

This is a repository copy of *Inconsistencies in European trade mark law: the public policy and morality exclusions*.

White Rose Research Online URL for this paper:

<https://eprints.whiterose.ac.uk/180264/>

Version: Accepted Version

Article:

Fernandez De La Mora Hernandez, Alvaro orcid.org/0000-0003-1598-9117 (2020)
Inconsistencies in European trade mark law: the public policy and morality exclusions.
Intellectual Property Quarterly. pp. 271-298. ISSN 1364-906X

Reuse

Items deposited in White Rose Research Online are protected by copyright, with all rights reserved unless indicated otherwise. They may be downloaded and/or printed for private study, or other acts as permitted by national copyright laws. The publisher or other rights holders may allow further reproduction and re-use of the full text version. This is indicated by the licence information on the White Rose Research Online record for the item.

Takedown

If you consider content in White Rose Research Online to be in breach of UK law, please notify us by emailing eprints@whiterose.ac.uk including the URL of the record and the reason for the withdrawal request.

This article was published as:

Alvaro Fernandez-Mora, 'Inconsistencies in European Trade Mark Law: The Public Policy and Morality Exclusions' 4 Intellectual Property Quarterly (IPQ) 271 (2020), available at: <https://uk.westlaw.com/Document/IC51C7610248111EB84E3AFDEA08E8491/View/FullText.html?transitionType=Default&contextData=%28sc.Default%29>.

Please quote from this source.

Inconsistencies in European Trade Mark Law: The Public Policy and Morality Exclusions

Alvaro Fernandez-Mora*

Abstract

European decision-makers have not adopted a uniform approach to the interpretation of the public policy and morality exclusions. This has resulted in a worrying degree of unpredictability, with similar signs being refused registration in some instances while being granted in others. In the search for consistency, commentators have thus far focused on one controversial aspect of the exclusions: the role that the protection afforded by freedom of expression under Article 10 ECHR ought to play in trade mark registration. This article argues that this is only one of several sources of inconsistency that can be identified in the case law. Current approaches are also split as regards the correct interpretation of these grounds for refusal, including: (a) their conceptual boundaries; (b) how to correctly define the relevant public; and (c) their applicable legal test(s). It is only if decision-makers address these additional sources of inconsistency moving forward that it will be possible to harmonise this area of law. This is a timely endeavour in light of the recent decision in 'Fack Ju Göhte', where the CJEU has ruled on the morality exclusion for the first time.

1. Introduction

Absolute grounds for refusal of registration of marks that are immoral or that contravene public policy can be found in trade mark statutes worldwide. In Europe, Article 7(1)(f) of the EU Trade Mark Regulation (EUTMR) provides as follows:

1. The following shall not be registered or, if registered, shall be liable to be declared invalid:
[...]
(f) trade marks which are contrary to public policy or to accepted principles of morality.¹

* Assistant Professor in Intellectual Property Law, Department of Legal Studies, Central European University. DPhil (University of Oxford); LLM (University of Harvard). The author would like to thank Professor Graeme Dinwoodie for comments on an earlier version of this article.

Equivalent provisions can be found in Article 4(1)(f) of the Trade Marks Directive (TMD) and Section 3(3)(a) of the UK Trade Marks Act.² Under these provisions, trade mark applications consisting of expressions that can cause outrage amongst the relevant public by reason of their immorality or their contravention of public policy will be denied access to the register.

An overview of the case law dealing with these exclusions reveals that European decision-makers have not adopted a uniform approach to their interpretation. This has resulted in a worrying degree of unpredictability, as illustrated by the numerous inconsistencies found in the types of signs that have been granted access to European registers when compared to those that have not.³ Signs such as 'Fucking Freezing!', '¡Que Buenu Ye! Hijoputa' (where 'hijoputa' translates into 'son of a bitch' in Spanish), 'Paki', 'Ficken' (which means 'to fuck' in German), 'Fuck Cancer', 'Screw You' (for goods other than sex products), 'Curve' and 'Curve 300' (where 'curvă' stands for 'whores' in Romanian), 'Mechanical Apartheid', 'Bin Ladin', 'Jesus', 'Tiny Penis' or 'Fook' have been denied access to European registers.⁴ Meanwhile, signs like 'Fooc', 'FCUK', 'Fack Ju Göhte', 'Fucking Hell', 'Dick & Fanny', 'Jewish Monkeys', 'Kuro' (where 'kúró' translates into 'fucker' in Hungarian) or 'Aircurve' (compare with 'Curve' and 'Curve 300' above, which were denied registration on grounds that 'curvă' means 'whores' in Romanian) have been registered as trade marks in Europe.⁵

The degree of inconsistency in this area is such that we even find instances where different trade mark offices have reached contrasting outcomes in relation to the same

¹ Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union Trade Mark.

² Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States Relating to Trade Marks; UK Trade Marks Act 1994 (UK TMA).

³ The unpredictability governing this area of law was noted by the EUIPO Board of Appeal in *R-793/2014-2, Application of Ung Cancer ('Fuck Cancer')* 23 February 2015 (EUIPO Board of Appeal) [22].

⁴ *R 168/2011-1, Application of Türpitz ('Fucking Freezing!')* 30 November 2010 (EUIPO Board of Appeal); *Case T-417/10, Federico Cortés del Valle López v OHIM ('¡Que Buenu Ye! Hijoputa')* (2012) ECLI:EU:T:2012:120; *Case T-526/09, PAKI Logistics GmbH ('Paki') v OHIM* (2011) ECR II-00346; *Case T-54/13, Efaq Trade Mark Company ('Ficken') v OHIM* (2013) EU:T:2013:593; *R-793/2014-2, Application of Ung Cancer ('Fuck Cancer')* (n 3); *R 495/2005-G, Application of Jebaraj Kenneth ('Screw You')* (2006) [2007] ETMR 7 (EUIPO Grand Board of Appeal); *Case T-266/13, Brainlab AG v OHIM ('Curve')* (2014) ECLI: EU: T: 2014: 836; *R 288/2012-2, Application of HNI Technologies Inc ('Curve 300')* 1 June 2012 (EUIPO Board of Appeal); *R 2804/2014-5, Application of Square Enix Ltd ('Mechanical Apartheid')* 6 February 2015 (EUIPO Board of Appeal); *R 176/2004-2, Application of Falcon Sporting Goods AG ('Bin Ladin')* 29 September 2004 (EUIPO Board of Appeal); *Basic Trademark SA's Trade Mark Application ('Jesus')* [2005] 1 WLUK 196 (Appointed Person); *Ghazilian's Trade Mark Application ('Tiny Penis')* [2001] 11 WLUK 742 (Lord Chancellor's Appointed Person); *Scranage's Trade Mark Application ('Fook')* [2008] 3 WLUK 577 (Appointed Person).

⁵ *EUIPO Trade Mark Database: EUTM No 018088477 ('Fooc')* registered on 22 November 2019, owned by He Qiongyang; *French Connection Ltd's Trade Mark Application ('FCUK')* [2006] 5 WLUK 432 (Appointed Person); *Case C-240/18, Constantin Film Produktion ('Fack Ju Göhte') v EUIPO* (2019) EU:C:2019:553; *R 385/2008-4, Application of Stefan Fellenberg and Dr Florian Krause ('Fucking Hell')* 21 January 2010 (EUIPO Board of Appeal); *R 111/2002-4, Application of Dick Lexic Ltd ('Dick & Fanny')* [2005] ETMR 99 (EUIPO Board of Appeal); *R 519/2015-4, Application of Josef Reich ('Jewish Monkeys')* 2 September 2015 (EUIPO Board of Appeal); *R 482/2012-1, Application of Michael Kühn ('Kuro')* 22 November 2012 (EUIPO Board of Appeal); *R 203/2014-2, Application of ResMed Ltd ('Aircurve')* 4 June 2014 (EUIPO Board of Appeal).

sign, denying registration in one jurisdiction while granting it in another. For instance, the sign 'Fook' was denied registration as a national mark in the UK by virtue of the decision of the Appointed Person (AP) in *Scranage's Trade Mark Application*.⁶ However, this sign was subsequently granted registration to the same applicant as an EU mark by the European Union Intellectual Property Office (EUIPO), thus covering the territory of the (then) 28 Member States, including that of the UK.⁷ Admittedly, not all cases where different decision-makers reach contrasting outcomes will be reflective of an inconsistent application of the public policy and morality exclusions. In a pluri-national, multi-cultural setting such as the EU, the fact that the same sign has been registered in one Member State but refused in another does not necessarily serve as evidence of the fragmented state of the law, but may, instead, be the result of different moral values and/or sensitivity thresholds. This has been acknowledged by the EUIPO in the following terms:

Tolerance thresholds [for purposes of Article 7(1)(f) EUTMR] are not the same in all Member States; for instance, religious feelings can vary in intensity from one country to another. In this sense the mark 'Jesus' was found immoral in the UK [...] but it was accepted without any objection by the Benelux Bureau for Intellectual Property.⁸

Because what is deemed to be immoral and/or contrary to public policy can vary from one country to the other, this article will not address the divergences between decision-makers operating out of different EU Member States. Instead, it will focus on the inconsistencies: (a) between the EU and its Member States, notably the UK; and (b) within the EU, i.e. between the EUIPO, the General Court (GC) and the Court of Justice of the European Union (CJEU).

It is no easy endeavour to systematise the case law in this area. As acknowledged by Hobbs QC in *Basic Trademark SA's Trade Mark Application*, an overview of the marks that have been denied registration on morality and/or public policy grounds reveals the 'difficulty (probably the impossibility) of formulating an all-purpose test for determining when the relevant prohibition is applicable'.⁹ Much of the ongoing controversy stems from decision-makers' inability to reach a consensus as to the role that the protection afforded by freedom of expression under Article 10 of the European Convention on Human Rights (ECHR) ought to play in trade mark law generally, and in the registration context specifically.¹⁰ An inquiry that has come to the forefront of the debate fuelled by applicants' growing reliance on speech as a ground to challenge the validity of refusals to register their applied-for signs when they contravene public policy or morality. Applicants argue that their inability to communicate their preferred messages in the

⁶ *Scranage* (n 4). In the UK, appeals from decisions by the Registrar of Trade Marks can be brought before the High Court or the Lord Chancellor's Appointed Person. See TMA, ss 76 and 77.

⁷ EUIPO Trade Mark Database: EUTM No 883006 ('Fook') registered on 10 January 2006, owned by Kevin Scranage.

⁸ *R 2244/2016-2, Application of Brexit Drinks Ltd ('Brexit')* 28 June 2017 (EUIPO Board of Appeal) [17].

⁹ *Basic* (n 4) [13].

¹⁰ Convention for the Protection of Human Rights and Fundamental Freedoms (European Convention on Human Rights, as amended).

course of trade –i.e. through the exclusive use of their preferred signs resulting from registration– runs counter to their Article 10 ECHR rights.

This phenomenon is not unique to the EU, nor to the registration context. The debate as to whether speech protection is implicated in trade mark registration has been particularly salient in the US. As a result of the recent Supreme Court decisions in *Matal v Tam* ('The Slants') and *Iancu et al v Brunetti* ('FUCT'), the disparaging, scandalous and immoral clauses of the Lanham Act have now been struck down on First Amendment grounds.¹¹ A very different outcome to the ones we find in Europe, where freedom of expression plays a more modest role, if at all. Furthermore, free speech has been invoked in areas of trade mark law other than registration. In infringement litigation, for instance, defendants are increasingly seeking to insulate their unauthorised uses of marks for expressive purposes on their Article 10 ECHR rights –with varying degrees of success throughout the EU.¹²

This article does not explore the interaction between marks and speech in contexts other than registration. However, awareness of the full range of instances where both sets of rights interact serves to highlight the potential ramifications that a court's finding in registration litigation could have in other areas of trade mark law. This might, in turn, explain decision-makers' –and even scholars'– hesitation to fully engage with the complex questions raised by the interaction between marks and speech to date. But this is likely not the only reason. This interaction remains, for the most part, uncharted territory. The ways in which both sets of rights interact have not been sufficiently explored to date, let alone the legal implications that ought to ensue from their interaction. There is no denying that leading this journey can be daunting for decision-makers. Insofar as marks are, at their core, units of language, the repercussions that the infusion of speech protection into trade mark law can have in the field are not only difficult to predict, but potentially far-reaching too. Nevertheless, the time is ripe for decision-makers to shed light on this controversial topic. Otherwise, the lack of guidance on the relationship between marks and speech will lead to even higher degrees of unpredictability in the coming years, further threatening the consistency of the field.

The only way to prevent this is –perhaps counterintuitively– by moving away from the widespread notion that inconsistencies in this area of law are fundamentally the result of decision-makers' inability to address the interaction between marks and speech adequately. To this day, efforts by commentators to bring clarity to the interpretation

¹¹ *Matal* 137 S Ct 1744 (2017); *Iancu* 139 S Ct 2294 (2019).

¹² Courts from different EU Member States have reached contrasting outcomes in infringement litigation involving modified uses of reputed marks for expressive purposes, normally for parody or commentary. This is often the result of different courts adopting divergent thresholds for determination of what amounts to expressive use of a mark that is deserving of protection under Article 10 ECHR. The stricter threshold imposed in the UK has often led courts to side with plaintiffs after a finding that defendants' use was not expressive. *Ate My Heart Inc (AKA Lady Gaga) v Mind Candy Ltd* [2011] EWHC 2741 (Ch); *Miss World Ltd v Channel 4 Television Corp* [2007] EWHC 982 (Pat). In contrast, the more generous threshold applied by the courts of Germany and The Netherlands has shielded defendants from infringement after a finding that their use was indeed expressive. Respectively: *Nadia Plesner v Louis Vuitton* (2011) case LJN BQ3525 (The Hague District Court); *Violet Postcard (Lila-Postkarte)* (2007) 38 IIC 119 (BGH, 3 Feb 2005).

of the public policy and morality exclusions have focused on this interaction.¹³ This has been to the detriment of other aspects of Article 7(1)(f) EUTMR on which European decision-makers have been unable to reach a consensus, which have remained largely unaddressed. The aim of this article is to bring these additional aspects to the forefront of the debate as well, proposing a holistic approach to redressing the inconsistencies identified in the field.

