

Judgments of the Trimester of the General Court and the Court of Justice of the European Union

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C-124/18 P, Blue and Silver



FACTS:

- The applicant ('Red Bull') sought to register as EUTMs **two colour marks**, for 'Energy drinks' in Class 32. Both marks consisted in the **combination** of two colours [blue (RAL 5002) and silver (RAL 9006)] and were described as:

1st mark: juxtaposed in a ratio of 'approximately 50 %-50 %'

2nd mark: 'the two colours will be applied in equal proportions and juxtaposed to each other'

- The **Cancellation Division** declared the two marks **invalid**, inter alia on the ground that they **were not sufficiently precise**.
- The **BoA dismissed the appeals**
 - It found that the graphic representation of the marks, evaluated in conjunction with the description, **did not satisfy the requirements of precision and durability** laid down in the judgment of 24/06/2004, **C-49/02, Blau/Gelb**, according to which, marks consisting of a combination of colours must be systematically arranged in such a way that the colours concerned are associated in a predetermined and uniform way.
- The **GC confirmed** the BoA's reasoning.

C-124/18 P, Blue and Silver

Appeal before the Court of Justice: dismissed

- The GC correctly applied the principles stemming from case C-49/02, Blau/Gelb.
- **The mere indication of the ratio of colours is insufficient** as it allows for the arrangement of those colours in *numerous different combinations* and does not constitute a systematic arrangement associating the colours in a predetermined and uniform way. Also **juxtaposition can take different forms**, giving rise to different images or layouts, while still being in equal proportion (paras 42, 44).
- **Actual use of the mark.** Since the marks at issue were **registered on the basis of acquired distinctiveness through use**, the EUIPO and the GC were **entitled to take into account the actual use of those marks** within their assessment of Article 4 EUTMR (para.58).
 - *The lack of precision of the graphic representations was confirmed by the evidence of actual use of the colours, which reproduced the mark in very different ways in comparison with the vertical juxtaposition of the two colours shown in the graphic representation (para. 45).

C-124/18 P, Blue and Silver

- The registration of a mark which allows for a **plurality of reproductions** that are **neither determined in advance nor uniform** is **incompatible** with Article 4 EUTMR and with the judgment of 24/06/2004, C-49/02, Blau/Gelb, EU:C:2004:384 (para. 47)
- CJ: the requirement for a mark consisting of a **combination of colours** to display a **systematic arrangement** associating the colours in a predetermined and uniform way **does not transform that mark into a figurative mark**, since that requirement does **not** mean that the colours must be defined by **contours** (para. 48).
- In order to ensure the colours' availability in the course of the trade, the requirement to exhibit a **systematic arrangement** associating the colours in a predetermined and uniform way is necessary to meet the condition of clarity and precision of a trade mark (paras 65-66).



FACTS:

- Viridis Pharmaceutical Limited applied for the EUTM **Boswelan** for ‘pharmaceutical and health care products’ in Class 5 in 2003. Registered it in 2007 .
- In 2013, Hecht-Pharma filed a **revocation** action of “BOSWELAN” for **lack of genuine use**.
- The EUTM owner documented the use during the relevant time **only** with **internal evidence of clinical trials** of a medicinal product for the treatment of multiple sclerosis. In the framework of the trials, 400 000 capsules were distributed in a participating hospital under the mark BOSWELAN.
- The clinical trials are a prerequisite for the marketing authorization and started **more than 3 years after registration**. When the revocation action was introduced, the trials were still not completed and the marketing authorisation did not seem feasible in the short term.
- The **Office** and the **GC** found that **the trademark had lapsed** because it **had not been put to genuine use** within five years of registration.



Court of Justice: Appeal dismissed

Clinical trial and genuine use

- A medicinal product which has not been authorised in the EU cannot be advertised to the public and thus, by definition, cannot be subject to commercial use. Therefore it is **not possible to make “genuine use”** of such trademark at such stage (para. 47)
- The five-year grace period does not depend on the economic sector of the claimed goods (para. 49).
- The GC correctly held that **use of the contested mark in a clinical trial cannot be considered as placement on the market** or even a direct preparatory act, but is an **act of internal nature**, since it had taken place outside the competition in the market, within a small circle of stakeholders, and without aiming to obtain or maintain market shares (para. 50).
- By way of **exception**, **preparations for future marketing can qualify as “genuine use”** only if (a) **commercialization is imminent**, (b) such acts have an **“external character”** and (c) produce **“effects for the future public of these products or services**, even in such a phase prior to commercialization” (para. 53).

