

## Intellectual property rights intensive industries: contribution to economic performance and employment in the European Union

Industry-Level Analysis Report, September 2013



### Impact study proves IP value

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Now the results of that collaboration have been published in a major report, "Intellectual Property Rights intensive industries: contribution to economic performance and employment in the European Union".... [Page 2](#)

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This month James Nurton speaks to Olivier Laidebeur, Office Freylinger, Luxembourg. For the first time, James Nurton interviews a trade mark practitioner in Luxembourg about work in one of the EU's smaller countries, how BOIP and OHIM compare and the differences between working in-house and in private practice.

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## Impact study proves IP value

Two years ago staff from OHIM and the EPO started work on a major study to settle the question of how important IPR-intensive industries are to jobs, GDP and trade in the EU.

Now the results of that collaboration have been published in a major report, *"Intellectual Property Rights intensive industries: contribution to economic performance and employment in the European Union"*.

The research, which was led on OHIM's side by the team from the European Observatory on Infringements of Intellectual Property Rights, takes into account all the major IP rights: patents, trade marks, designs, copyrights, and geographical indications.

The study finds that of the 615 industries represented in the EU, 321 of them – that's more than half – are IPR-intensive either because they register more Intellectual Property Rights per employee than other industries, or because the use of IPR is an intrinsic characteristic of their activity.

The key findings are that 39% of total economic activity in the EU (€4.7 trillion annually) is generated by IPR-intensive industries, and approximately 26% of all employment in the EU (56 million jobs) is provided directly by these industries, while a further 9% of jobs in the EU stems indirectly from IPR-intensive industries. In addition IPR-intensive industries account for 90% of external trade.

The study, which covers the period 2008-2010, was prepared with the assistance of DG Markt and Eurostat, with the UK IPO, OECD and the USPTO also providing valuable advice. The report includes many other detailed results broken down both by IP right and by country.

The results were launched in Brussels on 30 September 2013 by OHIM President António Campinos, and the President of the EPO Benoît Battistelli, at a press conference with the Internal Market and Services Commissioner, Michel Barnier.

President Campinos said: "This study tackles the fundamental question of the extent to which IPR-related industries matter to jobs, GDP and trade in the EU. We now have a clear answer. They do matter, they matter a lot".

He added that the study was just a start and should open the way for comparative studies within the EU and globally, as well as new studies to keep the results up-to-date.

The current study shows that many industries depend on a mixture of IP rights but also identifies industries that make particularly intensive use of individual IP rights.

Trade mark intensive industries, for example, account for 46 million employees or 20% of total employment; while design-intensive industries support 27 million employees or just over 12% of the total.

What's more, IPR-intensive industries pay more than others. The average weekly compensation in IPR-intensive industries is €715, compared with €507 in non-IPR-intensive industries – a difference of 41%.

Commissioner Barnier said: "I am convinced that intellectual property rights play a hugely important role in stimulating innovation and creativity, and I welcome the publication of this study which confirms that the promotion of IPR is a matter of growth and jobs. It will help us to further underpin our evidence-based policy making."

President Battistelli, added: "This report shows that the benefit of patents and other IPRs is not just economic theory. For innovative companies intangible assets have become extremely important."

The report and other supporting material is available on the OHIM website at:

<http://oami.europa.eu/ows/rw/pages/OBS/IPContributionReport.en.do>



## The James Nurton Interview

This month James Nurton speaks to Olivier Laidebeur, Office Freylinger, Luxembourg

For the first time, James Nurton interviews a trade mark practitioner in Luxembourg about work in one of the EU's smaller countries, how BOIP and OHIM compare and the differences between working in-house and in private practice

### How did you get into trade marks?

I have been an oboe player for a long time. After my BSc I decided to go to law school and found my passion for music led to intellectual property, starting with music rights and copyright. I was in Strasbourg and was active in some associations.

At the end of university I went to Paris and had my first professional look at trade marks working for Louis Vuitton Malletier. So the first trade mark I worked on was Louis Vuitton.

Then I had military service and got into French military music, so I continued with both law and music. I joined CPA Memotech, a software company, then Alsthom in-house and after five years I decided to change and moved to Luxembourg to join Freylinger. I have been there more than 10 years now.

### Why Luxembourg?

It's a German and French speaking environment and an interesting business for IP. At the time we had a system called Holding 29 which promoted a zero tax rate for IP revenues, so there were some interesting portfolios there. Another point is you have German and French clients, so you are a bridge between two cultures, and this makes it more interesting.

We have a local base of something like 60% to 65% of clients. It is a good place for business as the government is really business-oriented. Everything is easier because the country is relatively small so when you need information or regulatory help you can often access ministers quite easily, which you can't always do in big countries. It's a marvellous place to do business.

### How big is the firm?

We are 50 people, all doing IP. We are active in both prosecution and litigation. Luxembourg has a culture where conflicts don't tend to go to court. So it is more about settling and trying to make amicable resolutions. We see all these elements as tools to obtain commercial advantage or settlement.

IP rights are marketing tools and commercial tools; they protect your commercial territory so you can have more sales and happy clients. We advise on how to file and what to file based on what we can do with these rights to help the client expand its business. If we need to litigate, we are ready to do so but the target is always the commercial value.

### What do you think of the Benelux trade mark system?

We are a small country surrounded by two big countries in the same trade mark territory. Most of our clients are active in many countries and we never sell one product just in Luxembourg.

We sometimes complain about the Benelux IP Office but we have a great advantage in that it is relatively open to discussion. They have improvements to make regarding speed, for example when limiting a Benelux trade mark application; when we have an international registration based on a Benelux application it sometimes takes ages to transmit the limitation to WIPO. But they have a very good team of lawyers answering our questions when we need.

They do still have the fast registration system but I don't use it a lot. It's useful sometimes if you need to file an international application or you want to file a legal action in the Benelux countries. Otherwise, registrations only take four or five months so it is less interesting unless we really need it quickly. But it's a mechanism I would appreciate before OHIM: sometimes we would appreciate going faster.

### What do you think of OHIM?

The Benelux used to be very strict in applying the legal grounds for refusal, while OHIM was much more open. Over recent months it has evolved and now we sometimes have Benelux marks accepted but CTM applications rejected. That has made it relatively unpredictable.

I have no problem with policy changes as long as we are aware of them. But sometimes they have changed their policy without informing us. If the policy evolves, let us know!

**How could it improve?**

More communication is needed from both OHIM and the Benelux office – taking into account users' needs and communicating to this community about changes in policy and tools being developed, such as e-filing, so that we can make sure they interface with our own tools. That enables us to advise clients more accurately.

**Do you think OHIM works smoothly?**

They are not as quick as we could imagine. I have no problem with a decision taking one year to issue if it is well grounded and predictable. But due to the long time period between filing and decision sometimes the policy changes and then it becomes unpredictable.

Regarding costs, the official fees covering 28 countries and about 550 million inhabitants are acceptable. The new proposal to have one class application to lower the cost is not the real question. We do not necessarily need to open trade mark registration for everything, otherwise the registers will be overwhelmed by small registrations with low value: if you are not prepared to pay €900 for 10 years, do you really value your mark? I'm not sure that is how to increase the value of IP.

With more countries in the EU, it will be more and more difficult to obtain a trade mark. So new strategies will appear, such as using the international system and national or EU designations. As I said, these are all tools to achieve your commercial end and provide the client with something.

**What do you think of the reforms proposed?**

We have carefully analysed the proposals. The real question is what will be the political decision on this? Do we want a strong EU with strong rights or do we accept dilution of the unitary character of the Community trade mark? For us as a small country, the question of use and cancellation for use is much more important than for bigger countries.

At the end of the day, the whole system is down to the applicant and opponent to find an amicable settlement. I have the right to maintain my trade mark even if I'm just using it in Luxembourg, because tomorrow I probably will use it in France or Germany. If, due to a cancellation action, I lose my right in France and Germany, that allows my competitors to block me. That's not fair. For me, use in one country is sufficient; the question is how can we make the system more efficient for settlements and such like?

Sometimes we are forced to start cancellation actions to force people to negotiate. So why not allow counter-claims in proceedings before OHIM? We can have proceedings in various countries but why can these not be taken into account before OHIM? This could make things easier and lower the actual costs. These costs can quickly exceed the application costs.

We have a lot of national offices that do not accept cancellation as an administrative proceeding. Benelux is one example, though they have been planning to introduce this for years. We can file lots of cancellation actions in Germany but not at all in France.

**What's the most interesting trade mark you have worked on?**

We have interesting cases around the European emblem – the blue flag with 12 stars. We have a framework contract with the European Commission to defend the European emblem so we have a lot of interesting cases, some of them before the Court of Justice. People try to use the reputation of the European emblem so these are the things we are trying to limit. There are guidelines relating to the use of the European emblem and if you are not following them we may take action. These are interesting cases.

**Is it very different being in-house compared to private practice?**

It can be but we conduct our business and protect our clients' assets is more or less the same. We consider ourselves as external counsel but acting as an internal IP service. It's a question of how you are organised.

As outside counsel you have the advantage of working for various clients in various industries, from dairy products to firearms to paper services. Each has specific issues and you learn a lot. I still use what I learnt in the fashion industry though, as we have a lot of trade marks in that area. Louis Vuitton was the perfect first experience actually. As outside counsel it is more difficult to identify yourself with the trade mark, though it is still possible.



## Is there much anti-counterfeiting in Luxembourg?

We are often used as experts by the general prosecutor in Luxembourg. The interesting thing is the airport is the fifth biggest in Europe for freight activity so based on this we have some interesting counterfeiting cases due to the volume of goods.

## What does the future hold for trade marks?

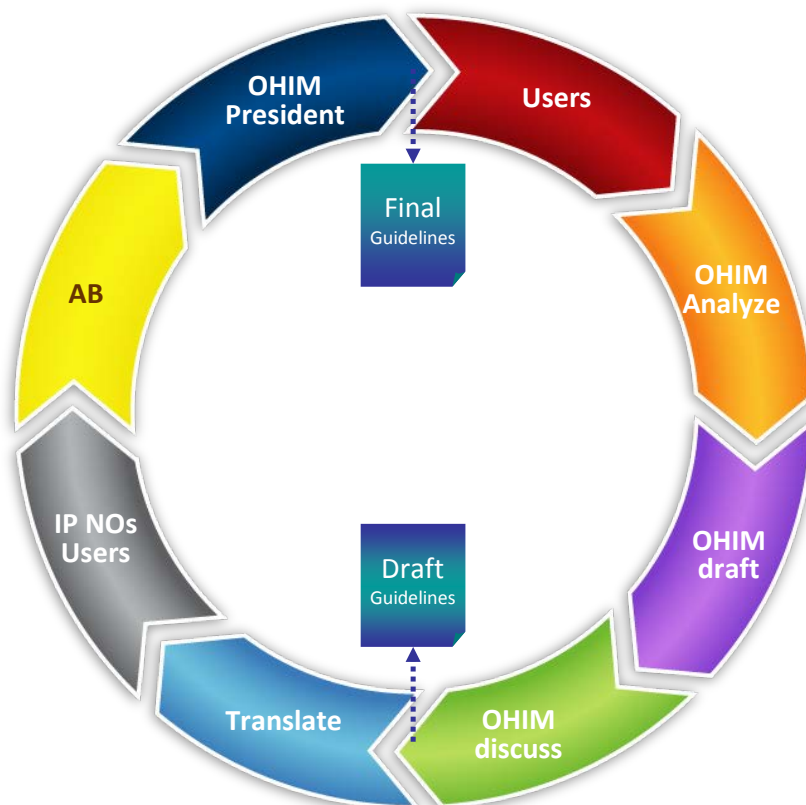
From a philosophical point of view, there always has been and always will be trade marks. We have not evolved so much in 3 million years! We still need to show ownership and appurtenance to a certain community, which a trade mark shows. So I think the trade mark system will survive. But under what form is another question. As we have it now, it creates value for companies and customers and this is the best way we know today to create value for buyer and seller.

The new gTLDs create more concern as a trade mark is not protected unless you invest huge amounts of money in registration. This creates concerns for me, if you see domain names as trade marks on the internet. Letting a private institution open so many opportunities to blur the image of a trade mark is diluting the value of a trade mark and creating risk. My question is: should we leave this development in private hands? I don't have the answer to that. That's part of the next development we will have to look at. What we have today is sufficient for the bricks-and-mortar world and today's internet, but will it still be relevant for the future?

Community Trade Mark

CTM

## OHIM launches Work Package 2 of the Guidelines update



As reported in the [November 2012 edition of Alicante news](#), the Office is currently in the process of updating its Manuals on trade mark and design practice and transforming them into Guidelines – a unique source of reference for the Office's practice that will be available in **all official EU languages**.

The aim is to balance the work evenly over the course of the year. Therefore, the various parts and sections of the Manual of trade mark and design practice have been divided into **two working packages**, Work Package 1 (WP1) and Work Package 2 (WP2).

**WP1** was launched on 1 January and is currently in **phase three**. The Guidelines have been drafted, reviewed internally and discussed; they have been sent for translation into the five languages of the Office and have been circulated amongst the user associations, EU IP offices and the BOIP, with a view to getting feedback before the next meeting of OHIM's Administrative Board (AB). After consulting the AB, the President will adopt the updated Guidelines. Once the final Guidelines text is adopted, it will be translated into the remaining official languages of the EU, will be published online and will enter into force.

On 1 July 2013 the Office launched **WP2**. The draft Guidelines are being produced by OHIM's cross-departmental teams (the Knowledge Circles, or KCs). Feedback and comments received from users that were received in advance of the launch of this second work package are being taken into consideration. The Knowledge Circles will also extract trends from the case-law of the previous year, study the conclusions of the convergence projects and take into consideration the comments received from our users and internal stakeholders. The texts will be discussed within the Office between various units and departments with the aim of making them ready for sending for translation and to user associations and IP Offices in December.

The parts of the current Manual on trade mark and design practice included in WP2 are the following:

## Work Package 2 (WP2)

### Community Trade Marks

#### A: General Rules:

- Section 1: Means of communication, time limits
- Section 2: General principles to be respected in the proceedings
- Section 4: Language of proceedings
- Section 6: Revocation of decisions, cancellation of entries in the Register and correction of errors
- Section 7: Revision
- Section 8: *Restitutio in Integrum*
- Section 9: Enlargement

#### B: Examination:

- Section 1. Proceedings
- Section 3. Classification
- Section 4. Absolute Grounds for Refusal [*only Article 7(1)(f), (g), (h), (i), (j) and (k); collective trade marks*]

#### C: Opposition:

- Part 2: Identity and likelihood of confusion
- Chapter 2: Comparison of Goods and Services
- Part 3: Trade mark filed by an Agent (Art. 8(3) CTMR)
- Part 4: Rights under Article 8(4) CTMR
- Part 5: Trade marks with reputation (Article 8(5) CTMR)

#### D: Cancellation:

- Section 2: Substantive provisions (Absolute grounds for invalidity 3.1 and 3.2)

#### E: Register Operations:

- Section 1: Changes in a registration
- Chapter 1: Surrender
- Chapter 2: Changes of name or address
- Chapter 3: Alteration of a trade mark
- Chapter 4: Changes in collective trade mark regulations
- Chapter 5: Division
- Chapter 6: Post-registration seniority claims

Chapter 7: Replacement of a CTM registration  
Section 3: CTMs as objects of property  
Chapter 1: Transfer  
Chapter 2: Licences  
Chapter 3: Rights in rem *[new chapter]*  
Chapter 4: Levy of execution *[new chapter]*  
Chapter 5: Insolvency *[new chapter]*

#### **M: Madrid: Part M: International Marks**

#### **Registered Community Designs**

Examination Guidelines Community Design  
Renewal of a registered Community design

## Registered Community Design **RCD**

### **Opinion of Advocate-General M. Wathelet, 5 September 2013, Case C-479/12, H. Gautzsch Großhandel GmbH & Co. KG / Münchener Boulevard Möbel Joseph Duna GmbH**

The Advocate-General's Opinion addresses the notion of disclosure within the meaning of Articles 7 and 11 CDR, discussing who the relevant circles are, and whether the presentation of a design to one single European operator, in a remote part of the world, automatically qualifies as disclosure. The Advocate-General's Opinion also examines procedural issues regarding the burden of proof in relation to the alleged copy of an unregistered Community design (UCD), whether design infringement actions are subject to prescription and forfeiture, and what national law is applicable to the coercive and punitive measures adopted by a Community design court having international jurisdiction in accordance with Article 82 CDR.

#### **Factual background**

Münchener Boulevard Möbel Joseph Duna GmbH ('the claimant') markets a garden pavilion developed during the autumn of 2004. During April-May 2005, the (unregistered) design was published in the claimant's 'new products leaflet', which was printed in 300-500 copies and distributed to retailers, wholesalers and purchasing associations. This raises the question of whether such *intermediaries* are part of the relevant specialised circles in the sense of Article 11(2) CDR, such as to substantiate disclosure of an UCD, or whether the relevant specialised circles consist exclusively of designers and manufacturers.

During 2006, Gautzsch Großhandel GmbH & Co. KG ('the defendant') started marketing the garden pavilion 'Athen' produced by the Chinese company Zhengte.

