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Intellectual Property - France

Last episode in Vente-privée.com saga

Contributed by Hogan Lovells International LLP

May 11 2015

Facts Decision Comment

In a March 31 2015 decision(1) the Paris Court of Appeal ended the ongoing judicial debate over whether the trademark consisting of the domain name VENTE-PRIVEE.COM (the term '*vente privée'* means 'private sale' in French) is distinctive for e-commerce services for the purpose of French law. This long-awaited decision resolves the disagreement between two different sections of the Paris Civil Court, which issued contradictory decisions at the end of 2013 in this respect.

Facts

The claimant was Showroomprive.com, a French company set up in 2007 which offers its members access to sales of goods from different companies at reduced prices and for a limited period via its website www.showroomprive.com.

The defendant was Vente-privee.com, a French company set up in 2001 operating a major ecommerce platform which also allows its registered members to access offers for goods and services from different companies at reduced prices and for a limited period. The defendant's main website is at www.vente-privee.com and the defendant owns French trademark rights in the term 'VENTE-PRIVEE.COM', including the French word mark VENTE-PRIVEE.COM (Trademark 3623085).

The claimant, a competitor of the defendant, had initially brought a claim before the Paris Civil Court in order to obtain cancellation of the trademark for lack of distinctiveness, in relation to services in Class 35 (including "the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods"). It argued that the trademark was not distinctive at the time of registration and that it had not acquired distinctiveness through use in respect of such services. The claimant submitted that any use of the trademark after its registration could not be taken into account to assess whether the trademark had acquired distinctiveness through use.

On November 28 2013 the Paris Civil Court decided in favour of the claimant. It considered that the defendant's arguments relating to the fame of its business, website and domain name in France was not evidence of the distinctiveness and fame of the trademark itself. In the absence of sufficient evidence that the trademark itself was well known (eg, consumer surveys), the court considered that the trademark should be cancelled for services in Class 35. However, in a different decision on December 6 2013, the Paris Civil Court (albeit a different section) went on to declare that the trademark was well known.

The defendant appealed the first decision of the Paris Civil Court.

Decision

In its March 31 2015 decision the Paris Court of Appeal partially upheld the lower court's decision, but overruled the decision on most points and arguably on the most important point – namely, the validity of the trademark. The court considered that at the time of registration, the trademark was not distinctive but that it had acquired distinctiveness through use, and rejected the claimant's assertion that use post-registration could not be taken into account. The court's decision was based, for instance, on a number of consumer surveys produced by the defendant, including a survey from 2011 ranking the most popular brands in France and including the defendant's (which presumably and crucially was not produced at first instance).

Comment

This decision harmonises the inconsistency between two sections of the Paris Civil Court and is in line with a July 23 2014 decision of the Lyon First-Instance Tribunal (for further details please see "New episode in Vente-privée.com saga").

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In addition to the fact that the appeal court has settled the score on the issue of the distinctiveness of the trademark, it is useful to note that the defendant had initially failed due to lack of pertinent evidence and the alleged confusion between the notoriety and goodwill of its business, its website, its domain name and its trademark.

This decision is a further illustration of the fact that a trademark consisting of an association of descriptive words with a top-level domain can be considered as distinctive, provided that there is sufficient documented evidence of its renown.

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Endnotes

(1) The decision (in French) is available here.

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