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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.

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QATAR 2022: Trademarks Will Not Compete in the Championship

On 6 April 2022, the Swiss Federal Supreme Court handed down its ruling [4A_518/2021](#) and [4A_526/2021](#), according to which four trademarks with reference to the upcoming World Cup 2022 in Qatar must be removed from the Swiss trademark register. In its ruling, the Swiss Federal Supreme Court addressed the risk of misleading the public through the registration of event marks by non-sponsors and dealt with the public domain character of such trademarks.

Background

On 2 October 2018 and 19 February 2019 respectively, PUMA SE ("**PUMA**") filed the application for the Swiss word marks "PUMA WORLD CUP QATAR 2022" and "PUMA WORLD CUP 2022" for various goods in classes 18, 25 and 28 (e.g., sporting goods, clothing and accessories). On 5 December 2018, the Fédération Internationale de Football Association ("**FIFA**") filed the application for the following two Swiss word and figurative marks for a wide range of goods and services:

QATAR 2022

WORLD CUP 2022

In May 2019, FIFA filed an action with the Commercial Court of Zurich based on trademark and unfair competition law and requested, *inter alia*, the cancellation of PUMA's marks from the trademark register. In return, PUMA filed a counterclaim and requested the deletion of FIFA's marks from the trademark register. The Commercial Court of Zurich dismissed both the main action and the counterclaim and upheld the registration of all four trademarks ([HG190075-O](#) of 31 August 2021). Both parties appealed against this decision to the Swiss Federal Supreme Court ("**Court**").

Decision

First, the Court dealt with the question whether PUMA's trademarks were misleading in accordance with Article 2 let. c Trademark Protection Act ("**TmPA**") for their reference to the upcoming football World Cup without PUMA being an official sponsor of the event. The Court assumed that Swiss consumers of sporting goods, clothing and accessories would immediately perceive the sign element "WORLD CUP QATAR 2022" as a reference to the football World Cup to be held in Qatar in 2022. In view of the considerable importance of football in Switzerland and the notoriously high level of interest in the World Cup it was obvious to the Court that this should also apply to the sign element "WORLD CUP 2022". The Court further concluded that the combination of the elements "WORLD CUP QATAR 2022" and "WORLD CUP 2022" with "PUMA" would create an expectation in the relevant public of a special relationship between PUMA and the World Cup 2022. The average Swiss consumer would therefore (erroneously) assume that the trademarks originate from a company that is the main sponsor of the World Cup, even though official outfitters, suppliers or sponsors were to be known to indicate their position with additions such as "FIFA" or "Sponsor". These findings could not be overcome by PUMA's argument

that an indirect sponsorship may be assumed due to its support of teams or players participating in the 2022 World Cup. In conclusion, the Court found that there was a risk of misleading the public in accordance with Article 2 let. c TmPA and ordered the Swiss Federal Institute of Intellectual Property ("IPI") to cancel PUMA's trademark registrations. Besides, it remitted the case to the Commercial Court of Zurich for the assessment of the legal claims under unfair competition law.

Second, the Court dealt with the counterclaim and examined whether FIFA's trademarks were descriptive and devoid of any distinctive character (Article 2 let. a TmPA). The Court first considered that event marks were subject to the general provisions of trademark law and that no lesser requirements were to be applied to these trademarks. The Court then concluded that the combination of venue and year of the event or name and year of the event would be perceived as an indication of the event taking place in the year or at the venue in question. The relevant public would understand such designation as a description of the event itself and not as an indication of its organiser or the origin of the products. In contradiction to the Commercial Court of Zurich, the Court considered the stylisation of the zero in 2022 in the form of a football not to alter that perception, but rather to reinforce the signs' descriptive character with this additional reference to the specific sport of the event in question. In conclusion, the Court found that FIFA's trademarks were devoid of any inherent distinctive character and, considering that the trademarks were not in use yet, it did not assume acquired distinctiveness. Hence, the Court ordered the IPI to cancel also FIFA's trademark registrations. As a result of the central attack on FIFA's basis trademarks, this cancellation also affects FIFA's international trademarks.

Comment

The Court's decision is its first to address the public domain character of event marks. It challenges the IPI's practice to register event marks with the addition of rather minor graphic element(s) to the verbal designation of an event. On the one hand, it is comprehensible to deny FIFA's event marks' inherent distinctiveness since they do not feature any characteristic elements beyond descriptive word and figurative elements. On the other hand, there remains the question whether the signs "WORLD CUP 2022" and "QATAR 2022" (regardless of any graphic elements) enjoy a certain degree of distinctiveness due to secondary meaning, given their intrinsic linkage in the average Swiss customers' minds with FIFA's football World Cup.

Further, there are comprehensible reasons for the Court to qualify PUMA's event marks misleading because they indeed have the potential to suggest a certain relation of PUMA to the World Cup, although such relation does not exist. But it cannot be ruled out that PUMA will sponsor the World Cup at some point which makes a non-misleading use of the marks theoretically possible. The cancellation of PUMA's trademarks based on Article 2 let. c TmPA is therefore questionable. However, if misleading character is assumed, is only PUMA's implied relation to the *event* itself concerned, as the Court suggests, rather than a relation to the organising body FIFA? In other words, isn't the World Cup 2022 in Qatar intrinsically and notoriously linked to its organiser FIFA so that PUMA's trademarks may rather be misleading for suggesting a close relation to the event *and* FIFA? This would not change the examination under Article 2 let. c TmPA but the recognition of this would again imply distinctiveness of FIFA's trademarks under Article 2 let. a TmPA.

In any case, the Court's message of this decision is that event marks (without characteristic additions) belong to the public domain, which, however, does not imply that they can be freely registered by non-related parties such as non-sponsors as this would mislead the public. It will be interesting to see how the Commercial Court of Zurich decides on the use of such marks under unfair competition law aspects in the rejection proceedings.

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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