# Court of Justice EU, 10 march 2011, Wydawnicza Technopol v OHIM

1000



### TRADE MARK LAW

Interpretation of absolute grounds for refusal in light of objective pursued – underlying general interest

• In examining that argument, due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 45, and Case C-48/09 P Lego Juris v OHIM [2010] ECR I-0000, paragraph 43).

### Need to keep free: Actual use as usual means of designation not required

• that the application of Article 7(1)(c) of Regulation No 40/94 does not require the sign at issue to be the usual means of designation.

[...] It is sufficient that the sign could be used for such purposes [...] By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question [...] It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration [...] Paragraph 37 of Procter & Gamble v **OHIM**, which is relied upon by Technopol and which uses the terms 'no different from the usual way of designating the relevant goods or services or their characteristics', cannot therefore be understood as defining a condition for refusing to register a sign as a Community trade mark.

# Overlap between need to keep free and distinctiveness requirement

• There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94

and the scope of Article 7(1)(c) of that regulation [...] Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

# Numerals particularly suitable to describe a characteristic e.g. content

• Given that such signs are generally equated with numbers, one of the things that they can do, in trade, is to designate a quantity. [...].

As is apparent from paragraph 26 et seq. of the judgment under appeal, the General Court based its decision on the fact that the sign '1000' can indicate the number of pages in the goods covered by the application for registration and on the fact that ranking lists and collections of data and puzzles – in respect of which there is a preference for the content to be indicated by one or more words coupled with round numbers – are frequently published in those goods.

• Without it being necessary to determine whether each of those factors supported the inference that the number 1000 characterises the goods referred to in the application for registration, the fact remains that, at the very least, the finding made by the General Court, to the effect that the sign '1000' is descriptive in relation to the collections of puzzles contained in those goods, is not incompatible with the specific points made above regarding the scope of Article 7(1)(c) of Regulation No 40/94.

### Rules governing the exercise of powers by BHIM

• That said, the way in which the principles of equal treatment and sound administration are applied must be consistent with respect for legality.

Consequently, a person who files an application for registration of a sign as a trade mark cannot rely, to his advantage and in order to secure an identical decision on a possibly unlawful act committed to the benefit of someone else [...]

In those circumstances, the General Court was entitled to find, in paragraph 33 of the judgment under appeal, that, in the light of the conclusion which it had already reached in the preceding paragraphs of that judgment to the effect that registration of the sign '1000' as a mark in respect of the goods referred to in Technopol's application was incompatible with Regu-lation No 40/94, Technopol could not reasonably rely, for the purposes of casting doubt on that conclusion, on OHIM's previous decisions.

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### Court of Justice EU, 10 march 2011

(A. Tizzano, President of the Chamber, J.-J. Kasel, M. Ilešič (Rapporteur), M. Safjan and M. Berger, Judges) JUDGMENT OF THE COURT (First Chamber) 10 March 2011 (\*)

(Appeal – Community trade mark – Sign composed exclusively of numerals – Application for registration

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of the sign '1000' as a mark in respect of brochures, periodicals and newspapers – Allegedly descriptive character of that sign – Criteria for the application of Article 7(1)(c) of Regulation (EC) No 40/94 – Obligation on OHIM to take into account its previous decision-making practice)

In Case C-51/10 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 1 February 2010.

Agencja Wydawnicza Technopol sp. z o.o., established in Częstochowa (Poland), represented by A. von Mühlendahl, Rechtsanwalt,

appellant,

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. Folliard-Monguiral, acting as Agent,

defendant at first instance,

THE COURT (First Chamber),

composed of A. Tizzano, President of the Chamber, J.-J. Kasel, M. Ilešič (Rapporteur), M. Safjan and M. Berger, Judges,

Advocate General: J. Mazák,

Registrar: L. Hewlett, Principal Administrator,

having regard to the written procedure and further to the hearing on 10 November 2010,

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

gives the following

### Judgment

By its appeal, Agencja Wydawnicza Technopol sp. z o.o. ('Technopol') seeks to have set aside the judgment of 19 November 2009 in Case T-298/06 Agencja Wydawnicza Technopol v OHIM (1000) ('the judgment under appeal'), by which the Court of First Instance (now 'the General Court') dismissed its action for annulment of the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('OHIM' or 'the Office') of 7 August 2006 (Case R 447/2006-4) ('the contested decision'), concerning the application for registration of the sign '1000' as a Community trade mark.