Current approaches to Article 7(1)(f) EUTMR are also inconsistent as regards the correct interpretation of each ground for refusal, including: (a) their conceptual boundaries, i.e. whether they overlap or, on the contrary, they impose different requirements on trade mark applicants;¹⁴ (b) how to correctly define the relevant public for purposes of these exclusions; and (c) the test(s) to be applied to determining whether an applied-for sign is immoral and/or contrary to public policy. The prevailing legal uncertainty in this area does not, therefore, result from one single source of inconsistency, but rather has several axes. Being aware of this diversity is crucial to properly engage with, and put an end to, decision-makers' contrasting approaches to the interpretation of Article 7(1)(f) EUTMR. To this end, this article will study in detail all three axes of inconsistency identified, in addition to the interaction between marks and speech.

This article will seek to move us forward in our understanding of the public policy and morality exclusions in two other ways. First, and precisely as a result of the previous shortcoming, existing materials on this topic have failed to address how the different axes of inconsistency relate to each other. Insofar as the different areas where decision-makers have not reached a consensus do not operate in a vacuum, understanding how they influence each other is key to proposing interpretations that can put an end to the prevailing uncertainty. This article will aim to show how the different axes of inconsistency identified are, to a large extent, intertwined, i.e. each axis is the result, and contributes to, the others. For instance, decision-makers' inability to reach a common position on whether speech protection is implicated in the registration context greatly determines how they interpret the morality and public policy exclusions, notably their applicable test(s).

And, second, as regards the interaction between marks and speech, attempts at exploring this interaction in the registration context are characterised by a lack of

¹³ Tobias Endrich-Laimböck and Svenja Schenk, 'Then Tell Me What You Think About Morality: A Freedom of Expression Perspective on the CJEU's Decision in FACK JU GÖHTE (C-240/18 P)' [2020] IIC; Christophe Geiger and Leonardo M Pontes, 'Trade Mark Registration, Public Policy, Morality and Fundamental Rights' Centre for International Intellectual Property Studies (CEIPI) Research Paper No 2017-01; Susan Snedden, 'Immoral Trade Marks in the UK and at OHIM: How Would the Redskins Dispute Be Decided There?' (2016) 11 JIPLP 270; Enrico Bonadio, 'Brands, Morality and Public Policy: Some Reflections on the Ban on Registration of Controversial Trademark' (2015) 19 Marquette IP L R 43; Ilanah Simon Fhima, 'Trade Marks and Free Speech' [2013] IIC 293; Jonathan Griffiths, 'Is There a Right to an Immoral Mark?' in Paul Torremans (ed), *Intellectual Property and Human Rights* (Kluwer 2008); Marco Ricolfi, 'Trademarks and Human Rights' in Paul Torremans (ed), *Intellectual Property and Human Rights* (Kluwer 2008).

¹⁴ Admittedly, Snedden and Humphreys have noted that European decision-makers have not always made a clear-cut distinction between both grounds of refusal. Snedden (n 13) 273; Gordon Humphreys, 'Deceit and Immorality in Trade Mark Matters: Does It Pay to Be Bad?' (2007) 2 JIPLP 89, 91. However, their analyses did not go any further, whether by exploring cases where such a distinction has been made or proposing avenues for reform.

nuance. This is partly due to decision-makers' failure to conduct a detailed analysis of the ways in which refusals of registration can impact applicants' speech interests. Trade mark offices and appeal courts cannot be expected to navigate the interaction between marks and speech adequately if they lack a robust understanding of the underlying policy considerations. Furthermore, the vast majority of decision-makers hearing registration cases seem to lack the required familiarity with the legal test developed by the European Court of Human Rights (ECtHR) under Article 10 ECHR to undertake a solid assessment of the compatibility of refusals of registration with speech requirements. Although their analyses of applicants' speech concerns are often conceptualised in terms of balancing opposing interests, their inquiries are not framed within the proportionality exercise mandated under the Convention in instances where freedom of expression is interfered with by public authorities.¹⁵ This article will assist decision-makers in both of these areas by: (a) exploring how refusals of registration can interfere with applicants' speech rights; (b) illustrating how the proportionality test mandated under Article 10 ECHR ought to be applied to refusals of registration; and (c) explaining what is to be gained from application of this test.

Against this backdrop, it is surprising that the CJEU had remained silent on this topic for so long –contributing to the prevailing sense of uncertainty. No reference for a preliminary ruling has been launched to date before the CJEU by the courts of Member States asking for guidance on the interpretation of Article 7(1)(f) EUTMR. Fortunately, guidance can now be found in its recent decision in *Constantin Film Produktion v EUIPO*, where the Court was asked to rule on the interpretation of this provision for the first time.¹⁶ Appellant had requested the CJEU to overturn the decisions of the GC and the EUIPO Board of Appeal (BoA) denying registration to the sign 'Fack Ju Göhte' for a wide range of goods and services on, amongst others, free speech grounds. In siding with appellant, the Court has moved away from an abstract assessment of the morality exclusion, opting instead for an evidence-based inquiry as to whether the applied-for sign is liable to cause outrage amongst the relevant public. Given that this judgment was handed down only quite recently, this article will engage with the Court's findings in quite some detail in an attempt to lead the way for future commentators and decision-makers working in this field.

This decision ultimately constitutes a missed opportunity on the part of the Court to harmonize an area of law that has proved to be particularly problematic. Although regrettable, there is, however, reason to remain optimistic. First, the Court should be praised for putting an end to the ongoing debate as to whether freedom of expression is implicated in trade mark registration by holding that speech interests must be taken into account upon interpretation of Article 7(1)(f) EUTMR. How they must be taken into account, and whether they extend to other areas of trade mark law (notably, infringement) remains, however, a contentious issue that the Court must explore in future cases. And, second, the Court proposes a fact-sensitive, contextual test to interpreting what ought to be deemed a morally objectionable sign for purposes of European trade mark law. In so doing, the Court is not only harmonising the interpretation of the morality exclusion but is arguably also broadening the range of

¹⁵ R 2804/2014-5, *Square Enix* (n 4); *Basic* (n 4); R 495/2005-G, *Jebaraj Kenneth* (n 4).

¹⁶ Case C-240/18, *Constantin Film Produktion* (n 5).

marks that can be registered under the exclusion. These are no minor developments in this area. Though lacking in ambition, this decision is thus perhaps best characterised as a much-needed first step in the right direction.

To explore these ideas in further detail, Sections 2 and 3 will provide an overview of the state of disarray in which the field found itself prior to the decision of the CJEU in *Constantin Film Produktion*. Section 2 will look at the three shortcomings identified earlier stemming from the (mis)interpretation of the public policy and morality exclusions, i.e. (a) their conceptual boundaries; (b) how to correctly define the relevant public; and (c) their applicable legal test(s). This will be followed, in Section 3, by a detailed analysis of the role that speech protection has thus far played in the registration context. The aim in doing so is to set the ground for critical engagement with the decision of the CJEU in *Constantin Film Produktion*, in Section 4, in an attempt to elucidate the extent to which the shortcomings previously identified have now been redressed by the Court. Concluding remarks will follow in Section 5.

2. The Inconsistent Interpretation of the Public Policy and Morality Exclusions in Europe (I): Overlooked Sources of Inconsistency

An overview of the case law in this area reveals a lack of consensus as to the correct interpretation of each of the grounds for refusal contained in Article 7(1)(f) EUTMR, including: (a) their conceptual boundaries; (b) how to correctly define the relevant public; and (c) their applicable legal test(s).

2.1. The Conceptual Boundaries of the Public Policy and Morality Exclusions

European decision-makers have devoted little attention to defining the content of the public policy and morality exclusions, including whether they overlap and, if so, to what extent. The lack of clear conceptual boundaries between both exclusions has greatly contributed to the sense of uncertainty that governs this area of law.

In *Application of Square Enix Ltd*, for instance, the EUIPO BoA's finding that the sign 'Mechanical Apartheid' was contrary to Article 7(1)(f) EUTMR failed to distinguish between each ground of refusal, going as far as to use them indistinctly throughout its decision. The Board began its analysis arguing that 'the [trade mark] application is contrary to public policy *and* to accepted principles of morality'.¹⁷ Later on, the Board held that 'Article 7(1)(f) CTMR clearly imposes a duty on the Office to exercise a degree of *moral* judgment in assessing the suitability of signs to be granted trade mark protection'.¹⁸ Finally, the Board went on to conclude that the applied-for sign 'is contrary to the European Union's *public policy*'.¹⁹

In *Couture Tech v OHIM*, the GC upheld the EUIPO's refusal to register a figurative sign depicting the coat of arms of the former USSR on grounds that it would be 'contrary to public policy *or* to accepted principles of morality' in those Member States which had

¹⁷ R 2804/2014-5, *Square Enix* (n 4) [8] (emphasis added).

¹⁸ *ibid* [10] (emphasis added).

¹⁹ *ibid* [30] (emphasis added).

been subject to the Soviet regime.²⁰ The Court relied on the provisions of the Hungarian Criminal Code banning the use of symbols reminiscent of the Soviet Union to conclude that the public would find them to contravene public policy or morality in, at least, Hungary. In reaching its decision, the GC made no distinction between each ground of refusal, opening the door to speculation as to whether their content overlaps in all cases or only in the case at hand.²¹ Given the sweeping implications of the former interpretation (i.e. decision-makers will never be required, under Article 7(1)(f) EUTMR, to analyse each ground separately), subsequent decisions have read *Couture Tech* in the sense that both grounds overlap only sometimes.²²

To further complicate things, in *Constantin Film Produktion* (i.e. ‘Fack Ju Göhte’), the GC held that ‘the concepts of “public policy” and “accepted principles of morality” are different but they often overlap. Thus [decision-makers are] not obliged to distinguish between the two.’²³ In his opinion on appeal, AG Bobek strongly disagreed with this view, arguing that ‘the conceptual difference between [public policy and morality] has repercussions for what exactly is to be assessed and how’.²⁴ Although the AG concedes that both concepts can sometimes overlap, neither their source nor subject matter coincides.²⁵ He then goes on, in a much-needed attempt to systematize the interpretation of the public policy and morality exclusions under EU law, to define each of these grounds. In his view, public policy is top-down in nature, in the sense that it stems from a public authority’s ‘normative vision of values and goals’ as set out in its laws and policy documents.²⁶ In contrast, accepted principles of morality make reference to the set of values, principles and beliefs that govern society at a given point in time –they are, thus, bottom-up in nature.²⁷ Unfortunately, as we will go on to study in Section 4.1., the decision of the CJEU fails to engage in discussion of the conceptual boundaries of both exclusions –opening the door to speculation as to whether the AG’s analysis will be followed by future decision-makers.

2.2. The Definition of Relevant Public for Purposes of the Public Policy and Morality Exclusions

Under Article 7(1)(f) EUTMR, decision-makers must define the relevant public from whose perspective they will evaluate the compatibility of the applied-for sign with public policy and/or morality. Three elements must be taken into consideration here: (a) the type of consumer that, in the light of the goods and/or services claimed by the applicant, is likely to confront the mark if it were to be granted registration; (b) the objective standard from which the notions of public policy and morality ought to be assessed; and

²⁰ *Case T-232/10, Couture Tech Ltd v OHIM* (2011) ECR II-06469 [72] (emphasis added).

²¹ This has also been noted by Snedden (n 13) 273.

²² *Case E-5/16, Municipality of Oslo ('Vigeland')* [2017] (EFTA) [85].

²³ *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [59] discussing the appealed decision from the GC: *Case T-69/17, Constantin Film Produktion v EUIPO* (2018) ECLI:EU:T:2018:27 [23].

²⁴ *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [60]. This is also the opinion of Arnold QC in *French Connection* (n 5) [59].

²⁵ This was also the finding of the EFTA Court in *Case E-5/16, Vigeland* (n 22) [84]-[85].

²⁶ *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [75]-[83].

²⁷ As acknowledged by AG Bobek in *ibid* [78], the EFTA Court has established a similar distinction between both grounds of refusal in *Case E-5/16, Vigeland* (n 22) [86].

(c) the section of the population that is liable to be offended by the applied-for sign in instances of diverse ‘linguistic, historic, social and cultural’ groups within a trade mark system.²⁸ Let us look at each of these elements in more detail.

First, determining the type of consumer that, in the light of the goods and/or services claimed by the applicant, is likely to confront the mark if it were to be granted registration is often a straightforward endeavour. Decision-makers are well acquainted with this exercise, which is common practice upon defining the average consumer in other areas of trade mark law (e.g. infringement). This requires ascertaining whether the sign will be confronted by the general public or, rather, by a specialised part of the public –in which case the subset of EU consumers taken into consideration will be smaller.

