European Court of Justice, 25 October 2007, Develey



TRADEMARK LAW

Community trademark law and national trade mark laws

• It is possible not only that, because of linguistic, cultural, social and economic differences, a trade mark which is devoid of distinctive character in one Member State is not so in another Member State, but also that a mark devoid of distinctive character at Community level is not so in a Member State.

As the Court of First Instance correctly pointed out in paragraph 25 of the judgment under appeal, the contested decision, by which registration of the trade mark sought as a Community trade mark was refused, affected neither the validity nor the protection on German territory of the earlier national registration. Pursuant to the fifth recital in the preamble to Regulation No 40/94, to which the Court of First Instance rightly referred in paragraph 25 of the judgment under appeal, the Community law relating to trade marks does not replace the laws of the Member States on trade marks. Therefore it is possible not only that, because of linguistic, cultural, social and economic differences, a trade mark which is devoid of distinctive character in one Member State is not so in another Member State, but also that a mark devoid of distinctive character at Community level is not so in a Member State.

• <u>Community trade mark regime is an autonomous</u> <u>system</u>

As regards the decision of the Deutsches Patent- und Markenamt to which Develey refers, it suffices to recall – as the Court of First Instance did in paragraph 32 of the judgment under appeal – that the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it, and that that system applies independently of any national system. Consequently, the mark applied for must be assessed only on the basis of relevant Community rules and the national decision can under no circumstances call in question the legality of either the contested decision or the judgment under appeal.

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European Court of Justice, 25 October 2007

(G. Arestis, R. Silva de Lapuerta and E. Juhász) JUDGMENT OF THE COURT (Eighth Chamber) 25 October 2007 (*)

(Appeal – Community trade mark – Three-dimensional mark – Shape of a plastic bottle – Refusal to register – Absolute grounds for refusal – Lack of distinctive character – Earlier national trade mark – Paris Convention – TRIPs Agreement – Article 7(1)(b) of Regulation (EC) No 40/94)

In Case C-238/06 P,

APPEAL under Article 56 of the Statute of the Court of Justice, brought on 25 May 2006,

Develey Holding GmbH & Co. Beteiligungs KG, established in Unterhaching (Germany), represented by R. and H. Kunz-Hallstein, Rechtsanwälte, appellant,

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by G. Schneider, acting as Agent,

defendant at first instance,

THE COURT (Eighth Chamber),

composed of G. Arestis, President of the Chamber, R. Silva de Lapuerta and E. Juhász (Rapporteur), Judges,

Advocate General: D. Ruiz-Jarabo Colomer,

Registrar: B. Fülöp, Administrator,

having regard to the written procedure and further to the hearing on 24 May 2007,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

Judgment

1 By its appeal, Develey Holding GmbH & Co. Beteiligungs KG ('Develey') seeks to have set aside the judgment of the Court of First Instance of the European Communities of 15 March 2006 in Case T-129/04 Develey v OHIM(Shape of a plastic bottle) [2006] ECR II-811 ('the judgment under appeal'), which dismissed Develey's action for annulment of the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('OHIM') of 20 January 2004 refusing registration of a three-dimensional mark ('the contested decision').

Legal context

International law

The Paris Convention

2 At international level, trade mark law is governed by the Convention for the Protection of Industrial Property, signed in Paris on 20 March 1883, as last revised at Stockholm on 14 July 1967 (United Nations Treaty Series, Vol. 828, No 11851, p. 305; the 'Paris Convention'). All of the Member States of the European Community are parties to that convention.

3 Article 2(1) of the Paris Convention provides:

'Nationals of any country of the Union shall, as regards the protection of industrial property, enjoy in all the other countries of the Union the advantages that their respective laws now grant, or may hereafter grant, to nationals; all without prejudice to the rights specially provided for by this Convention. Consequently, they shall have the same protection as the latter, and the same legal remedy against any infringement of their rights, provided that the conditions and formalities imposed upon nationals are complied with.'

4 Parts A and B of Article 6 quinquies of the Paris Convention provide:

'A.

(1) Every trademark duly registered in the country of origin shall be accepted for filing and protected as [it] is in the other countries of the Union, subject to the reservations indicated in this Article. Such countries may, before proceeding to final registration, require the production of a certificate of registration in the country of origin, issued by the competent authority. No authentication shall be required for this certificate.

(2) Shall be considered the country of origin the country of the Union where the applicant has a real and effective industrial or commercial establishment, or, if he has no such establishment within the Union, the country of the Union where he has his domicile, or, if he has no domicile within the Union but is a national of a country of the Union, the country of which he is a national.

