that such activities have formal recognition, in respect of copyright implications, in official European texts.

Additionally, in respect of TDM for scientific research, Article 2(1) expressly provides for the unenforceability of contrary contractual provisions. In practice, it would not be possible for copyright holders to expressly exclude the application of Article 3 through contract.

In any case, the prohibition of contractual override is crucial so as not to deprive the provision of any practical utility. Previously, copyright holders, such as publishers of scientific research, would have been able to contractually exclude TDM in licence agreements whilst applying high transaction costs on TDM operators to obtain consent to mine content for research.

In light of these considerations, the authorisation for contractual override in respect of Article 4 of the DSM Directive is arguably of limited consequence. Nevertheless, the prohibition to such contractual override is a welcome step towards a favourable environment for EU-based scientific research activities involving TDM, although, as discussed below, this leaves much to be desired for other TDM activities, despite the potential contract law limitations.

Finally, the TDM exceptions and limitations in the DSM Directive create a stronger environment for rightsholders. The drafting of the provisions sets out a straightforward providing for specific instances in which TDM may be lawfully operated on copyrighted source data, without consent of the rightsholder. The specific and stringent requirements which must be met prior to the beneficiary of these exceptions and limitations to rely on them is wholly justified in order to create a safe environment for rightsholders, and to protect them against unjustified or unfair exploitation of their works.35

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35 Recital 12 of the DSM Directive states: “universities or other higher education institutions and their libraries, also entities such as research institutions, hospitals that carry out research”.

36 Ibid.


2.6 Reflecting on the new dual-regime approach

The TDM provisions are a step in the right direction, but the situation remains uncertain for innovators and researchers alike. The DSM Directive's TDM provisions demonstrate the EU’s lack of understanding of the technical realities of TDM, and the financial and contractual limitations which are faced by those performing such processes. By applying the caveats and restrictions to the TDM provisions in the DSM Directive, and establishing a difference in treatment between research and commercial TDM activities, rather than creating an environment of innovation and collaboration favourable to innovation, the EU has overlook the fact that TDM is not about displacing existing content but rather extracting further knowledge from it and, in doing so, rendering it more valuable.28

Indeed, it is aggregated result of TDM which is of value and interest and not the single copyright protected work. The EU does not seem to have understood the technical tool TDM actually is, but rather see it as a traditional reproduction/re-use of the rightholders work, as we have seen with online piracy, unlawful downloading and copies of individual works. In overlooking this fact the EU fails to adequately legislate for this technical tool in an appropriate and nuanced way.

Through these provisions, the EU has made it more difficult for such valuable output to originate from Europe-based operators. To drive innovation in the EU and further the commitment to the DSM, it would have been more desirable for the EU to implement a broad and all-encompassing TDM exception which is not capable of override, as is the case in other key innovative jurisdictions.

2.7 The way forward: National transposition and alternatives for the future

In the highly competitive global market for world-class AI and data science researchers, the EU may suffer from “brain drain” if its most talented researchers take job opportunities in jurisdictions where TDM is subject to fewer restrictions.29 Perhaps this task falls to the Member States as the transpose the provisions of the DSM Directive into their respective national laws, something which must be done by 7th June 2021.

2.7.1 Transposing the TDM exceptions into domestic law

In this respect, it is important to note that the DSM Directive is a harmonization directive. A harmonization directive shall be transposed in accordance with Article 288 third subparagraph TFEU, which requires that:

“A directive shall be binding, as to the result to be achieved, upon each Member State to which it is addressed, but shall leave to the national authorities the choice of form and methods.” [emphasis added]

Arguably, if Member States were to widen the scope of Articles 3 and 4 of the DSM Directive in order to remove the undesirable caveats and loopholes, there is a risk that such Member States would be acting contrary to the requirement of “result to be achieved”. Additionally, if Member States were to deviate from the provisions of Articles 3 and 4 of the DSM Directive as drafted, we would then face an issue of balance regarding the stakeholders on the opposite side of the innovators – the copyright holders – meaning that deviance from the initial drafting by Member States in applying a liberal transposition of the DSM Directive may be further challenged by rightholders. This is more so the case since the exceptions found in Articles 3 and 4 of the DSM Directive are so limited in scope that it could be seen as contrary to EU law if Member States were to grant a too wide an exception for TDM. Should a Member State attempt to do this, they would naturally run the risk of being targeted by the European Commission for unsatisfactory transposition of EU legal regulations, which could result in an infringement procedure and eventually be found as violating EU law by CJEU.

