

***GUIDELINES FOR EXAMINATION IN THE
EUROPEAN UNION INTELLECTUAL
PROPERTY OFFICE (TRADE MARKS AND
DESIGNS) ON EUROPEAN UNION
TRADE MARKS***

PART C

OPPOSITION

SECTION 5

***TRADE MARKS WITH REPUTATION
ARTICLE 8(5) EUTMR***

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1 Introduction

1.1 Purpose of Article 8(5) EUTMR

Whereas under Article 8(1)(a) EUTMR double identity of signs and goods/services and under Article 8(1)(b) EUTMR a likelihood of confusion are the necessary preconditions for the protection of a registered trade mark, Article 8(5) EUTMR requires neither identity/similarity of goods/services nor a likelihood of confusion. Article 8(5) EUTMR grants the protection for registered trade marks not only as regards identical/similar goods/services but also in relation to dissimilar goods/services without requiring any likelihood of confusion, provided the signs are identical or similar, the earlier mark enjoys a reputation and the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark.

The rationale behind the extended protection under Article 8(5) EUTMR is the consideration that the function and value of a trade mark are not confined to its being an indicator of origin. A trade mark can also convey messages other than an indication of the origin of the goods and services, such as a promise or reassurance of quality or a certain image of, for example, luxury, lifestyle, exclusivity etc. ('advertising function') (judgment of 18/06/2009, C-487/07 L'Oréal and others). Trade mark owners frequently invest large sums of money and effort to create a certain brand image associated with their trade mark. This image associated with a trade mark confers on it an — often significant — economic value, which is independent of that of the goods and services for which it is registered.

Article 8(5) EUTMR aims at protecting this advertising function and the investment made in creating a certain brand image by granting protection to reputed trade marks, irrespective of the similarity of the goods or services or of a likelihood of confusion, provided it can be demonstrated that the use of the contested application without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark. Consequently, the main focus of Article 8(5) EUTMR is not the protection of the general public against confusion as to origin, but rather the protection of the trade mark proprietor against taking unfair advantage of, or being detrimental to, the distinctive character or repute of a mark for which it has made significant investments.

1.2 Legal framework

According to **Article 8(5) EUTMR**, upon opposition by the proprietor of a registered earlier trade mark, within the meaning of paragraph 2, the trade mark applied for will not be registered:

where it is identical with or similar to the earlier trade mark irrespective of whether the goods or services for which it is applied are identical with, similar to, or not similar to those for which the earlier trade mark is registered, where in the case of an earlier EU trade mark, the trade mark has a reputation in the Union or, in the case of an earlier national mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair

advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

The same wording is used in the parallel provisions of the **Trade Mark Directive** (Directive xxx/xxx of the European Parliament and of the Council of xxx to approximate the laws of the Member States relating to trade marks (Codified version), 'TMD'), namely **Article 4(3) TMD**, which deals with the protection of EU trade marks with reputation, and **Article 4(4)(a) TMD**, the equivalent provision for national marks.

The wording of Article 8(5) EUTMR is also very similar to the one used in **Article 9(1)(c) EUTMR** and **Article 5(2) TMD**, that is, the provisions determining the exclusive rights of a trade mark proprietor, with a slight difference in the way these refer to the condition of detriment. Unlike the conditional form in Article 8(5) EUTMR, which applies where use of the trade mark applied for **'would take** unfair advantage of, **or be** detrimental to the distinctiveness or repute of the earlier mark', Article 9(1)(c) EUTMR and Article 5(2) TMD read **'takes** unfair advantage of **or is** detrimental to'. The reason for this difference is that in the first case — Article 8(5) EUTMR — registrability is at stake, which may have to be decided upon without any use of the later mark having been made, while in the second case the prohibition of use is at issue. The impact of this difference on the kind of evidence required for proving detriment in either case is discussed in paragraph 3.4 below.

2 Scope of Applicability

The previous wording of Article 8(5) EUTMR, which was applicable until xx/xx/2016, has given rise to some controversy as regards its applicability exclusively to (a) earlier registered marks and (b) dissimilar goods and services. As these issues directly affected the scope of its application, it was necessary to clarify whether it was possible to also apply Article 8(5) EUTMR to (a) unregistered/well-known marks and (b) similar or identical goods and services.

2.1 Applicability to registered marks

2.1.1 The requirement of registration

According to the clear wording of the current version of Article 8(5) EUTMR, as introduced by the Amending Regulation, this norm protects a 'registered earlier mark'. Even if the requirement of the registration was not expressly mentioned in the previous version of the norm, the Office interpreted it in this way, since according to its wording the applicability of the provision was restricted, indirectly but clearly to **earlier registered marks** by prohibiting registration where [the application] is identical or similar to the earlier trade mark and is to be registered for goods and services that are not similar to those for which the **earlier trade mark is registered**. It follows that the existence of an **earlier registration** has always been a **necessary condition** for the application of Article 8(5) EUTMR and that, as a consequence, the reference to Article 8(2) EUTMR should be limited to earlier registrations and to earlier applications subject to their registration (judgment of 11/07/2007, T-150/04, 'Tosca Blu', para. 55).

2.1.2 Relationship between marks with reputation (Article 8(5) EUTMR) and well-known marks (Article 8(2)(c) EUTMR)

The requirement of **registration** serves to mark the border between Article 8(5) EUTMR and Article 8(2)(c) EUTMR. However, neither Article 8(2)(c) EUTMR nor Article 6bis of the Paris Convention stipulate expressly that the well-known mark has to be a non-registered mark. The reason for the principle that only non-registered marks are covered by these latter provisions results indirectly both from the spirit and the *ratio legis* of these provisions.

As regards the Paris Convention, the purpose of the provision of Article 6bis, introduced for the first time in the Convention in 1925, was to prevent the registration and use of a trade mark liable to create confusion with another mark already well known in the country of such registration, although the latter well-known mark was not, or not yet, protected in that country by registration.

As regards the EUTMR, the purpose was to avoid a legal gap as Article 8(5) EUTMR protects only registered CTMs. Without Article 8(2)(c) EUTMR, reputed non-registered trade marks would have remained without protection (apart from that of Article 8(4) EUTMR). In order to avoid this legal gap, the EUTMR foresaw the protection of well-known marks within the sense of Article 6bis of the Paris Convention as this article was drawn up mainly to grant protection to non-registered trade-marks with a well-known character.

Consequently, on the one hand, **well-known marks** which are **not registered** in the relevant territory cannot be protected under Article 8(5) EUTMR against dissimilar goods. They can only be protected against **identical or similar goods** if there exists a likelihood of confusion pursuant to Article 8(1)(b) EUTMR, to which Article 8(2)(c) EUTMR refers for determining the scope of protection. However, this is without prejudice to the fact that well-known marks, to the extent they are not registered, may also be protected under Article 8(4) EUTMR. Therefore, if the relevant national law affords them protection against dissimilar goods and services, such enhanced protection may also be invoked under Article 8(4) EUTMR.

On the other hand, where well-known marks have been **registered**, either as CTMs, or as national marks in one of the Member States, they **can be invoked under Article 8(5) EUTMR**, but only if they also **fulfil the requirements of reputation**.

Even though the terms ‘well-known’ (a traditional term used in Article 6^{bis} of the Paris Convention) and ‘reputation’ denote distinct legal concepts, there is a **substantial overlap** between them, as shown by a comparison of the way well-known marks are defined in the WIPO Recommendations with the way reputation was described by the Court in its judgment of 14/09/1999, C-375/97 ‘General Motors’ (concluding that the different terminology is merely a ‘...nuance, which does not entail any real contradiction...’, para 22).

In practical terms, the threshold for establishing whether a trade mark is well-known or enjoys reputation will usually be the same. Therefore, it will not be unusual for a mark which has acquired well-known character to have also reached the threshold laid down by the Court in *General Motors* for marks with reputation, given that in both cases the assessment is principally based on quantitative considerations regarding the degree of knowledge of the mark among the public, and that the thresholds required for each case are expressed in quite similar terms (‘known or well-known at the relevant sector

of the public¹ for well-known marks, as against 'known by a significant part of the relevant public' as regards marks with reputation').

This has also been confirmed by case-law. In its judgment of 22/11/2007, C-328/06 'Fincas Tarragona', the Court qualified the notions of 'reputation' and 'well-known' as kindred notions ('notions voisines'), underlining in this way the substantial overlap and relationship between them (see para. 17). See also the judgment of 11/07/2007, T-150/04 'TOSCA BLU' (paras. 56-57).

The overlap between marks with reputation and registered well-known marks has a repercussion on the raising of the ground of opposition, in the sense that it should not matter for the applicability of Article 8(5) EUTMR if the opponent calls its earlier registration a well-known mark instead of a mark with reputation. For this reason, the terminology used must be carefully scrutinised, especially where the grounds of the opposition are not clearly explained, and a flexible approach should be taken where appropriate.

In the context of Article 8(2)(c) EUTMR, the requirements for applying Article 6bis of the Paris Convention and Article 8(1)(a)/(b) EUTMR are the same, although the terminology used is different. Both provisions require similarity or identity between the goods or services and similar or identical signs (Article 6bis uses the terms 'reproduction' which is equivalent to identity and 'imitation' which refers to similarity). Both articles also require a likelihood of confusion ('liable to create confusion' is the term used in Article 6bis). However, while according to Article 8(2)(c) EUTMR a well-known mark can serve as an earlier right and, thus, as the **basis** of an opposition, the **grounds** for an opposition under Article 8(2)(c) EUTMR are (solely) Article 8(1)(a) or (b) EUTMR.

For example, if the opponent bases the opposition on (i) an earlier registration invoking Article 8(1)(b) EUTMR and Article 8(5) EUTMR and (ii) an identical earlier well-known mark in the same territory under Article 8(2)(c) EUTMR, the earlier right must be examined:

1. under Article 8(1)(b) EUTMR as an earlier **registration** with enhanced distinctiveness (in view of its well-known character);
2. under Article 8(5) EUTMR, as an earlier **registration** with reputation;
3. under Article 8(2)(c) EUTMR in conjunction with Article 8(1)(b) EUTMR as an earlier **non-registered well-known mark** (which will only be useful if registration is not proven, as otherwise the outcome is the same as in (1) above).

Even if the opponent has not expressly based its opposition on Article 8(5) EUTMR, the contents of the notice and the wording of the explanation of grounds must be carefully analysed with a view to objectively establishing whether the opponent also wants to rely on Article 8(5) EUTMR.

¹ Article 2(2)(b) and 2(2)(c) of the WIPO Recommendations.

2.2 Applicability to similar and identical goods and services

According to the clear wording of the current version of Article 8(5) EUTMR the protection provided in this norm is 'irrespective of whether the goods or services for which the later mark is applied are identical with, similar to, or not similar to those for which the earlier trade mark is registered'. This is a codification of the case-law² of the Court of Justice interpreting the previous version of the provision.

3 Conditions of Application

The following conditions need be met for Article 8(5) EUTMR to apply (judgment of 16/12/2010 joined cases T-345/08 and T-357/08 'BOTO CYL', confirmed by the Court of Justice in judgment of 10/05/2012 C-100/11 P):

1. earlier **registered mark with reputation** in the relevant territory;
2. **identity or similarity** between the contested EUTM application and the earlier mark;
3. use of the sign applied for must be capable of taking an unfair advantage of, or being detrimental to, the distinctiveness or the repute of the earlier mark;
4. such use must be **without due cause**.

These conditions are **cumulative** and failure to satisfy any one of them is sufficient to render that provision inapplicable (judgment of 25/05/2005, T-67/04, 'SPA-FINDERS', para. 30; judgment of 22/03/ 2007, T-215/03, 'VIPS', para. 34; judgment of 16/12/2010 joined cases T-345/08 and T-357/08 'BOTO CYL', para. 41).

The order of the examination of these requirements may change depending on the circumstances of each case. For instance, the examination may start with the assessment of the similarities between the signs, especially in cases where there is little or nothing to say about it, either because the marks are identical or because they are patently similar or dissimilar.

3.1 Earlier mark with reputation

3.1.1 Nature of reputation

The nature and scope of reputation are not defined by either the EUTMR or the TMD. Furthermore, the terms used in the different language versions of these texts are not fully equivalent, which has led to considerable confusion as to the true meaning of the term reputation, as admitted by Advocate General Jacobs in his opinion of 26/11/1998 in C-375/97 'General Motors', paras 34-36.

Given the lack of statutory definition, the Court defined the nature of reputation by reference to the purpose of the relevant provisions. In interpreting Article 5(2) TMD the

² Judgment of 09/01/2003, C-292/00, 'Davidoff'.

Court held that the text of the TMD ‘implies a **certain degree of knowledge of the earlier mark** among the public’ and explained that it ‘is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks ... and the earlier mark may consequently be damaged’ (judgment of 14/09/1999, C-375/97 ‘General Motors’, para. 23).

In view of these considerations, the Court concluded that reputation is a **knowledge threshold requirement**, implying that it must be principally assessed on the basis of **quantitative** criteria. In order to satisfy the requirement of reputation, the earlier mark must be known by a significant part of the public concerned by the goods or services covered by that trade mark (judgment of 14/09/1999, C-375/97 ‘General Motors’, paras 22, 23, judgment of 25/05/2005, T-67/04 ‘Spa-Finders’, para. 34).

Moreover, if reputation is to be assessed on the basis of quantitative criteria, arguments or evidence relating to the esteem that the public might have for the mark, rather than to its recognition, are not directly relevant for establishing that the earlier mark has acquired sufficient reputation for the purposes of Article 8(5) EUTMR. However, as the economic value of reputation is also the protected subject-matter of this provision, any **qualitative aspects** thereof are relevant when assessing the possibility of detriment or unfair advantage (see also paragraph 3.4 below). Article 8(5) EUTMR protects ‘famous’ marks not as such, but rather for the success and renown (‘goodwill’) they have acquired in the market. A sign does not enjoy any reputation inherently, for example, simply because it refers to a renowned person or event, but only for the goods and services it designates and the use that has been made of it.

Case No	Comment
R 0011/2008-4, ‘CASAS DE FERNANDO ALONSO (fig.)’	All the evidence submitted by the opponent related to the fame of Fernando Alonso as a champion racing driver and to the use of his image made by different undertakings to promote their goods and services. However, there was no proof of reputation for the use of the earlier mark as it is registered for the relevant goods and services (paras 44, 48).
R 0201/2010-2 ‘BALMAIN ASSET MANAGEMENT’	The only items of evidence regarding reputation of the earlier mark submitted within the time limit, namely a page showing websites containing the word ‘BALMAIN’, a Wikipedia extract about the French designer Pierre Balmain and five extracts from the website www.style.com containing ‘BALMAIN’ wear collection, were clearly not sufficient to establish reputation of the earlier mark in the EU. Therefore, the opposition was rejected as unsubstantiated (paras 36, 37).

3.1.2 Scope of reputation

3.1.2.1 Degree of recognition

Having defined reputation as a knowledge threshold requirement, the question that necessarily follows is **how much awareness** the earlier mark must attain among the public in order to pass this threshold. The Court held in this respect that the ‘degree of knowledge required must be considered to be reached when the earlier trade mark is **known by a significant part** of the public’ and added that it ‘cannot be inferred from either the letter or the spirit of Article 5(2) [TMD] that the trade mark must be known by

a given percentage of the public' (judgment of 14/09/1999, C-375/97 'General Motors', paras 25, 26, judgment of 16/11/2011, T-500/10 'Dorma', para. 45).

By refraining from defining in more detail the meaning of the term 'significant' and by stating that the trade mark does not have to be known by a given percentage of the public, the Court in substance advised **against the use of fixed criteria** of general applicability, since a predetermined degree of recognition may not be appropriate for a realistic assessment of reputation if taken alone.

Hence, in determining whether the earlier mark is known by a significant part of the public, account must be taken not only of the degree of awareness of the mark, but also of **any other factor** relevant to the specific case. For more about the relevant factors and their interplay, see paragraph 3.1.3 below.

However, where goods or services concern quite **small groups of consumers**, the limited overall size of the market means that a significant part thereof is also restricted in absolute numbers. Hence, the limited size of the relevant market should not be regarded in itself as a factor capable of preventing a mark from acquiring a reputation within the meaning of Article 8(5) EUTMR, as reputation is more a question of proportions and less of absolute numbers.

The need for the earlier mark to be known by a significant part of the public also serves to mark the difference between the notions of **reputation** as necessary condition for the application of Article 8(5) EUTMR and **enhanced distinctiveness through use** as a factor for evaluating likelihood of confusion for the purposes of Article 8(1)(b) EUTMR.

Even though both terms are concerned with the recognition of the mark among the relevant public, in the case of **reputation** a **threshold** exists below which extended protection cannot be granted, whereas in the case of **enhanced distinctiveness** there is **no threshold**. It follows that in the latter case any indication of enhanced recognition of the mark should be taken into account and evaluated according to its significance, regardless of whether it reaches the limit required by Article 8(5) EUTMR. Therefore, a finding of 'enhanced distinctiveness' under Article 8(1)(b) EUTMR will not necessarily be conclusive for the purposes of Article 8(5) EUTMR.

Case No	Comment
R 1054/2007-4 'mandarino (fig.)'	The documents submitted by the opponent showed promotional efforts in such a manner that the distinctiveness is increased through use. However, the use was not enough to reach the threshold of reputation. None of the documents referred to the recognition of the earlier trade mark by the relevant end consumers, nor was evidence about the market share of the opponent's goods filed (para. 61).

3.1.2.2 Relevant public

In defining the kind of public that should be taken into account for assessing reputation, the Court held that the 'public amongst which the earlier trade mark must have acquired a reputation is **that [public] concerned by that trade mark**, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector' (C-375/97 'General Motors', para. 24, 'SPA-FINDERS', paras 34, 41).

Hence, if the goods and services covered by the mark are **mass consumption** products, the relevant public will be the **public at large**, whereas if the designated goods have a very **specific application** or exclusively target **professional or industrial users**, the relevant public will be limited to the **specific purchasers** of the products in question.

Case No	Comment
R 1265/2010-2 'MATTONI (fig.)'	Taking into account the nature of the goods for which the opponent claims reputation, namely <i>mineral water</i> , the relevant public is the public at large (para. 44).
R 2100/2010-1 'SEXIALIS'	The goods for which the sign enjoys reputation are <i>medicinal preparations for the treatment of sexual dysfunction</i> . The relevant public is the general public and professionals with a high level of attention (para. 64).
Joined cases T-345/08 and T-357/08 'BOTOCYL', confirmed by C-100/11 P	The goods for which the earlier mark enjoys reputation are <i>pharmaceutical preparations for the treatment of wrinkles</i> . The evidence of the promotion of the earlier mark 'BOTOX' in English in scientific and general-interest press was sufficient to establish reputation of the mark amongst both the general public and health-care professionals (paras 65-67 in C-100/11 P). Therefore, both these categories of consumers have to be taken into account.

In addition to the actual buyers of the relevant goods, the notion of relevant public extends to the **potential purchasers** thereof, as well as to those members of the public that only come **indirectly into contact** with the mark, to the extent that such consumer groups are also targeted by the goods in question, for instance, sports fans in relation to athletic gear, or frequent air-travellers as regards air carriers, etc.

Case No	Comment
T-47/06 'NASDAQ'	The relevant services are stock exchange price quotation services in Classes 35 and 36, which normally target professionals. The opponent submitted evidence showing that the mark 'NASDAQ' appears almost daily in many newspapers and on many television channels that can be read/viewed throughout Europe. Therefore, the Board was right to hold that the reputation of the trade mark 'NASDAQ' had to be determined for the European consumers not only among the professional public, but also to an important subsection of the general public (paras 47, 51).
T-60/10 'ROYAL SHAKESPEARE'	The evidence of reputation supports and reinforces the fact that the relevant public for <i>theatre productions</i> is the public at large and not a limited and exclusive circle. The intervener's activities were advertised, presented and commented on in numerous newspapers targeting the public at large. The intervener toured different regions throughout the United Kingdom and performed before a wide public in the United Kingdom. An activity on a large scale and, hence, a service offered to the public at large, is reflected both in the high turnover and the high box office sales. Furthermore, it is clear from the documents submitted by the intervener that the intervener received substantial annual sponsorship income from undertakings in diverse sectors which also reach the public at large, such as banks, undertakings in the alcoholic drinks sector and car manufacturers (paras 35, 36).

Quite often, a given product will concern **various purchaser groups** with different profiles, as in the case of multipurpose goods or goods that are handled by several intermediaries before they reach their final destination (distributors, retailers, end-users). In such cases the question arises whether reputation has to be assessed within each separate group or if it should cover all the different types of purchaser. The example given by the Court in C-375/97, 'General Motors', (traders in a specific sector) implies that reputation within one single group may suffice.

Likewise, if the earlier trade mark is registered for quite **heterogeneous goods** and services, different segments of the public may be concerned by each type of goods, and, therefore, the overall reputation of the mark will have to be assessed separately for each category of goods involved.

