

name of Valent Biosciences Corporation, to cover products in Class 5.

COMMUNITY TRADE MARK

I.C. Distinctiveness

The American company Golf USA, Inc. filed with the Office for Harmonization of the Internal Market (OHIM) a Community trade mark (CTM) application for GOLF USA,²⁶⁷ covering, among other things, golf-related goods and services in Classes 28 and 35 and various other goods in Class 25. The OHIM examiner rejected the application on the grounds that the mark lacked distinctiveness and that it was descriptive of the goods and services to be covered.²⁶⁸ On appeal, the OHIM Board of Appeal affirmed the examiner's decision, notwithstanding the applicant's arguments regarding acquired use, acceptance by OHIM of other, similar marks, and national registrations for the GOLF USA mark in several European countries.²⁶⁹ The applicant brought the matter to the European Court of First Instance (CFI) for reconsideration.

In its appeal, Golf USA alleged that OHIM had discriminated against the company by failing to evaluate properly the earlier national registrations.²⁷⁰ The CFI dismissed this plea on the ground that in an examination of the legality of decisions of the Board of Appeal, the pertinent provisions of Community law²⁷¹ regarding the registrability of trade marks apply, as it was evident from the pertinent case law that the principle of equal treatment must be reconciled with the principle of legality.²⁷²

In any event, the Court pointed out that although the earlier national registrations of the same mark constituted indicative evidence, they could not be evaluated as anything more than that and certainly could not be considered to be binding precedent for the acceptance of the identical mark by OHIM.

With regard to the evidence on prior use submitted by the applicant, the CFI agreed with the examiner that scattered evidence of use from Spain, Portugal, Sweden, and Belgium did not constitute use in a substantial part of the European Community,

267. CTM Application No. 003073715, filed February 27, 2003.

268. Decision of August 13, 2004.

269. Case R 0823/2004-2 (OHIM Second Board of Appeal, April 25, 2005).

270. Specifically, Golf USA alleged that OHIM had infringed Article 14 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

271. Council Regulation (EC) No. 40/94 of 20 December 1993 on the Community Trade Mark.

272. *Golf USA, Inc. v. OHIM*, Case T-230/05 (CFI, Second Chamber, March 6, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?Submit=Submit&docrequire=alldocs&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100&lang=en&numaff=T-230/05>.

which would have supported the applicant's claim of acquired distinctive character through use.

The Court suggested other types of evidence that, if submitted, might have led it to a different conclusion regarding acceptance of the applied-for mark:

- A European catalogue of the applicant's products.
- Information stemming from opinion polls and statements from chambers of commerce regarding the recognizability of the particular mark.
- Investment data regarding advertising and promotional projects undertaken by the applicant for the mark, with emphasis on the extent of advertising and the length of time of the advertising campaigns.
- Proof of use extending beyond the use in one store in Portugal and two stores in Spain from January 1994 to January 1996 and from April 2003 to April 2004.

Bang & Olufsen A/S, a Danish company, filed an application for the registration of a three-dimensional mark (see below) as a CTM.²⁷³ The applicant sought protection for goods in Classes 9 and 20, among which were loudspeakers and music furniture. The OHIM examiner rejected the application pursuant to Article 7(1)(b) of the Community Trade Mark Regulation²⁷⁴ (CTM Regulation) on the grounds that (1) the mark in question consisted exclusively of the representation of a loudspeaker, and thus was devoid of any distinctive character, and (2) pursuant to Article 7(3) of the CTM Regulation, the evidence submitted by the applicant was not sufficient to demonstrate distinctiveness acquired through use.



273. CTM Application No. 003354371, filed September 17, 2003.

274. Council Regulation (EC) No. 40/94, December 20, 1993.

The case was brought before the Board of Appeal, which rejected the applicant's petition.²⁷⁵ The Board reasoned that the mark applied for was barred from registration pursuant to Article 7(1)(b) because it was devoid of any inherent distinctive character. While finding that the shape of the goods constituting the mark and reflecting essentially aesthetic requirements did have unusual features, the Board held that the applicant had not shown that the shape was distinctive and that it therefore performed a trade mark function from the target consumers' point of view.