Article 3 of the DSM Directive relates to TDM for purposes of scientific research. This exception is already known in a number of Member States and Nordic countries’ domestic copyright laws.30 It is rather the general exception contained at Article 4 of the DSM Directive which is relevant when looking and the digital development in society in general and specifically in the business sector. This exception is a foreign construct to many Member States’ copyright laws.31

Even if one applies a liberal interpretation of Article 4 to the restrictions to the commercial utilization of TDM, is the impact as significant in reality? Arguably, the research sector is more heavily affected by the requirement of lawful access and the potential issues related to the licencing of content to be mined since commercial TDM is often focused in areas of online analytics (such as retail analytics) which are related to consumer movements and trends gained through the use of cookies, plug-ins or social media. However, the risk of copyright infringement on copyrighted portions of big data will still be felt by innovators, especially start-ups which have limited access to financial resources.

Ultimately, due to the fact that the EU legislator wished to impose a number of restrictions on TDM for commercial purposes, that must be taken into account when the Member State legislators are reviewing the “result to be achieved” when transposing the DSM Directive into domestic law. A development of the exceptions in Member State jurisdictions by national courts or government authorities can be acceptable, but is also restricted by the material content of the EU law being applied. There are two points that must be made in relation this type of development of EU law.

The exceptions found in Articles 3 and 4 are quite clear. The wording of the exceptions does not leave much scope for interpretation and therefore a wider interpretation would more likely be found of being in violation of the legal obligation flowing from the DSM Directive. Second, the CJEU is the ultimate interpreter of EU law.32 Based on these considerations, it is clear that domestic courts must walk a thin line if they aim to broaden the scope of the exceptions for TDM.

In our view, the bottom line is that “optimal” transposition of the exceptions for TDM will be unlikely contribute to the state of the art of TDM, unless the Member States wants to run the risk of violating EU law. Could a brave Member State, such as e.g. the IT-focused state of Estonia, be a candidate for this task? For example, we could envisage a mischievous interpretation, aligning exceptions and limitations of a general US-style fair use doctrine, set out in 17 U.S. Code § 107, to encompass TDM activities for all purposes. Alternatively, a bold step towards a Japanese-style exception which even from 2009, authorised broad TDM activities through the creation of an exception to a copyright holder’s exclusive rights, for information analysis, comparison or classification or statistical analysis, with no restriction on beneficiaries.33 The Japanese TDM legislation was further updated in 2019 to permit additional flexibility and legal certainty for innovators, and to enhance the already TDM-favourable environment. It addresses the potential risks that copyright poses for innovation by permitting all users the right to: (i) analyse and understand copyrighted works for non-commercial purposes; (ii) make and retain incidental electronic copies of works; and (iii) use copyrighted works for data verification.

On the other hand, are there obvious limits to what such an act of mischievous transposition act by a Member State would bring about? The CJEU would also be bound by the clear wording of the DSM Directive’s TDM exceptions, and more specifically Articles 3 and 4 rather be expected to occur at the EU legislative level. Furthermore, the question of what an optimal transposition of EU law is would depend on whom one wants it to be optimal for. Here, we focus on promoting European innovators in order to further the Digital Agenda. Thus, if you take the position of the developers and users of TDM technology, a wider exception would be a candidate for this task. For example, we could envisage a mischievous interpretation, aligning exceptions and limitations with a general US-style fair use doctrine, set out in 17 U.S. Code § 107, to encompass TDM activities for all purposes.
2.7.2 To make peace with the current legislation

While it may have been desirable for the EU legislature to implement a TDM exception akin to the provisions that one can find in Japan, or by creating a fair use/fair dealing model for TDM (as can be seen in other innovative economies such as US, Canada, Israel), we now have the DSM Directive, which while not perfect for ensuring the furtherance of innovation, it does bring about a start in regards to TDM as it is.

