

When Business Strategy Becomes Legal Strategy: The Audemars Piguet × Swatch Collaboration

Intellectual property “IP” protection is not always won in a courtroom. For brand owners and legal practitioners alike, the collaboration between Audemars Piguet “AP” and the Swatch Group — announced in May 2026 through the “Royal Pop” collection deserves close attention, not only as a business event but as a legal strategy. Beyond the brand dilution debate, a more pressing question arises for IP lawyers and their clients. AP has spent years in litigation attempting to protect its most iconic design element, the octagonal bezel of the Royal Oak, without success. The Royal Pop collaboration may well be the move that changes that, by generating what courts consistently said was missing, broad consumer recognition of the shape as a brand identifier.

Hereafter, we will explore (I) the legal defeats AP faced in its attempts to register the Royal Oak's octagonal shape as a trademark, and (II) how the Royal Pop collaboration serves as a strategic legal move to build the consumer recognition and confusion grounds necessary for future IP protection.

I – What the Courts Said: AP’s Legal Defeats

On March 28, 2024, the Japan IP High Court dismissed AP's appeal against the Japan Patent Office's refusal to register the Royal Oak's design as a trademark (Case No. Reiwa5(Gyoke)10119). The court issued a total rejection, finding that **the design lacked both inherent and acquired distinctiveness**. It held that each component of the design remained within the range of shapes normally expected for a wristwatch. More critically, AP produced no market survey to demonstrate that consumers could identify the brand from the shape alone, independently of its word marks. The shape, standing alone, did not speak to consumers as an AP identifier.

The position is more nuanced when looking at the parallel proceedings before the United States Trademark Trial and Appeal Board “TTAB”, which, in its decision of January 2, 2025, actually confirmed that AP's evidence established **acquired distinctiveness as to the octagonal bezel and the eight hexagonal screw heads specifically**. While the decision is widely reported as a defeat, a closer reading reveals a different picture. The TTAB refused registration on different grounds: AP had included functional elements in its application and refused to limit its drawing to those registrable elements alone.

What these two decisions reveal together is that AP's problem is not that the octagonal shape is unprotectable. It is that the consumer recognition built around it is **not yet wide enough**, exclusive enough, or documented **enough to sustain registration across key markets**. What is missing is the breadth and exclusivity of that recognition. That is the precise gap the Royal Pop is designed to close.

II – The Royal Pop as a Winning Legal Move

The Paris Convention for the Protection of Industrial Property (1883), ratified by 180 countries including Lebanon, the UAE, the KSA, and European countries such as Italy, provides the first layer of protection. Its Article 10bis prohibits any act of competition that creates confusion in the consumer's mind as to the commercial origin of goods. This protection does not require a registered trademark — it extends to any sign that has, through commercial use, come to be associated with a specific brand in the consumer's mind. Once consumers associate a shape with a brand, any competitor who adopts that same shape and causes confusion commits an act of unfair competition, regardless of whether a formal registration exists.

The TRIPS Agreement (1994), signed by 164 countries including the UAE, the KSA, and Italy, complements this further. Its Article 15 provides the route to registration itself, allowing a sign that is not inherently distinctive to be registered as a trademark once distinctiveness has been acquired through use in the marketplace.

This is precisely where the Royal Pop becomes a legal asset. The TTAB found that consumers had never been led to recognize the shape alone as identifying AP. By placing the Royal Oak's octagonal bezel and signature design elements inside a Swatch product sold through a global mass-market network, **AP creates a direct and widespread link between the shape and the brand.** The collaboration further targets a younger audience, consumers forming their first brand association with the octagonal shape, widening the evidentiary base that trademark offices and courts require as proof of acquired distinctiveness.³

Three arguments are commonly raised against this strategy:

(i) The monopoly argument. Granting exclusivity over a geometric shape is said to create an unacceptable monopoly. The treaty answers this directly: the drafters of Article 15 would not have provided a pathway for shape registration through acquired distinctiveness had such protection been considered a cause for monopoly.

(ii) The co-branding argument. A co-branded product cannot generate the exclusive consumer association that trademark protection requires. However, in reply to this argument, one can consider that cobranding recognizes that two marks appearing on a single product each continue to refer to their own brand independently. The octagonal bezel, the hexagonal screws, and the Petite Tapisserie are AP's elements visually and commercially distinct from Swatch's contribution. Consumers exposed to the Royal Pop are not associating the octagonal shape with the collaboration. They are associating it with AP.

(iii) The broader audience argument. Reaching a younger, broader audience is said to dilute the brand's exclusive luxury character and weaken its legal identity. However, it can be replied to this argument that expanding the consumer base does not dilute the legal association, it reinforces it. A wider audience means a wider evidentiary base.

Once consumers associate the octagonal shape with AP, any competitor using a similar design risks creating confusion prohibited under Article 10bis. That same consumer recognition becomes, under TRIPS Article 15, the legal basis for AP to secure trademark registration, turning the Royal Pop from a business move into a legal win.

Conclusion

The AP × Swatch Royal Pop collaboration is a reminder that the most effective IP strategies are sometimes built outside a courtroom. For brand owners, the message is clear: growing consumer recognition of a distinctive design element is not just a marketing decision, it is legal infrastructure. As AP builds the consumer recognition that courts said was missing, it is not simply selling watches. It is constructing its next legal argument and ensuring that when the time comes, the evidence will already be written in the minds of consumers.

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[1] Japan IP High Court, Case No. Reiwa5(Gyo-ke)10119, March 28, 2024. English analysis available at: <https://www.marks-iplaw.jp/ap-royal-oak-watch/>

[2] United States Trademark Trial and Appeal Board (TTAB), In re Audemars Piguet Holding SA, Serial Nos. 90045780 & 90045814, January 2, 2025. Full text: <https://ttabvue.uspto.gov/ttabvue/ttabvue-90045780-EXA-24.pdf>

[3] Revolution Watch, "Audemars Piguet and Swatch Group Announce the Royal Pop Collaboration," May 2026. Available at: www.revolutionwatch.com.