The foregoing only deals with the kind of public to be taken into account in assessing whether the earlier mark has reached the threshold of reputation laid down by the Court in *General Motors*. However, a relevant question arises when assessing detriment or unfair advantage, namely whether the earlier mark must also be known to the public concerned by the goods and services of the later mark, since otherwise it is difficult to see how the public will be in a position to associate the two. This issue is discussed in paragraph 3.4 below.

3.1.2.3 Goods and services covered

The goods and services must be first of all those for which the earlier trade mark is registered and for which reputation is claimed.

Case No	Comment
R 1473/2010-1 'SUEDTIROL'	The opposition was dismissed since the earlier marks were not registered for the services which, according to the opponent, enjoy a reputation. Article 8(5) EUTMR can only be invoked if the trade mark affirmed to be well known/renowned is a registered trade mark and if the goods/services for which this reputation/renown is claimed appear on the certificate (para. 49).

The goods and services to which the evidence refers have to be identical (not only similar) to the goods and services for which the earlier trade mark is registered.

Case No	Comment
R 1033/2009-4 'PEPE'	The goods which were assessed to be reputed in Germany by the decision and order referred to only concern articles of skin and body care and children's cream. These articles are not identical to the earlier mark's goods in Class 3, <i>make-up products; nail treating products; namely nail lacquer and remover</i> . Therefore, the opponent did not prove reputation for the earlier German mark in the relevant territories (para. 31).

Where the earlier mark is registered for a wide range of goods and services targeting different kinds of public, it will be necessary to assess reputation separately for each category of goods. In such cases the earlier mark may not have a reputation for all of them, as it may not have been used at all for some of the goods, whereas for others it

may not have reached the degree of knowledge necessary for the application of Article 8(5) EUTMR.

Hence, if the evidence shows that the earlier mark enjoys **partial reputation**, that is, the reputation only covers some of the goods or services for which it is registered, it is only to that extent that this mark may be protected under Article 8(5) EUTMR. Consequently, it is **only these goods** that may be taken into account for the purposes of the examination.

Case No	Comment
R 1588/2009-4 'PINEAPPLE'	The Board concluded that the enhanced distinctiveness and reputation of the earlier marks did not concern the opponent's G&S which were considered to be identical or similar to the contested G&S. For these G&S no enhanced distinctiveness or reputation was proven, with the exception of <i>computer software</i> in Class 9 (para. 43).
R 1466/2008-2 and R 1565/2008-2, 'COMMERZBANK ARENA'	The evidence submitted sufficiently demonstrated that the 'ARENA' brand was known by a significant part of the relevant public. However, the evidence did not include any relevant information which could allow the level of brand awareness of the 'ARENA' brand in sectors other than <i>swimwear and swimming articles</i> to be determined (paras 58, 60).

3.1.2.4 Relevant territory

According to Article 8(5) EUTMR, the **relevant territory** for establishing the reputation of the earlier mark is the territory of protection: the earlier mark must **have a reputation in the territory where it is registered**. Therefore, for national marks the relevant territory is the Member State concerned, whereas for CTMs the relevant territory is the European Union.

In *General Motors*, the Court stated that a national trade mark cannot be required to have a reputation throughout the entire territory of the Member State concerned. It is sufficient if reputation exists in a substantial part of that territory. For the Benelux territory in particular, the Court held that a substantial part thereof may consist of a part of one of the Benelux countries (judgment of 14/09/1999, C-375/97 'General Motors', paras 28, 29).

The Court has clarified that for an earlier EU trade mark reputation throughout the territory of a single Member State may suffice.

Case No	Comment
C-301/07 'PAGO'	The case concerned an EU trade mark with a reputation throughout Austria. The Court indicated that an EU trade mark must be known in a substantial part of the EU by a significant part of the public concerned by the goods or services covered by that trade mark. In view of the facts of the particular case, the territory of the Member State in question (Austria) was considered to constitute a substantial part of the territory of the EU (paras 29, 30).

In general, however, when evaluating whether the part of the territory in question is a substantial one, account must be taken both of the size of the geographical area

concerned and of the proportion of the overall population living there, since both these criteria may affect the overall significance of the specific territory.

Case No	Comment
R 1283/2006-4 'RANCHO PANCHO (fig.)'	Although the evidence submitted showed use of the mark in 17 restaurants in France in 2002, this figure was considered rather low for a country of 65 million inhabitants. Therefore, the reputation was not proven (para. 22).

Opponents often indicate in the notice of opposition that the earlier mark has a reputation in an area that extends beyond the territory of protection (e.g. a pan-European reputation is alleged for a national mark). In such a case the opponent's claim must be examined with regard to the relevant territory.

Similarly, the submitted **evidence must specifically concern the relevant territory**. For example, if the evidence relates to Japan for instance, or to undefined regions, it will not be able to show reputation in the EU or in a Member State. Therefore, figures concerning sales in the EU as a whole, or world-wide sales, are not appropriate for showing reputation in a specific Member State, if the relevant data are not broken down by territory. In other words, a 'wider' reputation must also be specifically proven for the relevant territory if it is to be taken into account.

Case No	Comment
R 1718/2008-1 'LINGLONG'	Most of the documents submitted related to countries outside the European Union, mainly China, the opponent's home country, and other Asian countries. Consequently, the opponent cannot successfully claim to hold a well-known mark in the EU (para. 53).
R 1795/2008-4 'ZAPPER-CLICK' (appeal dismissed T-360/10)	The respondent sustained in the notice of cancellation that reputation was claimed for the territory of the UK. However, the international registration only designated Spain, France and Portugal and, therefore, did not extend to the territory of the UK. In addition, the respondent did not file any evidence of a reputation in the Member States designated by the international registration (para. 45).

However, where reputation is claimed as extending beyond the territory of protection and there is evidence to this effect, this must be taken into account because it may reinforce the finding of reputation in the territory of protection.

3.1.2.5 Relevant point in time

The opponent must show that the earlier mark had acquired a reputation by the **filing date** of the contested EUTM application, taking account, where appropriate, of any **priority** claimed, on condition of course that the priority claim has been accepted by the Office.

In addition, the reputation of the earlier mark must subsist until the decision on the opposition is taken. However, in principle it will be sufficient for the opponent to show that its mark already had a reputation on the filing/priority date of the EUTM application, while any subsequent **loss of reputation** is for the applicant to claim and prove. In

practice, such an occurrence will be rather exceptional, since it presupposes a dramatic change of market conditions over a relatively short period of time.

Where the opposition is based on an **earlier application**, there is no formal obstacle for the application of Article 8(5) EUTMR, which encompasses earlier applications by reference to Article 8(2) EUTMR. Although in most cases the earlier application will not have acquired sufficient reputation in so short a time, it cannot be *a priori* excluded that a sufficient degree of reputation may be achieved in an exceptionally short period. In addition, the application may be for a mark which was already in use long before the application was filed and has had sufficient time to acquire a reputation. In any event, as the effects of registration are retroactive, the applicability of Article 8(5) EUTMR to earlier applications cannot be regarded as a deviation from the rule that Article 8(5) EUTMR only applies to earlier registrations, as concluded in paragraph 2.1 above.

In general, the **closer to the relevant date** the evidence is, the **easier** it will be to assume that the earlier mark had **acquired reputation** at that time. The evidential value of a particular document is likely to vary depending on how close the period covered is to the filing date. Evidence of reputation with regard to a later point in time than the relevant date might nevertheless allow the drawing of conclusions as to the reputation of the earlier mark at the relevant date (see, by analogy, order of 27/01/2004, C-259/02 'La Mer Technology', para. 31; judgment of 17/04/2008, C-108/07 'Ferro', para 53; judgment of 15/12/2005, T-262/04 'Shape of a lighter', para. 82).

For this reason, the materials filed with a view to proving reputation must be dated, or at least **clearly indicate when** the facts attested therein took place. Consequently, undated documents, or documents bearing a date added afterwards (e.g. hand-written dates on printed documents), are not apt for giving reliable information about the material time.

Case No	Comment
R 0055/2009-2 'BRAVIA'	The evidence showed that the mark 'BRAVIA' was used for LCD televisions in Poland, the Czech Republic, Slovakia, Hungary, Germany, Turkey, Portugal, Austria, France, Italy and the Netherlands. However, none of the documents were dated. The opponent failed to submit any information regarding duration. Therefore, the evidence, taken as whole, was insufficient to prove the reputation in the European Union (paras 27, 28).
R 1033/2009-4 'PEPE'	In the Board's view, a judgment from 1972 was not able to prove enhanced distinctiveness at the time of filing the mark, that is, 20/10/2006. Furthermore, 'it follows from the decision of the Court [T-164/03] that the reputation of the earlier mark has been assessed as from 13 June 1996, i.e. more than ten years before the reputation date to be taken into consideration' (para. 31).

If the **period elapsed** between the latest evidence of use and the filing of the EUTM application is quite **significant**, the relevance of the evidence should be carefully assessed by reference to the kind of goods and services concerned. This is because changes in consumer habits and perceptions may take some time to happen, usually depending on the particular market involved.

For instance, the clothing market is strongly tied to yearly seasons and to the different collections issued every quarter. This will have to be taken into account in assessing a

possible loss of reputation in this particular field. Likewise, the market for internet providers and e-commerce companies is very competitive and knows rapid growth, as well as rapid demise, which means that reputation in this area may be diluted faster than in other market sectors.

Case No	Comment
R 0883/2009-4 'MUSTANG'	The appellant failed to prove that its earlier mark was already well known on the application date of the contested mark. The certificates regarding the reputation of the 'Mustang designation' refer neither to the asserted 'Calzados Mustang' figurative mark nor to the time when reputation must be determined (para. 28).

A similar question arises in the case of **evidence that post-dates the filing date** of the EUTM application. Even though such evidence will not usually be sufficient on its own to prove that the mark had acquired a reputation when the EUTM was filed, it is not appropriate to reject it as irrelevant either. Given that reputation is usually built up over a period of years and cannot simply be switched on and off, and that certain kinds of evidence (e.g. opinion polls, affidavits) are not necessarily available before the relevant date, as they are usually prepared only after the dispute arises, such evidence must be evaluated on the basis of its contents **and in conjunction with the rest of the evidence**. For example, an opinion poll conducted after the material time but showing a sufficiently high degree of recognition might be sufficient to prove that the mark had acquired a reputation on the relevant date if it is also shown that the market conditions have not changed (e.g. the same levels of sales and advertising expenditure were maintained before the opinion poll was carried out).

Case No	Comment
Joined cases T-345/08 and T-357/08 'BOTOCYL', confirmed by C-100/11 P	Although the reputation of an earlier mark must be established at the filing date of the contested mark, documents bearing a later date cannot be denied evidential value if they enable conclusions to be drawn with regard to the situation as it was on that date (para. 52).

The possibility cannot automatically be ruled out that a document drawn up some time before or after that date may contain useful information in view of the fact that the reputation of a trade mark is, in general, acquired progressively. The evidential value of such a document is likely to vary depending on how close the period covered is to the filing date (see, by analogy, order of 27/01/2004, C-259/02 'La Mer Technology', para. 31; judgment of 17/04/2008, C-108/07 P 'Ferro', para. 53; judgment of 15/12/2005, T-262/04 'Shape of a lighter', para. 82).

Case No	Comment
Joined cases T-345/08 and T-357/08 'BOTOCYL', confirmed by C-100/11 P	The press articles submitted proved that there was significant media coverage of the products marketed under the trade mark BOTOX on the filing date of the disputed marks (para. 53).

3.1.3 Assessment of reputation — relevant factors

Apart from indicating that 'It cannot be inferred from either the letter or the spirit of Article 5(2) of the [TMD] that the trade mark must be known by a **given percentage** of

the public', the Court also held that **all the relevant facts** must be considered in assessing the reputation of the earlier mark, 'in particular the **market share** held by the trade mark, the **intensity, geographical extent** and **duration** of its use, and the **size of investment** made by the undertaking in promoting it' (judgment of 14/11/1999, C-375/97 'General Motors', paras 25, 27).

If these two statements are taken together, it follows that the level of knowledge required for the purposes of Article 8(5) EUTMR cannot be defined in the abstract, but should be evaluated on a **case-by-case** basis, taking into account **not only the degree of awareness of the mark, but also any other fact relevant to the specific case**, that is, any factor capable of giving information about the performance of the mark in the market.

The list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark (such as the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the amount spent by the undertaking in promoting it) only serve as examples.

Case No	Comment
T-47/06 'Nasdaq'	<p>The opponent provided detailed evidence relating to the intensity, geographical extent and duration of the use of its trade mark NASDAQ and the amount spent in promoting it, demonstrating that it was known by a significant part of the public concerned by it. The Court considered that the fact that it did not produce figures regarding the market share did not call this finding into question (para. 51).</p> <p>The Court concluded that the list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark only serve as examples, as all the relevant evidence in the case must be taken into consideration and, second, the other detailed and verifiable evidence produced by the intervener is already sufficient in itself to conclusively prove the reputation of its mark NASDAQ (para. 52).</p>

Moreover, the relevant factors should be assessed with a view not only to establish the degree of recognition of the mark amongst the relevant public, but also to ascertain whether the **other requirements** related to reputation are fulfilled, for example, whether the alleged reputation covers a significant part of the territory concerned or whether the reputation had indeed been acquired by the filing/priority date of the contested EUTM application.

The same kind of test is applied to ascertain whether the trade mark has acquired **enhanced distinctiveness** through use for the purposes of Article 8(1)(b) EUTMR, or whether the mark is **well-known** within the meaning of Article 6^{bis} of the Paris Convention, since the subject-matter of proof in all these cases is in substance the same, namely the degree to which the mark is known by the relevant public, without prejudice to the threshold required in each case.

3.1.3.1 Trade mark awareness

The statement of the Court that 'it is not necessary for the mark to be known by a given percentage of the public', cannot be taken in itself as meaning that figures of trade mark awareness are irrelevant for, or that they should be given a lower probative value

in, the assessment of reputation. It only implies that percentages of awareness defined in the abstract may not be appropriate for all cases and that, consequently, it is **not possible to fix a priori a generally applicable threshold of recognition** beyond which it should be assumed that the mark is reputed (see, to that effect and by analogy, judgment of 04/05/1999, joined cases C-108/97 and C-109/97 ‘Windsurfing Chiemsee’, para. 52; judgment of 22/06/1999, C-342/97 ‘Lloyd Schuhfabrik Meyer’, para. 24, judgment of 16/11/2011 T-500/10, ‘DORMA’, para. 52).

Therefore, even though not expressly listed by the Court among the factors to be taken into account for assessing reputation, the **degree of recognition** of the mark amongst the relevant public is **directly relevant** and can be particularly helpful in evaluating whether the mark is sufficiently known for the purposes of Article 8(5) EUTMR, provided of course that the method of its calculation is reliable.

As a rule, the **higher the percentage** of trade mark awareness, the **easier** it will be to accept that the **mark has a reputation**. However, in the absence of a clear threshold, only if the evidence shows a **high degree** of trade mark awareness, will percentages of recognition be **persuasive**. Percentages alone are not conclusive. Rather, as explained before, reputation has to be evaluated by making an overall assessment of all the factors relevant to the case. The higher the degree of awareness, the less additional evidence may be required to prove reputation and vice versa.

Case No	Comment
R 0765/2009-1 ‘BOB THE BUILDER (fig.)’	The evidence submitted proved that the earlier mark enjoyed a very significant reputation in Sweden for <i>jellies, jams, fruit stews, fruit drinks, concentrates for production of drinks and juice</i> . According to the survey conducted by TNS Gallup, the spontaneous awareness (answers by telephone to the question ‘What brands for — ‘the relevant group of products is mentioned’ — have you heard about or do you know about?’) for the trade mark ‘BOB’ varied between 25 and 71% depending on the goods: <i>apple sauces, jams, marmalades, soft drinks, fruit drinks and fruit juices</i> . The supported awareness (answer to a questionnaire showing the products bearing the mark) varied between 49 and 90% depending on the goods. Furthermore, the market share for 2001 to 2006 averaged 30-35% in the above product groups (para. 34).

Where the evidence shows that the mark only enjoys a **lesser degree of recognition**, it should not be automatically assumed that the mark is reputed, which means that, most of the time, **mere percentages will not be conclusive** in themselves. In such cases, only if the evidence of awareness is coupled with sufficient indications of the overall performance of the mark in the market will it be possible to evaluate with a reasonable degree of certainty whether the mark is known by a significant part of the relevant public.

3.1.3.2 Market share

The **market share** enjoyed by the goods offered or sold under the mark and the **position** it occupies in the market are valuable indications for assessing reputation, as they both serve to indicate the **percentage of the relevant public** that **actually buys** the goods and to measure the success of the mark against competing goods.

Market share is defined as the **percentage of total sales** obtained by a brand in a particular sector of the market. When defining the relevant market sector, the goods and services for which the **mark has been used** must be taken into account. If the scope of such goods and services is narrower than those for which the mark is registered, a situation of partial reputation arises, similar to the one where the mark is registered for a variety of goods, but has acquired a reputation only for part of them. This means that in such a case, only **the goods and services for which the mark has actually been used and acquired a reputation will** be taken into account for the purposes of the examination.

Therefore, a very **substantial market share**, or a **leader position** in the market, will usually be a **strong indication of reputation**, especially if combined with a reasonably high degree of trade mark awareness. Conversely, a **small market share** will in most cases be an **indication against reputation**, unless there are other factors which suffice on their own to support such a claim.

Case No	Comment
Joined cases T-345/08 and T-357/08 'BOTOCYL', confirmed by C-100/11 P	'... the size of the market share of BOTOX in the United Kingdom, 74.3% in 2003 , like the degree of awareness of the trade mark of 75% among the specialised public accustomed to pharmaceutical treatments against wrinkles, is sufficient to substantiate the existence of a considerable degree of recognition on the market' (para. 76).
T-08/03 'Emilio Pucci'	The Court considered that the opponent failed to prove the enhanced distinctiveness or reputation of its earlier trade marks, since the evidence submitted (advertisements, seven letters from a number of advertising directors and a video cassette) did not include adequately substantiated or verifiable objective evidence to make it possible to assess the market share held by the marks EMIDIO TUCCI in Spain, how intensive, geographically widespread and long-standing use of the marks had been or the amount invested by the undertaking in promoting them (para. 73).

Another reason why a **moderate market share will not always be conclusive against reputation** is that the percentage of the public that in reality knows the mark may be much higher than the number of actual buyers of the relevant goods. This would be the case, for example, for goods that are normally used by more than one user (e.g. family magazines or newspapers) (judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE' paras 35, 36 and judgment of 10/05/2007, T-47/06 'NASDAQ' paras 47, 51) or for luxury goods, which many may know, but few can buy (e.g. a high percentage of European consumers know the trade mark 'Ferrari' for cars, but only few own one). For this reason, the market share proved by the evidence should be assessed taking into account the particularities of the specific market.

Case No	Comment
R 1659/2011-2 'KENZO'	'KENZO' identifies, in the eyes of the European public, a pre-eminent provider of recognised fashion and luxury items in the form of perfumes, cosmetics and clothing. The relevant public however was considered to be the general public (para. 29).

In certain cases it will **not be easy to define the market share** of the earlier mark, for example when the exact size of the relevant market cannot be measured accurately, owing to peculiarities of the goods or services concerned.

Case No	Comment
R 0446/2010-1 'TURBOMANIA'	The limited presence of the product on the market by no means prevented it from becoming well known by the relevant public. The evidence clearly showed that the trade mark appeared continuously in specialist magazines for the market from December 2003 to March 2007 (the date of the EU trade mark application). That meant that the public targeted by the magazines had constant, on-going exposure to the opponent's trade mark over a long period covering more than three years prior to the relevant date. Such a huge presence in the press specifically targeting the relevant public was more than sufficient evidence that the relevant public was aware of the trade mark (para. 31).

In such cases, **other similar indications** may be relevant, such as TV audience rates, as in the case of motor racing and other sporting or cultural events.

Case No	Comment
T-47/06 'NASDAQ'	The opponent submitted evidence showing that the mark 'NASDAQ' appeared almost daily, particularly by reference to the Nasdaq indices, in many newspapers and on many television channels that can be read/viewed throughout Europe. The opponent also submitted evidence of substantial investments in advertising . The Court found reputation proven, even though the opponent did not submit any market share figures (paras 47-52).

3.1.3.3 Intensity of use

The intensity of use of a mark may be demonstrated by **sales volumes** (i.e. the number of units sold) and **turnover** (i.e. the total value of those sales) attained by the opponent for goods bearing the mark. Usually, the relevant figures correspond to sales in one year, but there may be cases where the time unit used is different.