#### Legal context

- 2 Article 4 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), which is entitled 'Signs of which a Community trade mark may consist', provides:
- 'A Community trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'
- 3 Article 7 of Regulation No 40/94, which is entitled 'Absolute grounds for refusal', provides:
- '1. The following shall not be registered:

[...]

- (b) trade marks which are devoid of any distinctive character:
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

[...]

- 3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.'
- 4 Article 12 of Regulation No 40/94, which is entitled 'Limitation of the effects of a Community trade mark', provides:
- 'A Community trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:

[...]

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

provided he uses them in accordance with honest practices in industrial or commercial matters.'

- 5 Article 74 of Regulation No 40/94, which is entitled 'Examination of the facts by the Office of its own motion', provides:
- 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.
- 2. The Office may disregard facts or evidence which are not submitted in due time by the parties concerned.'
- Regulation No 40/94 was repealed by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), which came into force on 13 April 2009. Nevertheless, in view of the time at which the events occurred, the present case remains governed by Regulation No 40/94.

### Background to the dispute and the contested decision

7 On 4 April 2005, Technopol filed with OHIM an application for registration of the following sign as a Community trade mark:

1000

- 8 The goods in respect of which registration was sought are in Class 16 of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the description: 'brochures, periodicals, including periodicals containing crossword puzzles and rebus puzzles, newspapers'.
- 9 On 31 January 2006, the examiner refused that application on the basis of Article 7(1)(b) and (c) of Regulation No 40/94 on the grounds that the sign

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- '1000' did not have any distinctive character and that it was a description of the contents or other features of the goods concerned.
- 10 On 31 March 2006, Technopol lodged an appeal against the examiner's decision. By decision of 7 August 2006, the Fourth Board of Appeal of OHIM confirmed the examiner's findings.
- 11 The Board of Appeal found that the sign '1000' could be used to designate the content of Technopol's publications and that, in any event, the sign was not distinctive since it would be perceived by consumers as praising the publications and not as indicating their provenance.
- 12 In particular, in paragraphs 18 and 19 of the contested decision, the Board of Appeal stated the following:
- '18 [...] Periodicals frequently publish ranking lists containing various types of data [...] In such cases, round numbers are preferred because of their expressive value.
- 19 Furthermore, [the goods] covered by the application include publications containing a variety of collections [...] Publications of that type usually include a round number of respective items of information [...] Similarly the [sign] "1000" may indisputably be used descriptively, in particular in the "periodicals containing crossword puzzles and rebus puzzles" for which protection has been sought. The relevant public will perceive the [sign] "1000" on a particular publication as an indication that it contains 1000 riddles or rebus puzzles. As demonstrated by Internet research, many products of that kind may already be found on the market [...]'

# The procedure before the General Court and the judgment under appeal

- 13 By application lodged at the Registry of the General Court on 18 October 2006, Technopol brought an action for annulment of the contested decision.
- 14 In support of its application, Technopol relied on two pleas in law: (i) infringement of Article 7(1)(c) of Regulation No 40/94 and (ii) infringement of Article 7(1)(b) of that regulation.
- 15 In the context of the first plea, Technopol submitted that, where the sign '1000' is not coupled with a word, it is not descriptive. From the point of view of the consumer, no direct and specific link could be made between that sign and the characteristics of the goods concerned.
- 16 The General Court did not accept those arguments and, in consequence, it rejected the first plea. The essential grounds for that decision are the following:
- '21 [...] [T]he signs and indications referred to in Article 7(1)(c) of Regulation No 40/94 are those which may serve in normal usage from the point of view of the relevant public to designate, either directly or by reference to one of their essential characteristics, the goods or service in respect of which registration is sought [...]
- According to settled case-law, the sign is descriptive if there is a sufficiently direct and specific link be-