The claimant considered 'Athen' to be a copy of its garden pavilion and initiated an infringement action in Germany, based on unregistered Community design rights, under Article 19(2) CDR. The claimant also sought pan-European coercive measures to accompany an injunction prohibiting any future use of the infringing design, under Article 89(1)(a) and (d) CDR.

The defendant in turn claimed that the Chinese manufacturer had exhibited the design to European customers in a showroom in China during March 2005 and that a sample had been sent to a Belgian firm in June 2005. On the basis of these facts, the defendant challenged the novelty of the claimant's UCD under Article 5 CDR.

Furthermore, the defendant argued that the claimant had been aware of the existence of the 'Athen' model since September 2005 as well as of the fact that it had been sold by the defendant since August 2006. The defendant thus considered the claimant's claims to be time-barred and forfeited.

The first-instance German court (*Landgericht*) upheld the claimant's action, but only in part. It considered the UCD to be valid, held that the contested design was infringing, and ordered the payment of damages and communication of business documents. However, the requests for an order to prohibit future use of the contested design and for destruction

of the specimens were dismissed in view of the fact that the 3-year protection granted to UCDs had lapsed in the meantime.

The German Court of Appeal dismissed the appeal. It considered that the UCD had been validly disclosed within the meaning of Article 11 CDR and that its novelty could not be challenged merely by the exhibition of the 'Athen' design in the Chinese manufacturer's premises, given that this event could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community (Article 7 CDR). The same reasoning applied to the communication of the 'Athen' design to a single European operator.

The German Court of Appeal held that the onus of proving that the contested design is a copy of the UCD lies with the claimant. However, the close similarity between the two designs supported the presumption that the defendant had not developed its own design in an independent manner within the meaning of Article 19(2) CDR).

Finally, the German Court of Appeal considered that the infringement action was not time-barred according to German law.

A further appeal was brought before the *Bundesgerichtshof* ('the referring Court'), which asked the Court of Justice the following questions:

1. Is Article 11(2) of Regulation (EC) No 6/2002 to be interpreted as meaning that, in the normal course of business, a design could reasonably have become known to the circles specialised in the sector concerned, operating within the European Union, if images of the design were distributed to traders?
2. Is the first sentence of Article 7(1) of Regulation (EC) No 6/2002 to be interpreted as meaning that a design could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the European Union, even though it was disclosed to third parties without any explicit or implicit conditions of confidentiality, if:
  - a. it was made available to only one undertaking within the specialised circles, or
  - b. it was exhibited in a showroom of an undertaking in China, which lies outside the normal market analysed?
3. (a) Is Article 19(2) of Regulation (EC) No 6/2002 to be interpreted as meaning that the holder of an unregistered Community design bears the burden of proving that the contested use results from copying the protected design?

(b) If Question 3(a) is answered in the affirmative:

Is the burden of proof reversed or is the burden of proof incumbent on the holder of the unregistered Community design eased if there are material similarities between the design and the contested use?

4. (a) Is the right to obtain an injunction prohibiting further infringement of an unregistered Community design, provided for in Article 19(2) and Article 89(1)(a) of Regulation (EC) No 6/2002, subject to any limitation in time?

(b) If Question 4(a) is answered in the affirmative:

Is the limitation in time governed by European Union law and, if so, by which provision?

5. (a) Is the right to obtain an injunction prohibiting further infringement of an unregistered Community design, provided for in Article 19(2) and Article 89(1)(a) of Regulation (EC) No 6/2002, subject to forfeiture?

(b) If Question 5(a) is answered in the affirmative:

Is the forfeiture governed by European Union law and, if so, by which provision?

6. Is Article 89(1)(d) of Regulation (EC) No 6/2002 to be interpreted as meaning that claims for destruction, disclosure of information and damages by reason of infringement of an unregistered Community design that are pursued in relation to the whole of the European Union are subject to the law of the Member States in which the acts of infringement were committed?



## Summary of the Advocate-General's Opinion

### 1. *The 'circles specialised in the sector concerned'*

The referring Court favoured a generous interpretation including not only designers and producers but also retailers and wholesalers in the circles specialised in the design in question. This standpoint was shared by the Advocate-General (paragraphs 34-36), according to whom the notion of 'circles specialised in the sector concerned' encompasses all operators that take part in the trade of the goods at issue, including designers, advertisers, distributors and sellers (paragraph 38). Thus a design can reasonably have become known to the circles specialised in the sector concerned during their normal course of business in accordance with Article 11(2) CDR insofar as it has been made available to retailers and wholesalers (paragraph 39).

### 2. *The notion of 'disclosure'*

The issue is whether communication of a design to a single European operator (by postage of a leaflet) or exhibition of a design to a limited number of European operators in the showroom of a manufacturer in China (that is, away from the normal focus of the operators in the European market) constitutes disclosure for the purposes of Article 7 CDR.

Regarding the communication of a design to a single European operator, the Advocate-General noted that the legislator has chosen the plural wording 'circles specialised'. It thus cannot be deduced from the legislation that information to a single undertaking would suffice to make the design 'known in the normal course of business to the circles specialised in the sector concerned, operating within the Community' (paragraphs 44-45).

Regarding next the communication of a design in the showroom of a manufacturer in China, the Advocate-General observed that Article 7(1) CDR makes two requirements: one absolute, namely that a prior design has been made public anywhere in the world and one relative, requiring that it should have come to the knowledge of the relevant specialised circles within the European Union (paragraph 51). Therefore, the geographic location as such does not affect this assessment (paragraph 48). The relevant question is rather whether the addressees of the disclosure had a reasonable chance to have access to it (paragraph 53).

On the facts of the case, the Advocate-General considers that the presentation of a design in the showroom of a company located in China does not suffice, in itself, to qualify as disclosure within the meaning of Article 7 CDR. The Advocate-General goes on to say that the situation would have been different had this presentation been made at an international fair in China, attended by European professionals of the sector concerned (paragraph 55).

### 3. *Burden of proof*

Article 19(2) CDR requires the contested design to be a copy of the UCD in order for the holder to prevent a third party from using it. The question is whether the onus of proving that the contested design is a copy lies with the UCD holder.

The determination of the burden of proof is in principle a matter to be governed by national law, as with all procedural aspects of litigation (Article 88(3) CDR). However, the Advocate-General considers that this issue affects the substance of the right and is therefore governed by the law of the European Union. He thus made an analogy with the case-law concerning the exhaustion of trade mark rights.

In its judgment of 18 October 2005, Case C-405/03, *Class International BV (AQUAFRESH)* ECR I-8735, the Court of Justice held that it was for the trade mark holder to substantiate the enforceability of exclusive trade mark rights by establishing that the goods in transit were necessarily going to be put on the European market. The Advocate-General is of the opinion that, due to the close similarity between the CTMR and the CDR, the solution adopted by the Court of Justice in *Class international* should be applied *mutatis mutandis* to the issue of proving that the contested design is a copy of a UCD (paragraphs 69-71).

The holder of a UCD must therefore bring evidence that the contested design is a copy of a UCD. However, the burden of proof can be alleviated, according to national law, where such proof is impossible to adduce. The national judge can thus make use of presumptions or of measures of enquiry, or decide that it is for the defendant to rebut the preliminary elements of proof submitted by the claimant (paragraph 77).

## 4. Prescription and forfeiture

A Community design court having international jurisdiction pursuant to Article 82(1) CDR must in principle deliver an order prohibiting use of a later infringing design; this order may be effective in the entire area of the European Union (see by analogy judgment of 12 April 2011, Case C-235/09, *DHL Express France* (WEBSHIPPING), paragraph 54).

However, there may be 'special reasons' for not adopting an order prohibiting use of the infringing sign (Article 89(1) CDR), in particular where further infringement or threatened infringement on the part of the defendant is no longer possible, for example where the earlier RCD or UCD has lapsed or has been revoked on the date that the order was adopted (see by analogy judgment of 14 December 2006, Case C-315/05, *Nokia*, paragraph 35; of 27 April 2006, Case C-145/05, *Levis Strauss & CO.* (LEVI STRAUSS/ARCUATE), paragraph 36).

However, the Advocate-General that 'prescription' is not one of the 'special reasons' that concern only the factual (rather than the legal) circumstances surrounding a given case (paragraph 85).

The Advocate-General goes on to say that prescription and forfeiture are matters to be governed by national law, as with all procedural aspects of litigation (Article 88(3) CDR), *provided* that the national provisions are no less favourable than those governing similar domestic situations (principle of equivalence) and that they do not make it, in practice, impossible or excessively difficult to exercise the rights conferred by the Community legal order (principle of effectiveness). According to the principle of effectiveness, the period for prescription does not start running until the design right holder has been made aware of the violation of its exclusive right. Moreover, the period for prescription and forfeiture cannot expire before the violation of the exclusive right has been put to an end (paragraph 90).

## 5. Applicable law

Under Article 11 of Directive 2004/48/EC of 29 April 2004 on the enforcement of intellectual property rights, Member States must ensure that, where a judicial decision is taken finding an infringement of an intellectual property right, the judicial authorities may issue against the infringer an injunction aimed at prohibiting the continuation of the infringement.


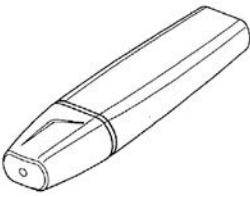
The obligation to attach coercive measures (such as an injunction can be subject to a recurring penalty payment) to the order prohibiting infringing use does not allow for any exceptions. According to Article 89(2) CDR, coercive measures must be ordered by applying the national law of the Member State in which the Community design court is established (paragraph 98).

However, according to Article 89(1)(d) CDR, with regard to other than coercive measures, including the right to information, corrective measures (recall from trade channels, destruction, etc.), award of damages, publicity measures etc., the Community design court should apply the law of the Member State in which the acts of infringement or threatened infringement were committed (paragraph 99).

## Knowledge Circle Designs

### Case T-608/11; Beifa Group Co. Ltd / OHIM; Judgment of 27 June 2013; Language of the case: EN

#### FACTS:

	
Contested RCD (1 out of 7 views)	Earlier German mark (cl 16)

The request for a declaration of invalidity was based on Article 25(1)(b) CDR (inter alia, lack of distinctive character) and Article 25(1)(e) CDR ('*a distinctive sign is used in a subsequent design, and Community law or the law of the Member State governing that sign confers on the right holder of the sign the right to prohibit such use*').

Both the Invalidity Division and the Board of Appeal declared the RCD invalid. The RCD holder lodged an appeal with the GC. By judgment of 12 May 2010, Case T-148/08, the GC annulled the Board's decision because it was based on an earlier 3D mark while referring explicitly to an earlier *figurative* mark (the same sign was protected by two distinct trade mark registrations in Germany – one figurative and the other a 3D mark).

The case was referred back to the Board, which confirmed that the contested RCD had been annulled on the grounds of likelihood of confusion with the earlier 3D mark (as depicted above) within the meaning of paragraph 14(2)(2) of the Markengesetz (Article 25(1)(e) CDR) and lack of individual character (Article 25(1)(b) CDR).

#### **SUBSTANCE:**

##### *On the violation of Article 61(6) CDR*

The RCD holder claimed that the Board breached Article 61(6) CDR by re-examining the case *ab initio*, including on aspects not discussed before the GC, such as the lack of individual character under Article 25(1)(b) RCD.

The claim is dismissed: the annulment of the Board's decision implied the duty to take another decision, but not necessarily on the same legal basis, provided that the (new) legal basis relied on by the Board was invoked by the invalidity applicant (paragraphs 36-37).

##### *On the violation of Article 62 CDR (right to be heard)*

The RCD applicant's right to be heard was not violated since it had ample opportunity throughout the administrative proceedings to express its opinion on the invalidity applicant's claim that the contested RCD lacked individual character (paragraph 47). The fact that the rapporteur for the case had asked the parties to submit observations in writing on two issues relating to the GC judgment did not provide the RCD holder with any assurance that the legal basis for the decision would remain the same (paragraphs 49-50). Article 62 CDR does not require that, following resumption of proceedings after a decision has been annulled by the GC, the parties again be invited to submit observations on points of law and fact on which they have already had the opportunity to express their views in the course of the administrative procedure (paragraph 61).

The RCD holder's claim that its right to be heard was damaged by the fact that the finding of lack of individual character lacked one level of administrative review is dismissed: neither Article 60(1) CDR nor Article 62 CDR nor Article 1(d) of Regulation 216/96 ('the Rules of Procedure of the Boards') requires that the case be referred back to the lower adjudicating body (in this case, the Invalidity Division) and that the parties be invited to comment on the decision taken in this respect (paragraphs 54-56).

In any event, the referral of the case to the Invalidity Division would not have made a request for proof of use of the earlier marks admissible, since such a request (submitted for the first time before the Board) would have been filed too late (paragraph 62).

##### *On the violation of Article 25(1)(e) CDR (the notion of 'use of a distinctive sign in a subsequent design')*

The GC confirms the principle according to which the application of Article 25(1)(e) CDR is not limited to cases in which the earlier distinctive sign is reproduced identically in the contested design. It is enough that the dominant features of the earlier sign be capable of being discerned in the contested design by an average consumer imperfect recollection (paragraph 82).

##### *On the request for proof of use*

The RCD holder stated that, in the absence of any provision for a peremptory time limit in the CDR and the CDIR, the admissibility of its request for proof of use should have been examined under Article 63(2) CDR (that is, the discretionary power to adjudicate on the admissibility of belated facts and arguments).

The GC reiterates that a request for proof of use must be submitted before the Invalidity Division, failing which it is automatically inadmissible (paragraph 87), as already established by the case-law relating to Article 42(2) and (3) CTMR.

Article 42(2) and (3) CTMR applies also, by analogy, to requests for proof of genuine use made in the context of RCD invalidity proceedings (paragraphs 89-90).

*On the violation of Article 25(1)(e) CDR (likelihood of confusion)*

The GC confirms that the identity of the goods and similarity between the signs lead to a finding of likelihood of confusion (paragraphs 93-95). The Board correctly found that the indentations in the contested RCD are secondary features, in view of their purpose (to improve grip), which do not affect the impression that the signs are similar overall (paragraph 101).

*On the violation of Article 25(1)(b) CDR (individual character)*

Since the Board's decision is well founded under Article 25(1)(e) CDR, even an error in applying Article 25(1)(b) CDR could not justify its annulment (paragraph 107).

**Knowledge Circle Designs**

## EUTMDN Updates

### Common User Satisfaction Survey implemented in 12 national offices

Following a round of implementations, 12 national and regional EU IP offices are now integrated into the Common User Satisfaction Survey tool.

They are BOIP, Bulgaria, Estonia, Ireland, Greece-GGE, Greece-OBI, Spain, France, Cyprus, Latvia, Poland and Portugal, all of which have launched at least one test survey.

Prior to implementation, national offices received onsite support from the USS integration team, in partnership with the project working group members.

The project also allows for the cross-linkage of other Cooperation Fund projects, such as Quality Standards.

The User Satisfaction Survey tool, which allows for a common approach to carrying out surveys across participating offices, forms a key part of the European Trade Mark and Design Network.

### Cooperation Fund tool implementation increases

Since the beginning of 2013, the Cooperation Fund team has been implementing various tools in national and regional IP offices across the EU.

Forty-one 'implementations' have taken place since January, bringing the total number of 'implementations' since the Cooperation Fund began up to 167, which represents 45.6% of the target for CF tool implementation (364).

Already this year, two offices have implemented the TM e-filing tool developed by the Fund (Slovakia and Finland). Both Greek IP offices have implemented e-Learning for SMEs, France and the UK have implemented Seniority, and Estonia, Greece, Cyprus and Latvia have implemented the User Satisfaction Survey tool.

September, October and November are shaping up to be extremely busy months for the Cooperation Fund. A further wave of 'implementations' is due to take place (for example in Designview, User Satisfaction Survey and CESTO).

Additional software package tools for e-filing designs, e-services and back office, piloted by various national and regional office members of the European Trade Mark and Design Network, are all set to launch in the final quarter of 2013.

## France implements Seniority

The French Intellectual Property Office has successfully implemented the Seniority Project. This project allows seniority information to be harmonised amongst national IP offices in the EU. French implementation of the project brings the total number of offices participating in it to fifteen.

## Harmonisation of Classification experts meet at OHIM

Experts from all across Europe met in Alicante on 12 September 2013 for a Convergence Programme meeting on Harmonisation of Classification.

The Common Communication on the individual Nice class heading terms was discussed, as were the common guidelines on acceptability of terms for classification.

These are key convergence issues that are directly in line with OHIM's strategic goals.

## Harmonisation of the Slovenian Intellectual Property Office

The Slovenian Intellectual Property Office is now part of the Common Harmonised Database on Classification of Goods and Services. As a result, the complete set of Slovenian translations of the Common Harmonised Database is now available to all users through the TMclass application.

This is the latest expansion in the Harmonisation Project for Goods and Services, which has been making continuous and positive progress since being set up.

The integration of the Slovenian Intellectual Property Office into the 'Harmonisation community' is another step forward for this common project, which, as it grows, creates further benefits for European users by improving predictability.

## TMview goes global

Over the past few months, IT experts from across the world have been arriving at OHIM to work on integrating their trade mark data into TMview.

The Turkish Patent Institute made its trade mark data available to the TMview search tool from 2 September 2013.

The integration of data is a concrete result of the International Cooperation programme managed by OHIM in collaboration with its international partners.