Case No	Comment
R 2100/2010-1 'SEXIALIS'	The documents submitted (press articles, sales figures, surveys) showed that the earlier sign 'CIALIS' was intensively used before the filing date of the EUTM application, that the products under the mark 'CIALIS' were marketed in several Member States where they enjoyed a consolidated position among the leading brands, and that there was a high degree of recognition in comparison to the market leader 'VIAGRA'. Large and constantly growing market share and sales numbers also showed 'the vast expansion of 'CIALIS'' (para. 55).

In evaluating the importance of a given turnover or sales volume, account should be taken of **how large the relevant market is in terms of population**, as this has a bearing on the number of potential purchasers of the products in question. For example, the relative value of the same number of sales will be much bigger, for example, in Luxembourg than in Germany.

Moreover, whether or not a given sales volume or turnover is substantial will depend on the **kind of product** concerned. For example, it is much easier to achieve a high sales volume for everyday, mass consumption goods than for luxury or durable products that are bought rarely, without this meaning that in the former case more consumers have come into contact with the mark, as it is likely that the same person has bought the same product more than once. It follows that the **kind, value and durability** of the goods and services in question should be taken into consideration in determining the significance of a given sales volume or turnover.

Figures of turnover and sales will be more useful as **indirect indications** that should be assessed in conjunction with the rest of the evidence, rather than as direct proof of reputation. In particular, such indications can be especially helpful for **completing the information given by percentages** as regards market share and awareness, by giving a more **realistic impression** of the market. For example, they may reveal a very large amount of sales behind a not-so-impressive market share, which may be useful in assessing reputation in the case of competitive markets, where it is in general more difficult for a single brand to account for a substantial portion of the overall sales.

In contrast, where the market share of the products for which the mark is used is not given separately, it will not be possible to determine whether a given turnover corresponds to a substantial presence in the market or not, unless the opponent also submits evidence showing the **overall size of the relevant market in terms of money**, so that its percentage in it may be inferred.

Case No	Comment
R 1054/2007-4 'mandarino' (fig.)	The reputation was not sufficiently proven in particular because none of the documents referred to the recognition of the earlier trade mark by the relevant end consumers. Nor was any evidence about the market share of the opponent's goods submitted. Information about the market share is particularly important in the sector in which the opponent had its core business (<i>handbags, transport items, accessories and clothing</i>) which is 'a quite atomized and competitive sector' and there are many different competitors and designers in that product range (paras 59-61).

This does not mean that the importance of turnover figures or volume of sales should be underestimated, as both are significant indications of **the number of consumers** that are expected to have encountered the mark. Therefore, it **cannot be excluded** that a **substantial** amount of turnover or sales volume may, in certain cases, be **decisive** for a finding of reputation, either alone, or in conjunction with very little other evidence.

Case No	Comment
R 0445/2010-1 'FLATZ'	Although, for reasons of force majeure, it was not possible for the earlier trade mark to become well known by traditional methods, that is, through selling the product, it did become extremely well known as a result of promotional activities, by publicising the trade mark extensively, continually and constantly in the specialist press and at sectorial fairs, thereby reaching virtually the whole of the three relevant sectors of the public. The limited presence of the product on the market by no means prevented it from becoming well known by the relevant public that, on the relevant date, FLATZ was the trade mark with which the opponent identified its <i>electronic bingo machines</i> (paras 41, 42, 50, 51).
R 1466/2008-2 and R1565/2008-2, 'COMMERZBANK ARENA'	The lack of figures regarding the market share held by the trade mark 'ARENA' in the relevant countries was not in itself capable of calling the finding of reputation into question. First, the list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark only serves to illustrate examples, as all the relevant evidence in the case must be taken into consideration and, second, the other detailed and verifiable evidence submitted by the opponent is already sufficient in itself to prove conclusively the substantial degree of recognition of the 'ARENA' mark amongst the relevant public (para. 59).

However, as this would deviate from the rule that reputation has to be evaluated by making an overall assessment of all factors relevant to the case, findings of reputation based almost exclusively on such figures should be generally avoided, or at least confined to exceptional cases that would really justify such a finding.

3.1.3.4 Geographical extent of use

Indications of the territorial extent of use are mainly useful for determining whether the alleged reputation is **widespread enough to cover a substantial part** of the relevant territory, within the sense given in paragraph 3.1 above. In this assessment, account should be taken of the density of population in the respective areas, as the critical criterion is the proportion of consumers knowing the mark, rather than the size of the geographical area as such. Similarly, what is important is public awareness of the mark rather than availability of goods or services. A mark may, therefore, have a territorially widespread reputation on the basis of advertising, promotion, media reports, etc.

In general, the more widespread the use, the easier it will be to conclude that the mark has passed the required threshold, whereas any indication showing use beyond a substantial part of the relevant territory will be a positive sign in the direction of reputation. Conversely, a very limited amount of use in the relevant territory will be a strong indication against reputation, as for example where the vast majority of the goods are exported to a third jurisdiction in sealed containers, directly from their place of production.

Case No	Comment
R 0966/2010-1 'ERT (fig.)'	If the earlier mark were so well known in the 27 Member States of the EU for TV broadcasting and magazines, it should have been easy for the opponent to provide information about 'the reach of the mark' just before 2008, when the EUTM application was filed. The magazine sales figures did not cover the right period. The submitted documents did not give any indication of the extent to which the public was aware of the mark (paras 16, 18).

However, evidence of actual use in the relevant territory should not be regarded as a necessary condition for the acquisition of reputation, as what matters most is knowledge of the mark and not how it was acquired.

Such knowledge may be generated by, for example, intensive advertising prior to the launching of a new product, or in the case of important cross-border shopping it may be fuelled by a significant price difference in the respective markets, a phenomenon often referred to as '**territorial spill-over**' of reputation from one territory to another. However, when it is claimed that such circumstances have occurred, the corresponding evidence must demonstrate this. For example, it cannot be assumed, merely because of the principle of free trade in the European Union, that goods put in the market in Member State X have also penetrated the market of Member State Y in significant numbers.

3.1.3.5 Duration of use

Indications of the duration of use are particularly useful for determining the **longevity** of the mark. The longer the mark has been used in the market, the larger will be the number of consumers that are likely to have encountered it, and the more likely it is that such consumers will have encountered the mark more than once. For example, a market presence of 45, 50 or 100-plus years is considered a strong indication of reputation.

Case No	Comment
R 1466/2008-2 and R 1565/2008-2, 'COMMERZBANK ARENA'	The evidence submitted showed a particularly impressive duration of use (over thirty years) and geographical extent of use (over seventy-five countries worldwide, including the Member States concerned) of the 'ARENA' brand (para. 55).
T-369/10 'BEATLE' (appeal dismissed in C-294/12 P)	The Beatles group was considered to be a group with an exceptional reputation lasting for more than 40 years (para. 36).

The duration of use of the mark should not be inferred by mere reference to the term of its registration. Registration and use do not necessarily coincide, as the mark may have been put to actual use either before or after it was filed. Therefore, where the opponent invokes actual use, going beyond the term of registration, it must prove that such use actually began before it applied for its mark.

Nevertheless, a long registration period may sometimes serve as an indirect indication of a long presence on the market, as it would be unusual for a proprietor to maintain a registered mark for many decades without any economic interest behind it.

In the end, the decisive element is whether the earlier mark had acquired a reputation at the time of filing of the contested application. Whether that reputation also existed at some earlier point in time is legally irrelevant. Therefore, evidence of **continuous use up to the filing date** of the application will be a positive indication in the direction of reputation.

In contrast, if the **use of the mark was suspended** over a significant period, or if the period elapsed between the latest evidence of use and the filing of the EUTM application is quite long, it will be more difficult to conclude that the reputation of the mark survived the interruption of use, or that it subsisted until the filing date of the application (see paragraph 3.1.2.5 above).

3.1.3.6 Promotional activities

The **nature and scale of the promotional activities** undertaken by the opponent are useful indications in assessing the reputation of the mark, to the extent that these activities were undertaken to build-up a brand image and enhance trade mark awareness among the public. Therefore, **a long, intensive and widespread** promotional campaign may be a **strong indication** that the mark has acquired a reputation among the potential or actual purchasers of the goods in question, and may actually have become known beyond the circle of the actual purchasers of those goods.

Case No	Comment
C-100/11 P 'BOTOCYL'	Evidence of the promotion of 'BOTOX' in English in scientific and general-interest press was sufficient to establish reputation of the mark both amongst the general public and amongst health-care professionals (paras 65, 66).
R 0445/2010-1 'FLATZ'	Although, for reasons of force majeure, it was not possible for the earlier trade mark to become well known by traditional methods, that is, through selling the product, it did become extremely well known as a result of promotional activities, by publicising the trade mark extensively, continually and constantly in the specialist press and at sectorial fairs, thereby reaching virtually the whole of the three relevant sectors of the public. The limited presence of the product on the market by no means prevented it from becoming well known by the relevant public that, on the relevant date, FLATZ was the trade mark with which the opponent identified its <i>electronic bingo machines</i> (paras 41, 42, 50, 51).
R 1659/2011-2 'KENZO' and R 1364/2012-2 'KENZO'	The opponent's goods have been advertised and articles have been written about them in many of the world's leading fashion-related lifestyle magazines, and in some of Europe's leading mainstream periodicals. In line with the case-law, the reputation of 'KENZO' for the said goods is confirmed. The goods for which the earlier mark has reputation are cosmetics, perfumes and clothing. Because of its substantial reputation, the earlier mark 'KENZO' possesses an 'undisputable allure' that can be transferred to nearly any luxury product (para. 33). Subsequent case confirmed reputation (para. 33).

Even though it cannot be ruled out that a mark acquires a reputation before any actual use, promotional activities will usually not be sufficient on their own for establishing that the earlier mark has indeed acquired a reputation (see paragraph 3.1.3.4 above). For example, it will be difficult to prove knowledge amongst a significant part of the public

exclusively by reference to promotion or advertising, carried out as preparatory acts for the launching of a new product, as the actual impact of publicity on the perception of the public will be difficult to measure without reference to sales. In such situations, the only means of evidence available to the opponent are opinion polls and similar instruments, the probative value of which may vary depending of the reliability of the method used, the size of the statistical sample etc. (for the probative value of opinion polls, see paragraph 3.1.4 below).

The impact of the opponent's promotional activities may be shown either **directly**, by reference to the **amount of promotional expenditure**, or **indirectly**, by way of inference from the **nature of the promotional strategy** adopted by the opponent and **the kind of medium used** for advertising the mark.

For example, advertising on a nation-wide TV channel or in a prestigious periodical should be given more weight than campaigns of a regional or local scope, especially if coupled with high audience or circulation figures. Likewise, the sponsoring of prestigious athletic or cultural events may be a further indication of intensive promotion, as such schemes often involve a considerable investment.

Case No	Comment
R 1673/2008-2 'FIESTA'	It is apparent from Ferrero's various advertising campaigns on Italian television (including Rai) that the earlier mark was widely exposed to viewers in 2005 and 2006. Many of these spots appear to have been broadcast in peak viewing times (e.g. during Formula 1 Grand Prix coverage) (para. 41).

Furthermore, the **contents of the advertising strategy** chosen by the opponent can be useful for revealing the **kind of image** the opponent is trying to create for its brand. This may be of particular importance when assessing the possibility of detriment to, or of taking unfair advantage of, a particular image allegedly conveyed by the mark, since the existence and contents of such an image must be abundantly clear from the evidence submitted by the opponent (see paragraph 3.4 below).

Case No	Comment
T-332/10 'VIAGUARA' ('VIAGRA')	The General Court found that in regard to the nature of the goods concerned, the BoA rightly considered that the aphrodisiac and stimulating properties claimed for commercial purposes for the non-alcoholic beverages covered by Class 32 coincide with the therapeutic indications of the earlier mark's goods or at least with the images it projects, namely an image of pleasure, vitality, strength and youth (para. 66).
R 0306/2010-4 'CARRERA' (under appeal T-0173/11)	The opponent's trade mark is not only known per se, but due to the high price of sports cars and the opponent's intensive expenditure on advertising and against the background of its successes in racing, the public associates it with an image of luxury, high tech and high performance (para. 31).

3.1.3.7 Other factors

The Court has made clear that the above list of factors is only indicative and has underlined that all the facts relevant to the particular case must be taken into consideration in assessing the reputation of the earlier mark (judgment of 14/09/1999,

C-375/97 ‘General Motors’, para. 27). Other factors may be found in the case-law of the Court dealing with enhanced distinctiveness through use, or in the WIPO Recommendations on the protection of well-known marks. Therefore, depending on their relevance in each case, the following may be added to the above factors: record of successful enforcement; number of registrations; certifications and awards; and the value associated with the mark.

Record of successful enforcement

Records of successful enforcement of a mark against dissimilar goods or services are important because they may demonstrate that, at least in relation to other traders, there is acceptance of protection against dissimilar goods or services.

Such records may consist of successful prosecution of complaints outside the courts, such as acceptance of cease and desist requests, delimitation agreements in trade mark cases, and the like.

Furthermore, evidence showing that the reputation of the opponent’s mark has been repeatedly recognised and protected against infringing acts by **decisions of judicial or administrative authorities** will be an important indication that the mark enjoys a reputation in the relevant territory, especially where such decisions are recent. That effect may be reinforced when the decisions of this kind are substantial in number (on the probative value of decisions, see paragraph 3.1.4.4 below). This factor is mentioned in Article 2(1)(b)(5) of the WIPO Recommendations.

Number of registrations

The **number** and **duration of registrations** and applications of the mark around Europe or the world is also relevant, but in itself it is a weak indication of the degree of recognition of the sign by the relevant public. The fact that the opponent has many trade mark registrations and in many classes may indirectly attest to an international circulation of the brand, but cannot be decisively prove in itself a reputation. This factor is mentioned in Article 2(1)(b)(4) of the WIPO Recommendations, where the need of actual use is made clear: the duration and geographical area of any registrations, and/or any applications for registration, of the mark are relevant ‘to the extent that they reflect use or recognition of the mark’.

Certifications and awards

Certifications, awards, and similar public recognition instruments usually provide information about the history of the mark, or reveal certain quality aspects of the opponent’s products, but as a rule they will not be sufficient in themselves to establish reputation and will be more useful as indirect indications. For example, the fact that the opponent has been a holder of a royal warrant for many years may perhaps show that the mark invoked is a traditional brand, but cannot give first-hand information about trade mark awareness. However, if the certification concerns facts that are related to the performance of the mark, its relevance will be much higher. This factor is mentioned by the Court in ‘Lloyd Schuhfabrik Meyer’ and ‘Windsurfing Chiemsee’ in relation to the assessment of enhanced distinctiveness through use.

Case No	Comment
R 1637/2011-5 'APART'	The new evidence submitted by the appellant and accepted by BoA shows that the earlier mark had consistently been granted a high brand rating as well as prizes in surveys carried out by specialised companies in Poland between 2005 and 2009 (para. 30). It was therefore considered that the appellant successfully proved reputation in Poland for jewellery, but did not prove reputation for the other goods and services covered by its earlier signs.

The value associated with the mark

The fact that a mark is solicited by third companies for reproduction on their products, either as a trade mark, or as mere decoration, is a strong indication that the mark possesses a high degree of attractiveness and an important economic value. Therefore, the extent to which the mark is exploited through **licensing, merchandising and sponsoring**, as well as the importance of the respective schemes, are useful indications in assessing reputation. This factor is mentioned in Article 2(1)(b)(6) of the WIPO Recommendations.

3.1.4 Proof of reputation

3.1.4.1 Standard of proof

The opponent must submit evidence enabling the Office to reach a **positive finding** that the earlier mark has acquired a reputation in the relevant territory. The wording used in Article 8(5) EUTMR and Rule 19(2)(c) CTMIR is quite clear in this respect: the earlier mark deserves enlarged protection only if it 'has a reputation'.

It follows that the **evidence must be clear and convincing**, in the sense that the opponent must clearly establish all the facts necessary to safely conclude that the mark is known by a significant part of the public. The reputation of the earlier mark must be established to the satisfaction of the Office and not merely assumed.

3.1.4.2 Burden of proof

According to the second sentence of Article 76(1) EUTMR, in *inter partes* proceedings the Office is restricted in its examination to the facts, evidence and arguments provided by the parties. It follows that in assessing whether the earlier mark enjoys reputation, the Office may **neither take into account** facts known to it as a result of its own **private knowledge** of the market **nor conduct an ex-officio investigation**, but should exclusively base its findings on the information and evidence submitted by the opponent.

Exceptions to this rule apply where particular facts are so well-established that they can be considered as universally known and, thus, are also presumed to be known to the Office (e.g. the fact that a particular country has a certain number of consumers, or the fact that food products target the general public). However, whether or not a mark has passed the threshold of reputation established by the Court in *General Motors* is not in itself a pure question of fact, since it requires the legal evaluation of several

factual indications, and, as such, the reputation of the earlier mark may not be simply assumed to be a universally known fact.

Case No	Comment
T-185/02 'PICARO' (confirmed by C-361/04 P)	The Board of Appeal, in addition to the facts expressly put forward by the parties, may take into consideration facts which are well known, that is, which are likely to be known by anyone or which may be learnt from generally accessible sources. 'It must be borne in mind, at the outset, that the legal rule stated in Article 76(1) in fine of Regulation No 40/94 constitutes an exception to the principle of examination of the facts by the Office of its own motion, laid down in limine by that provision. That exception must therefore be given a strict interpretation, defining its extent so as not to exceed what is necessary for achieving its object' (paras 29-32).
R 1472/2007-2 'El Polo'	It is common knowledge that the earlier mark is indeed a very famous brand, not only in France, but in most European countries, in large part due to the public's exposure to products at airport and duty free boutiques as well as long-standing advertising in widely circulated magazines. The weight of evidence required to support statements which are universally known to be true need not be great (para. 32).

Rule 19(2)(c) CTMIR provides that the burden of putting forward and proving the relevant facts lies with the opponent, by expressly requiring it to provide 'evidence attesting that the earlier mark **has a reputation**'. According to Rule 19(1) and Rule 19(2)(c) CTMIR and Office practice, such evidence may be submitted either together with the notice of opposition, or subsequently within four months of the date of notification of the opposition to the applicant. The opponent may also refer to facts and evidence submitted in the course of another opposition, provided that the relevant materials are indicated in a clear and unambiguous way and that the language of proceedings is the same in both cases.

If the evidence of reputation is not in the correct **language**, it will have to be translated into the language of the proceedings within the same period of four months, as required by Rules 16(1) and 17(3) CTMIR. However, in view of the volume of documents often needed for proving reputation, it is sufficient to translate only the material parts of long documents or publications. Similarly, it is not necessary to translate in their entirety documents or parts of documents that contain mainly figures or statistics, the meaning of which is evident, as is often the case with invoices, order forms, diagrams, brochures, catalogues etc.

Case No	Comment
R 1472/2007-2 'El Polo'	Although there is a requirement to adduce evidence to substantiate the existence of an earlier right in the language of the opposition proceedings, it is not specified that such translations have to be in any specific format. Many opponents simply provide their own, often hand-written, translations of the registration details. It is primarily for the Office and, to a lesser extent, for the applicant to check the accuracy of these translations. If a translation is incorrect, the document cannot be relied upon (para. 17).

3.1.4.3 Evaluation of the evidence

The basic rules on the evaluation of evidence are also applicable here: the evidence should be assessed **as a whole**, that is, each indication should be weighed-up against the others, whereas information confirmed by more than one source will generally be more reliable than facts derived from isolated references. Moreover, the more independent, reliable and well-informed the source of the information is, the higher the probative value of the evidence will be.

Therefore, information **deriving directly from the opponent** is unlikely to be enough on its own, especially if it only consists of **opinions** and **estimates** instead of facts, or if it is of an **unofficial character** and lacks objective confirmation, as for example when the opponent submits internal memoranda or tables with data and figures of unknown origin.

Case No	Comment
R 0295/2009-4 'PG PROINGEC CONSULTORIA (fig.)'	The content of the documentation submitted does not clearly demonstrate that the earlier marks enjoy a reputation. The documentation emanates, in the main, from the respondent directly and contains information taken from the respondent's trade catalogues, and its own advertising and documents downloaded from its website. There is insufficient documentation/information from third parties to reflect clearly and objectively what the respondent's position on the market precisely is. Reputation not proved (para. 26).
T-500/10 'doorsa FÁBRICA DE PUERTAS AUTOMÁTICAS' (fig.)	As regards documents in the case-file which come from the company itself, the General Court has held that to assess the evidential value of such a document, first and foremost account should be taken of the credibility of the account it contains. The Court added that it is then necessary to take account, in particular, of the person from whom the document originates, the circumstances in which it came into being, the person to whom it was addressed and whether, prima facie, the documents appear sound and reliable (para. 49).

However, if such information is publicly available or has been compiled for official purposes and contains information and data that have been objectively verified, or reproduces statements made in public, its probative value is generally higher.