Bang & Olufsen appealed against the decision before the CFI. The appellant observed, *inter alia*, that the Board of Appeal had not examined the claim for registration pursuant to Article 7(3) of the CTM Regulation. About two months after the appeal was lodged, the Board of Appeal corrected its decision by corrigendum. Conceding that it had erred in failing to examine the claim for registration pursuant to Article 7(3), the Board stated that the application for registration pursuant to Article 7(3) was also dismissed, on the ground that the body of evidence submitted by the applicant was not sufficient to demonstrate distinctiveness acquired through use.

During the proceedings before the CFI, Bang & Olufsen argued that (1) in this case the Board of Appeal applied a stricter standard than that used for other types of trade marks; (2) the appearance of the loudspeaker in question was dictated by aesthetic considerations, and the consumer would perceive its overall appearance as a distinctive indicator of the commercial origin of the covered products; (3) the shape in question was not an ordinary or common one, and thus was inherently distinctive; and (4) the applicant's products were top-of-the-range, they were marketed through a selective distribution system, and the target group was restricted to well-informed and quality-minded consumers.

OHIM stressed that Article 7(1)(e)(iii) of the CTM Regulation excludes from registration as a trade mark those shapes that add substantial value to the goods, with the aim of drawing a line between trade marks and designs. In some cases, the shape of a product, even if it is aesthetically inspired, does not add substantial value to the product; nevertheless, it can be distinctive, and protected as a trade mark, if it is significantly different from the shapes commonly used in trade. Thus, OHIM asked the Court to determine whether a shape that is essentially inspired by aesthetic considerations but that does not add substantial value to the goods within the meaning of Article 7(1)(e)(iii) and differs significantly from a shape commonly used in trade can perform a trade mark function.

275. Case R 497/2005-1 (OHIM First Board of Appeal, September 22, 2005).

OHIM further pointed out that when assessing the distinctiveness of a given mark it could not take into account the way that the applicant would use it, or of other circumstances such as marketing concepts. Consequently, it considered that Bang & Olufsen's argument was irrelevant.

The CFI annulled the decision of the Board of Appeal and held that the trade mark in question should be accepted for registration.²⁷⁶

The Court held that the distinctive character of the trade mark must be assessed in relation to the perception of the average consumer who exhibits a particularly high level of attention when he prepares and makes his choice between different goods in the category concerned. It further stressed that average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element, and that it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark. The CFI concluded that only a mark that departs significantly from the norm or customs of the sector and thereby fulfills its essential function of indicating origin is not devoid of distinctive character for the purposes of Article 7(1)(b) of the CTM Regulation.

Upon examination of the mark in question, the Court held that the shape of the mark was truly specific and could not be considered to be altogether common. The Court found that the whole of it created a striking design that was remembered easily. It further found that the mark departed significantly from the customs of the sector, as it had characteristics that were sufficiently specific and arbitrary to retain the attention of the average consumer.

The CFI therefore concluded that the Board of Appeal had misconstrued the wording of Article 7(1)(b). Accordingly, it ruled that the contested decision should be annulled.

I.D.1. Similarity of Marks

The U.S. company Nars Cosmetics, Inc. filed a CTM application for the mark NARS, to cover various goods in Classes 3 and 18 and clothing, footwear, and headgear in Class 25 (below, illustration at left).²⁷⁷

276. *Bang & Olufsen A/S v. OHIM*, Case T-460/05 (CFI, Third Chamber, October 10, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-460/05&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100>.

277. CTM Application No. 001333657, filed October 4, 1999.

The German company Quelle AG filed an opposition against the application,²⁷⁸ based on its prior German trade mark registrations for the figurative mark MARS, covering “footwear, in particular sports footwear” in Class 25²⁷⁹ and “sportswear” in the same class (below, illustration at right).²⁸⁰ Quelle directed its opposition against goods in Class 25 and invoked likelihood of confusion of the mark applied for with its MARS trade marks pursuant to Article 8(1)(b) of the CTM Regulation.



