

Newsletter No.

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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.

"SWISS RE – WE MAKE THE WORLD MORE RESILIENT" – Trademark found not to be misleading without a limitation of the services to Swiss origin



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In a decision of 25 May 2020, the Federal Administrative Court held that the Swiss word mark "SWISS RE – WE MAKE THE WORLD MORE RESILIENT" was not misleading despite its geographic content and ordered the Swiss Institute of Intellectual Property (the "Institute") to register the mark without limiting the services to services of Swiss origin.

Background

If the relevant public expects a geographical indication of a trademark to indicate a particular origin of the claimed goods or services, such indication is considered as an "Indication of Source" according to art. 47(1) Trademark Act ("TMA"). Trademarks containing an Indication of Source may be registered provided they are not misleading (art. 2(c) TMA). This means that such a trademark can only be registered for goods or services for which the actual origin corresponds to the Indication of Source as per arts. 48 ss. TMA.

The Institute had qualified the mark "SWISS RE – WE MAKE THE WORLD MORE RESILIENT" as an Indication of Source and held that, in the course of trademark examination, it would go beyond its capacity to verify whether an Indication of Source of a service mark is correct according to art. 49 TMA. Particularly, it held that the place of effective administration according to art. 49(1)(b) TMA – a new prerequisite incorporated into law under the Swissness regulation – cannot be subject to review in trademark examination as this fact cannot easily be proven and verified. In order to exclude any likelihood of misleading, it requested the list of services to be limited to Swiss origin. Swiss Re Ltd as the

trademark owner challenged this decision with the Federal Administrative Court.

Decision

The Federal Administrative Court held that the relevant public – in this case both, experts and the broad public – would not only understand the words "SWISS RE" as "Swiss Reinsurance" but also know the meaning of the English wording "We make the world more resilient". Due to the word element "Swiss" it was of the opinion that the trademark indicates a geographical source and confirmed the Institute's view that the mark represents an Indication of Source according to art. 47 TMA.

The Federal Administrative Court then examined whether the Institute was in the right to dismiss the submitted proof in relation to the services' origin and to request the trademark's list of services to be limited to a certain origin. The court found that the extract from the commercial registry does not only show that the trademark owner has its seat in Switzerland but also that the majority of persons with signatory rights are resident in Switzerland. Therefore, it held that there is no doubt as to a place of effective administration in Switzerland. The Federal Administrative Court concluded that the criteria to be met cumulatively in accordance with art. 49 TMA are available to examination with a justifiable effort and that the Institute may not refuse an examination of the said criteria based on the avoidance of an excessive examination effort. Accordingly, the trademark in question was held not to be misleading and to be registered without any geographic limitation of the services concerned.

Comment

Although it seems questionable whether the mark indeed represents an Indication of Source or rather constitutes a mere reference to a well-known business, the final result of the decision is to be welcomed. It produces relief for globally operating companies with registered seat in Switzerland when protecting signs incorporating geographic indications thereby using Switzerland as the starting point of their international filings. Precautionarily limiting the services protected by a Swiss trademark to a Swiss origin would significantly impact the international filing strategy. If the trademark owner either wants to claim the priority of the Swiss registration or to use the Madrid system, it would be bound by the limitation of the services of its Swiss registration. This would quite often cause problems when enforcing the trademark rights outside of Switzerland. It may not only have an impact on the mark's scope of protection but also raise difficulties in establishing right-preserving use, particularly in situations where the trademark owner renders its services abroad through local, affiliated companies only (which may even be requested by national regulation). In such cases, the trademark owner would not use the mark for services of Swiss origin and may therefore lose its trademark rights. To avoid such a situation, the trademark owner would be forced to file its applications (without the geographic limitation of the services) country by country. The Federal Administrative Court's decision, if confirmed by the Supreme Court, will relieve globally active Swiss trademark owners from such a costly and ineffective procedure and it will allow them to use the Madrid System without limiting their services to services of Swiss origin.

The Walder Wyss Newsletter provides comments on new developments and significant issues of Swiss law. These comments are not intended to provide legal advice. Before taking action or relying on the comments and the information given, addressees of this Newsletter should seek specific advice on the matters which concern them.

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