As regards its contents, the more indications the evidence gives about the various factors from which reputation may be inferred, the more relevant and conclusive it will be. In particular, evidence which as a whole gives **little or no quantitative data and information** will not be appropriate for providing indications about **vital factors**, such as trade mark awareness, market share and intensity of use and, consequently, will not be sufficient to support a finding of reputation.

3.1.4.4 Means of evidence

There is no direct indication in the Regulations as to which kind of evidence is more appropriate for proving reputation, as for instance the one in Rule 22(4) CTMIR about evidence of use. The opponent may avail itself of **all the means of evidence of Article 78(1) EUTMR**, provided they are capable of showing that the mark has indeed the required reputation.

The following means of evidence are more frequently submitted by opponents in opposition proceedings before the Office (this list does not reflect their relative importance or probative value):

1. sworn or affirmed statements
2. decisions of Courts or Administrative authorities
3. decisions of the Office
4. opinion polls and market surveys
5. audits and inspections
6. certifications and awards
7. articles in the press or in specialised publications
8. annual reports on economic results and company profiles
9. invoices and other commercial documents
10. advertising and promotional material.

Evidence of this kind may also be submitted under Article 8(1)(b) EUTMR in order to prove that the earlier mark has obtained a higher degree of distinctiveness, or under Article 8(2)(c) EUTMR in relation to well-known marks.

Sworn or affirmed statements

The weight and probative value of statutory declarations is determined by the general rules applied by the Office to the assessment of such evidence. In particular, both the capacity of the person giving the evidence and the relevance of such evidence to the particular case must be taken into account. For further details on the weight and probative value of affidavits, see the Guidelines, Part C, Opposition, Section 6, Proof of Use.

Case No	Comment
R 0729/2009-1 'SKYBLOG'	The statement submitted by an expert consultancy firm in the area of digital media strategy in the UK attests to the opponent 'as the leading supplier of digital television in the UK' and that 'Sky' has an enormous and impressive reputation (para. 37).

Decisions of Courts or Administrative authorities

Opponents often invoke decisions of national authorities or Courts which have accepted the reputation of the earlier mark. Even though national decisions are admissible evidence and may have evidentiary value, especially if they originate from a Member State the territory of which is also relevant for the opposition at hand, they are not binding for the Office, in the sense that it is not mandatory to follow their conclusion.

Case No	Comment
T-0192/09 'SEVE TROPHY'	As far as judgments of Spanish courts are concerned, the EU trade mark system is an autonomous system, consisting of a set of rules and objectives that are specific, and applied independently of any national system (para. 79).

Since such decisions may serve to indicate reputation and to record successful enforcement of the mark, their relevance should be addressed and examined. Relevance should be given to the type of proceedings involved, to whether the issue was in fact reputation within the sense of Article 8(5) EUTMR, to the level of the court, as well as to the number of such decisions.

Case No	Comment
C-100/11 P 'BOTOCYL'	Decisions of the UK national office related to the reputation of 'BOTOX' are facts that may, if relevant, be taken into account by the General Court, despite the EUTM owners not being parties in those decisions (para. 78).

There might be differences between the substantive and procedural conditions applicable in national proceedings and those applied in opposition proceedings before the Office. Firstly, there may be differences as to how the requirement of reputation is defined or interpreted. Secondly, the weight the Office gives to the evidence is not necessarily the same as the weight given to it in national proceedings. Furthermore, national instances may be able to take into account *ex officio* facts known to them directly, whereas the Office may not, pursuant to Article 76 EUTMR.

For these reasons, the probative value of national decisions will be considerably enhanced if the conditions of law and facts on the basis of which they were taken are made abundantly clear. This is because, in the absence of these elements, it will be more difficult both for the applicant to exercise its right of defence and for the Office to assess the decision's relevance with a reasonable degree of certainty. Similarly, if the decision is not yet final, or if it is outdated due to the time that has elapsed between the two cases, its probative value will be diminished accordingly.

Consequently, the probative value of national decisions should be assessed on the basis of their contents and it may vary depending on the case.

Decisions of the Office

The opponent may also refer to earlier decisions of the Office, on condition that such a reference is clear and unambiguous, and that the language of the proceedings is the same. Otherwise, the opponent must also file a translation of the decision within the four-month period to file further facts, evidence and arguments, in order to allow the applicant to exercise its right of defence.

As regards the relevance and probative value of previous Office decisions, the same rules as for national decisions apply. Even where the reference is admissible and the decision is relevant, the Office is not bound to come to the same conclusion and must examine each case on its own merits.

It follows that previous Office decisions only have a relative probative value and should be evaluated in conjunction with the rest of the evidence, especially where the reference of the opponent does not extend to the materials filed in the first case, that is, where the applicant has not had a chance to comment on them, or where the time that has elapsed between the two cases is quite long.

Case No	Comment
R 0141/2011-1 'GUSSACI GUSSACI GUSSACI GUSSACI' (fig.)	The finding of reputation is confirmed by the previous decision of the Boards of Appeal , according to which 'GUCCI' was considered to be one of the world's leading brands in the field of luxury goods, and reputation of the mark 'GUCCI' as well as the letter 'G', in its various configuration as an abbreviation for 'GUCCI', was found. In particular, reputation was found for the following goods: <i>watches and jewellery</i> (decision of 14/042011, R 143/2010-1, 'GUDDY / GUCCI'), <i>clothing, handbags, leather goods, luggage, shoes, gift, jewellery, fragrance and eyewear</i> (decision of 11/02/2010, R 1281/2008-1 'G' (fig.) / 'G' (fig.) et al.), <i>clothing, handbags, leather goods, luggage and shoes</i> (decision of 17/03/2011, R 543/2010-1, 'G' (fig.) / 'G' (fig.) et al.) (para. 18).

Opinion polls and market surveys

Opinion polls and market surveys are the most suitable means of evidence for providing information about the degree of knowledge of the mark, the market share it has, or the position it occupies in the market in relation to competitors' goods.

The probative value of opinion polls and market surveys is determined by the status and degree of independence of the entity conducting it, by the relevance and the accuracy of the information it provides, and by the reliability of the applied method.

More particularly, in evaluating the credibility of an opinion poll or market survey, the Office needs to know the following.

1. Whether or not it has been conducted by an independent and recognised research institute or company, in order to determine the reliability of the source of the evidence.
2. The number and profile (sex, age, occupation and background) of the interviewees, in order to evaluate whether the results of the survey are representative of the different kinds of potential consumers of the goods in question. In principle, samples of 1 000 – 2 000 interviewees are considered sufficient, provided they are representative of the type of consumer concerned.
3. The method and circumstances under which the survey was carried out and the complete list of questions included in the questionnaire. It is also important to know how and in what order the questions were formulated, in order to ascertain whether the respondents were confronted with leading questions.
4. Whether the percentage reflected in the survey corresponds to the total amount of persons questioned or only to those who actually replied.

Unless the above indications are present, the results of a market survey or opinion poll should not be considered of high probative value, and will not in principle be sufficient on their own to support a finding of reputation.

Case No	Comment
R 0925/2010-2 '1 CLEAN! 2 FRESH! 3 STRONG!' (fig.)	The cancellation applicant did not submit sufficient proof of the reputation of its trade marks. According to the extracts from the 2001 survey conducted in Italy, although the level of 'prompted recognition' stands at 86 %, the rate of 'spontaneous recognition' is only 56 %. Moreover, no indication is given of the questions put to the people surveyed, making it impossible to determine whether the questions were really open and unassisted. The survey further fails to state for which goods the trade mark is known (para. 27).

Likewise, if the above indications are given, but the reliability of source and method are questionable or the statistical sample is too small, or the questions were leading, the credibility of the evidence will be diminished accordingly.

Case No	Comment
R 1191/2010-4 'MÁS KOLOMBIANA ...Y QUÉ MÁS!!' (fig.)	The survey submitted by the opponent does not provide conclusive information to demonstrate that the earlier sign is well-known to the Spanish public for <i>aerated waters</i> as the interviewees were carefully selected on the basis of their origin, that is, Colombians resident in Spain. This is only a very small part of the population living in Spain. The sales figures, publicity investment and presence in publications directed at the immigrant public, contained in the statement before a notary public, are likewise in insufficient amounts for a finding that the earlier sign is well-known. Moreover, the statements are not corroborated by conclusive data on the extent or turnover of the goods (para. 23).
R 1345/2010-1 'Fukato Fukato (fig.)'	In support of its claim under Article 8(5) EUTMR, the opponent relies exclusively on an opinion poll that was carried out in 2007. That opinion poll was conducted by an independent company. In principle, samples of 1 000–2 000 interviewees are considered sufficient, provided they are representative of the type of consumer concerned. The opponent's opinion poll was based on a sample of 500 interviewees, which is not sufficient in respect of the services for which reputation is claimed. According to the opinion poll, the logo of the earlier mark has been associated especially with services in the financial and insurance fields. Since the opposition is only based on Class 42 with regard to the earlier EU trade mark, it does not cover financial and insurance services. Consequently, the submitted opinion poll is not suitable proof of the reputation of the opponent's EU trade mark (para. 58).

Conversely, opinion polls and market surveys that fulfil the above requirements (independence and trustworthiness of source, reasonably large and widespread sample and reliable method) will be a strong indication of reputation, especially if they show a high degree of trade mark awareness.

Audits and inspections

Audits and inspections of the opponent's undertaking may provide useful information about the intensity of use of the mark, as they usually comprise data on financial results, sales volumes, turnovers, profits etc. However, such evidence will be pertinent only if it specifically refers to the goods sold under the mark in question, rather than to the opponent's activities in general.

Audits and inspections may be carried out on the initiative of the opponent itself, or may be required by company law and/or financial regulations. In the former case, the same rules as for opinion polls and market surveys apply, that is, the status of the entity conducting the audit and the reliability of the applied method will be of essence for determining its credibility, whereas the probative value of official audits and inspections will be as a rule much higher, since they are usually conducted by a state authority or by a recognised body of auditors, on the basis of generally accepted standards and rules.

Certifications and awards

This kind of evidence includes certifications and awards by public authorities or official institutions, such as chambers of commerce and industry, professional associations and societies, consumer organisations etc.

The reliability of certifications by authorities is generally high, as they emanate from independent and specialised sources, which attest facts in the course of their official tasks. For example, the average circulation figures for periodicals issued by the competent press-distribution associations are conclusive evidence about the performance of a mark in the sector.

Case No	Comment
R 0907/2009-2 'O2PLS'	The many brand awards won by the mark were considered an important part of the evidence to show reputation together with the huge advertising investments and the number of articles published in different publications (para. 9(iii) and para. 27).

The same applies to quality certifications and awards granted by such authorities, as the opponent usually has to meet objective standards in order to receive the award. Conversely, prizes and awards offered by unknown entities, or on the basis of unspecified or subjective criteria, should be given very little weight.

The relevance of a certification or award to the specific case largely depends on its contents. For example, the fact that the opponent is a holder of an ISO 9001 quality certificate, or of a royal warrant, does not automatically mean that the sign is known to the public. It only means that the opponent's goods meet certain quality or technical standards or that it is a supplier of a royal house. However, if such evidence is coupled with other indications of quality and market success, it may lead to the conclusion that the earlier mark has a reputation.

Articles in the press or in specialised publications

The probative value of press articles and other publications concerning the opponent's mark mainly depends on whether such publications are covert promotional matter, or if, on the contrary, they are the result of independent and objective research.

Case No	Comment
Joined cases T-345/08 and T-357/08 'BOTOXYL', confirmed by C-100/11 P	The very existence of articles in a scientific publication or the general-interest press constitutes a relevant factor in establishing the reputation of the products marketed under the trade mark BOTOX with the general public, irrespective of the positive or negative content of those articles (para. 54).
R 0555/2009-2 'BACI MILANO' (fig.)	The reputation of the earlier trade mark in Italy was proven by the copious amount of documentation submitted by the opponent, which included, inter alia, an article from <i>Economy</i> revealing that in 2005 the 'BACI & ABBRACCI' trade mark was one of the fifteen most counterfeited fashion brands in the world; an article published in <i>Il Tempo</i> on 05/08/2005, in which the 'BACI & ABBRACCI' trade mark is mentioned alongside others, including Dolce & Gabbana, Armani, Lacoste and Puma, as being targeted by counterfeiters; an article published in <i>Fashion</i> on 15/06/2006, in which the trade mark is defined as 'a true market phenomenon'; publicity campaigns from 2004 to 2007, with testimonials from entertainment and sports celebrities; a market survey conducted by the renowned independent agency Doxa in September 2007, from which it emerges that the trade mark is at the top of mind in the fashion sector for 0.6% of the Italian public (para. 35).

Hence, if such articles appear in publications of a high status or are written by independent professionals, they will have a quite high value, as for example when the success of a specific brand becomes the object of a case study in specialised journals or in scientific publications. The presence of a mark in a dictionary (which is not a press article but is still a publication) is a means of evidence with high value.

Case No	Comment
Joined cases T-345/08 and T-357/08 'BOTOXYL', confirmed by C-100/11 P	The inclusion of a word in a dictionary is the expression of a fair amount of recognition on the part of the public. The references in the 2002 and 2003 editions of a number of dictionaries published in the United Kingdom constitute one of the items of evidence which may establish the reputation of the trade mark BOTOX in that country or amongst the English-speaking public of the European Union. (paras 55, 56).

Annual reports on economic results and company profiles

This type of evidence includes all kinds of internal publications giving varied information about the history, activities and perspectives of the opponent's company, or more detailed figures about turnovers, sales, advertising etc.

To the extent that such evidence derives from the opponent and is mainly intended to promote its image, its probative value will mostly depend on its contents and the relevant information should be treated with caution, especially if it mainly consists of estimates and subjective evaluations.

However, where such publications are circulated to clients and other interested circles and contain objectively verifiable information and data, which may have been compiled or revised by independent auditors (as is often the case with annual reports), their probative value will be substantially enhanced.

Invoices and other commercial documents

All kinds of commercial documents may be grouped under this heading, such as invoices, order forms, distribution and sponsoring contracts, samples of correspondence with clients, suppliers or associates etc. Documents of this sort may provide a great variety of information as to the intensity of use, the geographical extent and duration of the use of the mark.

Even though the relevance and credibility of commercial documents is not disputed, it will be generally difficult to prove reputation on the basis of such materials alone, given the variety of factors involved and the volume of documents required. Furthermore, evidence such as distribution or sponsoring contracts and commercial correspondence are more appropriate for giving indications about the geographical extent or the promotional side of the opponent's activities, than for measuring the success of the mark in the market and thus may only serve as indirect indications of reputation.

Case No	Comment
R 1272/2010-1 'GRUPO BIMBO' (fig.) (T-357/11)	The evidence submitted shows a high level of recognition of the mark on the Spanish market. The total invoices on the Spanish tin-loaf market in 2004 amounted to EUR 346.7 million, of which the opponent's invoices amounted to EUR 204.9 million. The submitted invoices cover advertisements on TV, as well as in newspapers and magazines. Therefore, the reputation of 'BIMBO' in Spain for <i>industrially produced bread</i> has been substantiated (para. 64). The Court did not address this point.

Advertising and promotional material

This kind of evidence may take various forms, such as press cuttings, advertising spots, promotional articles, offers, brochures, catalogues, leaflets etc. In general, such evidence cannot be conclusive of reputation on its own, due to the fact that it cannot give much information about actual trade mark awareness.

However, some conclusions about the degree of exposure of the public to advertising messages concerning the mark may be drawn by reference to the kind of the medium used (national, regional, local) and to the audience rates or circulation figures attained by the relevant spots or publications, if of course this kind of information is available.

Case No	Comment
R 0043/2010-4 'FFR' (fig.) (T-143/11)	The documents submitted show that the device of a black rooster has acquired reputation and will be associated with wines from the Chianti Classico-region. The opponent provided several copies of advertisements in newspapers and magazines showing its promotional activity as well as independent articles displaying a black rooster in connection with the Chianti Classico region. However, given that the reputation only pertains to the device of a black rooster and given that this device is only one part of the earlier marks, serious doubts arise about whether reputation can be attributed to the marks as a whole. Moreover, for the same reason, doubt also arises about which marks the reputation could be attributed to, given that the opponent owns several marks. (paras 26, 27). The Court did not assess the evidence on reputation.

In addition, such evidence may give useful indications of the kind of goods covered, the form in which the mark is actually used and the kind of image the opponent is trying to create for its brand. For example, if the evidence shows that the earlier registration for which reputation is claimed covers a device, but in reality this device is used combined with a verbal element, it would not be consistent to accept that the device by itself has a reputation.

Case No	Comment
R 1308/2010-4 'WM GRAND PRIX'	In all the examples of actual use on the podia, media kits, posters, race cards, letter head, programme covers, tickets, passes etc., submitted by the opponent, the words GRAND PRIX are always used in combination with other elements. No evidence of use was submitted of the use of the trade mark GRAND PRIX in an independent way (paras 53, 54).
T-10/09, 'F1-LIVE' (C-196/11 P)	The evidence of reputation makes reference to the earlier figurative mark 'F1 Formula 1' and not to the earlier word marks. Without its particular logotype the text 'Formula 1' and its abbreviation 'F1' are perceived as descriptive elements for a category of racing cars or races involving those cars. The reputation was not proven for the word marks which are not identical or similar (paras 53, 54, 67). The Court did not address this point.

3.2 The similarity of the signs

A 'certain degree of similarity between the signs' must be found for an opposition under Article 8(5) EUTMR to succeed (judgment of 24/03/2011, C-552/09 P, 'TiMi KINDERJOGHURT', para. 53). If the signs are found **dissimilar** overall, the examination aimed at establishing whether the other requirements under Article 8(5) EUTMR are met **should not be carried out**, as the opposition cannot succeed.

A subject of some uncertainty is the relationship between 'similarity' within the meaning of Article 8(5) EUTMR and the meaning of the same term used in Article 8(1)(b) EUTMR. According to the clear wording of these two provisions, **a similarity (or identity) between the signs is a precondition for the application of both Article 8(1)(b) and Article 8(5) EUTMR**. The use of the same term in both provisions is an argument in favour of the need to interpret this term in the same way and the case-law has confirmed this.

Accordingly, the assessment of similarity should be made according to the **same criteria** that apply in the context of Article 8(1)(b) EUTMR, thus taking into account elements of **visual, aural or conceptual similarity** (judgment of 23/10/2003, C-408/01, 'Adidas', para. 28, relating to the interpretation of Article 5(2) TMD, and judgment of 24/03/2011, C-552/09P, 'TiMi KINDERJOGHURT', para. 52). See the Guidelines, Part C, Opposition, Section 2, Identity and Likelihood of Confusion, Chapter 4, Comparison of Signs.

The general rules for assessing the signs established for the examination of this criterion under Article 8(1)(b) EUTMR apply, such as the rule that consumers perceive the sign as a whole and only rarely have the chance to make a direct comparison between the different marks and must place their trust in the imperfect image of them that they have kept in mind (judgment of 25/01/2012, T-332/10 'Viaguara', paras 33,

34) (see the Guidelines, Part C, Opposition, Section 2, Identity and Likelihood of Confusion, Chapter 7, Global Assessment, paragraph 3, Imperfect recollection).

3.2.1 Notion of ‘similarity’ pursuant to Article 8(5) EUTMR compared with Article 8(1)(b) EUTMR

Despite application of the same criteria for similarity of the signs in Article 8(1)(b) and Article 8(5) EUTMR, the purposes underlying these Articles are different: for Article 8(1)(b) EUTMR, the aim is to prevent the registration of a later trade mark that, if used, could confuse the relevant public as regards the commercial origin of the goods or services concerned, whereas for Article 8(5) EUTMR, the aim is to prevent the registration of a later trade mark that, if used, could take unfair advantage of, or be detrimental to, the reputation or distinctiveness of the earlier reputed trade mark.

The relationship between the notion of ‘similarity’ under the two provisions was addressed by the Court in *TIMI KINDERJOGHURT*: ‘It should be noted at the outset that ... the existence of a similarity between the earlier mark and the challenged mark is a precondition for the application both of Article 8(1)(b) [EUTMR] and of Article 8(5) [EUTMR]’ (para. 51).

In the context both of Article 8(1)(b) and of Article 8(5) EUTMR, a finding of similarity between the marks in question requires the existence, in particular, of elements of visual, aural or conceptual similarity (judgment of 23/10/2003, C-408/01 ‘Adidas-Salomon and Adidas Benelux’, para. 28).

However, those provisions differ in terms of the degree of similarity required. Whereas the protection provided for under Article 8(1)(b) EUTMR is conditional upon a finding of a degree of similarity between the marks at issue such that there is a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) EUTMR. Accordingly, the types of injury referred to in Article 8(5) EUTMR may result from a lesser degree of similarity between the marks in question, provided that it is sufficient for the relevant section of the public to make a connection between those marks that is to say, to establish a link between them (judgment of 23/10/2003, C-408/01 ‘Adidas-Salomon and Adidas Benelux’, paras 27, 29, 31, and judgment of 27/11/2008, C-252/07 ‘Intel Corporation’, paras 57, 58, 66).

