

DECISION
Of the Second Board of Appeal
of 28 February 2023

in Case R 2357/2022-2

Oshee Polska Sp. z o.o.

Al. 3 Maja 9
30-062, Kraków
Poland

applicant/appellant

represented by Anna Monika Kawalec, ul. Nowowieckie 1/3 of the site 9 00-643, Warsaw,
Poland

Appeal relating to the European Union trade mark application No 18652695

AND THE SECOND BOARD OF APPEAL

composed of: S. STÜRMAN (Chair), K. Guzdek (Rapporteur), H. Salmi (Member of the
Chamber)

Registrar: H. Dijkem

decides as follows:

Language of the case: Polish

Decision

Facts

1. On the basis of an application lodged on 11 February 2022, Oshee Polska Sp. z o.o. (hereinafter: 'the applicant'), applied for registration of the word mark

METAVVERSE FOOD

for the following goods:

Class 5: Pharmaceutical preparations; Vitamin preparations; Dietetic and nutritional preparations; Nutritional food supplements; Mineral food supplements; Liquid food supplements; Food supplements in the form of snacks; Mineral food additives; Nutrients for therapeutic purposes; Preparations with micronutrients for humans and animals; Dietetic foods for therapeutic purposes; Dietary beverages adapted for medical purposes; Protein food supplements; Powders as substitutes for meals; Powdered drinking mixtures as food supplements with a fruit taste; Powdered drinking mixtures with nutrients; Nutritional additives; Vitamin additives; Nutrients; Dietary additives in the form of beverages; Energy boxes which are substitutes for meals containing nutrients; Cartons containing nutrient supplements; Nutrient mixes for use as substitutes for meals; Dietetic substances adapted for medical purposes; Food supplements; Food supplements in powder form; Chewing gum for therapeutic purposes; Herbal tea [medicated beverages].

Class 29: Nut-based food bars; Fruit- and nut-based bars; Fruit chips; Vegetable crisps; Fruity pitches; Fruit-based snacks; Vegetable-based snacks; Dried fruit products; Yoghurts; Eggs powdered; Soups powdered; Milk-based drinks; Milk substitutes; Dairy dairy and dairy substitutes; Edible oils; Edible fats; Processed fruit, vegetables and mushrooms (including nuts and pulses); Fish, seafood and molluscs, not live; Soups and exports, meat extracts; Meat and sausages; Jellies; jams; compotes; fruit and vegetable pastes; Fruit jellies; Vegetable jellies; Milk; Kefir [milk drink]; Hamburgers; Fries; Cakes [food]; Prepared vegetable dishes; Prepared meals consisting mainly of meat; Prepared meals consisting mainly of poultry; Prepared meals consisting mainly of vegetables; Prepared salads; Fruit salads; Vegetable salads; Leguminous salad; Potato-based salads; Prepared meat dishes; Nut-based snacks; Mixtures of fruit and nuts; Nut butter; Nut- and kernels-based bars; Milk powder.

Class 30: Boots; Cereal and energy bars; Bathrooms; Muesli baths; High-protein cereal bars; Granoly-based bars; Muesli; Cereal snacks; Multigrain snacks; Confectionery; Sweets; Suckling confectionery; Edible ices; Frozen yoghurt; Powdered pastry; Powdered sauces; Chocolate powder; Powdered puddings; Bucket powder; Powdered beverages containing cocoa; Confectionery; Baker's wares; Snacks consisting mainly of confectionery; Rice-based snacks; Rice wafers; Edible wafers; Dough; Sawmills; Cakes; Chocolate; Wafelki; Prepared desserts; Milk confectionery; Sugar; Caramel (sugar); Prepared lunch in a box consisting of rice, with the addition of meat, fish or vegetables; Salt, spices and flavourings; Tea; Tea-based beverages; Frozen tea; Coffee; Coffee-

based drinks; Chocolate-based beverages; Cocoa-based drinks; Cocoa; Flavours for beverages other than essential oils; Maize flakes; Crisp bread; Crisp bubbles; Crackers; Rice crisp; Maize crisp; Beehive products; Honey; Groats; Flour; Flour preparations for food; Prepared and dry cereal-based snacks; Cereals processed for human consumption (Oat flakes and flakes from other cereals); Shelled barley; Shelled oats; Popcorn; Flour-based dishes; Ready-made baking mixes; Prepared mixes for baking bread, cakes or fine baking; Bread; Breadcrumbs; Pastry; Rusks; Snacks consisting mainly of bread; Sweet bubbles; Gingerbread.