Applicant's Mark



Opponent's Mark

The OHIM Opposition Division rejected the opposition on the ground that the evidence submitted by the opponent was insufficient to prove that the earlier trade marks were genuinely used in Germany.²⁸¹ The Opposition Division did not examine the opposition as far as the assessment of likelihood of confusion was concerned. Quelle filed recourse against the above decision before the OHIM Board of Appeal.

The Board of Appeal annulled the decision of the Opposition Division, finding that Quelle had failed to prove that its trade marks were put to genuine use. Further examining the likelihood of confusion, it found that there was considerable conceptual and visual difference between the marks under comparison. Regarding phonetic similarity, the Board held that confusion was highly unlikely because it was not common practice for consumers to order clothing and footwear orally without having a chance to perceive trade marks visually. Therefore, the Board of Appeal rejected the opposition.

Quelle brought the case before the CFI, which upheld the Board's decision.²⁸² The Court determined that there was some aural similarity between the contested mark and the earlier-registered ones. It held that the most significant parts of the word

278. Opposition No. B 288 706, filed July 20, 2000.

279. Registration No. 926 493, granted January 8, 1975.

280. Registration No. 940 032, granted January 19, 1976.

281. Decision No. 1138/2004 (OHIM Opposition Division, April 6, 2004).

282. *Quelle AG v. OHIM*, Case T-88/05 (CFI, Fourth Chamber, February 8, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-88/05%20&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100>.

elements of the marks under comparison were their common letters A, R, and S and that the differences in the pronunciation of the first letters were not sufficient to counteract the overall similarity.

However, the Court also held that despite the fact that three of their four letters were identical, the marks exhibited clear visual differences. The graphic element of the opposing marks was dominant by virtue of its size and color. The word MARS, although stylized, appeared only as a caption referring to that graphic element, whereas the applied-for mark consisted only of the word NARS represented in a stylized manner.

The Court further held that the opponent's marks clearly referred to the idea of the planet Mars and were understood as such by the relevant public, whereas the word NARS of the contested mark suggested a name or a fantasy word and had no meaning. Therefore, the CFI concluded that there was conceptual dissimilarity between the marks under comparison.

In the global assessment of a likelihood of confusion, the visual, aural, or conceptual aspects of the opposing marks do not, said the Court, always have the same weight. The extent of the similarity or difference between the marks may depend on the inherent qualities of the marks or the conditions under which the goods or services they cover are marketed. Consumers perceive visually the mark designating goods such as those at issue in this case. Although Quelle stated that it was a mail order company, it did not mention that its goods were sold outside normal distribution channels for clothing and shoes (shops), or without a visual assessment of them by the relevant consumer. The visual perception of the marks will, in general, take place prior to purchase.

Finally, the Court held that the mere phonetic similarity of the opposing marks did not support the conclusion that there was a likelihood of confusion. This was particularly the case where, as here, the conceptual differences that distinguished the marks might be such as to counteract to a large extent the visual and aural similarities between them, provided at least one of the marks at issue had a clear and specific meaning so that the public was capable of grasping it immediately and the other mark had no such meaning or an entirely different one.

Bodegas Franco-Españolas, SA, a Spanish company, filed an application for the registration as a CTM of the word mark ROYAL, to cover wine from La Rioja in Class 33.²⁸³

The Portuguese company Companhia Geral da Agricultura das Vinhas do Alto Duro, SA filed an opposition,²⁸⁴ based on its prior

283. Community Trademark Application No. 001056902, filed January 28, 1999.

284. Opposition No. B 218 869, filed December 10, 1999.

trade mark registrations for the following: (1) Portuguese figurative mark ROYAL BRANDE, covering brandy in Class 33 (below, illustration at left);²⁸⁵ (2) CTM ROYAL FEITORIA (word mark), covering port wine in Class 33;²⁸⁶ and (3) international figurative mark ROYAL OPORTO WINE COMPANY, with effect in Germany, Austria, France, Italy, Spain, and Benelux, covering beers in Class 32 and wines, sparkling wines, ciders, alcohols, brandies, and liquors in Class 33 (below, illustration at right).²⁸⁷ The opponent invoked risk of confusion of the applicant's mark and its marks pursuant to Article 8(1)(a)(b) of the CTM Regulation.