Nevertheless, it is not apparent either from the wording of those provisions or from the case-law that the similarity between the marks at issue must be assessed in a different way, depending on whether the assessment is carried out under Article 8(1)(b) EUTMR or under Article 8(5) EUTMR.

To sum up, the application of both Article 8(1)(b) and Article 8(5) EUTMR requires a finding of similarity between the signs. Consequently, if in the examination of Article 8(1)(b) EUTMR the signs were found to be **dissimilar**, the opposition will necessarily fail under Article 8(5) EUTMR too.

However, once the signs have been found to be **similar**, depending on whether Article 8(1)(b) or Article 8(5) EUTMR are involved, the examiner will independently assess whether the degree of similarity is sufficient for the relevant provision to apply (and in correlation with the further relevant factors).

Therefore, a degree of similarity between the marks that, after an overall assessment of the factors, led to a partial finding of likelihood of confusion under Article 8(1)(b) EUTMR does not **necessarily** trigger a link between the signs under Article 8(5) EUTMR, for example because the markets concerned are completely distinct. A full analysis must take place. This is because **the similarity of the signs is only one of the factors to be considered when assessing whether there is such a link** (see the relevant criteria listed under paragraph 3.3 below on the 'link').

Depending on the case, the following scenarios are possible.

- Article 8(1)(b) EUTMR fails because the signs are **dissimilar** — Article 8(5) EUTMR fails too, since the same conclusion applies.
- Likelihood of confusion pursuant to Article 8(1)(b) EUTMR is excluded (e.g. because the goods or services are dissimilar or very remotely similar), but the signs are similar — the examination of Article 8(5) EUTMR must be carried out (see T-143/11 'CHIANTI CLASSICO' paras 66-71).
- The similarity of the signs together with the other relevant factors justifies the *exclusion* of likelihood of confusion pursuant to Article 8(1)(b) EUTMR, but the similarity between the signs might be sufficient to establish a *link* between them under Article 8(5) EUTMR, in view of the other relevant factors to be taken into account.

3.3 The link between the signs

The Court has made it clear that in order to assess whether the use of the contested mark would be likely to cause detriment to, or take unfair advantage of, the distinctive character or repute of the earlier mark, it is **necessary to establish** – once the signs have been found to be similar – **if, given all the relevant factors, a link (or association) between the signs will be established in the mind of the relevant public**. The subsequent case-law has made it clear that such an analysis should precede the final assessment of the existence of a risk of injury.

The notion of a link between the signs was addressed by the Court in its judgment of 27/11/2008, C-252/07 'Intel Corporation', para. 30 (and the case-law cited therein), which, although referring to the interpretation of Article 4(4)(a) TMD, is applicable to Article 8(5) EUTMR which is the equivalent provision in the EUTMR. In *Intel*, the Court, stated the following (para. 30):

The types of injury referred to in Article 4(4)(a) of the Directive, where they occur, are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them (see, in relation to Article 5(2) of the Directive, *General Motors*, para. 23; *Adidas-Salomon and Adidas Benelux*, para. 29, and *adidas and adidas Benelux*, para. 41).

The term '**link**' is often also referred to as '**association**' in other paragraphs of this part of the Guidelines as well as in case-law. These **terms** are, at times, **used interchangeably**.

The Court made it clear that the mere fact that the marks in question are similar **is not sufficient** for it to be concluded that there is a link between them. Rather, **whether or not there is a link between the marks at issue must be appreciated globally**, taking into account all factors relevant to the circumstances of the case.

According to *Intel*, (para. 42), the following may be **relevant factors** when assessing whether such a link exists.

- The degree of similarity between the conflicting marks. The more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public (judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE', para. 26 and, by analogy, preliminary ruling of 27/11/2008, C-252/07, *Intel*, para. 44).
- The nature of the goods or services for which the earlier mark is reputed and the later mark seeks registration, including the degree of similarity or dissimilarity between those goods or services, and the relevant section of the public. The goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public (*Intel*, para. 49).
- The strength of the earlier mark's reputation.
- The degree of the earlier mark's distinctive character, whether inherent or acquired through use. The more inherently distinctive the prior mark, the more likely it will be brought to a consumer's mind when encountering a similar (or identical) later mark.
- The existence of likelihood of confusion on the part of the public.

This list is not exhaustive. A link between the marks at issue may be established or excluded on the basis of only some of those criteria.

The question of whether the relevant public will establish a link between the marks at issue is a **question of fact** which must be answered in the light of the facts and circumstances of each individual case.

The assessment of whether a 'link' will be established must take into account all the relevant factors that will then need to be balanced. Therefore, even a faint or remote degree of similarity between the signs (which might not be sufficient for a finding of likelihood of confusion under Article 8(1)(b) EUTMR) still justifies assessing all the relevant factors to determine if it is likely that a link between the signs will be established in the mind of the relevant public. In this respect, in its judgment of 24/03/2011, C-552/09 P, 'TiMi Kinderjoghurt', paras 65, 66, the Court stated the following:

Although that global assessment implies some interdependence between the relevant factors, and a low degree of similarity between the marks may therefore be offset by the strong distinctive character of the earlier mark ... the fact remains that where there is no similarity between the earlier mark and the challenged mark, the reputation or recognition enjoyed by the earlier mark and the fact that the goods or services respectively covered are identical or similar are not sufficient for it to be found that the relevant public makes a link between them ...


... It is only if there is some similarity, even faint, between the marks at issue that the General Court must carry out a global assessment in order to ascertain whether, notwithstanding the low degree of similarity between them, there is, on account of the presence of other relevant factors such as the reputation or recognition enjoyed by the earlier mark, a likelihood of confusion or a link made between those marks by the relevant public.

Case-law has made it clear that a link is not sufficient, in itself, to establish that there may be one of the forms of damage referred to in Article 8(5) EUTMR (judgment of 26/09/ 2012, T-301/09, 'Citigate', para. 96, and the case-law cited therein). However, as will be explained in detail under paragraph 3.4 'The risk of injury' below, the existence of the link (or association) between the signs is necessary before determining whether detriment or unfair advantage are likely.

Examples where a link was found between the signs

The following are examples where it was found that the degree of similarity between the signs (together with further factors) was sufficient to conclude that consumers would establish a link between them.

Earlier reputed sign	EUTM application	Case No
BOTOX	BOTOLYST and BOTOCYL	Joined Cases T-345/08 and T-357/08 confirmed in C-100/11P)
<p>The trade mark BOTOX had a reputation for pharmaceutical preparations for the treatment of wrinkles in the United Kingdom on the filing date of the contested marks, which cover a range of goods in Class 3. The General Court confirmed the Board's finding that there is a certain overlap between the goods, namely a low degree of similarity between the opponent's <i>pharmaceutical preparations for the treatment of wrinkles</i> and the contested <i>cosmetics among other creams</i>, whereas the remaining contested goods, namely <i>perfumes, sun-tanning milks, shampoos, bath salts, etc.</i>, are dissimilar. Nevertheless, the goods at issue concern related market sectors. The General Court confirmed the Board's finding that the relevant public – practitioners as well as the general public – would not fail to notice that both the applied for trade marks, BOTOLIST and BOTOCYL, begin with 'BOTO-', which comprises almost the whole of the mark BOTOX, which is well known to the public. The General Court pointed out that 'BOTO-' is not a common prefix, either in the pharmaceutical field or in the cosmetic field and that it has no descriptive meaning. Even if the sign BOTOX could be broken down into 'bo' for 'botulinum' and 'tox' for 'toxin' in reference to the active ingredient which it uses, that word would then have to be considered to have acquired a distinctive character, inherent or through use, at least in the United Kingdom. In light of all the relevant factors, the public would naturally be led to establish a link between the marks BOTOLIST and BOTOCYL and the reputed mark BOTOX (paras 65-79).</p>		



Earlier reputed sign	EUTM application	Case No
RED BULL		R 0070/2009-1
<p>The Board found that a link would be established between RED DOG and RED BULL because (i) the marks have some relevant common features, (ii) the conflicting goods in Classes 32-33 are identical, (3) the RED BULL mark is reputed, (iv) the RED BULL mark has acquired a strong distinctive character through use and (v) there might be a possibility of confusion (para 19). It is reasonable to assume that the average consumer of beverages, who knows the reputed RED BULL mark and sees the RED DOG marks on the same kind of beverages would immediately recall the earlier mark. According to the <i>Intel</i> judgement, this is 'tantamount to the existence of a link' between the marks (para 24).</p>		



Earlier reputed sign	EUTM application	Case No
VIAGRA	VIAGUARA	T-332/10
<p>The trade marks are highly similar overall (para. 42). Visually, all the letters of the earlier trade mark are present in the contested one, the first four and the final two are in the same sequence. There is a visual similarity, especially since the public tends to pay more attention to the beginnings of words (para 35, 36). The identity of the first and the last syllable, together with the fact that the middle syllables have in common the sound [g], leads to a high degree of phonetic similarity (paras 38, 39). Neither of the signs has a meaning and, therefore, the public will not differentiate them conceptually (para. 40).</p> <p>The earlier mark covers <i>pharmaceuticals for the treatment of erectile dysfunctions</i> in Class 5, whereas the contested mark covers <i>non-alcoholic and alcoholic drinks</i> in Classes 32 and 33. The reputation of the earlier sign for the mentioned goods is not disputed. The General Court found that although no direct connection can be established between the goods covered by the marks in dispute since they are dissimilar, an association with the earlier mark remains possible, taking into account the high degree of similarity between the signs and the strong reputation acquired by the earlier mark. Therefore, the General Court concludes that a link is likely to be established between the marks (para. 52).</p>		


Earlier reputed sign	EUTM application	Case No
RSC-ROYAL SHAKESPEARE COMPANY	ROYAL SHAKESPEARE	T-60/10
<p>As the contested trade mark is exclusively made up of the central and distinctive element of the earlier trade mark, namely the expression 'royal shakespeare', the signs at issue are visually, phonetically and conceptually similar. Therefore, the average consumer will establish a link between those signs (para 29). The earlier mark covers services in Class 41, including <i>theatre productions</i>, whereas the contested mark covers <i>non-alcoholic and alcoholic drinks</i> in Classes 32 and 33 and <i>providing of food and drink, restaurants, bars, pubs, hotels; temporary accommodation</i> in Class 42. The General Court confirmed the Board's finding of the 'exceptional' reputation of the earlier mark in the United Kingdom for theatre productions. The relevant public for the contested trade mark is the same as the relevant public for the earlier trade mark, namely the public at large (para 58). Although the contested goods in Classes 32-33 do not appear to be directly and immediately linked to the opponent's theatre productions, there is a certain proximity and link between them. The General Court refers to the judgment of 04/11/2008, T-161/07 'Ugly (COYOTE UGLY)', paras 31-37, where a certain similarity between <i>entertainment services</i> and <i>beer</i> was found due to their complementarity. The General Court added that it is common practice, in theatres, for bar and catering services to be offered either alongside and in the interval of a performance. Moreover, irrespective of the above, in view of the established reputation of the earlier trade mark, the relevant public, namely the public at large in the United Kingdom, would be able to make a link with the intervener when seeing a beer with the contested trade mark in a supermarket or in a bar (para. 60).</p>		


Examples where no link was found between the signs

The following are examples where an overall assessment of all of the relevant factors showed that it was unlikely that a link would be established between the signs.

Earlier reputed sign	EUTM application	Case No
		R 0724/2009-4
<p>The signs only have a certain degree of visual and aural similarity. The Board confirms that the reputation of the earlier marks has been proven solely for <i>distribution of energy services</i>. These services are completely different from the goods for which protection is requested in Classes 18, 20, 24 and 27. The relevant section of the public is the same, given that the services for which a reputation has been proven, namely <i>distribution of energy services</i>, are aimed at the general public and the goods in dispute are also aimed at the average consumer who is reasonably observant and circumspect. However, even if the relevant section of the public for the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public. The huge differences in usage between the goods in dispute and the services for which a reputation has been proven make it very unlikely that the public will make a link between the signs in dispute, which is essential for the application of Article 8(5) EUTMR and for unfair advantage to be taken of the distinctive character or repute of the earlier mark. It is even less likely that, when intending to purchase a bag or item of furniture, the relevant public will link these goods to a trade mark that is very well known, but for services in the energy sector (paras 69-79).</p>		

Earlier reputed sign	EUTM application	Case No
G-STAR and 		T-309/08
<p>Visually the signs cause a different overall impression, due to the figurative element of a Chinese dragon's head placed at the beginning of the mark applied for. Aurally, there is a rather close aural similarity between the marks at issue. The signs are conceptually different, since the element 'star' of the earlier marks is a word which is part of basic English vocabulary, the meaning of which is widely understood throughout the EU. Therefore, the earlier marks will be perceived as referring to a star or a famous person. It is possible that a part of the relevant public will attribute to the element 'stor' of the contested mark the sense of the Danish and Swedish word 'stor', meaning 'big, large', or will regard it as a reference to the English word 'store' meaning 'shop, storage'. It is, however, more likely that the majority of the relevant public will not attribute any particular meaning to that element. Therefore, the relevant public will perceive the marks at issue as conceptually different inasmuch as the earlier marks have a clear meaning throughout the EU, while the mark applied for has either a different meaning for part of the relevant public or has no meaning. According to settled case-law, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences between those signs may counteract the visual and aural similarities between them. The Board of Appeal was right to find that the visual and conceptual differences between the marks prevented any assumption of a possible link between them (paras 25-36).</p>		

Earlier reputed sign	EUTM application	Case No
ONLY		R 1556/2009-2 (confirmed by T-586/10)
<p>The goods in Class 3 are identical and target the same public. There is a slight degree of visual and conceptual similarity between the signs at issue and a moderate degree of aural similarity. Even if the earlier marks had a reputation, the differences between the signs, in particular due to the conceptual unit created by the combination of the element 'only' and the distinctive dominant element 'givenchy', would be significant enough for the public not to make any connection between them. Therefore, the Board of Appeal was correct in finding that one of the conditions for applying Article 8(5) EUTMR, namely that the signs be sufficiently similar to lead the relevant public to make a connection between them, has not been met (paras 65, 66).</p>		

Earlier reputed sign	EUTM application	Case No
KARUNA		R 696/2009-4 (confirmed by T-357/10)
<p>The goods concerned, <i>chocolate</i> in Class 30, are identical. The signs differ visually not only because of the figurative elements in the sign applied for, but also because of their verbal elements. Even though the verbal elements of the marks at issue have three letters out of six in common, a difference arises because the earlier marks begin with the letters 'ka' while the mark applied for begins with the letters 'co' and because the consumer normally attaches more importance to the first part of words. There is a low degree of phonetic similarity between the signs taken as a whole. Conceptually, the word 'corona', meaning 'crown' in Spanish, does not have any meaning in Estonian, Latvian or Lithuanian. Accordingly, no conceptual comparison is possible between the signs at issue in the three Baltic States. The mere fact that the Lithuanian word 'karūna' means 'crown' is not sufficient to establish that the relevant public associates the terms 'karuna' or 'karūna' with the word 'corona', which remains a foreign word. To conclude, the General Court reiterated that if the condition of similarity of the signs is not met under Article 8(1)(b) EUTMR, it must also be held, on the basis of the same analysis, that that condition is not met under Article 8(5) EUTMR either (paras 30-34 and 49).</p>		

3.4 The risk of injury³

3.4.1 Protected subject matter

Article 8(5) EUTMR does **not protect the reputation** of the earlier mark **as such**, in the sense that it does **not intend to prevent the registration of all marks identical with or similar to a mark with reputation**. In addition, there must be a likelihood that use of the contested application without due cause would take unfair advantage of, or would be detrimental to, the distinctive character or the repute of the earlier mark. The Court confirmed this by stating that 'once the condition as to the existence of reputation is fulfilled, the examination has to proceed with the **condition that the earlier mark must be detrimentally affected** without due cause' (see judgment of 14/09/1999, C-375/97, 'General Motors', para. 30).

³ For the purposes of these Guidelines, the term 'injury' covers taking 'unfair advantage' even though in such cases there is not necessarily an 'injury' in the sense of detriment either to the distinctive character or repute of the mark or, more generally, to its proprietor.

The Court did not set out in more detail exactly what would count as detriment or unfair advantage, even though it stated in *Sabel* that Article 8(5) EUTMR '[does] not require proof of likelihood of confusion', thereby stating the obvious, namely that the enlarged protection granted to reputed marks is not concerned with their function of origin (see judgment of 11/11/1997, C-251/95, 'Sabel', para. 20).

However, in a series of previous decisions the Court stated that apart from indicating origin, a trade mark may also fulfil other functions worthy of protection. More particularly, it confirmed that a trade mark can offer a guarantee that all the goods coming from a single undertaking have the same quality (**guarantee function**) and that it can serve as an advertising instrument by reflecting back the goodwill and prestige it has acquired in the market (**advertising function**) (judgment of 17/10/1990, C-10/89 CNL-SUCAL v HAG, judgment of 11/07/1993, joined cases C-427/93, C-429/93 and C-436/93, 'Bristol-Myers Squibb and Others v Paranova', judgment of 11/11/1997, C-349/95, 'Loendersloot v Ballantine & Son and Others', judgment of 04/11/1997, C-337/95, 'Parfums Christian Dior v Evora', and judgment of 23/02/1999, C-63/97, 'BMW').

It follows that trade marks do not only serve to indicate the origin of a product, but also to convey a certain **message or image** to the consumer, which is **incorporated in the sign** mostly through use and, once acquired, forms part of its distinctiveness and repute. In most cases of reputation these features of the trade mark will be particularly developed, as the commercial success of a brand is usually based on product quality, successful promotion, or both and, for this reason, they will be especially valuable to the trade mark owner. This **added value** of a mark with reputation is precisely what Article 8(5) EUTMR intends to protect against undue detriment or unfair advantage.

Hence, the protection under Article 8(5) EUTMR extends to all cases where the use of the contested trade mark applied for is likely to have an adverse effect on the earlier mark, in the sense that it would diminish its attractiveness (detriment to distinctiveness) or devalue the image it has acquired among the public (detriment to repute), or the use of the contested mark is likely to result in misappropriation of its powers of attraction or exploitation of its image and prestige (unfair advantage of the distinctive character or repute).

Given also that a **very strong reputation** is both easier to harm and more tempting to take advantage of, owing to its great value, the Court underlined that 'the stronger the earlier mark's distinctive character and reputation, the easier it will be to accept that detriment has been caused to it' (judgment of 27/11/2008, C-252/07 'Intel', paras 67, 74, judgment of 25/05/2005, T-67/04, 'Spa-finders', para. 41). Even though the Court did not say so expressly, the same must be accepted as regards the unfair advantage that the applicant might enjoy at the expense of the earlier mark.

3.4.2 Assessment of the risk of injury


In *General Motors* the Court did not deal with the assessment of detriment and unfair advantage in great detail, as this issue was not part of the question referred to it. It only stated that it 'is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an **association between the two trade marks ... and that the earlier trade mark may consequently be damaged**' (judgment of 14/09/1999, C-375/97, 'General Motors', para. 23).

Even though this statement is too limited to serve as a basis for a comprehensive analysis of the existence of a risk of injury, it gives at least a significant indication, namely that detriment or unfair advantage must be the **consequence of an association** between the conflicting marks in the minds of the public, made possible by the similarities between the marks, their distinctiveness, the reputation and other factors (see paragraph 3.3 above).

The need for an association capable of causing detriment has a two-fold consequence for the assessment of detriment or unfair advantage.

- Firstly, if the alleged detriment or unfair advantage is not the result of an association between the marks, but is due to other, extraneous reasons, it is not actionable under Article 8(5) EUTMR.
- Secondly, if in view of the overall circumstances of the case, an association between the marks is not likely, the necessary link between the use of the later mark and the detrimental effect will be missing. Therefore, the similarities between the signs and the reputation of the earlier mark must be of such a nature and degree that, considering all factors, the consumer will associate the signs, in the sense that encountering one of them will bring to mind the other.

Furthermore, as the Court observed, an association between the marks requires that the part of the **public which is already familiar with the earlier mark** is also **exposed to the later mark**. This will be easier to establish where the earlier mark is known to the public at large, or where the consumers of the respective goods and services largely overlap. However, in cases where the goods and services are significantly different from each other and such a connection between the respective publics is not obvious, the opponent must justify why the marks will be associated, by reference to some other link between its activities and those of the applicant, for example where the earlier mark is exploited outside its natural market sector, for instance, by licensing or merchandising (see paragraph 3.3 above).