Second, defining the objective standard from which the notions of public policy and morality ought to be assessed is rarely a contentious issue either. Different viewpoints have, however, been adopted by decision-makers operating out of different jurisdictions. The UK AP has often ‘plac[ed it]self in the shoes of the “right-thinking” member of the public’.²⁹ As defined by Thorley QC in *Ghazilian’s Trade Mark Application*, ‘[a] right-thinking member may himself or herself not be outraged but will be able, objectively, to assess whether or not the mark in question is calculated to cause [...] “outrage” or “censure” [...] amongst a relevant section of the public.’³⁰ Admittedly, neither the notion of ‘right-thinking member of the public’ nor its definition bring much to the table in terms of providing a clear viewpoint from which to undertake the assessment of public policy and/or morality. This might explain why Arnold QC (as he then was) made no attempt, later on, to define the relevant public in *French Connection Ltd’s Trade Mark Application* (including the standard from which to assess the morality of the applied-for sign ‘FCUK’), opting instead to focus on the notion of ‘objectivity’.³¹ In the EU, decision-makers have agreed on the objective standard from which the notions of public policy and morality ought to be assessed, which is defined as ‘the standards of a reasonable person with normal levels of sensitivity and tolerance’.³²

And, third, delimitating the section of the population that is liable to be offended by the applied-for sign in instances of diverse linguistic, historic, social and cultural groups within a trade mark system had, until recently, not proved very problematic either. Article 7(2) EUTMR provides that absolute grounds for refusal of EU marks (including public policy and morality) ‘shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Union’. Because EU marks grant owners an exclusive right throughout the territory of the EU, applications for registration filed before the EUIPO impose on decision-makers the additional requirement of ensuring that the applied-for sign is not contrary to public policy or morality in any of the (now) 27 Member States. As a result, a sign that raises no public policy/morality concerns in

²⁸ *Case T-1/17, La Mafia Franchises SL (‘La Mafia se Sienta a la Mesa’) v EUIPO* (2018) ECLI:EU:T:2018:146 [28].

²⁹ *Ghazilian* (n 4) [50]. This standard was also followed by Hobbs QC in *Basic* (n 4) [17]-[19].

³⁰ *Ghazilian* (n 4) [32].

³¹ *French Connection* (n 5) [60(4)].

³² *Case T-417/10, Federico Cortés* (n 4) [17]; *Case T-526/09, PAKI Logistics* (n 4) [12]; *R 495/2005-G, Jebaraj Kenneth* (n 4).

the vast majority of Member States may, however, be denied registration on the basis that it is liable to cause outrage amongst a subset of the EU public.

Properly delimitating the relevant public in EU-wide scenarios thus constitutes a crucial step of the inquiry, that can greatly determine the chances of success of a trade mark application. Misdefining the relevant public can lead to one of the following two scenarios. First, a sign's ability to cause outrage amongst a subset of the EU public may be disregarded by the trade mark-granting authority (e.g. where the examiner is unaware that the sign constitutes an offensive term in one of the 24 official languages of the EU), leading to the applied-for sign being incorrectly registered. And, second, the sign's departure from acceptable social standards may be assessed incorrectly, whether to the applicant's benefit or to its detriment. The former can occur, for instance, where the sign, which can be offensive under two different languages, is only assessed in the light of one of them. Because the relevant public will be defined without taking into account both community of speakers within the EU, the applicant's chances of success will be higher.

Article 7(2) EUTMR has been routinely applied by the GC and the EUIPO with a view to ensuring respect for the diversity of cultures and languages that can be found in the EU. Admittedly, cases where the relevant public has been defined by reference to historical, social or cultural traits are rare. In *Couture Tech*, for instance, the refusal to grant registration to a figurative sign depicting the coat of arms of the former USSR was premised on the special sensitivity that the 'public living in the part of the European Union which had been subject to the Soviet regime' has to symbols connected to the Soviet Union.³³ In most cases involving application of Article 7(2) EUTMR, signs have been refused registration on grounds that they constitute swear words in one of the official languages of the EU. In *PAKI Logistics v OHIM*, for example, the GC defined the relevant public as the English-speaking population within the EU 'since the term "paki" has a meaning in the English language'.³⁴ In *Federico Cortés del Valle López v OHIM*, the GC found that 'the moral standards that ought to be taken into consideration were those generally recognized in Spain since the mark ['¡Que Buenu Ye! Hijoputa'] is made up of Spanish expressions'.³⁵ In *Brainlab AG v OHIM*, a case involving the refusal of registration of the sign 'Curve' on morality grounds, the GC defined the relevant public as the Romanian-speaking population of the EU '[s]ince the trade mark applied for is a word in the Romanian language, [more precisely,] the plural of the [...] word "curvă", which [...] means "prostitute" or "whore"'.³⁶ In *Efag Trade Mark Company v OHIM*, the GC denied registration to the sign 'Ficken' (meaning 'to fuck' in German) after finding that 'the relevant public is made up of [...] German-speaking consumers in the Union, since [...] the sign applied for is a German word'.³⁷

Against this backdrop, it is surprising that AG Bobek did not raise any objections to the definition of relevant public put forth by the GC in *Constantin Film Produktion*. Following

³³ Case T-232/10, *Couture Tech Ltd* (n 20) [6].

³⁴ Case T-526/09, *PAKI Logistics* (n 4) [19] (author's translation from French).

³⁵ Case T-417/10, *Federico Cortés* (n 4) [13] (author's translation from Spanish).

³⁶ Case T-266/13, *Brainlab* (n 4) [15] (author's translation from German).

³⁷ Case T-54/13, *Efag* (n 4) [13] (author's translation from German).

the findings of the EUIPO BoA, the GC had defined the relevant public as the German-speaking section of the EU:

Since [...] the sign applied for ['Fack Ju Göhte'] constitutes a phonetic transcription in German of the English expression 'Fuck you', which is well known to the German-speaking public and [...] Johann Wolfgang von Goethe is a German poet and writer that is highly regarded in Germany and Austria [...].³⁸

The GC acknowledged that the element 'Fack Ju' in the applied-for sign makes reference to the English expression 'Fuck You'. In this regard, the BoA had noted in the previous instance that 'the pronunciation of the component 'Fack Ju' is identical to the expression 'Fuck You' [and, t]herefore, its meaning is identical'.³⁹ And yet both the BoA and the GC failed to include English-speaking consumers in their definition of the relevant public. This seems at odds with the case law of the GC discussed above, where the language of the applied-for words or expressions is pivotal to determining the linguistic section of the EU public that ought to be taken into account. This is all the more worrying in light of the numerous instances where the EUIPO has concluded that applied-for signs that contain the word element 'fuck' have as their relevant public English-speaking consumers (for example, 'Fuck Cancer', 'Fucking Freezing!' or 'Fucking Hell'),⁴⁰ even in instances where the sign was only phonetically equivalent (such as the element 'fuking' in the applied-for sign 'ibizafuKingisland').⁴¹

It would seem, therefore, that the definition of the relevant public in *Constantin Film Produktion* should have included, at the very least, the English-speaking section of the EU. After all, once registered, English-speaking consumers are also bound to come across the mark 'Fack Ju Göhte', which they may find deeply vulgar or offensive.

The GC's failure to properly define the relevant public in this case had two fundamental repercussions, both of which favoured the applicant's chances of success. First, it reduced the subset of the EU public that ought to be taken into consideration by the Court from both the English and German-speaking public to the latter only. And, second, it led the Court to judge the ability of the expression 'Fuck You' to cause outrage amongst a section of the EU population whose mother tongue is not English. As the AG himself acknowledges, 'what may appear as intrinsically vulgar or offensive to a native English speaker may not appear as such to a German (non-native) one, especially when faced with an uncommon phonetic transcription of an insult originating in a foreign

³⁸ Case T-69/17, *Constantin Film Produktion* (n 23) [17] (author's translation from German). Judging from this excerpt, it could be argued that the definition of relevant public in this case was partially premised on cultural considerations, i.e. Goethe's revered status in German and Austrian culture. However, it is unlikely that this cultural element carried much weight in the definition of relevant public when the BoA had not, in the previous instance, taken it into consideration upon formulating its definition. R 2205/2015-5, *Application of Constantin Film Produktion GmbH ('Fack Ju Göhte')* 1 December 2016 (EUIPO Board of Appeal) [16]-[20].

³⁹ R 2205/2015-5, *Constantin Film Produktion* (n 38) [23].

⁴⁰ R-793/2014-2, *Ung Cancer ('Fuck Cancer')* (n 3); R 168/2011-1, *Türpitz ('Fucking Freezing!')* (n 4); R 385/2008-4, *Stefan Fellenberg ('Fucking Hell')* (n 5).

⁴¹ *Application of Eurokaizen Ltd No 008987943 ('ibizafuKingisland')* 25 August 2010 (EUIPO Examination Division).

language.⁴² This is what linguists have termed the reduced ‘emotional resonance’ of foreign words, i.e. the notion that people ‘feel less emotionally reactive when using a foreign language as compared to a native language’.⁴³

In spite of this ‘rather important implication’, AG Bobek’s opinion is very deferential to the GC’s finding in this regard.⁴⁴ According to the AG, ‘the geographical/linguistic limitation of the relevant public to the German-speaking public of the European Union is, in view of [...] Article 7(2), certainly *possible*’.⁴⁵ Unfortunately, the AG does not go on to explain why this finding is indeed possible under Article 7(2) nor, more importantly, whether it results from a correct interpretation of this provision. The AG’s failure to discuss this finding further is likely the result of the procedural constraints imposed upon the CJEU, who had not been called upon to rule on this issue –neither the EUIPO (who authored the definition of the relevant public in this case) nor the applicant (who benefitted from the proposed definition) had appealed this finding.⁴⁶ As we will go on to study in Section 4.2., this likely explains why the CJEU’s decision is also very deferential to the GC’s definition of relevant public.

2.3. The Applicable Test(s) to the Public Policy and Morality Exclusions

European decision-makers are also split on the applicable legal test(s) to the public policy and morality exclusions. In a very reduced number of cases, trade mark offices and appeal courts have favoured an empirical approach to determination of an applied-for sign’s ability to cause outrage amongst the relevant public.⁴⁷ It is only where there is evidence to this effect that an applied-for sign can be denied registration under Article 7(1)(f) EUTMR. Because empirical approaches to the interpretation of these exclusions often stem from the protection afforded to applicants’ speech interests under Article 10 ECHR, these cases will be best addressed upon studying the interaction between marks and speech in the registration context in Section 3 below.

In the vast majority of cases to date, therefore, decision-makers have favoured an abstract assessment of an applied-for sign’s ability to cause outrage amongst the relevant public.⁴⁸ In such instances, ‘[t]he decisive factor is the objective understanding of the sign applied for from the point of view of the recipient.’⁴⁹ This analysis is detached

⁴² *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [87].

⁴³ Lela Ivaz, Albert Costa and Jon A Duñabeitia, ‘The Emotional Impact of Being Myself: Emotions and Foreign-Language Processing’ (2015) 42 *Journal of Experimental Psychology Learning Memory and Cognition* 3.

⁴⁴ *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [87].

⁴⁵ *ibid* [87] (emphasis added).

⁴⁶ This is acknowledged by the CJEU in *Case C-240/18, Constantin Film Produktion* (n 5) [45].

⁴⁷ *ibid* Opinion of AG Bobek; *R 2244/2016-2, Brexit Drinks* (n 8); *Case T-232/10, Couture Tech* (n 20); *Case T-526/09, PAKI Logistics* (n 4); *French Connection* (n 5).

⁴⁸ *R 519/2015-4, Josef Reich* (n 5); *R 2804/2014-5, Square Enix* (n 4); *R 2889/2014-4, Application of Verlagsgruppe D K GmbH & Iny Klocke ('Die Wanderhure')* 28 May 2015 (EUIPO Board of Appeal); *R-793/2014-2, Ung Cancer* (n 3); *Case T-417/10, Federico Cortés* (n 4); *R 168/2011-1, Türpitz* (n 4); *R 495/2005-G, Jebaraj Kenneth* (n 4); *Basic* (n 4); *Scranage* (n 4); *R 176/2004-2, Falcon* (n 4); *Ghazilian* (n 4).

⁴⁹ *R 519/2015-4, Josef Reich* (n 5) [16]; *R 2889/2014-4, Verlagsgruppe* (n 48) [12]. In similar terms, the EUIPO BoA held that ‘the assessment [under Article 7(1)(f) EUTMR] must consider whether the sign objectively breaches moral and social sentiments’ in *R 1727/2014-2, Maktab Tarighat Oveyssi*

from empirical notions of morality/public policy. In *Application of Falcon Sporting Goods AG*, for instance, the EUIPO BoA held that applicant's argument:

[R]elating to the lack of proof of outrage or repulsion on the part of the public [...] is dismissed since the registrability of a sign [...] must be assessed only on the basis of the relevant [...] legislation as interpreted by the [...] Courts without having to justify this action by the production of evidence.⁵⁰

Instead, their analysis is premised on the notion that 'Article 7(1)(f) clearly imposes a duty on the [trade mark-granting authority] to exercise a degree of moral judgment in assessing the suitability of signs to be granted trade mark protection'.⁵¹

In their attempt to develop a test that allows for determination of when an applied-for sign will be deemed contrary to public policy and/or morality in objective terms, decision-makers have adopted very diverse standards. Two decisions have, however, sought to harmonize the applicable tests by identifying common features in the case law, more precisely: (a) the judgment from the UK AP in *French Connection*; and (b) the decision of the EUIPO's Grand BoA in *Application of Jebaraj Kenneth*.⁵² Despite originating from different jurisdictions, both decisions show awareness of, and willingness to learn from, the precedents stemming from the other –this is likely in an attempt for consistency.

In *French Connection*, Arnold QC found the registered trade mark 'FCUK' compatible with accepted principles of morality and, thus, ordered that it remain on the register. Admittedly, this decision ultimately hinged on the lack of evidence to show that the sign had caused outrage amongst the public, despite extensive use by its owner.⁵³ However, the AP extracted a series of principles from the prior case law (where the UK AP and the EUIPO BoA had engaged in abstract assessment of morality) that ought to guide the objective interpretation of the morality exclusion.⁵⁴ According to Arnold QC:

For [the exclusion] to apply, there must be a generally accepted moral principle which use of the mark would plainly contravene [...].