Royal Oporto Wine Company
PORTUGAL

Reg. No. 122 170

Reg. No. 174 788

The OHIM Opposition Division upheld the opposition, finding that there was a likelihood of confusion between the applied-for mark ROYAL and the prior-registered CTM ROYAL FEITORIA.²⁸⁸

Upon recourse filed by the applicant, the Board of Appeal dismissed the appeal on the grounds that the respondent's trade mark ROYAL FEITORIA included the whole of the appellant's mark and that the appellant failed to show—at least in Portugal—that the word ROYAL was entirely devoid of distinctive character for wine.²⁸⁹ It further concluded that the two marks would be perceived by the relevant consumers in Portugal as belonging to a family of marks owned by the same trader, where the house mark would be embodied by the ROYAL element.

Bodegas Franco-Españolas appealed before the CFI against the Board's decision.

The CFI reversed the decision of the Board of Appeal and accepted the mark ROYAL for registration.²⁹⁰

285. Registration No. 122 170, granted October 26, 1954.

286. Registration No. 418 301, granted December 3, 1998.

287. Registration No. 174 788, granted February 13, 1954.

288. Decision No. 1262/2002 (OHIM Opposition Division, April 30, 2002).

289. Case R 513/2002-1 (OHIM First Board of Appeal, October 25, 2004).

290. *Bodegas Franco-Españolas, SA v. OHIM*, Case T-501/04 (CFI, Fourth Chamber, February 15, 2007), available at <http://curia.europa.eu/juris/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-501/04&datefs=&datef=&nomusuel=&domaine=&mots=&resmax=100> (in French).

According to the Court, although the goods in question pertain to the same category of alcoholic beverages, are distributed through the same market channels, and are sold by the same stores, they are not identical, and they are clearly distinguished from each other as to their origin, their nature, their destination, and their different use. The Court explained that (1) rioja wine is drunk principally during the meal, whereas port wine is drunk as an aperitif or a digestive; and (2) port has an alcohol content of 19 to 22 degrees, it has been known for centuries, and it is produced in the limited area of the valley of Douro in Portugal, whereas rioja has a lower alcohol content, is equally well known, is produced in the Spanish area of Rioja, and belongs to a category of wines the fermentation of which is complete without the addition of alcohol. According to the Court, the average consumer in Portugal and in the whole European Community as well would consider port and rioja to have a low level of similarity.

Upon examining the similarity of the marks under comparison, the CFI found that the word ROYAL had a low distinctive character and, thus, the word FEITORIA of the earlier-registered mark was sufficient to differentiate the marks both aurally and visually.

The Spanish company SIGLA SA filed an opposition²⁹¹ against the CTM application for VIPS filed by the Dutch company Elleni Holding BV.²⁹²

The opposition was upheld²⁹³ with regard to services in Class 42 ("computer programming relating to hotel services, restaurants, cafés"), the OHIM Opposition Division finding the opposed mark to be confusingly similar to the opponent's identical trade mark VIPS, registered for "services in procuring food and drink prepared for consumption; restaurants; self-service restaurants, canteens, bars, cafeterias; [and] hotel services" in Class 42.

On appeal filed by the applicant, the Board of Appeal decided, primarily on the basis of a technicality, to uphold the appeal and dismiss the opposition.²⁹⁴ The Board stated that although the fame of the opponent's mark was proven to its satisfaction, the same could not be said for the grounds on which the mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier mark.

Another technicality that was emphasized by the Board of Appeal as being crucial to its decision was the mere fact that the Board refused to examine the likelihood-of-confusion aspect of the

291. Opposition No. 000190837, filed September 14, 1999.

292. CTM Application No. 000459875, filed February 7, 1997.

293. Decision No. 2221/2000 (OHIM Opposition Division, September 28, 2000).

294. Case R 1127/2000-3 (OHIM Third Board of Appeal, April 1, 2003).

matter, on the basis that the applicant's appeal did not include a reference to the particular ground and therefore the opponent was precluded from elaborating on the particular issue with its written arguments. The Board therefore considered that the likelihood-of-confusion issue could not come into play unless the applicant had filed a separate appeal for the particular ground.