C-668/17 P, Boswelan

RESULT: Appeal dismissed

*Clinical trial and **proper reasons for non-use***

- Clinical trials could **only** constitute a “proper reason” for non-use if they are **entirely outside of the owner’s will/control** (para.68).
- All **factual circumstances** of the case at hand lead to the conclusion that the clinical trials were under the control of the owner and cannot constitute a “proper reason” for non-use of the mark (paras 69, 71).

The owner only started the clinical trials to obtain a marketing authorisation **3 years after registration**, and the difficulties in carrying out the trials were linked to insufficient financial investment. (paras 69, 71).



FACTS:

- ADIDAS registered this **figurative** mark as an EUTM for clothing; footwear; headgear in Class 25 with the following **description**: *The mark consists of three parallel equidistant stripes of identical width, applied on the product in any direction.*
- On 16 December 2014 Shoe Branding Europe BVBA filed an **invalidity action** alleging **lack of distinctiveness**
- **Cancellation Division** upheld the action and **invalidated the mark**;
- The proprietor filed an appeal. It did not dispute the lack of inherent distinctive character of the mark at issue, but claimed that it had acquired distinctive character through use within the meaning of Article 7(3) and Article 52(2) CTMR.
- **BoA confirmed the decision.**



RESULT: Action dismissed

General Court in extended composition (5 judges)

- **Type of mark:** It is **not a pattern mark but an ordinary figurative mark** (para. 46), because it is **not** apparent either from the graphic representation of the mark at issue or from the description that it is composed of a **series of regularly repetitive elements** (paras 42-43).
- **The concept of ‘use’ of the mark within the meaning of Articles 7(3) and 59(2) EUTMR**
 - the **law of permissible variations** developed under Article 18(1) EUTMR **can be applied by analogy to Article 7(3)** (para. 59)
 - Therefore, such concept must be interpreted as referring not only to use of the mark in the form in which it was submitted for registration and, where relevant, registered, but also to the use of the trade mark in forms which differ from that form solely by **insignificant variations** and that are able, therefore, to be regarded as **broadly equivalent** to that form (para. 62).

T-307/17, Device of three parallel stripes

- Application of the law of permissible variations to the present case
 - The BoA was correct to take into account the **extremely simple character of the mark**; **minor alterations to simple marks may constitute significant changes**, so that the amended form may **not** be regarded as “**broadly equivalent**” to the mark as registered (paras 70-72)
 - The use of black stripes against a white background is **one of the very few characteristics** of the mark; thus, the act of **reversing the colour scheme**, **cannot be considered as an “insignificant variation”** even if a sharp contrast between the three stripes and the background is preserved (paras 76-77)
 - ➔ BoA was correct to dismiss the evidence which showed signs consisting of three white (or light) stripes against a black (or dark) background (paras 78, 103)

T-307/17, Device of three parallel stripes

- **Evidence of use and Acquisition of distinctive character throughout the EU**
 - Only market **surveys concerning 5 MS** were found to be actually relevant (para. 151)
 - The **mere production of turnover and marketing figures** collected MS by MS, cannot be sufficient to establish the existence of one or more **transnational markets** made up of different Member States (para. 156).
 - **No extrapolation possible.** The proprietor **didn't demonstrate** that, either because of the organisation of distribution networks and marketing strategies of economic operators or due to the knowledge of the relevant public, the **national markets of the 23 MS** not covered by the market surveys are **comparable to the domestic markets** of the five Member States in which those surveys were carried out. **Therefore, the results of the 5 market surveys cannot be extrapolated to all the MS** (paras 156, 157).

T-569/18; Kordes' Rose Monique

FACTS:

- The applicant sought to register the **word mark** Kordes' Rose Monique as an EUTM for goods in Class 31: roses and rose plants, and rose-propagating stock.
- **OD refused** to register the EUTM applied for on the basis of Article **7(1)(m)** EUTMR: '**Monique**' is an **earlier plant variety denomination** protected in the Netherlands in relation to roses and is an **essential element** of the EUTM applied for.
- **BoA dismissed the appeal**, finding that Article 7(1)(m) EUTMR does not require the variety denomination to be **the only essential element** or the 'dominant element' of the trade mark. All three elements carry the same weight from a visual and aural perspective. Conceptually, the word sequence would convey a clear content, at least in English or German, that is, a rose which bears the name 'Monique' and is sold by Kordes. **The BoA concluded that the word element 'Monique' is an essential element** within the meaning of Article 7(1)(m) EUTMR.