Mere offence to a section of the public, in the sense that that section of the public would consider the mark distasteful, is not enough for [the exclusion] to apply [...].

[The exclusion] does apply if the use of the mark would justifiably cause outrage, or would be the subject of justifiable censure, amongst an identifiable section of the public as being likely significantly to undermine current religious, family or social values [...].

[...]

Shahmaghsoudi eV v Roberto Cavalli SpA (oval shape figurative marks) 6 July 2015 (EUIPO Board of Appeal) [63].

⁵⁰ R 176/2004-2, *Falcon* (n 4) [23].

⁵¹ R 2804/2014-5, *Square Enix* (n 4) [10]; R 168/2011-1, *Türpitz* (n 4) [12]; R 495/2005-G, *Jebaraj Kenneth* (n 4) [18].

⁵² R 495/2005-G, *Jebaraj Kenneth* (n 4); *French Connection* (n 5).

⁵³ *French Connection* (n 5) [89]-[90].

⁵⁴ *Ghazilian* (n 4); *Basic* (n 4); *Scranage* (n 4); R 111/2002-4, *Dick Lexic* (n 5).

A mark which does not proclaim an opinion, or contain an incitement or convey an insult is less likely to be objectionable than one that does [...].⁵⁵

In *Jebaraj Kenneth*, the EUIPO Grand BoA partially upheld the refusal to grant registration of the sign 'Screw You' in relation to goods that are used by the general public, for it 'would inevitably cause a significant section of that public to be upset and affronted'.⁵⁶ And partially overturned as regards goods that are sold in sex shops, where 'the relevant consuming public is unlikely to be perturbed by the use of the [applied-for] term'.⁵⁷ In reaching this decision, the Grand BoA provided guidance on the interpretation of the exclusions by framing the inquiry in less exacting terms, as the 'ascertain[ment of] when a sign crosses the boundary from being merely irreverent or distasteful to being seriously abusive and likely to cause deep offence'.⁵⁸ To assist future decision-makers in this endeavour, the Grand Board went on to explain that '[s]igns which contain slightly rude words or mild sexual innuendo might not be refused, but signs which contain manifestly profane language or depict gross obscenity have no place on the register'.⁵⁹

The recent decision of the CJEU in *Constantin Film Produktion* has brought much to the table in terms of harmonising the applicable legal test to the morality exclusion. For clarity purposes, however, this test will be analysed in Section 4.3. below.

3. The Inconsistent Interpretation of the Public Policy and Morality Exclusions in Europe (II): The Interaction Between Trade Marks and Speech

There is much uncertainty as to how the protection afforded by the right to freedom of expression under Article 10 ECHR ought to operate in trade mark law, including in the registration context. Proper engagement with the case law in this area requires that we begin by introducing two topics on which we will be touching upon repeatedly in this article. First, we must provide some background on the fundamental right to freedom of expression enshrined in Article 10 ECHR, including its content and the scope of protection it affords to all individuals under European law. And, second, understanding how speech protection can be implicated in the registration context requires having a working knowledge of the ways in which ownership of marks serves to further the expressive interests of right holders.

3.1. The Fundamental Right to Freedom of Expression

The fundamental right to freedom of expression is enshrined in Article 10(1) ECHR. It provides as follows: '[e]veryone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.' Freedom of expression lies at the very heart of democratic societies. It allows individuals to express

⁵⁵ *French Connection* (n 5) [60].

⁵⁶ *R 495/2005-G, Jebaraj Kenneth* (n 4) [27].

⁵⁷ *ibid* [29].

⁵⁸ *ibid* [19].

⁵⁹ *ibid* [19].

their views and engage in debate without fear of censorship by the state or other individuals and, in so doing, allows societies to progress and flourish. Its prominent role in society explains why the ECtHR has interpreted this fundamental right widely. For instance, in *Zana v Turkey*, it held that:

Freedom of expression constitutes one of the essential foundations of a democratic society and one of the basic conditions for its progress and for each individual's self-fulfilment. [...] [I]t is applicable not only to "information" or "ideas" that are favourably received or regarded as inoffensive or as a matter of indifference, but also to those that offend, shock or disturb.⁶⁰

Despite constituting the cornerstone of free societies, the right to freedom of speech is not without limits. Article 10(2) ECHR qualifies the scope of the right by providing that '[t]he exercise of these freedoms [...] may be subject to such [...] restrictions [...] as are prescribed by law and are necessary in a democratic society, [...] for the prevention of disorder or [...] for the protection of [...] morals'. Interference with the fundamental right to freedom of expression might thus be justified, provided that the following requirements are cumulatively met: (a) the measure must be prescribed by law; (b) the measure must pursue a legitimate aim; and (c) the measure must be 'necessary' in a democratic society, in the sense that the interference responds to a 'pressing social need', is accompanied by 'relevant and sufficient reasons', and is 'proportionate'.⁶¹

As regards the latter requirement (i.e. 'necessity'), a fundamental part of the inquiry revolves around determination of the margin of appreciation to be afforded to the public authority. This varies in accordance with the type of speech interfered with. Political and artistic expression, which are deemed to be of utmost importance for the proper functioning of a democratic society, are worthy of heightened protection and, thus, any interference will be strictly scrutinised. According to the ECtHR, encroachments on political and artistic expression are 'narrowly interpreted and the[ir] necessity [...] must be convincingly established'.⁶² At the other end of the spectrum lies commercial expression, which the ECtHR has held to be deserving of less protection. Under this category of expression, public authorities 'have a broad margin of appreciation in the regulation of speech in commercial matters or advertising'.⁶³

Determination of the type of speech involved in trade mark use will, thus, be of crucial importance upon assessment of the compatibility of refusals of registration with Article

⁶⁰ *Zana v Turkey* App no 18954/91 (ECtHR, 25 November 1997) [51].

⁶¹ *Mouvement Raëlien Suisse v Switzerland* App no 16354/06 (ECtHR, 13 July 2012)(Grand Chamber); *Murphy v Ireland* App no 44179/98 (ECtHR, 10 July 2003); *VgT Verein Gegen Tierfabriken v Switzerland* App no. 24699/94 (ECtHR, 28 June 2001); *Hertel v Switzerland* App no 25181/94 (ECtHR, 25 August 1998); *Jacobowski v Germany* App no 15088/89 (ECtHR, 23 June 1994); *Casado Coca v Spain* App no 15450/89 (ECtHR, 24 February 1994); *Open Door and Dublin Well Woman v Ireland* App no 14234/88 (ECtHR, 29 October 1992); *Markt Intern Verlag GmbH and Klaus Beermann v Germany* App no 10572/83 (ECtHR, 20 November 1989); *Barthold v Germany* App no 8734/79 (ECtHR, 25 March 1985); *Handyside v The United Kingdom* App no 5493/72 (ECtHR, 7 December 1976).

⁶² *VgT Verein* (n 61) [66]; *Hertel* (n 61) [46]; *Handyside* (n 61) [49].

⁶³ *Mouvement Raëlien* (n 61) [61]. See also, in similar terms, *Casado Coca* (n 61) [50]; *Markt Intern* (n 61) [33].

10 ECHR. Speech of the type that is limited to proposing business transactions or promoting goods and services is often deemed to constitute commercial expression.⁶⁴ As a result, most, if not all, conventional uses of trade marks will fall within commercial expression. I am referring to uses where the mark is signalling the origin, quality or other characteristics of goods or services, whether for purposes of informing or attracting consumers. This was precisely the finding of the ECtHR in *Dor v Romania*, a case involving the compatibility with freedom of expression of the refusal to register the sign 'Crucifix' on misleading grounds.⁶⁵ It is very telling of the commercial nature of trade mark use that the Court made no attempt to engage with the semantic content of the applied-for sign in order to determine the category of speech that was at play in this case. Instead, the Court's conclusion that the sign amounted to commercial speech flowed naturally from the finding that 'the contested mark constituted an important element of the applicant's advertising and commercial strategy.'⁶⁶

It is worth wondering, in light of this precedent, whether there is any room under the Convention to argue that encroachments on freedom of expression involving trade marks can be deserving of reinforced protection as a form of mixed expression, i.e. when it simultaneously conveys a message of a commercial and a political/artistic nature.⁶⁷ Although this is admittedly a long shot judging from the very limited number of precedents to this effect in Europe, trade mark applicants looking to maximise their chances of success would do well to pursue this line of argument in future cases.⁶⁸ After all, neither the ECtHR nor the CJEU have been asked to rule on mixed expression in the trade mark context.

3.2. How Refusals of Registration Interfere with the Expressive Interests of Trade Mark Applicants

The EUTMR and TMD define trade marks as 'any *signs* [...] that [...] are capable of [...] distinguishing the goods or services of one undertaking from those of other undertakings'.⁶⁹ At their core, therefore, trade marks are signs. Signs, in turn, are units of language that convey information and, through their use, enable communication between two or more people. The words that I am writing right now are signs; signs imbued with meaning that allow me to communicate with you, the reader. The same is true of trade marks: they convey information and, through their use, enable communication in the marketplace and even in society at large.

The fundamental information conveyed by a mark is, naturally, the commercial origin of goods or services. For instance, the symbol of the apple with a bite or the word 'Apple'

⁶⁴ *Casado Coca* (n 61); *Markt Intern* (n 61).

⁶⁵ *Dor v Romania* App no 55153/12 (ECtHR, 25 August 2015).

⁶⁶ *ibid* [42].

⁶⁷ This argument has also been explored by Geiger and Pontes (n 13) 21–22.

⁶⁸ There are no precedents from the ECtHR or the CJEU to this effect. We can, however, find two precedents in German case law where the use of marks in an advertising context was deemed to constitute mixed expression and, thus, was afforded reinforced protection under the German Constitution as political speech: *Benetton II* BVerfG 107, 275 (11 March 2003); *Benetton I* BVerfGE 102, 347 (12 December 2000).

⁶⁹ EUTMR, art 4; TMD, Art 3 (emphasis added).

are used to represent a particular commercial origin, i.e. Apple Inc. But contemporary marks can be used to convey a wide range of meanings other than commercial origin, ranging from signalling information about quality or reputation to conveying lifestyle preferences that can be relied upon by individuals to pursue their preferred identity projects.⁷⁰ Going back to the previous example, the 'Apple' marks are loaded with additional meanings. They are also synonym of high-quality, reliability, sleek design, and so forth. Furthermore, they have come to symbolize a set of values, a lifestyle even: hip, sophisticated, stylish, design-conscious and artsy. Because they provide consumers with a wealth of useful information about the goods to which they are affixed, these additional meanings –which are crucial to building up 'brand image'– are extremely valuable to right holders. So much so that firms are often willing to devote vast amounts of resources to develop them, usually by means of costly promotional activities.

How can signs, including trade marks, develop such complex meanings? Meaning-making in signs is the result of a social consensus, whereby individuals agree that sign 'x' will carry meaning 'y'. The word 'tree' symbolizes the 'woody perennial plant' found in nature only insofar as English speakers have agreed as much.⁷¹ Put differently, there is no necessary correlation between the word 'tree' and the meaning 'woody perennial plant', but rather their relation is contingent on social convention and, as such, arbitrary. Because social consensus is not static, meaning in signs is subject to constant transformation. For instance, until the second half of the 20th century, the signifier 'gay' had one sole signified, as an adjective meaning 'light-hearted and carefree'.⁷² In the 1960s, however, with the advent of the gay movement, that same signifier developed a second signified, i.e. as a noun to refer to 'a homosexual, especially a man', or as an adjective to describe someone's 'homosexual[ity], especially a man[s]'.⁷³ The meaning conveyed by the word 'gay' has evolved over time, developing an additional meaning. Consequently, the precise meaning conveyed by the word 'gay' will, in contemporary English, fluctuate from the one to the other on the basis of context, i.e. the circumstances in which it is used.

The same is true of marks, the meanings of which may evolve over time depending on how they are used. For example, the meaning conveyed by the trade mark 'Aspirin', owned by the multinational company Bayer AG in relation to an analgesic drug, dramatically changed over time. It went from signalling commercial origin to referring to the class of goods, i.e. analgesic drugs.⁷⁴ Genericide is, therefore, a paradigmatic example of how meaning in trade marked signs can change over time –and of the legal repercussions that can ensue, i.e. from enjoying full protection to being revoked from the register.

⁷⁰ The ability of contemporary trade marks to convey very diverse meanings and, thus, to perform functions other than source-identification has been widely acknowledged in the literature and case law. See, amongst others, Jerre B Swann, 'An Interdisciplinary Approach to Brand Strength' [2006] TMR 943; David A Aaker, Matt Reback and Jerre B Swann, 'Trademarks and Marketing' (2001) 91 TMR 787; Alex Kozinski, 'Trademarks Unplugged' (1993) 68 NYU L Rev 960.

⁷¹ The Oxford English Dictionary <www.oxforddictionaries.com> accessed 30 April 2020.

⁷² *ibid.*

⁷³ *ibid.*

⁷⁴ *Bayer Co Inc v United Drug Co*, 272 F. 505 (SDNY 1921).

Comprehending how meaning in signs can evolve over time is crucial to understanding how refusals of registration can effect an interference with applicants' right to freedom of expression. Let us think, hypothetically, of how Adidas AG's failed attempt to register the sign 'Fuck Calories' would run counter to its communicative needs. First, it would prevent Adidas AG from using the applied-for sign in relation to its sportswear in exclusive terms. It could be argued that exclusive access to this sign bears no impact on the expressive interests of Adidas AG, insofar as it can still use the sign, alongside all its competitors, for any and all purposes, including on its goods and on promotional material. However, this view disregards the fundamental role that exclusivity plays in allowing signs to further the communicative needs of traders when operating in the course of trade, most notably, the ability of signs to clearly signal commercial origin – which is only possible where exclusive use is guaranteed. If two or more traders were to brand their trainers with the sign 'Fuck Calories', consumers looking to buy sports shoes would very likely be confused as to the commercial source of each pair of trainers.