This latest extension of TMview brings the total number of offices participating in this tool to 30 and, with the addition of more than 1 million Turkish trade marks, it now provides information on and access to more than 12 million trade marks in total.

Since the introduction of TMview on 13 April 2010, the tool has served more than 4.3 million searches from 199 different countries, with users from Germany, Spain, and Italy among the most frequent visitors.

Norway and Mexico have also recently been integrated into the tool.

TMview is a free, online trade mark search platform, which contains over 12 million marks.

You can find out more at [www.tmview.europa.eu](http://www.tmview.europa.eu)



## Turkey joins TMclass

We are very proud to announce the integration of the Turkish Patent Institute (TPI), Türk Patent Enstitüsü, into TMclass.

This latest addition brings the total number of national and regional IP Offices, including OHIM, integrated into TMclass up to 31.

TMclass is an online tool based on the Nice Classification system that helps users to correctly classify goods and services when filing a trade mark.

It allows users to search for terms in any of the 26 languages available.

TMclass can also be used to verify lists of terms to check whether they are acceptable to any of the participating IP offices. It also translates terms relating to goods and services into their equivalents in all available languages.

TMclass can be accessed for free online by all users at <http://tmclass.tmdn.org/>

More News



## INTA directors at OHIM

The Board of Directors of the International Trademark Association (INTA) held its annual meeting at OHIM on 17 September 2013. This is the first time that the INTA Board of Directors has held its annual meeting in Alicante.

Around 50 directors took part in the event, which has been organised annually by INTA every September since 2002, and is considered to be one of the most important events in the international IP calendar.

The following day they attended the Government Relations Programme meeting, in which OHIM also participated.

The Government Relations Programme for the Board of Directors is held every year, normally alternating between Washington DC and Brussels, but hosted for the first time this year at OHIM in Alicante.

The aim of the meeting is to update the international members of the Board of INTA on policies and legislative developments of concern to INTA and provide attendees with an opportunity to exchange views with key officials.

Attendees were presented with the latest developments in the Cooperation Fund and Convergence programme and updated on the recent activities and progress of OHIM and of a number of EU national offices.

The European Parliament, Council and Commission were represented at the event, where the legislative review process was also discussed.

As part of the meeting, the INTA Board of Directors was given a presentation on the European Observatory on Infringements of Intellectual Property Rights.

The Observatory's ongoing projects and multiannual plan were discussed and there was an exchange of views on the two Observatory studies 'Impact of IP on Economic Performance' and 'IP Perception'.

The activities of the Academy were also discussed, with a presentation on recent activities and talks on the long-standing INTA examiner training sessions held annually at OHIM.

The meeting concluded with an exchange of views on the role of the Observatory task force in INTA and what is expected from the Observatory in the future.

## **OHIM Academy Regional Seminar**

The first OHIM Academy Regional Seminar, organised in conjunction with the Benelux Intellectual Property Office (BOIP), took place in The Hague on 10 September 2013. It was opened by Mr. Hugues Derème, Deputy Director General of BOIP. Mr. Hugues Bello, represented OHIM.

Around 30 participants from 15 countries took part in the event, conceived as another initiative aimed at nurturing convergence between the IP offices of the EU within the context of the OHIM vision of a European Trade Mark and Design Network.

Mr Derème expressed his pride and satisfaction at hosting the first event of this kind, in which 12 members of BOIP staff participated.

## **OHIM at MARQUES Annual Conference**

An OHIM delegation was present at the 27th MARQUES Annual Conference in Monte Carlo between 17 and 20 September 2013.

The Conference is a major event for the IP industry in Europe and the sessions included issues such as trade mark enforcement, free speech limitations and the impact of new top-level domains, as well as updates on OHIM, WIPO and a debate on EU case-law developments.

As well as providing an update on its activities, OHIM ran an information booth during the conference, offering hands-on demonstrations of IP tools developed by the Cooperation Fund and Convergence Programme, such as TMview, DesignView, TMclass, Taxonomy and Similarity.

More information on the conference and the programme can be found at: [www.marques.org](http://www.marques.org)

## **OHIM holidays for 2014**

OHIM has published Decision ADM-13-46 relating to the timetable of public holidays for the year 2014.

On the dates indicated in the Decision, the Office will not be open for the reception of documents; any deadlines affected will be extended to the next working day.

[Decision No ADM-13-46 relating to the timetable of public holidays for 2014](#)

## **OHIM President visits Latvia**

OHIM President, António Campinos visited the Patent Office of the Republic of Latvia on 9 September 2013.

The meeting was held within the framework of international cooperation, and President Campinos met the Patent Office's Acting Director, Ieva Viļuma, and the Minister of Justice, Jānis Bordāns.

A number of Community trade mark owners as well as patent and trade mark attorneys from various parts of Latvia were also present.

OHIM and the Patent Office of the Republic of Latvia have undertaken a number of cooperation activities since the signing of a Memorandum of Understanding between the two institutions in 2001.

## OHIM visits Swedish Patent and Registration Office

On 10 September 2013, President António Campinos participated in a bilateral meeting between OHIM and the Swedish Patent and Registration Office.

The President, accompanied by a top-level delegation from OHIM, met with the Director General of the Swedish Office, Susanne Ås Sivborg.

Discussions focused on recent developments at OHIM, the progress of the European Trade Mark and Design Network and issues relating to the European Observatory on Infringements of Intellectual Property Rights.

Other subjects dealt with included the Academy and the progress of Cooperation Fund and Convergence Programme initiatives, as well as talks on bilateral cooperation between the Swedish Office and OHIM.

## Service Charter layout changes

In light of the findings of the last ISO 9001:2008 audit exercise at OHIM, and in line with the Office's commitment to continual improvement, we are adapting how OHIM's Service Charter is published, by adding colours to show users how the Office is performing against each of the service standards.

From the next update, each indicator will have a traffic light, showing red for 'improvement', orange for 'catching up' and green for 'commitment fulfilled'.

For all indicators, the 'catching up level' is defined as starting 10 points from the current objective's percentage, and performance is highlighted with the red alert when it falls short of the improving zone.

## Monthly statistical highlights\* July 2013 compared with July 2012

	2013	2012
Community trade mark applications received	10 255	9 247
Community trade mark applications published	8 768	8 645
Community trade marks registered (certificates issued)	9 025	7 610
Registered Community designs received	7 382	7 170
Registered Community designs published	6 660	6 519

## Monthly statistical highlights\* August 2013 compared with August 2012

	2013	2012
Community trade mark applications received	9 015	8 507
Community trade mark applications published	8 779	8 160
Community trade marks registered (certificates issued)	8 049	8 306
Registered Community designs received	6 108	5 978
Registered Community designs published	6 381	5 745

\* Statistical data for the current month are not definitive. Figures may be altered subsequently.

### Case law



#### Luxembourg Case Law

##### A: Court of Justice: Orders

**Case C-14/12 P; Sheilesh Shah, Akhil Shah v OHIM; Order of 30 May 2013; Language of the case: EN**

**Keywords: Admissibility, competence of the Court, lack of reasoning, visual similarity, weak element**

##### RESULT: Action dismissed

**FACTS:** In the judgement under appeal (T-313/10) the General Court had affirmed a likelihood of confusion, overturning the decision of Board of Appeal which had rejected the opposition based on the earlier marks represented below related to goods in Classes 3 and 5. The GC held, among others, that only a part of the public is familiar with the concept of AYURVEDA in the sense of traditional Indian health and medicinal teachings and will notice a relation between this term and the earlier mark. The CTM applicant filed an appeal to the Court of Justice alleging breach of Article 8(1)(b) CTMR. It challenged the GC's comparison of the signs and the overall assessment of the likelihood of confusion. OHIM endorsed the appeal. It raised also a distortion of facts by the Court when stating that a part of the public is not familiar with the concept of AYURVEDA because "ayurvedic preparations" were expressly mentioned within the conflicting goods. It challenged the absence of reasoning for the subsidiary statement in the judgement according to which a likelihood of confusion would exist even upon the assumption that the earlier mark was weak.

CTMA	Earlier marks (where relevant)
AYUURI NATURAL	<p>AYUR</p>

**SUBSTANCE:** 1. The Court of Justice rejected the part of the claim regarding the similarity of the signs as partially inadmissible and partially manifestly unfounded: The assessment of the similarities between the signs at issue is factual in nature and, save where the evidence and facts are distorted, is not subject to review by the Court of Justice (Para. 25). The GC's findings in that regard do not contain anything capable of suggesting that the facts or evidence were distorted at first instance (Para. 27). 2. The Court of Justice rejected the second part of the claim regarding the alleged error in the assessment of the likelihood of confusion as partially inadmissible and partially manifestly unfounded: The GC did not err in law in holding, that, even in a case involving earlier marks of weak distinctive character, there may be a likelihood of confusion on account, in particular, of a similarity between the signs and between the goods or services covered and that therefore, even if the distinctive character of the earlier marks were considered weak for all of the relevant public, the similarities between the goods in question and the signs at issue would justify the conclusion that there exists a likelihood of confusion. The GC cannot be criticised for holding that, in the present case, the allegedly weak distinctive character of the earlier marks was not such as to preclude the existence of a likelihood of confusion since (Para. 42). As regards OHIM's argument that the GC did not provide sufficient reasons for its subsidiary finding, relating to the weak distinctive character of the earlier mark, the argument is directed against grounds included in the judgment purely for the sake of completeness. Complaints directed against grounds included in a judgment of the GC purely for the sake of completeness must be rejected from the outset as they cannot lead to that judgment being set aside (Para. 43).

**Case C-357/12 P; Harald Wohlfahrt v OHIM; Judgment of 30 May 2013; Language of the case: DE**

**Keywords: Admissibility, appealable decision, proof of use, similarity of the signs**

**RESULT: Action dismissed**

**FACTS:** The Office, confirmed by the Board of Appeal, upheld the opposition against the CTM application "KINDERTRAUM" on the basis of the earlier Italian trademark "KINDER", the conflicting goods being those in Classes 16 and 28. In the judgement under appeal (T-580/10) the General Court rejected the CTM applicant's action. It did not find an infringement of Article 43(2) [now: 42(2)] CTMR, Article 75 (1) or Article 8(1)(b) CTMR. The CTM applicant filed an appeal to the Court of Justice.

**SUBSTANCE:** All three claims are manifestly unfounded or inadmissible. The request for proof of use can be only made if the earlier trade mark had been registered for more than five years before the publication of the CTM application. Article 43(2) [now: 42(2)] CTMR mentions *expressis verbis* the date of the publication. The duty to use of the earlier trade mark is guaranteed by further provisions, e.g. the request for revocation of the earlier mark for non-use pursuant to the relevant national law (Para. 32). Provisions of German and Italian trade mark law, mentioned by the applicant, cannot be applied by analogy, since CTM law is an autonomous system (Para. 33). The claim that the earlier trade mark was registered "in abuse of law" cannot lead to a refusal of the opposition and the decision on it does not belong to the competence of the OHIM (Paras. 43 and 46). The arguments regarding the comparison of the signs result from a wrong understanding of the judgement and are unfounded and also inadmissible since this comparison is a question of fact (Paras. 53 and 58).

**Case C-621/11 P; New Yorker SHK Jeans v OHIM; Judgment of 18 July 2013; Language of the case: EN**


**Keywords: Competence of the Boards, complementary evidence, evidence of use, proof of use, time limit**

**RESULT: Action dismissed**

**FACTS:** The applicant sought to register the word sign **FISHBONE** as a CTM for goods in Classes 18 and 25 (leather goods, bags and clothing). The opponent based an opposition on Articles 8(1)(a), 8(1)(b) and 8(4) CTMR using the earlier Greek figurative mark, **FISHBONE Beachwear**, shown below, registered for "T-Shirts" and "beachwear" in Class 25. The Opposition Division considered that use had been proven and partly upheld the opposition for "bags, rucksacks" in Class 18 and all goods in Class 25, finding likelihood of confusion. The Board of Appeal held that additional evidence was rightly taken into account by the OD and that proof of use was sufficient, but partly allowed the applicant's appeal, insofar as the OD had upheld the opposition for "bags, rucksacks". The CTM applicant appealed to the General Court, seeking amendment or, in the alternative, annulment, of the BoA decision, alleging that Articles 42(2) and 76(2) CTMR, as well as Rule 22(2) CTMIR had been infringed. The GC dismissed the action. The CTM applicant appealed to the CJ claiming



breach of the above provisions and requesting the CJ to set the judgment aside and uphold the action or refer the case back to the GC.

CTMA	Earlier Greek mark
FISHBONE	

**SUBSTANCE:** The Court of Justice confirmed its case-law that the submission of evidence by the parties remains possible after the passing of the time limits and that OHIM is in no way prohibited from taking into account evidence produced late, stressing that Article 76(2) CTMR grants OHIM broad discretion to decide, while giving reasons for its decision in that regard, whether or not to take such information into account. In the context of proof of use for opposition proceedings, it pointed out that the CTMR does not specify the time limit within which the relevant evidence must be adduced (Paras. 22-24). The CJ then analysed Article 42(2) CTMR and Rule 22(2) CTMIR and held that although the opposition must automatically be rejected when no proof of use is submitted within the time limit set, this does not apply when proof of use has indeed been submitted within that time limit. In such situations, the potential subsequent rejection of the opposition due to insufficient proof of use does not result from application of Rule 22 CTMIR, which is a procedural rule, but exclusively from the application of the substantive provision in Article 42(2) CTMR. In the case at hand, since relevant evidence had been submitted within the time limit set by OHIM, the submission of additional proof remained possible after the expiry of that time limit (Paras. 28-30). The General Court's finding that OHIM was right to take into account the belated evidence was therefore correct.

Regarding the applicant's subsidiary claim that OHIM had abused its discretion under Article 76(2) CTMR, the CJ confirmed its case-law that taking into account evidence submitted out of time is justified where OHIM considers that the material is, on the face of it, likely to be relevant to the outcome of the proceedings and that the stage of the proceedings and the circumstances around it do not preclude such consideration (Para. 33). The CJ found that since the belated evidence permitted OHIM to establish genuine use of the earlier mark and since the opponent had not employed tactics of delay or demonstrated negligence, but merely submitted additional documents after its initial evidence had been challenged by the applicant, the findings of the GC were not vitiated by any error of law (Paras. 35-37). The CJ dismissed the appeal.

**Case C-320/12; Malaysia Dairy Industries Pte. Ltd v Ankenævnet for Patenter og Varemærker; Preliminary Ruling of 27 June 2013; Language of the case: DA**

**Keywords: Bad faith**

**FACTS:** The 'cancellation applicant' in the national proceedings is the owner of a 3D trade mark of a **plastic bottle** for a milk drink in Japan (from 1965) and other countries, including EU MS. The other party (the 'owner') has a registered Malaysian trade mark for a similar bottle, which it obtained in 1977, and, in 1995, applied for a Danish trade mark, which was subsequently registered. The cancellation applicant claimed that the Danish mark had been applied for in bad faith. It lost in the first instance, but won before the Appeal Board, which cancelled the Danish trade mark. The Appeal Board took the view, inter alia, that Article 15(3)(3) of the Danish Law on trade marks must be interpreted as meaning that actual or presumed knowledge of a mark in use abroad for the purposes of that provision is sufficient to establish that the owner is acting in bad faith at the moment of application, even if it can be assumed that the owner had acquired at an earlier point in time a registration of the mark in another country (in this case: Malaysia). The owner appealed the cancellation of its Danish mark before the Højesteret (Supreme Court), which asked the CJ a number of questions about the interpretation of the Trade Mark Directive for preliminary ruling.

**SUBSTANCE:** The CJ replied to the questions as follows:

1. Article 4(4)(g) TMD must be interpreted as meaning that the concept of 'bad faith', within the meaning of that provision, is an autonomous concept of European Union law which must be given a uniform interpretation in the European Union.

2. Article 4(4)(g) TMD must be interpreted as meaning that, in order to permit the conclusion that the person making the application for registration of a trade mark is acting in bad faith within the meaning of that provision, it is necessary to take into consideration all the relevant factors specific to the particular case which pertained at the time of filing the application for registration. The fact that the person making that application knows or should know that a third party is using a mark abroad at the time of filing his application which is liable to be confused with the mark whose registration has been applied for is not sufficient, in itself, to permit the conclusion that the person making that application is acting in bad faith within the meaning of that provision.

3. Article 4(4)(g) TMD must be interpreted as meaning that it does not allow Member States to introduce a system of specific protection of foreign marks which differs from the system established by that provision and which is based on the fact that the person making the application for registration of a mark knew or should have known of a foreign mark.



## **B: General Court: Judgments on appeals against decisions of the OHIM**

**Case T-589/10; Just Music Fernsehbetriebs v OHIM; Order of 4 July 2013; Language of the case: EN**

**Keywords: Likelihood of confusion, revocation of decision**

**RESULT: No need to adjudicate**

**FACTS:** The applicant sought to register the figurative sign **JUKEBOX**, shown below, as a CTM, for services in Classes 38 and 41 (broadcasting and entertainment services). The opponent based an opposition on Articles 8(1)(b) and 8(5) CTMR using the earlier figurative CTM, **JUKEBOX**, shown below, registered for services in Classes 38 and 41 (communication and entertainment services). The Opposition Division upheld the opposition, finding likelihood of confusion. The Board of Appeal dismissed the appeal. The CTM applicant appealed to the GC, seeking annulment of the BoA decision and, in the alternative, stay of the proceedings until a definitive decision is reached on the application for revocation pending against the earlier mark. The Cancellation Division revoked the earlier mark. The CTM applicant requested the Court to declare that there was no need to adjudicate.

