

New Challenge on Intellectual Property: Smell Trademark

FU Shuju¹

¹*China Financial Certification Authority
fushuju1994@foxmail.com*

ABSTRACT

As an important symbol to identify commodities, trademark can distinguish one commodity and service from other commodities and services. Therefore, trademark has been valued by people for its important role since thousands of years ago. With the increase of the vitality of market subjects, trademarks are becoming more and more important intangible assets, and the forms of trademarks are becoming more and more diversified. Traditional trademarks generally refer to tangible trademarks, such as letters, numbers, graphics. But can new type of existence, such as smells, be registered as trademarks? Different countries and regions have different legal provisions and practise, and it is totally different in China, European Union and United States.

Keywords: *Intellectual property, Trademark, Smell trademark, Examination criteria*

1. RESEARCH BECKGROUND

1.1. Research background of trademarks

Trademarks have been in the world for a long time. Trademark usage dates from the times of our very earliest recorded knowledge. In ancient times, when people exchanged goods, they had to put a mark on their goods in order to distinguish them from other people's goods, which was a trademark. Trademarks started to play an important role with industrialization, and they have since become a key factor in the modern world of international trade and market-oriented economies. Trademarks have made a development during ancient period. Since China produced pottery about five thousand years ago, trademark had play an important role. In the middle ages, the protection of trademarks was just on the rise. The Elector of Palatine in the fourteenth century pronounced an edict stating that the sale of spurious wine was a most outrageous form of deceit, and punishing by hanging any innkeeper who sold ordinary wine as Rudesheimer. Lucien brun, a scholar, points out that in France, trademarks were treated as property and were subject to civil remedies.

Trademarks are crucial to the development of modern economies and businesses nowadays. But with the rapidly development of the market, the existing types of trademarks such as words, figure, letters, numbers and three-dimensional symbols in countries around the world have been unable to meet the demand. Some new types, such as music, smells, colors and other special trademarks come into being in order to people's demand. When you are walking down the street chatting with someone else

and you do not have time to look up at the trademark in letter, but the distinctive music trademark can immediately make a deep impression on you. As for these new types of trademarks, such as music, smells, colors and other special trademarks, it is urgent to explore how to determine whether they are distinctive and unique, how to immobilize the application of trademark applicants, how to protect the right of application, and how to regulate the reasonable use of others.

In view of the importance of trademarks, there are many international treaties in the world that involve trademarks. Among others, the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which is administrated by the World-Trade Organization; the Madrid Agreement Concerning the International Registration of Marks, which is administered by the World Intellectual Property Organization (WIPO, depending of united Nations); and the Paris Convention for the Protection of Industrial Property and the Singapore Convention, is also involved in the trademark protection and also administered by WIPO.

1.2. Research background of smell trademarks

Smell trademark is also called olfactory trademark. There is a famous movie called Scent of a Woman. This movie told us that every woman's smell is different, and these smells can be identified, can help us to distinguish different women. And of course the feminine fragrance in question comes from the different fragrances that women use under different trademarks.

The first smell trademark which is registered in the United States is a Frangipani Fragrance (a high impact, fresh, floral fragrance reminiscent of plumeria blossoms) on the Nice category 23 (mainly about yarn and thread for weaving), whose owner is a company called OSEWEZ in California, approved in 1990, trademark registration number is 1639128.

The company was awarded the trademark after it argued before the Trademark Review and Appeals Board in the United States. At that time, the Trademark Review and Appeals Board in the United States considered several reasons. First, there is only one seller, the applicant who sales with the embroidery thread and yarn of fragrance. Second, this smell or flavor is an add feature, is not an inherently or the characteristics of the natural characteristics and commodity. Third, the applicant's promotion of this fragrance at the same time, and the applicant proves that consumers have realized this smell as a scented corresponding sources of goods. These three reasons make the Trademark Review and Appeals Board in the United State could not find any reason for refusing.

This case is a very influential case in the field of smell trademark registration in the United States. Unfortunately, the trademark is no longer valid.

Later, Hasbro, Inc., the world's second-largest toy maker and distributor, successfully registered a smell trademark in the Patent and Trademark Office of the United States. The smell of Play-Doh compounds has long been synonymous with childhood and fun. By formally registering this iconic scent, Hasbro can protect the valuable connection between the brand and its fans for years to come.

In order to find out the situation around the world, and find what the current attitude is towards smell trademarks in other parts of the world, statistics toward China, EU and US is necessary.