B. Trademarks covered by this Article may be neither denied registration nor invalidated except in the following cases:

(i) when they are of such a nature as to infringe rights acquired by third parties in the country where protection is claimed;

(ii) when they are devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed;

(iii) when they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. It is understood that a mark may not be considered contrary to public order for the sole reason that it does not conform to a provision of the legislation on marks, except if such provision itself relates to public order.

This provision is subject, however, to the application of Article 10 bis.'

The law emanating from the Agreement establishing the World Trade Organisation

5 Article 2(1) of the Agreement on Trade-Related Aspects of Intellectual Property Rights ('the TRIPs Agreement'), which constitutes Annex 1C to the Agreement establishing the World Trade Organisation, signed in Marrakesh on 15 April 1994 and approved by Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994) (OJ 1994 L 336, p. 1), provides:

'In respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967).'

Community law

. . .

6 The final recital in the preamble to Decision 94/800 is worded as follows:

"..., by its nature, the Agreement establishing the World Trade Organisation, including the Annexes thereto, is not susceptible to being directly invoked in Community or Member State courts'.

7 The 12th recital in the preamble to First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1) is worded as follows:

"... all Member States of the Community are bound by the Paris Convention for the Protection of Industrial Property; ... it is necessary that the provisions of this Directive are entirely consistent with those of the Paris Convention; ... the obligations of the Member States resulting from this Convention are not affected by this Directive; ... where appropriate, the second subparagraph of Article 234 of the Treaty is applicable'.

8 Article 3(1)(b) of that directive provides:

'The following shall not be registered or if registered shall be liable to be declared invalid:

(b) marks which are devoid of any distinctive character'.

9 The fifth recital in the preamble to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, is worded as follows:

"... the Community law relating to trade marks nevertheless does not replace the laws of the Member States on trade marks; ... it would not in fact appear to be justified to require undertakings to apply for registration of their trade marks as Community trade marks; ... national trade marks continue to be necessary for those undertakings which do not want protection of their trade marks at Community level'.

10 Article 7(1) of Regulation No 40/94, relating to absolute grounds for refusal, provides as follows:

'The following shall not be registered:

(b) trade marks which are devoid of any distinctive character;

(h) trade marks which have not been authorised by the competent authorities and are to be refused pursuant to Article 6 ter of the Paris Convention;

(i) marks which include badges, emblems or escutcheons other than those covered by Article 6 ter of the Paris Convention and which are of particular public interest, unless the consent of the appropriate authorities to their registration has been given.'

11 According to Article 34 of Regulation No 40/94, entitled 'Claiming the seniority of a national trade mark':

'1. The proprietor of an earlier trade mark registered in a Member State, including a trade mark registered in the Benelux countries, or registered under international arrangements having effect in a Member State, who applies for an identical trade mark for registration as a Community trade mark for goods or services which are identical with or contained within those for which the earlier trade mark has been registered, may claim for the Community trade mark the seniority of the earlier trade mark in respect of the Member State in or for which it is registered.

2. Seniority shall have the sole effect under this Regulation that, where the proprietor of the Community trade mark surrenders the earlier trade mark or allows it to lapse, he shall be deemed to continue to have the same rights as he would have had if the earlier trade mark had continued to be registered.

3. The seniority claimed for the Community trade mark shall lapse if the earlier trade mark the seniority of which is claimed is declared to have been revoked or to be invalid or if it is surrendered prior to the registration of the Community trade mark.'

12 Article 35 of Regulation No 40/94, entitled 'Claiming seniority after registration of the Community trade mark', provides:

'1. The proprietor of a Community trade mark who is the proprietor of an earlier identical trade mark registered in a Member State, including a trade mark registered in the Benelux countries or of an earlier identical trade mark, with an international registration effective in a Member State, for goods or services which are identical to those for which the earlier trade mark has been registered, or contained within them, may claim the seniority of the earlier trade mark in respect of the Member State in or for which it was registered.

2. Article 34(2) and (3) shall apply.'

13 Under Article 73 of Regulation No 40/94, decisions of OHIM are required to state the reasons on which they are based and may be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments.

14 Article 74 of Regulation No 40/94, entitled 'Examination of the facts by the Office of its own motion', is worded as follows:

'1. In proceedings before it the Office shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, the Office shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.

 The Office may disregard facts or evidence which are not submitted in due time by the parties concerned.'
Article 108 of Regulation No 40/94 provides as follows:

'1. The applicant for or proprietor of a Community trade mark may request the conversion of his Community trade mark application or Community trade mark into a national trade mark application:

(a) to the extent that the Community trade mark application is refused, withdrawn, or deemed to be withdrawn;

(b) to the extent that the Community trade mark ceases to have effect.

