

**DECISION
of the First Board of Appeal
of 1 September 2022**

In Case R 664/2022-1

Studio Beverage Group, Inc.

Unit C, 1754 2nd Street
Napa California 94558
United States of America

Applicant / Appellant

represented by METIDA, Business center VERTAS, Gynėjų g. 16, 01109 Vilnius,
Lithuania

APPEAL relating to European Union trade mark application No 18 495 362

THE FIRST BOARD OF APPEAL

composed of G. Humphreys (Chairperson), C. Bartos (Rapporteur) and M. Bra
(Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 By an application filed on 17 June 2021, Studio Beverage Group, Inc. ('the applicant'), sought to register the sign

TAKE FIVE

as a European trade mark ('EUTM') for the following list of goods:

Class 32 – Mineral waters; flavoured mineral water; Carbonated mineral water; Non-alcoholic drinks.

- 2 Following an objection to the application and observations made by the applicant, the examiner refused the application entirely by decision of 22 February 2022 ('the contested decision') under Article 7(1)(b) EUTMR, in conjunction with Article 7(2) EUTMR on the ground that the mark was devoid of any distinctive character.
- 3 As grounds, the examiner stated, in essence, that the trade mark applied for consisted of two English terms 'take' and 'five'. 'Take' means 'to pay for or buy' (<https://www.collinsdictionary.com/dictionary/english/take>, 14/07/2021); and 'Five is the number 5' (<https://www.collinsdictionary.com/dictionary/english/five>, 14/07/2021). Accordingly, the relevant public would simply perceive the sign 'TAKE FIVE' as a promotional laudatory slogan, the function of which was to communicate a motivational statement for buying five units of the goods in question. She added that the goods in question were everyday consumption goods and that consumers were in the habit of buying several units of beverages at once. Therefore, the sign did not allow the public at whom the goods were directed to be guided as to the commercial origin of the goods. The goods could originate from any provider or be attributed to any provider as consumers were unable to create a link to a specific supplier in consequence of extensive use (Article 7(3) EUTMR). Therefore, the sign would be perceived by the relevant public primarily as a promotional message, based on its inherent meaning, rather than as a trade mark. The sign is devoid of any distinctive character within the meaning of Article 7(1)(b) and Article 7(2) EUTMR.

Grounds of appeal

- 4 The applicant filed a notice of appeal, followed by a statement of grounds. It requested that the decision be entirely set aside.
- 5 In its statement of grounds the applicant mainly argues that the sign was distinctive in relation to the goods of which protection was sought. It submits that the sign had another meaning, i.e. 'to take a break of 5 minutes' (<https://www.collinsdictionary.com/dictionary/english/take-five>), which would be under-

stood in all English-speaking countries, even though it was of US and Canadian origin, taking into account of the pervasiveness of US films, TV programs and other culture. Moreover, the sign constituted a play on words since the English-speaking consumer would understand it as ‘relax’. The mark would thus trigger, in the mind of the relevant public, a cognitive process, albeit possibly to a low degree, but nevertheless it had some originality which would not go unnoticed. The combination of constituent words was unusual and not common parlance for the goods concerned. Furthermore, the sign ‘TAKE FIVE’ was not the usual way of designating beverages and as it had no clear descriptive meaning in respect of those goods, no other trader would need to use that mark for such products. Lastly, the applicant referred to numerous registered EU and national trade marks in and outside the European Union containing the elements ‘TAKE FIVE’, including its own (i.e. EUTM No 18 335 911, TAKE FIVE HARD SELTZER, for goods in Class 33, EUTM No 18 495 368, NOW'S THE TIME TAKE FIVE (fig), for goods in Class 32 (see Annex 1); UK No 3 656 716, US 90 866 903).

Reasons

- 6 The appeal is admissible, but not well-founded.
- 7 The sign applied for lacks the requisite distinctive character within the meaning of Article 7(1)(b) EUTMR in relation to the goods in Class 32, which are thus the subject-matter of the proceedings.

Article 7(1)(b) EUTMR

- 8 It is settled case law that for a trade mark to possess distinctive character for the purposes of Article 7(1)(b) EUTMR, it must serve to identify the goods and services in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish those goods and services from those of other undertakings (29/04/2004, C-473/01 P & C-474/01 P, Tabs (3D), EU:C:2004:260, § 32; 08/05/2008, C-304/06 P, Eurohypo, EU:C:2008:261, § 66; 21/01/2010, C-398/08 P, Vorsprung durch Technik, EU:C:2010:29, § 33), so that the consumer who acquires the goods and services designated may repeat the experience, if it proves to be positive, or avoid it, if it proves to be negative, on the occasion of a subsequent acquisition (30/06/2004, T-281/02, Mehr für Ihr Geld, EU:T:2004:198, § 24; 27/02/2002, T-79/00, Lite, EU:T:2002:42, § 26).
- 9 A trade mark must enable purchasers of the goods or services in question to distinguish them from the goods or services of other undertakings without conducting an analytical or comparative examination and without paying particular attention (12/02/2004, C-218/01, Perwoll, EU:C:2004:88, § 53; 12/01/2006, C-173/04 P, Standbeutel, EU:C:2006:20, § 29).
- 10 Registration of a trade mark which consists of indications that are also used as advertising slogans, indications of quality or incitements to purchase the goods or services is not excluded as such for this reason (05/12/2002, T-130/01, Real People, Real Solutions, EU:T:2002:301, § 19; 11/12/2012, T-22/12, Qualität hat Zukunft, EU:T:2012:663, § 15). However, in the case of such trade marks, it must

