

# AIPPI Q277-SGL-TM-2020 – Registrability of trade marks against public order or morality

Report of the Swiss Group

## I. Current law and practice

Please answer the below questions with regard to your Group's current laws and practice.

1.

a) Are trade marks contrary to public order refused or invalidated under your law? Please answer YES or NO.

YES.

b) Are trade marks contrary to morality refused or invalidated under your law? Please answer YES or NO.

YES.

c) Please state any applicable legal provisions.

Article 2(d) of the Federal Act on the Protection of Trade Marks and Indications of Source of 28 August 1992 (hereinafter »TmPA«, Trade Mark Protection Act; CC 232.11; <www.fedlex.admin.ch/eli/cc/1993/274\_274\_274/en>) excludes signs from trade mark protection if they are contrary to

- public policy,
- morality, or
- applicable law.<sup>1</sup>

A similar provision was already codified under former law (see Article 3 paragraphs 4 and 14, paragraph 2(2) of the Federal Act on the Protection of Factory and Trade Marks, Designations of Origin of Goods and Commercial Awards of 26 September 1890 (TmPA 1890, OC 12 1)), which was considered as an identical provision to Article 6 (2)(3) of the Paris Convention (= Article 6<sup>quinquies</sup>(B)(3) Paris Convention for the Protection of Industrial Property, as revised in Stockholm on 14 July 1967, as per 4 July 2017; Paris Convention; CC 0.232.04<sup>2</sup>).<sup>3</sup>

Compared to Article 2(d) TmPA, however, Article 6<sup>quinquies</sup>(B)(3) Paris Convention is slightly dissimilar<sup>4</sup> as the Swiss legislator is referring to *public policy*<sup>5</sup> as a differ-

ent concept to *public order*.<sup>6</sup> The difference in wording is rather pedantic according to the Group's view, but makes sense as the Swiss legislator introduced with the category *applicable law* a separate category covering all enacted provisions. For the purposes of this Study Question, however, the differences will not be highlighted further and the reference to public order will include public policy and applicable law according to Article 2(d) TmPA.

On the other hand, the category *morality* remains an equivalent term from a comparative law perspective. Moreover, the concept of morality is a general principle in Swiss law and was enacted in Article 19(2) and Article 20(1) of the Federal Act on the Amendment of the Swiss Civil Code (Part Five: The Code of Obligations, hereinafter CO) of 20 March 1911 (CO; CC 220). The same applies also to public policy with Article 19(2) CO. Both provisions are a source with respect to the assessment of signs which are contrary to public policy or morality.<sup>7</sup>

2.

a) Is there an explicit definition of public order and/or morality under your law? Please answer YES or NO.

NO, there is no explicit definition in the TmPA.

- 1 The following statements of the Swiss Group will not cover this criterion.
- 2 See <www.fedlex.admin.ch/eli/cc/1970/620\_620\_620/de>; <https://wipo.int/en/text/288514>, last visited on July 6, 2021.
- 3 BGE 56 I 46 ff. E. 2, «Tragiseta».
- 4 BVGer vom 27. Oktober 2016 B-2781/2014, E. 3.2, «CONCEPT» referring to the differences between Article 6<sup>quinquies</sup>(B)(3) Paris Convention and Article 2(d) TmPA. On the other hand, RKG, MA-AA 04/00, 5 October 2000, E. 3.2, «Siddhartha» held that Article 2(d) TmPA is identical to Article 6<sup>quinquies</sup>(B)(3) Paris Convention without an in-depth assessment.
- 5 See also Article 4(1)(f) of 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, OJ L 336 of 23 December 2015 and Article 1(3)(a) of the UK Trade Marks Act 1994 which refer to the term public policy.
- 6 The term public order, however, is still known in Swiss law (see e.g. Article 27 of Federal Law on Private International Law of December 18, 1987 (IPRG; CC 291; <www.fedlex.admin.ch/eli/cc/1988/1776\_1776\_1776/de> and <https://wipo.int/en/text/577433>, last visited on July 6, 2021.) which at least includes violations against «public policy» (see BGE 131 III 182 ff. E. 4.1).
- 7 BGE 136 III 474 ff. E. 3, «Madonna» (= sic! 2011, 105; see also IIC 2012, 870 ff.).

Members of the working group: Marc Wullschleger (chair), Manuel Bigler, Boris Catzeli, Marco Handle, Raphael Nusser.