- tween the sign and the goods or services in question to enable the relevant public immediately to perceive, without further thought, a description of the goods or services in question, or of one of their essential characteristics [...]
- Accordingly, a sign's descriptiveness can only be assessed, first, by reference to the way in which it is understood by the relevant public and, second, by reference to the goods or services concerned [...]
- In the present case, the goods concerned are brochures, periodicals, including periodicals with crossword puzzles and rebus puzzles, and newspapers, and are intended for the general public. This is not disputed by the parties [...]
- 25 It is therefore necessary to determine whether the average consumer, who is reasonably well informed and reasonably observant and circumspect, will, without any additional information, perceive in the sign "1000" a description of one of the characteristics of the goods covered by the applications for registration.
- In that regard, it should be noted that, as is apparent from paragraphs 18 and 19 of the contested decision, there is from the point of view of the relevant public a direct and specific link between the sign "1000" and some of the characteristics of the goods concerned. The sign "1000" alludes to a quantity and will immediately be perceived by the relevant public, without further thought, as a description of the characteristics of the goods in question, in particular the number of pages and works, amount of data, or the number of puzzles in a collection, or the ranking of items referred to in them. That conclusion cannot be invalidated by the fact that the mark applied for is composed only of figures, since [...] the missing information may be readily identified by the relevant public, the association between the figure and those characteristics of the goods in question being immediate.
- In particular, as the Board of Appeal stated in paragraphs 18 and 19 of the contested decision, brochures, periodicals and magazines frequently publish ranking lists and collections, with the preference then being for round numbers in order to indicate content, the Board of Appeal referring in particular in that regard to the example of the publication "1000 Fragen und Antworten" ("1000 Questions and Answers"). This strengthens the descriptive relationship that exists from the point of view of the average consumer between the goods in question and the [sign "1000"].

[...]

- 30 Since it has been established that the [sign "1000"] is descriptive of the goods covered by the application for registration, it is necessary to examine whether the mark applied for consists exclusively of descriptive signs and whether it contains other elements which may negate the finding that it is descriptive. [...] In the present case, the word sign 1000 does not contain any element distinguishing it from the usual way of indicating a quantity that would be capable of negating its descriptive character.
- 31 It follows from all of the foregoing that the word sign "1000" designates characteristics of the goods

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concerned, in particular the number of pages and works, amount of data, and the number of puzzles in a collection, or their ranking, which the target public is liable to take into account when choosing and which are therefore essential characteristics of the goods [...]

- That conclusion cannot be invalidated by [Technopol's remaining arguments [...] First, it is necessary to reject as ineffective the argument that the registration of the sign "1000" would not deprive third parties of the right to use that figure to designate quantities where such use does not constitute a trade mark infringement. By that argument [Technopol] relies on Article 12(b) of Regulation No 40/94 [...], concerning the limitation of exclusive rights resulting from the registration of a trade mark. In accordance with the case-law of the Court of First Instance, Article 12 of Regulation No 40/94 cannot be relied on during the registration procedure [...] The application of that article presupposes the existence of a sign which has been registered as a trade mark either because it has become distinctive through use, in accordance with Article 7(3) of Regulation No 40/94, or because of the presence of both descriptive and non-descriptive elements, which is not the case here [...] Therefore, Article 12 of Regulation No 40/94 may not be regarded as relaxing the criteria for examining the absolute grounds for refusing registration.
- Second, as regards [Technopol's] argument that there is no need to keep the [sign "1000"] free for third parties, since in the case of four-digit numbers there are 10 000 possible combinations, it must be pointed out [...] that the mark in question was refused registration owing to the descriptive character of the sign. That descriptive character prevents the sign ["1000"] from fulfilling the function of indicating the commercial origin of the goods covered by the application for registration. Therefore, the existence of other possible combinations of figures is irrelevant for the purposes of registration. In addition, the fact that OHIM has registered as trade marks the signs IX and XD, leaving fewer possible combinations of figures and letters available to competitors, is of no relevance. The legality of the decisions of the Boards of Appeal must be assessed solely on the basis of Regulation No 40/94 and not on the basis of OHIM's previous practice in taking decisions [...]'
- Having confirmed the relevance, for the case before it, of the ground for refusal set out in Article 7(1)(c) of Regulation No 40/94, the General Court did not consider the second plea in law, which alleged infringement of Article 7(1)(b) of Regulation No 40/94.