2. Conversion shall not take place:

(a) where the rights of the proprietor of the Community trade mark have been revoked on the grounds of non-use, unless in the Member State for which conversion is requested the Community trade mark has been put to use which would be considered to be genuine use under the laws of that Member State;

(b) for the purpose of protection in a Member State in which, in accordance with the decision of the Office or of the national court, grounds for refusal of registration or grounds for revocation or invalidity apply to the Community trade mark application or Community trade mark.

3. The national trade mark application resulting from the conversion of a Community trade mark application or a Community trade mark shall enjoy in respect of the Member State concerned the date of filing or the date of priority of that application or trade mark and, where appropriate, the seniority of a trade mark of that State claimed under Articles 34 or 35.

4. In cases where a Community trade mark application is deemed to be withdrawn, the Office shall send to the applicant a communication fixing a period of three months from the date of that communication in which a request for conversion may be filed.

5. Where the Community trade mark application is withdrawn or the Community trade mark ceases to have effect as a result of a surrender being recorded or of failure to renew the registration, the request for conversion shall be filed within three months after the date on which the Community trade mark application has been withdrawn or on which the Community trade mark ceases to have effect.

6. Where the Community trade mark application is refused by decision of the Office or where the Community trade mark ceases to have effect as a result of a decision of the Office or of a Community trade mark court, the request for conversion shall be filed within three months after the date on which that decision acquired the authority of a final decision.

7. The effect referred to in Article 32 shall lapse if the request is not filed in due time.'

Background to the dispute

16 On 14 February 2002, Develey filed an application with OHIM for registration of a Community trade mark pursuant to Regulation No 40/94, claiming priority for an original filing in Germany on 16 August 2001.

17 That application concerned the registration of a three-dimensional sign in the shape of a bottle and reproduced below ('the mark applied for'):



18 The goods in respect of which registration was sought fall within Classes 29, 30 and 32 of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised and amended, and correspond for each class to the following description:

- Class 29: 'Peppers, tomato concentrate, milk and milk products, yoghurt, crème fraîche, edible oils and fats';

- Class 30: 'Spices; seasonings; mustard, mustard products; mayonnaise, mayonnaise products; vinegar, vinegar products; drinks made using vinegar; remoulades; relishes; aromatic preparations for food and essences for foodstuffs; citric acid, malic acid and tartaric acid used for flavouring for foodstuffs; prepared horse-radish; ketchup and ketchup products, fruit coulis; salad sauces, salad creams';

– Class 32: 'Fruit drinks and fruit juices; syrups and other preparations for drinks.'

19 By decision of 1 April 2003, the examiner rejected the application for registration pursuant to Article 7(1)(b) of Regulation No 40/94. The examiner held, first, that OHIM was not bound by earlier national registrations and, second, that the shape of the mark sought had no particular and clearly identifiable element allowing it to be distinguished from the usual shapes available on the market and giving it the function of indicating its commercial origin.

The appeal brought by Develey, which was based 20on inter alia the unusual and individual nature of the bottle in question, was dismissed by the Second Board of Appeal of OHIM by way of the contested decision. The Board of Appeal endorsed the reasoning of the examiner. It added that, in the case of a trade mark consisting of the shape of the packaging, it was necessary to take into account the fact that the perception of the relevant public was not necessarily the same as in the case of a word mark, a figurative mark or a threedimensional mark unrelated to the look of the product which it covers. The end consumer, it stated, would usually pay more attention to the label attached to the bottle than to the mere shape of the bare and colourless container.

21 According to the Board of Appeal, the mark applied for had no additional feature enabling it clearly to be distinguished from the usual shapes available and to remain in the memory of consumers as an indication of origin. It took the view that the particular perception referred to by Develey would appear only after a detailed analytical examination which the average consumer would not undertake.

22 The Board of Appeal noted that Develey could not rely on the registration of the trade mark sought on the German trade mark register since such a national registration, although it may be taken into consideration, is not decisive. Furthermore, according to the Board of Appeal, the registration documents submitted by Develey did not state the grounds on which the registration of the mark in question had been granted.

The proceedings before the Court of First Instance and the judgment under appeal

23 By application lodged at the Registry of the Court of First Instance on 1 April 2004, Develey brought an action for annulment of the contested decision. In support of its action, Develey raised four pleas in law. The Court of First Instance dismissed the pleas and, accordingly, the action.

According to the first plea in law, OHIM failed to discharge the burden of proof, which constitutes a breach of Article 74(1) of Regulation No 40/94 and a breach of Article 6 quinquies of the Paris Convention. Develey submitted that OHIM ought to have provided proof of the lack of distinctive character when it noted that the shape in question would be perceived as that of a common bottle and not as an indicator of commercial origin.