T-569/18; Kordes' Rose Monique

The General Court annulled the BoA decision

- Article 7(1)(m) EUTMR must be interpreted in light of its **objective**, which is to determine **whether** the registration of the trade mark applied for **hinders the free use of the plant variety denomination** included in the trade mark (paras 29-30).
- For this purpose, it must be established **whether the plant variety denomination holds an essential position within the complex trade mark applied for**, i.e. the **identification** of the **commercial origin** of the relevant G/S is **based on the PVD** and not on the other elements of the mark. If this is the case, the free use of this variety denomination would be hindered. (para. 31).



RESULT: BoA decision annulled

- In order to **determine** whether the essential function of the mark applied for is based on the variety denomination or on other elements, the **criteria to be assessed** are, in particular, the **distinctive character** of the other elements, **the message conveyed as a whole by the mark applied for, the visual dominance of the various elements by reason of their size and position, or the number of elements of which the mark is composed** (para. 32).
- The word element '**Kordes**' is the **only distinctive element** of the contested sign given its position (at the beginning of the mark) and the fact that it is the name of the undertaking from which the flowers originate (see the use of the genitive case).
- The **word 'Kordes' is central** to the message conveyed by the contested mark, namely that the products are distributed by a company doing business under the company name 'Kordes' (para. 34). Consequently, **the contested mark does not reproduce in its essential elements an earlier plant variety denomination** within the meaning of Article 7(1)(m) EUTMR (paras 36-37).



- One of the three partners in the company that owned CAFE DEL MAR applied for the registration of this EUTM **figurative mark** for services in **Classes 35, 38 and 41** on 16 February 2001.
- An invalidity application was filed pursuant to Article 52(1)(b) CTMR and Article 53(1)(c) CTMR in conjunction with Article 8(4) CTMR by the **two other partners** in the company that owned CAFÉ DEL MAR .

FACTS:

- **Cancellation Division upheld the invalidity application and found bad faith.**
- **BoA upheld the appeal: bad faith had not been proven** at the time of filing the application for registration.
- The invalidity applicants filed an action with the GC. **The GC upheld the action and found bad faith** on the basis of Article 52(1)(b) CTMR.



- The invalidity applicants and the EUTM proprietor had used the prior sign ‘Café del Mar’ since 1980 when they opened the music bar ‘Café del Mar’ in Ibiza (Spain).
- The sign was also used to distinguish goods and services provided by various companies that the invalidity applicants and the proprietor had incorporated since 1987 (paras 38-42), including services similar to those for which the contested trade mark was registered (para. 47).
- All the companies incorporated by the invalidity applicants and the EUTM proprietor belonged to the three partners equally. One of these companies, Can Ganguil, S.L., incorporated in 1997, granted a **power of representation** to the EUTM proprietor to act **on behalf of the company and to represent it** (para. 39).
- **GC: BoA erred** in considering the **power of representation granted to the proprietor as an explicit consent to register rights in its name.**
- the **power of representation granted to act on behalf of the company does not** give a **better right** to the **representative** than to the other partners on the sign ‘Café del Mar’.



- Even if the company's representative **plays an outstanding role** in the promotion and development of the sign, **he is not entitled to use its power in his own name** (p. 53).
- By registering in his own name a trade mark generating confusion with the earlier sign 'Café del Mar' while he was the representative of one of the companies exploiting said sign and by paying the registration costs with **funds from that company**, he **departed from accepted principles of ethical behaviour or honest commercial and business practices** and **therefore acted in bad faith** (para. 54).
- It is **irrelevant** that the proprietor had paid the profits obtained from the exploitation of the trade mark exploitation into the accounts of Can Ganguil until 2009, since **bad faith must be proven at the time of filing the application and the profits were paid later**. In addition, the proprietor ceased to share the profits of the trade mark exploitation as from 2009 and this shows the detrimental nature of the registration of the sign in his own and exclusive name (para. 55).