Second, Adidas AG's advertising strategy would also be severely impacted by the inability to use this sign in exclusive terms. Uses of marks for promotional purposes in advertising campaigns and other marketing channels are often so onerous that Adidas AG would lack the incentive to make the required investment on the sign 'Fuck Calories' if other traders were also allowed to use the sign. This was very eloquently put by the EUIPO's Grand BoA in *Jebaraj Kenneth*:

While it is true to say that a refusal to register does not amount to a gross intrusion on the right of freedom of expression, since traders can still use trade marks without registering them, it does represent a restriction on freedom of expression in the sense that businesses may be unwilling to invest in large-scale promotional campaigns for trade marks which do not enjoy protection through registration because the Office regards them as immoral or offensive in the eyes of the public.⁷⁵

And, third, Adidas AG's inability to use the sign 'Fuck Calories' in exclusive terms would, in turn, preclude it from building a brand image around it. This could lead to the sign not evolving in such a way as to convey the additional meanings that Adidas AG wishes to communicate in the marketplace, notably: (a) the high quality of, and reputation enjoyed by, its sports equipment; and (b) its belief in the desirability of leading a healthy and stylish lifestyle, to which its products wish to contribute.⁷⁶

The refusal to register the sign 'Fuck Calories' as a trade mark in relation to sportswear would, therefore, prevent Adidas AG from communicating its preferred messages through use of its preferred sign. This would run counter to its expressive interests as protected under Article 10 ECHR.

⁷⁵ R 495/2005-G, *Jebaraj Kenneth* (n 4) [15].

⁷⁶ See, discussing the role that trade mark protection can play in promoting the development of enriched meanings of trade marked signs, Martin Senftleben, 'Free Signs and Free Use – How to Offer Room for Freedom of Expression within the Trademark System' in Christophe Geiger (ed), *Research Handbook on Human Rights and Intellectual Property* (Edward Elgar 2015) 356–57; Jason Bosland, 'The Culture of Trade Marks: An Alternative Cultural Theory Perspective' [2005] Media & Arts L Rev 99, 111; Megan Richardson, 'Trade Marks and Language' [2004] Sydney Law Review 193, 212–13.

3.3. The Interaction Between Trade Marks and Speech in the Registration Context: An Overview of the Case Law

The fundamental argument put forth by critics of freedom of expression being implicated in the registration context is the ‘availability’ argument. As noted on several occasions by the UK AP, the refusal to register a mark on morality or public policy grounds is inherently paradoxical, insofar as the sign will remain *available* for use by all traders to distinguish their goods or services, instead of being used solely by the would-be owner.⁷⁷ Accordingly, a finding that a sign is immoral or contrary to public policy may lead to the counterintuitive scenario where the sign is used more, rather than less, in the course of trade. However, this provision is justified on grounds that signs that consist of anti-social subject matter should not be afforded the institutional backing that ensues from trade mark protection.⁷⁸ Arnold QC was not persuaded by this rationale in *French Connection*. In his view, conceptualizing registration as ‘an official seal of approval’ is inconsistent with the act of registration, which does not imply endorsement by the authorities, but rather the administrative recognition that an applied-for sign meets the requirements set forth by trade mark law.⁷⁹ He thus proposed an alternative justification for this ground of refusal: ‘to prevent the conferring of intellectual property rights which a court would refuse to enforce’.⁸⁰

For purposes of applicants’ freedom of expression, the ‘availability’ argument can cast doubt on refusals of registration being liable to curtail their Article 10 ECHR rights. For instance, in its decision in *Federico Cortés*, the GC dismissed appellant’s free speech claim on grounds that the ‘refusal to register [appellant’s mark] does not have an impact on appellant’s ability to market its products using the applied-for sign nor, consequently, on its freedom of expression’.⁸¹ This has been followed by the GC in subsequent decisions, as well as by the EUIPO.⁸²

These cases are not only in direct conflict with earlier case law from the GC, but also with many decisions from the EUIPO BoA and the UK AP, as well as the opinion of AG Bobek in *Constantin Film Produktion*.⁸³

⁷⁷ *French Connection* (n 5); *Ghazilian* (n 4); this has also been noted by Griffiths (n 13) 442,448–49.

⁷⁸ *R 2804/2014-5, Square Enix* (n 4) [10]; *R 168/2011-1, Türpitz* (n 4) [12]; *R 495/2005-G, Jebaraj Kenneth* (n 4) [13]; see also Griffiths (n 13) 429.

⁷⁹ *French Connection* (n 5) [56].

⁸⁰ *ibid* [57].

⁸¹ *Case T-417/10, Federico Cortés* (n 4) [26] (author’s translation from Spanish).

⁸² *R 2205/2015-5, Constantin Film Produktion* (n 38) [15]; *R-793/2014-2, Ung Cancer* (n 3) [24]; *Case T-54/13, Efag* (n 4) [44]; *R 168/2011-1, Türpitz* (n 4) [15]. This is still the position of the EUIPO as per its latest Examination Guidelines of early February 2020 (i.e. prior to the CJEU’s decision in *Constantin Film Produktion*). EUIPO Examination Guidelines of 01 February 2020 (Part B, Section 4, Chapter 7.1) <<https://guidelines.euipo.europa.eu/1803468/1787908/trade-mark-guidelines/1-general-remarks>> accessed 28 May 2020.

⁸³ *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [47]; *R 2244/2016-2, Brexit Drinks* (n 8) [25]–[35]; *R 519/2015-4, Josef Reich* (n 5) [16]; *R 2889/2014-4, Verlagsgruppe* (n 48) [12]; *French Connection* (n 5) [60(3)]; *Basic* (n 4) [27]; *Scranage* (n 4) [7],[8],[11]. The lack of consensus as to the role that freedom of expression ought to play in the registration context has also been echoed by trade mark scholars. Arguing in favour of Article 10 ECHR being implicated in the registration context, see Bonadio (n

In *Couture Tech*, the GC seemed open to the possibility of trade mark applicants arguing that refusals to grant registration can interfere with their speech rights.⁸⁴ After dismissing appellant's speech claim on the basis that it had failed to explain how the inability to access the register would interfere with its right to freedom of expression, the Court went on to specify that 'there is no basis for the applicant to rely on the ECHR in *this case*'.⁸⁵ An *a contrario* interpretation would allow reading this decision in the sense that applicants can, when properly justified, rely on freedom of expression as a valid ground to challenge the lawfulness of refusals of registration.

Fortunately, the recognition by the EUIPO, the UK AP and the AG that speech protection is implicated in the registration context has been less ambiguous. In *Jebaraj Kenneth*, the Grand BoA held, upon assessment of the compatibility of 'Screw You' with Article 7(1)(f) EUTMR, that:

It is also necessary to have regard to Article 10 [ECHR] [...].

The right to freedom of expression embodied [therein] includes commercial expression and is subject to limitation only for specific purposes, which include the prevention of disorder and the protection of morals [...].⁸⁶

To ensure that its decision would be compatible with the strictures imposed under the Convention, the Grand Board went on to propose a balancing exercise that was attuned to the specific protection afforded to freedom of commercial expression under Article 10 ECHR. In its own words:

A judicious application of [Article 7(1)(f) EUTMR] necessarily entails balancing the right of traders to freely employ words and images in the signs they wish to register as trade marks against the right of the public not to be confronted with disturbing, abusive, insulting and even threatening trade marks.

If the provision is interpreted too widely, so as, for example, to include anything which a section of the relevant public is likely to find offensive, there is a risk that commercial freedom of expression in relation to trade marks would be unduly curtailed.⁸⁷

13) 56; Teresa Scassa, 'Antisocial Trademarks' (2013) 103 TMR 1172, 1190–92. By contrast, Kapff, Griffiths and Ricolfi have argued that free speech can hardly be said to be curtailed as a result of refusals of registration, since applicants are still able to market their goods using the contentious sign. Philipp von Kapff, 'Fundamental Rights in the Practice of the European Trade Mark and Designs Office (OHIM)' in Christophe Geiger (ed), *Research Handbook on Human Rights and Intellectual Property* (Edward Elgar 2015) 303; Griffiths (n 13) 448–49; Ricolfi (n 13) 471.

⁸⁴ *Case T-232/10, Couture Tech* (n 20) [68]–[71]. This also seems to be the interpretation of the AG in *Case C-240/18, Constantin Film* (n 5) Opinion of AG Bobek [51] & [fn 24]. For a contrasting view, see Bonadio (n 13) 71.

⁸⁵ *Case T-232/10, Couture Tech* (n 20) [71] (emphasis added).

⁸⁶ *R 495/2005-G, Jebaraj Kenneth* (n 4) [16]–[17]. See also, in almost identical terms, *R 2804/2014-5, Square Enix* (n 4) [11].

⁸⁷ *R 495/2005-G, Jebaraj Kenneth* (n 4) [14]–[15].

However, the Grand Board failed to apply the proportionality test mandated under Article 10 ECHR to its full extent. Despite characterising the category of speech interfered with in trade mark registration as commercial, the BoA did not engage with the evidentiary threshold stemming from this finding. The commercial nature of applicant's speech thus operated as a mere abstract limit that 'is regarded as a [lower] priority than freedom of [artistic] expression and consequently it is [less] fiercely protected.'⁸⁸ How exactly it protects trade mark applicants is, however, unclear from the Grand Board's assessment. Ultimately, therefore, its decision to deny registration to the sign 'Screw You' (for goods other than sex products) did not result from a nuanced balancing exercise reliant on evidence of the sign's ability to cause outrage amongst the relevant public, but rather from an abstract assessment of morality. This is, regrettably, a common feature in the case law, both from subsequent EUIPO Boards of Appeal and the UK AP.⁸⁹

In *Application of Brexit Drinks Ltd*, however, the recognition that speech protection would be triggered by the refusal to register the sign 'Brexit' led the EUIPO BoA to require a showing, by means of evidence, that the applied-for sign was liable to cause outrage amongst the relevant public.⁹⁰ In applying the Convention, the Board engaged in a relatively nuanced assessment of the compatibility of the appealed decision with the proportionality test mandated under Article 10 ECHR. I say relatively because the BoA failed to engage in discussion of the type of speech that would be interfered with as a result of the refusal to register the applied-for sign on morality grounds (i.e. whether political, artistic or commercial). Therefore, the BoA's efforts to ascertain the applicable burden of proof in light of the case law of the ECtHR were misguided. By finding that encroachments on speech 'must be established convincingly', the BoA opted for the stricter threshold that is of application to political speech.⁹¹ This led the BoA to easily find in favour of the trade mark applicant, since the Examination Division had failed to furnish evidence of the applied-for sign being liable to cause outrage amongst the relevant public. Nevertheless, the evidence-based approach to morality adopted by the BoA is worthy of praise insofar as it stems directly from the application of the proportionality test mandated under Article 10 ECHR.

Admittedly, we can find additional precedents in the case law of decision-makers weighing evidence of the applied-for sign's ability to cause outrage amongst the relevant public. In *French Connection*, Arnold QC's holding that the registered mark 'FCUK' ought to remain on the register was heavily reliant on the lack of evidence showing that the public, who had long been exposed to use of the mark, had been outraged in any way.⁹² Similarly, in *Constantin Film Produktion*, AG Bobek's recommendation to the CJEU that the appealed decision be set aside is based on: (a) the lack of evidence showing that 'Fack Ju Göhte' is deemed immoral by the relevant public; and (b) the availability of contextual evidence that applicant's widespread use of the applied-for sign prior to

⁸⁸ *ibid* [24].

⁸⁹ *R 519/2015-4, Josef Reich* (n 5); *R 2889/2014-4, Verlagsgruppe* (n 48); *R 2804/2014-5, Square Enix* (n 4); *Scranage* (n 4); *Basic* (n 4).

⁹⁰ *R 2244/2016-2, Brexit Drinks* (n 8).

⁹¹ *ibid* [34].

⁹² *French Connection* (n 5) [89]-[90].

registration had not caused any outrage.⁹³ Unlike in *Brexit Drinks*, however, these decisions do not establish (at least not explicitly) the existence of a causal link between the protection afforded under Article 10 ECHR and the assessment of evidence. It may well be that Arnold QC and AG Bobek sought to further the cause of speech by applying a fact-finding test to determination of morality. But this is speculation.⁹⁴ As we will go on to study in Section 4.4. below, this is also true of the decision of the CJEU in *Constantin Film Produktion*.

To complicate things further, in its decision in *Constantin Film Produktion*, the GC seemed to reject the possibility of freedom of expression ever being implicated in trade mark law broadly considered –and not just in the registration context– when it held that ‘in the field of art, culture and literature, there is a permanent concern about preserving freedom of expression that does not exist in the field of trade marks’.⁹⁵ This is very problematic. Quite apart from the sweeping implications that it could have in the field, this finding is also at odds with: (a) the recitals to the EUTMR and TMD, which provide that both instruments ‘should be applied in a way that ensures full respect for fundamental rights and freedoms, and in particular the freedom of expression’;⁹⁶ (b) the case law of the ECtHR acknowledging that applicants’ speech can be interfered with as a result of refusals of registration;⁹⁷ and (c) several opinions from the Advocates General addressing the compatibility of health-furthering, trade mark-restrictive measures with Article 10 ECHR.⁹⁸ On appeal before the CJEU, and to avoid such a conflicting interpretation, that he characterizes as ‘clearly incorrect’, AG Bobek proposes to read the GC’s decision in the sense that ‘freedom of expression [...] must be taken into account in the overall balancing exercise, [but its] protection [...] is not the primary goal of trade mark protection’.⁹⁹ The proposed interpretation allows for easy reconciliation

⁹³ Case C-240/18, *Constantin Film Produktion* (n 5) Opinion of AG Bobek [88]-[97].