25 The Court of First Instance stated that the Paris Convention is irrelevant in that context, since Article 6 quinquies of the Paris Convention, which deals with the protection and registration of trade marks in another State signatory to the Paris Convention, contains no provisions governing the allocation of the burden of proof in proceedings for registration of Community trade marks. The Court of First Instance then pointed out that, in the context of an examination as to whether there are absolute grounds for refusal under Article 7(1)of Regulation No 40/94, the role of OHIM is to decide whether the application for the trade mark falls under such a ground, and that, on the basis of Article 74(1) of Regulation No 40/94, OHIM is required to examine of its own motion the relevant facts which may lead it to apply an absolute ground for refusal.

26 The Court of First Instance held that, where the Board of Appeal finds that a trade mark applied for is devoid of intrinsic distinctive character, it may base its analysis on facts arising from practical experience generally acquired from the marketing of general consumer goods which are likely to be known by anyone and are in particular known by the consumers of those goods. It stressed that since the applicant claimed that the trade mark sought was distinctive, despite the analysis of the Board of Appeal, it was for the applicant to provide specific and substantiated information to show that the trade mark sought had either an intrinsic distinctive character or a distinctive character acquired by usage.

27 The second plea in law alleged failure to apply Article 6 quinquies (A)(1) of the Paris Convention, inasmuch as OHIM deprived the earlier national trade mark of protection. Develey submitted that, by deciding that the trade mark applied for was devoid of distinctive character on Community territory, OHIM had in essence considered invalid, and thus deprived of protection on German territory, the earlier German trade mark protecting the same sign, registered by the Deutsches Patent- und Markenamt (German Patent and Trade Mark Office).

28 The Court of First Instance pointed out that, assuming that OHIM is required to comply with Article 6 quinquies of the Paris Convention, by reason of the fifth recital in the preamble to Regulation No 40/94, the Community law relating to trade marks does not replace the laws of the Member States on trade marks. It followed from this that the contested decision affected neither the validity nor the protection on German territory of the earlier national registration. The Court of First Instance added that, in any event, Article 6 quinquies (B)(ii) of the Paris Convention provides for the possibility of refusing registration where the trade mark applied for is devoid of distinctive character.

29 According to the third plea in law, Article 73 of Regulation No 40/94, Article 6 quinquies of the Paris Convention and Article 2(1) of the TRIPs Agreement were breached on the ground that OHIM had failed sufficiently to examine the earlier national registration. Develey submitted that OHIM must take into account earlier national registrations and, in the alternative, that it followed from the fact that the legal basis, constituted by Directive 89/104 and Regulation No 40/94, is the same that OHIM and the relevant national administration are to apply the same criteria laid down by the two texts. Consequently, it was argued, OHIM ought to have given reasons for applying those criteria differently from the national administration.

The Court of First Instance, first of all, disre-30 garded the reference to the Paris Convention and the TRIPs Agreement, on the ground that they do not lay down an obligation to give reasons for decisions and were devoid of relevance in the context of that plea. The Court of First Instance then went on to explain that Articles 34 and 35 of Regulation No 40/94 cannot be intended to guarantee or have the effect of guaranteeing to the proprietor of a national mark registration thereof as a Community trade mark, and that the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it; it applies independently of any national system. Finally, the Court of First Instance recalled that the Board of Appeal had taken into account the existence of the national registration and that the contested decision explained in a clear and unequivocal manner the reasons which had led the Board of Appeal not to follow the decision of the Deutsches Patent- und Markenamt.

The fourth plea in law alleged a breach of Article 7(1)(b) of Regulation No 40/94, on the ground that

OHIM had failed to recognise the distinctive character of the mark sought and the fact that its features have no technical function. In that respect, Develey submitted that a minimum level of distinctiveness is sufficient for a trade mark to be registrable and that there is no reason to apply a stricter criterion to assess the distinctive character of a three-dimensional trade mark. Develey maintained that consumers are guided by the shape of the bottle, and only after having identified the goods desired check their choice with the help of the label. According to Develey, the average consumer is therefore quite capable of perceiving the shape of the packaging of the goods concerned as an indication of their commercial origin. In the alternative, Develey submitted that there is no feature of the trade mark applied for which is technical in function.

32 The Court of First Instance pointed out that the criteria for assessing the distinctive character of threedimensional marks consisting of the shape of a product are no different from those applicable to other categories of trade mark and that the distinctive character of a mark must be assessed, firstly, in relation to the goods or services in respect of which registration is applied for and, secondly, in relation to the perception of it by the relevant public. The Court of First Instance also explained that, in the context of the assessment of the distinctive character of a trade mark, the overall impression produced by that trade mark must be analysed.

33 The Court of First Instance pointed out that, in the present case, the goods covered by the trade mark applied for are foods for everyday consumption and, consequently, the relevant public is all consumers. According to the Court of First Instance, the distinctive character of the trade mark sought had therefore to be assessed taking account of the presumed expectation of the average consumer, who is reasonably well informed and reasonably observant and circumspect.