- b) If your answer is YES, please state the definition.  
If your answer is NO, please still indicate what you believe to be the definition.

Although there is no explicit statutory definition, Swiss case law has tried to define what is subject to public order and/or morality. In this sense, the Swiss Supreme Court has held in general that Article 2(d) TmPA has the purpose to guarantee political and social peace by excluding signs from trade mark protection that violate the legal system, namely public policy, morality or applicable law.<sup>8</sup>

In particular regarding *morality*,<sup>9</sup> the Swiss Supreme Court has defined that a sign is contrary to good morality:

- if it leads to or encourages an immoral result;
- if the indicated purpose is being prevented; or
- if it originates from a reprehensible attitude or otherwise impedes the moral feeling.<sup>10</sup>

A violation of good morality is a question of law as evaluated from the relevant sector of the public. With respect to morality, courts refer to a Swiss citizen with a fair and equitable thinking,<sup>11</sup> which in fact leaves it to the judge or examiner in charge to define what is subject to good morality.

In general, however, the Group would like to *emphasize* that there are only a few decisions that have dealt with morality. Also, it seems rather questionable whether it makes sense to cite very old decisions with respect to morality as the assessment depends heavily on the current attitude towards morality.<sup>12</sup>

As stated with Question 1c), the term *public order* is no longer used in Swiss trade mark law. Under previous practice, the concept of public order allowed the exclusion of *misleading signs* from trade mark protection (e.g. ALPINA for Japanese watches<sup>13</sup>).<sup>14</sup> With the introduction of the current TmPA, misleading signs are rejected based on Article 2(c) TmPA only. Thus, Swiss legislation has introduced the concept of *public policy*, which is another vague legal term, but at least excludes the concept of morality or applicable law (or misleading signs).<sup>15</sup> Case law defines public policy as those fundamental principles of the legal order and state institutions that guarantee order, security and peace within the society as well as good relations with other states.<sup>16</sup>

- c) What is the difference between morality and public order?

As both terms are vague, it is difficult to draw a clear line between morality and public order.<sup>17</sup> **Morality** includes the general sense of decency or the ethical principles and standards inherent in the general legal system<sup>18</sup> and may change over the time. It prohibits the registration of marks which are racist, anti-religious, would injure religious sensibilities, or are sexually offensive.<sup>19</sup> Especially concerning marks which would potentially be sexually offensive, the tolerance level is clearly higher compared with the recent past,<sup>20</sup> although the registration practice of the Swiss Federal Institute of Intellectual Property (hereinafter IPI) remains quite

strict.<sup>21</sup> Trade marks in this field are often on the borderline and might reflect bad taste, but they regularly do not infringe basic ethical principles which would trigger the application of Article 2(d) TmPA.<sup>22</sup> In contrast, and also due to ongoing political discussions, other terms have gained a clear racist connotation which would trigger a refusal based on Article 2(d) TmPA in case of a trade mark application.<sup>23</sup>

On the other hand, principles of *public order* remain rather steady. For instance, public order refers to «fundamental principles» of a legal system, which is rather vague. Based on the category of public policy, according to Article 2(d) TmPA it would be possible to address in practice the protection of the reputation of the political system or representatives thereof.<sup>24</sup> Thus, the registration of the name of a sitting US president or a member of the Swiss Federal Council<sup>25</sup> would be contrary to public policy in Switzerland,<sup>26</sup> while it would be rather questionable to exclude such names from trade mark protection forever.<sup>27</sup> On

8 BGE 136 III 474 ff. E. 4.2, «Madonna».

9 BGE 136 III 474 ff. E. 3, «Madonna».

10 BGE 70 I 101 ff. E. 2, «SOS»; BGE 56 I 46 ff. E. 2, «Tragiseta».

11 BGE 70 I 101 ff. E. 2, «SOS»; BGE 56 I 46 ff. E. 2, «Tragiseta».

12 See in this respect, BGER vom 8. Januar 2021, 6B\_572/2020 or BGE 136 III 401 ff.

13 BGE 112 II 263 ff. E. 2a, «ALPINA»; see also BGE 70 I 101 ff. E. 2, «SOS» and BGE 56 I 46 ff. E. 2, «Tragiseta».

14 See BBl 1991 I 1 21: «Die irreführenden Zeichen werden nun jedoch nicht mehr dem Begriff der sittenwidrigen Zeichen untergeordnet, sondern entsprechend ihrer praktischen Bedeutung als selbständige Kategorie aufgeführt».