⁹⁴ The existence of a causal link between the protection afforded by freedom of expression and the assessment of evidence in *French Connection* and *Constantin Film Produktion* may be further questioned by reference to other cases where decision-makers have assessed evidence of a sign’s ability to cause outrage amongst the relevant public despite freedom of expression not being implicated. In *Couture Tech*, the appellant had failed to persuade the GC that the EUIPO’s refusal of registration would interfere with its right to freedom of expression. The Court, nonetheless, relied on the provisions of the Hungarian Criminal Code banning the use of Soviet symbols ‘as evidence of facts which enabled it to assess the perception of symbols connected with the former USSR by the relevant public within th[at] Member State[...]’. Case T-232/10, *Couture Tech* (n 20) [37]. In *PAKI Logistics*, the appellant made no recourse to Article 10 ECHR upon challenging the validity of the EUIPO’s refusal to grant registration to the sign ‘Paki’. And yet, in siding with the EUIPO, the GC engaged in detailed analysis of the evidence furnished by both parties of the sign’s ability to cause outrage amongst the English-speaking public. Case T-526/09, *PAKI Logistics* (n 4) [20]-[30]. It should also be noted that, in contrast with the decisions in *French Connection* and *Constantin Film Produktion*, the GC did not give much weight to appellant’s claim that it had used the sign ‘Paki’ extensively prior to registration without English-speaking consumers having raised any concerns. *ibid* [35]-[36]. This provides yet another example of inconsistent adjudication in Europe. This was also noted, in relation to *French Connection*, by Snedden (n 13) 277.

⁹⁵ Case C-240/18, *Constantin Film Produktion* (n 5) Opinion of AG Bobek [21], citing Case T-69/17, *Constantin Film Produktion* (n 23) [28]-[29].

⁹⁶ EUTMR, Recital 21; TMD, Recital 27.

⁹⁷ *Dor* (n 65).

⁹⁸ Case C-547/14, *Philip Morris Brands SARL and Others v Secretary of State for Health* (2016) EU:C:2016:325 Opinion of AG Kokott; Case C-376/98 *Germany v European Parliament* (2000) ECR I-8419 Opinion of AG Fennelly.

⁹⁹ Case C-240/18, *Constantin Film Produktion* (n 5) Opinion of AG Bobek [57].

of the decision of the GC with settled case law. At a more abstract level, however, this discussion illustrates the worrying degree of uncertainty governing the interaction between marks and speech.¹⁰⁰

4. The Decision of the CJEU in *Constantin Film Produktion*: An End to the Inconsistent Interpretation of the Public Policy and Morality Exclusions?

In the interests of clarity, our analysis of the decision of the CJEU in *Constantin Film Produktion* will mirror the structure used throughout this piece.

4.1. On the Conceptual Boundaries of the Public Policy and Morality Exclusions

Regrettably, the decision of the CJEU fails to engage with AG Bobek's insightful analysis of the conceptual differences between the public policy and morality exclusions, including the extent to which they can sometimes overlap. Instead, the Court begins its analysis by holding that only the morality exclusion is triggered in this case and, thus, it will not deal with the public policy ground of refusal.¹⁰¹

This constitutes a missed opportunity on the part of the Court to bring much-needed clarity to the interpretation of this controversial aspect of the exclusions, especially in light of the diverse approaches adopted to date by different decision-makers in Europe. This is perhaps more surprising in light of the GC's finding, in the appealed decision, that public policy and morality very often overlap and, thus, there is no need to distinguish between the two –a finding that AG Bobek rejected categorically and sought to redress in his opinion. The CJEU's refusal to uphold or –more likely– overturn the finding of the GC in this regard is, thus, deeply troubling, as it may lead European decision-makers (notably the EUIPO and the GC) to follow this rationale in future cases, further muddying this area of law.

Relying on the opinion of AG Bobek, the CJEU goes on to define the morality exclusion as 'the fundamental moral values and standards to which a society adheres at a given time.'¹⁰² Defining 'accepted principles of morality' as 'moral values and standards' seems to add very little to our understanding of this exclusion. The last element of the definition –i.e. at a given time– is, however, deserving of attention. By acknowledging that '[t]hose values and norms [...] are likely to change over time and space, [the Court holds that they] should be determined according to the social consensus prevailing in that society at the time of the assessment.'¹⁰³ Acknowledgement of the time-sensitive

¹⁰⁰ The GC's finding (and even the AG's opinion) may be difficult to reconcile with trade marks' increasing role as cultural artefacts allowing individuals to pursue their preferred identity projects through expressive use of marks that are laden with meanings beyond source identification. For further insights into this fascinating topic, see Dev S Gangjee, 'Property in Brands' in Helena Howe and Jonathan Griffiths (eds), *Concepts of Property in Intellectual Property Law* (Cambridge University Press 2013); Bosland (n 76); Keith Aoki, '(Intellectual) Property and Sovereignty: Notes Toward a Cultural Geography of Authorship' Stanford LR 1996; Rosemary J Coombe, 'Objects of Property and Subjects to Politics: Intellectual Property Laws and Democratic Dialogue' [1991] Texas LR 1853.

¹⁰¹ Case C-240/18, *Constantin Film Produktion* (n 5) [38].

¹⁰² *ibid* [39] (paraphrasing from the Opinion of AG Bobek [77]).

¹⁰³ *ibid* [39].

nature of moral values has profound ramifications in the registration context. Notably, it allows for: (a) currently registered, morally acceptable signs to be removed from the register in the future, in instances where the meaning conveyed by the mark is no longer deemed socially acceptable;¹⁰⁴ and (b) previously refused signs to be registered in the future, provided the social consensus around their morally objectionable meaning has evolved favourably. Though leading the way for increased uncertainty, these considerations are not new to trade mark law, judging from other absolute grounds for refusal, such as: (a) genericity;¹⁰⁵ or (b) the lack of inherent distinctiveness, which may be overcome by means of acquired distinctiveness.¹⁰⁶

The time-sensitive nature of the morality exclusion can serve to incentivise processes of reclaim in meaning of signs that are currently deemed immoral but that may, through use in the course of trade, become socially acceptable. As we saw in Section 3.2., trade mark use contributes to meaning-making in signs. As a result, a trader wishing to register as a mark a sign that is morally objectionable may opt to use it (in non-exclusive terms) in the course of trade with a view to reclaiming its morally objectionable meaning. Where these efforts result, over time, in a shift in the social perception of the sign so that it is no longer deemed immoral, it will be granted access to the register.

Admittedly, the incentive provided by the time-sensitive nature of the morality exclusion for traders to engage in processes of reclaim in meaning of signs is rather low. In line with our previous analysis, so long as traders are unable to use a sign in exclusive terms, it is unlikely that they will enter into the sorts of investments required to shift its social perception. Ideally, therefore, processes of reclaim in meaning of morally objectionable signs should be further incentivised by means of registration.¹⁰⁷ Where applicants can reasonably be expected to use morally objectionable signs in socially valuable ways, it is difficult to see how refusals to grant them registration as trade marks could be compliant with Article 10 ECHR. Surely society would benefit from free speech guarantees being implemented with a view to expanding the pool of available signs that conform with democratic principles.

This was precisely the argument put forward by appellant in *Square Enix*. Its speech-based challenge was grounded, *inter alia*, on the contention that the EUIPO's refusal to grant registration to the sign 'Mechanical Apartheid' would prevent it 'from commenting on (the abhorrent policy of) racial segregation in the context of its work' – the most straightforward form of reclaiming the meaning of a sign.¹⁰⁸ Unfortunately,

¹⁰⁴ For a discussion of the difficulties that could potentially ensue from revocation of marks that become morally objectionable after registration, see Snedden (n 13) 278–79.

¹⁰⁵ EUTMR, Art 7(1)(d); TMD, Art 4(1)(d); UK TMA, s 3(1)(d).

¹⁰⁶ EUTMR, Arts 7(1)(b) and 7(3); TMD, Arts 4(1)(b) and 4(4); UK TMA, ss 3(1) and 3(1)(b).

¹⁰⁷ Arguing against this view, an EUIPO BoA has held that '[w]ords or acts which are contrary to the accepted principles of morality today can also be morally acceptable tomorrow. But such changes should not be promoted by trade mark law.' *R 493/2012-1, EFAG Trade Mark Company GmbH ('Ficken')* 18 October 2012 (EUIPO Board of Appeal) [28]. The ability of this precedent to cast doubt on the meaning-reclaim argument proposed here is rather limited since the Board's analysis was detached from the protection afforded to applicants under Article 10 ECHR. However, it serves to illustrate the skepticism with which this argument may be met by future decision-makers.

¹⁰⁸ *R 2804/2014-5, Square Enix* (n 4) [3].

however, the BoA failed to address this claim in its decision. In any event, and judging from the wealth of cases where decision-makers have refused to give much weight to the manner in which the applicant intends to use the applied-for sign, it is difficult to see how the meaning-reclaim argument proposed here could ever be successful. For instance, in *French Connection*, Arnold QC held that:

A mark is only objectionable under [the exclusion] if its use would contravene a generally accepted moral principle by reason of its intrinsic qualities. The reason for this is that, even if the applicant intends to use it in a particular way, his intention may change. Furthermore, the application or registration may be assigned to someone else. Thus the manner in which the mark is subsequently used can neither infect the mark with, nor immunise it from, objectionability.¹⁰⁹

In similar terms, the GC has held that the assessment of the grounds of refusal contained in Article 7(1) EUTMR (including public policy and morality) must be undertaken on the basis of ‘the intrinsic qualities of the mark applied for and not [of] circumstances relating to the conduct of the person applying for the trade mark’.¹¹⁰ This has on occasion been followed by the EUIPO.¹¹¹

There is, however, at least one precedent where the EUIPO has been willing to factor in the personal characteristics of the applicant and the type of use to which it allegedly intends to subject the mark when assessing the morality of an applied-for sign. In *Application of Josef Reich*, a case involving registration of the sign ‘Jewish Monkeys’ by a member of an eponymous klezmer music band who is of Jewish faith and uses the sign for satirical purposes, the BoA granted registration to the applied-for sign after finding that:

The identity of the applicant must certainly be taken into account in the context of Article 7(1)(f) [EUTMR] [...]. According to the overall content of the case file, it can be ruled out that in *the manner in which the sign applied for is likely to be used* (i.e. not in the context of anti-Israeli political propaganda), the recipients of the goods and services will feel personally targeted and therefore insulted by the designation ‘Jewish Monkeys’.¹¹²

Two things should be noted here. First, these examples serve to illustrate yet another aspect of the public policy and morality exclusions where European decision-makers have not been able to reach a consensus. And, second, if followed by future decision-makers, the approach adopted by the BoA in *Josef Reich* could very well accommodate applicants’ speech-based challenges to refusals of registration on grounds that they prevent them from effective engagement in processes of reclaim in meaning of signs. Judging from the prevailing case law, however, it is unlikely that this approach will take hold in Europe, at least for the time being.

¹⁰⁹ *French Connection* (n 5) [88].

¹¹⁰ *Case T-1/17, La Mafra* (n 28) [40]; *Case T-140/02, Sportwetten GmbH v OHIM* (2005) ECLI:EU:T:2005:312 [28].

¹¹¹ *R 2244/2016-2, Brexit Drinks* (n 8) [13].

¹¹² *R 519/2015-4, Josef Reich* (n 5) [17] (emphasis added).

But even in instances where decision-makers are unwilling to factor in the identity and the intended use of the applied-for sign, processes of reclaim in meaning may still prosper where the applied-for sign is deserving of reinforced protection under Article 10 ECHR as a form of mixed expression. Even though this may seem like a long shot judging from the very limited number of precedents to this effect, it is certainly worth the try.¹¹³ Naturally, this argument can only be persuasive where the sign is clearly expressive, in the sense of seeking to own and reclaim terms that convey political ideas that are socially relevant, as in the case of '(Mechanical) Apartheid' or 'Jewish Monkeys'. Because such terms ought to be afforded heightened protection as mixed expression, it is arguably the case that refusals to grant them registration might not meet the stricter test of proportionality provided for under Article 10 ECHR.¹¹⁴ It would, thus, be interesting to see what European decision-makers would make of this argument if they were to address it in the future.

4.2. On the Definition of Relevant Public

Unfortunately, the decision of the CJEU fails to engage with the definition of relevant public put forth by the GC to any meaningful extent. As we saw earlier, neither appellant nor the EUIPO had challenged the finding that the relevant public in this case consists solely of German-speaking consumers. The Court thus limits itself to reiterating the definition provided by the GC, acknowledging that 'it is not disputed'.¹¹⁵

However, the implications of this finding in terms of advancing appellant's case do not go unnoticed by the Court:

[T]he perception of that English phrase ['Fack Ju Göhte'] by the German-speaking public is not necessarily the same as the perception thereof by the English-speaking public, even if it is well known to the German-speaking public and the latter knows its meaning, since sensitivity in the mother tongue may be greater than in a foreign language.¹¹⁶

This is one of several factors that lead the Court to find in favour of the trade mark applicant. The Court's assessment of morality is, thus, greatly influenced by the GC's (mis)definition of relevant public. Failure to include the English-speaking section of the EU public within the definition undeservedly tilts the scales in favour of the trade mark applicant. This is very problematic. Quite apart from setting a dubious precedent for future decision-makers to follow on the correct interpretation of Article 7(2) EUTMR, the definition of relevant public put forth in *Constantin Film Produktion* fails to honour the policy objectives underpinning the morality exclusion. After all, the English-speaking

¹¹³ See text to n [68].

