

Newsletter No.

27

Swiss IP News We provide you with updates on new decisions, the relevant legislative process and other trends in the fields of intellectual property and unfair competition law from a Swiss perspective.

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Limited Scope of Protection for Burlington’s Figurative Sock Mark

In a recent decision, the Swiss Federal Supreme Court held that the figurative mark of Stance Inc. was not likely to be confused with the figurative mark of Burlington Fashion GmbH ([4A_540/2023](#) of 26 March 2024). In overturning the decision of the Commercial Court of the Canton of Zurich, the Federal Supreme Court essentially limited the scope of protection of the mark in question, a combination of basic geometric elements, to cases of identity.

Background

Burlington Fashion GmbH, a German textile manufacturer known in Switzerland in particular for its socks and stockings ("Claimant"), sued Stance Inc., an American textile company ("Respondent"), for alleged trademark infringement. The Claimant applied to the Commercial Court of the Canton of Zurich for an injunction prohibiting the use of the Respondent’s trademark and for a declaration that such trademark was invalid. The Commercial Court upheld the action and declared the Respondent’s trademark invalid. The Respondent subsequently appealed to the Federal Supreme Court.

Decision

The Federal Supreme Court held that the lower court had incorrectly assessed the existence of a likelihood of confusion. It found that the Respondent’s trademark was sufficiently different on the basis of its overall impression and did not infringe the Claimant’s trademark.

The lower court had assumed that the sign was inherently weak but assessed the distinctiveness of the Claimant’s mark as average based on use. The Federal Supreme Court criticised this assessment, stating that the use of the mark did not automatically lead to increased distinctiveness. Rather, it was



Claimant’s trademark



Respondent’s trademark

necessary to prove an increase in reputation, which had not been sufficiently demonstrated in the present case. Therefore, the likelihood of confusion was assessed taking into account the originally weak distinctive character of the Claimant's mark.

In its assessment of the likelihood of confusion between the marks at issue, the Federal Supreme Court found that the Respondent's mark consisted of a circle filled with black and containing a symbol drawn with a white line. On the other hand, the overall impression of the Claimant's mark was characterised by dashed lines at right angles to a black square standing on its point. On the basis of a slightly higher degree of attention on the part of the relevant public which remained unchallenged, the Federal Supreme Court concluded that the mere similarity of the geometric elements (i.e. a square crossed by two lines) was not sufficient to establish a likelihood of confusion – despite the identity of the goods in question, which required a greater distance between the signs.

The Federal Supreme Court thus overturned the Commercial Court's decision and dismissed the application for injunction prohibiting the use of the Respondent's trademark and the declaration of its invalidity. The Commercial Court must now consider whether the injunction claim is justified under the Unfair Competition Act.

Comment

Basic geometric elements may be inherently eligible for trademark protection in their combination; the marks in question are examples thereof. The extent to which such figurative marks can be assumed to have a weak scope of protection due to their triviality depends on the specific sign. However, even weak marks may acquire greater distinctiveness

through increased use.

In denying the existence of a likelihood of confusion, the Federal Supreme Court essentially limited the scope of protection of the Claimant's mark to cases of identity, since the two geometric elements of such a mark (a cross and a square standing on its point) appear to have been largely adopted by the Respondent's mark with only minor adaptations and the addition of a trivial, circular background element. Thus, the decision's refusal to find a likelihood of confusion seems strict. However, the decision seems to be justified by the fact that the slightly increased attention of the relevant public found by the lower court was not challenged, the weak inherent distinctiveness also found by the lower court was not disproved, and the proof of greater distinctiveness due to the mark's increased reputation was not successful.

The decision is a striking illustration of the need for intensive trademark development work for more abstract, simpler figurative marks, as are widely used today, in order to effectively ward off unwanted approaches at the level of similar signs.

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