Class 32: Non-alcoholic beverages; Beverages containing vitamins; Isotonic beverages; Isotonic drinks powder; Energy drinks; Low-calorific non-alcoholic beverages; Athletes' drinks; Nutrient-enriched beverages; Water; Mineral and aerated waters; Table water; Fruity-flavoured waters; Fruit drinks of concentrate or syrup, to which water and sugar have been added; Preparations for the manufacture of beverages; Essences for the production of beverages; Fruit drinks and juices; Vegetable juices; Beverage syrups; Fruit nectars; Protein-enriched sport drinks; Water-based functional beverages; Non-alcoholic cocktails; Carbohydrate beverages; Protein drinks; powders for making beverages; beverages powdered for beverages listed in this class.

2. By letter of 7 April 2022, the Office notified the applicant of the existence of the grounds for refusal of registration of the mark applied for pursuant to Article 7. 1 (b) EUTMR.
3. By Decision of 3 October 2022 (hereinafter: 'the contested decision'), the Office maintained its earlier position and refused registration of the mark applied for in respect of the abovementioned goods and services pursuant to Article 7(7). 1 (b) EUTMR. The reasons given for the Authority's decision are as follows:
 - The goods covered by the declaration are food and pharmaceutical products suitable for real human consumption.
 - The indication 'Metaverse FOOD' will be understood as food, food in a virtual space. However, in the context of the goods covered by the application for registration, it is clear that the sign will not be seen as a reference to virtual reality software or to food 'for use in virtual online worlds', as the applicant indicated.
 - The relevant public will perceive the mark simply as an indication that the goods are offered or can be purchased in a virtual space.
4. On 29 November 2022, the applicant lodged an appeal against the contested decision and, on 19 January 2023, submitted the grounds of appeal.

Subject-matter of the appeal

5. The applicant seeks the annulment of the contested decision and registration of the mark applied for. In support of his appeal, the applicant puts forward the following arguments:
 - The mark was applied for for physical and real goods in the real world and not for goods which exist in the virtual world. In the view of the applicant, this is crucial in assessing the distinctive character of the mark, since it cannot be applied to virtual

goods which cannot be transferred to the real world. The mark should be assessed in relation to a completely different category of goods, i.e. physical and suitable for actual consumption of, inter alia, foods, food supplements or beverages, the consumption of which provides nutritional value to the body, and not images representing foods, food supplements or beverages which are only part of the game or another virtual reality view.

- Metaverse is defined strictly as a category defined in the virtual world and should not be confused with all other online activities. For example, making purchases in an online shop of physical products that will be delivered to us in real form, or organising an online meeting, e.g. videoconferencing or lecture or checking mail, is not an entrance to the Metaverse world.
- Trade marks which are applied for and registered for goods appearing in Metaverse represent in their lists virtual goods classified in Class 9.
- The examiner must make an assessment for each of the goods individually, or at least for each category of goods, make such an assessment and justify it. However, by refusing to register trade marks for goods in Class 5 which are different in nature from the food products in Classes 29 and 30, the expert did not carry out an individual assessment but wrongly linked the goods relating to the supplementation and pharmaceuticals to other food products.
- When assessing the mark applied for from the point of view of the relevant public, it must be held that, when meeting it in shops, such as supermarkets or pharmacies, the public will not read the sign as an indication of characteristics, but as a fantasy juxtaposition which will be easily remembered by the unobvious use of the words and will enable them to distinguish the goods bearing the mark from other goods of that kind available on the market, for example in grocery stores or pharmacies.
- The applicant indicated that the mark at issue in the present case was one of the series of marks applied for. The Office has registered the following characters:

Metaverse ENERGY No 018652720; METAVVERSE ENERGY • No 018652723 declared for food and supplements in Class 5 and beverages in Class 32, including energy drinks. According to the applicant, the refusal to register the mark ‘Metaverse FOOD’ would be inconsistent with EUIPO’s guidelines and practice.