¹¹⁴ Although their discussion is detached from processes of reclaim in meaning, Geiger and Pontes also believe that refusals of registration of signs that fall under mixed expression will be more strictly scrutinised by European decision-makers. They are also of the view that this argument will only prosper where a sign clearly conveys a political message, as with 'Jewish Monkeys'. Geiger and Pontes (n 13) 21–22.

¹¹⁵ *Case C-240/18, Constantin Film Produktion* (n 5) [45].

¹¹⁶ *ibid* [68].

section of the EU public is also bound to come across the sign ‘Fack Ju Göhte’ once it is registered as an EU mark despite their interest –i.e. in having their moral values safeguarded– having been disregarded by the CJEU.

4.3. On the Applicable Test to the Morality Exclusion

The decision of the CJEU in *Constantin Film Produktion* is bound to drastically change decision-makers’ interpretation of the morality exclusion moving forward. In a rather bold move, the Court overturns the appealed decision on grounds that ‘the General Court [...] could not confine itself to an abstract assessment of [...] [the applied-for] mark and of the English expression to which the first part of it is assimilated by that public.’¹¹⁷ In so doing, the CJEU quashes the objective legal test that has been applied by the vast majority of decision-makers to date. Instead, they must now look for contextual evidence that the applied-for sign is/is not morally objectionable before reaching a conclusion as to whether it ought to be denied registration. Given the numerous implications of this finding, it is worth quoting the CJEU in full:

The examination to be carried out cannot be confined to an abstract assessment of the mark applied for [...], but it must be established, in particular where an applicant has relied on factors that are liable to cast doubt on the fact that that mark is perceived by the relevant public as contrary to accepted principles of morality, that the use of that mark in the concrete and current social context would indeed be perceived by that public as being contrary to the fundamental moral values and standards of society.¹¹⁸

Reviewing the appealed decision through the lens of this fact-sensitive test, the Court concludes that the GC had failed to give proper consideration to the various factors put forth by the applicant as contextual evidence of the applied-for sign being morally acceptable in German-speaking circles. According to the Court:

[T]he General Court [...] could not rely solely on the intrinsically vulgar character of that English phrase without examining those factors or setting out conclusively the reasons why it considered, despite those factors, that the German-speaking public at large perceives that sign as running counter to the fundamental moral values and standards of society when it is used as a trade mark.¹¹⁹

The factors on which the applicant had grounded its claim that the sign ‘Fack Ju Göhte’ was not morally objectionable were as follows. First, there was no evidence that the applied-for sign, used extensively in the titles of its movies prior to filing for registration, had caused any outrage amongst the public who had encountered the sign and/or watched the movies. Second, young people had been authorised to watch the movies in Germany, including in schools, despite their titles containing the applied-for sign. And, third, the Goethe Institut (i.e. Germany’s cultural institute) had been using the movies

¹¹⁷ *ibid* [50].

¹¹⁸ *ibid* [43].

¹¹⁹ *ibid* [53].

(including their titles) for educational purposes. These factors carry much weight in the Court's analysis. Because they provide contextual evidence that 'Fack Ju Göhte' is not liable to cause outrage amongst the relevant public, and there is no evidence to the contrary effect, applicant's request for registration ought to be granted.

In siding with appellant, the Court takes into consideration three additional factors that mitigate the applied-for sign's ability to cause outrage amongst the relevant public.¹²⁰ First, the applied-for sign contains an element that is not vulgar, i.e. the word 'Göhte' at the end. Second, the applied-for sign does not consist of the English expression 'Fuck You', but rather of its phonetic transcription in German 'Fack Ju'. And, third, as we saw earlier, the definition of the relevant public as German-speaking reduces the emotional resonance of the curse word 'Fuck You' and, consequently, its ability to cause outrage. Although difficult to determine with any certainty, these considerations are unlikely to carry much weight in the Court's assessment –and could, presumably, be easily overcome by a showing that the applied-for sign causes outrage amongst the public. After all, these factors do not constitute evidence of the public's reaction to the applied-for sign, but rather form part of an abstract assessment of the sign's vulgarity in light of its signifier, its meaning and the linguistic characteristics of the relevant public.

In weighing the available evidence, the CJEU shows a fair degree of sophistication. It distinguishes between, on the one hand, the global assessment of morality of the applied-for sign that ought to be undertaken in the registration context, and, on the other, the specific use to which such sign had been subjected by the applicant prior to filing for registration. This is a very relevant, and pertinent, distinction. Determining whether the expression 'Fack Ju' is contrary to accepted principles of morality in global terms –that is, in all potential instances of trade mark use and in relation to all members of the relevant public– is not a realistic endeavour. This likely explains why most decision-makers had hitherto opted to undertake an abstract assessment of an applied-for sign's compatibility with society's moral values. But the CJEU has now rejected this possibility. To bridge this gap, the Court relies on contextual evidence that the applied-for sign is/is not morally objectionable. According to the Court, 'the fact that it is [...] [the applied-for] mark itself which is to be examined does not mean that [...] contextual elements capable of shedding light on how the relevant public perceives that mark could be disregarded.'¹²¹ But contextual evidence is necessarily limited in scope, in the sense that it cannot possibly capture all instances where the applied-for sign will be deemed morally objectionable or morally acceptable by the relevant public. The Court acknowledges as much when it holds that 'although the success of a film does not automatically prove the social acceptance of its title and of a word sign of the same name, it is at least an indication of such acceptance'.¹²² By the same token, the CJEU is willing to concede that contextual evidence to the opposite effect may well exist and could, potentially, frustrate applicant's efforts to have the sign registered as a mark. In the case at hand, however, the lack of any such evidence serves the Court to easily find in favour of the applicant. In its own words:

¹²⁰ *ibid* [68].

¹²¹ *ibid* [51].

¹²² *ibid* [65].

[I]n view of the fact that no concrete evidence has been put forward plausibly to explain why the German-speaking public at large will perceive the word sign ‘Fack Ju Göhte’ as going against the fundamental moral values and standards of society when it is used as a trade mark, even though that same public does not appear to have considered the title of the eponymous comedies to be contrary to accepted principles of morality, it must be held that the EUIPO [was wrong to deny registration to the applied-for mark].¹²³

The adoption, by the CJEU, of an empirical test of morality in *Constantin Film Produktion* will arguably broaden the range of marks that can be registered under the exclusion. After all, the lack of evidence of an applied-for sign’s ability to cause outrage amongst the relevant public will lead the trade mark office to grant it registration. More importantly, by harmonising the applicable legal test to the morality exclusion, this decision is bound to bring clarity and consistency to the interpretation of Article 7(1)(f) EUTMR in Europe.

There is, however, one aspect of the proposed test that can prove problematic for future decision-makers. The fact pattern in *Constantin Film Produktion* appears to be ideally suited for the sort of fact-sensitive, contextual approach to the moral implications of an applied-for sign developed by the CJEU. The sign had been used extensively since 2013 –in the title of the eponymous movies and, presumably, on related marketing campaigns, merchandising, etc.– and, thus, prior to the applicant’s filing for registration, in 2015. This begs the question: how are trade mark offices and appeal courts expected to undertake this fact-sensitive, contextual analysis in instances of applied-for signs that have not yet been used, or only to a limited extent?

Admittedly, the CJEU provides some guidance on potential sources of evidence that could be relied upon by decision-makers to determine the public’s reaction to the morally objectionable meaning conveyed by the applied-for sign, ‘such as legislation and administrative practices, public opinion and, where appropriate, the way in which the relevant public has reacted in the past to that sign or similar signs’.¹²⁴ It is unclear, however, how useful these sources will prove to be in everyday adjudication. Some of them appear to be unfit for purpose. In the unlikely event that legislation, or even administrative practices, were to deal with social perceptions on the morality of signs, these sources can put the empirical nature of the test developed by the Court at risk. Insofar as they embody the opinions of legislatures and administrative personnel, legislation and administrative practices are not necessarily reflective of the views on morality held at the time of registration by the relevant public, as defined for trade mark purposes. Judging from AG Bobek’s opinion, such sources are better suited to ascertaining what amounts to public policy, not morality. As part of his insightful discussion of the extent to which public policy and morality overlap, the AG considers that ‘[p]ublic policy can [...] be studied [...] in the offices of public authorities, by

¹²³ *ibid* [69].

¹²⁴ *ibid* [42].

reference to laws, policies, and official statements.’¹²⁵ This is in contrast with accepted principles of morality, which ‘cannot be detected outside of social norms and context. Their identification requires at least some empirical assessment of what the relevant society [...] considers [...] to be acceptable norms of conduct.’¹²⁶

Moreover, trade mark offices and appeal courts are not well suited to engage in the sort of fact-finding exercises that are required to extract evidence from these sources. This is especially true of data reflecting public opinion, as well as evidence of how the relevant public has reacted in the past to identical or similar signs. If the CJEU has market studies in mind here, they could very easily backfire. There is no consensus in Europe as to the role that surveys ought to play in trade mark law. Whereas EU and German courts are often willing to accept surveys as evidence of consumer perception in cases dealing with likelihood of confusion and distinctiveness, the courts of England and Wales have been increasingly reluctant to give considerable weight, and on occasions even admit, this form of evidence.¹²⁷ Furthermore, trade mark offices cannot be realistically expected to be able to elaborate, or even commission, the sorts of market studies that would be necessary to assess a mark’s ability to cause outrage amongst the relevant public.

It will, thus, be interesting to see what sources decision-makers rely on to justify the immorality of an applied-for sign, and whether the fact-finding mechanisms they employ will be sophisticated enough to meet the burden of proof imposed by the CJEU in *Constantin Film Produktion*. A burden of proof that, admittedly, is not clear from the decision. The opinion of AG Bobek proves useful here too. In his view, the evidentiary threshold that the EUIPO must meet if it wishes to deny registration to an applied-for sign on morality grounds need not be very high. In his own words:

It is certainly not suggested that EUIPO would have to conduct an in-depth empirical survey to establish the accepted principles of morality vis-à-vis a given sign. Indeed, [...] the best they can provide is an ‘informed estimation’. However, that estimation must be grounded in a specific social context, and it cannot ignore factual evidence that either confirms or possibly casts doubt on [...] what does or does not conform to accepted principles of morality.¹²⁸

It is unclear whether the CJEU would agree with the evidentiary threshold proposed by AG Bobek. Doing so would certainly alleviate some of the difficulties outlined above, but not all. Trade mark offices would still have a hard time conducting empirical surveys, even if they need not be in depth.

¹²⁵ *ibid* Opinion of AG Bobek [79]. See, in similar terms, the decision of the EUIPO BoA in *R 803/2016-1, Application of La Mafia Franchises SL ('La Mafia se Sienta a la Mesa')* 27 October 2016 (EUIPO Board of Appeal) [20] & [22].

¹²⁶ *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [80].

¹²⁷ For a detailed discussion of the divergent approaches to consumer surveys adopted in different European jurisdictions, see Alexander Bayer and others, ‘The Value and Treatment of Survey Evidence in Different Jurisdictions’ (2010) 100 TMR 1373. As regards the courts of England and Wales, see also *Marks and Spencer v Interflora* [2012] EWCA Civ 1501.

¹²⁸ *Case C-240/18, Constantin Film Produktion* (n 5) [83].

In any event, the uncertainty stemming from the empirical nature of the test is not bound to threaten its consistent application moving forward. As was already mentioned, the lack of evidence showing that an applied-for sign is morally objectionable will necessarily lead decision-makers to grant it registration.

4.4. On the Interaction Between Trade Marks and Speech

The CJEU should be praised for addressing and, at least partially, redressing the core shortcoming identified in the case law: the uncertainty as to whether the right to freedom of expression can be implicated in trade mark registration. According to the Court:

[C]ontrary to the General Court's finding [...] that 'there is, in the field of art, culture and literature, a constant concern to preserve freedom of expression which does not exist in the field of trade marks', *freedom of expression [...] must, as [...] the Advocate General states in points 47 to 57 of his Opinion, be taken into account when applying Article 7(1)(f) [EUTMR]*. Such a finding is corroborated, moreover, by recital 21 [...], which expressly emphasise[s] the need to apply th[e] regulation[...] in such a way as to ensure full respect for fundamental rights and freedoms, in particular freedom of expression.¹²⁹

By harmonising one aspect of the interaction between marks and speech that had been highly contested, the Court's finding that Article 10 ECHR is implicated in trade mark registration is a welcome development. The very few commentators who have addressed this decision to date (practitioners writing in the blogosphere, for the most part) have hailed it as such.¹³⁰ Unfortunately, however, the CJEU fails to build on this finding, leaving the more substantial questions raised by the interaction between marks and speech unanswered.

First, the Court fails to explain *why* speech protection is implicated in trade mark registration. Admittedly, the Court alludes to Recital 21 EUTMR to support its finding that speech interacts with trade mark applications. But finding support in the text of the Regulation is not the same thing as setting forth the reason(s) why both sets of rights interact. Is it because registration as a trade mark of an applied-for sign furthers the expressive interests of the applicant? And, if so, how? Understanding the rationale behind the CJEU's finding would have gone a long way in guiding future decision-makers' interpretation of the interaction between marks and speech. This is certainly true of the morality and public policy exclusions. As regards the former, it would have allowed framing the legal test developed by the Court within the broader policy considerations stemming from the interaction between marks and speech. As for the latter, it would

¹²⁹ *ibid* [56] (emphasis added).