be examined whether they have components that might, beyond their obvious promotional meaning, enable the relevant public to memorise the word sequence easily and immediately as a distinctive trade mark for specific goods or services. A sign which fulfils functions other than that of a trade mark is only distinctive for the purposes of Article 7(1)(b) EUTMR if it may be perceived immediately as an indication of the commercial origin of the goods and services (Real People, Real Solutions, § 20; 13/04/2011, T-523/09, Wir machen das Besondere einfach, EU:T:2011:175, § 31). Since the relevant consumer is not very attentive if a sign does not immediately indicate to her/him the origin or intended use of the object of his/her intended purchase, but just gives her/him purely promotional, abstract information, s/he will not take the time either to enquire into the signs various possible functions or mentally to register it as a trade mark (Real People, Real Solutions, § 28, 29; Qualität hat Zukunft, § 30).

- 11 The public perceives a sign as a whole and does not proceed to analyse its various details (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 25). This means that the assessment of the distinctive character cannot be limited to an evaluation of each of elements, considered in isolation, but must, on any view, be based on the overall perception of the sign by the relevant public (see, to that effect, 08/05/2008, C-304/06 P, Eurohypo, EU:C:2008:261, § 41 and the case law cited). That does not mean, however, that one may not start by examining each of the individual features which make up the mark in question. It may be useful, in the course of the overall assessment, to examine each of the components of which the trade mark concerned is composed (25/10/2007, C-238/06 P, Plastikflaschenform, EU:C:2007:635, § 82; 08/02/2011, T-157/08, Insulate for life, EU:T:2011:33, § 50; 06/06/2013, T-515/11, Innovation for the real world, EU:T:2013:300, § 29).
- 12 According to the settled case law, the distinctive character of a trade mark must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the relevant public's perception of the mark (22/06/2006, C-25/05 P, Bonbonverpackung, EU:C:2006:422, § 25; 29/04/2004, C-456/01 P & C-457/01 P, Tabs (3D), EU:C:2004:258, § 35).
- 13 It is in the light of those considerations that it must be examined whether, as the applicant submits, the examiner has infringed Article 7(1)(b) EUTMR in finding that the contested EUTMA was devoid of any distinctive character.
- 14 Firstly, as regards the definition of the relevant public, it must be pointed out that the public consists of end consumers of non-alcoholic drinks and mineral waters and that, since the sign consists of English words, its distinctive character has to be assessed by reference to the English-speaking public. That definition of the relevant public, which the applicant, moreover, disputed, must be confirmed. The public's level of attention is relatively low when it comes to promotional indications, also in the case of a professional public (09/07/2008, T-58/07, Substance for success, EU:T:2008:269, § 23; 06/06/2013, T-126/12, Inspired by efficiency, EU:T:2013:303, § 27).

