

COURT CONSIDERS CONCEPT OF FUNCTIONALITY IRRELEVANT WHEN CONSIDERING VALIDITY OF A DISTINGUISHING GUISE

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On October 8th, 1993, Mrs. Justice McGillis of the Trial Division of the Federal Court of Canada dismissed an application brought by Remington Rand Corporation and Remington Products (Canada) Inc. ("Remington") to expunge four (4) registered trade-marks owned by Philips Electronics N.V. ("Philips") (*Remington Rand Corporation et al. v. Philips Electronics N.V.*, F.C.T.D. No. T-1695-91, October 8th, 1993). Two of the trade-marks were two-dimensional representations of a triple headed rotary shaver head assembly while the two others were registered as distinguishing guises under the Trade-marks Act, R.S.C. 1985, c. T-13 ("the Act"). A distinguishing guise is defined in the Act as meaning a shaping of wares or their containers, or a mode of wrapping or packaging wares the appearance of which is used by a dealer to distinguish its wares from those of others.

As its sole argument, Remington alleged that each trade-mark was a line drawing or visual representation of a functional apparatus, was therefore invalid and ought to be expunged. The principle relied upon by Remington has been affirmed many times by caselaw: "... that which has a functional use or characteristic cannot be a trade-mark." (The Imperial Tobacco company of Canada, Limited v. The Registrar of Trade Marks, (1939) Ex.C.R. 141; Park, Davis & Company v. Empire Laboratories Limited (1964), 27 Fox Pat. C. 67 (S.C.C.)).

Since the 1960's, Philips had been selling a triple headed shaver with rotary blades arranged in an equilateral triangular configuration; although it made various alterations to its design since that time, Philips never sold any other type of shaver. This policy of maintaining a single arrangement of the rotary blades was adopted and maintained essentially for marketing reasons. In order to strengthen the image of its product, Philips secured registration in the early 1980's of two two-dimensional design trade-marks depicting the head assembly of its triple headed rotary shaver in an equilateral triangular configuration; it also obtained two distinguishing guises registrations for its

triple headed shaving head assembly and its transparent plastic bubble card containing, in a rounded triangular area, three rotary replacement blades for electric shavers. The Registrar of Trade-marks recognised the distinctive character of the four marks covered by these registrations.

In 1991, Remington wished to introduce in Canada a triple headed rotary shaver in which the three rotary blades were arranged in an equilateral triangular configuration. However, the registrations owned by Philips prevented it from launching its product. Remington therefore initiated its expunging proceedings and argued that Philips was attempting to use its registrations to protect the best possible configuration for a triple headed rotary shaver.

Having reviewed the evidence submitted by the parties, Mrs. Justice McGillis concluded that Remington failed to establish that the equilateral triangular configuration was the best design for a shaver; rather the evidence pointed to marketing considerations, where such design was adopted and maintained by Philips due to its high degree of recognition among consumers.

Mrs. Justice McGillis reviewed the two two-dimensional trade-marks and concluded that they were merely depictions or representations of the object which inspired them and as such, did not contain any functional elements. Furthermore, the evidence did not established that the design of the triple headed shaver had been chosen because of its functionality.

Turning to the two distinguishing guises, Mrs. Justice McGillis reminded the parties that caselaw had never assessed the relevancy of the concept of functionality in a challenge against the registration of a distinguishing guise trade-mark. To resolve this issue, Mrs. Justice McGillis noted that by its own *raison d'être*, a distinguishing guise must possess a functional element and that to permit the expungement of a distinguishing guise for this reason, would be the chose one of its main statutory components as a basis for attacking its validity. Thus the objection of functionality was deem irrelevant when assessing the validity of the registration of a distinguishing guise.

The Court's decision is interesting in that it provides an exception to the concept developed by jurisprudence that "that which has a functional use or characteristic cannot be a trade-mark", in the case of a distinguishing guise, which is a type of trade-mark. This exception flows from the inherent nature of the distinguishing guise which requires an element of functionality.

Published at (1994), 8 W.I.P.R. 30-31 under the title *Validity of 'Distinguishing Guise' Does Not Turn On Functionality*.

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