BY LUIS C. SCHMIDT

PARTNER

MANAGING INTELLECTUAL PROPERTY, APRIL 2007

Intellectual property laws around the world have recognized the complex nature of human creativity, and have divided it into three major areas: patents — for creativity in technology, based on the principle of novelty; copyright — for artistic creativity, based on the principle of originality; and trade marks -for creativity in trade symbols, based on the principle of distinctiveness.
However, a particular object could at the same time meet the standards of novelty or originality, on one hand, and distinctiveness, on the other, making the forms overlap. One of the most exciting questions of IP law is whether patent, copyright and trade mark law would exclude in order to protect one single shape or object or if, on the contrary, protection may complement and accumulate.
Trade mark, design and copyright law can certainly protect shapes of products or their packaging as well as other 3D signs. The protection afforded would be different in each case and not necessarily contradictory despite the overlap. Protection is not mutually exclusive and rights can accumulate and be complementary. An object showing aesthetic or artistic features meeting novelty — industrial design — or originality — art work — requirements can also be a source indicator that distinguishes goods or services in trade. Why should double protection then be refused? In such cases, industrial design or copyright would take care of the configuration of the shape and trade mark law of its capability to perform as a trade symbol. The principles would harmonize without causing disruption, for example by extending a monopoly.

TRADE MARK PROTECTION FOR 3D SHAPES

In Mexico the general provisions of the Law on Industrial Property (LIP) regarding prosecution — including registrability, licensing, maintenance and enforcement — are applicable to 3D marks as they are to other types of trade mark. However, the most relevant section of the LIP states:

ARTICLE 89. — The following signs may constitute a trade mark:

...

II. — Three-dimensional forms:

ARTICLE 90. — Not registrable as trade marks are:

III. — Three-dimensional forms which are part of the public domain or which have become of common use, and those that lack sufficient originality to easily distinguish them, as well as the normal and ordinary form of products or that imposed by their nature or industrial function.

Likewise, the Regulations to the LIP states: “ARTICLE 53. For the purpose of what is stated in Article 89 (II) of the LIP, the wrappers, packaging, bottles, shape or presentation of a product shall be considered as a three-dimensional form.”

It is therefore clear that product and container shapes, among other 3D forms, can be protected under the LIP. The limitations in article 90 (III) are crucial in determining the scope of protection of 3D marks in the LIP, and give four basic standards:

1) 3D marks are not part of the public domain.
2) 3D marks have not become commonly used.
3) 3D marks lack sufficient originality to be easily distinguished.
4) 3D marks represent the ordinary shape of the product or that imposed by its nature or industrial function.

PUBLIC DOMAIN

There is not a clear and uniform criterion of what article 90 (III) should understand as "public domain". However, it appears that the meaning implies a patent or copyright connotation. For example, protection is available for designs that are novel and that are applied to industrial products, devices, containers or any other kinds of forms. Novelty is restricted to industrial forms not found in the state of the art anywhere in the world.

An industrial design may fall into the public domain if no proper and timely registration is sought before it is disclosed, in accordance with the LIP and Regulations. It can also fall into the public domain after the term of protection of the industrial design, which in Mexico is 15 years, expires.

From a practical standpoint, you should be very careful to know whether the 3D device has been already used in commerce and whether patent protection has already been sought. Whether the industrial design registration has expired also has to be considered. The granting of a 3D trade mark registration should not

necessarily require that an industrial design application be simultaneously or previously filed. Protection afforded by trade mark law stands on its own principles. However, it is advisable that applicants consider the public domain restriction.
However, from a technical point of view, Congress should re-examine the public domain requirement, as it clearly contradicts the principles of trade mark law. Inventions and designs that are disclosed prior to the filing of an application lose novelty and fall into the public domain. It would be difficult to say that marks that were used prior to registration also fall into the public domain. Distinctive marks used prior to registration trigger-not lose-rights in accordance with trademark law. Public domain is not an appropriate concept for trademarks, as it would contradicting to established principles under trademark law.

COMMON USE

Mexican trade mark law requires that the mark meets a minimal level of uniqueness, and not be reputed or recognized as of common use. Forms and shapes in general that are too simple or ordinary or that have served as containers or the shape of products, or that have in general been extensively used, will definitively nor be protected.

DISTINCTIVENESS

As explained above, distinctiveness is a basic principle of Mexican trade mark law. Accordingly, it is important to consider:
1) That the 3D mark should not be confusingly similar to existing ones.
2) That the mark should nor be generic or descriptive as regards the products or services to which it will be applied.