### Forms of order sought

- 18 Technopol claims that the Court should:
- set aside the judgment under appeal;
- refer the case back to the General Court; and
- order OHIM to pay the costs.
- 19 OHIM contends that the Court should:
- dismiss the appeal; and
- order Technopol to pay the costs.

### The appeal

Technopol relies on two grounds of appeal. The first ground of appeal is that the General Court infringed Article 7(1)(c) of Regulation No 40/94 in so far

as it did not take into account all the relevant criteria for the application of that provision. The second ground of appeal is that the General Court failed to take account of OHIM's previous practice.

# The first ground of appeal: infringement of Article 7(1)(c) of Regulation No 40/94

### Arguments of the parties

- 21 In support of its first ground of appeal, Technopol submits inter alia that, according to the case-law of the Court in particular, paragraph 37 of Case C-383/99 P Procter & Gamble v OHIM [2001] ECR I-6251 the application of the ground for refusal set out in Article 7(1)(c) of Regulation No 40/94 is subject not only to the 'normal usage' test referred to by the General Court in paragraph 21 of the judgment under appeal, but also to the condition that the sign at issue must be no different from the usual way of designating the relevant goods or services concerned or their characteristics. By disregarding the latter condition, the General Court wrongly extended the scope of that ground for refusal.
- Furthermore, there are no findings in the judgment under appeal to the effect that use of the sign '1000' constitutes 'normal usage' to designate the goods for which registration was sought. The examples to which the General Court referred in paragraphs 26 and 27 of the judgment under appeal relate to the use of numerals together with terms. The judgment under appeal, Technopol argues, is thus based on a mistaken premiss consisting in the assumption that any sign composed of a numeral must necessarily be used together with descriptive or generic indications. This means that the General Court based its assessment on assumptions.
- Moreover, according to Technopol, the General Court failed to have regard to the relationship between Article 7(1)(c) of Regulation No 40/94 and Article 12(b) of that regulation. In paragraph 32 of the judgment under appeal, the General Court wrongly restricted the scope of Article 12(b) of Regulation No 40/94 to cases where a sign 'has been registered as a trade mark either because it has become distinctive through use, in accordance with Article 7(3) of Regulation No 40/94, or because of the presence of both descriptive and non-descriptive elements'.
- In addition, Technopol argues, the General Court did not address to the requisite legal standard the argument that the Board of Appeal had failed to have regard to the fact that there was no need for the sign '1000' to be available. In its response to that argument, in paragraph 33 of the judgment under appeal, the General Court did not consider the issue of the general interest underlying Article 7(1)(c) of Regulation No 40/94.
- 25 OHIM contends, first, that, for Article 7(1)(c) of Regulation No 40/94 to apply, the sign in question need not necessarily be 'the usual way' of designating a characteristic of the goods or services concerned. It is sufficient that the sign can be used to denote such a characteristic.
- According to OHIM, the sign '1000' immediately calls to mind the contents of the relevant publication,

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by referring to the number of pages or the volume of information. Furthermore, the factual finding made by the General Court – that the public would expect the sign '1000' to designate the extent of the contents of that publication – is not open to review by the Court of Justice.