Justification of decision

6. The appeal meets the conditions laid down in Articles 66, 67 and 68(1) EUTM. The appeal is therefore admissible from a formal point of view and must be examined as to its merits.

Article 7 paragraph 1 (b) EUTM

7. Pursuant to Article 7(a) Trade marks which are devoid of any distinctive character shall not be registered.

8. In order to assess the distinctive character of any trade mark, whatever its nature, it is necessary for that mark to make it possible to identify the product in question from a particular undertaking and, therefore, to distinguish it from those of other undertakings (21/10/2004, C-64/02 P, *Das Prinzip der Bequemlichkeit*, EU:C:2004:645, Paragraph 33).
9. Marks referred to in Article 7 1 (b) EUTMR are, in particular, trade marks which do not allow the public concerned to make the same choice when purchasing the goods or services in question, if the experience has proved positive, or to the contrary if it was negative (27/02/2002, T-79/00, *Lite*, EU:T:2002:42, § 26; 27/02/2002, T-34/00, *Eurocool*, EU:T:2002:41, § 37). That is the case, in particular, where signs are commonly used in the marketing of the goods or services in question (15/09/2005, T-320/03, *Live richly*, EU:T:2005:325, Paragraph 65).
10. Although the criteria for assessing distinctive character are the same for all types of trade mark, it may prove, in the context of the application of those criteria, that the relevant public's perception of the marks does not necessarily have to be the same for each of those types, with the result that it may prove more difficult to demonstrate the distinctive character of certain types than in the case of other marks. If, in assessing the distinctive character of that mark, it is established that it has an advertising function consisting, for example, in lauding the quality of a particular product, and that that function is not clearly secondary to the indication of the specific origin of the goods, account must be taken of the fact that the average consumer is not accustomed to inferring the origin of the goods on the basis of such slogans (21/10/2004, C-64/02 P, *Das Prinzip der Bequemlichkeit*, EU:C:2004:645, Paragraphs 34 to 35).
11. The present case concerns the sign 'Metaverse FOOD' for goods in Classes 5, 29 and 30 of the Nice Classification.
12. The goods covered by the declaration are goods in Classes 29 and 30 which can be categorised as food, food; as well as goods in Class 5 which can be categorised as pharmaceutical preparations and supplements in the form of food and food.
13. Those goods are aimed at both professionals and the average public.
14. The level of attention for these goods is average (as in the case of goods in Classes 29 and 30) or higher than average (as in the case of many goods in Class 5).
15. However, even assuming a higher level of attention and knowledge, that does not necessarily mean that the sign is less subject to absolute grounds for refusal. On the contrary, there may be a better understanding of the semantic meaning of expression in relation to goods (11/10/2011, T 87/10-, *Pipeline*, EU:T:2011:582, Paragraph 28); 07/05/2019, T-423/18, *vita*, EU:T:2019:291, §§ 13 and 14).
16. The mark applied for is composed of an expression which is relevant in English and the nature of the mark must therefore be assessed from the point of view of English-speaking consumers in the European Union.
17. The expert defined the word "Metaverse" as a virtual space.
18. The word 'FOOD' means food, food; food.

