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# The right *fit*

K&L Gates senior associate **Shalini Jayaweera** looks at the potential to protect store fit-outs using a trade mark.

**R**ETAILERS, HOTELIERS AND franchisors will welcome a recent decision of the Court of Justice of the European Union (ECJ) which confirmed that it is possible to register the design of the fit-out of a retail store as a trade mark, provided that it can function as a trade mark.

In most jurisdictions, including Australia, in order for a mark to be registered as a trade mark it must:

- be a sign capable of being graphically represented
- distinguish the goods and services provided under the trade mark from the goods and services offered by other traders
- act as a badge of origin for the goods and services provided by reference to the trade mark.

In November 2010, Apple Inc (Apple) registered a three-dimensional trade mark in the United States. The trade mark consisted of the representation of the distinctive design and layout of its flagship retail store. The trade mark is registered for retail services of various electronic goods and product demonstrations in class 35.

Apple sought to extend the protection of its trade mark internationally, however, the German Patent and Trade Mark Office refused to accept the trade mark for registration on the basis that:

- although consumers of Apple products may feel that the layout of the store indicates the quality of the product, they would not see it as indicative of the origin of the product
- the layout was not sufficiently distinctive to distinguish it from the stores of other traders of electronic products.

Apple appealed the decision to the Federal Patent Court of Germany (FPC). The FPC then referred certain questions to the ECJ to provide guidance on whether a store fit-out can be protected as a trade mark. The ECJ held that:

- a design for the fit-out of a retail store can be registered as a trade mark without specifying the size or proportions of the store, provided that the design is capable of distinguishing the services of the applicant from other traders and the mark meets the requirements for registration
- a design of a retail store is capable of distinguishing the products or services of one trader from another where the design and fit-out is significantly different from what is considered to be normal or customary in the particular industry
- provided that the above conditions are satisfied, a design for a fit-out of a flagship store of goods can be registered in relation to the goods and also for services which do not form part of the sale of goods. In Apple's case this includes the in-store demonstration of products sold in the store.

The case has now been referred back to the FPC for final determination.

Apple applied for two trade marks for its store fit-out in Australia in 2010, however, it allowed those applications to lapse.

In order to register a store fit-out as a trade mark in Australia, a trade mark owner needs to satisfy the Examiner that the store fit-out:

- acts as a trade mark ie can consumers look at the layout only, without the brand name or associated logos of the applicant displayed prominently on the storefront and

within the store itself, and associate it with the applicant

- is distinctive from the store fit-outs of other traders.

Evidence of substantial use is likely to be required in order to register a trade mark for a store fit-out in Australia. Therefore, retailers which have unique, distinctive and consistent store fit-out and have been using this for a lengthy and continuous period, and with extensive public advertising of the store featuring the fit-out, should consider filing a trade mark application to seek to prevent others from copying the fit-out.

Based on the above European decision, it will be interesting to see if Apple tries again to register its store fit-out in Australia. As at November 2014, Apple had not sought to re-file trade mark applications in Australia for its store fit-out. This decision follows the recent trend of brand owners seeking registered trade marks for less traditional aspects of their branding, such as shapes (chocolate confectionery shops), colours (including on the exterior of stores eg 7 Eleven, BP, Donut King), scents (the scent of eucalyptus in relation to golf tees) and sounds (BOOST jingle). ■

*For more information about trade mark registration and enforcement, please contact Jonathan Feder, Partner at K&L Gates [jonathan.feder@klgates.com](mailto:jonathan.feder@klgates.com) or Shalini Jayaweera, Senior Associate at K&L Gates [shalini.jayaweera@klgates.com](mailto:shalini.jayaweera@klgates.com). This article is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer.*