- 27 Secondly, as regards the interplay between Article 7(1)(c) of Regulation No 40/94 and Article 12(b) of that regulation, OHIM maintains that the latter provision concerns the limitation of the effects of a registered trade mark and not the registrability of signs as Community trade marks. Consequently, the interplay between those two provisions, relied upon by Technopol, simply does not exist.
- 28 Lastly, OHIM contends that the General Court had due regard for the general interest. The General Court rightly held that it is irrelevant that many other signs composed of numerals remain free for competitors to use to designate their goods. In that respect, OHIM argues that examination of an absolute ground for refusal must be confined to the sign in question and to its meaning in relation to the relevant goods or services.

### **Findings of the Court**

- 29 First of all, it should be pointed out that the fact that a sign is composed exclusively of numerals is not enough in itself to prevent that sign from being registered as a trade mark.
- That is apparent, so far as concerns Community trade marks, from Article 4 of Regulation No 40/94, which expressly provides that numerals are among the signs of which a mark may consist.
- Furthermore, the fact that a sign, such as that at issue, is composed of numerals with no graphic modifications and has not therefore been stylised creatively or artistically by the applicant for registration does not as such preclude that sign from being registered as a mark (see, by analogy, Case C-265/09 P OHIM v BORCO-Marken-Import Matthiesen [2010] ECR I-0000, paragraph 38).
- 32 However, as is also apparent from Article 4 of Regulation No 40/94, the registration of a sign as a trade mark is subject to the condition that it is capable of distinguishing the goods or services of one undertaking from those of other undertakings.
- A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is save where Article 7(3) applies devoid of any distinctive character as regards those goods or services (as regards Article 3 of 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), see, by analogy, Case C-265/00 Campina Melkunie [2004] ECR I-1699, paragraph 19; as regards Article 7 of Regulation No 40/94, see Case C-191/01 P OHIM v Wrigley [2003] ECR I-12447, paragraph 30, and the order in Case C-150/02 P Streamserve v OHIM [2004] ECR I-1461, paragraph 24).

- 34 Since the General Court found that the sign '1000' has such descriptive character in respect of the goods covered by the application for registration filed by Technopol, it must be ascertained whether, as Technopol maintains, that finding is the result of an excessively broad, and therefore incorrect, interpretation of Article 7(1)(c) of Regulation No 40/94.
- 35 In that regard, it is necessary to examine, first, Technopol's argument that the only signs which may be refused on the basis of Article 7(1)(c) of Regulation No 40/94 are those which represent the 'usual way' of designating the characteristics of the goods or services in respect of which registration is sought.
- In examining that argument, due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, <u>Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 45</u>, and <u>Case C-48/09 P Lego Juris v OHIM [2010] ECR I-0000, paragraph 43</u>).
- 37 The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, OHIM v Wrigley, paragraph 31 and the case-law cited).
- With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (OHIM v Wrigley, paragraph 32; Campina Melkunie, paragraph 38; and the order of 5 February 2010 in Case C-80/09 P Mergel and Others v OHIM, paragraph 37).
- By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee [1999] ECR I-2779, paragraph 35, and Case C-363/99 Koninklijke KPN Nederland [2004] ECR I-1619, paragraph 58). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke KPN Nederland, paragraph 57).
- 40 It follows from the foregoing that the application of Article 7(1)(c) of Regulation No 40/94 does not require the sign at issue to be the usual means of designation. Paragraph 37 of Procter & Gamble v OHIM, which is relied upon by Technopol and which uses the terms 'no different from the usual way of designating

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the relevant goods or services or their characteristics', cannot therefore be understood as defining a condition for refusing to register a sign as a Community trade mark.