15 M. NOTH, in: M. Noth/G. Bühler/F. Thouvenin (Hg.), Stämpflis Handkommentar zum Markenschutzgesetz (MschG), 2. Aufl., Bern 2017, MSchG 2 d N 18.

16 BVGer vom 27. Oktober 2016, B-2781/2014, E. 3.2, «CONCEPT+».

17 In particular, it is possible that a mark might be against morality and public order (see e.g. Swiss mark No. 714877 MON PAPE [fig.]).

18 See in this respect, BGE 136 III 474 ff. E. 3, «Madonna».

19 BGE 136 III 474 ff. E. 3, «Madonna»; BVGer vom 12. Dezember 2018, B-4729/2018, E. 4.2, «[Fisch] (fig.)».

20 While «Week-End-Sex» with respect to a sex magazine was rejected (BGER, PMMBL 11/1972 I 67) based on earlier practise, it seems no longer reasonable to reject such a mark based on Article 2(d) TmPA (contra L. DAVID, in: H. Honsell/N. P. Vogt/L. David [Hg.], Kommentar zum schweizerischen Privatrecht. Markenschutzgesetz. Muster- und Modellgesetz, 2. Aufl., Basel 1999, MSchG 2 N 77).

21 E.g. the international registration No. 1178748 MINDFUCK was refused protection in Switzerland, as it was considered to be contrary to morality (BVGer vom 23. März 2017, B-883/2016). The international registration No. 1512798 WTF! with protection in Class 34 was provisionally rejected in Switzerland as the IPI argued that WTF! was offensive. However, the mark proceeded to registration after the argumentation was successfully challenged.

22 See also E. MARBACH, SIWR III/1, Basel 2009, N 671.

23 In this sense, a trade mark *Neger* (German for negro or nigger) would not be registered with respect to shoe cream (referring to this example in the literature DAVID (Fn. 20), MSchG 2 N 71). Also with respect to food (e.g. *Mohrenkopf* in German which literally means negro's head) or other goods and services, these terms are not acceptable.

24 M. BERGER, Sittenwidrige Zeichen sind nicht schutzfähig, 125 Jahre Markenhinterlegung, sic! Sondernummer 2006, 41 ff.; see also IGE, Richtlinien in Markensachen, 1.1.2019, Teil 5, Ziff. 6, 167.

25 See <www.admin.ch/gov/en/start/federal-council/members-of-the-federal-council.html>, last visited on July 6, 2021.

26 In this sense, the guidelines of the IPI (IGE, Richtlinien in Markensachen, 1.1.2019, Teil 5, Ziff. 6, 167).

27 In this sense, it is not certain whether the marks Adholff (for toilet paper; AGE MA 36/1974, 1999, referring to ADOLF HITLER) or Mao-

the other hand, the category of applicable law according to Article 2(d) TmPA would prevent the registration and use of trade marks that violate federal law and applicable international treaties.<sup>28</sup>

### 3.

- a) Is this ground applied to the trade mark per se, i.e. to the intrinsic qualities of the trade mark in question? Please answer YES or NO.

YES.

- b) Please explain.

Article 2(d) TmPA is applied to trade mark applications without taking the actual or future use into account.<sup>29</sup> In this sense, Article 2(d) TmPA does not prevent the use of trade marks which are contrary to public order or morality.

### 4.

- a) What is the relevant date for applying the ground of public order or morality?
- date of application of the trade mark
  - date of the examination/assessment by the office or the court
  - date of filing of the proceedings (e.g. when the invalidation request is filed)
  - other, namely \_\_\_\_\_

The relevant date is the date of the examination/assessment by the office or the court (ii).<sup>30</sup>

- b) Bearing in mind that views regarding morality and public order can be dynamic and change over time, which of the following is possible?
- refile a trade mark that has been refused or declared invalid for being contrary to public order or morality
  - file a new action against a trade mark that previously survived a challenge on this ground
  - other, namely \_\_\_\_\_

It is possible to: (i) refile a trade mark that has been refused or declared invalid for being contrary to public order or morality; and (ii) file a new action against a trade mark that previously survived a challenge on this ground. However, the latter would require a balance of the interests at stake, at least if the trade mark in question was valid at the time of registration, but has become invalid since due to a change in morality or public order.<sup>31</sup>

- c) Must this ground apply in the entire territory<sup>14</sup> covered by the trade mark? Please answer YES or NO.