1.3. Factors hindering the registration of smell trademarks

There are some urgent use scenarios of smell trademark in practical application, and in these scenarios, the use of smell can really leave a deep impression on consumers. But it still faces some obstacles both in physical and procedural if smell wants to be registered as a trademark.

As an object, smell itself is unstable. The essence of smell is chemical substance, and it may be not completely stable, which may change with time and space. A smell may have attractive and impressive characteristics in some scenes, but with time goes by, the smell may become thicker, lighter, more impressive, very common, or even totally disappear. When the space is different, the temperature, altitude and concentration are different, the

smell may be different. Therefore, the smell trademark itself may be not easy to identify.

Smell trademark is difficult to spread through the Internet. Compared with traditional trademarks (such as numbers and letter combinations) and some new types of trademarks (such as color combination trademarks and music trademarks), smell itself is not easy to spread through the Internet. Nowadays, with the development of internet, current product and business marketing pays more attention to online mode, so there are some difficulties when it comes to smell to be registered as a trademark for the smell more relies on offline personal experience.

Smell trademark has a strong dependence on the auditor. Different trademark auditors have different sensitivity and identifiability to smell; people in different ages like young and old people have different discrimination to smell, so it is difficult to quantify the registration standard of smell trademark.

Smell is essentially a chemical substance, and its composition is complex. If a smell wants to be registered as a trademark, there is an absolute need to fully analyze the chemical composition, and consider what if the chemicals are harmful and entering human nose and body. If consumers don't want to see traditional trademarks and color combination trademarks, they can close eyes and choose not to see them; if consumers don't want to listen to music trademarks, they can put on a headset and not to listen to it; but because the olfactory organs of human can't be closed, smell trademarks may become a strong invasion to consumers, and consumers will lose the right to choose.

Smell trademarks also need to follow the principles of saliency and Nonfunctionality. For example, the smell of orange is widely used in the medical industry and pharmaceutical industry. If the smell of orange is awarded to an enterprise as a smell trademark, it may hinder other entrants and lead to unfair competition. Another example is the smell of orange in the medicine is used to neutralize the bitter taste, so it is functional. Therefore, the registration of smell trademarks needs to consider both traditional standards and special standards.

2. DEVELOPMENT OF SMELL TRADEMARKS IN CHINA

2.1. Provisions on the registration of smell as trademarks in China

China's trademark law removes the requirement on the visibility of trademarks in 2013 when it revised its trademark law. This amendment makes it possible to register smell trademarks. However, there is still a gap in China's active legislation on smell trademarks, because there is still no positive legislation which tell people in a

textual manner that “smell can be registered as trademark”.

2.2. Case study: smell trademarks in China

There are currently no successfully registered smell trademarks in China. Hengyuanxiang is a traditional Chinese fashion brand; the main business of it is the wool products. Hengyuanxiang's smell memories can date back to the early 18th century in Shanghai, China. At that time, Shanghai led the fashion of China and even the world, and Hengyuanxiang was one of the representative products of Shanghai at that time. Therefore, "Hengyuanxiang 1927" expected to remind consumers of its brand and brand value through smell. Hengyuanxiang has tried to create the smell of "Hengyuanxiang 1927" since 2007, but failed to register successfully in China.

In 2007, Hengyuanxiang became the only Chinese partner of the Monell Chemical Sensory Research Center in the United States. Later, with the help of Monell's scientific research and sensory resources advantages, frequently contacting with the world's top fragrance companies, Hengyuanxiang tried to find out its own smell memory. This smell project was named "Hengyuanxiang 1927". This shows that in China, the smell trademark is only a possibility of registration, which is still in the exploratory stage, and no registration is actually allowed.

3. DEVELOPMENT OF SMELL TRADEMARKS IN EU

3.1. Provisions on the registration of smell as trademarks in EU

On the level of Member State of EU, it is possible to register olfactory (odor, scent or smell) marks in some countries, but the registration of odor trademarks in Europe is different before and after 2015.

Before 2015, like any other type of mark, olfactory marks need to pass the test of registrability and it has been found that there is no reason to bar the registration of a scent if it functions as a trademark for the applicant's goods. For example, the competent administration of one Member State, like France, found that the test to be applied in this case should be whether: (a) the applicant is the only person marketing the goods concerned; (b) the fragrance is not an inherent attribute or natural characteristic of the goods but a feature supplied by the applicant; (c) the applicant emphasized and promoted the scent mark in advertising, and (d) the applicant demonstrated that customers dealers and distributors of its products had come to recognize the applicant as the source of these goods. Similar criteria have been established for assessing olfactory marks in another

Member State, like Germany, where some scent marks have been accepted for registration.