GC: BoA decision **annulled**

- The contested mark coincides in the letters ‘c’ and ‘m’ with the initial letters of the terms of said earlier sign, in the preposition ‘del’ and the typography is identical. The contested mark is the **abbreviation of the earlier figurative sign** and therefore **the signs may produce the same overall impression** (para. 49).
- The bar ‘Café del Mar’ became well-known over the course of the years and its activities expanded to include music products, clothing and merchandising bearing the figurative sign ‘Café del Mar’ (paras. 43 and 50). It cannot be excluded that leather goods are sold within the framework of the sale of clothing and fashion accessories and umbrellas and perfumes may be part of the merchandising goods of a cafeteria or may be offered as fashion accessories (para. 52).



BoA: G&S different, no bad faith

GC: no LoC, no bad faith

ECJ: concept and guidance!!


- BAD FAITH presupposes a dishonest state of mind or intention (para. 45).
- It applies where it is apparent from relevant and consistent indicia that the proprietor of an EUTM filed its application for registration:
 - Not with the aim of engaging fairly in competition, but with the intention of undermining the interests of third parties in a manner inconsistent with honest practices,
 - Or with the intention of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark, in particular the essential function of indicating origin (para. 46).
- LoC is NOT a prerequisite of bad faith: in the absence of any LoC between the sign used by a third party and the contested EUTM, other factual circumstances may constitute relevant and consistent indicia establishing the bad faith of the EUTM applicant (para. 56).



ROSALIA DE CASTRO	ROSALIA
EUTMA Cl. 32, 33, 35	Earlier ES Cl. 33

- Visually similar
- Aurally similar to a high degree
- **Conceptually:**
 - ROSALIA DE CASTRO: famous poet and writer
 - ROSALIA: a female first name.
 - **GC: conceptually similar**, as they both contain the **female name ROSALIA**
 - What about the **semantic content of ROSALIA DE CASTRO?** (Picaro/Picasso)



 CHIARA FERRAGNI	CHIARA
EUTMA Cl. 18, 25	Cl. 25, 38, 41

BoA: LOC

- **verbal element**, more important than the **graphic element**
- **Average visual similarity**
- **Aural similarity higher than average**
- **Conceptual comparison: neutral**



GC: **graphic element** EUTMA:



CHIARA FERRAGNI

- highly stylised
- Colour, position, size
- **At least as distinctive as the verbal element**
- BoA: erred in giving more importance to the verbal element
- **VISUALLY:** **at most**, a **weak** degree of similarity (BoA: average)
- **AURALLY:** **average to weak** similarity (BoA: higher than average)

CONCEPTUALLY different !!! (BoA: neutral)



CONCEPTUALLY **different**:

- **Name + surname = identifies a specific person** (departs from ROSALIA/ROSALIA DE CASTRO)
- **FERRAGNI**: less common surname than the name CHIARA.
More distinctive than the name
- Even if it was common in the sector to sell the products not only under NAME + SURNAME but also only under a NAME, **this does not mean that the public will always attribute the same commercial origin to all the products put in the market under trade marks containing the same name** (§71)
- the **eye** in the EUTMA has a specific **semantic content**



GLOBAL ASSESSMENT:

- **Visual differences** (blue eye, eyelashes...) prevent consumers from thinking of a common commercial origin.



JAUME CODORNIU	JAUME SERRA
EUTMA, Cl. 33	EUTM, ES, Cl. 33

OD: LOC

BoA: No LOC

- Identical/similar products
- The **whole public in the EU** will identify the signs as **NAME + SURNAME**.
- Usual practice in the sector: Consumers are used to identifying the **commercial origin of wines** based on **surnames**.
- Low level of **visual** similarity
- At most, average **aural** similarity
- **Conceptual** comparison: **neutral**. **But the signs identify two different persons, regardless of the common name.**



JAUME CODORNIU	JAUME SERRA
EUTMA, Cl. 33	EUTM, ES, Cl. 33

GC: **No LoC**

- Will the average EU consumer perceive JAUME as a given name? **Non-ES public: will read the signs in their context** (wine/ **alcoholic drinks** sector, **common practice: NAME+SURNAME**)
- CODORNIU, SERRA: more capacity to indicate commercial origin
- Low **visual** similarity
- At most average **aural** similarity
- Some **conceptual** similarity (same Catalan **given name**): **IRRELEVANT!**
Both names identify **persons from different families**, therefore, **different persons!!**
- **No semantic connotation** allowing to identify a difference/similarity.
Neutral, irrelevant (§ 80-81)



ANDREA INCONTRI	ANDREIA
EUTMA, Cl. 3	IR (FR, UK), Cl. 3

OD: LOC

BoA: LOC

- Neither ANDREA nor INCONTRI have any **meaning** in relation to the contested goods. They are **co-dominant** in the overall impression, irrespective of whether FR and UK consumers perceive them as the combination of a first name and a surname.