NO. From the Swiss perspective, however, it should also be highlighted that the IPI will assess a trade mark in the light of the local official languages (German, French, Italian, Rhaeto-Romanic) as well as English and will even take into account that some languages are spoken by important minorities in Switzerland (e.g. Portuguese, Albanian, Serbian, Croatian, Spanish, Turkish<sup>32</sup>).<sup>33</sup> Thus, immoral terms would be rejected during trade mark application.<sup>34</sup>

### 5. From whose perspective is it judged whether or not a trade mark is contrary to public order or morality?

- the relevant consumer
- the general public
- a reasonable person with average thresholds of sensitivity and tolerance, taking into account the context in which the mark may be encountered
- other, namely \_\_\_\_\_

With respect to *morality*, the perspective is another (iv); the average member of the potentially affected population group or religious community is decisive with respect to morality.<sup>35</sup>

On the other hand, a rejection based on *public policy* is judged from the perspective of the general public (ii).<sup>36</sup>

Applicable law, constituting the third ground within Article 2 letter (d) TmPA, will be applied from the perspective of a judge (iv).

### 6. What factor or factors are taken into account when assessing whether a trademark is contrary to public order or morality?

- the meaning of the words or other elements contained in the mark

\_\_\_\_\_

mint (for confectionery and referring to MAO ZEDONG) would be still rejected.

28 NOTH (Fn. 15), MSchG 2 d N 9, 22.

29 See in this respect, BGE 106 II 245 ff. E. 2b, «ROTRING» (so-called principle of being bound by the registry «Grundsatz der Registergebundenheit»).

30 See in this respect, RKGE, sic! 2004, 936, «BIN LADIN».

31 See NOTH (Fn. 15), MSchG 2 d N 86; M. STÄDELI/S. BRAUCHBAR BIRKHÄUSER, in: L. David/M. R. Frick (Hg.), Basler Kommentar zum Markenschutzgesetz (MSchG)/Wappenschutzgesetz (WschG), 3. Aufl., Basel 2017, MSchG 2 N 334.

32 BGE 120 II 144 ff., «Yeni Raki».

33 See <www.bfs.admin.ch/bfs/en/home/statistics/population/languages-religions/languages.html>, last visited on July 6, 2021; IGE, Richtlinien in Markensachen, 1. 1. 2019, Teil 5, Ziff. 6, 166.

34 In this sense, it would be likely that *hijo de puta* (= son of a bitch) would not be accepted with respect to goods in class 9 such as media. BGE 136 III 474 ff. E. 4.2, «Madonna».

36 In this context, the perspective of the general public is sometimes also considered as the perspective of the state («Sicht des Staates»; see SHK-NOTH, Art. 2 lit. d N 9; STÄDELI/BRAUCHBAR BIRKHÄUSER (Fn. 31), MSchG 2 N 331).

- (ii) the background or origin of the words or other elements contained in the mark
- (iii) the identity or origin of the applicant/registrant
- (iv) the designated goods and/or services
- (v) the goods and/or services for which the mark is used in practice by the applicant/registrant
- (vi) fundamental rights (e.g. freedom of speech/expression)
- (vii) other, namely \_\_\_\_\_

First of all, the assessment relies on the meaning (i) and designated goods and/or service (iv). At least when it comes to marks which might be immoral, there is an argument that the commercial use of the sign is generally accepted through habituation (v).<sup>37</sup>

The Group also takes the view that the background or origin of the words or other elements contained in the mark might be considered within the assessment. In this respect, it seems difficult to distinguish between (i) meaning and (ii) background or origin of the words or other elements contained in the mark.

In some cases, the identity of the applicant (iii) is taken into account when it comes to public order (e.g. names of politicians or magistrates may be excluded from trade mark protection, unless the respective politician or magistrate applies for the trade mark). However, this factor overlaps also with the (i) meaning and/or (ii) background or origin of the words or other elements contained in the mark.

Finally, fundamental rights (vi) have obviously an effect in general.