The CFI went far beyond the technicalities of the matter and decided the case essentially on its substantive merits.

With regard to the issue of dilution, the Court acknowledged that the term VIPS was the plural for a term quite commonly used internationally as the abbreviation of the phrase "very important people." As such, the dilution argument was deemed to be essentially inapplicable for such a commonly used term or mark.

Concerning tarnishment, the Court agreed with the Board's finding that the goods covered by the applied-for mark did not per se qualify as having characteristics or qualities that were potentially detrimental to the opposing mark.

Nevertheless, precisely because the Board of Appeal intentionally refrained from examining the likelihood-of-confusion aspect on the basis of a mere technicality, the Court was quite strict in its criticism. Calling the particular failure an adoption of "false premises" and reversing the Board's decision, it set an interesting precedent for the future.²⁹⁵

House of Donuts International, a Cayman Islands company, applied for the registration as CTMs of the word and design marks HOUSE OF DONUTS²⁹⁶ and HOUSE OF DONUTS—THE FINEST AMERICAN PASTRIES,²⁹⁷ for goods in Classes 30 and 32 and services in Class 42 (below, illustrations at top). Panrico, SA, a Spanish company, filed an opposition,²⁹⁸ based on its prior-registered group of Spanish word and figurative trade marks incorporating the word DONUT or DONUTS and covering goods and services in the same classes as those designated in the applications (below, illustrations at bottom).²⁹⁹

OHIM allowed Panrico's oppositions and rejected the applications, on the ground that registration of the applied-for

295. *SIGLA SA v. OHIM*, Case 215/03 (CFI, Fifth Chamber, March 22, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-215/03&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100>.

296. CTM Application No. 000474486, filed February 27, 1997.

297. CTM Application No. 000938670, filed September 23, 1998.

298. Opposition No. 000151508, filed April 29, 1999; Opposition No. 000275133, filed June 5, 2000.

299. Registration No. 000643273, filed September 30, 1972; Registration No. 001582809, filed December 5, 1991.

marks would create a likelihood of confusion of Spanish consumers.³⁰⁰ House of Donuts appealed.



The OHIM Board of Appeal dismissed the appeals on likelihood-of-confusion grounds. It found that there was an overall similarity between the marks at issue and that, moreover, the opposing marks were distinctive.³⁰¹

On further appeal before the CFI, the applicant argued that the word DONUTS had become a generic term in Spain as a result of extensive online and dictionary use of the word DONUTS, etc. The CFI rejected this argument on the ground that it was based on circumstantial evidence that was deemed to be inadmissible, irrelevant, and of no real probative value. In particular, the inclusion of the term “donuts” in the Spanish-German and Spanish-English dictionaries consulted, as well as the Internet search for the terms “donuts” and “Spain,” were deemed insufficient proof of the alleged generic nature of the word “donuts” in Spain.

In terms of examining the trade mark applications in their entirety, the Court determined that the peripheral elements of the marks sought to be registered were not significant enough to qualify as distinctive, and therefore the dominant part of both was the word DONUTS. As that part was identical to the cited Spanish trade marks, the CFI dismissed the appeal on the ground that the applied-for marks gave rise to a likelihood of confusion.³⁰²

300. OHIM Opposition Division, October 25, 2001.

301. Cases R 1034/2001-4 and R 1036/2001-4 (OHIM Fourth Board of Appeal, May 12, 2004).

302. *House of Donuts International v. OHIM*, Joined Cases T-333/04 and T-334/04 (CFI, Fourth Chamber, April 18, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?>

Alcon Pharmaceuticals, Ltd., a Swiss company, filed an application for the registration as a CTM of the word mark TRAVATAN, to cover “ophthalmic pharmaceutical products” in Class 5.³⁰³