CTMA	Earlier (revoked) CTM
	

**SUBSTANCE:** The GC pointed out that the earlier mark formed the sole basis of the notice of opposition filed by the opponent and that the Cancellation Division's decision revoking the earlier mark had become definitive (Para. 33). It confirmed its case-law that the applicant's interest in bringing proceedings must continue until the final decision, failing which there will be no need to adjudicate, which presupposes that the action must be likely, if successful, to procure an advantage for the party bringing it. The GC also found that the contested mark will be registered both where the contested decision is annulled and where there is a finding that there is no need to adjudicate, despite the decisions of OHIM bodies rejecting the application for registration (Paras. 34-35).

A decision of an Opposition Division, takes effect only when no appeal has been lodged in the form and within the time-limits prescribed by Article 60 CTMR or when such an appeal has been definitively dismissed by the BoA, while a BoA decision takes effect only as from the date of expiration of the period referred to in Article 65(5) CTMR or, if an action has been brought before the courts of the European Union within that period, as from the date of dismissal of such action. However, the present case is not concerned with either of those two situations (Para. 36).

In the light of the definitive revocation of the earlier mark and the fact that that the decisions of OHIM bodies have no effect where the Court finds that there is no need to adjudicate, a judgment on the substance of the case is not likely, if successful, to procure an advantage for the applicant. Nor has the opponent established that it retains an interest that could justify such a ruling. The GC therefore held that there was no longer any need to adjudicate on the action for annulment (Paras. 37-38). Since it did not in fact carry out a review of the lawfulness of the contested decision but merely established that the applicant's interest in bringing proceedings had ceased to exist, there was no longer any need to

adjudicate on the applicant's second head of claim, irrespective of its admissibility. The applicant and the opponent were ordered to bear all costs (Paras. 39, 41).

**Case T-383/10; Continental Bulldog Club Deutschland eV v OHIM; Judgment of 17 April 2013, Language of the case: DE**

**Keywords: Absolute grounds for refusal, evidence of use, relevant territory, specialised public**

**RESULT: Action dismissed**

**FACTS:** The Board of Appeal confirmed the refusal of the CTM application “**CONTINENTAL**” for ‘live animals, i.e. dogs’ in Class 31 and ‘the keeping and breeding of dogs, i.e. puppies and animals for breeding’ in Class 44. The applicant filed an action before the General Court claiming the infringement of Articles 7(1)(c) and 7(1)(b) CTMR.

**SUBSTANCE:** The Court found that the CTM application was descriptive pursuant to Article 7(1)(c) CTMR which was sufficient for its refusal, without it being necessary to examine Article 7(1)(b) CTMR (Para. 71). In order to determine the descriptiveness of the CTMA, the Board of Appeal found that it would be understood as designating a breed of bulldogs, since the term ‘continental bulldog’, referred to a breed of dog, already recognised in Switzerland. The Court confirmed this finding (Para. 29). Even though the word ‘continental’ has various meanings, that fact cannot be considered as making it impossible or more difficult for the relevant public to make a link between one of the possible meanings of that word and the designation of the ‘continental bulldog’ breed at issue. In particular, since it emerges from the extracts of the internet websites cited in the contested decision that the new breed was thus named specifically in order to set itself apart from the well-known ‘English bulldog’ breed, at least part of the public made up of professionals, whose sound knowledge of the field at issue, as well as their linguistic knowledge, must be taken into account, could perceive the terminological conflict between ‘continental’ and ‘English’ and discern all the more easily a reference to the new breed of dog in the word constituting the trade mark for which registration is sought, which seeks to designate dogs and breeding or keeping services thereof (Para. 46).

**T-506/11 and T-507/11; Peek & Cloppenburg KG v OHIM; Judgments of 18 April 2013; Language of the cases: DE**

**Keywords: Acquiescence, burden of proof, coexistence of trade marks, first time on appeal, identity of signs, identity of the goods and services, mere local significance, new arguments, sign used in the course of trade, trade name**

**RESULT: Actions dismissed**

**FACTS:** The applicant filed a CTM application for the word mark **Peek & Cloppenburg** for goods in Class 25 (T-506/11) and services in Class 35 (T-507/11). The opponent lodged oppositions based on its trade name **Peek & Cloppenburg**, used, inter alia, for goods in Class 25 and services in Class 35. The Opposition Division granted the oppositions. The Board of Appeal dismissed the applicant’s appeals. It found that the opponent was the owner of an earlier sign, which gave it the right to prevent the applicant’s use of the mark in accordance with Article 8(4) CTMR in conjunction with §§ 5 and 15(2) MarkenG. The applicant appealed to the GC, claiming an infringement of Article 8(4) CTMR.

**SUBSTANCE:** The GC confirmed that the Article 8(4) condition of a “right to prohibit use of a subsequent sign” has to be assessed in accordance with the relevant national law. The opponent bears the burden of proof to show that he has such a right (Para. 20). The Court rejected the applicant’s argument that the signs had peacefully coexisted in Germany as the applicant had not shown that such a coexistence actually existed and had in no way shown that a coexistence was based on a lack of confusion (Paras. 30, 31). The GC also rejected the applicant’s argument that the opponent had lost any right it might have had to prevent the applicant from using the sign through acquiescence according to § 21 MarkenG. This argument had been presented for the first time before the Court and was thus inadmissible (Para. 34). It was also unfounded since § 21 MarkenG regulates the relationship between a trade name and a registered trade mark and is not applicable to the relationship with a trade mark application such as the CTM applications in the present cases (Para. 35). The GC confirmed that the Article 8(4) conditions of “use in the course of trade” and “of more than mere local significance” have to be assessed in accordance with uniform standards of Community law, not in accordance with national law (Paras. 19, 47, 48). The opponent’s trade name is not of mere local significance simply because it might give the right to prevent use of another sign in only a part of Germany (Para. 51). In order to be able properly to oppose the registration of a CTM, it is necessary to establish that, through use, the earlier sign has acquired a significance which is not restricted from the Para. of view of the third parties concerned to a small part of the relevant territory (Para. 53). The

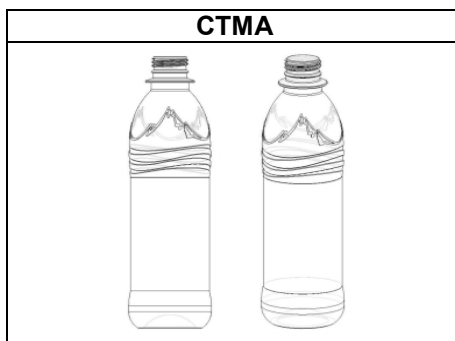
opponent has shown use of its trade name in many areas in Germany (Para. 55). § 12 MarkenG does not restrict Article 8(4) to such earlier rights that can prevent use in the entire territory of Germany, amongst others, because it relates only to invalidity procedures and not to opposition procedures (Para. 54).

**Case T-347/10; Adelholzener Alpenquellen GmbH v OHIM; Judgment of 19 April 2013; Language of the case: DE**

**Keywords: Three-dimensional mark, packaging, well-known facts need no evidence**

**RESULT: Action dismissed**

**FACTS:** The applicant sought to register the shape of a bottle shown below as 3D mark for goods in Class 32. The examiner rejected the applied-for trademark as being devoid of any distinctive character (Article 7(1)(b) CTMR). It would be a mere three-dimensional reproduction of a bottle without any striking additional elements. Consequently, the shape of the bottle was not deemed to be unusual. The Board of Appeal dismissed the appeal. It considered that the CTMA consisted of the overall shape of a bottle which would not depart substantially from the shapes of bottles available on the market.



**SUBSTANCE:** The applicant raised three pleas in law, namely infringement of Article 7(1)(b), Article 37 (2) and Article 75 CTMR. The GC confirmed the case law concerning 3D marks which consist of the shape of the goods or its usual packaging to the extent that only shapes which depart significantly from the usual appearance may comply with the functions of a trade mark (Para. 21). With respect to the applied-for shape the GC concludes that it consists of a common shape of a bottle. It is a well-known fact that bottles usually contain lines and creases on the as they do in the present case (Para. 27). Finally, the relief on the top of the bottle is not striking or unusual enough and will be perceived as a mere decorative element (Paras. 29, 30). As a whole, the combination of all the elements of the applied-for shape are not distinctive and the applicant could not show that the average consumer, who has a low degree of attentiveness with respect to the goods in Class 32, would consider the shape as an indicator of the origin of those goods (Para. 37). As far as the infringement of the right to be heard is concerned, the GC states that it is a well-known fact that bottles contain lines and creases. Consequently, there was no need for the Office to prove this fact with examples and the applicant's right to be heard was not affected (Paras. 60 – 64).

**Case T-579/10; macros consult GmbH – Unternehmensberatung für Wirtschafts- und Finanztechnologie v OHIM; Judgment of 7 May 2013; Language of the case: DE**

**Keywords: Company name, burden of proof, new evidence, first time on appeal, sign used in the course of trade, used in the course of trade**

**RESULT: Action dismissed**

**FACTS:** The owner obtained the registration of the figurative CTM **makro**. The invalidity applicant (who was also the applicant for a CTM, makros, against which the owner had raised an opposition) applied for a declaration of invalidity of the owner's opposing right based on Article 8(4) CTMR using its earlier German company name, makros consult GmbH. The Cancellation Division rejected the application for invalidity, considering that the invalidity applicant had failed to demonstrate that its company name had been used in the course of trade at the filing date of the owner's CTM. The



Board of Appeal dismissed the appeal, finding that the evidence was insufficient to establish an earlier right. The invalidity applicant appealed to the GC, arguing an infringement of Article 53(1)(c) CTMR in conjunction with Article 8(4) CTMR and §5 MarkenG.

**SUBSTANCE:** The GC confirmed that first two conditions of Article 8(4) CTMR, namely the existence of a sign used in the course of trade and its more than merely local significance, have to be interpreted in the light of EU law (Para. 55). The issue of the existence of a national right is a question of fact. It is for the party which alleges the existence of the right to establish, before OHIM, not only that this right arises under the national law, but also the scope of that law (Para. 62). The invalidity applicant cannot put forward, for the first time before the Court, the interpretation of Article 5 MarkenG carried out by the Bundesgerichtshof in several decisions and by German academic writing (Para. 76).

The Court confirmed the Board's finding that the invalidity applicant had not established the existence of an earlier right. In this context, the Court confirmed the Board's rejection of evidence submitted by the invalidity applicant, which related to time periods after the owner's application for the CTM. 'Earlier' as defined in Article 8(4) CTMR means that the right on which the application for a declaration of invalidity is based must have been acquired prior to the date of application for registration of the CTM in respect of which the declaration of invalidity is sought or the date of the priority of the latter (Para. 70).



The only factual elements which date from prior to the application for registration of the CTM are documents relating to the registration of the invalidity applicant in the German commercial register and to an application for registration of the German national word mark macros (Para. 79). The invalidity applicant did not present any evidence before the Board showing that, in German law, the company name whose protection is invoked on the basis of Article 5 MarkenG (macros consult GmbH) can differ from the designation in the evidence put forward to prove the existence of that protection (macros consult GmbH – Unternehmensberatung für Wirtschafts- und Finanztechnologie). Even if it were accepted that the registration of the company name in the commercial register should have been taken into consideration by the Board, such a registration, while allowing the invalidity applicant to use the designation macros consult GmbH in the course of trade, does not in itself demonstrate the lasting nature of the use of that designation (Para. 82). Moreover, in finding that the mere application seeking the registration of a German word mark is not sufficient to prove the use of the company name macros consult GmbH in the course of business, the Board did not make an error of assessment. A trade mark application neither presupposes nor implies the use of the mark and it is undisputed that the registration procedure was not pursued by the invalidity applicant. Since the Board considered that the condition relating to use in the course of trade laid down in Article 5 MarkenG should show a certain degree of effectiveness and a sufficiently habitual character, it was entitled to infer that, in order to establish habitual use in the course of trade, mere isolated correspondence with the German PTMO was insufficient (Paras. 85, 86).

**Case T-19/12; Fabryka Łożysk Tocznych-Kraśnik S.A. v OHIM; Judgment of 14 May 2013; Language of the case: PL**

**Keywords:** Common element, complementary goods and services, dominant element, likelihood of confusion, phonetic similarity, similarity of the goods and services, spare part, specialised public, visual similarity, weak element

**RESULT:** Action dismissed

**FACTS:** The opposition against the CTM application **IKFLT KRASNIK**, represented below, was upheld on the basis of the earlier CTM **FLT**, see below. The conflicting goods were those of Class 7. The Board of Appeal dismissed the appeal filed by the CTM applicant, which filed an action before the General Court.

CTMA	Earlier CTM
	

**SUBSTANCE:** There is a likelihood of confusion on the part of the relevant professional public within the European Union. With regard to the comparison of the goods there is a similarity between "roller bearings" and "machines and machines tools". It results from their complementary character as well as from the fact that they share the same distribution channels and selling points (Para. 34). There is a visual and phonetic similarity between the signs resulting




from the coincidence in the letters “FŁK”, which build up the earlier mark and have a distinctive, dominant and independent role in the CTM application (Para. 48). Especially Polish consumers will understand the second word of this application “KRAŚNIK” as a name of a town which has a minor distinctive character (Para. 49).

**Case T-530/10; Reber Holding GmbH & Co. KG v OHIM; Judgment of 16 May 2013 Language of the case: DE**

**Keywords: Databank printout, declaration, evidence of use, proof of use**

**RESULT: Action dismissed**

**FACTS:** The applicant sought to register word mark **Wolfgang Amadeus Mozart PREMIUM**, represented below, as a CTM for goods within Class 30. Upon the opposition based on two earlier figurative marks, represented below, and registered for identical goods, the Opposition Division refused the CTM application according to Article 8(1)(b) CTMR. The Board of Appeal rejected the opposition as the use of any of the earlier marks was not sufficiently proven. The opponent filed an action before the General Court claiming an infringement of Articles 42(2) s.1 and 42(3) CTMR and Article 15(1) s.2 CTMR.

CTMA	Earlier marks
<p><b>Wolfgang Amadeus Mozart PREMIUM</b></p>	

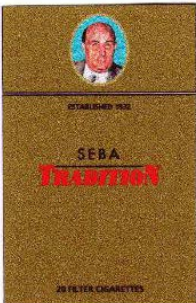

**SUBSTANCE:** The evidence provided is not sufficient to prove the genuine use of any of the earlier trademarks. It consists of an affidavit, a copy of a chocolates' packaging, several printouts from the webpage of the opponent's company and a page from a book with recipes (Para. 33). The affidavit is not clear and especially refers to the use of a trademark “W. Amadeus Mozart”, without specifying which of the two earlier marks is meant (Para. 34). It is not supported by further evidence (Para. 38). The representation of the mark on the product packaging cannot be qualified as its use as a trademark, since within the whole composition of the packaging it has rather a decorative role and secondary position (Para. 39).

**Case T-508/10; Seba Diş Tjicaret ve Nakliyat AŞ v OHIM; Judgment of 16 May 2013; Language of the case: DE**

**Keywords: Figurative trade mark, packaging, identity of the goods and services, similarity of the goods and services, phonetic identity, phonetic similarity, visual similarity, conceptual similarity, dominant element, weak element**

**RESULT: Action dismissed**

**FACTS:** The owner registered the figurative sign **SEBA TRADITION**, shown below, as a CTM for goods in Class 34 (tobacco products). The invalidity applicant applied for a declaration of invalidity based on Article 53(1)(a) in conjunction with Article 8(1)(b) CTMR using the earlier German figurative mark, **JOHANN WILHELM VON EICKEN TRADITION**, shown below, also registered for goods in Class 34. The Cancellation Division declared the CTM invalid. The Board of Appeal dismissed the owner's appeal, finding a likelihood of confusion, taking into account the identity or similarity of the goods, the phonetic identity and visual and conceptual similarity of the signs as well as the average distinctive character of the earlier right. The owner appealed to the GC, arguing an infringement Article 8(1)(b) CTMR.

CTM	Earlier German mark
	

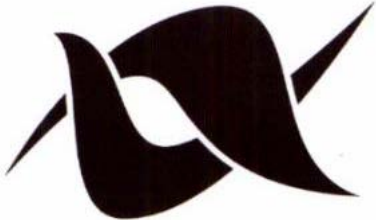

**SUBSTANCE:** The relevant consumer is the average German consumer (not disputed) (Para. 22). The goods are identical or similar (not disputed) (Para. 23). The visual impression of both marks is dominated by the component “TRADITION” (Para. 31), in the CTM though its striking red letters on a golden background; in the earlier right though its large, bold black letters on a white background. Although the other elements are not completely irrelevant, the marks are visual similar due to their dominant element and their similar composition (Para. 34). The fact that “TRADITION” might have a low level of distinctive character does not prevent it from being the dominant element (Para. 36). Even if the element “TRADITION” was not dominant, the marks would be visually similar (Para. 35). The marks are either phonetically identical (if they are verbalised as “TRADITION”) or phonetically similar (if they are verbalised “Seba Tradition” and “von Eicken Tradition”). The other elements on the packaging are unlikely to be verbalised (Paras. 41, 42). The marks are conceptually similar, even if it was assumed that the element “TRADITION” was descriptive (Para. 47). In the overall assessment, there is likelihood of confusion, even if the element “TRADITION” was considered to have a low level of distinctive character (Para. 57).