- 41 Secondly, it is necessary to examine Technopol's argument that the examples given by the General Court in paragraphs 26 and 27 of the judgment under appeal are hypothetical and irrelevant in the light of the conditions on which application of Article 7(1)(c) of Regulation No 40/94 is predicated.
- Technopol refers, in particular, to the findings made by the General Court in paragraphs 26 and 27 of the judgment under appeal regarding the perception of the sign '1000' as a description of the number of pages or the volume of information and of the frequent publication in brochures and periodicals of ranking lists and collections, the content of which is indicated by round numbers.
- 43 In that regard, Technopol submits that, even if those factual findings were correct, the inference drawn by the General Court, to the effect that such facts are relevant in order to reach the conclusion that a sign is descriptive for the purposes of Article 7(1)(c) of Regulation No 40/94, shows that that provision was misinterpreted.
- Although it is true that Technopol is not claiming, by that argument, that the evidence was distorted, it is claiming that the General Court erred in law in so far as the reasoning followed in the judgment under appeal is inconsistent and based on a misunderstanding of the provision applied. Consequently, contrary to the assertions made by OHIM, that argument is open to examination by the Court of Justice in the present appeal.
- As regards the question whether the judgment under appeal is flawed by such inconsistency or such a misunderstanding, given that the findings made in paragraphs 26 and 27 of that judgment are not relevant for the purposes of applying Article 7(1)(c) of Regulation No 40/94, it is necessary to define the scope of that provision and, in particular, its scope as compared with that of Article 7(1)(b) of that regulation.
- As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, Koninklijke KPN Nederland, paragraph 86, and Campina Melkunie, paragraph 19).
- 47 There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, **Koninklijke KPN Nederland, paragraph** 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or ser-

vices of one undertaking from those of other undertakings.

- 48 In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.
- The situations specifically covered by Article 7(1)(c) of Regulation No 40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94, the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.
- The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, Windsurfing Chiemsee, paragraph 31, and Koninklijke KPN Nederland, paragraph 56).
- Those specific points are of particular relevance as regards signs which are composed exclusively of numerals.
- Given that such signs are generally equated with numbers, one of the things that they can do, in trade, is to designate a quantity. Nevertheless, in order for a sign which is composed exclusively of numerals to be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 on the ground that it designates a quantity, it must be reasonable to believe that, in the mind of the relevant class of persons, the quantity indicated by those numerals characterises the goods or services in respect of which registration is sought.
- As is apparent from paragraph 26 et seq. of the judgment under appeal, the General Court based its decision on the fact that the sign '1000' can indicate the number of pages in the goods covered by the application for registration and on the fact that ranking lists and collections of data and puzzles in respect of which there is a preference for the content to be indi-

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cated by one or more words coupled with round numbers – are frequently published in those goods.

- Without it being necessary to determine whether each of those factors supported the inference that the number 1000 characterises the goods referred to in the application for registration, the fact remains that, at the very least, the finding made by the General Court, to the effect that the sign '1000' is descriptive in relation to the collections of puzzles contained in those goods, is not incompatible with the specific points made above regarding the scope of Article 7(1)(c) of Regulation No 40/94.
- 55 As is apparent from paragraphs 26 and 27 of the judgment under appeal and from the extracts from the contested decision to which those paragraphs refer, the Fourth Board of Appeal of OHIM and the General Court found that Technopol had applied for the sign '1000' to be registered, inter alia, in respect of 'periodicals, including periodicals containing crossword puzzles'. They also found that there are many goods of that kind on the market and that the number of points of information contained in those goods can generally be expressed in round numbers. According to the finding which the Board of Appeal made in paragraph 19 of the contested decision and to which the General Court essentially referred in paragraphs 26 and 27 of the judgment under appeal, the sign '1000' on a publication of that kind will be perceived as an indication that it contains 1 000 crossword puzzles.
- The fact that Article 7(1)(c) of Regulation No 40/94 was applied to such circumstances does not mean that that provision was misinterpreted. Where an application for registration refers, in particular, to a category of goods the content of which is easily and typically designated by the numeral indicating the number of units they contain, it is reasonable to believe that a sign composed of numerals such as that at issue will actually be recognised by the relevant class of persons as a description of that quantity and therefore as a characteristic of those goods.
- 57 It was therefore open to the General Court to find, without erring in law, that registration of the sign '1000' had to be refused, on the basis of Article 7(1)(c) of Regulation No 40/94, in respect of the goods covered by Technopol's application.
- Since the argument alleging inconsistency, or a misunderstanding of Article 7(1)(c) of Regulation No 40/94, must therefore also be rejected, it is necessary to examine, thirdly, Technopol's argument that the General Court failed to have regard to the relationship between that provision and Article 12(b) of Regulation No 40/94 and, fourthly and lastly, the argument that the General Court did not have due regard, in the course of its assessment, to the general interest underlying Article 7(1)(c).
- As regards Article 12(b) of Regulation No 40/94, the Court has had occasion to point out that the rule set out in that provision does not have a decisive bearing on the interpretation of the rule set out in Article 7(1)(c) of that regulation (see, with regard to the identi-