19. According to the expert, the expression ‘Metaverse FOOD’ as a whole means, in English, ‘food, food in a virtual space’.
20. The applicant submits that ‘The expert examining the trade mark application nevertheless based its decision on a misunderstanding of the concept of Metaverse. ‘Metaverse’ is a virtual world in which people, as avatars, interact with each other in a three-dimensional space that mimics reality. (...) [there is] a separation between the virtual world of Metaverse and the real world. Metaverse is defined strictly as a category defined in the virtual world and should not be confused with all other online activities. For example, making purchases in an online shop of physical products that will be delivered to us in real form, or organising an online meeting, e.g. videoconferencing or lecture or checking mail, is not an entrance to the Metaverse world.’
21. However, the House considers that the virtual world (Metaverse) is not a well-defined and distinct category in the virtual world. Nor is the borderline between the real world and the virtual world clear.
22. The virtual world (Metaverse) is not just avatar, alternative reality and virtual products. The distinction between Metaverse and other forms of online activity is blurred. A good example is the change of Facebook’s very strong name to Meta in 2021, the latter seen as a reference to Metaverse and the beginning of an increased Facebook/Meta activity in Metaverse (<https://www.welbloom.com/nft/>, 27/02/2023).
23. More and more frequent examples also indicate that Metaverse is another e-commerce viewer, i.e. online commerce. Companies use Metaverse to promote their goods and brands, which later translate into increased sales of their goods in the real world (see e.g. <https://nypost.com/2022/04/05/coca-cola-launches-virtual-drink-inside-the-metaverse/>; 24/02/2023).
24. There are also growing voices that soon known online shops will turn into Metaverse (virtual) online shops where the goods offered will be presented in virtual form, but the purchase will *de facto* concern real products that will then be sent home (such as a ‘normal’ online order).¹

¹ See e.g.: An article entitled ‘The Retailers setting up shops in the Metaverse’ states that ‘...your avatar may enter a metaversy clothing shop and buy items to be sent to you in the real world’, <https://www.bbc.com/news/business-61979150>, 24/02/2023;

In the article entitled ‘The Metaverse: Alcohol Beverage Industry’s Next Marketing Frontier?’ (Metaverse: Another marketing boundary for alcoholic beverages?) indicates that ‘...Metaverse has the potential to change the e-commerce experience of brands. Although significant improvements have been made in recent years, today’s experience of e-commerce cannot in most cases compete with the experience of browsing the offer in a wine shop or alcohol shop. The defect in online purchases is particularly acute in luxury, restricted or artisanal drinks, which depend on attractive labels, branding or placing on the shelves to attract consumer attention. By building a virtual, three-dimensional experience in Metaverse, brands of alcoholic beverages can build a platform and virtual space to feed their next generation e-commerce experience’; <https://www.afslaw.com/perspectives/alerts/the-metaverse-alcohol-beverage-industrys-next-marketing-frontier/>; 24/02/2023);

An article entitled ‘How Restaurant chains can use the Metaverse to create a new digital channel for orders’ states that ‘... in Metaverse, customers can access a virtual restaurant to see the menu, meet friends and even order real food to be delivered under their doors’, <https://www.cbinsights.com/research/report/future-of-fast-food-metaverse/>, 27/03/2023).