34 As regards the mark applied for, the Court of First Instance observed, first of all, 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 consumers first see the bottles in which such goods are contained as a means of packaging. Subsequently, after having analysed the features which, according to Develey, contribute to the distinctive character of the bottle, the Court of First Instance held that those features did not create an overall impression which challenged the finding that the mark applied for did not depart significantly from the norm or customs of the sector. Finally, the Court of First Instance added that the claimed absence of a technical function in the features of the mark applied for could not affect the lack of distinctiveness of that mark.

Forms of order sought by the parties

35 By its appeal, Develey claims that the Court should:

- annul the judgment under appeal;

- annul the contested decision or, in the alternative, refer the case back to the Court of First Instance; and

- order OHIM to pay the costs of both sets of proceedings.

- 36 OHIM contends that the Court should:
- dismiss the appeal; and
- order Develey to pay the costs.

The appeal

37 As a preliminary point, it is necessary to examine whether the provisions of the TRIPs Agreement and the Paris Convention are directly applicable in the context of the present proceedings.

38 With regard to the TRIPs Agreement, it must be recalled that, according to the final recital in the preamble to Decision 94/800, the Agreement establishing the World Trade Organisation, including the annexes thereto, is not susceptible to being directly invoked in Community or Member State courts.

39 In addition, the Court has held that the provisions of that agreement are not directly applicable and are not such as to create rights upon which individuals may rely directly before the courts by virtue of Community law (see, to that effect, <u>Case C-149/96 Portugal v</u> <u>Council [1999] ECR I-8395, paragraphs 42 to 48;</u> Joined Cases C-300/98 and C-392/98 Dior and Others [2000] ECR I-11307, paragraphs 44 and 45, and <u>Case C-245/02 Anheuser-Busch [2004] ECR I-10989, paragraph 54</u>).

40 The provisions of the Paris Convention also cannot be relied on directly in the present case.

41 First of all, the Community is not a party to the Paris Convention, in contrast in fact to the TRIPs Agreement.

42 Secondly, when the Community legislature considered it necessary to give some provisions of the Paris Convention direct effect, it expressly referred to them in Regulation No 40/94, in particular, in relation to absolute grounds for refusal, in Article 7(1)(h) and (i) of that regulation. By contrast, Article 7(1) makes no such reference in relation to the distinctive character of trade marks, and the Community legislature has in this respect created a separate provision in Article 7(1)(b) of Regulation No 40/94.

43 Thirdly, while the direct effect of the Paris Convention could flow from the cross-reference made to it by Article 2(1) of the TRIPs Agreement, such a crossreference cannot, in the absence of the direct applicability of the TRIPs Agreement, render the Paris Convention directly applicable.

44 Consequently, in the present case, neither the TRIPs Agreement nor the Paris Convention is applicable and the Court will examine the grounds of appeal only in so far as they allege a breach by the Court of First Instance of Regulation No 40/94.

The first ground of appeal: failure to observe the rules on the burden of proof

Arguments of the parties

45 Develey submits that the Court of First Instance failed to apply Article 74(1) of Regulation No 40/94, concerning the burden of proof. In addition, according to Develey, the Court of First Instance should have annulled the contested decision, because that Court itself held that the mark applied for has distinctive character by admitting in paragraph 52 of the judgment under appeal that the mark sought stands out from the trade marks common in the trade.

46 Develey submits further that the Court of First Instance's reasoning in relation to what guides consumers in making their choice is contrary to that Court's case-law (Case T-305/02 Nestlé Waters France v OHIM(Shape of a bottle) [2003] ECR II-5207, paragraph 34, and <u>Case T-393/02 Henkel v OHIM(Shape of a white and transparent bottle) [2004] ECR II-4115, paragraph 34</u>). The use of a shape as an indication of the origin of a product has more importance, because consumers make a preliminary choice on the basis of the shape of the packaging and only thereafter study the label.

47 OHIM contends that the procedure for the registration of a trade mark is an administrative procedure and that, pursuant to Article 74(1) of Regulation No 40/94, OHIM examines the facts of its own motion. Therefore, the notion of the allocation of the burden of proof becomes important only if some facts cannot be proven. OHIM contends that the Court of First Instance correctly recalled the principles governing the taking of evidence and the appraisal of facts which must be followed by OHIM in such a procedure. In any event, according to OHIM, the obligation to give reasons for its decisions must not be confused with an obligation to provide proof.

Findings of the Court

48 First of all, as the Court of First Instance recalled in paragraphs 15 and 16 of the judgment under appeal, in the context of an examination of the existence of absolute grounds for refusal under Article 7(1) of Regulation No 40/94, the role of OHIM is to decide whether the application for registration of the trade mark falls under an absolute ground for refusal.