- 15 The examiner has taken into account the English-speaking public's understanding of the contested sign, it being composed of English terms, which the applicant has not contested, and the Board has no reason to depart from it. Consequently, under Article 7(2) EUTMR, the relevant public, by reference to whom the absolute ground for refusal must be assessed, consists of the English-speaking public in the European Union (20/09/2001, C-383/99 P, *BABY-DRY*, EU:C:2001:461, § 42; 27/11/2003, T-348/02, *Quick*, EU:T:2003:318, § 30; 03/12/2015, T-647/14, *DUALSAW*, EU:T:2015:932, § 21). In addition to Ireland and Malta, it consists of those countries in which, at the very least, English is widely understood, in particular, Denmark, Cyprus, the Netherlands, Finland and Sweden (26/11/2008, T-435/07, *New Look*, EU:T:2008:534, § 20, 23; 09/12/2010, T-307/09, *Naturally active*, EU:T:2010:509, § 26; 29/09/2016, T-337/15, *RESCUE*, EU:T:2016:578, § 59; 14/05/2019, T-465/18, *EUROLAMP pioneers in new technology*, EU:T:2019:327, § 27; 20/01/2021, T-253/20, *It's like milk but made for humans*, EU:T:2021:21, § 35).
- 16 Secondly, it is necessary to consider whether the examiner has correctly analysed the meaning of the sign applied for in order to conclude that the sign had no distinctive character by reference to the goods in respect of which registration had been applied for and by reference to the relevant public's perception of the EUTM applied for.
- 17 The sign applied for consists of the English terms 'take' and 'five'. This expression is made up according to the rules of English grammar and lacks any original sequence or structure. As correctly stated by the examiner, and moreover not contradicted by the applicant, the word 'take' means 'to pay for or buy', while 'five' refers to the number 5.
- 18 The applicant's argument that the sign is somehow unusual, original and a play on words which triggers a cognitive process in the public's mind bears no merit. There is nothing fanciful, unusual or striking about this expression; the combination of common English words in a sign, which is in conformity with the rules of English grammar, conveys a clear and unequivocal message, namely that the consumer should take/buy not just one product, but five. This message is immediately apparent and requires no effort of interpretation on the part of an English-speaking consumer.
- 19 The findings of the examiner regarding the meaning of the sign taken as a whole must thus be confirmed.
- 20 The assertion of the applicant that the sign is distinctive as it does not describe the goods claimed is entirely unfounded. In the context of the goods applied for in Class 32 (essentially non-alcoholic drinks, mineral waters), the public will understand the imperative form of the expression 'take five' as an invitation to potential customers not to pass by the goods advertised in this way carelessly, but to take/buy them in a quantity of five. The invitation to buy conveyed by the sign could also refer to a variety of five different types of drinks or flavours sold in one pack, since it is common that those products are offered also in packs. Such invitations to take or buy are not unusual, and there might be even a compensation for buying several products, in the form of a (quantity) discount.

- 21 Moreover, in advertising language, the public is accustomed to being confronted with English terms that are intended to convey factual information in a memorable form, without recognising in them any indication of origin. In particular, the use of the imperative form is a common stylistic device in advertising language to address potential customers directly and to convey an advertising message to them. With regard to the relevant goods (i.e., non-alcoholic drinks, mineral waters), it is common business practice to offer and sell daily consumption goods which are often similar in appearance by addressing consumers directly in a verbal or visually striking manner. The present sign is a direct, obvious and also widely used advertising statement with ‘five’ being used in the sense of a quantity specification. Therefore, the public is familiar with receiving such advertising messages in this form.
- 22 In the light of the foregoing, the word combination ‘TAKE FIVE’ cannot be regarded as capable of serving as an indication of the commercial origin of the goods claimed in this case. On the contrary, the relevant public, which is made up of end consumers, will see in the word sequence ‘TAKE FIVE’, in connection with the goods in Class 32, exclusively a general laudatory advertising statement and an appeal to potential customers to buy. There is no evidence whatsoever that the relevant public perceives the sign applied for, beyond its obvious advertising and laudatory content.
- 23 The examiner was therefore right in finding that the sign at issue was devoid of any distinctive character within the meaning of Article 7(1)(b) EUTMR.
- 24 That finding is not invalidated by the applicant’s argument that the expression ‘take five’ has another meaning (i.e., ‘to take a break of 5 minutes’) allegedly confirming the distinctiveness of the sign. Although the expression ‘take five’ might have another meaning in English as an idiom, as indicated by the applicant, it should be recalled that the understanding of a sign always depends on the context of the goods or services which it is intended to designate (10/02/2021, T-157/20, *Lichtyoga*, EU:T:2021:71, § 57-59). As far as the relevant non-alcoholic beverages and mineral waters are concerned, no in-depth analysis is required in order to grasp the meaning of the word combination applied for as an invitation to purchase a certain quantity of beverages; this obvious meaning is directly related to the goods claimed. On the contrary, such an understanding suggests itself, taking into account that the average consumer who is reasonably well informed and reasonably observant and circumspect, whose capacity for understanding is not too low and who is perfectly capable of drawing obvious conclusions. Thus, the meaning addressed by the applicant will precisely not come to mind of the relevant public in the context of the goods claimed (see only 08/02/2013, T-33/12, *Medigym*, EU:T:2013:71, § 48; 19/05/2014, R 2491/2013-2, *MRT*, § 16).
- 25 Even if the sign were to be understood exclusively by consumers with a very advanced knowledge of English as ‘Take a five-minute break’, this does not alter the above findings. Precisely also in this meaning, the sign lacks the required distinctive character, because it is merely an invitation to relax, evoking a pleasant setting for the purchase of a drink. In any event, the sign must be rejected because, from the point of view of an average (non-native) English speaker who

has only a normal, average knowledge of English, it represents nothing more than an invitation to purchase five items. But even if one did not understand the component ‘five’ as an indication of a unit, it is still not an indication of commercial origin. The target consumer, who is the average consumer, will not see the sign ‘TAKE FIVE’ as a badge of origin, but as a promotional invitation to purchase (01/07/2003, R 901/2001-2, TAKE ONE, § 15).