25. Some shops already offer some virtual services, e.g. virtual shoe measurement. It can virtually measure the foot and virtually select customised shoes without leaving the home (e.g. <https://ccc.eu/pl/esizeme>; <https://www.esize.me>; 24/02/2023).
26. The above examples show that virtual spaces are constantly evolving and absorbing the new forms and opportunities offered by advances in IT and technology.
27. In the light of the foregoing, the Chamber sees no error in the definition of the word 'Metaverse' as a virtual space.
28. According to settled case-law, the distinctive character of a trade mark must be assessed by reference, first, to the goods or services referred to in the application for registration and, second, to the perception of the relevant public, which consists of the average, reasonably well-informed and reasonably observant and circumspect consumers of those goods or services (29/04/2004, C-473/01 P & C-474/01 P, *Tabs*, EU:C:2004:260, Paragraph 33; 08/05/2008, C-304/06 P, *Eurohypo*, EU:C:2008:261, § 67; 21/01/2010, C-398/08 P, *Vorsprung durch Technik*, EU:C:2010:29, paragraph 34).
29. The goods covered by the declaration are, inter alia, vouchers, jellies, salads and different types of food in Classes 29 and 30. These products are now widely available online. As virtual spaces evolve, these products can increasingly be promoted and offered through Metaverse. Some companies have already set up Metaverse stores where they can buy their real products with home delivery (e.g.: 'Lindt USA launches Its First-Ever 3D Virtual Store with ByondXR and Makes Shopping for Premium Chocolate a Truly Innovative Experience', <https://www.accesswire.com/726619/Lindt-USA-Launches-Its-First-Ever-3D-Virtual-Store-with-ByondXR-and-Makes-Shopping-for-Premium-Chocolate-a-Truly-Innovative-Experience>, 27/03/2023; <https://www.mashed.com/1112615/lindt-created-its-own-3d-virtual-store/>; 27/03/2023).
30. In the light of the foregoing, the relevant public will perceive the mark simply as an indication devoid of any distinctive character, indicating that food, food in the form of goods in Classes 29 and 30, are offered or can be purchased in a virtual space.
31. The goods covered by the declaration are also pharmaceuticals, vitamin preparations or food supplements in Class 5.
32. The applicant submits that products such as pharmaceuticals, vitamin preparations or food supplements are subject to different marketing conditions than those in Classes 29 and 30, have different uses and are sold through different distribution channels.
33. The Chamber notes that pharmaceuticals (both prescription and over-the-counter), vitamin preparations or food supplements are also widely available online (for prescription medicines, after submission of a prescription). Some food supplements are already offered via Metaverse (<https://www.welbloom.com/nft/> 27/03/2023). The provision of medical assistance and health consultations (including prescriptions and recommendations for pharmaceuticals) through Metaverse is also mentioned (see a number of articles on this subject: <https://ictandhealth.com/what-will-metaverse-offer-physicians-and-patients-in-the-future/news/>; <https://www.linkedin.com/pulse/5-ways-pharma-can-benefit-from-metaverse-timoth%C3%A9-cynober-pharm-d-?trk=pulse-article>; <https://sixdegreesmed.com/pharma-metaverse/>; 27/03/2023).

34. Pharmaceutical preparations and supplements are also in the form of food and food.
35. In the light of the foregoing, the relevant public will perceive the mark simply as an indication devoid of any distinctive character, indicating that the relevant goods in Class 5, namely pharmaceutical preparations and food and food supplements, are offered or can be purchased in a virtual space.
36. Therefore, the relevant public will not perceive any indication of commercial origin in the sign at issue, but only information of the general nature of the relevant goods in Classes 29, 30 and 5.

Other decisions of the Office in respect of marks containing the word “Metaverse”

37. The applicant shall indicate the marks which have been registered by the Office even though they contain the word ‘Metaverse’.
38. The fact that the Office has registered other marks containing the word ‘Metaverse’ is not an argument for the registration of the sign in question. Although the Office seeks to adopt consistent decisions, it is the case that descriptive or non-distinctive marks are registered. Nevertheless, the principle of legality cannot be infringed in order to satisfy the expectations which the applicant may have had in relation to the registration of a comparable sign.
39. The Boards of Appeal cannot be bound by decisions of the Office at first instance rejecting or registering a sign, since they are specifically responsible for assessing the legality of those decisions. However, only the decisions appealed against are the subject of the proceedings before the Board. In any event, a potential error made in other proceedings shall not give rise to the registration of a sign which does not meet the conditions laid down in Article 7 of the EUTMR.
40. The Chamber also notes that there is no uniform practice of the Office with regard to marks containing the word ‘Metaverse’. For example, the Office refused to register the word ‘Metaverse’ for goods in Class 25 (see the examiner’s decision refusing to register the mark ‘Metaverse Fashion Week’ for goods in Class 25; declaration No 18672283). It cannot therefore be said that the contested decision is incompatible with the Office’s uniform practice.

Conclusion

41. In the light of the foregoing, the Association considers that the sign applied for is devoid of distinctive character within the meaning of Article 7(7). 1 (b) EUTMR.
42. The appeal is therefore dismissed.

Order

For these reasons:

APPEAL BOARD

Decides:

Or it may dismiss the appeal.

Signed

S. STÜRMANN

Signed

K. Guzdek

Signed

H. Salmi

Registrar:

Signed

H. Dijkem