Earlier reputed sign	EUTM application	Case No
TWITTER		R 1074/2011-5
Repute for services in Classes 38, 42 and 45, inter alia, a <i>website for social networking</i>	Classes 14, 18 and 25	
<p>The Board defined the relevant public as the average European consumer of the goods applied for, which are ordinary goods meant for the general public.</p> <p>The Board found it likely that the applicant's goods could be seen as merchandising products coming from the opponent. Items such as t-shirts, key chains, watches, hand bags, jewellery, caps etc. are very frequently used as marketing means bearing trade marks which relate to entirely distinct goods and services. Upon encountering the sign TWITTER used on a watch, a scarf or a t-shirt, the relevant consumer would inevitably make a mental connection with the opponent's sign and the services it offers on account of the reputation of the opponent's mark. This would give the applicant a competitive advantage since its goods would benefit from the extra attractiveness they would gain from the association with the opponent's older mark. Buying a TWITTER watch as a present for someone who is known to be a TWITTER user is, for example, an action motivated by the fondness for the earlier mark (para. 40).</p>		

The more immediately and strongly the earlier mark is brought to mind by the later sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark or is, or will be, detrimental to it (judgments of 27/11/2008, C-252/07 'Intel', paras 67-69; judgment of 18/06/2009, C-487/07 'L'Oréal', paras 41, 43).

Therefore, the evaluation of detriment or unfair advantage must be based on an overall assessment of all the factors relevant to the case (including in particular the similarity of signs, the reputation of the earlier mark, the respective consumer groups and market sectors), with a view to determining whether the marks may be associated in a way which may adversely affect the earlier trade mark.

3.4.3 Types of injury

Article 8(5) EUTMR refers to the following types of injury: 'take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark'. Therefore, Article 8(5) EUTMR applies if any of the following **three alternative requirements** is fulfilled, namely if use of the contested mark would:

- take unfair advantage of the distinctiveness, or the repute of the earlier mark;
- cause detriment to the distinctiveness;
- cause detriment to the repute.

As regards the first type of injury, the wording of Article 8(5) EUTMR suggests the existence of two kinds of unfair advantage, but settled case-law treats both as a single injury under Article 8(5) EUTMR (see, for example, judgment of 06/07/2012, T-60/10, 'RSC-Royal Shakespeare Company', para. 47). For the sake of completeness, both aspects of the same injury will be dealt with under paragraph 3.4.3.1 below.

As demonstrated in the Guidelines, Part C, Opposition, Section 2, Identity and Likelihood of Confusion, likelihood of confusion relates *only* to confusion about the commercial origin of goods and services. Article 8(5) EUTMR, in contrast, protects earlier *reputed* marks in cases of association or confusion that does not necessarily relate to the commercial origin of goods/services. Article 8(5) EUTMR protects the heightened effort and financial investment that is involved in creating and promoting trade marks to the extent that they become reputed by protecting these marks against later similar marks taking unfair advantage of, or being detrimental to, the distinctive character or the repute of the earlier trade mark. There is a rich lexicon of vocabulary that is used in relation to this area of trade mark law. The most common terms are set out below.

Terms in Article 8(5) EUTMR	Commonly used equivalents
Unfair advantage	Free-riding, riding on the coat-tails
Detriment to distinctiveness	Dilution by blurring, dilution, blurring, watering down, debilitating, whittling away
Detriment to repute	Dilution by tarnishing, tarnishment, degradation


3.4.3.1 Taking unfair advantage of distinctiveness or repute

The nature of the injury

The notion of taking **unfair advantage of distinctiveness or repute** covers cases where the applicant benefits from the attractiveness of the earlier right by affixing on its goods/services a sign which is similar (or identical) to one widely known in the market and, thus, misappropriating its attractive powers and advertising value or exploiting its reputation, image and prestige. This may lead to unacceptable situations of commercial parasitism where the applicant is allowed to take a 'free-ride' on the investment of the opponent in promoting and building-up goodwill for its mark, as it may stimulate the sales of the applicant's products to an extent which is disproportionately high in comparison with the size of its promotional investment.

In its judgment of 18/06/2009, C-487/09, 'L'Oréal and others', the Court indicated that unfair advantage exists where there is a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign. By riding on the coat-tails of the reputed mark, the applicant benefits from its power of attraction, its reputation and its prestige. It also exploits, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the image of that mark (paras 41, 49).

Earlier reputed sign	EUTM application	Case No
SPA LES THERMES DE SPA	SPA-FINDERS	T-67/04
The concept of taking unfair advantage of the distinctive character or the repute of the earlier mark must be intended to encompass instances where there is clear exploitation and free-riding on the coattails of a famous mark or an attempt to trade upon its reputation (see to that effect Opinion of Advocate General Jacobs in Adidas, point 39) (para. 51).		

Earlier reputed sign	EUTM application	Case No
RSC-ROYAL SHAKESPEARE COMPANY 	ROYAL SHAKESPEARE	T-60/10
The unfair advantage taken of the distinctive character or the repute of the earlier trade mark consists in the fact that the image of the mark with a reputation or the characteristics which it projects will be transferred to the goods covered by the mark applied for, with the result that the marketing of those goods can be made easier by that association with the earlier mark with a reputation (para. 48).		

Relevant consumer

The concept of 'unfair advantage' focuses on benefit to the later mark rather than harm to the earlier mark; what is prohibited is the exploitation of the earlier mark by the proprietor of the later mark. Accordingly, the existence of the injury consisting of unfair advantage obtained from the distinctive character or the repute of the earlier mark must be assessed **by reference to average consumers of the goods or services for which the later mark is applied for** (judgment of 27/11/2008, C-252/07, 'Intel',

paras 35, 36; judgment of 12/03/2009, C-320/07P, 'nasdaq', paras 46-48; judgment of 07/12/2010, T-59/08, 'NIMEI LA PERLA MODERN CLASSIC', para. 35).

The assessment of unfair advantage

In order to determine whether the use of a sign takes unfair advantage of the distinctive character or the repute of the mark, it is necessary to undertake an **overall assessment** which takes into account all the factors relevant to the circumstances of the case (judgment of 10/05/2007, T-47/06, 'nasdaq', para. 53, confirmed, on appeal, by judgment of 12/03/2009, C-320/07P, 'nasdaq'; see also judgment of 23/10/2003, C-408/01 'Adidas', paras 29, 30, 38; judgment of 27/11/2008, C-252/07 'Intel', paras 57, 58, 66; and judgment of 24/03/2011, C-552/09P, 'Kinder', para. 53).

The misappropriation of the distinctiveness and repute of the earlier mark presupposes an **association** between the respective marks, which **makes possible the transfer of attractiveness and prestige** to the sign applied for. An association of this kind will be more likely in the following circumstances.

1. Where the earlier mark possesses a **strong reputation or a very strong (inherent) distinctive character**, because in such a case it will be both more tempting for the applicant to try to benefit from its value and easier to associate it with the sign applied for. Such marks will be recognised in almost any context, exactly because of their outstanding distinctiveness or 'good' or 'special' reputation, in the sense that it reflects an image of excellence, reliability or quality, or some other positive message, which could positively influence the choice of the consumer as regards goods of other producers (judgment of 12/07/2011, C-324/09, 'L'Oréal and others', para. 44). The stronger the distinctive character of the earlier mark, the more likely it is that, when encountering a later identical or similar mark, the relevant public will associate it with that earlier mark (judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE', para. 27).
2. Where the degree of similarity between the **signs** at issue is high. The more similar the marks are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public (judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE', para. 26; see, by analogy, judgment of 27/11/2008, C-252/07, 'Intel', para. 44).
3. Where there is a **special connection** between the goods/services which allows for some of the qualities of the opponent's goods/services to be attributed to those of the applicant. This will be particularly so in the case of **neighbouring markets**, where a 'brand extension' would seem more natural, as in the example of *pharmaceuticals* and *cosmetics*; the healing properties of the former may be presumed in the latter when it bears the same mark. Similarly, the Court has held that certain drinks (Classes 32 and 33) commercialised as improving sexual performance were linked to the properties of the goods in Class 5 (pharmaceutical and veterinary products and substances) for which the earlier mark, Viagra, was registered (judgment of 25/01/2012, T-332/10 'VIAGUARA', para. 74). Conversely, such a link was not found between *credit card services* and *cosmetics*, as it was thought that the image of the former is not transferable to the latter, even though their respective users largely coincide.

4. Where, in view of its special attractiveness and prestige, the earlier mark may be **exploited even outside its natural market sector**, for example, by licensing or merchandising. In this case, if the applicant uses a sign identical or similar to the earlier mark, for goods for which the latter is already exploited, it will obviously profit from its de facto value in that sector (see decision of 16/03/2012, R 1074/2011-5, 'Twitter').


The applicant's intention is not a material factor. Taking unfair advantage of the distinctiveness or the repute of a trade mark may be a **deliberate decision**, for example where there is a clear exploitation and free riding on the coat-tails of a famous mark, or an attempt to trade upon the reputation of a famous mark. However, taking unfair advantage does **not necessarily** require a deliberate intention to exploit the goodwill attached to someone else's trade mark. The concept of taking unfair advantage 'concerns the risk that the image of the mark with a reputation or the characteristics which it projects are transferred to the goods covered by the mark applied for, with the result that the marketing of those goods is made easier by that association with the earlier mark with a reputation' (judgment of 19/06/2008, T-93/06, 'Mineral Spa', para. 40, judgment of 22/03/2007, T-215/03, 'VIPS', para. 40, judgment of 30/01/2008, T-128/06, 'Camelo', para. 46).

Therefore, bad faith is not in itself a condition for the application of Article 8(5) EUTMR, which only requires that the advantage be **'unfair'**, in that there is **no justification** for the applicant's profit. However, where the evidence shows that the applicant is clearly acting in bad faith, there will be a strong indication of unfair advantage. The existence of bad faith may be inferred from various factors, such as an obvious attempt by the applicant to imitate an earlier sign of great distinctiveness as closely as possible, or where there is no apparent reason why it chose for its goods a mark which includes such a sign.

Finally, the concept of unfair advantage in Article 8(5) EUTMR does not relate to the **detriment** caused to the reputed mark. Accordingly, an advantage taken by a third party of the distinctive character or the repute of the mark may be unfair, even if the use of the identical or similar sign is not detrimental to the distinctive character or to the repute of the mark or, more generally, to its proprietor. It is, therefore, not necessary for the opponent to show that the applicant's benefit is detrimental to its economic interests or to the image of its mark (unlike with tarnishing, see below), as in most cases the 'borrowed' distinctiveness/prestige of the sign will principally affect the applicant's competitors, that is, traders dealing in identical/similar/neighbouring markets, by putting them at a competitive disadvantage. However, the possibility of simultaneous detriment to the opponent's interests should not be ruled out completely, especially in instances where use of the applied-for sign could affect the opponent's merchandising schemes, or would hinder its plans to penetrate a new market sector.


Cases on unfair advantage*Risk of unfair advantage established*


Earlier reputed sign	EUTM application	Case No
INTEL	INTELMARK	C-252/07 (Advocate General Opinion)
<p>In her opinion in the <i>Intel</i> preliminary ruling, Advocate General Sharpston referred to unfair advantage as follows: ‘The concepts of taking unfair advantage of the distinctive character or repute of the mark in contrast must be intended to encompass “instances where there is clear exploitation and free-riding on the coat-tails of a famous mark or an attempt to trade upon its reputation”. Thus by way of example Rolls Royce would be entitled to prevent a manufacturer of whisky from exploiting the reputation of the Rolls Royce mark in order to promote his brand. It is not obvious that there is any real difference between taking advantage of a mark’s distinctive character and taking advantage of its repute; since however nothing turns on any such difference in the present case, I shall refer to both as free-riding’ (para. 33).</p>		

Earlier reputed sign	EUTM application	Case No
CITIBANK et al		T-181/05
<p>‘...the reputation of the trade mark CITIBANK in the EU in regard to banking services is not disputed. That reputation is associated with features of the banking sector, namely, solvency, probity and financial support to private and commercial clients in their professional and investment activities.</p> <p>‘...there is a clear relationship ... between the services of customs agencies and the financial services offered by banks such as the applicants, in that clients who are involved in international trade and in the import and export of goods also use the financial and banking services which such transactions require. It follows that there is a probability that such clients will be familiar with the applicants’ bank given its extensive reputation at international level.</p> <p>‘In those circumstances, the Court holds that there is a high probability that the use of the trade mark applied for, CITI, by customs agencies, and therefore for financial agency activities in the management of money and real estate for clients, may lead to free-riding, that is to say, it would take unfair advantage of the well-established reputation of the trade mark CITIBANK and the considerable investments undertaken by the applicants to achieve that reputation. That use of the trade mark applied for, CITI, could also lead to the perception that the intervener is associated with or belongs to the applicants and, therefore, could facilitate the marketing of services covered by the trade mark applied for. That risk is further increased because the applicants are the holders of several trade marks containing the component “citi” (paras 81-83).</p>		

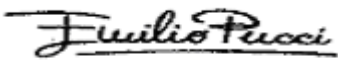
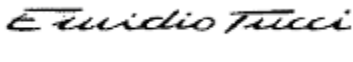
Earlier reputed sign	EUTM application	Case No
SPA	MINERAL SPA	T-93/06
<p>MINERAL SPA (for soaps, perfumeries, essential oils, preparations for body and beauty care, preparations for the hair, dentifrices in Class 3) could take unfair advantage of the image of the earlier trade mark SPA and the message conveyed by it in that the goods covered by the contested application would be perceived by the relevant public as supplying health, beauty and purity. It is not a question of whether toothpaste and perfume contain mineral water, but whether the public may think that the goods concerned are produced from or with mineral water (paras 43, 44).</p>		

Earlier reputed sign	Case No
L'Oréal et al	C-324/09 (preliminary ruling)
<p>According to L'Oréal et al, the defendants manufactured and imported perfume which was 'smell-like' of L'Oréal's fragrances but sold at a considerably lower price, using packaging which 'took a wink' at the get-up covered by L'Oréal's marks. The comparison lists used by the defendants present the perfumes which they market as being an imitation or a replica of goods bearing a trade mark with repute. Under Directive 84/450, comparative advertising which presents the advertiser's products as an imitation of a product bearing a trade mark is inconsistent with fair competition and thus unlawful. Therefore, any advantage gained by the advertiser through such advertising will have been achieved as a result of unfair competition and must be regarded as taking unfair advantage of the reputation of that mark (para. 79).</p>	



Earlier reputed sign	EUTM application	Case No
NASDAQ		T-47/06
<p>'Taking account of the fact that the financial and stock market listing services supplied by the intervener under its trade mark NASDAQ and, therefore, the trade mark NASDAQ itself, undeniably presents a certain image of modernity and that image can be transferred to sports equipment and, in particular, to the high tech composite materials which would be marketed by the applicant under the mark applied for, which the applicant appears to recognise implicitly by stating that the word 'nasdaq' is descriptive of its main activities.</p> <p>Therefore, in light of that evidence, and taking account of the similarity of the marks at issue, the importance of the reputation and the highly distinctive character of the trade mark NASDAQ, it must be held that the intervener has established prima facie the existence of a future risk, which is not hypothetical, of unfair advantage being drawn by the applicant, by the use of the mark applied for, from the reputation of the trade mark NASDAQ. There is therefore no need to set aside the contested decision on that point' (paras 60, 61).</p>		

Earlier reputed sign	EUTM application	Case No
RSC-ROYAL SHAKESPEARE COMPANY 	ROYAL SHAKESPEARE	T-60/10
<p>There is a certain proximity and link between <i>entertainment services</i> and <i>beer</i>, even a certain similarity due to their complementarity. The public in the United Kingdom would be able to make a link with the Royal Shakespeare Company (RSC) when seeing a beer with the contested mark ROYAL SHAKESPEARE in a supermarket or in a bar. The contested mark would benefit from the power of attraction, the reputation and the prestige of the earlier mark for its own goods and services, which would attract the consumers' attention thanks to the association with RSC, thereby gaining a commercial advantage over its competitors' goods. The economic advantage would consist of exploiting the effort expended by RSC to establish the reputation and the image of its earlier mark without paying any compensation in exchange. That equates to an unfair advantage (para. 61).</p>		

Earlier reputed sign	EUTM application	Case No
VIAGRA	VIAGURA	T-332/10
<p>While recognising that the primary function of a trade mark was as an indicator of origin, the General Court held that a mark could also serve to transmit other messages, concerning particular qualities or characteristics of the designated goods or services, or the images and sensations projected by the mark itself, such as luxury, lifestyle, exclusivity, adventure or youth. In this sense, a trade mark possessed an intrinsic economic value that was autonomous and distinct to that of the goods or services for which it was registered (para. 57).</p> <p>The risk of taking unfair advantage encompasses cases of manifest exploitation or parasitism of a mark with reputation, namely the risk of transferring the image of the mark with reputation or the characteristics projected by it to the goods covered by the mark applied for, thus facilitating the marketing of those goods through association with the earlier mark with reputation (para. 59).</p> <p>The Court concluded that, even if the drinks claimed by the mark applied for would not in reality produce the same benefit as the 'immensely well-known' pharmaceutical for the treatment of erectile dysfunction, what was important was that the consumer, because of the transfer of positive associations projected by the image of the earlier mark, would be inclined to purchase such drinks in the expectation of finding similar qualities, such as an increase in libido (paras 52 and 67).</p>		

Earlier reputed sign	EUTM application	Case No
EMILIO PUCCI 		T-373/09 (appeal pending C-582/12 P) (cases R 770/2008-2 and R 826/2008-2)
<p>Although the applicant's cosmetic products are dissimilar to the opponent's clothes, they both fall squarely within the realm of products which are often sold as luxury items under famous marks of well-known designers and manufacturers. Taking into account that the earlier mark is very well known and that the commercial contexts in which the goods are promoted are relatively close, BoA concluded that consumers of luxury clothes will make a connection between the applicant's mark for soaps, perfumery, essential oils, cosmetics and hair lotions in Class 3 and the famous mark 'EMILIO PUCCI', an association which will produce a commercial benefit as per the Board's findings (BoA para. 129).</p> <p>BoA concluded that there was a strong likelihood that the applicant could exploit the reputation of the opponent's mark for its own benefit. The use of the mark applied for in connection with the goods and services mentioned above will almost certainly draw the relevant consumer's attention to the opponent's highly similar and very well-known mark. The applicant will become associated with the aura of luxury that surrounds the 'EMILIO PUCCI' brand. Many consumers are likely to think that there is a direct connection between the goods of the applicant on the one hand, and the famous Italian fashion house on the other, perhaps in the form of a licensing agreement. The applicant could take unfair advantage of the fact that the public knows the trade mark 'EMILIO PUCCI' well in order to introduce its own highly similar trade mark without incurring any great risk and the costs of introducing a totally unknown trade mark onto the market (BoA para. 130).</p> <p>The General Court confirmed the BoA findings.</p>		

Risk of unfair advantage denied

Earlier reputed sign	EUTM application	Case No
O2 		R 2304/2010-2
<p>The Board of Appeal found that (1) the marks have very limited similarities and are dissimilar overall; (2) the use of the common designation 'O2' is descriptive in the mark applied for; and (3) taking the completely different areas of use – and the descriptive use of the common element – there can be no possibility of the applicant benefiting from the distinctive character of the earlier mark, even if there may be an overlap in the relevant public (para. 55).</p>		

Earlier reputed sign	EUTM application	Case No
VIPS	VIPS	T-215/03
<p>The earlier mark VIPS has a reputation for restaurants, in particular fast food chains. However, it was not proven that it also enjoys any particular prestige. The term VIPS is laudatory in itself and extensively used in this manner. Therefore, it cannot be 'diluted'. There is no explanation as to how the sales of software products under the mark VIPS could possibly benefit from their association with a fast-food chain, even if a link were made.</p>		

Earlier reputed sign	EUTM application	Case No
SPA	SPA-FINDERS	T-67/04
<p>SPA has a reputation for <i>mineral water</i> in the Benelux. The contested mark, SPA FINDERS, covers <i>publications, catalogues, magazines, newsletters, travel agency services</i>. The General Court declared that there was no detrimental link between the signs. The sign SPA is also used to denote the town of SPA and the racing circuit of the same name. There is no evidence of unfair advantage or any kind of exploitation of the fame of the earlier mark. The word SPA in the mark applied for only denotes the kind of publication concerned.</p>		

3.4.3.2 Detriment to distinctiveness

The nature of the injury

Detriment to the distinctive character of an earlier reputed mark (also referred to as 'dilution', 'whittling away' or 'blurring') is caused when that mark's ability to identify the goods/services for which it is registered and used as coming from its proprietor is weakened because use of a later similar mark leads to dispersion of the identity of the earlier reputed mark by making it less distinctive or unique (judgment of 27/11/2008, C-252/07, 'Intel', para. 29).

Article 8(5) EUTMR states that a proprietor of a reputed mark may oppose EUTM applications which, without due cause, 'would be detrimental to the *distinctive character* of earlier reputed marks' (emphasis added). Clearly, therefore, the object of protection is the **distinctiveness** of the earlier reputed mark. As demonstrated in the Guidelines, Part C, Opposition, Section 2, Double Identity and Likelihood of Confusion, Chapter 5, Distinctiveness of the earlier mark, 'distinctiveness' refers to the greater or lesser capacity of a mark to identify the goods/services for which it has been registered as coming from a particular undertaking. Therefore, Article 8(5) EUTMR protects reputed

marks against a reduction of their distinctive quality by a later similar mark even where the later mark relates to dissimilar goods/services.