- cal provision laid down in Article 6 of Directive 89/104, Windsurfing Chiemsee, paragraph 28).
- As the General Court rightly stated in paragraph 32 of the judgment under appeal, Article 12 of Regulation No 40/94 concerns the limits on the effects of a Community trade mark, whereas Article 7 of that regulation relates to the grounds for refusal to register signs as marks.
- Contrary to what Technopol appears to be suggesting, the fact that Article 12(b) of Regulation No 40/94 ensures that every trader may freely use indications relating to the characteristics of goods and services in no way limits the scope of Article 7(1)(c) of that regulation. On the contrary, that fact clearly discloses the need for the ground of refusal set out in Article 7(1)(c) of Regulation No 40/94 – which, moreover, is an absolute ground for refusal - to be actually applied to any sign which may designate a characteristic of the goods or the services in respect of which its registration as a mark is sought (see, to that effect, as regards Article 6 of Directive 89/104, Case C-104/01 Libertel [2003] ECR I-3793, paragraphs 58 and 59, and, as regards Article 12 of Regulation No 40/94, Case C-64/02 P OHIM v Erpo Möbelwerk [2004] ECR I-10031, paragraph 45).
- 62 Since the rule set out in Article 12(b) of Regulation No 40/94 plays no intrinsic role, therefore, in the application of Article 7(1)(c) of that regulation, the argument relating to the interplay between those two provisions is unfounded.
- The argument that the General Court did not have due regard, in the course of its assessment, to the general interest underlying Article 7(1)(c) must also be rejected.
- Although it is true that the General Court is under a duty, when examining decisions taken by OHIM on the basis of Article 7(1)(c) of Regulation No 40/94, to be mindful of the general interest underlying that provision, it cannot be required to refer to that general interest and to undertake an express analysis of it in every judgment concerning such a decision.
- Furthermore, as regards paragraph 33 of the judgment under appeal, in which the General Court failed, according to Technopol, to have due regard to the general interest underlying Article 7(1)(c) of Regulation No 40/94, it is sufficient to state that, in that paragraph, the General Court reiterated, in substance and correctly, the rule referred to in paragraph 39 above, according to which the availability of other signs is irrelevant in determining whether the sign at issue is descriptive for the purposes of Article 7(1)(c) of Regulation No 40/94 and is therefore covered by the absolute ground for refusal set out in that provision.
- Since none of the arguments set out by Technopol in support of its first ground of appeal is well founded, that ground of appeal must be rejected.

# The second ground of appeal: the General Court failed to take account of OHIM's previous practice Arguments of the parties

67 Technopol states that, during the procedure before OHIM and again before the General Court, it re-

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ferred to numerous examples of signs which had been accepted for registration by OHIM, but which could not have been registered if the principles set out in the contested decision had been applied. That argument, by which it is alleged that OHIM had not followed its previous practice, was rejected – Technopol submits – in a legally erroneous manner by the General Court in paragraph 33 of the judgment under appeal.

While acknowledging that the Court of Justice has consistently held that an application for registration of a Community trade mark must be examined solely on the basis of the rules in force at the time, and not on the basis of previous decision-making practice, Technopol urges the Court to re-consider that case-law in the light of the principle of the rule of law, by virtue of which any administrative authority is under a duty to apply the law in the same way in all cases. The need for consistency and equal treatment is particularly evident in the case of an administrative authority like OHIM, which deals with a very large number of cases.