49 Further, it must be added that, under Article 74(1) of Regulation No 40/94, OHIM must examine of its own motion the relevant facts that could lead it to apply an absolute ground for refusal.

50 Finally, it must be stated that it was correctly pointed out in paragraph 21 of the judgment under appeal that, if an applicant claims that a trade mark applied for is distinctive, despite OHIM's analysis, it is for that applicant to provide specific and substantiated information to show that the trade mark applied for has either an intrinsic distinctive character or a distinctive character acquired by usage.

51 Therefore, the Court of First Instance did not fail to observe the rules governing the burden of proof.

52 As regards the complaints concerning alleged errors in the assessment of the distinctive character of the mark applied for, it is appropriate to examine these in the context of the fifth ground of appeal.

53 In those circumstances, the first ground of appeal must be regarded as unfounded.

The second ground of appeal: illegality of the confirmation of the invalidation of an earlier national registration

Arguments of the parties

54 Develey submits that, by the contested decision, OHIM determined that the mark applied for also did not have distinctive character in Germany. By confirming that decision, it is argued, the Court of First Instance invalidated, in accordance with Article 108 of Regulation No 40/94, an identical trade mark which had given rise to an earlier national registration.

55 According to OHIM, the Court of First Instance rightly held that the contested decision affected neither the validity nor the protection of the earlier national registration on German territory. OHIM recalls that national authorities always examine whether national trade marks, and trade marks for which registration is sought, are capable of being protected in accordance with national trade mark law, and independently of OHIM's decisions.

Findings of the Court

56 As the Court of First Instance correctly pointed out in paragraph 25 of the judgment under appeal, the contested decision, by which registration of the trade mark sought as a Community trade mark was refused, affected neither the validity nor the protection on German territory of the earlier national registration.

57 Pursuant to the fifth recital in the preamble to Regulation No 40/94, to which the Court of First Instance rightly referred in paragraph 25 of the judgment under appeal, the Community law relating to trade marks does not replace the laws of the Member States on trade marks.

58 Therefore it is possible not only that, because of linguistic, cultural, social and economic differences, a trade mark which is devoid of distinctive character in one Member State is not so in another Member State (see, to that effect, <u>Case C-421/04 Matratzen Concord [2006] ECR I-2303, paragraph 25</u>, and, by analogy, in respect of the misleading nature of a trade mark, Case C-313/94 Graffione [1996] ECR I-6039, paragraph 22), but also that a mark devoid of distinctive character at Community level is not so in a Member State.

59 It must be added that, contrary to Develey's submission, the provisions of Article 108 of Regulation No 40/94 do not in any way invalidate that finding.

60 Consequently, this ground of appeal must be regarded as unfounded.

The third and fourth grounds of appeal: distortion of the facts and failure to give reasons in relation to the earlier national registration (third ground) and identical requirements in relation to distinctive character binding the national examiner and OHIM (fourth ground)

Arguments of the parties

61 In the context of these grounds of appeal, Develey complains that the Court of First Instance based itself on an incorrect finding of fact and overlooked part of Develey's argument. Develey claims that it submitted the registration certificate issued by the Deutsches Patent- und Markenamt, which shows that the mark applied for was registered because its distinctive character is intrinsic, and not acquired by use. 62 Develey submits that the judgment under appeal is inadequately reasoned in relation to the examination of the earlier national registration. In addition, since trade mark law has been harmonised, OHIM and the national examiner should lay down the same requirements in relation to distinctive character.

63 As regards the finding of facts, OHIM contends that the explanations which Develey's representatives provided during the proceedings before it were not very informative and were restricted to unverifiable assertions concerning the German registration. Since OHIM's Board of Appeal was never informed of the exact reasons that led to that registration being granted, the Court of First Instance cannot be accused of having distorted the facts in this respect.

As regards the failure to give reasons, OHIM 64 points out that its duty to provide reasons for individual decisions has two purposes: to allow interested parties to know the justification for the measure taken so as to enable them to protect their rights and to enable the Community judicature to exercise its power to review the legality of the decision. OHIM contends that the fact that Develey does not agree with the reasons given by the Board of Appeal and their confirmation by the Court of First Instance is not enough to support a plea that the judgment under appeal failed to give reasons. According to OHIM, the Court of First Instance was correct in law to hold that the contested decision gave sufficient reasons; consequently, its judgment could in no way be challenged on the basis of Article 73 of Regulation No 40/94.

Findings of the Court

As regards the decision of the Deutsches Patentund Markenamt to which Develey refers, it suffices to recall – as the Court of First Instance did in paragraph 32 of the judgment under appeal – that the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it, and that that system applies independently of any national system.