**Case T-502/11; Sanofi Pasteur MSD SNC v OHIM; Judgment of 17 May 2013; Language of the case: DE**

**Keywords:** Figurative mark, identity of the goods and services, visual similarity, weak trade mark, specialised consumer, enhanced distinctiveness

**RESULT:** Action dismissed

**FACTS:** The applicant sought to register the figurative sign shown below as a CTM for goods in Class 5. The opponent based its opposition on Article 8(1)(b) CTMR using the earlier French and International figurative marks shown below, registered for identical goods in Class 5. The Opposition Division rejected the opposition. The Board of Appeal dismissed the opponent’s appeal, finding that there was no likelihood of confusion, taking into account, in particular, the low level of distinctive character of the earlier rights and the visual differences between the signs. The opponent appealed to the GC, arguing an infringement of Article 76 and of Article 8(1)(b) CTMR.

CTMA	Earlier French and IR marks
	

**SUBSTANCE:** The Court rejected the opponent’s argument that it had claimed an enhanced level of distinctiveness of its earlier rights, which the Board should have taken into account. Although the opponent had made this claim before the Opposition Division, which was rejected by that instance, it had not sustained it before the Boards of Appeal. The opponent’s statement in its ground of appeal that “enhanced distinctiveness is only one of many elements to be taken into account” and that “even if there was no enhanced distinctiveness, there would be likelihood of confusion” are not the

same as expressly claiming that the earlier rights had an enhanced distinctiveness (Para. 23). They in no way explain why the OD's assessment of this issue should have been wrong, not do they refer to evidence submitted in this context (Para. 26). Moreover, the Board decided on the issue of an enhanced distinctiveness in any case, namely by following the OD's decision that such distinctiveness had not been proven (Para. 32). Hence, the Court dismissed the claim based on an infringement of Article 76 CTMR. As regards an infringement of Article 8(1)(b) CTMR, the Court agreed that there was no likelihood of confusion. The relevant consumers (professionals and patients) pay a higher level of attention in relation to pharmaceutical products, independent of whether they require a prescription or are sold over the counter (Para. 42). The goods are identical (not disputed) (Para. 44). There are significant visual differences between the signs (pointy vs straight ends etc.) (Para. 48); hence, they are only slightly visually similar. A phonetic comparison is not possible (Para. 49). Neither sign has a concept (Para. 50). The earlier rights have a low level of distinctive character as they are composed of two simple geographic shapes which do not engage the attention of the consumer (Para. 57). Enhanced distinctiveness through use has not been proven (Para. 60).

**Case T-214/10; Moselland eG – Winzergenossenschaft v OHIM; Judgment of 30 May 2013, Language of the case: DE**

**Keywords: Admissibility, error by OHIM, error by Party, internet, new arguments, right to be heard, rights of defence, scope of appeal**

**RESULT: Action upheld (BoA decision annulled)**

**FACTS:** The case concerns the submission of a document by electronic means. The Opposition Division rejected the opposition pursuant to Rules 20 (1) and 19 (1) CTMIR as unsubstantiated, with the reasoning that the registration certificate of the earlier mark was not provided but only the notice of opposition and the statements of grounds. In the appeal, however, the opponent submitted a confirmation generated by the server of the Office according to which such a certificate and its translation were attached to the notice of opposition and transmitted together.

The Board of Appeal confirmed the OD's decision with the reasoning that, according to the information available in the opposition file, the registration certificate and the translation were not received by the Office. A query by the Board to the persons in the Office responsible for the electronic records of the transmission at issue, has confirmed that no such document or electronic file was received. On the other hand, the Board examined the documents allegedly filed by the opponent (but missing in the file) and decided that they show mistakes and seem to be incomplete. They were not sufficient in order to substantiate the opposition. Given the assumption that the Office had actually confirmed the reception of those documents as shown by the evidence filed, the representative could have rapidly noticed that the transmission went wrong, thus allowing him to react in order to assure that all documents were properly received by the Office. The opponent filed an action to the Court claiming an infringement of Articles 75, 76(1) and (2), 78 (1), (3) and (4) CTMR and Rules 19 (1), (2), 20(1), 50(1), 51 CTMIR. During the procedure it also claimed an infringement of Rules 80(2) and 82(2) CTMIR.

**SUBSTANCE:** The assessment of the evidence presented before the Board was wrong (Para. 32). The confirmation of the filing of the opposition generated by the internet server of the Office refers to 14 pages, the number of which corresponds to the notice of the opposition, the statement of grounds and the registration certificate with its translation (Paras. 33-37). This error would lead to an annulment of the decision, had the Board based it only on this ground (Para. 41). In the subsidiary reasoning, however, the Board did analyse the documents, the transmission of which was in question (Para. 42). The registration certificate, as it was reproduced in the certification of the transmission and presented by the opponent before the Board, did not cover the protected goods and was therefore not sufficient to substantiate the opposition (Para. 50). The error in the first part of the decision cannot rebut the correct assessment in the second part (Para. 53). The decision has to be annulled due to the infringement of Rule 80(2), 82(2) CTMIR. This claim was not made by the opponent in the appeal nor in the application to the Court, but during the proceedings. It is, nevertheless, admissible and not belated since it is encompassed by the original claim of the infringement of Rules 19(1), (2) and 20(1) CTMIR. Within the reasoning, that the Office is responsible for the internet server, the opponent in fact referred to the ratio of these provisions (Para. 72). This claim is also well founded. It is apparent from the file that the opponent wanted to transmit all necessary documents, but some of them were not transmitted entirely. The reason for the error in the transmission is not known. According to the quoted provisions related to electronic transmission, the Office was, however, obliged to inform the opponent about the mistake and request that the documents be sent once again (Paras. 80, 81).

Case T-68/11; Erich Kastenholtz v OHIM; Judgment of 6 June 2013; Language of the case: DE

**Keywords:** Design: Circles specialized in the sector, design: Immaterial details, design: Informed user, design: Overall impression, freedom of designer, individual character, new arguments, novelty, survey

**RESULT:** Action dismissed

An action for invalidity of the contested Community design as represented below and registered for 'watch dials, parts of watch dials, hands of dials' was filed on grounds of Article 25(1)(b) in conjunction with Articles 4 and 5 CDR (lack of novelty and individual character) and Article 25(1)(f) CDR with the reasoning that the contested design constituted an improper use of a dial protected by German copyright law. The invalidity applicant referred to the works, some of which are shown below, which were developed, exhibited and published by him in Germany before the application for the registration of the contested design. The Invalidity Division rejected the application for the declaration of invalidity. This decision was confirmed by the Board of Appeal. The invalidity applicant filed an action to the Court claiming an infringement of Articles 4 and 5 in conjunction with Article 25(1)(b) CDR, and of Articles 4 and 6 in conjunction with Article 25(1)(b) and Article 25(1)(f) CDR.



**SUBSTANCE:** The invalidity applicant's request that an expert opinion be obtained was rejected. The work of the professor of art, as expert, would be confined to examining the factual circumstances of the dispute and to giving a qualified opinion on them, on the basis of his or her professional skills. However, whether or not copyright protection exists for the original idea underlying a work of art is an assessment of a legal nature which does not fall within the competence of an expert on art (Paras. 20-21).

The arguments raised for the first time before the Court are admissible. The invalidity applicant attempts to demonstrate the trend in the decorative watch sector, in which the principle of the dial that changes colour was developed, for the first time, in the earlier designs, which the invalidity applicant considers important in order to assess the overall impression produced on the informed user by the designs at issue. The argument develops the line of argument that the contested design does not have individual character, according to which the contested design is merely a reproduction of the earlier designs whose original idea or principle was to show the changing hours through the changing of the colours of the watch dial. It had already been put forward by the invalidity applicant during the administrative procedure (Para. 27).

With regard to the alleged lack of novelty, the designs at issue are not identical. According to Article 5(2) CDR, two designs are deemed to be identical if their features differ only in immaterial details, that is to say, details that are not immediately perceptible and that would not therefore produce differences, even slight, between those designs. *Contra*, for the purpose of assessing the novelty of a design, it is necessary to assess whether there are any, even slight, non-immaterial differences between the designs at issue (Para. 37). The earlier designs are characterised by the graded sequence of a wide spectrum of colours, the combination and intensity of which changes with the hour, whereas the contested design has only two uniform shades or colours in the 12 o'clock and 6 o'clock positions or four uniform shades in the positions showing the other hours and, therefore, in each case, there is no variation in the intensity of the shades (Paras. 37, 40).

With regard to the alleged lack of individual character, the differences between the designs at issue will easily be perceived by the informed user. When assessing whether a design has individual character, account should be taken of the nature of the product to which the design is applied or in which it is incorporated, and, in particular, the industrial sector to which it belongs. Concerning watch dials, parts of watch dials and hands of dials, the view must be taken that they are intended to be worn visibly on the wrist and that the informed user will pay particular attention to their appearance (Para. 62). The degree of freedom of the designer is limited only by the need to track and display the changing hours (Para. 69).

With regard to the alleged infringement of German copyright law, the invalidity applicant has not provided any information as to the scope of copyright protection in Germany, in particular, as to whether it prohibits the unauthorised reproduction





of the idea underlying the earlier works of art, and is not limited to protecting the configuration or features of those works (Para. 80).

**Case T-505/11; Aldi GmbH & Co. KG v OHIM; Judgment of 25 June 2013; Language of the case: EN**

**Keywords: Admissibility, enhanced distinctiveness, figurative element, first time on appeal, identity of the goods and services, likelihood of confusion, phonetic similarity, relative grounds for refusal, relevant language, visual similarity**

**RESULT: Action upheld (BoA decision annulled)**

**FACTS:** The applicant sought to register the figurative mark **dialdi**, shown below, as a CTM for goods in Classes 29 and 30. An opposition was filed on the grounds of Article 8(1)(b). It was based on the earlier CTM **ALDI**, registered, among other, for goods in Classes 29 and 30. The Opposition Division rejected the opposition. The Board of Appeal dismissed the appeal. It considered, in essence, that it was apparent from an overall assessment of the marks from a visual, phonetic and conceptual point of view that they were not similar and that, therefore, it was highly unlikely that the relevant consumers would confuse them or believe that the goods concerned came from the same undertaking, even assuming the goods were identical. According to the Board, that finding would have remained the same even if the opponent had proved the enhanced distinctiveness of its earlier trade mark. The opponent appealed the case to the GC, alleging an infringement of Article 8(1)(b) CTMR and claiming that the Board was wrong to conclude that there was no likelihood of confusion.

CTMA	Earlier CTM
	

**SUBSTANCE:** In first place, the GC declared inadmissible certain documents filed by the opponent for the first time before the Court and seeking to show, on the one hand, that the earlier trade mark had acquired enhanced distinctiveness through use and, on the other hand, seeking to substantiate the alleged existence of clear phonetic similarities between the marks on the ground that the earlier mark 'ALDI' was often presented in conjunction with the prefix 'di', meaning 'by' or 'from' in Spanish, Italian and in Portuguese, that is to say, as the mark 'di ALDI' (Paras. 14-19). Secondly, the GC endorsed the Board's finding that the relevant public is composed of average consumers who are reasonably well-informed and reasonably observant and circumspect. The relevant public does not consist exclusively of consumers who demonstrate a higher level of attention when purchasing dietetic preparations and the like (Paras. 29-39). Thirdly, concerning the comparison of the goods (that the Opposition Division had found to be identical), the GC held that it was apparent that the Board had not pronounced itself on the goods, having excluded the possibility of a likelihood of confusion due to the substantial differences between the marks (Para. 40).

Fourthly, concerning the comparison of the signs, the GC held that the Board overestimated the graphic differences between the four first and two last letters of the mark applied for, and considered that the targeted consumers were not 'highly likely' to perceive the first four letters of the mark applied for as an element separate from the two final letters, as was suggested in the Board's decision. Thus, the GC - having recalled that, in respect of word marks which are relatively short, the central elements are as important as the elements at the beginning and end of the sign - held the marks to be visually similar to a medium degree (Paras. 64-70). The GC found that the signs present a certain phonetic similarity, notwithstanding the presence of the two initial letters 'd' and 'i' in the mark applied for. The Court added that the Board should have assessed the likelihood of Italian, Spanish or Portuguese consumers treating the prefix 'di' (meaning 'of') in the mark applied for as an indication of the origin of the goods at issue and, therefore, not pronouncing it in a particularly strong manner, thus enhancing the degree of aural similarity between the signs (Paras. 75-76). The GC then found that, on a conceptual level, the marks, taken as a whole, have no clear meaning in any of the languages of the relevant territory (Para. 78). Given the visual and phonetic similarities between the signs, the Board should have assessed all the relevant factors and, in particular, determined whether the opponent had demonstrated (on the basis of the evidence filed during the administrative proceedings) the enhanced distinctive character acquired through use of the earlier mark, or even its renown. The Court therefore annulled the decision of the Board.



**Case T-248/11 International Engine Intellectual Property Company, LLC v. OHIM; Judgment of 27 June 2013; language of the case: EN**

**Keywords: Lack of distinctive character, lack of reasoning, error by OHIM, no bearing on decision, principle of non-discrimination, principle of legality**

**RESULT: Action dismissed**

**FACTS:** The applicant applied for the registration of the word sign **PURE POWER** with regard to goods in Class 12, such as engines and parts for motor vehicles, fuel injectors, etc. The examiner refused registration pursuant to Articles 7(1)(b) and 7(1)(c) CTMR. The Board of Appeal dismissed the appeal and found that the sign was devoid of distinctive character ex Article 7(1)(b). Before the General Court, the applicant claimed that the Board of Appeal had infringed Articles 7(1)(b) and (c) CTMR.



**SUBSTANCE:** The general public consists of English speaking D.I.Y. car enthusiast consumers and professionals. The word sign PURE POWER may immediately be perceived by the relevant public as capable of meaning 'sheer energy for motion' or 'energy that is free from pollutants'. It conveys a clear and unambiguous meaning and does not create a 'play on words' such as to confer a fanciful character on the sign. It is therefore devoid of distinctive character inasmuch as the relevant public will immediately associate the expression PURE POWER with the goods at issue. However, the contested decision contained two clear mistakes. On the one hand, paragraph 24 bears no relation to the present case. On the other hand, the Board found at paragraph 25 that the sign is descriptive, although there is no reasoning concerning a descriptive character of the mark applied for and the contested decision rejected the application solely on the ground of its lack of distinctive character. Since the errors in the contested decision may have prompted the applicant to bring this action, each party is ordered to bear its own costs.

**Case T-89/12; Repsol YPF, S.A. v. OHIM; Judgment of 27 June 2013; language of the case: ES**

**Keywords: Figurative trade mark, letter mark, new evidence, first time on appeal, admissibility, visual similarity, phonetic identity, weak element, identity of the goods and services, error by OHIM, no bearing on decision**

**RESULT: Action dismissed**

**FACTS:** The applicant sought to register the figurative mark, **R**, reproduced below for goods and services in Classes 25, 35 and 41. The opponent opposed the registration on the basis of the Spanish figurative mark, **R**, reproduced below, which covers goods and services in Classes 25 and 35. The grounds were those laid down in Article 8(1)(b) CTMR. The OD partially upheld the opposition for most of the goods and services applied for. On appeal, the Board dismissed the appeal. Before the General Court, the applicant alleges an infringement of Article 8(1)(b) CTMR.

CTMA	Earlier marks: DE, CTM
	

**SUBSTANCE :** Documents filed for the first time before the General Court are inadmissible. However, national judgments and decisions of the Opposition Division filed for the first time before the General Court are admissible, as the Court, in interpreting EU law, can draw inspiration from elements based on EU, national or international law (Para. 22). The relevant public is the average Spanish consumer of goods and services in Classes 25 and 35. The Board erred in not taking into account that the signs to be compared are short, so that the relevant public will more easily perceive the differences between the signs (Para. 36). Rather than visually very similar, the signs are just visually similar. The GC confirms that the marks are aurally identical. Since letters have no conceptual content, there is no conceptual


comparison. There is an overall degree of similarity between the signs, not a high degree, as the Board found. The Board erred in relation to the distinctive character of the earlier sign, which is very similar to the symbol ® (registered trade mark) and has thus a low distinctive character, resulting only from its colour and thickness (Paras. 50-51). In view of the identity of the products and services and of the overall similarity of the signs, the Board did not err in finding LOC, despite the two errors mentioned above (average similarity of the signs, not high; low distinctiveness of the earlier mark).

**Case T-206/12; GRE Grand River Enterprises Deutschland GmbH v OHIM; Judgment of 3 July 2013; Language of the case: DE**

**Keywords: Conceptual identity, distinctiveness, dominant element, identity of the goods and services, similarity of the goods and services, specialised public**

**RESULT: Action dismissed**

**FACTS:** The Opposition Division upheld the opposition and the Board of Appeal confirmed that decision due to the likelihood of confusion in case of the CTM application and the earlier mark, both represented below, for goods in Class 34 (tobacco and tobacco products). The applicant filed an action before the General Court claiming an infringement of Article 8(1)(b) CTMR.