Although the former wording of Article 8(5) EUTMR only referred to conflicts between dissimilar goods/services, in its judgments of 09/01/2003, C-292/00, 'Davidoff' and 23/10/2003, C-408/01, 'Adidas', the Court held that this article also covers similar or identical goods/services.

The protection provided in Article 8(5) EUTMR, therefore, acknowledges that the unrestrained use of a reputed mark by third parties, even on dissimilar goods, will eventually reduce the distinctive quality or uniqueness of that reputed mark. For example, if Rolls Royce were used on restaurants, pants, candy, plastic pens, yard brushes etc. its distinctiveness would eventually be dispersed and its special hold upon the public would be reduced – even in relation to cars for which it is reputed. Consequently, the Rolls Royce mark's ability to identify the goods/services for which it is registered and used as coming from its proprietor would be weakened in the sense that consumers of the goods for which the reputed mark is protected and reputed will be less inclined to associate it **immediately** with the owner who has built up the trade mark's reputation. This is because, for those consumers, the mark now has several or many 'other' associations where it previously had one.

Relevant consumer

Detriment to the distinctive character of the earlier reputed mark must be assessed by reference to the average consumers of the goods and services *for which that mark is registered*, who are reasonably well informed and reasonably observant and circumspect (judgment of 27/11/2008, C-252/07 'Intel', para. 35).

The assessment of detriment to distinctiveness

Detriment to the distinctiveness of the earlier reputed mark occurs where use of a later similar mark reduces the distinctive quality of the earlier reputed mark. However, this cannot be found to occur merely because the earlier mark has a reputation and is identical with or similar to the mark applied for – such an approach would apply an automatic and indiscriminate finding of likelihood of dilution against all marks that are similar to reputed trade marks and would negate the requirement of proving detriment.

The Court held in 'Intel' that Article 4(4)(a) TMD (the equivalent to Article 8(5) EUTMR) must be interpreted as meaning that proof that the use of the later mark would be detrimental to the distinctive character of the earlier mark requires evidence of a 'change in the economic behaviour' of the average consumer of the goods/services for which the earlier mark was registered, or a serious likelihood that such a change will occur in the future.

The Court has further elaborated on the concept of 'change in the economic behaviour of the average consumers' in its judgment of 14/11/2013 C-383/12P 'Wolf head image'. It indicated that it is an objective condition which cannot be deduced solely from subjective elements such as consumer's perceptions. The standard of proof is higher. Therefore, in order to find a detriment or risk of detriment to the distinctiveness of the earlier trade mark, the mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself (paras 35-40).

Whilst the opponent does not need to submit evidence of *actual* detriment, it must convince the Office by adducing evidence of a serious future risk – which is not merely hypothetical – of detriment. The opponent may do this by submitting evidence that proves a likelihood of detriment on the basis of logical deductions made from an analysis of the probabilities (and not mere suppositions) and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case (see judgment of 16/04/2008, T-181/05, ‘Citi’, para. 78 as cited in judgment of 22/05/2012, T-570/10, ‘Wolf head image’, para. 52 and confirmed in the appeal by judgment of 14/11/2013, C-383/12P, paras 42-43).

First use

Detriment to the distinctive character is characterised by an ‘avalanche effect’, meaning that the first use of a similar mark in a distinct market may not, in itself, dilute the identity or ‘uniqueness’ of the reputed mark but, over time, this would be the result because this first use may trigger further acts of use by different operators, thus leading to its dilution or detriment to its distinctive character.

The Court has held that the first use of an identical or similar mark may suffice to cause actual and present detriment to the distinctive character of the earlier mark or to give rise to a serious likelihood that such detriment will occur in the future (judgment of 27/11/2008, C-252/07 ‘Intel’, para. 75). In opposition proceedings before the Office, use of the contested sign may not have occurred at all. In this regard, the analysis that the Office carries out assumes that the future use of the contested sign, even if it were first use, may trigger further acts of use by different operators, thus leading to dilution by blurring. As seen above, the wording of Article 8(5) EUTMR provides for this by stating that use of the applied-for mark without due cause ‘**would ... be** detrimental to the distinctiveness or repute of the earlier mark’.

Nevertheless, as set out above, the opponent bears the burden of showing that the actual or future use caused, or is likely to cause, detriment to the distinctiveness of the earlier reputed mark.

Inherent distinctiveness of the earlier mark

The Court has stated that ‘the more “unique” the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character’ (judgment of 27/11/2008, C-252/07 ‘Intel’ para. 74 and judgment of 28/10/2008, T-131/09 ‘Botumax’). Indeed, the earlier mark must possess an exclusive character in the sense that it should be associated by the consumers with a single source of origin – since it is only in this case that a likelihood of detriment to distinctiveness may be envisaged. If the same sign, or a variation thereof, is already in use in connection with a range of different goods, there can be no immediate link with any of the goods it distinguishes and, thus, there will be little or no room for further dilution.

Accordingly, ‘... the risk of dilution appears, in principle, to be lower if the earlier mark consists of a term which, because of a meaning inherent in it, is very common and frequently used, irrespective of the earlier mark consisting of the term at issue. In such

a case, re-use of the term in question by the contested trade mark is less likely to result in a dilution of the earlier mark' (judgment of 22/03/2007, T-215/03, 'VIPS', para. 38).

If, therefore, the mark is suggestive of a characteristic shared by a wide range of goods, the consumer is more likely to associate it with the specific feature of the product that it alludes to rather than with another mark.

In its judgment of 25/05/2005, T-67/04, 'Spa-Finders', the General Court confirmed the finding that the use of the mark SPA-FINDERS for *publications* and *travel agency* services would neither blur the distinctiveness, nor tarnish the reputation, of the mark SPA for *mineral water*. The term 'spa' in SPA-FINDERS may be used otherwise than in a trade mark context since it 'is frequently used to designate, for example, the Belgian town of Spa and the Belgian racing circuit of Spa-Francorchamps or, in general, places for hydrotherapy such as hammams or saunas, [and consequently] the risk of detriment to the distinctive character of the mark SPA seems to be limited' (para. 44).

Thus, if the applicant shows that the earlier sign or the element that gives rise to similarity is commonplace and is already used by different undertakings in various sectors of the market, it may successfully refute the existence of a likelihood of dilution because it will be difficult to accept that the attractiveness of the earlier mark risks being diluted if it is not particularly unique.

Cases on dilution by blurring

Dilution established

Earlier reputed sign	EUTM application	Case No
BOTOX	BOTUMAX	T-131/09
Reputed for <i>pharmaceuticals for the treatment of wrinkles</i>	<i>Cosmetics, pharmaceuticals, and other health-related goods, and printed matters</i>	
<p>'However, in the present case, the word element "botox" has no inherent meaning, but is a fanciful term with which the public will be faced only in relation to the goods covered by the widely known earlier trade mark. Consequently, the use of that word element or a similar word element by another trade mark registered for goods which may concern the general public will unquestionably result in the dilution of the distinctive character of the widely known earlier trade mark' (para. 99).</p> <p>'That is the position with regard, first, to the cosmetics and pharmaceutical preparations in Classes 3 and 5 and, secondly, to the goods in Class 16 covered by the earlier marks, which include magazines or journals, the distribution of which may be widespread. The risk that the use of an identical or similar trade mark would be detrimental to the distinctive character of a widely known earlier trade mark is greater where that other mark will be used in respect of goods intended for a wide public' (para. 100).</p>		

Dilution denied

Earlier reputed sign	EUTM application	Case No
VIPS	VIPS	T-215/03
Reputed for <i>fast food restaurant chain</i> in Class 42	<i>Computer programming for hotel services</i> in Class 42	
<p>'So far as concerns, first, detriment to the distinctive character of the earlier mark by the use without due cause of the mark applied for, that detriment can occur where the earlier mark is no longer capable of arousing immediate association with the goods for which it is registered and used (<i>SPA-FINDERS</i>, paragraph 34 above, paragraph 43). That risk thus refers to the "dilution" or "gradual whittling away" of the earlier mark through the dispersion of its identity and its hold upon the public mind (Opinion of Advocate General Jacobs in <i>Adidas-Salomon and Adidas-Benelux</i>, paragraph 36 above, point 37)' (para. 37).</p> <p>'As far as concerns, first, the risk that the use of the mark applied for would be detrimental to the distinctive character of the earlier mark, in other words the risk of "dilution" and "gradual whittling away" of that mark, as explained in paragraphs 37 and 38 above, it must be pointed out that the term "VIPS" is the plural form, in English, of the abbreviation VIP ("Very Important Person"), which is widely and frequently used both internationally and nationally to describe famous personalities. In those circumstances, the risk that the use of the mark applied for would be detrimental to the distinctive character of the earlier mark is limited' (para. 62).</p> <p>'That same risk is also even less probable in the present case as the mark applied for covers the services "Computer programming relating to hotel services, restaurants, cafés", which are directed at a special and necessarily more limited public, namely the owners of those establishments. The consequence is that the mark applied for, if registration is allowed, will probably be known, through use, only by that relatively limited public, a factor which certainly reduces the risk of dilution or gradual whittling away of the earlier mark through the dispersion of its identity and its hold upon the public mind' (para. 63).</p>		

Earlier reputed sign	EUTM application	Case No
SPA	SPA-FINDERS	T-67/04
Reputed for <i>mineral waters</i> in Class 32	<i>Printed publications including catalogues, magazines, newsletters</i> in Class 16, <i>Travel agency</i> in Class 39	
<p>'In the present case, the Court finds that the applicant does not put forward any evidence to support the conclusion that there is a risk of detriment to the distinctive character of the mark SPA by the use of the mark SPA-FINDERS. The applicant stresses the alleged immediate link which the public will establish between SPA and SPA-FINDERS. It infers from that link that there is detriment to the distinctive character. As the applicant acknowledged at the hearing, the existence of such a link is not sufficient to demonstrate the risk of detriment to the distinctive character. The Court notes, moreover, that since the term "spa" is frequently used to designate, for example, the Belgian town of Spa and the Belgian racing circuit of Spa-Francorchamps or, in general, places for hydrotherapy such as hammams or saunas, the risk of detriment to the distinctive character of the mark SPA seems to be limited' (para. 44).</p>		

3.4.3.3 Detriment to repute

The nature of the injury

The final type of damage under Article 8(5) EUTMR concerns harming the earlier mark by way of detriment to its repute. It can be seen as a step beyond blurring in that the mark is not merely weakened but actually degraded by the link which the public makes with the later mark. Detriment to repute, also often referred to as 'dilution by tarnishing' or simply as 'tarnishing', relates to situations where use of the contested mark without due cause is likely to devalue the image or the prestige that a mark with reputation has acquired among the public.

The reputation of the earlier trade mark may be tainted or debased in this way, either when it is reproduced in an obscene, degrading or inappropriate context, or in a context which is not inherently unpleasant but which proves to be incompatible with a particular image the earlier trade mark has acquired in the eyes of the public, due to the promotional efforts of its owner. The likelihood of such detriment may arise in particular from the fact that the goods or services offered by the third party possess a characteristic or a quality which is liable to have a negative impact on the image of the mark (judgment of 18/06/2009, C-487/07, 'L'Oréal', para. 40). For example, if a reputed mark for gin were used by a third party on liquid detergent, this would reverberate negatively on the reputed mark in a way that makes it less attractive.

In short, tarnishment occurs where there is an association between the earlier reputed mark, either at the level of signs or at the level of goods, which is injurious to the earlier trade mark's repute.

Relevant consumer

As with dilution by blurring, detriment to the reputation of the earlier mark must be assessed by reference to average consumers of the goods and services for which that mark is registered, who are reasonably well informed and reasonably observant and circumspect (judgment of 27/11/2008, C-252/07 'Intel', para. 35 and judgment of 07/12/2010, T-59/08, 'Nimei La Perla Modern Classic', para. 35).


The assessment of tarnishment

In order to establish detriment to the repute of an earlier mark, the mere existence of a connection in the mind of the consumer between the marks is neither sufficient nor determinative. Such a connection must certainly exist, but, *in addition*, the goods/services covered by the later mark must provoke the kind of negative or detrimental impact set out below when associated with the reputed mark.

Tarnishment occurs most frequently where the reputed mark is linked to goods which evoke undesirable or questionable mental associations which conflict with the associations or image generated by legitimate use of the reputed trade mark by its proprietor (decision of 12/03/2012, R 297/2011-5, 'KAPPA', para. 36).

Therefore, to prove tarnishment, the opponent must show that use of the applicant's trade mark would prompt inappropriate or negative mental associations with the earlier trade mark, or associations conflicting with the image it has acquired in the market (decision of 23/11/2010, R 240/2004-2, 'WATERFORD', para. 89).


For example, if a mark that is associated in the minds of the public with an image of health, dynamism and youth is used for *tobacco products*, the negative connotation conveyed by the latter would contrast strikingly with the image of the former (see further examples below). For tarnishment to occur, therefore, there must be some characteristic or qualities of the goods/services on which the contested mark is used that are potentially detrimental to the reputation of the earlier mark (judgment of 22/03/2007, T-215/03, 'VIPS', para. 67).


Earlier reputed sign	EUTM application	Case No
WATERFORD		R 0240/2004-2
Reputed for <i>crystal products, including glassware</i> in Class 21	<i>Alcoholic beverages, namely wines produced in the Stellenbosch district, South Africa</i> in Class 33	
<p>'Tarnishment or debasement of a trade mark's image through association with something inappropriate may happen when the trade mark is used, on the one hand, in an unpleasant, obscene or degrading context or, on the other hand, in a context which is not inherently unpleasant but which proves to be incompatible with the trade mark's image. This may be the case when the reputed mark might be linked with goods of poor quality or which evoke undesirable or questionable mental associations which conflict with the associations or image generated by legitimate use of the reputed trade mark by its proprietor, or when the reputed mark is linked to goods which are incompatible with the quality and prestige associated with that mark, even though it is not a matter of inappropriate use of the mark itself, or, eventually, when the reputed mark's verbal or figurative element is amended or altered in a negative way' (para. 88).</p>		


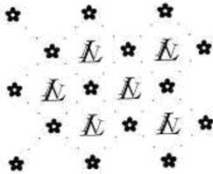
Frequently opponents argue that the goods/services of the applicant are of inferior quality or that the opponent cannot control the quality of such goods/services. The Office does not accept such an argument, per se, as a means of demonstrating detriment. Proceedings before the Office do not provide for assessing the quality of goods and services which, apart from being highly subjective, would not be feasible in cases where the goods and services are not identical or in situations where the contested sign has not yet been put to use.

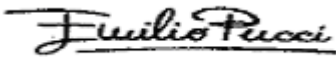
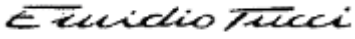
Therefore, in assessing whether the use of the contested trade mark is likely to damage the reputation of the earlier trade mark, the Office can only consider the goods and services as indicated in the specification of each trade mark. Consequently, for the purposes of the analysis by the Office, the harmful effects of the use of the contested sign in connection with the goods and services applied for must derive from the nature and usual characteristics of the goods at issue in general, not their quality in particular instances. This approach does not leave the opponent without protection because, in any event, where a later mark is used on low quality goods/services in a manner that calls to mind an earlier reputed mark, this would normally take unfair advantage of the distinctive character or the repute of the earlier trade mark or be detrimental to its distinctiveness.

Cases on dilution by tarnishing*Tarnishment established*



Earlier reputed sign	EUTM application	Case No
<p>KAPPA</p> 	KAPPA	R 0297/2011-5
Reputed for <i>sports clothing and footwear</i>	<i>tobacco products, cigarettes, cigars amongst others</i>	
<p>The contested application was filed for tobacco and related goods in Class 34. Smoking tobacco is universally considered to be an extremely unhealthy habit. For this reason, the use of the sign 'KAPPA' for tobacco and related goods is likely to prompt negative mental associations with the respondent's earlier marks or associations conflicting with and detrimental to their image of a healthy lifestyle (para. 38).</p>		

Earlier reputed sign	EUTM application	Case No
	SPA ^{CE} NK	R 0417/2008-1
Reputed for <i>mineral waters</i>	<i>Scouring and polishing preparations and substances; pot pourri; incense; incense sticks; room fragrances and articles for perfuming rooms</i>	
<p>The pleasant notions conveyed generally by mineral water do not mix seamlessly with detergents and scouring preparations. Use of marks that contain the word SPA for goods conveying such different connotations is likely to damage, or tarnish, the distinctive character of the earlier mark (para. 101).</p> <p>'Mineral water is not pleasantly associated by most consumers with incense or pots pourris. The use, in order to distinguish fragrances and incense, of a mark containing a word (SPA) that Belgian consumers strongly associate to bottled drinking water is therefore likely to damage the attractive and suggestive power that the brand, according to the evidence, currently enjoys' (para. 103).</p>		

Earlier reputed sign	EUTM application	Case No
		R 2124/2010-1
Reputed for goods in Classes 18 and 25	<i>Scientific, nautical, surveying, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; amongst others.</i>	
<p>The opponent demonstrated that the prestigious image of its trade marks is linked to the traditional manufacturing method of its fine leather goods, which are handmade by master craftsmen who work only with top-quality raw materials. It is this image of luxury, glamour and exclusivity, combined with the exceptional quality of the product that the opponent has always striven to convey to the public, as the evidence adduced testifies. In fact, this image would be quite incompatible with goods of a strongly industrial and technological nature, such as electric meters, scientific microscopes, batteries, supermarket cash registers, fire-extinguishing apparatus or other instruments, for which the applicant intends to use its trade mark (para. 28).</p> <p>What would be detrimental to the image of its trade marks, which the opponent has carefully fostered for decades, is the use of a trade mark that recalls its own and is applied to goods characterised, in the public's perception, by a significant technological content (whereas a fine-leather article is rarely associated with technology) or as having an industrial origin (whereas fine leather goods are traditionally associated with craftsmanship) (para. 29).</p> <p>The use of a trade mark that is practically identical to a trade mark that the public has come to perceive as synonymous with fine leather goods of excellent manufacture for technical apparatus or electrical tools of all kinds will diminish its attraction, that is, its reputation, amongst the public who knows and values the earlier trade marks (para. 30).</p>		

Earlier reputed sign	EUTM application	Case No
EMILIO PUCCI 		
Reputed for clothing and footwear for women	<i>Class 3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; (abrasive preparations) soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices. Class 21: Materials for cleaning purposes and steelwool</i>	T-373/09 (cases R 770/2008-2 and R 826/2008-2)
<p>In its decisions of 18/06/2009 in R 0770/2008-2 and R 0826/2008-2, the Board stated that the risk of detriment to repute can occur where the goods and services covered by the mark applied for have a characteristic or a quality which may have a negative influence on the image of an earlier mark with a reputation on account of it being identical or similar to the mark applied for. The General Court confirmed the Board's finding, adding that due to the great similarity between the signs at issue, the strong distinctive character of the Italian mark and its notoriety in the Italian market, it can be concluded that there is a link between the signs in conflict, a link which could damage the idea of exclusivity, luxury and high quality and therefore be a detriment to the notoriety of the Italian mark (para. 68).</p>		

Tarnishment denied

Earlier reputed sign	EUTM application	Case No
 SEVE TROPHY		T-192/09
Reputed for <i>organisation of sports competitions</i>	Class 9	
<p>The Court noted that the opponent had not demonstrated any risk of injury to the reputation of the earlier marks, since it did not indicate how the attractiveness of the earlier marks would be diminished by the use of the contested mark on the contested goods. Specifically, it did not allege that the contested goods have any characteristic or quality that could have a negative influence on the image of the earlier marks (para. 68).</p>		

Earlier reputed sign	EUTM application	Case No
SPA	SPA-FINDERS	
Reputed for <i>mineral waters</i> in Class 32	<i>Printed publications including catalogues, magazines, newsletters in Class 16, Travel agency in Class 39</i>	T-67/04
<p>'This detriment is made out where the goods for which the mark applied for is used appeal to the public's senses in such a way that the earlier mark's power of attraction is diminished' (para. 46).</p> <p>'In the present case, SPA and SPA-FINDERS designate very different goods consisting, on the one hand, in mineral waters and, on the other, in publications and travel agency services. The Court finds that it is therefore unlikely that the goods and services covered by the mark SPA-FINDERS, even if they turn out to be of lower quality, would diminish the power of attraction of the mark SPA' (para. 49).</p>		

Earlier reputed sign	EUTM application	Case No
VIPS	VIPS	T-215/03
Reputed for <i>fast food restaurant chain</i> in Class 42	<i>Computer programming for hotel services</i> in Class 42	
<p>'The risk of that detriment (to the repute of the earlier mark) can, inter alia, occur where those goods or services have a characteristic or a quality which may have a negative influence on the image of an earlier mark with a reputation on account of its being identical or similar to the mark applied for' (para. 39).</p> <p>'It must be pointed out in this connection that, although some fast food chain marks have an indisputable reputation, they do not, in principle and failing evidence to the contrary, convey a particularly prestigious or high quality image, the fast food sector being associated with other qualities such as speed or availability and, to a certain extent, youth, since many young people frequent that type of establishment' (para. 57)</p> <p>'... it is appropriate to examine the risk that the use of the mark applied for could be detrimental to the reputation of the earlier mark. As was explained in paragraph 39 above, at issue is the risk that the association of the earlier mark with a reputation with the goods or services covered by the identical or similar mark applied for results in the earlier mark being damaged or tarnished, as a result of the fact that the goods or services covered by the mark applied for have a characteristic or a particular quality which may have a negative influence on the earlier mark's image' (para. 66)</p> <p>'In that regard, it must be stated that the services covered by the mark applied for do not have any characteristic or quality capable of establishing the likelihood of detriment of that type to the earlier mark. The applicant neither cited, nor a fortiori proved, any characteristic or quality of that kind. The mere existence of a connection between the services covered by the conflicting marks is neither sufficient nor determinative. It is true that the existence of such a connection strengthens the probability that the public, faced with the mark applied for, would also think of the earlier mark. However, that factor is not, in itself, sufficient to diminish the earlier mark's power of attraction. Such an outcome can arise only if it is established that the services covered by the mark applied for have characteristics or qualities which are potentially detrimental to the reputation of the earlier mark. Such evidence has not been adduced in the present case' (para. 67).</p>		

3.4.4 Proving the risk of injury

3.4.4.1 Standard and burden of proof

In opposition proceedings **detriment or unfair advantage may be only potential**, as confirmed by the conditional wording of Article 8(5) EUTMR, which requires that the use of the applied-for mark without due cause '**would take** unfair advantage of, **or be** detrimental to the distinctiveness or repute of the earlier mark'.