After 2015, the situation is different. Directive 2015/2424 modifies the previous trademark regulations and changes the scope of registered trademark protection. The elimination of the "graphic representation" requirements for trademark applications is an important change. If a mark meet the following requirement: it can be obtained through technology, identifies through may present, no longer required by the graphical representation, as long as meet the clear, accurate, and independent, easy to get, can understand, persistent and objective requirements, clearly stated, "graphical representation" is no longer necessary for trademark present form. This is the reason why smells are nowadays considered registrable signs among EU countries.

In EU, legislation on smell trademarks is generally negative. Before 2015, it was different, too. However, given the rapid development of creative marketing techniques, we believe it is only a matter of time before the number of registered smell trademarks increases. In particular, with the entry into force of the Singapore Treaty, with the help of trademark community, including brand owners and agent registrars, the legal and administrative issues related to odor trademarks will be effectively resolved.

3.2. Case study: smell trademarks in EU

Although it is theoretically possible to register an odor trademark in the EU, it is difficult to register a smell trademark in practice. The current EU case law follows the sense of a decision of the ECJ in 2002 (case Sieckmann v. DPMA). The decision ruled that visually invisible logos -such as perfume- cannot be registered as trademarks unless they could be displayed graphically. A simple chemical formula is not enough; it also requires strict requirements that are difficult for applicants to meet. The graphic representation of fragrance trademark must be clear, distinct, independent, understandable, objective and lasting.

There are strict requirements for the registration of smell trademarks in the EU. In 2005, the European Court of First Instance rejected an application for a scent trademark, which was described as "the smell of ripe strawberries". According to the CJEU, this description is unclear and un-objective because the European Court of First Instance held that there are many varieties of ripe strawberries in the world, and therefore many smells of ripe strawberries. In 2006, the French Supreme Court decided whether perfume was protective in *bsiri-barbir v. Haarmann Reime*. The French Supreme Court said that the smell of perfume should not be protected because it was "a pure application of technical knowledge, without any sign of creativity" and that everyone thought it was different.

Because smell is one of the most important way and most memorable channels for human beings to remember, with today's highly developed and competitive commodity economy, producers and sellers are becoming increasingly interested in the combination of "an impressive smell and a unique product". The EU has several requirements for the registration of smell trademarks. If the sign can be graphically represented "by means of images, lines or characters" in a "clear, precise, self-contained, easily accessible, intelligible, durable and objective" way, the sign may be eligible for registration. However, there is still a different example: in 2000, "smell of freshly cut grass" became the only smell registered as trademark. Unfortunately, this trademark expired in 2007 because it was not renewed.

4. CONCLUSION: WHAT ARE THE ACTUAL EXAMINATION CRITERIA FOR REGISTERING AS A SMELL TRADEMARK

In China, there is no real practise about smell trademarks, but things are totally different in the European Union. The ECJ ruled that the ways in which the applicant represented the scent mark -which included an odor sample, a description and the chemical formula- did not meet the criteria for graphical representation.

First, since the smell is invisible, there should be an application which must be able to visually represent the smell of the product.

Second, there must be an application which is distinct from the product itself. For example, a perfume sample cannot be used as an application for a smell trademark because the perfume sample will decay over time and cannot be kept on the trademark registration for a long time. As a result, a written chemical formula of smell cannot be used as an application for trademark of smell, because people will mistakenly believe that the chemical formula represents the substance, rather than the smell of the substance.

Third, the written description of any smell must be accurate so that it is not confused with other smells.

Fourth, in the smell trademark registration, the smell cannot come from the nature of the commodity itself. Chanel, for example, applied unsuccessfully in the UK to register its famous perfume No. 5 as a perfume smell trademark, because the smell of the perfume is the essence of the product and comes from the nature of the product itself. In contrast, some of the smell labeling descriptions passed the specificity test and were successfully registered. UK-registered tyres have "a floral/rose-evoking smell" and darts have "a strong beer flavour", these smells are not the essence of the product and comes from the nature of the product itself, so they are successfully registered in class 12 of Nice classification.

AUTHORS' CONTRIBUTIONS

FU Shuju is responsible for consulting references, analyzing the trademark laws of EU and China, analyzing the cases and writing papers.

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