CTMA	Earlier Mark
	<p data-bbox="874 981 1040 1008">La LIBERTAD</p>



**SUBSTANCE:** The Court considered the goods identical or similar and the trademarks similar. It affirmed that there was likelihood of confusion even on the basis of an enhanced level of attention that the relevant public of tobacco products pays to their trade marks (Para. 23). The visual and phonetic similarity of the signs results from the coincidence in their dominant elements: LIBERTE and LIBERTAD (Paras. 40 and 45). There is a conceptual identity of both marks provided the public makes a translation (Paras. 49-51 with the reference to T-33/03). The argument of the CTM applicant that the earlier mark has a limited distinctiveness as a common word of the Spanish language was rejected since there is no connection between its meaning and the protected goods (Para. 58).

**Case T-205/12; GRE Grand River Enterprises Deutschland GmbH v OHIM; Judgment of 3 July 2013; Language of the case: DE**

**Keywords: Conceptual identity, distinctiveness, dominant element, identity of the goods and services, similarity of the goods and services, specialised public**

**RESULT: Action dismissed**

**FACTS:** The Opposition Division upheld the opposition and the Board of Appeal confirmed that decision due to the likelihood of confusion in case of the CTM application and the earlier mark, both represented below, for goods in Class 34 (tobacco and tobacco products). The applicant filed an action before the Court claiming an infringement of Article 8(1) (b) CTMR.

CTMA	Earlier Mark
	


**SUBSTANCE:** The Court considered the goods identical or similar and the trademarks similar. It affirmed that there was likelihood of confusion even on the basis of an enhanced level of attention that the relevant public of tobacco products pays to their trade marks (Para. 23). The visual and phonetic similarity of the signs results from the coincidence in their dominant elements: LIBERTE and LIBERTAD (Paras. 40 and 45). There is a conceptual identity of both marks provided the public makes a translation (Paras. 50-52 with the reference to T-33/03). The argument of the CTM applicant that the earlier mark has a limited distinctiveness as a common word of the Spanish language was rejected, since there is no connection between its meaning and the protected goods (Para. 58).

**Case T-243/12; Warsteiner Brauerei Haus Cramer KG, v OHIM; Judgment of 3 July 2013; Language of the case: DE**

**Keywords:** Figurative trade mark, identity of the goods and services, dominant element, descriptive element, visual similarity, phonetic identity, likelihood of confusion

**RESULT:** Action dismissed

**FACTS:** The applicant sought to register the figurative sign **ALOHA 100% NATURAL**, shown below, as a CTM for goods in Class 32. The opponent based its opposition on Article 8(1)(b) CTMR using the earlier Italian word mark **ALOA**, registered for identical goods in Class 32. The Opposition Division upheld the opposition. The Board of Appeal dismissed the applicant’s appeal, finding that there was likelihood of confusion, taking into account the identity of the goods and the similarity of the signs. The applicant appealed to the GC, arguing an infringement of Article 8(1)(b) CTMR.

CTMA	Earlier French and IR marks
	<p style="text-align: center;">ALOA</p>

**SUBSTANCE:** The Court confirmed that the goods to be compared are identical (not disputed) (Para. 26). It stated that within the contested CTMA, the element “ALOHA” is the dominant part due to its eye-catching position and the descriptive meaning of the elements, “100%” and “NATURAL” as well as the decorative character of the figurative elements (Paras. 30-32). Since the dominant word element, “ALOHA”, of the contested CTMA includes all the letters of the earlier mark and, additionally, the letter “H”, there is at least a medium degree of visual similarity (Para. 33). From an aural point of view, a relevant part of the public will pronounce the contested mark only by referring to the word “ALOHA”. This leads to an aural identity (Para. 34). The GC held that the Italian public will, in principle, not understand the Hawaiian language (contrary to what was claimed by the applicant) and, consequently, the conceptual comparison is irrelevant (Para. 35). The GC added that for the goods in Class 32 the aural comparison is important as they are often ordered aurally (Para. 42) and, from an aural point of view, the marks are very similar. Taken all the relevant factors into account, the GC concluded that there is likelihood of confusion and dismissed the appeal (Para. 44).

**Case T-197/12; Metropolis Inmobiliarias y Restauraciones, SL v OHIM; Judgment of 11 July 2013; Language of the case: DE**

**Keywords: Dictionary, dissimilarity of goods, error by OHIM, figurative trade mark, first time on appeal, lack of reasoning, nature of the goods, new evidence, no bearing on decision, purpose of the goods and services**

**RESULT: Action dismissed**

**FACTS:** The applicant sought to register the figurative sign **METRO**, shown below, as a CTM, inter alia for services in Class 36 (financial services). The opponent based an opposition on Article 8(1)(b) CTMR using the earlier figurative CTM **GRUPOMETROPOLIS**, shown below, registered for services in Class 36 (real estate services). The Opposition Division rejected the opposition, finding the services to be dissimilar. The Board of Appeal dismissed the appeal, finding a low level of similarity between the services (complementarity), but considered that, in view of the visual and conceptual dissimilarity and low level phonetic similarity between the signs, there was no likelihood of confusion. The opponent appealed to the GC, arguing an infringement of Article 6 ECHR, of Articles 75 and 76 CTMR and of Article 8(1)(b) CTMR.

CTMA	Earlier CTM
	


**SUBSTANCE:** Admissibility: The GC declared the dictionary evidence on the meaning of the words “metro” and “metropolitan”, submitted by the opponent for the first time before the Court, to be admissible as it was in the Board decision that the similarity of the signs was first assessed (the OD had rejected the opposition for dissimilarity of the services). Hence, the opponent needs to be given the opportunity to appeal this aspect of the BoA decision and submit evidence in that regard (Para. 16). Substance: 1. Articles 75, 76 CTMR: The BoA took the opponent’s arguments on the similarity of the services into account and sufficiently reasoned its findings. There is no infringement of Articles 75, 76 CTMR. 2. Article 8(1)(b) CTMR: The consumer of financial and real estate services has an enhanced level of attention in relation to those services (Paras. 35-37). FINANCIAL SERVICES v REAL ESTATE SERVICES: The nature, intended purpose and use of these services is dissimilar (Para. 42). Even if they might in some cases be offered through the same distribution channels such as banks, they are not offered in the same branches, not, as the opponent claimed, without differences in every branch of a bank (Paras. 43-45). The services are not complementary to each other. The fact that the purchase of real estate necessitates financing does not make them complementary (Paras. 47-50). The Board considered incorrectly that the services had some complementarity. They are dissimilar. The Board’s error, however, does not have any influence on the legality of the decision as one of the conditions of Article 8(1)(b) is absent (Para. 51). Therefore, there is, in any case, no infringement of Article 8(1)(b) CTMR. 3. Article 6 ECHR: The procedure before the BoA is not a court procedure. Moreover, the opponent’s arguments on this point in reality refer to Article 8(1)(b)CTMR, not to Article 6 ECHR issues (Paras. 54-59).

**Case T-142/12; Aventis Pharmaceuticals, Inc. v OHIM; Judgment of 11 July 2013; Language of the case: EN**

**Keywords: Admissibility, beginning, conceptual similarity, figurative element, likelihood of confusion, phonetic similarity, specialised public**

**RESULT: Action partially upheld (BoA decision partially annulled)**

**FACTS:** The applicant sought to register the figurative sign **CULTRA**, see below, for goods in Class 10. The opponent filed a notice of opposition based on the earlier national word marks **SCULPTRA**, registered in the Czech Republic, Germany, Finland, UK and Hungary, for goods falling within Classes 5, 10 and 44. The Office decided that there was no likelihood of confusion. Following an appeal, the Board of Appeal dismissed the appeal on the ground that the signs were similar to a low degree, that the earlier signs had an inherently distinctive character and that the relevant public’s degree of attention was relatively high.

CTMA	Earlier national marks
	SCULPTRA

**ADMISSIBILITY:** The opponent's request that the GC give an opinion on the conclusions that would have been drawn as regards the likelihood of confusion, had the correct facts been applied with regard to the signs at issue, is inadmissible. In fact, the GC has no jurisdiction to issue a declaratory judgement (Paras. 13 – 15).

**SUBSTANCE:** The opponent raised two pleas in law, namely infringement of Article 76 CTMR and Rule 50 CTMIR, and of Article 8(1)(b) CTMR. As regards the public concerned, the GC confirmed that the goods and services concerned are directed at both professionals in the medical and paramedical fields and at the end consumers of those goods or services who display a high degree of attention (Para. 27). As regards the comparison of the signs, the GC noted that the Board of Appeal omitted to compare the signs phonetically from the perspective of that part of the public which would pronounce the figurative element of the applied-for trademark as a letter 'c'. That omission constituted a mistake which led to Board to the finding of only a low degree of phonetic similarity (Paras. 41-42). Since the first syllables of the signs begin with two sounds which are similar for a part of the relevant public and the second syllables coincide, the signs are phonetically similar for that part of the public (Para. 45). As concerns the conceptual comparison, the GC concluded that some degree of conceptual similarity exists between the signs, at least in relation to that part of the public which associates the words 'cultra' and 'sculptra' with the concepts of culture and sculpture, since those concepts may be linked to each other. Therefore, the Board's assessment of conceptual dissimilarity was wrong (Paras. 48-49). In light of the foregoing, the GC concluded that the decision of the Board of Appeal was based on an incorrect finding as regards the assessment of the phonetic and conceptual similarity of the signs and needed to be annulled (Para. 56).

**Case T-236/12; Airbus SAS v OHIM; Judgment of 3 of July 2013; Language of the case: EN**

**KEYWORDS:** Absolute grounds, Adversarial principle, Appealable decision, Competence of the Boards, Scope of proceedings

**RESULT:** Action partially upheld (BoA decision partially annulled)

**FACTS:** The applicant sought to register the word mark **NEO** as a CTM for goods and services in Classes 7, 12 and 39. The CTM was considered as descriptive and non-distinctive and the application was refused by the examiner under Article 7(1)(b) and (c) CTMR for the goods in Classes 7 and 12. It was allowed to proceed for the services in Class 39. The Board of Appeal dismissed the appeal. It considered, first, that it could re-open the examination without being limited by the examiner's reasoning. Secondly, it found that the trademark in question was a descriptive and non-distinctive term in respect of all the goods and services of the application, including the services in Class 39 which had been accepted by the examiner.

**SUBSTANCE:** As regards the applicant's first plea [infringement of Articles 64(1) and 59 CTMR], the GC considered that the Board exceeded the limits of its powers by re-opening *ex officio* the examination of the application in respect of the services in Class 39 which had been accepted by the examiner. The GC reasoned that parties to proceedings can only appeal a decision which adversely affects them. By contrast, when the decision upholds the claims of a party, such party is not entitled to appeal (Para. 23). Accordingly, when the application is only rejected in part, the applicant cannot legitimately appeal the decision as regards the goods and services which have been accepted. Therefore, even if the decision is appealed in its entirety, as in this case, the Board cannot carry out a full examination of the entire application. Next, the GC declared that the sign NEO is descriptive under Article 7(1)(c) since it refers in Modern Greek to something new or modern (Para. 37). Given such descriptive character, the sign also lacks a distinctive character under Article 7(1)(b) (Para. 44).

Thirdly, the GC considered, under a well-established case-law, that the Board could not be criticized for not following the previous practice of the Office or that of the national offices. On the other hand, the GC found that Article 112(2)(b), on the conversion into a national trade mark, does not imply that the Board has to carry out a detailed analysis in respect of



all Member States in order to facilitate a request for conversion by the applicant. Such interpretation would distort Article 7(2) (Paras. 57-58).

Finally, the GC underlined that the Board had shown that the word 'NEO' exists on its own in Modern Greek and means 'new' and that it will be perceived by the public as a descriptive sign. This finding was sufficient for a refusal under Article 7(1)(b) and (c), without being necessary to provide further evidence, as requested by the applicant.


The GC thus annulled the Board's decision in so far as it considered that the sign is descriptive and non-distinctive in relation to the services in Class 39 (Para. 27), while it dismissed the action as to the remainder.

**Case T-78/12; LIBERTE brunes v La LIBERTAD ea, Judgment of 3 July 2013, GRE Grand River Enterprises Deutschland GmbH v OHIM – de:**

**KEYWORDS:** Figurative trade mark, conceptual identity, identity of the goods and services, phonetic similarity, visual similarity, descriptive element, dominant element, translation

**RESULT:** Action dismissed

**FACTS:** The applicant sought to register the figurative mark **Liberte brunes** as a CTM for tobacco and tobacco related goods in Class 34. The opponent opposed the registration based, inter alia, on its earlier figurative CTM **La Libertad**, registered for goods in the Classes 14 and 34. The opposition was upheld by the Opposition Division as well as the Board of Appeal based on Article 8(1)(b) CTMR.

CTM applied for	Earlier CTM
	

**SUBSTANCE:** Consumers of tobacco products pay a high degree of attention when purchasing the products due to their brand loyalty (Para. 23). The goods are identical (not disputed) (Para.25). The figurative elements are of subordinate importance to the word elements and are viewed by the consumer as decorative elements. The elements, "Liberte" and "Libertad" are the dominant elements. The additional element "brunes" is merely a descriptive term indicating a type of tobacco and the additional element "la" merely an Article commonly used in languages of Latin origin (Para. 31). As the dominant elements are close to identical, other features, figurative as well as font, are insufficient to avoid similarity. The signs are visually similar (Para. 34). When spoken, it is probable that only the dominant elements, in this case the almost identical verbal elements "Liberte" and "Libertad", will be pronounced (Para. 37). The consumer often reduces what he verbalises to the dominant elements (Para. 38). The marks are conceptually highly similar, if not identical for those consumers that have at least a basic knowledge of French and Spanish (Para. 42). Conceptual similarity can arise in situations that require a translation (Para. 43 with reference to T-33/03, Shark/Hai). The GC concludes that, due to the identity of the goods, the visual similarity, the high degree of phonetic similarity as well as the conceptual identity for those consumers that understand the dominant verbal elements of the marks, there is a likelihood of confusion. This assessment is not changed by the fact that other marks containing the element "Libertad" for tobacco products have been registered. The registration of such other marks is not evidence of a low degree of distinctiveness of the earlier right. It is not evidence of real market presence (Para. 50).

Case T-208/12; Think Schuhwerk GmbH v OHIM; Judgment of 7 July 2013; Language of the case: DE

**KEYWORDS:** Position mark, shape of the products, lack of reasoning, well-known facts need no evidence, right to be heard, principle of legality, principle of non discrimination

**RESULT:** Action dismissed

**FACTS:** The applicant applied for the registration of the sign shown below (shoes with laces with red tips on the ends of shoelaces) as a CTM for goods in Class 25. The examiner refused the CTMA for on the ground that it was devoid of distinctive character under Article 7(1)(b) CTMR. The Board of Appeal upheld the examiner's decision as it considered that the use of red tips on the ends of shoelaces would not significantly differentiate the shoes from the usual form of shoes with laces. Consumers would not perceive the sign as an indication of origin of the products. The applicant appealed to the General Court, arguing, *inter alia*, that the Board's decision was insufficiently reasoned in accordance to Article 75 CTMR, that there was a violation of Article 76 CTMR with regards to the Office's examination *ex officio* that Article 7(1)(b) CTMR was not correctly applied and that there was a violation of the principle of equal treatment.



**SUBSTANCE:** The GC rejected the applicant's argument based on Article 75. It considered that, on the one hand, the applicant had well understood the argumentation of the Board that shoes and shoe laces existed in the market in many different forms, shapes and colours. On the other hand, it found that the applicant's arguments did, in reality, not relate to a lack of reasoning, but to the substantive issue of whether the sign has distinctive character (Para. 18). The GC also considered there was no violation of Article 76 CTMR. Where the Board finds that the sign is devoid of intrinsic distinctive character, it may base its' analysis on facts arising from practical experience generally acquired from the marketing of general consumer goods which are likely to be known by anyone and are in particular known by the consumers of those goods. In such a case, the Board is not obliged to give examples of such practical experience (Para. 24). The GC's approach in relation to marks that are made up of the appearance of a product (only acceptable if sign departs significantly from the norm or customs of the sector) applies not only to 3D marks, but also to figurative marks and to signs made up of a design on the surface of a product (Para. 34), such as the present CTM. The sign does not depart significantly from the norm or custom of the sector. The GC rejected the applicant's arguments that consumers of shoes had a high level of attention (it's average, Para. 42) and that red shoe laces were unusual in the sector (they are merely a variety of the basic form Para. 47). Finally, there is no violation of the principle of equal treatment. Earlier decisions of OHIM in other cases do not give a right to the applicant to have his sign registered (Para. 56).