66 Consequently, the mark applied for must be assessed only on the basis of relevant Community rules and the national decision can under no circumstances call in question the legality of either the contested decision or the judgment under appeal.

67 Therefore, this complaint must be regarded as irrelevant.

68 With regard to the claim that the judgment under appeal contains incorrect findings of fact and fails to give sufficient reasons, the Court of First Instance quotes – in paragraph 34 of that judgment – paragraph 55 of the contested decision, according to which registration of the trade mark sought in the German trade mark register had no binding power for the Community trade mark regime and registrations already made in Member States were a factor which, without being decisive, could merely be taken into account for the purposes of registering a Community trade mark.

69 It follows that the Court of First Instance did not err in its findings of fact concerning the earlier national registration and that it cannot be argued that the judgment under appeal provides insufficient reasons in regard to that registration.

70 Consequently, this complaint must be dismissed.

71 Finally, as regards the complaint that, in view of the harmonisation of trade mark law, OHIM ought to have laid down the same requirements in relation to distinctive character as the national examiner, it is clear that this complaint cannot be upheld, since, first, the Community trade mark regime is an autonomous system and, second, it is possible for a trade mark to be devoid of distinctive character in one Member State or in the Community system, but not so in another Member State.

72 In addition, as has already been pointed out in relation to the previous complaints, registrations already made in Member States are only one factor which may be taken into account in connection with the registration of a Community trade mark and the mark applied for must be assessed on the basis of the relevant Community rules.

73 It follows that OHIM is under no obligation to follow the assessment of the authority with jurisdiction over trade marks in the country of origin or to lay down the same requirements, or to register the mark applied for on the basis that that national authority considered it to be merely suggestive rather than directly descriptive.

74 Therefore, the complaint is unfounded.

75 In those circumstances, this ground of appeal must be rejected.

The fifth ground of appeal: breach of Article 7(1)(b) of Regulation No 40/94

Arguments of the parties

76 By this ground of appeal, Develey submits, first, that the Court of First Instance made incorrect findings in relation to the overall impression produced by the mark applied for. It failed to examine one of the features of that mark, namely that the bottle's flattened and wide body, which distinguishes the greater part of it, seen from the front and the back, curves outwards and ends towards the top in a slightly pointed arch, creating the impression of a portal. This feature, it argues, contributes considerably towards the overall impression, because it makes the body of the bottle look like a portal. Develey submits that a comprehensive assessment, taking into account this feature, ought to have led to a finding that the mark applied for is distinctive.

77 Secondly, Develey submits that the Court of First Instance, when it assessed the distinctive character of the mark applied for in relation to the goods covered, failed to make a distinction between the different consistencies of foodstuffs and seasonings, such as very liquid, liquid, thicker, solid and dried. Therefore, the Court of First Instance was wrong to put all products covered by the application for registration in the same basket.

78 According to OHIM, this ground of appeal must be rejected as it consists exclusively of complaints concerning the Court of Instance's findings of fact.

Findings of the Court

79 According to consistent case-law, the distinctive character of a trade mark within the meaning of Article

7(1)(b) of Regulation No 40/94 means that the mark in question makes it possible to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (Joined Cases C-473/01 P and C-474/01 P Procter & Gamble v OHIM [2004] ECR I-5173, paragraph 32, and <u>Case C-64/02 P OHIM v Erpo Möbelwerk [2004] ECR I-10031, paragraph 42</u>). That distinctive character must be assessed, first, by reference to the products or services in respect of which registration has been applied for and, second, by reference to the perception of the relevant public (Procter & Gamble v OHIM, paragraph 33, and <u>Case C-24/05 P Storck v OHIM [2006] ECR I-5677, paragraph 23</u>).

According to equally consistent case-law, the cri-80 teria for assessing the distinctive character of threedimensional marks consisting of the appearance of the product itself are no different from those applicable to other categories of trade mark. None the less, for the purpose of applying those criteria, the average consumer's perception is not necessarily the same in the case of a three-dimensional mark consisting of the appearance of the product itself as it is in the case of a word or figurative mark consisting of a sign which is independent of the appearance of the products it denotes. Average consumers are not in the habit of making assumptions as to 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 it may therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark (Case C-136/02 P Mag Instrument v OHIM [2004] ECR I-9165, paragraph 30, and Storck v OHIM, paragraphs 24 and 25).

81 In those circumstances, only a mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 (Case C-173/04 P Deutsche SiSi-Werke v OHIM [2006] ECR I-551, paragraph 31, and Storck v OHIM, paragraph 26).

