

Topic of the month: The sound mark : a genuine auditory signature!

Noises, sounds and musical phrases are part of our every day life just like advertisement « jingles » and other television and radio programs signature tunes. Such sound signs can become genuine “*auditory signatures*”. The advantage of the sound mark, as a distinctive sensory mark, is that it is easily recognized and memorized across the world like the METRO GOLDWIN MAYER roaring lion, registered in 1994. These sound signs can be registered as trademarks provided they are distinctive and may be graphically represented. The terms to be fulfilled to register a sound mark differ according to the scope of protection of the mark required, be it at the international, community or national level.

■ International Treaties: a recent opening

The sound mark, at first purposely left out of the Trademark Law Treaty adopted in Geneva on October 27, 1994, was accepted by the April 15, 1994 Agreements on Trade-related Aspects of Intellectual Property Rights provided that “*the perception of the signs were visual*”. Since then, article 2 of the Singapore Treaty which was adopted on March 28, 2006 and which entered into force on March 16, 2009 in the countries having ratified the Treaty, allows for the international registration of marks simply comprising “signs”, and no longer requiring the visual perception of the signs. The territorial impact of the text depends however on the number of countries that shall have ratified the Treaty (or the scope of protection of the sound marks adopted by each country). As for France, it has signed the Treaty but it only started the ratification process before its Parliament in March 2009.

■ Late admission within European Union...

According to OHIM directives, sound marks may be registered as community trade marks so long as they are first represented graphically, and that they make it possible to distinguish the goods and services of one undertaking from those of another. Case law of the European Court of Justice outlines the requirements for the registration of a sound mark. According to a first decision taken on December 12, 2002, it was specified that a sign may constitute a mark “*provided that it can be represented graphically particularly by means of images, lines or characters, and that the representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective*”. Similarly a decision of December 27, 2003, which consecrated the sound mark registration at the European level, specifies however that the sound an animal makes, the mere onomatopoeia or the mere sequence of musical notes which is not clear or precise cannot be accepted for sound mark registration. The European Court of Justice also insists on the fact that the applicant must clearly specify that the “*sign registered is to be considered as consisting of a sound*”.

■ Admission of the principal in France as early as 1991!

While a December 16, 1988 decision of the INPI refused an application for the registration of a sound represented by a stave, because there were no clear provisions of law dealing with the terms of such type of registration, the French legislators, somewhat forerunners in the European Community, voted in 1991 the law on which is based article L. 711-1 of the Code of Intellectual Property. The 1991 law admitted the possibility that a sound sign could be registered as a mark.

Today the requirement for graphical representation of a sign represented by a stave divided into bars and showing, in particular a clef, musical notes and rests whose form indicates the relative value and, where necessary, accidentals, has met the legal requirements.

Therefore, the following can be accepted for protection as a trade mark:

- A musical phrase;

- **A sound, be it musical or not:** the duration of a sound may be considered in determining whether the sign can constitute a mark. In most cases, the durations announced are short. The length of the melody no doubt has an impact on the type of graphical representation that may be accepted by the registration authority. It may form pre-existing sounds such as the sounds animals make, sounds produced by a weather or geographical phenomena) or ordered purposely for the registration of the mark (produced by machines or other human-made devices)

■ Legal and practical criteria to be fulfilled for the registration of a sound mark

- The mark must be distinctive

The sound mark cannot consist of a noise or a combination of noises. OHIM has denied registrations of sound marks “*consisting of a click*”.

- The mark must be capable of being represented graphically.

- The mark must be clear, precise, self-contained, easily accessible, intelligible, durable and objective.

The registration of a mark consisting of a sound may be sought for in three different forms:

- Paper form: (sound spectrograms, onomatopoeias, description by words, notes on a stave with or without a description in words): INPI’s registration form allows mentioning notes on a stave, bars, rests, accidentals with the pitches and duration of the notes, the tone of the sound, the instruments reproducing the sounds.

- Electronic form: (an electronic MP3 or WAV file with a sonogram, i.e. a mode of representation of the spectral analysis of the voice, instruments, musical works, natural or mechanical sounds) : the June 29, 2005 Committee Rule CE N°1041/2005 admitted the possibility of adding an electronic sound file to a registration application of a mark consisting of a sound

- Audio recording form: (recording a sound on a CD attached to the registration form) : this mode of registration is accepted only in some countries (such as Finland, Hungary) where they are much more flexible on the interpretation of a graphical representation; the material form not being a formal pre-requisite. In such countries a sound recording is considered as a proper representation of a mark and the applicant does not have to submit a drawn description.