Case T-321/10; SA.PAR. Srl v OHIM; Judgment of 11 July 2013; Language of the case: IT

**KEYWORDS:** Absolute grounds, Bad faith

**RESULT:** Action dismissed

**FACTS:** On 12 May 2004, the CTM owner applied to register the word mark **GRUPPO SALINI** as a CTM in respect of services in Classes 36, 37 and 42. The registration was granted on 12 September 2005. On 5 October 2007, the invalidity applicant filed an invalidity request, based, *inter alia*, on Article 52(1)(b) CTMR, on the one hand, and on Article 53(1)(c) CTMR on the other. The invalidity applicant, user of the sign **SALINI**, claimed that the CTM owner was in bad faith when applying to register the contested mark. The Cancellation Division rejected the invalidity request. On appeal, the Board

annulled the decision of the first instance. It considered, *inter alia*, that the invalidity applicant had proved to the requisite legal standard that the CTM owner was in bad faith at the time of filing. The CTM owner appealed the decision before the GC, who dismissed the appeal.

**SUBSTANCE:** The GC found that the CTM owner could not ignore, and was probably aware of, the fact that the invalidity applicant had been using the sign SALINI (alone or in combination with the word ‘COSTRUTTORI’ meaning ‘builders’) both in Italy and abroad for a long time in order to distinguish its activity in respect of building activities and the planning of public infrastructures. Moreover, the directors of the CTM owner were not only members of the same enlarged Salini family, but they were sitting on the board of directors of the invalidity applicant (one of them having acted as President of the board of directors between 2000 and 2003) and were, therefore, in a position to influence the business strategies of the invalidity applicant, including the choice of applying to register the SALINI trade mark, that had been in use for several decades (Para. 25). The GC then focused on the timing of events and noted that the CTM owner had filed the contested mark only a few months after the start of the pending (before the Italian Courts) dispute between the parties and had taken advantage of the situation of legal uncertainty concerning the internal balance of the invalidity applicant, and that the filing had taken place during a phase of rapid growth, both domestically and internationally, of the invalidity applicant. The GC thus held that the CTM owner could not possibly ignore the potential damage that its initiative of filing the contested mark implied for the invalidity applicant’s business strategies (Para. 30).

The GC then noted that the fact that the invalidity applicant had not registered its brand ‘SALINI’ could be explained with its belief that its prior use of the sign conferred onto it legal ownership rights under Italian law and, in particular, with the invalidity applicant’s willingness to respect the ‘gentlemen agreement’ that was apparently in force between the various members of the Salini family and which meant that they could use the name Salini to distinguish their different business activities, but not attempt to register it (Para. 31). The GC further noted that in 2003 the invalidity applicant had adopted an ethical code where reference was made to ‘Gruppo Salini’ and it was explained that said code was binding for all the members of the group of companies (i.e. including the CTM owner) and that the expression ‘Gruppo Salini’ designated the invalidity applicant and any other company controlled by it (i.e. also the CTM owner). Thus, the CTM owner cannot reasonably claim that, at the time of filing, it did not know about the existence of the mentioned ethical code and the definition of the expression ‘Gruppo Salini’ therein contained (Para. 32).


Finally, the GC confirmed the Board’s finding that the existence of bad faith at the time of filing entails the invalidity of the contested mark in respect of all of the services covered by it (Para. 48). Having found that the Board had correctly concluded that the invalidity applicant had established that the CTM owner was in bad faith at the time of filing, the GC refrained from addressing the other grounds and pleas on which the appeal was based.

**Case T-349/12; Rudolf Leiner GmbH v OHIM; Judgment of 6 September 2013; Language of the case: DE**

**KEYWORDS:** Figurative element, Figurative trade mark, Identity of the goods and services, Phonetic similarity, Visual similarity

**RESULT:** Action dismissed

**FACTS:** The applicant filed a CTM application for the figurative mark **REVARO**, shown below, *inter alia* for ‘furniture’. The opponent lodged an opposition based on its earlier CTM **RECARO**, registered, *inter alia* for ‘furniture’. The Opposition Division granted the opposition on the basis of Article 8(1)(b) CTMR. The Board of Appeal dismissed the appeal in view of the identity of the goods and the high visual and phonetic similarity of the signs. The applicant appealed to the GC, claiming an infringement of Article 8(1)(b) CTMR.

CTMA	Earlier CTM
	<p data-bbox="1037 1803 1157 1836"><b>RECARO</b></p>

**SUBSTANCE:** The relevant consumer of 'furniture' is the general public. When purchasing such goods, the consumer shows an increased level of attention (Para. 17). The goods concerned are identical. The signs are visually similar to a high degree. The consumer is generally prone to focus on the word element of a combined CTM than its figurative elements. This goes for the word mark applied for due to its size and central position in the mark (Paras. 23, 24). Although the figurative element of a cube, placed at the beginning of the mark applied for, is not negligible, it could well be understood as a decorative element. It has no meaning that would give the sign distinctive character. The stylization of the word element in no way affects the legibility and immediate recognisability of the word (Para. 26). In spite of that stylisation, and bearing in mind the imperfect recollection of the consumer, there is high visual similarity. Equally, the signs are highly similar phonetically due to their structure, rhythm and pronunciation. The different letter in the second syllable does not outweigh the similarities (Para. 33). Neither word has a meaning (not disputed). There is likelihood of confusion.

**Case T-218/10; DHL International GmbH v OHIM; Judgment of 30 May 2013; Language of the case: DE**

**KEYWORDS:** Admissibility, Certificate of registration, Dominant element, Examination of facts *ex officio*, Figurative trade mark, General reference to previous submissions, Identity of the goods and services, Phonetic similarity, Principle of legality, Principle of non discrimination, Relevant language, Renewal, Similarity of the signs, Visual similarity, Weak element

**RESULT:** Action dismissed

**FACTS:** The applicant sought to register the figurative sign **SERVICEPOINT**, shown below, as a CTM for goods and services in the Classes 16, 20, 35 and 39. The opponent based an opposition, *inter alia*, on Article 8(1)(b) CTMR using, *inter alia*, the earlier figurative CTM, **Service Point**, shown below, registered, for goods and services in Classes 8, 9, 16, 20, 35, 38, 39 and 42. The Opposition Division allowed the opposition. The Board of Appeal dismissed the applicant's appeal, finding a high level of similarity between the goods and services as well as the signs, leading to likelihood of confusion. The applicant appealed to the GC, arguing an infringement of Article 76 (1) and (2) CTMR and of Article 8(1)(b) CTMR.

CTMA	Earlier CTM
	

**SUBSTANCE:** The GC rejected the applicant's general reference to its arguments before OHIM as inadmissible (Para. 15). It also rejected the applicant's argument that the earlier right had not been renewed for the goods in Class 20 as the earlier right was still in force for those goods at the time the Board's decision was taken (Paras. 16-18). Regarding Article 8(1)(b) CTMR, the goods and services are in part identical, in part highly similar (not disputed). The relevant consumer is the average consumer in the EU (not disputed). As regards the comparison of the signs, the attention of the consumer is drawn to the verbal element in the earlier right due to its position, size and fonts. In the CTM applied for, the verbal element draws attention through its capital letters in two colours (Para. 37). The GC rejected the applicant's argument that the verbal element was purely descriptive. Outside the UK and Ireland only 34% of EU inhabitants are able to communicate in English. A large part does not have any significant knowledge of the language. Half of the adults within the EU do not speak English. Of those who can speak the language, a third has only basic knowledge (Para. 39). Only the French language contains an identical verbal expression. In other languages the translation is very different. The applicant has not shown that "service point" is part of the basic English vocabulary (Para. 40). The Board was correct in finding that the verbal element has no meaning for many of the relevant consumers. For the English speaking consumer, it is not the normal expression (usually, such points are referred to as "customer service points" or "information points") and has an, albeit low, level of distinctive character (Para. 42). The figurative elements of the signs are merely decorative (Para. 47). Visually, the verbal element is dominant. Phonetically, the signs are similar (not disputed). Conceptually, a large part of the relevant public will not attribute any meaning to the expression. Where they do, there is conceptual similarity. In view of the high level of similarity of the signs and the identity or strong similarity of the goods and services, there is likelihood of confusion. This is even so for those Member States, in which the verbal element has a low level of distinctive character (Para. 55). Other national decisions are irrelevant, as the CTMR is an autonomous system (Para. 56). No breach of Article 76(1) and (2) CTMR: The Board has assessed the level of distinctive character of the earlier



right as required. The fact that the Board did not take into account certain documentation submitted by the applicant does not have any influence on the legality of the contested decision (Paras. 59-70).

**Case T-396/11; ultra air GmbH v OHIM; Judgment of 30 May 2012; Language of the case: DE**

**KEYWORDS: Admissibility, Adversely affected**

**RESULT: Action upheld (BoA decision annulled)**

**FACTS:** The CTM owner's sign **ultrafilter international** was registered, following appeal proceedings before the Board of Appeal, as a CTM for goods and services in Classes 7, 11, 37, 41 and 42 on the basis of distinctiveness acquired through use. [Article 7(3) CTMR overcoming Article 7(1)(b) and (c) CTMR] The invalidity applicant brought an invalidity action based on Article 52(1)(a) in conjunction with Articles 7(1)(b) and (c) CTMR. The Cancellation Division upheld the application for a declaration of invalidity. The Board of Appeal annulled that decision. It considered that the application for a declaration of invalidity was vitiated by an abuse of rights and was inadmissible. By its application, the invalidity applicant was in reality seeking to use the designation itself as a trade mark. Its intentions, which amount to an abuse of rights, are further evidenced by the fact that, in 2003, the former manager of the CTM owner and current manager of the invalidity applicant personally defended the distinctive character which that mark had acquired through use. The invalidity applicant appealed to the GC claiming an infringement of Article 56(1)(a) and of Article 52(1)(a) CTMR.

**SUBSTANCE:** The GC emphasized that, whereas relative grounds for refusal protect the interests of proprietors of certain earlier rights, absolute grounds for refusal aim to protect the public interest underlying them. This explains why Article 56(1)(a) CTMR does not require the invalidity applicant to show an interest in bringing proceedings [as opposed to Article 56(1)(b) and (c) CTMR] (Para. 18). The purpose of the administrative procedure laid down in Article 56(1)(a) CTMR is, *inter alia*, to enable OHIM to review the validity of the registration of a mark and to adopt, where necessary, a position which it should have adopted of its own motion under Article 37(1) CTMR. OHIM is required to assess whether the mark is descriptive and/or devoid of distinctive character, without the motives and earlier conduct of the invalidity applicant being able to affect the scope of the task entrusted to OHIM in relation to the public interest. Given that, in applying the provisions at issue, OHIM does not rule on the question whether the rights of the CTM owner take precedence over any rights which the invalidity applicant might have, but ascertains whether the rights of the CTM owner were validly obtained in the light of the rules governing the registrability of marks, there can be no question of an 'abuse of rights' on the part of the invalidity applicant (Para. 21). The Court rejected the CTM owner's arguments, namely that the invalidity applicant only wanted to affix the sign to its own products, that the owner's former manager (now manager of the invalidity applicant) had argued the opposite before and that the invalidity applicant engaged in unfair competition, as irrelevant. The Board erred by annulling the decision of the Cancellation Division and by rejecting the application for a declaration of invalidity as inadmissible on the basis of an alleged 'abuse of rights'.

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*Cancellation - Articles 53(2)(b) and 52(1)(b) CTMR - The right of personal portrayal – Bad faith*

On the 16 February 2011, Billie Jean, the CTM proprietor, registered the figurative mark



for the following list of goods: Class 1 - Alcohol; ethyl alcohol; Class 33 - Alcoholic beverages (except beers)



John Branca and John McClain in their capacity as Special Administrators of the Estate of Michael Joseph Jackson ('the cancellation applicants') filed a request for a declaration of invalidity against the contested CTM, based on the absolute ground of Article 52(1)(b) CTMR alleging that the CTM proprietor had acted in bad faith at the moment of filing the contested CTM and the relative ground of Article 53(2)(b) CTMR alleging the registration of the contested CTM in breach of a right of personal portrayal in Germany.

It was directed against all the goods covered by the contested CTM.

With respect to Article 53(2)(b) CTMR, the cancellation applicants explain that they are co-executors appointed by the will of the artist Michael Jackson and that they have been appointed Special Administrators to the Estate of Michael Jackson by the Superior Court of California, thereby being entitled to assert all rights and claims with respect to Michael Jackson, including the assertion of posthumous personality rights. Michael Jackson is considered the most famous pop star of all time, and has sold the most records worldwide. 'Billie Jean' is one of the most successful compositions ever released as a single, and that it is considered one of Michael Jackson's biggest successes, it being inseparably associated with him in the public's perception. Michael Jackson was visually characterised by his distinctive clothing (hat, white glove, suit) and the iconic poses from his dance routines. Michael Jackson was, therefore, regularly depicted and recognised as a silhouette whilst still alive. The contested CTM is a depiction one of Michael Jackson's most famous dance moves which became famous due to its use in the live performance of the song 'Billie Jean'. As a result, Michael Jackson is clearly recognisable to anyone in the contested CTM.

The cancellation applicants claim that the contested CTM must be declared invalid under Article 53(2)(b) CTMR as it infringes the posthumous personality rights of the deceased artist, Michael Jackson, pursuant to Sections 823, 1004 German Civil Code (BGB) in conjunction with Articles 1, 2 of the German Constitution (GG). Use of the contested CTM can, therefore, be prohibited under German law. No consent from Michael Jackson exists for use of the contested CTM, and any use by the CTM proprietor is therefore unauthorized. The fact that Michael Jackson is deceased is not detrimental to the case, under German law, since the heirs or relatives of the person depicted are entitled, under German law, to assert legal claims in the event of any unauthorized use.

With respect to Article 52(1)(b) CTMR, the cancellation applicants state that bad faith exists if a trade mark has been registered in contravention of the law and contrary to public policy. This is, in particular, the case if persons clearly not entitled to do so register names or images/likenesses of well-known living or deceased personalities. This is the case here considering that the portrait of Michael Jackson is clearly recognizable in the contested CTM. The contested CTM has, therefore, clearly been submitted for the sole purpose of realizing a profit from the interest in the person, Michael Jackson, which has increased due to his death and thereby also of preventing the artist's heirs from using his images/likenesses. The German Patent & Trade Mark Office has rejected a large number of trade mark applications pertaining to Michael Jackson, *inter alia*, with reference to bad faith.

The CTM proprietor did not file any response.

The Cancellation Division took a decision by which it rejected the request for a declaration of invalidity in its entirety. Its content is, in essence, the following:

#### *The right of personal portrayal – Article 53(2)(b) CTMR*

The cancellation applicants have invoked the right to personal portrayal in Germany based on German national law. They have claimed that the contested CTM should be declared invalid based on personality rights concerning images developed by German courts pursuant to Sections 823, 1004 BGB in conjunction with Articles 1 and 2 GG.

From the evidence submitted by the cancellation applicants, it is possible to deduce that under German law, protection against unauthorized commercial exploitation and use of a person's personality rights exists. The excerpt from the 'Der Blaue Engel' ruling in Exhibit 16 and the Munich Commentary state that the personality right includes the rights to one's image.

As to posthumous protection, the 'Der Blaue Engel' ruling in Exhibit 16 as well as the Munich Commentary state that upon a person's death such rights pass to the person's legal successors whereupon it lasts for a period limited to 10 years.

As to the scope of the image rights, the ruling 'Fußballtor' in Exhibit 14 states that it is sufficient that the person in question can be recognised due to characteristics resulting from the image which are specific to the person in question or if the person in question can be recognised from the added text.

However, the cancellation applicants have neither provided the relevant legal texts nor argued their case based on an interpretation of the legal provisions on which the claimed right is based. It is, therefore, not possible for the Cancellation Division to precisely determine whether or not the facts of the case based on the cited German statutes of law as interpreted through German legal theory and case-law apply to the case at hand and, if applicable, what consequences would derive from them in the case at hand.

There is no prior case-law in the EU system based on Article 53(2)(b) CTMR in conjunction with German national law.

Consequently, the Cancellation Division finds that the claims under Article 53(2)(b) CTMR are not sufficiently substantiated.

#### *Bad faith – Article 52(1)(b) CTMR*

The burden of proof for the existence of bad faith rests on the cancellation applicants. The notion of bad faith is based on the subjective intentions of the CTM proprietor at the time of filing the mark. Therefore, all the objective circumstances of the case, including before and after the filing, have to be taken into consideration as well.

Based on the evidence submitted, it is clear that Michael Jackson is famous. This can also be considered a well-known fact. It is also evident from the evidence that BILLIE JEAN is one of his biggest hits which is still popular today. Michael Jackson used a pose similar to the silhouette in the contested CTM when performing the song live, wearing similar clothing. Consequently, the relevant public might perceive the contested CTM as a reference to Michael Jackson, even though the contested CTM is registered for goods in Classes 1 and 33.

Furthermore, since the CTM proprietor has made a dual reference to Michael Jackson by using the term BILLIE JEAN and the silhouette, it is clear that the CTM proprietor at the time of filing must have been aware that she was making such a reference.

The cancellation applicants have based their arguments on a decision from German courts concerning the name 'Lady Di', whereupon the Court, according to the partial English translation, states that the registration of the name or image of a well-known deceased person is an indication of bad faith.

The fact that the contested CTM contains Michael Jackson's silhouette is not an objective circumstance which automatically shows that the CTM proprietor's subjective intentions at the time of filing the contested CTM can be determined as being contrary to acceptable commercial behaviour. Other indications are also required. There is no evidence that the contested CTM was filed, for instance, only for speculative reasons, that it was filed without any intention of being used or that it was filed solely with the purposes of taking advantage of Michael Jackson's fame and competing unfairly.