It is important for Member States and innovators to maximise the benefits of this legislation, even with its caveats and restrictions. This is even more so given the Directive, which while not perfect for ensuring the furthestance of innovation, it does bring about a start in regards to TDM as it is.

There are both positive and negative aspects to the TDM exceptions in the DSM Directive which indicate how the EU has approached technological advances and innovation generally through legislation, case law and for TDM specifically.

On one hand, the EU has a strong commitment to the Digital Agenda and wishes to push the EU to the forefront on a global scale but has failed to create an all-encompassing copyright framework for TDM. Given the nature of TDM, the value is in the collection of several sources of work gathered from big data – there is no single victim of copyright infringement because there is little value in one single piece of work or one sole extract. Arguably, the value gained from TDM arises from the analysis of several works or extracts when taken together as a collective, with minimal human intervention or harm to rightholders moral or economic rights.

However, it would be unjust to state that the EU approach to TDM and copyright constitutes a full hindrance to innovation in the region as there are several factors which must work together to create a positive environment for start-ups and innovators within the research and non-research sectors, such as access to funding, available talent and knowledge sharing, as well as an appropriate copyright framework.

At the time of writing, the exact future of TDM and innovation in Europe is unknown, and further research will be required over the next few years to ascertain Europe’s market share for TDM, AI and machine learning on a global scale. An analysis as to whether the TDM copyright environment in Europe has had a measurable impact on Europe’s success must also be conducted - currently it is hard to confirm whether the TDM limitations and exceptions will be a furtherance or a hindrance to innovation within the EU as the DSM Directive is so recent. Such issues must be monitored closely as the DSM Directive is transposed into Member State’s national laws. Ultimately, Europe’s approach to copyright alone has not, and will not, continue to be a threat to innovation in the region. Such impact, to the extent it exists in a positive or negative sense, is likely a result of the EU’s highly regulated environment generally, where individual rights are held above those of start-ups or tech-giants – a positive and negative consequence depending on the viewpoint of each stakeholder.

What is clear from this article is that Europe must be mindful to the future and to our innovators. In a closing remark from the Founder of a UK-based data and analytics company: “To not have the freedom to access information without infringing on IPRs data science and machine learning would be detrimental to our business and quite frankly stop, or make innovation extremely hard, thus affecting the European tech and start-up economy as a whole.”

Something which surely the EU wishes to avoid.

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The Monopoly case – EUTM re-filings and the concept of bad faith

By Sofia Ljungblad

ABSTRACT

An European Union Trade Mark (EUTM) can be declared invalid if the applicant acted in bad faith when filing the trade mark application. The concept of ‘bad faith’ is not defined in the EUTM legislation, but the Court of Justice of the European Union (CJEU), has in several cases interpreted the meaning of bad faith and the concept is constantly evolving.

On 22 July 2019, the Second Board of Appeal at the European Union Intellectual Property Office (EUIPO) delivered a decision in which the EUTM ‘MONOPOLY’ was partially invalidated (case No. R 1849/2017-2). Most importantly, the Board stated that the applicant acted in bad faith when re-filing an already registered word mark, for goods and services covered by its earlier EU registrations.