In opposition proceedings **actual detriment or unfair advantage** will occur only exceptionally given that in most cases the applicant will not have effectively used its mark when the dispute arises. Nevertheless, such a possibility should not be ruled out completely and if there is evidence of actual use or damage, it will have to be considered and given appropriate weight.

However, the fact that detriment or unfair advantage may be only potential does not mean that a mere possibility is sufficient for the purposes of Article 8(5) EUTMR. The risk of detriment or unfair advantage must be **serious**, in the sense that it is **foreseeable (i.e. not merely hypothetical) in the ordinary course of events**. Therefore, it is not enough to merely show that detriment or unfair advantage cannot be excluded in general, or that it is only remotely possible. The proprietor of the earlier mark **must adduce prima facie evidence** of a future risk, which is **not hypothetical**, of unfair advantage or of detriment (judgment of 06/06/2012, T-60/10 'ROYAL SHAKESPEARE', para. 53). As explained below, it is insufficient for the opponent only

to refer in general terms to an unfair advantage of, or detriment to, the distinctive character or reputation of its earlier marks without submitting convincing evidence of actual detriment or cogent arguments establishing a serious, not merely hypothetical, potential risk of detriment.

As a rule, **general allegations** (such as merely citing the relevant EUTMR wording) of detriment or unfair advantage will **not be sufficient** in themselves for proving potential detriment or unfair advantage: the opponent must adduce evidence and/or develop a cogent line of argument to demonstrate specifically how, taking into account both marks, the goods and services in question and all the relevant circumstances, the alleged injury might occur. **Merely showing the reputation and good image of the earlier marks, without further substantiation by way of evidence and/or reasoning is not sufficient** (decision of 15/2/2012, R 2559/2010-1 'GALLO', paras 38, 39, and the Court case-law cited therein). This is shown in the following paragraphs.

The precise threshold of proof which must be satisfied to show that the risk of potential detriment or unfair advantage is **serious** and not merely hypothetical will be determined case by case, following the criteria indicated below.

As mentioned in paragraph 3.1.4.2 above when discussing the burden of proof for establishing reputation, Article 76(1) EUTMR requires the opponent to submit and prove all the facts on which its opposition is based. Moreover, Rule 19(2)(c) CTMIR requires the opponent to **submit evidence or arguments** showing that use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

Therefore, within the period for completing the substantiation of the opposition, the **opponent bears the burden** of showing that the actual or future use of the applied-for mark has caused, or is likely to cause, detriment to the distinctiveness or the repute of the earlier mark, or that it has taken, or is likely to take, unfair advantage thereof.

In discharging this burden of proof, the opponent cannot merely contend that detriment or unfair advantage would be a necessary consequence flowing automatically from the use of the sign applied for, owing to the strong reputation of the earlier mark. Even where the earlier mark is highly reputed, unfair advantage or detriment must be **properly proved and/or argued** taking into account both marks and the relevant goods and services, since otherwise marks with reputation would enjoy blanket protection against identical or similar signs for virtually any kind of product. This would be clearly inconsistent with the wording and spirit of Article 8(5) EUTMR, because in such a case reputation would become the sole requirement, rather than being only one of the several conditions provided for therein.

Therefore, where the opponent claims **actual detriment or unfair advantage**, it must submit indications and evidence of the **kind** of detriment suffered, or of the nature of the unfair advantage taken by the applicant. The opponent must also show that this **resulted from the use** of the sign applied for. In doing so, the opponent may rely on a variety of indications, depending on the kind of detriment or unfair advantage pleaded, such as a considerable decrease in sales of the goods bearing the mark, or a loss of clientele, or a decline of the degree of recognition of the earlier mark among the public.

However, in the case of **potential detriment or unfair advantage**, the exercise will necessarily be more abstract, as the detriment or unfair advantage in question has to be evaluated *ex ante*.

To that end, the proprietor of the earlier mark is not required to demonstrate actual and present harm to his mark. When it is foreseeable that such injury would ensue from the use that might be made of the EUTM application, the proprietor of the earlier mark is not required to wait for it actually to occur in order to be able to prohibit registration of the EUTM application. The proprietor of the earlier mark must, however, prove that there is a **serious risk** that such an injury will occur in the future (judgment of 27/11/2008, C-252/07 'Intel', para. 38, judgment of 07/12/2010, T-59/08, 'NIMEI LA PERLA MODERN CLASSIC', para. 33, judgment of 29/03/2012, T-369/10 'BEATLE', para. 61, judgment of 06/07/2012 (appeal dismissed in C-294/12 P), T-60/10 'ROYAL SHAKESPEARE' para. 53 and judgment of 25/01/2012, T-332/10 'VIAGUARA', para. 25).

Such a finding may be established, in particular, on the basis of logical deductions made from an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case (judgment of 10/05/2007, T-47/06, 'nasdaq' para. 54, upheld on appeal (C-320/07 P), judgment of 16/04/2008, T-181/05 'CITI' para. 78, and judgment of 14/11/2013, C-383/12P 'Wolf head image' paras 42-43).

However, considering that in such cases the matter to be proved is the likelihood of a future event and that, by definition, the opponent's arguments cannot in themselves amount to evidence, it will often be necessary to base certain conclusions on **legal presumptions**, that is, on logical assumptions or deductions resulting from the application of the rules of probability to the facts of the specific case. One such presumption was mentioned by the Court, when it stated that 'the stronger the earlier mark's distinctive character and reputation, the easier it will be to accept that detriment has been caused to it' (judgment of 14/09/1999, C-375/97, 'General Motors', para. 30). It is also clear from case-law that the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark (judgment of 06/07/2012, T-60/10 'ROYAL SHAKESPEARE', para. 54, judgment of 18/06/2009, C-487/07 'L'Oréal and Others' para. 44, and judgment of 27/11/2008, C-252/07 'Intel', paras 67-69).

These are rebuttable presumptions, which the applicant may contest and disprove by submitting appropriate evidence; they are not conclusive presumptions.

In addition, if the type of detriment or unfair advantage argued in the specific case is of such a nature that presupposes the fulfilment of certain **particular conditions of fact** (e.g. exclusive character of the earlier mark, qualitative aspects of reputation, a given image etc.), these facts will also have to be proven by the opponent, who must submit appropriate evidence.

Finally, as noted by the Court in its judgment of 07/12/2010, T-59/08, 'NIMEI LA PERLA MODERN CLASSIC' (paras 57, 58), although a likelihood of confusion between the two marks at issue is not required to demonstrate that the later mark takes unfair advantage of the earlier mark, where such likelihood is established on the basis of facts, this will be taken as proof that unfair advantage has been taken or that, at least, there is a serious risk of such injury in the future.

3.4.4.2 Means of evidence

Where the opponent claims **potential** detriment or unfair advantage, it must prove any conditions of fact that might be necessary in particular cases for giving rise to a serious, non-hypothetical risk of detriment or unfair advantage, by submitting evidence of the kind mentioned in the paragraph below on proving actual detriment or unfair advantage.

Conclusions as to the risk of future injury may also be established on the basis of **logical deductions** made from an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case (judgment of 16/12/2010, joined cases T-345/08 and T-357/08 'BOTOLIST' para. 82 and judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE', para. 53, and judgment 14/11/13, C-383/12 P 'Wolf head image', paras 42-43).

Where the opponent claims **actual** detriment or unfair advantage, it can use all the means of evidence provided for in **Article 78 EUTMR** for proving this. For example, it may prove an actual decrease of trade mark awareness by reference to opinion polls and other documentary evidence. The rules governing the evaluation and probative value of such evidence are the same as those mentioned in paragraph 3.1.4.3 and paragraph 3.1.4.4 above in relation to the evidence required for proving reputation.

3.5 Use without due cause

The last condition for the application of Article 8(5) EUTMR is that use of the sign applied for should be without due cause.

However, if it is established that none of the three types of injury exists, the registration and use of the mark applied for cannot be prevented, as the existence or absence of due cause for the use of the mark applied for is, in those circumstances, irrelevant (judgment of 22/03/2007 T-215/03 'VIPS', para. 60, and judgment of 07/07/2010, T-124/09 'Carlo Roncato', para. 51).

The existence of a cause justifying the use of the trade mark applied for is a **defence** which the applicant may raise. Therefore, it **is up to the applicant to show that it has due cause to use the mark applied for**. This is an application of the general rule according to which 'he who asserts must prove' which is the expression of the ancient rule *ei qui affirmat incumbit probatio* (decision of 01/03/2004, R 145/2003-2 – 'T CARD OLYMPICS (FIG. MARK)/OLYMPIC', para. 23). Case-law clearly establishes that when the proprietor of the earlier mark has shown that there is either actual and present injury to its mark or, failing that, a serious risk that such injury will occur in the future, it is for the proprietor of the later mark to establish that there is due cause for the use of that mark (judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE', para. 67 and, by analogy, judgment of 27/11/2008, C-252/07 'Intel', para. 39).

In the absence of any indications in the evidence providing an apparent justification for the applicant's use of the contested mark, the lack of due cause must be generally **presumed** (see to that effect judgment of 29/03/2012, T-369/10, 'Beatle', para. 76 and the case-law there cited, appeal C-294/12 P dismissed). However, the applicant may avail itself of the possibility of rebutting such a presumption by showing that it has a legitimate justification that entitles it to use the mark.

For example, such a situation could be envisaged if the applicant had been using the sign for dissimilar goods in the relevant territory before the opponent's mark was applied for, or acquired a reputation, especially where such a coexistence has not in any way affected the distinctiveness and repute of the earlier mark.

Interpreting Article 5(2) of Directive 89/104 (whose legislative content is essentially identical to that of Article 8(5) EUTMR), the Court ruled that the proprietor of a trade mark with a reputation might be obliged, pursuant to the concept of 'due cause' within the meaning of that provision, to tolerate the use by a third party of a sign similar to that mark in relation to a product that was identical to that for which that mark had been registered, if it was demonstrated that that sign was being used before that mark had been filed and that the use of that sign in relation to the identical product was in good faith (judgment of 06/02/2014, C-65/12, 'The Bulldog', para. 60). The Court gave further detailed factors to be considered in the assessment of due cause on account of prior use.

The case-law below shows that due cause may be found where the applicant establishes that it cannot reasonably be required to abstain from use of the mark (for example, because its use of the sign is a generic use to indicate the type of goods and services — whether by generic words or generic figurative devices), or where it has some specific right to use the mark for the goods and services (for example, it shows that a relevant coexistence agreement permits its use of the sign).

The condition of due cause is not fulfilled merely by the fact that (a) the sign is particularly suitable for identifying the products for which it is used, (b) the applicant has already used this sign for these products or similar products within and/or outside the relevant territory of the European Union, or (c) the applicant invokes a right ensuing from a filing over which the filing of the opponent's trade mark takes precedence (see, inter alia, decision of 23/11/2010, R 0240/2004-2 'WATERFORD (fig.)' and decision of 15/06/2009, R 1142/2005-2 'MARIE CLAIRE (fig.)'). Mere use of the sign is not enough — what must be shown is a valid reason justifying that use.

Examples of due cause

Due cause was accepted

Case No	Comment
Decision of 02/06/2010, R 1000/2009-1, 'FLEX (fig.)', para. 72	The Board confirmed that the applicant had a due cause within the meaning of Article 8(5) EUTMR for inserting the term 'FLEX' in the mark applied for, holding that this term was free from monopolies, since nobody holds exclusive rights in it and it is a suitable abbreviation, in many languages of the EU, to indicate that beds and mattresses are flexible.
Decision of 26/02/2008, R 320/2007-2, 'biscuit packet (3D)/OREO(3D)'	The Board held that the applicant had due cause to represent the series of sandwich-type biscuits in the three-dimensional mark applied for, namely, to indicate to consumers the type of biscuits concerned, as defined by the relevant Spanish legislation.
Decision of 30/07/2007, R 1244/2006-1, 'M FRATELLI MARTINI (fig.)'	The Board confirmed that the applicant had two good reasons to use the name MARTINI in the mark applied for: (i) 'MARTINI' is the family name of the founder of the applicant's company, and (ii) the existence of a coexistence agreement from 1990.

Case No	Comment
Decision of 20/04/2007, R 710/2006-2, 'CAL SPAS'	The Board confirmed that the applicant had due cause to use the term 'SPAS' as it corresponds to one of the generic uses of the term 'spa' as indicated by the Court of First Instance in the 'Mineral Spa' judgment Case T-93/06.
Decision of 23/01/2009, R 237/2008 & R 263/2008-1, 'CARLO RONCATO'	The business affairs of the Roncato family, showing that both parties had the right to use the name 'RONCATO' as a trade mark in the suitcase and trunk sector, were held to constitute 'due cause' for use of the 'RONCATO' name in the contested trade mark.
Decision of 25/08/2011, Opposition decision B 1 708 398 'Posten AB v Česká pošta s.p.',	It was held that the applicant had due cause to use the figurative element of a postal horn since that device is widely used as a long-standing and historical symbol of postal services (trade mark registrations and internet evidence were submitted showing 29 European countries use the postal horn as a symbol for their postal services).

Due cause was not accepted

Case No	Comment
Judgment of 06/07/2012, T-60/10, 'ROYAL SHAKESPEARE', paras 65-69	The General Court held that, in order to establish due cause, it is not use per se of the contested trade mark that is required, but a reason justifying the use of that trade mark. In this case, the applicant merely claimed to have 'demonstrated how and for which product the contested trade mark has been used in the past' but, even assuming that that aspect is relevant, provided no additional indication or explanation. Accordingly, the Court held that the applicant had not established due cause for such use.
Judgment of 25/03/2009, T-21/07, 'L'Oréal SA', para. 43	The General Court held that there was no due cause, since it had not been shown that the word 'spa' had become so necessary to the marketing of cosmetic products that the applicant could not reasonably be required to refrain from use of the mark applied for. The argument that 'spa' was of descriptive and generic character for cosmetic products was rejected, since such character does not extend to cosmetic products but only to one of their uses or destinations.
Judgment of 16/04/2008, T-181/05 'CITI', para. 85	The General Court held that the use of the trade mark CITI in just one EU Member State (Spain) could not constitute due cause because, first, the extent of geographical protection of the national trade mark did not correspond to the territory covered by the trade mark applied for, and, second, the legal validity of that national registration was subject to dispute before the national courts. By the same token, the ownership of the domain 'citi.es' was held to be irrelevant.
Judgment of 10/05/2007, T-47/06, 'NASDAQ', para. 63, confirmed by CJ, C-327/07 P	The Court held that the only argument put forward before the Board of Appeal in respect of due cause (namely, that the word 'nasdaq' had been chosen because it is an acronym for 'Nuovi Articoli Sportivi Di Alta Qualità') was not convincing, noting that prepositions are not generally included in acronyms.

Case No	Comment
Decision of 23/11/2010, R 240/2004-2 'WATERFORD (fig.)'	<p>Contrary to the applicant's arguments that there was due cause because the term 'WATERFORD' was allegedly very common in names and trade marks, the Board held that the applicant had failed to give any evidence of market coexistence of WATERFORD marks nor had it submitted any element from which it would be possible to infer that the relevant general public (in the UK) considers Waterford as a commonplace geographical name.</p> <p>To the extent that such arguments play a role in the assessment of uniqueness of a sign in order to establish the existence of the necessary link in the mind of the relevant public between the signs at issue, the Board held that, nevertheless, once such uniqueness had been established, such arguments cannot serve as due cause.</p> <p>Further, the Board noted that the condition of due cause is not fulfilled merely by the fact that (a) the sign is particularly suitable for identifying the products for which it is used, (b) the applicant has already used this sign for these products or similar products within and/or outside the relevant territory of the European Union, or (c) the applicant invokes a right ensuing from a filing over which the filing of the opponent's trade mark takes precedence.</p>
Decision of 06/10/2006, R 428/2005-2 'TISSOT'	<p>The Board held that the applicant's claim (unsubstantiated by any evidence) that the sign TISSOT is derived from the name of a trading company associated with the applicant's company since the early 1970s, would, even if proven, not amount, on its own, to 'due cause', within the meaning of Article 8(5) EUTMR. People who inherit a surname that happens to coincide with a famous trade mark should not assume that they are entitled to use it in business in a manner that would unfairly take advantage of the reputation that has been built up by the efforts of the brand owner.</p>
Decision of 18/08/2005, R 1062/2000-4, 'GRAMMY'	<p>The applicant argued that 'GRAMMY' is an internationally easy and nice-sounding abbreviation of the applicant's family name (Grammatikopoulos). The Board rejected this argument as insufficient to establish the due cause that could prevent the application of Article 8(5) EUTMR.</p>

Case No	Comment
Decision of 15/06/2009, R 1142/2005-2, 'MARIE CLAIRE (fig.)'	<p>Due cause under Article 8(5) EUTMR means that notwithstanding the detriment caused to, or the unfair advantage taken of, the distinctive character or reputation of the earlier trade mark, the registration and use by the applicant of the mark for the goods applied for may be justified, if the applicant cannot be reasonably required to abstain from using the contested mark, or if the applicant has a specific right to use the mark for with such goods which takes precedence over the earlier trade mark invoked in the opposition proceedings. In particular, the condition of due cause is not fulfilled merely by the fact that (a) the sign is particularly suitable for identifying the products for which it is used, (b) the applicant has already used this sign for these products or similar products within and/or outside the relevant territory of the EU, or (c) the applicant invokes a trade mark with a filing date which is earlier than the opponent's trade mark (decision of 25/04/2001 in R 283/1999-3 HOLLYWOOD / HOLLYWOOD).</p> <p>With regards to the tolerance of the proprietor of the earlier mark, the Board held that such tolerance was merely for magazines and not for goods closer to its market sector (i.e. textiles). It noted that national case-law showed that while protection exists for each party within its own field of business, extension should be refused when they come closer to the other party's field of activities and could infringe upon their rights.</p> <p>In light of these factors, the Board held that the coexistence did not constitute due cause permitting registration of a EUTM.</p>
Judgment of 26/09/2012, T-301/09, 'Citigate', paras 116, 125 and 126	<p>As regards the applicant's argument that it has due cause to use the mark applied for (CITIGATE), because it has used a variety of marks consisting of or containing CITIGATE in relation to the goods and services for which registration is sought, the Court stated the following: it should be noted that the documents produced by the applicant simply show that there are various companies whose business name contains the word CITIGATE and a number of domain names which also contain that word. That evidence is not sufficient to establish due cause, because it does not demonstrate actual use of the CITIGATE mark.</p> <p>As regards the applicant's argument that it has due cause to use the mark applied for since <u>the interveners have acquiesced to the use</u> of CITIGATE in relation to the goods and services covered by the application for registration, the Court stated that <u>the possibility cannot be excluded that, in certain cases, the coexistence of earlier marks on the market could reduce (...) the likelihood of a connection being made between two marks in accordance with Article 8(5).</u></p> <p>In the present case, coexistence was not proven.</p>