Biofarma SA, a French company, filed an opposition under Article 42 of the CTM Regulation against the applied-for mark,³⁰⁴ based on its prior Italian trade mark registration for the word mark TRIVASTAN, covering “pharmaceutical, veterinary and hygienic preparations, dietetic products for children or patients, plasters, materials for dressings, material for stopping teeth and dental wax, disinfectants, herbicides and preparations for destroying vermin” in Class 5.³⁰⁵

The OHIM Opposition Division accepted the opposition on the ground that there was a likelihood of confusion between the marks at issue, including the likelihood of association of the applicant’s mark with the earlier mark in Italy, as the trade marks were visually and aurally similar and there was a degree of similarity between the goods concerned.³⁰⁶

Alcon filed an appeal against the above decision before the Board of Appeal, which upheld the decision of the Opposition Division, adopting in substance the grounds thereof.³⁰⁷

The case was then brought before the CFI, which upheld the decision of the Board of Appeal.³⁰⁸

The applicant lodged an appeal before the European Court of Justice (ECJ). Alcon argued that the CFI had erred in its interpretation of the word “public” by taking into account end users for assessing the likelihood of confusion, whereas, according to Alcon, it should have restricted the definition of the public solely to healthcare professionals, namely doctors and pharmacists.

The ECJ held that the fact that intermediaries such as healthcare professionals are liable to influence or even to determine the choice made by the end users was not in itself capable of excluding all likelihood of confusion on the part of those consumers with regard to the origin of the goods at issue. The

Submit=Submit&docrequire=alldocs&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100&lang=en&numaff=T-333/04.

303. Community Trademark Application No. 000847590, filed June 11, 1998.

304. Opposition No. B 167 298, filed June 22, 1999.

305. Registration No. 394 980, granted January 27, 1986.

306. Decision No. 2308/2001 (OHIM Opposition Division, September 26, 2001).

307. Decision of the Third Board of Appeal of OHIM of January 30, 2003, on case R 968/2001-3.

308. *Alcon Inc. v. OHIM*, Case T-130/03 (CFI, Third Chamber, September 22, 2005), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-130/03&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100>.

Court further held that the whole process of marketing the goods at issue has the purpose of attracting end users in acquiring them and that the CFI was entitled to hold that the role of the prior intervention of intermediaries, even if they were healthcare professionals, had in part to be balanced against the high degree of attentiveness that could be shown by said users and against their ability to make those professionals take into account their requirements or preferences. Therefore, the ECJ dismissed the appeal.³⁰⁹

This decision is significant in that it determines the meaning of the “relevant public” upon assessing the similarity of marks covering pharmaceuticals.

The Portuguese company Worldgem Brands – Gestão e Investimentos Lda (formerly Cielo Brands – Gestão e Investimentos Lda) filed a CTM application for the word mark NIMEI LA PERLA MODERN CLASSIC, to cover “jewelry, gold articles, watches, precious metals, pearls, precious stones” in Class 14.³¹⁰ The mark proceeded to registration.³¹¹

The Italian company Gruppo La Perla SpA filed an application for the cancellation of said mark, based on its prior Italian trade mark registrations for the following: (1) figurative mark LA PERLA, covering goods in Class 25 (below, illustration at left);³¹² (2) word mark LA PERLA PARFUMS, covering goods in Class 3;³¹³ and (3) figurative mark LA PERLA, covering goods in Classes 3, 9, 16, 18, 24, 25, and 35 and jewelry and watches in Class 14 (below, illustration at right).³¹⁴ The claimant also referenced two Italian trade mark applications for the registration of the figurative mark LA PERLA, to cover goods in Class 3.³¹⁵



Petitioner's Reg. No. 769 526 Petitioner's Reg. No. 804 082

309. *Alcon Inc. v. OHIM*, Case C-412/05 P (ECJ, April 26, 2007), available at <http://curia.europa.eu/juris/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=C-412/05&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100>.

310. CTM Application No. 000713446, filed December 30, 1997.

311. Registration No. 713 446, granted July 21, 1999.

312. Registration No. 769 526, granted March 20, 1996.

313. Registration No. 776 082, granted October 9, 1996.

314. Registration No. 804 082, granted October 8, 1997.

315. Filed October 11, 2000, and June 11, 2002, respectively.

Gruppo La Perla also based its application on the worldwide reputation of its trade mark LA PERLA, acquired as a result of the high quality of its products. It produced a significant volume of evidence to support this allegation.