¹³⁰ Cheryl Payne and Julius Stobbs, 'Trade Mark Case: FACK JU GÖHTE – Constantin Film Produktion v EUIPO' (*Kluwer Trademark Blog*, 19 March 2020) <<http://trademarkblog.kluweriplaw.com/2020/03/19/trade-mark-case-fack-ju-gohte-constantin-film-produktion-v-euipo/>> accessed 29 April 2020; Jorge Llevat, 'Las Buenas Costumbres y El Registro de La Marca FACK JU GÖHTE' <<https://blog.cuatrecasas.com/propiedad-intelectual/buenas-costumbres-registro-marca-fack-ju-gohte/>> accessed 29 April 2020; Łukasz Żelechowski, 'CJEU Rules on Absolute Ground Concerning Marks Contrary to Accepted Principles of Morality' [2020] JIPLP.

have enabled future decision-makers to propose a harmonised legal test for determining that an applied-for sign is contrary to public policy –following in the Court’s footsteps in *Constantin Film Produktion*. But a more sophisticated understanding of the interaction between marks and speech could have had ramifications beyond Article 7(1)(f) EUTMR, into other areas of trade mark law where speech interests are also at stake, notably infringement. The CJEU’s shying away from these issues is, thus, regrettable. And while optimists may well argue, in light of Recital 21 EUTMR, that the need to factor in the diversity of fundamental rights involved in trade mark law will lead future courts to take into account speech interests in other areas of the discipline too, this is already a stretch from the CJEU’s strict finding in *Constantin Film Produktion*.

Second, the Court fails to explain *how* its finding that speech protection is implicated in trade mark law builds into the test developed to determine when an applied-for sign is morally objectionable and, thus, unregistrable. Judging from its decision, it would appear that the Court believes both elements to operate irrespective of each other –i.e. the fact that speech protection is implicated in trade mark law has no bearing on the applicable test. This can be seen from the way in which the Court’s arguments are structured, which provides an insight into its thought process. The order in which the Court’s ideas are presented is rather counterintuitive. The CJEU develops its empirical test for morality in the first place, leaving its analysis of whether speech protection is implicated in trade mark law for the end. A more logical approach to the case would, however, require reversing the order in which both elements are explored, insofar as the applicable test under the morality exclusion is ultimately dependent on the protection afforded to trade mark applicants by virtue of Article 10 ECHR. Doing otherwise risks distorting the boundaries of the morality exclusion.

By remaining silent on the existence of a causal relation between freedom of expression being implicated in trade mark law, on the one hand, and the applicable test to the morality exclusion, on the other, the Court’s approach is amenable to misinterpretation, in two ways. First, it can be construed as implying that Article 10 ECHR plays no role whatsoever in determining the degree of protection that trade mark applicants should be afforded upon applying for registration of morally dubious signs. And, second, at the other end of the spectrum, this decision could be read to mean that Article 10 ECHR affords trade mark applicants an additional layer of protection when filing for registration of morally objectionable signs –further increasing the evidentiary threshold that decision-makers must meet in order to declare such signs unregistrable. It is highly unlikely that the CJEU meant to adopt either of these approaches. *Constantin Film Produktion* thus constitutes a good example of how risk-avoidance in judicial decision-making can lead to further uncertainty in an area of law. It may well be that the Court sought to further the cause of speech in EU trade mark law by developing a fact-finding test. But this is speculation. Therefore, and to avoid speculation, the Court should have been more careful to tie its finding that marks and speech interact to the test developed under the morality exclusion.

This would have been best achieved by analysing the compatibility of the appealed decision denying registration to the sign ‘Fack Ju Göhte’ with the proportionality test mandated under Article 10 ECHR. For reasons that I will go on to explain, this analysis

would not have altered to any meaningful extent the substance of the test of morality proposed by the CJEU. This is perhaps counterintuitive. However, the empirical nature of this test conforms with the evidentiary requirements imposed under Article 10 ECHR for encroachments on speech to be justified. To illustrate this, I will guide the reader through the application of the proportionality test mandated under the Convention to the morality exclusion.

As we saw in Section 3.1., the justifiability of a public measure encroaching on freedom of expression is contingent on a plurality of factors: (a) the measure must be prescribed by law; (b) the measure must pursue a legitimate aim; and (c) the measure must be ‘necessary’ in a democratic society. The first two limbs of the test will be easily met in cases dealing with the morality of applied-for signs, since refusals of registration on this ground are: (a) prescribed by Article 7(1)(f) EUTMR; and (b) with the aim of safeguarding society’s core moral values.

The ‘necessity’ limb of the test can prove more problematic. A fundamental part of the inquiry revolves around determination of the margin of appreciation to be afforded to the trade mark office or appeal court. This will vary in accordance with the type of speech interfered with. While having a comical element, ‘Fack Ju Göhte’ is unlikely to be deemed a sign with a strong ideological component of the sort that can be easily used to engage in mixed expression. Our analysis will, thus, operate on the basis that the category of speech interfered with in *Constantin Film Produktion* is commercial.

Under commercial expression, public authorities ‘have a broad margin of appreciation in the regulation of speech in commercial matters or advertising’.¹³¹ From the perspective of the judicial review undertaken by the ECtHR, this sometimes translates into ensuring that the interference with freedom of commercial expression is ‘justifiable in principle’.¹³² On other occasions, the Court has referred to measures restricting speech as being justified on ‘reasonable grounds’.¹³³ This is not to say that encroachments on commercial expression will not ‘be closely scrutinised by the Court’,¹³⁴ which must ‘weigh the requirements of the protection of the [public good justifying the challenged measure] against the [encroachment on appellant’s freedom of expression]’.¹³⁵ Extrapolated to the registration context, this would entail balancing the need to protect the moral values of the relevant public against the encroachment on applicant’s speech resulting from the refusal of registration. A balancing exercise that requires, for a finding that the refusal of registration legitimately interferes with applicants’ freedom of expression, a modicum of evidence to the effect that the applied-for sign is contrary to accepted principles of morality.

At least in principle. An overview of the case law of the ECtHR reveals that the broad margin of appreciation enjoyed by public authorities in cases involving interferences

¹³¹ *Mouvement Raëlien* (n 61) [61]. See also, in similar terms, *Dor* (n 65) [51]; *Casado Coca* (n 61) [50]; *Markt Intern* (n 61) [33].

¹³² *Markt Intern* (n 61) [33].

¹³³ *ibid* [37]; *Groppera Radio AG and Others v Switzerland* App no 10890/84 (ECtHR, 28 March 1990) [73].

¹³⁴ *Casado Coca* (n 61) [51]; *Mouvement Raëlien* (n 61) Dissenting Opinion of Judges Sajó, Lazarova Trajkovska and Vučinić [II].

¹³⁵ *Markt Intern* (n 61) [34].

with commercial expression often renders the proportionality exercise futile. This is especially true of its more recent case law, where the Court's analysis of whether a restriction is 'necessary' is governed by the very deferential principle that 'national authorities are [...], by reason of their direct and continuous contact with the vital forces of their countries, in a better position than the international judge to give an opinion on the "necessity" of a "restriction"'.¹³⁶ This deferential approach often leads the Court to deny relief to appellant after a rather cursory analysis that requires little to no evidence of necessity.¹³⁷ Although several judges within the ECtHR have voiced their concerns over this deferential approach, it is doubtful that they will steer the Court towards demanding more robust justification of the necessity limb of the test in cases involving commercial expression.¹³⁸ Regardless of the outcome of this debate, speech-based challenges to refusals of registration of morally objectionable signs are unlikely to ever escape this very deferential approach. The ECtHR has consistently held that the same approach is of application to cases dealing with the ascertainment of public morals – including in *Dor*, where appellant's speech had been interfered with as a result of the refusal to register the religious sign 'Crucifix' on misleading grounds.¹³⁹

In any event, this discussion is for the most part superfluous for purposes of our current assessment. The fact that the Convention affords public authorities a very broad margin of appreciation in cases involving interferences with commercial expression, especially where moral values are involved, does not prevent them from properly justifying their findings under Article 10 ECHR. Put differently, while not being required to ground their findings on 'reasonable grounds', decision-makers may still decide to do so. If anything, such an approach affords an additional layer of protection to individuals' freedom of expression. This is arguably what the CJEU chose to do in *Constantin Film Produktion*. The fact-sensitive test developed by the Court would seem to conform to the requirement that refusals of registration be 'closely scrutinised', in the sense of being justified on 'reasonable grounds'. It is, thus, compatible with the proportionality requirements mandated under Article 10 ECHR.¹⁴⁰

This is not to say that the CJEU was right to ignore the proportionality test provided for under the Convention. Framing the judicial inquiry in morality cases within this test would have offered several advantages. First, it would have allowed the Court to tackle the question as to whether Article 7(1)(f) EUTMR, by imposing public policy and morality as limits to registrability, already takes into account the balancing of rights mandated under Article 10 ECHR. In *Basic*, Hobbs QC had put forth such an interpretation of the

¹³⁶ *Dor* (n 65) [49]; *Mouvement Raëlien* (n 61) [63].

¹³⁷ As regards interferences with commercial expression, see *Mouvement Raëlien* (n 61) [63]; *Casado Coca* (n 61) [55].

¹³⁸ *Mouvement Raëlien* (n 61) Dissenting Opinion of Judges Sajó, Lazarova Trajkovska and Vučinić [V]. A similar criticism was put forth in *Lautsi and Others v Italy* Ap no 30814/06 (ECtHR, 18 March 2011) Dissenting Opinion of Judge Malinverni, joined by Judge Kalaydjieva [1].

¹³⁹ *Dor* (n 65) [51]; *Murphy* (n 61) [67]; *Wingrove v The United Kingdom* App no 17419/90 (ECtHR, 25 November 1996) [58].

¹⁴⁰ For a thought-provoking account of why the empirical test of morality adopted by the CJEU cannot, in abstract terms, be said to effect a 'necessary' encroachment on applicants' freedom of expression, see Endrich-Laimböck and Schenk (n 13).

public policy and morality exclusions.¹⁴¹ This interpretation was, however, expressly rejected by AG Bobek in his opinion in *Constantin Film Produktion* –a matter on which the CJEU remained silent.¹⁴² Accordingly, this is still a contested issue. Second, applying the proportionality test under Article 10 ECHR to the morality exclusion would have allowed for the consistent application of the human rights guarantees set forth in the Convention. Third, and most importantly, it would have served to illustrate how the balancing exercise in cases involving the interaction between marks and speech ought to be undertaken under EU law. This could have paved the way for future decision-makers dealing with this interaction in the context of the public policy exclusion, and even beyond registration –notably in trade mark infringement, where the degree of inconsistency is very worrying too.¹⁴³

5. Conclusion

The interpretation of the public policy and morality exclusions has proved to be a controversial subject in European trade mark law. Contrary to the common belief that inconsistencies in this area of law result from decision-makers' failure to properly engage with the interaction between marks and speech, this article has shown that there are several sources of inconsistency. It is only if decision-makers acknowledge and address all sources identified that it will be possible to bring the required level of consistency to the interpretation of Article 7(1)(f) EUTMR. The CJEU, in particular, must play an active role in further harmonising the interpretation of the public policy and morality exclusions, building on its decision in *Constantin Film Produktion*.

As we have seen, this decision ultimately constitutes a missed opportunity on the part of the Court to redress the core shortcomings identified in the case law. First, the Court fails to address the conceptual differences between both exclusions and, thus, to clarify whether they can sometimes overlap and, if so, to what extent. Second, although bound by procedural considerations, the Court does not question the definition of relevant public provided by the EUIPO BoA and subsequently accepted by the GC. This leads the Court to assess the morality of the sign 'Fack Ju Göhte' without taking into consideration the English-speaking public within the EU, despite 'Fuck You' being a vulgar expression in the English language. Third, while the CJEU proposes a fact-sensitive test of morality that is bound to harmonize the interpretation of the morality exclusion, it fails to do the same for the public policy exclusion. And, fourth, the Court's efforts to bring clarity to the interaction between marks and speech in the registration context are insufficient. The Court should have explored the complex dynamics underlying this interaction. This would have greatly assisted future decision-makers hearing speech-based challenges in trade mark registration and beyond –notably, infringement.

¹⁴¹ *Basic* (n 4) [6].

¹⁴² *Case C-240/18, Constantin Film Produktion* (n 5) Opinion of AG Bobek [53]. This is one of the paragraphs of the AG's opinion (i.e. [47]-[57]) that the CJEU alludes to in its decision upon acknowledgement that speech is implicated in Article 7(1)(f) EUTMR. See quotation to n [129]. It seems rather far-fetched, however, to argue that the CJEU, by referring to several paragraphs of AG Bobek's opinion, wished to adopt his arguments in their entirety.

¹⁴³ See discussion in n [12].

Against this backdrop, the CJEU would be best advised to shed further light on the interpretation of the public policy and morality exclusions, if it wishes to put an end to the growing sense of uncertainty in the field. To facilitate this process, courts of Member States hearing appeals to refusals of registration of signs that are liable to contravene public policy or morality should ask the CJEU to provide further insights on the interpretation of these exclusions by means of carefully tailored requests for preliminary rulings. This will be particularly useful where appeals are launched by trade mark applicants on grounds that refusals of registration contravene their Article 10 ECHR rights. In this regard, Brexit might prove a disruptive force yet again, since: (a) most national cases matching this profile to date have been brought before the UK AP;¹⁴⁴ and (b) UK judges have historically adopted a very active role in mobilising the CJEU to clarify the interpretation of EU trade mark laws.¹⁴⁵

¹⁴⁴ *Scranage* (n 4); *French Connection* (n 5); *Basic* (n 4); *Ghazilian* (n 4).

¹⁴⁵ *Case C-324/09, L'Oréal v eBay* (2011) ECR I-06011; *Case C-323/09, Interflora Inc v Marks & Spencer plc* (2011) ECR I-08625; *Case C-487/07, L'Oréal v Bellure* (2009) ECR I-05185; *Case C-533/06, O2 Holdings Ltd & O2 Ltd v Hutchison 3G UK Ltd* (2008) ECR I-04231.