69 Technopol concludes from this that previous decision-making practice can legitimately be relied upon and that OHIM is under a duty to take its previous practice into account in order to determine, in cases which are identical or similar, whether the decision should be the same.

70 In the present case, Technopol submits, the General Court did not take into account the fact that it is OHIM's established practice to regard signs which are composed of terms describing the content of publications as not being descriptive for the purposes of Article 7(1)(c) of Regulation No 40/94; nor did the General Court take into account the fact that OHIM accepts signs which are composed of numerals. By thus disregarding the fact that OHIM should have taken into account its own previous decision-making practice with regard to the application of Article 7(1)(c) or with regard to the examination that OHIM must carry out of its own motion pursuant to Article 74 of Regulation No 40/94, the General Court erred in law.

71 OHIM contends that, although its previous decision-making practice is indeed referred to in its published examination guidelines, those guidelines – as the Court has made clear – are not legally binding.

According to OHIM, the present dispute demonstrates the soundness of the view that previous decisions are not binding. There are vital differences between the present case and the precedents relied upon by Technopol before OHIM and the General Court, as they concerned entirely different signs and goods.

### **Findings of the Court**

As Technopol rightly submits, OHIM is under a duty to exercise its powers in accordance with the general principles of European Union law, such as the principle of equal treatment and the principle of sound administration.

74 In the light of those two principles, OHIM must, when examining an application for registration of a Community trade mark, take into account the decisions already taken in respect of similar applications and consider with especial care whether it should decide in

the same way or not (see, by analogy, with regard to Article 3(1)(b) and (c) of Directive 89/104, order of 12 February 2009 in Joined Cases C-39/08 and C-43/08 Bild digital and ZVS, summary published at ECR I-20, paragraph 17).

75 That said, the way in which the principles of equal treatment and sound administration are applied must be consistent with respect for legality.

Consequently, a person who files an application for registration of a sign as a trade mark cannot rely, to his advantage and in order to secure an identical decision, on a possibly unlawful act committed to the benefit of someone else (see, to that effect, order in Bild digital and ZVS, paragraph 18).

Moreover, for reasons of legal certainty and, indeed, of sound administration, the examination of any trade mark application must be stringent and full, in order to prevent trade marks from being improperly registered (OHIM v Erpo Möbelwerk, paragraph 45, and OHIM v BORCO-Marken-Import Matthiesen, paragraph 45). That examination must be undertaken in each individual case. The registration of a sign as a mark depends on specific criteria, which are applicable in the factual circumstances of the particular case and the purpose of which is to ascertain whether the sign at issue is caught by a ground for refusal (see, to that effect, as regards Article 3 of Directive 89/104, Case C-218/01 Henkel [2004] ECR I-1725, paragraph 62).

78 In the present case, it has become apparent that, contrary to what may have been the position with regard to certain earlier applications for the registration as trade marks of signs composed of numerals, the present application was caught by one of the grounds for refusal set out in Article 7(1) of Regulation No 40/94 because of the goods in respect of which registration was sought and because of the way in which the sign would be perceived by the relevant class of persons.

In those circumstances, the General Court was entitled to find, in paragraph 33 of the judgment under appeal, that, in the light of the conclusion which it had already reached in the preceding paragraphs of that judgment to the effect that registration of the sign '1000' as a mark in respect of the goods referred to in Technopol's application was incompatible with Regulation No 40/94, Technopol could not reasonably rely, for the purposes of casting doubt on that conclusion, on OHIM's previous decisions.

80 It follows from the foregoing that the second ground of appeal cannot be upheld.

81 Since both grounds of appeal relied on by Technopol are unfounded, the appeal must be dismissed. **Costs** 

82 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 Technopol and the latter has been unsuccessful, Technopol must be ordered to pay the costs.

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On those grounds, the Court (First Chamber) hereby:

- 1. Dismisses the appeal;
- 2. Orders Agencja Wydawnicza Technopol sp. z o.o. to pay the costs.

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