The OHIM Cancellation Division found that there were similarities between the marks under comparison and that the LA PERLA trade marks were well known. Therefore, it annulled the contested trade mark on the ground that it took unlawful advantage of the notoriety of the trade marks LA PERLA.³¹⁶ Worldgem appealed the decision.

The OHIM Board of Appeal reversed the decision of the Cancellation Division, on the ground that there was not sufficient similarity between the marks under comparison to pose a risk of confusion of consumers.³¹⁷

Upon appeal filed by Gruppo La Perla, the CFI overturned the Board of Appeal's decision.³¹⁸ The Court accepted the reputation of the earlier-registered LA PERLA trade marks and examined the similarity between them and the contested trade mark NIMEI LA PERLA MODERN CLASSIC. It found that the dominating feature of the earlier marks was the word portion LA PERLA, which was included in its entirety in the contested mark. The Court held that LA PERLA had a meaning (pearl), whereas the word NIMEI was a word of fantasy and had no significant meaning in Italian; the words MODERN and CLASSIC were descriptive. Therefore, the existence of the words NIMEI, MODERN, and CLASSIC in the contested mark was not sufficient to differentiate it from the LA PERLA marks. In view of the fact that the marks under comparison covered similar goods that were distributed through the same marketing channels, the Court held that the Board of Appeal had erred in finding that said marks were not similar. Consequently, it ruled that the trade mark NIMEI LA PERLA MODERN CLASSIC should be annulled.

The Spanish company Aceites del Sur SA's CTM application for LA ESPAÑOLA & Device³¹⁹ (below, illustration at left), covering edible oils and fats in Class 29, was opposed by the Spanish company Aceites Carbonnell (now Koipe Corporación SL). The opposition was based on a number of previous Spanish,

316. Case 397C 000713446/1 (OHIM Cancellation Division, May 4, 2004).

317. Case R 537/2004-1 (OHIM First Board of Appeal, January 25, 2005).

318. *Gruppo La Perla SpA v. OHIM*, Case T-137/05 (CFI, Third Chamber, May 16, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-137/05&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100> (in French).

319. CTM Application No. 000236588, filed April 23, 1996.

Community,³²⁰ and national trade mark registrations for CARBONELL & Device (below, illustration at right), covering olive oil in Class 29.



At first instance, the opposition was rejected, on the grounds that (1) the marks at issue produced a different overall visual impression, (2) from a phonetic point of view they had no similar elements, and (3) the conceptual link between the agricultural nature and the origin of the goods was weak. Therefore, the OHIM Opposition Division held that any likelihood of confusion between the marks was excluded.³²¹

On appeal by the applicant, the OHIM Board of Appeal affirmed the earlier decision dismissing the opposition.³²²

When the matter was brought before the CFI, the Court, in analyzing the issue of the figurative elements of the respective marks, made some very interesting points.

First, it clarified that the distinctiveness of each device used should not be judged from the point of view of whether the particular devices are commonly used in the market for similar products, but instead from the point of view of their descriptiveness or reference to the product they cover.

The CFI concluded that the conceptual association the particular devices elicited in the consuming public was not the commercial origin of the product (olive oil) but, instead, the natural and traditional manner in which the product was processed. Such a conclusion was not reached by dissecting a device into the different figurative elements of which it was composed, but by examining the device in its entirety and in relation to the goods to which it might be deemed to refer, in relation to the goods covered by the trade mark itself.