82 In order to assess whether or not a trade mark has any distinctive character, the overall impression given by it must be considered. That does not mean, however, that one may not first examine each of the individual features of the get-up of that mark in turn. It may be useful, in the course of the overall assessment, to examine each of the components of which the trade mark concerned is composed (see, to that effect, <u>Case C-286/04 P Eurocermex v OHIM [2005] ECR I-5797,</u> <u>paragraphs 22 and 23</u>, and the case-law cited).

83 It is apparent from the judgment under appeal that, in the present case, the Court of First Instance correctly identified and applied the criteria established by the case-law.

84 The Court of First Instance was entitled in law to examine, in paragraphs 50 to 53 of the judgment under appeal, the different elements of the shape represented

by the mark applied for and, subsequently, in paragraphs 53 and 54 of that judgment, to analyse the overall impression, in order to assess whether or not the mark is devoid of distinctive character.

85 Firstly, in the examination of the individual features of the get-up of a mark which is being applied for, the applicant cannot demand to determine the order in which this examination takes place, the level of detail to which each feature is examined or the terms used.

86 In the present case, thus, the fact that certain specific terms do not appear in the Court of First Instance's analysis, such as 'a body curving outwards' or 'the impression of a portal', does not nevertheless mean that certain characteristics which, according to Develey, contribute to the mark's distinctive character have not duly been taken into account.

87 Secondly, given that the assessment of whether the mark applied for is distinctive must take into consideration the overall impression produced by it, a possible observation that one of the mark's features differs from the usual shape does not automatically confirm that the mark has distinctive character.

88 Develey cannot therefore claim that the Court of First Instance ought to have annulled the contested decision on the basis that it acknowledged, in paragraph 52 of the judgment under appeal, that 'the only characteristic in which the trade mark sought differs from the usual shape is constituted by the lateral hollows'.

89 Moreover, the Court of First Instance explained, in paragraph 53 of the judgment under appeal, that, 'even if that feature could be considered unusual, alone it is not sufficient to influence the overall impression given by the trade mark sought to such an extent that it departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin'.

90 Consequently, it cannot be maintained that the Court of First Instance failed correctly to assess the overall impression produced by the mark applied for.

91 As regards the complaint that no distinction was made between the different categories of goods covered, it must be recalled that the Court has held that, under the terms of Directive 89/104, when refusing registration of a trade mark, the competent authority is required to state in its decision its conclusion for each of the individual goods and services specified in the application for registration. However, where the same ground of refusal is given for a category or group of goods or services, the competent authority may use only general reasoning for all of the goods or services concerned (Case C-239/05 BVBA Management, Training en Consultancy [2007] ECR I-0000, paragraph 38).

92 Assuming that that case-law binds the Court of First Instance, it should be noted that the latter held, in paragraphs 46 and 47 of the judgment under appeal, that the goods covered by the trade mark applied for are foods for everyday consumption and that consumers first see the bottles in which such goods are contained as a means of packaging. In addition, as is apparent from paragraph 18 of the present judgment, the goods in respect of which registration was sought fall within only three classes of goods under the Nice Agreement.

93 It accordingly cannot be claimed that the Court of First Instance erred in limiting itself to general reasoning in respect of those goods.

94 In those circumstances, the Court of First Instance, by holding that the mark applied for was devoid of distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94, did not commit any error in law in the light of that provision and the relevant case-law of the Court.

95 As regards the complaint concerning the Court of First Instance's findings in relation to the characteristics of the relevant public and the attitude of consumers and what guides them, those findings concern appraisals of fact and Develey does not claim that the Court of First Instance distorted the facts in this respect.

96 Establishing whether or not there is a significant departure within the meaning of paragraph 81 of this judgment also involves an appraisal of fact.

97 In accordance with Article 225 EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal is limited to points of law. Therefore, the Court of First Instance has exclusive jurisdiction to make findings of fact, save where a substantive inaccuracy in its findings is attributable to the documents submitted to it, and to appraise those facts. That appraisal thus does not, save where the clear sense of the evidence before it has been distorted, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (<u>Case C-104/00 P DKV v OHIM</u> [2002] ECR I-7561, paragraph 22, and Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 41).

98 That complaint is accordingly inadmissible.

99 Consequently, since the fifth ground of appeal is partly unfounded and partly inadmissible, it cannot be upheld.

100 In view of the fact that all the grounds of appeal raised by Develey have been rejected, the appeal must be dismissed in its entirety.

Costs

101 Under Article 69(2) of the Rules of Procedure, which applies to appeal proceedings by virtue of Article 118 thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has applied for costs to be awarded against Develey, and since the latter has been unsuccessful, Develey must be ordered to pay the costs.

On those grounds,

the Court (Eighth Chamber) hereby:

1. Dismisses the appeal;

2. Orders Develey Holding GmbH & Co. Beteiligungs KG to pay the costs.