#### 7. In what types of proceedings can the morality and/or public order ground be invoked?

- (i) examination (i.e. ex parte examination by the trade mark office)
- (ii) opposition proceedings (i.e. inter partes proceedings before the trade mark is approved for registration, or after registration in jurisdictions with post-registration oppositions)
- (iii) invalidation/cancellation proceedings before the trade mark office (i.e. inter partes proceedings after the trade mark is approved for registration)
- (iv) invalidation/cancellation proceedings before a court (i.e. inter partes proceedings after the trade mark is approved for registration)
- (v) other, namely \_\_\_\_\_

Morality and/or public order grounds may be invoked during the (i) examination proceedings and (iv) invalidation/cancellation proceedings before a court. The latter includes the revocation based on changed views regarding morality.<sup>38</sup> In addition, it is possible to file cancellation proceedings before a court with respect to a trade mark that, at the time of examination by the Office, was (and still is) contrary to public order or morality and, therefore, has been wrongfully registered.<sup>39</sup> At the same time, the morality and/or

public order ground can be invoked as a defense in infringement proceedings.

## II. Policy considerations and proposals for improvements of your Group's current law

### 8. Can your Group's current laws or practice relating to the registrability of trade marks contrary to public order or morality be improved? Please explain.

The Group is of the opinion that the IPI and Swiss courts should apply a more liberal standard when assessing whether a trade mark is contrary to public order and/or morality. To implement this more liberal standard, the Group has the following proposals:

- a. It should be assessed from the perspective of the relevant consumer whether or not a trade mark is contrary to public order and/or morality because it is only the consumer of the claimed goods/services that is possibly offended by such trade mark. This does not preclude that a trade mark may be refused only because a minority (such as members of religious communities) is offended, as long as there are relevant consumers that are part of this minority. However, there should be no rule to automatically decide in favour of the offended members of the affected minority. Rather, a balance of interests between the non-offended consumers and the offended consumers would be required in such cases.
- b. The Swiss authorities should adhere to the rule that a trade mark may be refused only in clear cases of contradiction against public order and/or morality, and that in case of doubts or in borderline cases, the trade mark in question should be registered (according to the principle *in dubio pro reo* «when in doubt for the accused»).

### 9. Are there any other policy considerations and/or proposals for improvement to your Group's current law falling within the scope of this Study Question?

The Group considers it worth examining whether administrative cancellation proceedings before the IPI based on absolute grounds for refusal (Article 2 TmPA) – which would include contradiction against public order and/or morality – should be implemented (similar to the cancellation proceedings before the EUIPO).

37 For instance, alcoholic beverages which have been used along with a religious symbol by the applicant for a long time (most recently BVGer vom 5. Februar 2020, B-1440/2019, E. 6.4, «[Hirsch] (fig.)»; see also BVGer vom 12. Dezember 2018, B-4729/2018, E. 4.2 – «[Fisch] (fig.)»; BGE 136 III 474 ff. E. 4.2, «Madonna»; BGE 145 III 178 ff. E. 2.3.3, «Apple»). In this case, the courts take the view that it is possible to establish a secondary meaning even in the field of immoral signs.

38 RKGE, sic! 2004, 932 ff., «BIN LADIN».

39 See BGE 140 III 297 ff. E. 5.1, «Keytrader».

### III. Proposals for harmonization

Please consult with relevant in-house/industry members of your Group in responding to Part III.

#### 10. Do you believe that there should be harmonization in relation to the registrability of trade marks contrary to public order or morality?

If YES, please respond to the following questions without regard to your Group's current law or practice.

Even if NO, please address the following questions to the extent your Group considers your Group's current law or practice could be improved.

NO. A global harmonization of the definition of public order and morality on which (all) Paris Convention members can agree, is unlikely. A possible harmonization could be a harmonization of the assessment of public order or morality, e.g. that the vague terms public order and morality should be assessed based on the perception of the relevant consumer circles (and not vague terms as «the general public») and the possibility to prove the consumer's perception and understanding of an alleged immoral or against public order sign with surveys.

11.

- a) Should trade marks contrary to public order be refused or invalidated? Please answer YES or NO.

YES.

- b) Should trade marks contrary to morality be refused or invalidated? Please answer YES or NO.

YES.

12.

- a) Should there be an explicit definition of public order or morality? Please answer YES or NO.

NO. The vagueness and indefiniteness of the legal terms public order and morality was the intention of the negotiators of the Paris Convention, national legislators and regional legislators (European Union). The purpose being that national courts should be able to assess both terms on a case-by-case basis and the present views and opinions of public order and morality at the time a decision is rendered. For this reason, public order and morality standards may clearly differ between Paris Convention member countries.

- b) If your answer is YES, please state the definition.