320. CTM Registration No. 000338681, filed January 24, 2000.

321. Decision No. 2084/2000 (OHIM Opposition Division, September 21, 2000).

322. Decision No. R 1109/2000-4 (OHIM Fourth Board of Appeal, May 11, 2004).

Moreover, the Court emphasized the weak distinctive character of the verbal element of the opposed mark, that is, the words LA ESPAÑOLA, which it deemed to be a geographical reference of origin. This finding, coupled with the overall similarity of the device of the opposed mark with the device of the opposing mark, convinced the Court that the likelihood of confusion between the respective marks was significant. Therefore, the CFI upheld the opposition and reversed the Board of Appeal's decision to the contrary.³²³

In a conflict that arose between the U.S. company La Mer Technology, Inc. and the French company Laboratoires Goëmar with regard to the former's CTM application for the word mark LA MER,³²⁴ the CFI ruled in favor of the French company.³²⁵

Laboratoires Goëmar filed an opposition³²⁶ against La Mer's application on the basis of its prior-registered trade mark LABORATOIRES DE LA MER. The goods covered by the marks at issue were virtually identical, essentially covering cosmetics and toiletries. The CFI, affirming the findings of the Opposition Division³²⁷ and the Board of Appeal,³²⁸ determined that the marks were sufficiently similar to give rise to consumer confusion.

The significance of the decision lies in the Court's lenient acceptance of evidence concerning the opponent's genuine use of its mark—in particular, pursuant to a relevant objection filed by the applicant that alleged lack of genuine use of the opponent's mark in the crucial period, namely January 12, 1993, to January 11, 1998. The CFI asserted that its own decisions, as well as the European Court of Justice's case law, clearly indicated that “the fact that the commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or very regular, and vice versa.”³²⁹ As such, the Court was not interested in the volume of sales, traditionally viewed by courts as a key factor in determining substantive or genuine use. Instead, it concluded that “even minimal use can be sufficient to be deemed

323. *Koipe Corporación SL v. OHIM*, Case T-363/04 (CFI, First Chamber, September 12, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo&numaff=T-363/04&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100>.

324. CTM Application No. 000140368, filed April 1, 1996.

325. *La Mer Technology, Inc. v. OHIM*, Case T-418/03 (CFI, Fifth Chamber, September 27, 2007), available at <http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en&Submit=325>.

Rechercher&alldocs=alldocs&docj=docj&docop=docop&docor=docor&docjo=docjo
&numaff=T-418/03&datefs=&datefe=&nomusuel=&domaine=&mots=&resmax=100.

326. Opposition No. B 31999, filed April 8, 1998.

327. Decision No. 1177/2000 (OHIM Opposition Division, May 31, 2000).

328. Case No. R 814/2000-2 (OHIM Second Board of Appeal, October 23, 2003).

329. *La Mer Technology, Inc. v. OHIM*, *supra* note 325, para. 57.

genuine, provided that it is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.”³³⁰

With regard to the similarity of the verbal elements of the respective marks, the Court was satisfied that the word LABORATOIRE was not sufficient to differentiate the marks, as the average consumer would easily perceive such a term, especially when used in connection with cosmetics, as a mere indicator of where the particular cosmetics were produced. In light of the above assessment, the CFI considered that in reality the marks were virtually identical, as the term LABORATOIRE DE was effectively nonexistent in terms of distinctiveness.

It is noteworthy that the fact that the company name of the applicant was the same as the mark applied for (LA MER) was not considered important.

CZECH REPUBLIC

I.B.1. Generic

An application for registration of the trademark READY-MADE was rejected by the Industrial Property Office on grounds of lack of distinctiveness. The Office found that READY-MADE was a descriptive and laudatory mark commonly used in the course of trade.

On appeal, the applicant claimed that at the time of first use of its mark, the term READY-MADE was entirely new and unknown in the Czech Republic, even among experts in the field of services for which registration was sought. The applicant argued that extensive knowledge of the term in other countries did not influence its distinctiveness in the Czech market, as trademark protection is governed by the territoriality principle, under which protection is limited to the country where the mark is registered.

The Appeals Panel of the Industrial Property Office affirmed the decision at first instance,³³¹ holding that the relevant consumer public would not be able to determine the source of services provided under the mark and that READY-MADE was a term commonly used in business. The panel held, further, that even if the term was entirely new and unknown to the public at the time use commenced, the mark had become generic during the time it took the applicant to file for trademark protection.

330. *Id.* (citations omitted).

331. Decision No. O-428972 (Appeals Panel, Industrial Property Office, December 11, 2006).