ORIGINALITY

The world "original" is vague and cannot be used in the context of 3D trade mark protection or even trade mark protection in general, as it is exclusively related to copyright law. As the concept is so imprecise, it could only be regarded an additional burden making registration a harder process.

ORDINARY INDUSTRIAL FUNCTION

These requirements are related to the previous three. However, in this case the law is intended to ensure that ordinary forms or functionality features of products, devices, containers, packages and other 3D forms are not exclusively appropriated by single entities, which would be detrimental to third parties. Thus, the shape of the 3D product, container, etc., will have to be distinct and unrelated to its ordinary form or function if trade mark protection is intended. Non-functional devices or features of products or packages, boxes or containers will represent the best 3D trade marks in accordance to the law.

REGULATIONS OF 1994

In accordance with the Regulations of 1994, wrappers, packages, containers and the form of presentation of products have been expressly considered to be 3D forms for the purpose of the LIP. That regulatory provision has make it clear that product shapes can perform as 3D marks, provided that they comply with the LIP requirements explained above. However, the Trade Mark Office has recently found that shapes of products cannot represent 3D marks, which is obviously wrong, and goes against the principles of the LIP and regulations as well as NAFTA and TRIPs.

It is worth repeating that the LIP does not protect descriptive marks regardless of how widely they have been used and how much consumer recognition they posses. This has a particular importance in cases of 3D marks, as products and container shapes may not be inherently distinctive. Frequently, it is not only the non-functional feature of the shape, wrapper, package, bottle or container, that applicants wish to protect, but additionally some features that may not be registrable or that may at least not be considered inherently distinctive. Other times, a dividing line between functional and non-functional, useful and useless, art and industry is just impossible to draw. However, the lack of an acquired distinctiveness doctrine makes it more difficult for many 3D marks to be registered under Mexican Law.

ACCUMULATIVE PROTECTION FOR 3D SHAPES

Three-dimensional forms that fulfill the novelty or originality standards qualify for either industrial design or copyright protection under Mexican laws, regardless of whether the novel or original form performs as a distinctive trade symbol and can therefore be the subject of additional trade mark protection. The LIP indicates that the standards of protection for industrial designs are novelty and industrial application. The law defines novelty as "independent creativity" for the purposes of industrial design protection. This expression is misleading, however, since “independent creation” is a concept that can be rather contradictory and thus inapplicable to novelty. Under the Copyright Law, works of authorship are required to be original. Mexico subscribes to the author’s rights system and thereby follows and "imprint of the author's personae" approach.

The Mexican IP system is favorable to the accumulative protection formula, taking into account that it is clear enough in prescribing when a particular shape or object deserves patent, copyright or trade mark-like protection. On the other hand, neither the LIP nor the Copyright Law impose an express or implied prohibition against the accumulation of rights. However, Mexican trade mark authorities have recently considered that if a particular shape has been the subject of industrial design or copyright protection it cannot further serve as a trade mark. It is hard to know if they have supported their analysis in *Sears*- and *Compco*- type arguments or if they have referenced something similar (considering that Mexico does not have a common law system). The fact is that they consistently refuse applications filed in connection with 3D marks, based on public domain or other weak considerations.

UNANSWERED QUESTIONS

Some of the questions triggered by 3D trade mark protection are:

- It is an open issue whether it is possible to forbid the two dimensional reproduction of a 3D object that has been registered as such. However, infringement might still be possible in that situation if the plaintiff is able to show that a consumer could fall into confusion by the fact that a 3D mark has been used bi-dimensionally or the other way around. If

infringement is not possible under the rules of trade mark law, it might still be possible that the law of unfair competition provides a solution.

- The use of a 3D sign as an industrial design or as a piece of artwork might lead to the loss of distinctiveness if it can be proven that the title holder did not use that symbol for distinguishing goods or services in trade and that the consumer recognizes the symbol as a generic figure — speaking in trade mark terms — despite being novel or original under the patent or copyright laws. In line with the LIP, in order for a trade mark to lose distinctiveness and be the subject of a cancellation action, that trade mark would have to be used as a generic 3D shape.

Measures that can be taken by the owner of a 3D trade mark registration to stop the sign losing its distinctive character, despite being a novel or original shape and as a consequence of the use of the corresponding design made by third parties, would include: (1) have a strict licensing policy with requirements stated on licences nor to use the mark, or advertise it as a generic shape; (2) impose obligations upon licensees to employ appropriate marking legends; and (3) if the third parties are not licensees, take the proper legal or extra-legal action to stop the mark becoming diluted.