N/A.

- c) What should be the difference between morality and public order?

Morality concerns personal, religious and sexual feelings, while public order involves signs that would «glorify» violence, criminal offences, war, terror, racism, drugs, dictators, etc.

13.

- a) Should this ground be applied to the trade mark per se, i.e. to the intrinsic qualities of the trade mark in question? Please answer YES or NO.

YES.

- b) Please explain.

An immoral sign or a sign which contrary to public order should per se not be used to distinguish goods or services from one company from those of another company.

14.

- a) What should be the relevant date for applying the ground of public order or morality?

- (i) date of application of the trade mark  
 (ii) date of the examination/assessment by the office or the court  
 (iii) date of filing of the proceedings (e.g. when the invalidation request is filed)  
 (iv) other, namely \_\_\_\_\_

The Group takes the view that in trade mark registration proceedings, the date of the examination (ii) should be decisive. If the trade mark is challenged after the registration for being contrary to public order or morality, the date of the assessment by the office or court (ii) dealing with the challenge should be decisive.

- b) Bearing in mind that views regarding morality and public order can be dynamic and change over time, which of the following should be possible?

- (i) refile a trade mark that has been refused or declared invalid for being contrary to public order or morality  
 (ii) file a new action against a trade mark that previously survived a challenge on this ground  
 (iii) other, namely \_\_\_\_\_

In the Group's view, the approach currently adopted under Swiss law is appropriate (see Question 4.b). Hence, the Group considers that it should be possible to refile a trade mark that has previously been refused or declared invalid for being contrary to public order or morality (i). Also, it should in principle be possible to refile an action against a

trade mark that previously survived an invalidity challenge on this ground (ii).

c) Should this ground apply in the entire territory covered by the trade mark? Please answer YES or NO.

YES.

**15. From whose perspective should it be judged whether or not a trade mark is contrary to public order or morality?**

- (i) the relevant consumer
- (ii) the general public
- (iii) a reasonable person with average thresholds of sensitivity and tolerance, taking into account the context in which the mark may be encountered
- (iv) other, namely \_\_\_\_\_

The Group considers that the perspective of the relevant consumer should be decisive (see Question 8).

**16. What factor or factors should be taken into account when assessing whether a trade mark is contrary to public order or morality?**

- (i) the meaning of the words or other elements contained in the mark
- (ii) the background or origin of the words or other elements contained in the mark
- (iii) the identity or origin of the applicant/registrant
- (iv) the designated goods and/or services
- (v) the goods and/or services for which the mark is used in practice by the applicant/registrant
- (vi) fundamental rights (e.g. freedom of speech/expression)
- (vii) other, namely \_\_\_\_\_

In the Group's view, the primary factors in the assessment should be the meaning of the words or other elements contained in the mark (i), their background (ii) to the extent known to the relevant consumer, and the designated goods and/or services (iv). Further, fundamental rights (vi) such as freedom of expression, economic freedom or freedom of religion should be considered. The identity of the applicant/registrant (iii) should be taken into account only in the event that the trade mark would be considered immoral or contrary to public policy if registered by someone other than the applicant/registrant, i.e. if the immorality or violation of public order lies in the person of the applicant/registrant. By contrast, in particular the goods and/or services for which the mark is actually used by the applicant/registrant (v) should not be considered.

**17. In what types of proceedings should it be possible to invoke the morality and/or public order ground?**

- (i) examination (i.e. ex parte examination by the trade mark office)
- (ii) opposition proceedings (i.e. inter partes proceedings before the trade mark is approved for registration, or after registration in jurisdictions with post-registration oppositions)
- (iii) invalidation/cancellation proceedings before the trade mark office (i.e. inter partes proceedings after the trade mark is approved for registration)
- (iv) invalidation/cancellation proceedings before a court (i.e. inter partes proceedings after the trade mark is approved for registration)
- (v) other, namely \_\_\_\_\_

It should be possible to invoke the morality or public order ground for refusal in examination (i) as well as in invalidation/cancellation proceedings before both the trade mark office (iii) and courts (iv). The Group further takes the view that it should in principle be possible to invoke the ground for refusal in opposition proceedings (ii). However, the Group would consider it sufficient if it were possible to suspend opposition proceedings pending the conclusion of separate *inter partes* invalidation/cancellation proceedings between the parties. Finally, the Group believes that it should be possible to raise a nullity/invalidity defense in infringement proceedings (v) on the grounds that the allegedly infringed trade mark is contrary to morality or public order.