BACKGROUND

The EUTM system is based on the ‘first-to-file’ principle, which means that a trade mark can only be registered if it is not precluded by an earlier trade mark. After registration the EUTM proprietor receives the exclusive rights to the trade mark. At the same time, there is no justification for protecting an EUTM not being put to genuine use (recital 24 of the preamble to the EUTM Regulation 2017/1001). The cancellation applicant has the burden of proof for showing that the registration applicant’s subjective motivation, namely a dishonest intention or ominous motive, resulting in conduct not in line with accepted principles of ethical behaviour or fair commercial practices.

The meaning of the concept bad faith has been assessed by the CJEU. The most noteworthy case is Chocoladen-fabriken Lindt & Sprüngli (C-594/10), where the court established three factors which can be taken into consideration for assessment of bad faith, in each case:

(i) the fact that the applicant knows or must know that a third party is using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought,
(ii) the applicant’s intention to prevent that third party from continuing to use such a sign, and
(iii) the degree of legal protection enjoyed by the third party’s sign and by the sign for which registration is sought.

However, these factors only constitute examples as many other factors can also be taken into account when assessing if the applicant acted in bad faith when filing the application.

In the Pelikan case (T-196/09), the CJEU dealt with the issue of re-applications. The court stated that when a repeated application of a trade mark already registered has been filed by the EUTM proprietor in order to avoid the trade mark from being total or partial revoked due to non-use, this can be taken into account in order to determine if the proprietor acted in bad faith.

FACTS OF THE ‘MONOPOLY’ CASE

The decision concerned the question of whether the registration of the word mark ‘MONOPOLY’ was conducted in bad faith regarding the goods and services already covered by earlier registrations of exactly the same word mark. Hasbro, the proprietor of the word mark ‘MONO-POLY’ registered the mark in 1996 for goods in classes 9, 25 and 28, in 2008 for services in class 41 and 2010 for goods in class 6. In 2019, Kreativni Dogadaji filed an application for declaration of invalidity of the word mark ‘MONOPOLY’, arguing that the EUTM was a repeated filing of the proprietor’s earlier registrations for the trade mark. Through protecting the same trade mark for more than 14 years is not an indication of improper extension of the five-year grace period per se. However, the decision by the Cancellation Division was overruled by the Board of the EUIPO.

DECISION BY THE CANCELLATION DIVISION

On 22 June 2017, the Cancellation Division rejected the request for a declaration of invalidity and stated that the contested EUTM and the earlier one’s are identical but that the contested EUTM covered a wider range of goods and services in the relevant classes. It was considered a fairly common procedure for companies to apply for a large variety of goods and services when applying for an EUTM. The Cancellation Division also stated that protecting the same trade mark for more than 14 years is not an indication of improper extension of the five-year grace period per se. However, the decision by the Cancellation Division was overruled by the Board of the EUIPO.

DECISION BY THE BOARD OF APPEAL

The Second Board of Appeal stated that it is not acceptable for an EUTM proprietor to circumvent the genuine use criteria by disguising the re-filing of a trade mark through additional goods and services added to the application. The Board of Appeal referred to the witness statement by a representative of the EUTM proprietor held before the Board in the oral hearing. The representative stated that the EUTM proprietor re-files its already registered trade marks for a number of reasons but that the filings are not identical since the new applications includes goods and services not already registered.

In light of the foregoing, the Board of Appeal stated that this implied that the EUTM proprietor’s intention was to take advantage of the EUTM legislation by artificially creating the situation where it did not have to prove genuine use of the already registered marks. It is not relevant whether the proprietor could prove genuine use since only the applicant’s intention should be evaluated. Consequently, the EUTM proprietor acted in bad faith when filing the application of the contested EUTM. The Board of Appeal declared the contested EUTM invalid for the goods and services for which it had already been registered.

CONCLUDING REMARKS

The concept of bad faith re-filings was derived from the Pelikan-case where it was established that an EUTM proprietor cannot file a re-application for the same goods and services that the trade mark is already registered for to avoid the genuine use criteria. In the present case, the Board of Appeal developed the concept of bad faith to be applicable also to re-filings of EUTM’s when already registered goods and services are “hidden” by a broader scope of goods and services.