- 26 The applicant further claims that the sign ‘TAKE FIVE’ is not descriptive of the goods applied for. Firstly, the refusal was not based on a breach of Article 7(1)(c) EUTMR. Secondly, as is clear from Article 7(1) EUTMR, for a sign to be ineligible for registration as a European Union trade mark, it is sufficient that one of the absolute grounds for refusal applies (19/09/2002, C-104/00 P, *Companyline*, EU:C:2002:506, § 29; 07/10/2015, T-292/14, *XAADS OYMI*, EU:T:2015:752, § 74; 07/10/2015, T-293/14, *HALLOUMI*, EU:T:2015:752, § 74). Thirdly, it is true that a sign lacks the necessary distinctive character, to which the relevant public merely assign a prominent descriptive meaning in connection with the goods and services claimed (12/02/2004, C-363/99, *Postkantoor*, EU:C:2004:86, § 86). However, a lack of distinctive character is also to be assumed if the word, taken on its own or in connection with product-descriptive indications, merely contains laudatory and/or advertising statements of a general nature. In other words, for a finding that there is no distinctive character, it is sufficient that the semantic content of the word mark applied for indicates to the consumer characteristics of the goods relating to their market value which, whilst not specific, comes from promotional or advertising information which the relevant public will perceive first and foremost as such, rather than as an indication of the commercial origin of the goods; such a word sign does not acquire distinctive character simply because it does not contain any information about the nature of the goods designated (30/06/2004, T-281/02, *Mehr für Quelle der Geld*, EU:T:2004:198, § 31).

Prior registrations

- 27 As regards the earlier EU trade marks relied on by the applicant, it should be noted, first, that those registrations are not the subject of these proceedings. However, decisions on the registrability of a sign as an EU trade mark are binding decisions and not discretionary decisions. The legality of the registration must therefore be assessed solely on the basis of the EUTMR and not on the basis of a prior decision-making practice. The previous registrations are merely a circumstance that can be taken into account, without, however, being decisive. The submission on the registrability of other trade marks is only relevant if it contains reasons that call into question the examiner's assessment, which is not the case here (12/02/2009, C-39/08 & C-43/08, *Volks.Handy*, EU:C:2009:91; 27/02/2015, T-106/14, *Greenworld*, EU:T:2015:123, § 36).
- 28 Moreover, the applicant relies here on decisions of an examiner and not on earlier decisions of the Boards of Appeal. However, under Article 166 EUTMR, the Boards of Appeal are not bound by the decisions of lower instances of the Office. For these reasons, the Boards of Appeal are also not bound by the guidelines of the Office (19/01/2012, C-53/11, R 10, EU:C:2012:27, § 57).

- 29 In any event, the Board of Appeal has taken account of the earlier registrations, but considers that, for the reasons set out above, the mark applied for is devoid of distinctive character within the meaning of Article 7(1)(b) EUTMR.
- 30 As regards the national trade marks relied on by the applicant, it must be recalled that, as is apparent from the case law, the EUTM regime is an autonomous system with its own set of objectives and rules which is self-sufficient and applies independently of any national system. Consequently, the registrability of a sign as an EUTM must be assessed solely on the basis of the relevant EU rules. Consequently, the Office and, where appropriate, the Union Courts are not bound by a decision taken in a Member State or a third country that the sign in question is registrable as a national trade mark. This is true even if such a decision has been taken in the context of national legislation harmonised with the Trade Mark Directive or in a country belonging to the linguistic area from which the word sign in question originates (27/02/2002, T-106/00, Streamserve, EU:T:2002:43, § 47; 24/06/14, T-207/13, The Spirit of Cuba, EU:T:2014:570, § 32). Therefore, the possible acceptance of the mark in the United Kingdom, United States of America or any other country is irrelevant in the present proceedings.
- 31 Thus, the allegation of an inconsistent decision-making practice of the Office already lacks any factual basis. Moreover, the very purpose of the referral to the Grand Board of Appeal is to ensure a uniform case law (see Article 37(1) EUTMDR), so that the invocation of differences in decision-making practice, which allegedly existed prior to the decision of the Grand Board of Appeal in question, is for that reason alone meaningless.
- 32 Lastly the above findings are fully in line with previous decisions of the Office in which trade marks with corresponding elements or context were refused (01/07/2003, R 901/2001-2; TAKE ONE, § 15; 24/02/2020, R 863/2019-1, Take 5).

Conclusion

- 33 The appeal is dismissed in its entirety.

Order

On those grounds,

THE BOARD

hereby:

Dismisses the appeal.

Signed

G. Humphreys

Signed

C. Bartos

Signed

M. Bra

Registrar:

Signed

p.o. R. Vidal