**18. Please comment on any additional issues concerning any aspect of the registrability of trade marks contrary to public order or morality you consider relevant to this Study Question.**

At the stage of the examination procedure, the IPI must refuse trade marks contrary to public order or morality, even in borderline cases.<sup>40</sup> Some scholars share the opinion that trade marks contrary to public order or morality should only be refused or invalidated in obvious cases.<sup>41</sup>

In accordance with the right to equality in the breach of the law, a trade mark contrary to public order or morality may be protected, provided that there is a continuous unlawful practice of granting protection to comparable trade marks and that the authority concerned does not intend to deviate from such practice in the future.<sup>42</sup>

40 BGE 136 III 474 ff. E. 6.5, «Madonna»; IGE, Richtlinien in Markensachen, 1.1.2019, Teil 5, Ziff. 3, 114; contra NOTH (Fn. 15), MSchG 2 d N 16.

41 BERGER (Fn. 24), 44; NOTH (Fn. 15), MSchG 2 d N 16; CH. WILLI, MschG. Markenschutzgesetz, Zürich 2002, MSchG 2 N 262; contra S. FRAEFEL/E. MEIER, in: J. de Werra/P. Gilliéron (éd.), Commentaire romand, Propriété intellectuelle, Bâle 2013, LPM 2 N 151; STÄDELI/BRAUCHBAR BIRKHÄUSER (Fn. 31), MSchG 2 N 333.

42 BGer, sic! 2005, 278, «Firemaster»; BGE 135 III 648 ff. E. 4, «UNOX (fig.)»; BVGer vom 27. Oktober 2016, B-2781/2014, E. 7.3, «CONCEPT+»; IGE, Richtlinien in Markensachen, 1.1.2019, Teil 5, Ziff. 3,

Even though foreign registrations do not give rise to a claim for registration in Switzerland and foreign decisions are not considered as precedents,<sup>43</sup> the fact that a trade mark has been registered abroad may be taken into account as an indication when applying the ground of public order or morality.<sup>44</sup>

## Summary

In many jurisdictions, a trade mark may be refused or invalidated if it is deemed to be contrary to morality or public order. In recent years, case law has shown contradictory outcomes for the same trade mark in different jurisdictions and decisions of the highest courts regarding important underlying principles. For this reason, AIPPI believes that it is worthwhile to study whether elements of these grounds for refusal and invalidity can be harmonized. The AIPPI Swiss Group discussed the AIPPI questions with great interest and detected the possibility that the Swiss examination practice could apply a more liberal approach, in particular when it comes to trade marks which might conflict

## 19. Please indicate which industry sector views provided by in-house counsel are included in your Group's answers to Part III.

N/A.

with morality. From a global perspective, however, the AIPPI Swiss Group has concluded that a definition of public order and morality on which all Paris Convention members can agree, is unlikely. Thus, a possible harmonization might only involve a harmonization of the assessment of public order or morality, e.g. that the vague terms public order and morality should be assessed based on the perception of the relevant consumer circles (and not vague terms as «the general public») as well as the possibility of using surveys to prove the consumer's perception and understanding of a sign which is allegedly immoral or contrary to public order.

115; D. ASCHMANN/M. NOTH, in: M. Noth/G. Bühler/F. Thouvenin (Hg.), *Stämpfli Handkommentar zum Markenschutzgesetz (MSchG)*, 2. Aufl., Bern 2017, MSchG 2 N 40.

43 BGE 136 III 474 ff. E. 6.3, «Madonna»; BVGer vom 23. März 2017, B-883/2016, E. 4.5, «Mindfuck»; IGE, *Richtlinien in Markensachen*, 1.1.2019, Teil 5, Ziff. 3, 117; ASCHMANN/NOTH (Fn. 42), MSchG 2 N 40.

44 BGE 136 III 474 ff. E. 6.3, «Madonna»; BVGer vom 23. März 2017, B-883/2016, E. 4.5, «Mindfuck»; ASCHMANN/NOTH (Fn. 42), MSchG 2 N 40; MARBACH (Fn. 22), N 224; NOTH (Fn. 15), MSchG 2 d N 15; contra IGE, *Richtlinien in Markensachen*, 1.1.2019, Teil 5, Ziff. 3, 117; FRAEFEL/MEIER (Fn. 41), LPM 2 N 151.