The sound mark improves referencing and therefore it acquires a genuine identity which is infinitely adaptable on any communication media (radio jingles, site jingles, mobile phone sounds, TV spots, podcasts...)

NEWS FLASH

■ Alcohol and advertisement on the Internet

For memory, the January 10, 1991 law n°91-32 against the consumption of tobacco and alcohol, entitled the Loi EVIN, outlines advertisement rules for alcoholic beverages which is authorized under certain conditions in the written press, on the radio, on posters and in correspondences.

An amendment by the Deputy Jacques DOMERGUE to the public bill entitled « Hospital, Patients, Health, and Territories » was entered on March 11, 2009 in order to upgrade article L.3323-2 of the Public Health Code, stemming from the EVIN law and relating to alcoholic beverages advertisement.

The purpose of the amendment is to bring the Internet network under the legal provisions as an authorized advertisement media for alcoholic beverages except on sites devoted to children and youngsters and those dedicated to sports and/or physical activities. In addition, such advertisement will not occur as pop-ups (advertisement popping-up spontaneously on the Internet).

On the other hand however, the amendment does not provide anything in relation to blog discussions on alcohol.

The public bill, adopted by the French Parliament on March 18, 2009 is now going to be reviewed by the French Senate.

■ Taxation of Internet Access Providers (FAI)

The March 5, 2009 Law n°2009-258 on media communication services and the television public service provides a new tax duty which is imposed on private audiovisual operators and electronic communication operators (registered with ARCEP, the French communication regulation authority) which offer a bouquet of TV channels and whose earnings are above 5 million euros (including virtual mobile operators). The purpose of the new provision is to contribute to the financing of the removal of advertisement from French public Television channels; the main source of financing now being the new tax duty. This taxation measure entered into force on March 7, 2009.

Article 33 of the law envisages the implementation of a 0.9% tax based on the exclusive of tax subscriptions rights and other sums paid by users to operators in compensation for the electronic communication services supplied. This tax base is deducted of the amounts paid for interconnection and access services (i.e. linking up communication networks of distinct operators) and sums paid for provision of universal telecommunication services, etc...

As soon as the electronic communication operators receive the payments for subscriptions and for the provision of services, the tax duty will be collected and checked according on to the same procedure as that of the VAT.

Contrary to the case submitted by the socialist deputies referring to the creation of a new tax duty imposed on electronic communication operators further to which the Constitutional Council decided on March 3, 2009 that it "was not contrary to the equal taxation principal", the French Telecommunication Federation on its part is studying the conditions under which it can have this tax issue quashed by the community authorities.

■ On-line games: towards a controlled opening

The French online game market which was up to now only reserved to "La Française des Jeux" and to the "PMU", is going to be open to competition starting from January 1st, 2010. The date was announced by Mr. Eric WOERTH, the French Minister for Budget in his March 5, 2009 presentation of the bill referring to the opening to competition of the online game market.

Based on this presentation, it appears that the dominant themes of the market opening will be « supervision » and « control » and will concern only online sports, horse race betting and poker gambling.

Here-below are the main items of the bill:

- Each online game operator shall obtain a licence from an independent regulator and comply with the terms of the specifications spelled out by a Council of State decree. It seems that the specifications will require that the operator be implanted in the European Economy Area and that the operator is to allow access to any technical and financial information so as to make sure the operator acts in accordance with the terms of the specifications.

The specifications will impose also financial soundness and transparency of the operator; lawfulness of the games offered; reliable and traceable data of the games, and the existence of proper measures to fight laundering.

The specifications should also contain safeguarding measures to protect gamers against addiction – such as gamers' maximum placing and minimum balance; indications as to time spent on a game and amounts lost during a game session; possibility of gamer self-exclusion; application to online games of procedures for games banned;

- With regard to taxation rules, the bill envisages at first a tax duty common to both material games and online games. The tax base will be made up of gamer placing (with a 7.5% levy on horse race betting and 2% levy on poker).

An 8% duty fee on horse races is also envisaged to contribute to the Equine industry financing, while 1% of the sports betting shall be devoted to the National Center for the Development of Sports.

In addition, to fight against addiction and laundering, the bill envisages limiting gamer earnings to a fixed ceiling which will be the same for horse race and betting sports and the terms of which will be provided for in a decree and be set between 75 and 85% of the betting amounts.

- To protect law and order and sanction illegal online game offers from the French territory, the bill may envisage as in Italy to block the access to illegal sites, to their banking transactions and impose fines and prison sanctions.

The bill reviewed by the Council of Ministers on March 25, 2009 should be discussed in the French Parliament before this summer.

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