The CTM proprietor successfully filed four CTM applications for the same goods as in the present case consisting of a figurative mark with the verbal element BILLIE JEAN and a depiction of Michael Jackson's silhouette in a dance pose. But filing several variations of a trade mark is quite usual. Therefore, the repetitive nature does not in the case at hand suggest unacceptable commercial behaviour.

The Cancellation Division finds that the cancellation applicants have not provided sufficient indications for bad faith. Therefore, the claims made under Article 52(1)(b) CTMR must be rejected.

The cancellation applicants filed an appeal against the contested decision.

In its decision, the Board deemed the appeal admissible. The Board found essentially the following:

#### *On the claim under Article 53(2)(b) CTMR*

According to the extract from the 'Der Blaue Engel' (translation submitted by the cancellation applicants) ruling of the Higher Regional Court of Munich of 1 December 1999 (Exhibit 16), '*the general personality rights protected by Section 823(1) German Civil Code (BGB) and in particular their special forms such as the right to one's own image not only serve the protection of immaterial interest but also the commercial interest in one's personality and that these commercially valuable elements of personality rights are inheritable*'. Moreover, '*the heirs are therefore definitely entitled to the commercial use of the rights to one's own image protected after death for the period of ten years*' and they can

*'assert legal claims for defence and in the event of unauthorized use ... assert enrichment claims and, if applicable, compensation claims'.*

This judgment confirms that general personality rights are protected by German law, namely by the section of the German Civil Code identified by the cancellation applicants, and that the right to one's own image is a special form of general personality rights. Besides, it can be inferred from this judgment that these rights involve commercially valuable elements that are inheritable, the duration of posthumous protection of the commercially valuable elements of personality rights being limited to ten years after death (see also German Federal Court of Justice ruling of 6 December 2005, submitted as Exhibit 17, which refers to *'... the commercial value created by the performance of the deceased and which is embodied (...) in his image after his death'*). Thus, the person's *'legal successors'* are entitled to defend their rights within that period against unauthorised *'commercial exploitation'* (see the extracts from the Munich Commentary on the German Civil Code submitted as Exhibit 13).

It is a well-known fact that Michael Jackson was a famous superstar. This is also supported by the evidence submitted. The evidence also proves that *'BILLIE JEAN'* is one of Michael Jackson's biggest hits. Therefore, *'BILLIE JEAN'* is inseparably associated with Michael Jackson in the public's perception. The silhouette in the contested CTM consists of a man in a similar pose to that used by Michael Jackson when performing *'Billie Jean'* at the Dangerous Tour - Live in Bucharest in 1992, and wearing similar clothing (hat and suit).

The facts that the mark includes a verbal element directly linked to Michael Jackson (*'BILLIE JEAN'* one of his most famous hits) and that the figurative element consists of a silhouette that reproduces a man in one of Michael Jackson's poses and wearing clothing as those commonly used by Michael Jackson in his performances, lead the Board to conclude that the relevant public will recognise Michael Jackson's image in the contested CTM.

This is considered to be use of an image right according to German case-law, which is a special form of general personality rights protected by German law.

It is directly inferred from the purpose of a trade mark, as a business identifier, that use of Michael Jackson's image as it appears in the contested CTM implies commercial exploitation. This use has not been authorised by Michael Jackson or by people who have assumed the role of the holders of his personality rights after his death. Consequently, the contested CTM means an unauthorised commercial use of Michael Jackson's image and the cancellation applicants are entitled to defend this right to one's own image against the infringement caused by this unauthorised commercial exploitation of the commercially valuable elements of personality rights that it involves.

Taking into account the content of the German case-law submitted by the cancellation applicants and that the infringement of the right to a personal portrayal claimed by the cancellation applicants consists of its *'unauthorised use'* by a third party, the right to prohibit the (*'unauthorised'*) use of the contested CTM arises as a necessary consequence of an active defence of this right to one's own image, without excluding additional actions (as for example, compensation claims).

The CTM proprietor has infringed Michael Jackson's image and the cancellation applicants are entitled to prohibit this use according to German law as developed by established German jurisprudence.

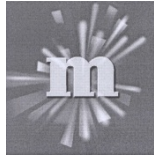
Therefore, the contested decision is annulled and the CTM declared invalid for all the goods it covers.

*Opposition - Article 8(1)(b) CTMR*

## Decision of the Fourth Board of Appeal of 20 August 2013 in Case R 566/2012-4 (EN)



the contested trade mark was applied for, for a broad range of goods and services in Classes 16, 18, 20, 21, 25, 29, 30, 33, 38, 39 and 41 including 'confectionery and ices' in Class 30.



The relevant earlier mark, was registered in Sweden for 'chocolate, chocolate products, chocolate-coated nuts, confectionery' in Class 30.

Reputation was claimed for this mark in Sweden for 'dragees in the form of chocolate-coated peanuts' for which extensive evidence was submitted within the deadline. The grounds for opposition were those laid down in Article 8(1)(b) and 8(5) CTMR. It was directed against part of the goods of the application, i.e. 'confectionery and ices' in Class 30 and based on all the goods of the earlier right.

The Opposition Division rejected the opposition in its entirety stating, *inter alia*, that, although the contested goods are identical (confectionery) or similar to a low degree (ices) to the earlier goods, a single letter *per se* is generally devoid of distinctive character and does not, in principle, serve in trade to distinguish the goods of one undertaking from those of other undertakings. The aural and conceptual impressions conveyed by the marks are not relevant; the visual impression has a determining weight. The letter 'm' is depicted in a very different manner in the conflicting signs. Therefore the protection of the earlier mark is sought for the specific manner in which it is represented and not for the single letter itself.

A likelihood of confusion would not exist even if the earlier marks enjoyed an enhanced distinctiveness due to extensive use. There is no need to examine the reputation evidence and proof of use.

The opposition filed on the grounds of Article 8(5) CTMR also fails as, even if reputation of the earlier mark were proven, in view of the low distinctive character of the common elements in question, the similarities that the contested trade mark present with the earlier marks are unlikely to bring the earlier trade mark to the mind of the average consumer.

The opponent filed an appeal against this decision.

The Board found that the appeal was well founded. It partially disagreed with the Opposition Division's reasoning concerning the comparison of the goods and found that the contested goods 'ices' would be highly similar to the earlier goods because they are not only distributed through the same channels, but they are also directly linked to each other due to the fact that brands for chocolate products are commonly used on ices as well, in connection with brand extension. For example MARS, SNICKERS etc. can also be found as trade marks for ices and ice cream.

As regards the comparison of the signs it argued that the conflicting marks are dominated by the bold lower-case letter 'm' in an almost identical typeface. The additional device elements that consist of stripes, small stars or sparkles are much smaller, would therefore not be perceived by the consumer and would only be seen as ornamental without distinguishing the marks. The marks would be highly similar from a visual point of view, aurally identical and conceptually similar as well. In this respect it argues that a single letter as such can be a distinctive mark.

It concluded that the inherent distinctiveness of the earlier mark is weak. However, the earlier mark's claimed reputation and enhanced distinctiveness for 'dragees in the form of chocolate-coated peanuts' has been proven by, *inter alia*, a GfK market survey, which confirms the recognition of the letter 'm' for the opponent's chocolate dragées, which can only be a result of its intensive use during a long period of time. That such use took place is indeed confirmed by all the other evidence submitted by the opponent which shows the letter 'm' consistently used for these products in exactly the same bold typeface over many decades.

It follows that the inherent weakness of the earlier mark is more than compensated by its massive use and that the distinctiveness of the earlier mark registered for products which are identical to these goods is, at least, normal.


Taking into account the identity and average similarity of the conflicting goods, the average visual similarity and the aural identity of the conflicting signs, the normal level of distinctiveness of the earlier mark and the no more than average level

of attentiveness of the relevant consumer it must be concluded that there is a likelihood of confusion on the part of the relevant public for all the contested goods.

*Ex parte – Article 7(1)(b) CTMR*

### Decision of the Second Board of Appeal of 12 July 2013 in Case R 1927/2012-2 (EN)



This figurative sign  was applied for, for goods in Classes 9, 16, 25 and 'games and playthings; toys, soft toys' in Class 28.

The examiner partially refused the registration of the sign, the graphic representation which depicts a jumping teddy bear in black with a red heart with plasters around it. It found that the shape in question cannot be sufficiently distinguished from other shapes commonly used for toys and it will not enable the relevant public immediately and with certainty to distinguish the applicant's goods from those of another commercial origin. Therefore, the mark applied for is devoid of any distinctive character to distinguish the goods objected to, namely 'games and playthings; toys; soft toys; game cards' in Class 28 within the meaning of Article 7(1)(b) CTMR.

The applicant requested to limit the Class 28 specification to 'games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; toys; soft toys, not including teddy bears; game cards'.

This limitation was not accepted by the examiner.



This decision was appealed by the applicant, who argued as follows: 'The mark applied for is a jumping bear viewed from a right angle, ... a happy smile, closed eyes, a big black koala nose, outstretched front paws, a protruding belly with a big red heart-shaped patch either sewn or taped on, within a circle and with its back paws stretched back. All of these features collaborate to create the image of this particular sign for which protection is sought, which the applicant wishes to use as an identifier for all the goods in the specification. The mark applied for is not just a 'teddy bear', it is a distinctive sign with distinctive features, put together to create a characteristic visual image'.

The Board found that the mark applied for is not a naturalistic reproduction of the goods themselves. The sign also does not show the goods themselves but only in a straightforward stylised manner, thus, it is an arbitrary and fanciful combination of various elements, such as the bear with a protruding belly with a big red heart-shaped patch either sewn or taped on, within a circle and with its back paws stretched back. The Board agrees with the applicant that the mark applied for is not just a 'teddy bear', it is a distinctive sign with distinctive features, put together to create a characteristic visual image. Considering that the goods objected to are 'games and playthings, toys, soft toys and game cards' the Board considers the representation of the mark too stylised to be taken as a naturalistic reproduction of the goods themselves. Taking all of the above into account, no objection under Article 7(1)(b) CTMR arises. It follows that the appeal must be upheld, the contested decision annulled and the mark may, therefore, be accepted for publication for all the goods applied for.

*Procedural issues – Lack of translation*

### Decision from the Second Board of 2 July 2013 In Case R 1442/2012- 2 (EN)



the contested application  was sought for goods in Classes 32 and 33. The earlier mark  was registered for, *inter alia*, goods in Classes 32 and 33 on which the opposition was based.

The Office informed the parties that, as the opponent had failed to substantiate the earlier right claimed as a basis of the opposition within the set time-limit, the Office would give a ruling on the opposition on the basis of the evidence before it.

The opponent replied by contesting the above finding.

The Opposition Division rejected the opposition because the translation of the registration certificate submitted by the opponent did not contain all the relevant data of the original document, namely, the designation of colours was not



translated into English, with the consequence that the said document did not reproduce the structure and content of the evidence to be translated. Therefore, the evidence filed by the opponent could not be taken into account and the opposition had to be rejected as unfounded in accordance with Rules 19(4) and 20(1) CTMIR.

The opponent filed a notice of appeal against the contested decision. It noted that the designation of colours was indeed translated into English. In fact, the colour 'gold' is 'gold' in English, too, and the colour 'bordeauxrot' is 'bordeaux' in English. Even if the additional word 'rot' was forgotten to be deleted, the colours meant could be understood in English.

The Board stated that Rule 20(1) CTMIR specifies that 'if until the expiry of the period referred to in Rule 19(1) the opposing party has not proven the existence, validity and scope of protection of his earlier mark or earlier right, the opposition shall be rejected as unfounded'. Furthermore, Rule 20(6), second sentence, CTMIR provides that 'In no case shall the Office be required to inform the parties which facts or evidence could be or have not been submitted.' It adds that it is apparent from the file relating to the proceedings before the Opposition Division that, in order to prove the existence, the validity and the scope of the protection of earlier German mark No 304 627 770, the opponent submitted the following documents:

- (i) a registration certificate which consists of a total of four pages;
- (ii) an untitled one-page document in English which contains information on the trade mark and includes some of the codes which appear on the registration certificate.

The Board observes that the document under (ii) does not meet the requirements set out in Rule 98(1) CTMIR as regards translations. Firstly, that document does not identify the document to which it refers. It bears no heading, no reference to the issuing authority and no indications on the type of document it is. Secondly, it does not reproduce the structure and content of the original document. In fact, as already observed, the latter document consists of four pages. The cover page, which apparently contains the basic data of the registration, has not been translated. The further three pages, containing more detailed information, have been translated only partially, which can be seen by checking the matching codes of the original document and the translation. In fact, only a part of pages 1 and 2 have been translated, whereas there is no translation of the remaining parts – and codes – of the document, which amount to half of it. Thirdly, as correctly observed in the contested decision, the designation of colours of the mark was not translated into English either. In this respect, the opponent observes that it would have been more appropriate, on the part of the Opposition Division, not to take the claimed colours into account, rather than rejecting the opposition because of the lack of a translation of those elements. The Board does not share the opponent's view. In fact, colour claims in registration certificates are essential elements of the mark which affect the scope of protection of the same and, as such, cannot be simply 'disregarded'. It is true that, as the opponent claims, the colour 'gold' (in German) is translated 'gold' in English, too, and the colour 'bordeauxrot' (in German) is similar to the corresponding English word 'bordeaux'. However, even assuming that the applicant were, for those reasons, to understand the meaning of the above non-translated entry in this particular case, document (ii) would still not meet the requirements set out in Rule 98(1) CTMIR as regards translations, for the detailed reasons indicated at paras 21 to 24 *supra*. For the sake of clarity, the Board notes that the opponent was duly reminded about the need for translations to comply with the above requirements, by the Office's notification of 5 October 2011, to which an information sheet about evidence was attached, including detailed information about translations. In view of the above, it must be concluded that the opponent failed to adequately prove the existence, the validity and the scope of protection of the earlier German mark claimed as a basis of the opposition.

Therefore, the opposition must be rejected as unfounded in accordance with Rules 20(1) and 19(4) CTMIR.

*Opposition - Article 8(1)(b) CTMR*

### **Decision from the Second Board of Appeal of 3 July 2013 in Case R 765/2012-2 (EN)**

The applicant sought to register the word mark '**TANNA**' for the following list of goods and services:

Class 33 – Wines;

Class 35 - Retail services or wholesale services for wine;

**Class 39 - Transport; Packaging and storage of wines**

The opponent filed an opposition based on the earlier German mark 'TANIA' registered for the following goods: 'wines; beverages containing wines', in Class 33 on the grounds of Article 8(1)(b) CTMR .

The opposition was based on all of the goods covered by the earlier right and directed against part of the goods of the contested application, namely against 'wines' in Class 33.

The OD rejected the opposition in its entirety with the following arguments:

- Visually and aurally the signs have coincidences but also differences. Conceptually, although the word 'TANIA' is a common female name in Germany, personal names are unable to convey a concept. The word 'TANNA' has no meaning for the relevant public. Therefore neither of the two signs has a meaning from the perspective of the public in the relevant territory. Therefore, they have no concept in common.
- The marks under comparison have no elements which could be considered clearly more distinctive or dominant (visually eye-catching) in comparison to other elements.
- The earlier trade mark as a whole has no meaning in relation to any of the goods at hand from the perspective of the public in the relevant territory. Therefore, its distinctiveness must be seen as normal.
- The goods are directed at the public at large and have been found to be identical.
- The word 'TANIA' is a common female name in the relevant territory, Germany, and will be clearly recognised and memorised as such by that relevant public.
- It is not just the indication of a female name in the earlier trade mark that differs in these marks, but also the visual and aural differences, which will not be overlooked by the relevant public either. Aurally the earlier mark comprises three syllables and the contested sign only two. This difference in the construction of the marks substantially affects the rhythm and intonation of the pronunciation of each word. This difference is immediate and obvious to the German-speaking consumer.
- Because of the nature of the goods at issue, such goods may be ordered or purchased verbally in places with noisy backgrounds. As such, confusion may arise.
- The differences between the signs outweigh the similarities and that the relevant public for the goods in Class 33 will not think that they come from the same or economically-linked undertakings if those goods bear the marks in dispute.

The opponent filed an appeal.

The Board finds that the contested 'wines' in Class 33 are directed at the public at large, consisting of consumers whose attention is likely to be average and who are reasonably well informed and reasonably observant and circumspect. The relevant public is the German public.

The Board agrees with the contested decision's finding that the contested goods 'wines' in Class 33 are identical to the earlier goods, this finding, moreover, has not been contested by either of the parties.

The Board considers the marks highly similar overall from the visual perspective, similar overall from the aural perspective, to at least a medium degree. Given that the contested sign does not invoke any concept, the signs differ conceptually, however only for part of the public that does perceive the earlier mark as a first name. For the part of the public that does not perceive the earlier mark as a first name, a conceptual comparison cannot be made.

The distinctiveness of the earlier mark must be seen as normal.

In respect of the goods at hand, wines, the Court has already held that both the visual and aural perception of consumers play a role in the overall assessment of a possible likelihood of confusion, although the aural perception is of special importance in respect of such goods.

The application of the principle of the interdependence of the various factors confirms the conclusion that a likelihood of confusion is found with respect to the contested goods 'wines' in Class 33, that the contested decision must be annulled, and that registration of the mark applied for is refused in relation to the goods 'wines' in Class 33.