Applicant before the GC:

- **ANDREA** is a **very common first name** in Italy and other countries. It **cannot be dominant**: the relevant public does not expect a single producer to use such first name as an element of a mark.



ANDREA INCONTRI	ANDREIA
EUTMA, Cl. 3	IR (FR, UK), Cl. 3

GC:

- **Account must be taken of all the relevant factors. In particular, of whether the first name / surname is unusual or very common**
- **The BoA did not examine all the relevant factors in order to assess the distinctive and dominant character of the surname INCONTRI and of the first name ANDREA**
- **BoA decision annulled.**



T-334/18 Ana de Altún / Anna de Codorniu, 27 June 2019

	
EUTMA, Cl. 33: white Rioja wine	ES (Figurative) EUTM (word): alc. Drinks (not beer)

OD: LOC

BoA (1): No similarity whatsoever. No LOC, no 8(5).

GC (1): signs: Low similarity. Error of the BoA



BoA (2): examined the ES figurative mark

- 8(5). Reputation. Link. Undue advantage.





GC:

- the BoA found **reputation** of  ANNA
However, the evidence shows reputation of the **word** mark ANNA DE CODORNIU (§ 39). Error (§ 48)
- In two previous decisions of the Office (OD and BoA), the **reputation of the figurative mark** was examined and **denied**. The BoA did not explain (C-564/16P EUIPO/Puma § 66) why it took a different approach on the basis of the same evidence (§ 55)
- In some pieces of evidence appears the mark ANNA DE CODORNIU accompanied by the graphic element  ANNA . But this does not show that the figurative mark has acquired reputation on its own, i.e. without the mention DE CODORNIU



T-268/18 Luciano Sandrone / Don Luciano, 27 June 2019

LUCIANO SANDRONE	DON LUCIANO
EUTMA, Cl. 16, 33, 35	EUTM, Cl. 33 (Alc. Bev, no beer)

OD: **no LOC.** First name, less distinctive than the surname

BoA: **LOC:** SANDRONE is more distinctive than LUCIANO in ES, FR, IT, PT, but NOT in DE,FI

GC:

- LUCIANO SANDRONE: probably perceived **throughout the EU** as the combination of a **first name + surname** (§ 68).
- BoA: **no specific evidence** that LUCIANO will be perceived as a **rare first name in DE/FI**.
- § 74: in view of the **exchanges within the EU** and the current means of **electronic communication**, **it cannot reasonably be maintained that LUCIANO will be perceived as a rare first name in DE/FI**
- General public in the EU: **most distinctive** element:
 - Don **LUCIANO**
 - Luciano **SANDRONE**

GC: No LoC



- **GC: conceptual similarity** means that the signs convey **analogous semantic content**
 - A first name or surname which does **not convey** a general and abstract **idea** and is **devoid of semantic content** lacks a concept. **No conceptual comparison** is possible.
 - The **conceptual comparison** is possible where the first name or surname
 - has become the **symbol of a concept** due, for example, to the **celebrity** of the person carrying it
 - Or the name/surname has a **clear and immediately recognisable semantic content**



T-268/18, 27 June 2019

LUCIANO SANDRONE	DON LUCIANO
EUTMA, Cl. 16, 33, 35	EUTM, Cl. 33 (Alc. Bev, no beer)

- **Conceptually**: a conceptual comparison is **not possible**. No symbol, concept, celebrity...
- Global assessment:
 - In the **wine sector**, consumers usually describe and recognise wines by reference to the **word element**, which very often designates the **grower or the estate** on which a wine is produced (§99). It is thus the distinctive element **SANDRONE or LUCIANO SANDRONE** which identifies the wines, not the element LUCIANO alone.
 - The BoA did not take into account the prevalence of real/assumed Spanish or Italian names/surnames in the wine market and the fact that **consumers are used to trade marks which contain them**, so that they will **not assume that every time such name/surname occurs in a trade mark** in conjunction with other elements they all have the **same commercial origin**



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Thank you