

Chanel loses to Huawei in EU trade mark dispute

By <u>David Legge</u> 3 May 2021

French luxury fashion house Chanel has lost its latest attempt to block the registration of a trade mark applied for by Chinese technological giant Huawei Technologies.



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In September 2017, Huawei filed an application with the European Union Intellectual Property Office (EUIPO) for an EU-wide registration of its mark in relation to computer hardware.

Displeased with Huawei's application, Chanel opposed the registration of the mark on the ground that it bore similarities to two of its trade marks registered in France in relation to cameras, sunglasses, earphones and headphones, computer software, perfumes, cosmetics, costume jewellery, leather goods and clothing. Chanel argued that the successful registration of Huawei's mark would enable it to ride on the reputation of Chanel's marks unfairly.

The respective marks are tabled side-by-side below:

HUAWEI'S APPLICATION	CHANEL'S REGISTRATIONS
8	and and

In the first round of this tussle in November of 2019, the EUIPO rejected Chanel's opposition on the ground that Huawei's mark was not similar to Chanel's two marks and that there was no likelihood of confusion on the part of the relevant public.

On 21 April 2021, the Luxembourg-based General Court of the European Union dismissed Chanel's appeal seeking the annulment of the EUIPO's decision. According to Chanel, when Huawei's mark "is rotated by 90 degrees" it is "at the very least visually similar to an average degree" to Chanel's marks. In the General Court's examination of the degree of similarity between the respective marks, it held that the marks must be compared

in the form in which it was registered and the mark applied for in the form in which it was applied for, irrespective of any possible rotation in their use on the market.

Analysing the respective marks, the Court held that Huawei's mark "is a figurative sign consisting of a circle containing two curves resembling the image of two black letters 'u' positioned vertically, and as an inverted mirror image, which cross and intersect to form a central element constituting a horizontal ellipse". On the other hand, Chanel's marks consist of "two curves resembling the image of two black letters 'c' positioned horizontally and as an inverted mirror image, which cross and intersect to form a central element constituting a vertical ellipse," with the second mark bearing the special feature of those curves being contained in a circle.

Notably, the Court held that "while the marks at issue do share some similarities, their visual differences are significant. In particular, Chanel's marks have more rounded curves, thicker lines and a horizontal orientation, whereas the orientation of the Huawei mark is vertical."

Consequently, the General Court held that the respective marks are dissimilar. In light of this fact, that Court saw no need to rule on the remaining factors in the global assessment of the likelihood of deception or confusion, including the similarities or otherwise of the respective goods.

Chanel may decide to take the decision of the General Court on appeal to the European Court of Justice.

ABOUT THE AUTHOR

David Legge is a Trade Wark Attorney and Associate at Kisch IP

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